

CITY OF LAREDO

CITY COUNCIL MEETING

A-2012-R-01

CITY COUNCIL CHAMBERS

1110 HOUSTON STREET

LAREDO, TEXAS 78040

JANUARY 3, 2012

5:30 P.M.

DISABILITY ACCESS STATEMENT

Persons with disabilities who plan to attend this meeting and who may need auxiliary aid or services are requested to contact Gustavo Guevara, City Secretary at (956) 791-7308 at least two working days prior to the meeting so that appropriate arrangements can be made. The accessible entrance and accessible parking spaces are located at City Hall, 1100 Victoria Ave.

Out of consideration for all attendees of the City Council meetings, please turn off all cellular phones and pagers, or place on inaudible signal. Thank you for your consideration.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

IV. MINUTES

Approval of the minutes of December 19, 2011

V. COMMUNICATIONS AND RECOGNITIONS

Communiqués

- a. Presentation by Jose A. Palacios, Jr., President of the Washington's Birthday Celebration Association (WBCA), regarding the upcoming WBCA events and the newly released "By George Magazine", with presentation of the 2012 WBCA poster to the Mayor and City Council.
- b. Invitation by Melissa Cigarroa, President of the Society of Martha Washington (SMW), inviting the Mayor and City Council to the upcoming SMW events.

Citizen comments

Citizens are required to fill out a witness card and identify themselves at the microphone. Comments should be relevant to City business and delivered in a professional manner. No derogatory remarks will be permitted. There is a time limit of three minutes per speaker.

VI. PUBLIC HEARINGS

1. **Public hearing and introductory ordinance** amending the City of Laredo's FY2012 budget by appropriating additional revenues and expenditures in the amount of \$300,000.00 for the Laredo Energy Arena (LEA) Operating Fund in order to reflect the correct funding available. These funds have already been appropriated in the Sports and Community Venue Fund as an expense and will have no additional impact. Total appropriation for LEA operations will remain at \$1,459,089.00.
2. **Public hearing and introductory ordinance** amending the City of Laredo's FY 2011-2012 Budget - Full Time Equivalent Positions (FTE) by reclassifying Pedro Sarmiento's One (1) Police Lieutenant position to the position of One (1) Police Captain, thereby creating a Captain's position for Pedro Sarmiento and eliminating Pedro Sarmiento's Lieutenant position in reference to Cause No. 2010CVF001869-D1, Pedro Sarmiento v. City of Laredo (currently pending in the Fourth Court of Appeals San Antonio, Texas).
3. **Public Hearing and introductory ordinance** authorizing the issuance, sale and delivery of an amount not to exceed \$8,750,000.00 in aggregate principal amount of "City of Laredo, Texas Combination Tax And Revenue Certificates Of Obligation, Series 2012" for paying all or a portion of the city's contractual obligations incurred for the purpose of
 - (1) Constructing, improving and repairing city streets and sidewalks, together with drainage, traffic and street signalization and lighting improvements;
 - (2) Acquisition of municipal equipment and municipal vehicles for various city departments, to wit: city administration, health and welfare department, engineering department, parks and recreation department, public safety department, and public works departments;
 - (3) Acquiring, designing, constructing, improving and equipping municipal buildings, to wit: city parks and recreation buildings and facilities, public libraries, and fire administration building, including land acquisition and right-of-way, construction and design, and major repair and renovations to existing municipal buildings consisting primarily of electrical, plumbing and roofing;
 - (4) Partial reimbursement of cost of acquiring, purchasing and equipping of the former Paul Young Car Dealership Building and related land located at 4256 Dorel Drive for use by the City as a City Hall Annex;

(5) Constructing and acquiring storm water drainage and flood control improvements, including related infrastructure and the acquisition of land and interests in land related to said improvements; and

(6) Acquiring, constructing and improving municipal parks, including constructing related drainage improvements; and

(7) for the payment of legal, fiscal, and engineering fees in connection with such projects; securing the payment thereof by authorizing the levy of an annual ad valorem tax; approving and authorizing the execution of all instruments and procedures related thereto including a paying agent/registrar agreement and a purchase contract; approving the form of an official statement; authorizing amendment to the City's budget to appropriate such proceeds for purposes authorized herein; and declaring an effective date.

(Recess)

(Press Availability)

VII. INTRODUCTORY ORDINANCES

4. Amending Ordinance No. 82-O-123 approved on May 04, 1982, which established procedures for aircraft parking, disposal of wrecked aircraft, and disposal of abandoned or derelict aircraft at Laredo International Airport, Laredo, Texas; providing for impoundment of aircraft for nonpayment of fees; providing for notice to owner of impoundment; providing for lien on aircraft for nonpayment of fees, limiting the maximum time a derelict aircraft remains on airport property and providing for effective date.
5. Authorizing the City Manager to approve lease agreement between the City of Laredo, as Lessor, and Laredo Aero Center, Inc., as Lessee for approximately 5,048 square feet constituting a portion of Building 104 (north section of the former Passenger Terminal) and an additional 3,000 square feet outdoor area staging area located at 4805 Maher Avenue, Laredo, Webb County, Texas. The monthly rental amount of \$6,105.00 commencing on October 1, 2011 and ending on March 31, 2012; providing for an effective date.
6. Authorizing the City Manager to execute a lease assignment from Jose Mario Flores, Sole Proprietor, as Lessee, of that lease agreement approved by Ordinance No. 99-O-200 and as amended by Ordinance No. 2000-O-126 and Resolution No. 2002-R-028 for approximately 8,184 square feet constituting Building 2075 located at 1720 Hillside Road at the Laredo International Airport to Iglesia Casa de Alabanza, as assignee effective January 1, 2012. The current monthly rental is \$2,590.80 and annually adjusted by changes in CPI, and further adjusted by Fair Market Value appraisal on the 10th and 20th anniversaries, providing for effective date.

VIII. FINAL READING OF ORDINANCES

7.

2012-O-001 Authorizing the ratification of the City Manager to accept and appropriate the City of Laredo Special Police FY2011-2012 budget for \$193,000.00 supplemental funds under 2008 Operation Stone Garden. Funding will be available on a reimbursement basis through the Webb County Sheriff's Office (WCSSO). This funding will be used for the purchase of five (5) fully equipped vehicles.

2012-O-002 Amending the Laredo Code of Ordinances, Chapter 19, motor vehicles and traffic, Article XIII, transportation of hazardous materials, Section 19-605, mandated permissible routes for local delivery; and Section 19-606, permissible NRHM Roadway Route for through traffic; providing for publication and effective date.

2012-O-003 Amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lots 11 and 12, Block 481, Eastern Division, located at 302 and 304 Eistetter Street, from R-3 (Mixed Residential District) to B-1 (Limited Commercial District); providing for publication and effective date.

2012-O-004 Amending the Zoning Ordinance (Map) of the City of Laredo by authorizing a Conditional Use Permit for catering services on Lot 3, Block 445, Eastern Division, located at 307 W. Bustamante Avenue; providing for effective date and publication.

2012-O-005 Amending Ordinance No. 2009-O-007 authorizing the issuance of a Conditional Use Permit for two mobile homes on Lots 1 through 7, Block 1, Del Mar Hills Subdivision, Section 1, Area "B", located at 10 E. Del Mar Boulevard, by extending the expiration date for an additional three (3) years; providing for publication and effective date.

2012-O-006 Amending the Zoning Ordinance (Map) of the City of Laredo by rezoning the south 1/3 of Lot 8 and the south 1/3 of the west 1/3 of Lot 7, Block 1606, Eastern Division, located at 2919 South Louisiana Avenue, from R-2 (Multi-Family Residential District) to B-1 (Limited Commercial District); providing for publication and effective date.

2012-O-007 Amending Ordinance 2007-O-097 by amending Chapter 2, Administration, Article II, Departments, Officers and Employees, Division I, Generally, Section 2-29, Reimbursements, of the Code of Ordinances, defining necessary expenses which may be reimbursed to the Mayor and City Council pursuant to Section 2.02 of the City Charter by eliminating the food allowance line item (\$500.00/mo.) for each councilman, and reallocating those funds for each councilman as follows: adding \$250.00/mo. for mileage reimbursement; \$250.00 increase for home office reimbursement (\$750.00 total upon qualification); and, increasing cell phone reimbursement by \$25.00/mo. **(AS AMENDED)**

IX. RESOLUTIONS

8. **2012-R-001** Authorizing the City Manager to enter into and execute forty five (45) cooperative working agreements/mutual assistance agreements/memorandums of understanding between the City of Laredo Police Department and various federal, state and local agencies, including but not limited to: Drug Enforcement Administration (DEA), Federal Bureau of Investigations (FBI), SCAN, STCADA, et. al., a comprehensive list is attached hereto as "Exhibit A". The Police Department's participation is part of the community service provided to our citizens, with no cost to the City of Laredo.
9. **2012-R-002** Authorizing the City Manager to accept and enter into a contract with the Texas Department of State Health Services in the amount of \$393,717.00 for the continuation of the City of Laredo Health Department-HIV Prevention Project for the term period beginning January 1, 2012 through December 31, 2012.
10. **2012-R-003** Accepting the conveyance of the following utility easements and temporary construction easements, for the 36 inch water main IH 35, mile marker 11 to International and Bob Bullock Loop Project, from:

Killam Ranch Properties, Ltd., & Killam Development, Ltd.—four (4) utility easements with corresponding temporary construction easements as follows:

- One over a 0.2236 acre tract, a copy of which conveyance is attached as Exhibit 1; and
- One over a 0.7934 acre tract, a copy of which conveyance is attached as Exhibit 2; and
- One over a 5.1376 acre tract, a copy of which conveyance is attached as Exhibit 3; and
- One over a 0.3510 acre tract, a copy of which conveyance is attached as Exhibit 4; and

directing that the said four (4) easements (and temporary construction easements) be filed of record in official property records of Webb County, Texas.

11. **2012-R-004** Accepting the conveyance of the following utility easements and temporary construction easements, for the 36 inch water main IH 35, mile marker 11 to International and Bob Bullock Loop Project, from:

San Isidro Northeast, Ltd.—four (4) utility easements with corresponding temporary construction easements as follows:

One over a 0.5045 acre tract, a copy of which conveyance is attached as Exhibit 1; and
One over a 0.1943 acre tract, a copy of which conveyance is attached as Exhibit 2; and
One over a 0.3293 acre tract, a copy of which conveyance is attached as Exhibit 3; and
One over a 0.7120 acre tract, a copy of which conveyance is attached as Exhibit 4; and

directing that the said four (4) easements (and temporary construction easements) be filed of record in official property records of Webb County, Texas.

X. MOTIONS

12. Consideration to adopt the federal legislative agenda.
13. Amending a contract extension, not exceed \$34,800.00, to Texas Energy Engineering Services, Inc., (TEESI) and authorizing the City Manager to execute said engineering services contract. Contract will provide for assessment and engineering for the retrofitting/upgrade of the Health Department's HVAC Airside System Upgrades. This project will also focus on increasing the energy efficiency of the airside of the HVAC system. The initial contract was for \$75,000.00, with amendment will be for a total of \$109,800.00. Funding is available through the Energy Efficiency and Conservation Block Grant (EECBG).
14. Award of construction contract to the lowest bidder Red Cliff, Inc., El Paso, Texas in the base bid amount of \$2,426,243.50 for the Canal Street Drainage Improvements Phase II with a construction contract time of one hundred eighty (180) working days; and authorizing the City Manager to execute all related contract documents contingent upon receipt and approval of insurance and bond documents. Funding is available in the HMGP (Hazard Mitigation Grant Program) from the Texas Governor's Division of Emergency Management (DEM).
15. Consideration to renew contract FY11-008 awarded to the low bidder J.R. Landscaping, Laredo, Texas, in the total amount of \$63,600.00 for providing mowing and maintenance of the Zacate Creek area. The term of the contract for one (1) additional twelve (12) month period. The contract includes the collection of trash, debris, rubbish, and other floatable material along the creek from Meadow and Canal Street to the mouth of the River. Funding is available in the Environmental Services Department.
16. Consideration to exercise the renewal option for annual contract FY09-098 to Enterprise Rent A Car, Laredo, Texas, in the estimated amount of \$75,000.00 to provide rental vehicles for the Laredo Police Department Auto Theft Division. Approximately fifteen (15) to twenty five (25) vehicles

are secured for use by the various task forces working with the Police Department. The term of this contract is for a twelve (12) month period and is contingent upon continued funding in future fiscal years. Funding is currently available in the Auto Theft Fund.

17. Consideration to award contract FY12-017 to the following bidders meeting specifications:
 - a. Philpott Motors, Nederland, Texas, in the amount of \$84,271.74 for the purchase of five (5) vehicles, and;
 - b. Caldwell Ford, Caldwell, Texas, in the amount of \$115,628.00 for the purchase of three (3) vehicles.

Funding is available from Police Trust Fund proceeds.

18. Consideration to authorize the purchase of protective structural fire fighting suits and related equipment for the Fire Department from Dooley Tackaberry, Deer Park, Texas, through the Buy Board Cooperative Purchasing Program's contract pricing in the total amount of \$122,629.00. The equipment includes bunker coats, bunker pants, gloves, hoods, helmets, suspenders, and rubber boots. Funding is available from Fire Department's operating budget.
19. Consideration to award contract number FY12-021 to the low bidder meeting specifications GCR Tire Centers, Austin, Texas, in the estimated annual amount of \$62,939.64. This contract is for the purchase of tractor and heavy equipment tires for the City's fleet. All tires are purchased on an as needed basis. Funding is available in the Fleet Fund.
20. Consideration to renew contract FY11-024 for the purchase of original equipment manufacturer (OEM) parts/service for the City's street sweepers and case equipment to the following bidders:
 1. Industrial Disposal Supply, San Antonio, Texas, in the estimated amount of \$60,000.00;
 2. Nueces Power Equipment, Laredo, Texas, in the estimated amount of \$50,000.00.

All parts and services will be secured on an as needed basis. Funding is available in the Fleet Maintenance budget.

21. Consideration to renew contract FY11-017 awarded to the low bidder, III PG Enterprises, Inc., Laredo, Texas, in the estimated amount of \$460,000.00 for the purchase and hauling of approximately 100,000 tons of earthen soils to cover the landfill cells on a weekly basis in accordance to

TCEQ requirements. Funding is available in the Solid Waste Department Fund.

22. Consideration for approval of change order no. 1, an increase of \$218,475.75 and to add twenty-four (24) calendar days to the construction contract with Reim Construction, Inc., Mission, Texas, for the Laredo International Airport Reconstruction of General Aviation Apron Phase 6 and Realignment of Taxiway F to increase quantity of apron pavement to be reconstructed due to additional budget availability from FAA Grants. Current construction contract amount with this change order is \$4,626,861.69. Competition date for the project is scheduled for July 2012. Funding is available in the FAA Grants No. 57, 61 and 68.
23. Consideration for approval of the Laredo International Airport Runway 17R-35L Extension Project as complete and approval of change order no. 4, a decrease of \$49,730.92 for the balance of quantities actually constructed in place, release of retainage and approval of final payment in the amount of \$540,578.51 to Price Construction, Ltd., Big Spring, Texas. Final construction contract amount is \$9,030,136.75. Funding is available in the Airport Construction Fund.
24. Consideration to authorize a contract with Kraftsman Playground and Park Equipment, Spring, Texas, through the Buyboard Cooperative Purchasing Agreement Program's contract pricing, in the total amount of \$233,270.40 for the purchase and installation of a splash park at Ladrillera Park. Funding is available from the Ladrillera Park Improvements Fund.
25. Consideration for approval of the CDBG Sidewalks Project No. 40 (23 Blocks)—District V as complete and approval of change order no. 1, a decrease of \$9,960.10 for the balance of quantities actually constructed in place, release of retainage and approval of final payment in the amount of \$16,607.42 to ALC Construction, Inc., Laredo, Texas. Final construction contract amount is \$151,325.90. Funding is available in the Community Development Block Grant—35th Action Year/2009 Grant.
26. Authorizing the City Manager to execute a contract with Castle Engineering & Testing, L.L.C., Laredo Texas, in the amount of \$30,850.00 for construction material testing services for the 12-inch Diameter Off-Site Sanitary Sewer Line located at Vidal Cantu Boulevard to future Sombreretillo Waste Water Treatment Plant. Funding is available in the 2009 Sewer Bond.
27. Authorizing the City Manager to execute a contract with CMT-Tec, L.L.C. of Laredo, Texas, in the amount of \$49,300.00 for construction material testing services for the 12-inch Diameter Waterline located at El Pico Water Treatment Plant to Mines Road. Funding is available in the 2011 Bond Series.

28. Authorizing the City Manager to award an Architectural Contract to Metaform Studio Architects of Laredo, Texas, in the amount of \$105,600.00 for architectural services for design of a new administration building at the Jefferson Water Treatment Plant. The building will be approximately 8,050 sq. ft. will include student exhibit areas, observation deck, training/conference rooms and administrative offices. Funding is available in the Water Fund—2011 Bond Series.
29. Authorizing the City Manager to award a contract with Carrillo & Associates, Inc., Laredo, Texas, in the amount of \$78,775.00 for construction material testing services for the Vidal Cantu Boulevard from El Pico Water Treatment Plant to Mines Road. Funding is available in the Waterworks Fund—2011 Bond Series.
30. Authorizing the City Manager to award a contract with Terracon Consultants, Inc., of Laredo, Texas, in the amount of \$266,520.00 for construction material testing services for the 60-inch Diameter Finish Waterline located at El Pico Water Treatment Plant to Mines Road. Funding is available in the Waterworks Fund—2011 Bond Series.
31. Consideration for approval of amendment no. 1 to Crane Engineering Corporation for the amount of \$34,764.00 for the additional engineering services for the 24" Water Transmission Main from TAMIU Tank to Doctor's Hospital. The revised contract amount is \$248,722.00. Funding is available in the 2008 Utility Bond.
32. Authorizing the City Manager to award a contract with Howland Engineering and Surveying Co., Laredo, Texas, in the amount of \$619,435.00 for construction material testing services for the El Pico Water Treatment Plant. Funding is available in the Waterworks Fund— 2011 Bond Series.

XI. GENERAL COUNCIL DISCUSSIONS AND PRESENTATIONS

33.

A. Request by Mayor Raul G. Salinas

1. Presentation regarding the Eagle Ford Shale job fair, with possible action.
2. Discussion with possible action to create a resolution regarding the continued blockage of intersections by Kansas City Southern. **(Co-sponsored by Mayor Pro-Tempore Cynthia Liendo Espinoza)**

B. Request by Council Member Esteban Rangel

1. Presentation by David Vasquez "Kash Kasanova" on the First Annual Beer Fest, with possible action.

C. Request by Council Member Juan Narvaez

1. Discussion with possible action to consider funding for the Latin American International Sports Hall of Fame.

D. Request by Mayor Pro-Tempore Cynthia Liendo Espinoza

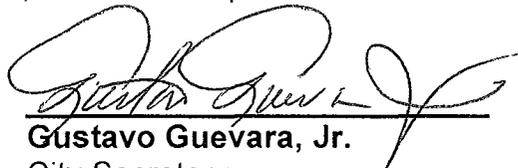
1. Discussion with possible action to consider co-sponsoring SCAN's Annual Play Day. This event will be open to the entire community free of charge.
2. Status report on Los Dos Laredos Park, with possible action.
3. Discussion with possible action on the appraisal and possible sale of the Laredo Civic Center property.

XII. EXECUTIVE SESSION

The City Council hereby reserves the right to go into executive session at any time during this public meeting, if such is requested by the City Attorney or other legal counsel for the City, pursuant to his or her duty under Section 551.071(2) of the Government Code, to consult privately with his or her client on an item on the agenda, or on a matter arising out of such item.

XIII. ADJOURNMENT

This notice was posted at the Municipal Government Offices, 1110 Houston Street, Laredo, Texas, at a place convenient and readily accessible to the public at all times. Said notice was posted on Wednesday, December 28, 2011 at 7:15 p.m.


Gustavo Guevara, Jr.
City Secretary

COUNCIL COMMUNICATION

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|------------------------|---|
| DATE: 1/3/12 | SUBJECT: PUBLIC HEARING AND INTRODUCTORY ORDINANCE Amending the City of Laredo's FY 2012 budget by appropriating additional revenues and expenditures in the amount of \$300,000 for the Laredo Energy Arena (LEA) Operating Fund in order to reflect the correct funding available. These funds have already been appropriated in the Sports and Community Venue Fund as an expense and will have no additional impact. Total appropriation for LEA operations will remain at \$1,459,089. |
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| INITIATED BY: Carlos R. Villarreal, City Manager Horacio De Leon, Assistant City Manager | STAFF SOURCE: Rosario C. Cabello, Financial Services Director Martin Aleman, Budget Manager |
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PREVIOUS COUNCIL ACTION:
Council approved the original 2012 budget on September 19, 2011 for the LEA Operating Fund with a revenue appropriation of \$1,159,089 for the Sports and Community Venue Fund.

BACKGROUND:
NONE

FINANCIAL IMPACT:

LEA Operation Fund

| | Original Budget | Amended Budget | Amendment |
|-----------------|------------------------|-----------------------|------------------|
| Opening Balance | \$ - | \$ - | \$ - |
| Revenues | \$ 3,268,400 | \$ 3,268,400 | \$ - |
| Transfer In | \$ 1,159,089 | \$ 1,459,089 | \$ 300,000 |
| Total Revenues | \$ 4,427,489 | \$ 4,727,489 | \$ 300,000 |
| | | | |
| Expenditures | \$ 4,427,489 | \$ 4,727,489 | \$ 300,000 |
| Ending Balance | \$ - | \$ - | \$ - |

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| COMMITTEE RECOMMENDATION: | STAFF RECOMMENDATION: Conduct public hearing and introduce this ordinance. |
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INTRODUCTORY ORDINANCE

AMENDING THE CITY OF LAREDO'S FY 2012 BUDGET BY APPROPRIATING ADDITIONAL REVENUES AND EXPENDITURES IN THE AMOUNT OF \$300,000 FOR THE LAREDO ENERGY ARENA (LEA) OPERATING FUND IN ORDER TO REFLECT THE CORRECT FUNDING AVAILABLE.

WHEREAS, on September 19, 2011, City Council approved the budget for fiscal year 2012; and

WHEREAS, it is being requested to amend the budget for the Laredo Energy Arena Operating Fund in order to reflect the total estimated amount of \$1,459,089 available for operations and events during FY 2012;

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAREDO, TEXAS;

Section 1: Amending the City of Laredo's FY 2012 budget by appropriating additional revenues and expenditures in the amount of \$300,000 for the Laredo Energy Arena (LEA) Fund in order to reflect the total estimated amount of \$1,459,089 available from operations and events from the Sports and Community Venue General Sales & Use Taxes.

Section 2: This Ordinance shall become effective upon passage thereof.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS THE _____ DAY OF _____, 2012.

RAUL G. SALINAS
MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.
CITY SECRETARY

Melissa A. Uedel for

APPROVED AS TO FORM:
RAUL CASSO
ATTORNEY

COUNCIL COMMUNICATION

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|--|---|---|
| DATE: 01/03/2012 | SUBJECT: Public Hearing/Introductory Ordinance Amending the City of Laredo's FY 2011-2012 Budget - Full Time Equivalent Positions (FTE) by reclassifying Pedro Sarmiento's One (1) Police Lieutenant position to the position of One (1) Police Captain, thereby creating a Captain's position for Pedro Sarmiento and eliminating Pedro Sarmiento's Lieutenant position. | |
| INITIATED BY: Carlos R. Villarreal, City Manager | | STAFF SOURCE: Carlos R. Maldonado, Chief of Police |
| PREVIOUS COUNCIL ACTION: City Council directed the reclassification on December 19, 2011 during its regular city council meeting. | | |
| BACKGROUND: On December 19, 2011 City Council met in executive session to consult with City Attorney on a litigation matter, namely, Cause No. 2010CVF001869-D1 Pedro Sarmiento v. City of Laredo (currently pending before the Fourth Court of Appeals San Antonio, Texas). Upon its return to open session, City Council directed the City Manager to reclassify a Lieutenant position into a Captain position, thereby eliminating the Lieutenant position and creating a Captain position. | | |
| FINANCIAL IMPACT: Financial impact of this amendment will be approximately \$35,000.00. Funding is available in the Laredo Police Department Public Budget. | | |
| COMMITTEE RECOMMENDATION: | | STAFF RECOMMENDATION: Staff recommends that City Council hold the public hearing and introduce the ordinance. |

Public Hearing/Introductory Ordinance

Amending the City of Laredo's FY 2011-2012 Budget - Full Time Equivalent Positions (FTE) by reclassifying Pedro Sarmiento's One (1) Police Lieutenant position to the position of One (1) Police Captain, thereby creating a Captain's position for Pedro Sarmiento and eliminating Pedro Sarmiento's Lieutenant position.

WHEREAS, the City Council directs that Lieutenant's Pedro Sarmiento position be reclassified to that of a Captain's position; and

WHEREAS, the City Council previously adopted the budget for fiscal year 2011-2012; and

WHEREAS, the reclassification will eliminate Pedro Sarmiento's Lieutenant position; and

WHEREAS, funding is available in the City of Laredo Police Department's General Fund; and

WHEREAS, the financial impact of this reclassification will approximately be \$35,000.00.

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

Section 1: The City of Laredo's FY 2011-2012 Budget is hereby amended to reclassify Pedro Sarmiento's One (1) Police Lieutenant position into One (1) Police Captain position, thereby eliminating Pedro Sarmiento's Lieutenant position.

Section 2: Reclassification is effective upon final approval by City Council.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS _____ DAY OF _____, 2012.

RAUL G. SALINAS,
MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:
RAUL CASSO IV, CITY ATTORNEY

MELISSA A. VIDAL,
ASSISTANT CITY ATTORNEY

COUNCIL COMMUNICATION

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|---|--|
| <p>DATE:</p> <p>01/03/2012</p> | <p>SUBJECT: PUBLIC HEARING AND INTRODUCTION OF ORDINANCE</p> <p>Public Hearing and Introduction of Ordinance authorizing the issuance, sale and delivery of an amount not to exceed \$8,750,000.00 in aggregate principal amount of "City of Laredo, Texas Combination Tax And Revenue Certificates Of Obligation, Series 2012" for paying all or a portion of the city's contractual obligations incurred for the purpose of</p> <ol style="list-style-type: none"> (1) constructing, improving and repairing city streets and sidewalks, together with drainage, traffic and street signalization and lighting improvements; (2) acquisition of municipal equipment and municipal vehicles for various city departments, to wit: city administration, health and welfare department, engineering department, parks and recreation department, public safety department, and public works departments; (3) acquiring, designing, constructing, improving and equipping municipal buildings, to wit: city parks and recreation buildings and facilities, public libraries, and fire administration building, including land acquisition and right-of-way, construction and design, and major repair and renovations to existing municipal buildings consisting primarily of electrical, plumbing and roofing; (4) partial reimbursement of cost of acquiring, purchasing and equipping of the former Paul Young Car Dealership Building and related land located at 4256 Dorel Drive for use by the City as a City Hall Annex; (5) constructing and acquiring storm water drainage and flood control improvements, including related infrastructure and the acquisition of land and interests in land related to said improvements; and (6) acquiring, constructing and improving municipal parks, including constructing related drainage improvements; and (7) for the payment of legal, fiscal, and engineering fees in connection with such projects; securing the payment thereof by authorizing the levy of an annual ad valorem tax; approving and authorizing the execution of all instruments and procedures related thereto including a paying agent/registrar agreement and a purchase contract; approving the form of an official statement; authorizing amendment to the city's budget to appropriate such proceeds for purposes authorized herein; and declaring an effective date |
| <p>INITIATED BY:</p> <p>Carlos R. Villarreal, City Manager</p> | <p>STAFF SOURCE:</p> <p>Horacio A. De Leon, Assistant City Manager Rosario C. Cabello, Finance Director</p> |
| <p>PREVIOUS COUNCIL ACTION:</p> <p>On October 6, 2011, Noe Hinojosa of Estrada Hinojosa Investment Bankers presented a Plan of Finance to City Council of the proposed bond issuances. A public hearing and an introduction of this ordinance will be held on January 3, 2012.</p> | |

COUNCIL COMMUNICATION - CONTINUED

BACKGROUND:

The City of Laredo is proposing to issue bonds in the estimated amount of \$8,750,000.00 for the purpose of improving and extending city streets and sidewalks, drainage, traffic street signalization and lighting improvements; acquisition of municipal equipment and vehicles for various city departments; acquiring, designing constructing, improving and equipping municipal buildings and reimbursing Capital Improvements Fund for the acquisition of the former Paul Young Dealership Building; constructing and acquiring storm water drainage and flood control improvements; and acquiring construction and improvements of municipal parks, including related drainage improvements.

FINANCIAL:

The principal and interest amount of the bonds will be determined at the time of the sale. The City's Budget will be amended accordingly.

COMMITTEE RECOMMENDATION:

STAFF RECOMMENDATION:

Conduct final reading and approve this ordinance.

ORDINANCE NO. 2012-O-__

ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY NOT TO EXCEED \$8,750,000.00 IN AGGREGATE PRINCIPAL AMOUNT OF "CITY OF LAREDO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2012" FOR PAYING ALL OR A PORTION OF THE CITY'S CONTRACTUAL OBLIGATIONS INCURRED FOR THE PURPOSE OF (1) CONSTRUCTING, IMPROVING AND REPAIRING CITY STREETS AND SIDEWALKS, TOGETHER WITH DRAINAGE, TRAFFIC AND STREET SIGNALIZATION AND LIGHTING IMPROVEMENTS; (2) ACQUISITION OF MUNICIPAL EQUIPMENT AND MUNICIPAL VEHICLES FOR VARIOUS CITY DEPARTMENTS, TO WIT: CITY ADMINISTRATION, HEALTH AND WELFARE DEPARTMENT, ENGINEERING DEPARTMENT, PARKS AND RECREATION DEPARTMENT, PUBLIC SAFETY DEPARTMENT, AND PUBLIC WORKS DEPARTMENTS; (3) ACQUIRING, DESIGNING, CONSTRUCTING, IMPROVING AND EQUIPPING MUNICIPAL BUILDINGS, TO WIT: CITY PARKS AND RECREATION BUILDINGS AND FACILITIES, PUBLIC LIBRARIES, AND FIRE ADMINISTRATION BUILDING, INCLUDING LAND ACQUISITION AND RIGHT-OF-WAY, CONSTRUCTION AND DESIGN, AND MAJOR REPAIR AND RENOVATIONS TO EXISTING MUNICIPAL BUILDINGS CONSISTING PRIMARILY OF ELECTRICAL, PLUMBING AND ROOFING; (4) ACQUIRING, PURCHASING AND EQUIPPING OF THE FORMER PAUL YOUNG CAR DEALERSHIP BUILDING AND RELATED LAND LOCATED AT 4256 DOREL DRIVE FOR USE BY THE CITY AS A CITY HALL ANNEX; (5) CONSTRUCTING AND ACQUIRING STORMWATER DRAINAGE AND FLOOD CONTROL IMPROVEMENTS, INCLUDING RELATED INFRASTRUCTURE AND THE ACQUISITION OF LAND AND INTERESTS IN LAND RELATED TO SAID IMPROVEMENTS; AND (6) ACQUIRING, CONSTRUCTING AND IMPROVING MUNICIPAL PARKS, INCLUDING CONSTRUCTING RELATED DRAINAGE IMPROVEMENTS AND FOR THE PAYMENT OF LEGAL, FISCAL, AND ENGINEERING FEES IN CONNECTION WITH SUCH PROJECTS; SECURING THE PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL AD VALOREM TAX; APPROVING AND AUTHORIZING THE EXECUTION OF ALL INSTRUMENTS AND PROCEDURES RELATED THERETO INCLUDING A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE CONTRACT; APPROVING THE FORM OF AN OFFICIAL STATEMENT; AUTHORIZING AMENDMENT TO THE CITY'S BUDGET TO APPROPRIATE SUCH PROCEEDS FOR PURPOSES AUTHORIZED HEREIN; AND DECLARING AN EFFECTIVE DATE

**THE STATE OF TEXAS
COUNTY OF VAL VERDE
CITY OF LAREDO**

WHEREAS, the City Council of the **CITY OF LAREDO, TEXAS** (the "**City**") hereby determines that it is necessary and desirable to pay all or a portion of the City's contractual obligations incurred for the purpose of (1) constructing, improving and repairing city streets and sidewalks, together with drainage, traffic and street signalization and lighting improvements; (2) acquisition of municipal equipment and municipal vehicles for various city departments, to wit: city administration, health and welfare department, engineering department, parks and recreation department, public safety department, and public works departments; (3) acquiring, designing, constructing, improving and equipping municipal buildings, to wit: city parks and recreation buildings and facilities, public libraries, and fire administration building, including land acquisition and right-of-way, construction and design, and major repair and renovations to existing municipal buildings consisting primarily of electrical, plumbing and roofing; (4) acquiring, purchasing and equipping of the former Paul Young car dealership building and related land located at 4256 Dorel Drive for use by the City as a City Hall Annex; (5) constructing and acquiring stormwater drainage and flood control improvements, including related infrastructure and the acquisition of land and interests in land related to said improvements; and (6) acquiring, constructing and improving municipal parks, including constructing related drainage improvements and for the payment of legal, fiscal, and engineering fees in connection with such projects (collectively, the "**Project**"); and

WHEREAS, the City Council of the City intends to finance the Projects from proceeds derived from the sale of Certificates of Obligation issued by the City pursuant to Sections 271.041 - 271.063, Texas Local Government Code, as amended, and Subchapter B of Chapter 367 of the Transportation Code (which permits the issuance of toll bridge revenue bonds); and

WHEREAS, on November 28, 2011, the City Council adopted a resolution authorizing and directing the City Secretary to give notice of intention to issue Certificates of Obligation; and

WHEREAS, said notice has been duly published in the *Laredo Morning Times*, which is a newspaper of general circulation in the City in its issues of December 4, 2011 and December 11, 2011; and

WHEREAS, the City received no petition signed by at least five percent of the qualified electors of the City protesting the issuance of such Certificates of Obligation; and

WHEREAS, it is considered to be in the best interest of the City that said interest bearing Certificates of Obligation be issued; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

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

SECTION 1. AMOUNT AND PURPOSE OF THE CERTIFICATES OF OBLIGATION. The certificate of obligation or certificates of obligation of the City further described in Section 2 of this Ordinance and referred to herein as the "Certificates of Obligation" are hereby authorized to be issued and delivered in the aggregate principal amount of \$ _____ **FOR PAYING, ALL OR A PORTION, OF THE CITY'S CONTRACTUAL OBLIGATIONS INCURRED FOR THE PURPOSE OF (1) CONSTRUCTING, IMPROVING AND REPAIRING CITY STREETS AND SIDEWALKS, TOGETHER WITH DRAINAGE, TRAFFIC AND STREET SIGNALIZATION AND LIGHTING IMPROVEMENTS; (2) ACQUISITION OF MUNICIPAL EQUIPMENT AND MUNICIPAL VEHICLES FOR VARIOUS CITY DEPARTMENTS, TO WIT: CITY ADMINISTRATION, HEALTH AND WELFARE DEPARTMENT, ENGINEERING DEPARTMENT, PARKS AND RECREATION DEPARTMENT, PUBLIC SAFETY DEPARTMENT, AND PUBLIC WORKS DEPARTMENTS; (3) ACQUIRING, DESIGNING, CONSTRUCTING, IMPROVING AND EQUIPPING MUNICIPAL BUILDINGS, TO WIT: CITY PARKS AND RECREATION BUILDINGS AND FACILITIES, PUBLIC LIBRARIES, AND FIRE ADMINISTRATION BUILDING, INCLUDING LAND ACQUISITION AND RIGHT-OF-WAY, CONSTRUCTION AND DESIGN, AND MAJOR REPAIR AND RENOVATIONS TO EXISTING MUNICIPAL BUILDINGS CONSISTING PRIMARILY OF ELECTRICAL, PLUMBING AND ROOFING; (4) ACQUIRING, PURCHASING AND EQUIPPING OF THE FORMER PAUL YOUNG CAR DEALERSHIP BUILDING AND RELATED LAND LOCATED AT 4256 DOREL DRIVE FOR USE BY THE CITY AS A CITY HALL ANNEX; (5) CONSTRUCTING AND ACQUIRING STORMWATER DRAINAGE AND FLOOD CONTROL IMPROVEMENTS, INCLUDING RELATED INFRASTRUCTURE AND THE ACQUISITION OF LAND AND INTERESTS IN LAND RELATED TO SAID IMPROVEMENTS; AND (6) ACQUIRING, CONSTRUCTING AND IMPROVING MUNICIPAL PARKS, INCLUDING CONSTRUCTING RELATED DRAINAGE IMPROVEMENTS AND FOR THE PAYMENT OF LEGAL, FISCAL, AND ENGINEERING FEES IN CONNECTION WITH SUCH PROJECTS AND TO PAY COSTS OF ISSUANCE.**

SECTION 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF THE CERTIFICATES OF OBLIGATION. Each certificate of obligation issued pursuant to and for the purpose described in Section 1 of this Ordinance shall be designated: **CITY OF LAREDO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2012**, and initially there shall be issued, sold and delivered hereunder one fully registered certificate of obligation, without interest coupons, dated January 15, 2012, in the aggregate principal amount of \$ _____, numbered T-1 (the "**Initial Certificate of Obligation**"), with certificates of obligation issued in replacement thereof being in the denomination of \$5,000 or any integral multiple thereof and numbered consecutively from R-1 upward, all payable to the initial registered owner thereof (with the Initial Certificate of Obligation being payable to the initial purchaser designated in Section 15 hereof), or to the registered assignee or assignees of said certificates of obligation or any portion or portions thereof (in each case, the "**Registered Owner**"), the Certificates of Obligation shall be subject to optional and mandatory redemption as provided in the FORM OF CERTIFICATE OF OBLIGATION, and the Certificates of Obligation shall mature and be payable serially on

August 15 in each of the years and in the principal amounts, respectively, as set forth in the following schedule:

| YEAR OF MATURITY | PRINCIPAL AMOUNT | YEAR OF MATURITY | PRINCIPAL AMOUNT | YEAR OF MATURITY | PRINCIPAL AMOUNT |
|------------------|------------------|------------------|------------------|------------------|------------------|
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The term "*Certificates of Obligation*" as used in this Ordinance shall mean and include the Certificates of Obligation initially issued and delivered pursuant to this Ordinance and all substitute certificates of obligation exchanged therefor, as well as all other substitute certificates of obligation and replacement certificates of obligation issued pursuant hereto, and the term "*Certificate of Obligation*" shall mean any of the Certificates of Obligation.

SECTION 3. INTEREST. The Certificates of Obligation shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM CERTIFICATE OF OBLIGATION set forth in this Ordinance to their respective dates of maturity or prior redemption at the following rates per annum:

| YEAR OF MATURITY | INTEREST RATE | YEAR OF MATURITY | INTEREST RATE | YEAR OF MATURITY | INTEREST RATE |
|------------------|---------------|------------------|---------------|------------------|---------------|
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Said interest shall be payable in the manner provided and on the dates stated in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance.

SECTION 4. CHARACTERISTICS OF THE CERTIFICATES OF OBLIGATION; APPROVAL OF PAYING AGENT/REGISTRAR AGREEMENT. (a) Registration, Transfer, and Exchange; Authentication. The City shall keep or cause to be kept at the designated corporate trust or commercial banking office of **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, Dallas, Texas (the "**Paying Agent/Registrar**") books or records for the registration of the transfer and exchange of the Certificates of Obligation (the "**Registration Books**"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided. Attached hereto as *Exhibit A* is a copy of the Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar which is hereby approved in substantially final form, and the Mayor, Mayor Pro-Tem and City Secretary of the City are hereby authorized to execute the Paying Agent/Registrar Agreement and approve any changes in the final form thereof.

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Certificate of Obligation to which payments with respect to the Certificates of Obligation shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. To the extent possible and under reasonable circumstances, all transfers of Certificates of Obligation shall be made within three business days after request and presentation thereof. The City shall have the right to inspect the Registration Books during regular business

hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Certificate of Obligation or Certificates of Obligation shall be paid as provided in the FORM CERTIFICATE OF OBLIGATION set forth in this Ordinance. Registration of assignments, transfers and exchanges of Certificates of Obligation shall be made in the manner provided and with the effect stated in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance. Each substitute Certificate of Obligation shall bear a letter and/or number to distinguish it from each other Certificate of Obligation.

Except as provided in (c) below, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate of Obligation, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Certificate of Obligation shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Certificates of Obligation and Certificates of Obligation surrendered for transfer and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing transfer and exchange of any Certificate of Obligation or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificates of Obligation in the manner prescribed herein, and said Certificates of Obligation shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, and particularly Subchapter D and Section 1201.067 thereof, the duty of transfer and exchange of Certificates of Obligation as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the transferred and exchanged Certificate of Obligation shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Certificates of Obligation which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Certificates of Obligation and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates of Obligation, all as provided in this Ordinance. The Paying Agent/ Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates of Obligation.

(c) In General. The Certificates of Obligation (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates of Obligation to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the City at least 50 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) may be exchanged for other Certificates of Obligation, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) shall be payable as to principal and interest, and (viii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties

and responsibilities with respect to the Certificates of Obligation, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance. The Initial Certificate of Obligation is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Certificate of Obligation issued in exchange for the Initial Certificate of Obligation issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF CERTIFICATE OF OBLIGATION. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Certificate of Obligation delivered on the closing date (as further described in subparagraph (i) below) shall have attached thereto the Comptroller's Registration Certificate substantially in the form set forth in the FORM OF CERTIFICATE OF OBLIGATION below, manually executed by the Comptroller of Public Accounts of the State of Texas or by her duly authorized agent, which certificate shall be evidence that the Initial Certificate of Obligation has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) Substitute Paying Agent/Registrar. The City covenants with the registered owners of the Certificates of Obligation that at all times while the Certificates of Obligation are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Certificates of Obligation under this Ordinance, and that the Paying Agent/Registrar will be one entity and shall be an entity registered with the Securities and Exchange Commission. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Certificates of Obligation, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Certificates of Obligation, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) Book-Entry Only System for Certificates of Obligation. The Certificates of Obligation issued in exchange for the Certificates of Obligation initially issued to the purchaser specified in Section 15 herein shall be initially issued in the form of a separate single fully registered Certificate of Obligation for each of the maturities thereof. Upon initial issuance, the

ownership of each such Certificate of Obligation shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("**DTC**"), and except as provided in subsection (i) hereof, all of the outstanding Certificates of Obligation shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Certificates of Obligation registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("**DTC Participant**") to hold securities to facilitate the clearance and settlement of securities transaction among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates of Obligation. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates of Obligation, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Certificates of Obligation, as shown on the Registration Books, of any notice with respect to the Certificates of Obligation, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Certificates of Obligation, as shown in the Registration Books of any amount with respect to principal of or interest on the Certificates of Obligation. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate of Obligation is registered in the Registration Books as the absolute owner of such Certificate of Obligation for the purpose of payment of principal and interest with respect to such Certificate of Obligation, for the purpose of registering transfers with respect to such Certificate of Obligation, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates of Obligation only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Certificates of Obligation to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Certificate of Obligation certificate evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(f) Successor Securities Depository; Transfers Outside Book-Entry Only Systems. In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC or that it is in the best interest of the beneficial owners of the Certificates of Obligation that they be able to obtain certificated Certificates of Obligation, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify

DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates of Obligation to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Certificates of Obligation and transfer one or more separate Certificates of Obligation to DTC Participants having Certificates of Obligation credited to their DTC accounts. In such event, the Certificates of Obligation shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Certificates of Obligation shall designate, in accordance with the provisions of this Ordinance.

(g) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate of Obligation is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to principal of and interest on such Certificate of Obligation and all notices with respect to such Certificate of Obligation shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

(h) DTC Letter of Representation. The officers of the City are herein authorized for and on behalf of the City and as officers of the City to enter into one or more Letters of Representation with DTC establishing the book-entry only system with respect to the Certificates of Obligation.

(i) Delivery of Initial Certificate of Obligation. On the closing date, one Initial Certificate of Obligation representing the entire principal amount of the respective series of Certificates of Obligation, payable in stated installments to the initial registered owner named in Section 15 of this Ordinance or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro-Tem and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the initial purchaser or its designee. Upon payment for the Initial Certificate of Obligation, the Paying Agent/Registrar shall cancel the Initial Certificate of Obligation and deliver to the initial registered owner or its designee one registered definitive Certificate of Obligation for each year of maturity of the Certificates of Obligation, in the aggregate principal amount of all of the Certificates of Obligation for such maturity.

SECTION 5. FORM OF CERTIFICATE OF OBLIGATION. The form of the Certificates of Obligation, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to be attached only to the Certificates of Obligation initially issued and delivered pursuant to this Ordinance), shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

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FORM OF CERTIFICATE OF OBLIGATION

| | | |
|---|--|--|
| R-1 | UNITED STATES OF AMERICA STATE OF TEXAS CITY OF LAREDO, TEXAS | PRINCIPAL AMOUNT \$ _____ |
| COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION SERIES 2012 | | |

| | | |
|-----------------------------|-----------------------------|-------------------------|
| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>CUSIP NO.</u> |
| _____ % | February 15, _____ | _____ |

REGISTERED OWNER:

PRINCIPAL AMOUNT:

ON THE MATURITY DATE specified above, the **CITY OF LAREDO, TEXAS** (the "*City*"), being a political subdivision and home-rule municipality of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "*Registered Owner*"), the Principal Amount specified above, and to pay interest thereon (calculated on the basis of a 360-day year of twelve 30-day months) from January 15, 2012, at the Interest Rate per annum specified above, payable on August 15, 2012, and semiannually on each February 15 and August 15 thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except that if this Certificate of Obligation is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate of Obligation or Certificates of Obligation, if any, for which this Certificate of Obligation is being exchanged is due but has not been paid, then this Certificate of Obligation shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Certificate of Obligation are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate of Obligation shall be paid to the Registered Owner hereof upon presentation and surrender of this Certificate of Obligation at maturity or upon the date fixed for redemption prior to maturity, at the designated corporate trust or commercial banking office of **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, Dallas, Texas, which is the "*Paying Agent/Registrar*" for this Certificate of Obligation. The payment of interest on this Certificate of Obligation shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check, dated as of such interest payment date, drawn by

the Paying Agent/Registrar on, and payable solely from, funds of the City required by the Ordinance authorizing the issuance of this Certificate of Obligation (the "**Ordinance**") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the last business day of the month next preceding each such date (the "**Record Date**") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "**Special Record Date**") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "**Special Payment Date**" which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Registered Owner appearing on the Registration Books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice. Any accrued interest due upon the redemption of this Certificate of Obligation prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Certificate of Obligation for redemption and payment at the designated corporate trust office of the Paying Agent/Registrar (unless the redemption date is a regularly scheduled interest payment date, in which case accrued interest on such redeemed Certificates of Obligation shall be payable in the regular manner described above). The City covenants with the Registered Owner of this Certificate of Obligation that on or before each principal payment date, interest payment date and accrued interest payment date for this Certificate of Obligation it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates of Obligation, when due.

IF THE DATE for the payment of the principal of or interest on this Certificate of Obligation shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, or the United States Postal Service is not open for business, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close, or the United States Postal Service is not open for business; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE OF OBLIGATION is one of a series of Certificates of Obligation dated as of January 15, 2012, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$_____ **FOR PAYING, ALL OR A PORTION, OF THE CITY'S CONTRACTUAL OBLIGATIONS INCURRED FOR THE PURPOSE OF (1) CONSTRUCTING, IMPROVING AND REPAIRING CITY STREETS AND SIDEWALKS, TOGETHER WITH DRAINAGE, TRAFFIC AND STREET SIGNALIZATION AND LIGHTING IMPROVEMENTS; (2) ACQUISITION OF MUNICIPAL EQUIPMENT AND MUNICIPAL VEHICLES FOR VARIOUS CITY DEPARTMENTS, TO WIT: CITY**

ADMINISTRATION, HEALTH AND WELFARE DEPARTMENT, ENGINEERING DEPARTMENT, PARKS AND RECREATION DEPARTMENT, PUBLIC SAFETY DEPARTMENT, AND PUBLIC WORKS DEPARTMENTS; (3) ACQUIRING, DESIGNING, CONSTRUCTING, IMPROVING AND EQUIPPING MUNICIPAL BUILDINGS, TO WIT: CITY PARKS AND RECREATION BUILDINGS AND FACILITIES, PUBLIC LIBRARIES, AND FIRE ADMINISTRATION BUILDING, INCLUDING LAND ACQUISITION AND RIGHT-OF-WAY, CONSTRUCTION AND DESIGN, AND MAJOR REPAIR AND RENOVATIONS TO EXISTING MUNICIPAL BUILDINGS CONSISTING PRIMARILY OF ELECTRICAL, PLUMBING AND ROOFING; (4) ACQUIRING, PURCHASING AND EQUIPPING OF THE FORMER PAUL YOUNG CAR DEALERSHIP BUILDING AND RELATED LAND LOCATED AT 4256 DOREL DRIVE FOR USE BY THE CITY AS A CITY HALL ANNEX; (5) CONSTRUCTING AND ACQUIRING STORMWATER DRAINAGE AND FLOOD CONTROL IMPROVEMENTS, INCLUDING RELATED INFRASTRUCTURE AND THE ACQUISITION OF LAND AND INTERESTS IN LAND RELATED TO SAID IMPROVEMENTS; AND (6) ACQUIRING, CONSTRUCTING AND IMPROVING MUNICIPAL PARKS, INCLUDING CONSTRUCTING RELATED DRAINAGE IMPROVEMENTS AND FOR THE PAYMENT OF LEGAL, FISCAL, AND ENGINEERING FEES IN CONNECTION WITH SUCH PROJECTS AND TO PAY COSTS OF ISSUANCE.

ON FEBRUARY 15, 2021, or any date thereafter, the unpaid installments of principal of this Certificate of Obligation may be prepaid or redeemed prior to their scheduled due dates, at the option of the City, with funds derived from any available source, as a whole, or in part, and, if in part, the City shall select and designate the maturity, or maturities, and the amount that is to be redeemed, and if less than a whole maturity is to be called, the City shall direct the Paying Agent/Registrar to call by lot (provided that a portion of this Certificate of Obligation may be redeemed only in an integral multiple of \$5,000), at the redemption price of the principal amount, plus accrued interest to the date fixed for prepayment or redemption.

ADDITIONALLY, THE CERTIFICATES OF OBLIGATION MATURING on February 15, ____ (the "Term Certificates") are subject to mandatory redemption prior to maturity in part by lot, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the respective principal amounts shown below:

| TERM CERTIFICATES MATURING | |
|-----------------------------------|----------------------|
| FEBRUARY 15, | |
| Mandatory | Redemption |
| <u>Redemption Date</u> | <u>Amount</u> |

*Maturity

The principal amount of the Term Certificates required to be redeemed pursuant to the operation of such mandatory redemption requirements may be reduced, at the option of the Issuer, by the principal amount of any such Term Certificates which, prior to the date of the mailing of notice of such mandatory redemption, (i) shall have been acquired by the Issuer and delivered to the Paying Agent/Registrar for cancellation, (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the Issuer, or (iii) shall have been redeemed pursuant to

the optional redemption provisions described in the preceding paragraph and not theretofore credited against a mandatory redemption requirement.

AT LEAST 30 days prior to the date fixed for any such prepayment or redemption a written notice of such prepayment or redemption shall be mailed by the Paying Agent/Registrar to the registered owner hereof. By the date fixed for any such prepayment or redemption due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required prepayment or redemption price for this Certificate of Obligation or the portion hereof which is to be so prepaid or redeemed, plus accrued interest thereon to the date fixed for prepayment or redemption. If such written notice of prepayment or redemption is given, and if due provision for such payment is made, all as provided above, this Certificate of Obligation, or the portion thereof which is to be so prepaid or redeemed, thereby automatically shall be treated as prepaid or redeemed prior to its scheduled due date, and shall not bear interest after the date fixed for its prepayment or redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the prepayment or redemption price plus accrued interest to the date fixed for prepayment or redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such prepayments or redemptions of principal of this Certificate of Obligation or any portion hereof.

ALL CERTIFICATES OF OBLIGATION OF THIS SERIES are issuable solely as fully registered Certificates of Obligation, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Ordinance, this Certificate of Obligation, may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred and exchanged for a like aggregate principal amount of fully registered Certificates of Obligation, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Certificate of Obligation to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Certificate of Obligation must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate of Obligation or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate of Obligation or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate of Obligation may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate of Obligation or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for transferring and exchanging any Certificate of Obligation or portion thereof shall be paid by the City, but any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer or exchange as a condition precedent to the exercise of such privilege. The Paying

Agent/Registrar shall not be required to make any such transfer or exchange during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

IN THE EVENT any Paying Agent/Registrar for the Certificates of Obligation is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Certificates of Obligation.

IT IS HEREBY certified, recited, and covenanted that this Certificate of Obligation has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Certificate of Obligation have been performed, existed, and been done in accordance with law; that this Certificate of Obligation is a general obligation of the City, issued on the full faith and credit thereof; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate of Obligation, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limits prescribed by law and that this Certificate of Obligation is additionally secured by and payable from the limited surplus revenues of the City's International Toll Bridge System, remaining after payment of all operation and maintenance expenses thereof, and all debt service, reserve, and other requirements in connection with all of the City's obligations (now or hereafter outstanding), which are payable from all or any part of the net revenues of the City's International Toll Bridge System.

THE CITY also has reserved the right to amend the Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Certificates of Obligation.

BY BECOMING the Registered Owner of this Certificate of Obligation, the Registered Owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Certificate of Obligation and the Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Certificate of Obligation to be signed with the manual or facsimile signature of the Mayor or Mayor Pro-Tem of the City, and countersigned with the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed, or placed in facsimile, on this Certificate of Obligation.

Countersigned:

(facsimile signature)
City Secretary, City of Laredo, Texas

(facsimile signature)
Mayor, City of Laredo, Texas

(CITY SEAL)

**FORM OF REGISTRATION CERTIFICATE
OF THE COMPTROLLER OF PUBLIC ACCOUNTS:**

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Certificate of Obligation has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Certificate of Obligation has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

(COMPTROLLER'S SEAL)

Comptroller of Public Accounts
of the State of Texas

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

*(To be executed if this Certificate of Obligation is not accompanied by an executed
Registration Certificate of the Comptroller of Public Accounts of the State of Texas)*

It is hereby certified that this Certificate of Obligation has been issued under the provisions of the Ordinance described in the text of this Certificate of Obligation; and that this Certificate of Obligation has been issued in exchange for a certificate of obligation or certificates of obligation, or a portion of a certificate of obligation or certificates of obligation of a series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated

**THE BANK OF NEW YORK
MELLON TRUST COMPANY, N.A.**
Dallas, Texas
Paying Agent/Registrar

By _____
Authorized Representative

FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Registered Owner of this Certificate of Obligation, or duly authorized representative or attorney thereof, hereby sells, assigns and transfers this Certificate of Obligation and all rights hereunder unto _____

_____/

(Assignee's Social Security or
Taxpayer Identification Number)

(Please print or typewrite Assignee's name and address,
including zip code)

and hereby irrevocably constitutes and appoints _____ attorney to transfer the registration of this Certificate of Obligation on the Paying Agent/Registrar's Registration Books with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Certificate of Obligation in every particular, without alteration or enlargement or any change whatsoever.

INITIAL CERTIFICATE OF OBLIGATION INSERTIONS

The Initial Certificate of Obligation shall be in the form set forth above except that:

(A) Immediately under the name of the Certificate of Obligation, the headings "INTEREST RATE" and "MATURITY DATE" shall be completed with the words "As shown below" and "CUSIP NO. _____" shall be deleted.

(B) The first paragraph shall be deleted and the following shall be inserted:

"ON THE RESPECTIVE MATURITY DATES specified below, the ***CITY OF LAREDO, TEXAS*** (the "*City*"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "***Registered Owner***"), the respective Principal Installments specified below, and to pay interest thereon (calculated on the basis of a 360-day year composed of twelve 30-day months) from January 15, 2012, at the respective Interest Rates per annum specified below, payable on August 15, 2012, and semiannually on each February 15 and August 15 thereafter to the respective Maturity Dates specified below, or the date of redemption prior to maturity. The respective Maturity Dates, Principal Installments and Interest Rates for this Certificate of Obligation are set forth in the following schedule:

| MATURITY DATE (FEBRUARY 15) | PRINCIPAL INSTALLMENT | INTEREST RATE | MATURITY DATE (FEBRUARY 15) | PRINCIPAL INSTALLMENT | INTEREST RATE |
|--|----------------------------------|--------------------------|--|----------------------------------|--------------------------|
| | | | | | |
| | | | | | |
| | | | | | |

[Insert principal and interest information from Sections 2 and 3 above]"

(C) The Initial Certificate of Obligation shall be numbered "T-1."

SECTION 6. INTEREST AND SINKING FUND; TAX LEVY. A special Interest and Sinking Fund for the Certificates of Obligation (the "***Interest and Sinking Fund***") is hereby created solely for the benefit of the Certificates of Obligation, and the Interest and Sinking Fund

shall be established and maintained by the City at an official depository bank of the City. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and principal of the Certificates of Obligation. All ad valorem taxes levied and collected for and on account of the Certificates of Obligation shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any of the Certificates of Obligation or interest thereon are outstanding and unpaid, the City shall compute and ascertain a rate and amount of ad valorem tax which, together with revenues with respect to the Certificates of Obligation (as described in Section 7 below) budgeted to pay principal and interest coming due during such fiscal year, will be sufficient to raise and produce the money required to pay the interest on the Certificates of Obligation as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of its Certificates of Obligation as such principal matures (but never less than 2% of the original principal amount of the Certificates of Obligation as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of the City, with full allowance being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in the City for each year while any of the Certificates of Obligation or interest thereon are outstanding and unpaid; and said tax shall be assessed and collected each such year and deposited to the credit of the respective Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Certificates of Obligation, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

SECTION 7. SURPLUS REVENUES. For purposes hereof, "*Net Revenues*" means the revenues of the City's international toll bridge system (the "*International Toll Bridge System*") after payment of all operation and maintenance expenses thereof. The Certificates of Obligation, together with other obligations of the City, are additionally secured by and shall be payable from and secured by Net Revenues remaining after payment of all debt service, reserve, and other requirements in connection with all of the City's revenue bonds or other obligations (now or hereafter outstanding), which are payable from all or any part of the Net Revenues (the "*Surplus Revenues*"). The Issuer shall deposit such Surplus Revenues to the credit of the Interest and Sinking Fund created pursuant to Section 6, to the extent necessary to pay the principal and interest on the Certificates of Obligation. Notwithstanding the requirements of Section 6, if revenues are actually on deposit or budgeted for deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes which otherwise would have been required to be levied pursuant to Section 6 may be reduced to the extent and by the amount of the revenues then on deposit in the Interest and Sinking Fund or budgeted for deposit therein.

SECTION 8. CONSTRUCTION FUND. There is hereby created and established in the depository of the City, a fund to be called the *City of Laredo, Texas Combination Tax and Revenue Certificates of Obligation (Series 2012) Construction Fund* (herein called the "*Construction Fund*"). Proceeds from the sale and delivery of the Certificates of Obligation (other than proceeds representing accrued interest on the Certificates of Obligation and any premium on the Certificates of Obligation that is not used by the City to pay costs of issuance in

accordance with the provisions of Section 1201.042(d), Texas Government Code, as amended, which shall be deposited in the Interest and Sinking Fund) shall be deposited in the Construction Fund. Money in the Construction Fund shall be subject to disbursements by the City for payment of all costs incurred in carrying out the purpose for which the Certificates of Obligation are issued, including but not limited to costs for construction, engineering, architecture, financing, financial consultants and legal services related to the project being financed with proceeds of the Certificates of Obligation and the issuance of the Certificates of Obligation. All funds remaining on deposit in the Construction Fund upon completion of the projects being financed with the proceeds from the Certificates of Obligation, if any, shall be transferred to the Interest and Sinking Fund.

SECTION 9. INVESTMENTS. Funds on deposit in the Interest and Sinking Fund and the Construction Fund shall be secured by the depository bank of the City in the manner and to the extent required by law to secure other public funds of the City and may be invested from time to time in any investment authorized by applicable law, including but not limited to the Public Funds Investment Act (Chapter 2256, Texas Government Code), and the City's investment policy adopted in accordance with the provisions of the Public Funds Investment Act; provided, however, that investments purchased for and held in the Interest and Sinking Fund shall have a final maturity no later than the next principal or interest payment date for which such funds are required, and investments purchased for and held in the Construction Fund shall have a final maturity of not later than the date the City reasonably expects the funds from such investments will be required to pay costs of the projects for which the Certificates of Obligation were issued. Income and profits from such investments shall be deposited in the respective Fund which holds such investments; however, any such income and profits from investments in the Construction Fund may be withdrawn by the City and deposited in the Interest and Sinking Fund to pay all or a portion of the interest next coming due on the Certificates of Obligation. It is further provided, however, that any interest earnings on Certificate of Obligation proceeds which are required to be rebated to the United States of America pursuant to Section 14 hereof in order to prevent the Certificates of Obligation from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

SECTION 10. EMPOWERED. The City Manager and Director of Finance are hereby ordered to do any and all things necessary to accomplish the transfer of monies to the Interest and Sinking Fund of this issue in ample time to pay such items of principal and interest.

SECTION 11. DEFEASANCE OF THE CERTIFICATES OF OBLIGATION. (a) Any Certificate of Obligation and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "*Defeased Certificate of Obligation*") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Certificate of Obligation, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "*Future Escrow Agreement*") for such payment (1) lawful money of the United States of America sufficient to make such payment

or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates of Obligation shall have become due and payable. At such time as a Certificate of Obligation shall be deemed to be a Defeased Certificate of Obligation hereunder, as aforesaid, such Certificate of Obligation and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Certificates of Obligation that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call the Defeased Certificates of Obligation for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Certificates of Obligation immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Certificates of Obligation and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Certificates of Obligation may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Certificates of Obligation, with respect to which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) The term "*Defeasance Securities*" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date on the date the governing body of the City adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable state law that may be used to defease obligations such as the Certificates of Obligation.

(d) Until all Defeased Certificates of Obligation shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates of Obligation the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) In the event that the City elects to defease less than all of the principal amount of Certificates of Obligation of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Certificates of Obligation by such random method as it deems fair and appropriate.

SECTION 12. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES OF OBLIGATION. (a) Replacement Certificates of Obligation. In the event any outstanding Certificate of Obligation is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new certificate of obligation of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Certificate of Obligation, in replacement for such Certificate of Obligation in the manner hereinafter provided.

(b) Application for Replacement Certificates of Obligation. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Certificates of Obligation shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Certificate of Obligation, the registered owner applying for a replacement certificate of obligation shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Certificate of Obligation, the registered owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Certificate of Obligation, as the case may be. In every case of damage or mutilation of a Certificate of Obligation, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Certificate of Obligation so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Certificate of Obligation shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Certificate of Obligation, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Certificate of Obligation) instead of issuing a replacement Certificate of Obligation, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Certificates of Obligation. Prior to the issuance of any replacement certificate of obligation, the Paying Agent/Registrar shall charge the registered owner of such Certificate of Obligation with all legal, printing, and other expenses in connection therewith. Every replacement certificate of obligation issued pursuant to the provisions of this Section by virtue of the fact that any Certificate of Obligation is lost, stolen, or destroyed shall

constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Certificate of Obligation shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Certificates of Obligation duly issued under this Ordinance.

(e) Authority for Issuing Replacement Certificates of Obligation. In accordance with Chapter 1201, Texas Government Code, as amended, this Section of this Ordinance shall constitute authority for the issuance of any such replacement certificate of obligation without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such certificates of obligations is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificates of Obligation in the form and manner and with the effect, as provided in Section 4(a) of this Ordinance for Certificates of Obligation issued in exchange for other Certificates of Obligation.

SECTION 13. CUSTODY, APPROVAL, AND REGISTRATION OF THE CERTIFICATES OF OBLIGATION; BOND COUNSEL'S OPINION, BOND INSURANCE, AND CUSIP NUMBERS. The Mayor or Mayor Pro-Tem of the City is hereby authorized to have control of the Certificates of Obligation initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Certificates of Obligation pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Certificates of Obligation said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificates of Obligation, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the City's Bond Counsel (with an appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the City), a statement regarding the issuance of a municipal bond insurance policy to secure payment of debt service on the Certificates of Obligation, if any, and the assigned CUSIP numbers may, at the option of the City, be printed on the Certificates of Obligation issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Certificates of Obligation.

SECTION 14. COVENANTS REGARDING TAX-EXEMPTION OF INTEREST ON THE CERTIFICATES OF OBLIGATION. (a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Certificates of Obligation as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "*Code*"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Certificates of Obligation or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section

141(b)(6) of the Code or, if more than 10 percent of the proceeds of the Certificates of Obligation or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates of Obligation, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Certificates of Obligation or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Certificates of Obligation (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Certificates of Obligation being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Certificates of Obligation being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Certificates of Obligation, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Certificates of Obligation, other than investment property acquired with --

(A) proceeds of the Certificates of Obligation invested for a reasonable temporary period of three years or less until such proceeds are needed for the purpose for which the Certificates of Obligation are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Certificates of Obligation;

(7) to otherwise restrict the use of the proceeds of the Certificates of Obligation or amounts treated as proceeds of the Certificates of Obligation, as may be necessary, so that the Certificates of Obligation do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Certificates of Obligation) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Certificates of Obligation have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(9) to assure that the proceeds of the Certificates will be used solely for new money projects or to refund Refunded Bonds that were issued after December 31, 2003 and prior to January 1, 2009.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "**Rebate Fund**" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the certificateholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Certificates of Obligation. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Certificates of Obligation, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates of Obligation under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates of Obligation, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates of Obligation under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, the City Manager or the Director of Finance of the City to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates of Obligation.

(d) Allocation of, and Limitation on, Expenditures for the Project. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Ordinance (collectively referred to herein as the "**Project**") on its books and records in accordance with the requirements of the Internal Revenue Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates of Obligation, or (2) the date the Certificates of Obligation are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Certificates of Obligation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Project. The City covenants that the property constituting the projects financed or refinanced with the proceeds of the Certificates of Obligation will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Certificates of Obligation. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

SECTION 15. SALE AND DELIVERY OF THE CERTIFICATES OF OBLIGATION. The Certificates of Obligation are hereby initially sold and shall be delivered to **STIFEL, NICOLAUS & COMPANY, INCORPORATED**, as representative of a group of underwriters, (the "**Underwriter**"), at a price of \$_____ (which amount is equal to par, [plus][less] net original issue [premium][discount] on the Certificates of \$_____, less Underwriters' discount of \$_____, and plus accrued interest on the Certificates from January 15, 2012 to their date of delivery to the Underwriter in the amount of \$_____), all pursuant to the terms and provisions of a Purchase Contract in substantially the form attached hereto as *Exhibit B* which the Mayor or Mayor Pro-Tem of the City is hereby authorized to execute and deliver, and which the City Secretary is hereby authorized to attest. The City will deliver to the Underwriters an Initial Certificate of Obligation in the aggregate principal amount of \$_____ payable in principal installments on the dates and in the principal amounts shown in Section 2 hereof, and bearing interest at the rates for each respective maturity as shown in Section 3 hereof. The Initial Certificate of Obligation shall be registered in the name of **STIFEL, NICOLAUS & COMPANY, INCORPORATED**.

SECTION 16. APPROVAL OF OFFICIAL STATEMENT. The City hereby approves the form and content of the Official Statement relating to the Certificates of Obligation and any addenda, supplement, or amendment thereto, and approves the distribution of the Official Statement in the reoffering of the Certificates of Obligation by the Underwriters in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement for the Certificates of Obligation, dated January __, 2012, prior to the date hereof is hereby ratified and confirmed. The City Council finds and determines that the Preliminary Official Statement and the Official Statement were and are "deemed final" as of each of their respective dates within the meaning, and for the purpose, of Rule 15c2-12 promulgated under authority granted by the Federal Securities and Exchange Act of 1934.

SECTION 17. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES. The Mayor, Mayor Pro-Tem, City Secretary, City Manager and Director of Finance of the City, and all other officers, employees, and agents of the City, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Certificates of Obligation, the sale of the Certificates of Obligation, the Official Statement, and the Paying Agent/Registrar Agreement. In addition, prior to the initial delivery of the Certificates of Obligation, the Mayor, Mayor Pro-Tem, City Secretary, City Manager, Director of Finance, the City Attorney and Bond Counsel are hereby authorized and directed to approve any technical changes or correction to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies or satisfy any requirements of the provider of a municipal bond insurance policy, if any, or (iii) obtain the approval of the Certificates of Obligation by the Attorney General's office. In case any officer whose signature shall appear on any Certificate of Obligation shall cease to be such officer before the delivery of such Certificate of Obligation, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 18. ORDINANCE A CONTRACT; AMENDMENTS. This Ordinance shall constitute a contract with the Registered Owners of the Certificates of Obligation, binding on the City and its successors and assigns, and shall not be amended or repealed by the City as long as any Certificate of Obligation remains outstanding except as permitted in this Section. The City may, without the consent of or notice to any Registered Owners, amend, change, or modify this Ordinance as may be required (i) by the provisions hereof, (ii) for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (iii) in connection with any other change which is not to the prejudice of the Registered Owners. The City may, with the written consent of the Registered Owners of a majority in aggregate principal amount of

the Certificates of Obligation then outstanding affected thereby, amend, change, modify, or rescind any provisions of this Ordinance; provided that without the consent of all of the Registered Owners affected, no such amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Certificates of Obligation, reduce the principal amount thereof or the rate of interest thereon, (ii) give any preference to any Certificate of Obligation over any other Certificate of Obligation, (iii) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Certificates of Obligation required for consent to any such amendment, change, modification, or rescission. Whenever the City shall desire to make any amendment or addition to or rescission of this Ordinance requiring consent of the Registered Owners, the City shall cause notice of the amendment, addition, or rescission to be sent by first class mail, postage prepaid, to the Registered Owners at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, the City shall receive an instrument or instruments in writing executed by the Registered Owners of a majority in aggregate principal amount of the Certificates of Obligation then outstanding affected by any such amendment, addition, or rescission requiring the consent of the Registered Owners, which instrument or instruments shall refer to the proposed amendment, addition, or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the City may adopt such amendment, addition, or rescission in substantially such form, except as herein provided. No Registered Owner may thereafter object to the adoption of such amendment, addition, or rescission, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

SECTION 19. CONTINUING DISCLOSURE UNDERTAKING.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"**EMMA**" means the Electronic Municipal Market Access system being established by the MSRB.

"**MSRB**" means the Municipal Securities Rulemaking Board.

"**Rule**" means SEC Rule 15c2-12, as amended from time to time.

"**SEC**" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB through EMMA within six months after the end of each fiscal year ending in or after 2011, financial information and operating data with respect to the Issuer of the general type included in the final Official Statement authorized by this Ordinance, being the information described in the Pricing Certificate. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation,

and (2) audited, if the Issuer commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the Issuer shall provide (1) unaudited financial statements for such fiscal year within such six month period, and (2) audited financial statements for the applicable fiscal year to the MSRB through EMMA when and if the audit report on such statements become available.

If the Issuer changes its fiscal year, it will notify the MSRB through EMMA of the date of the new fiscal year end prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this paragraph (b).

The financial information and operating data to be provided pursuant to this paragraph (b) may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB through EMMA or filed with the SEC.

(c) Event Notices.

(i) The Issuer shall notify the MSRB through EMMA in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Certificates of Obligation, if such event is material within the meaning of the federal securities laws:

1. Non-payment related defaults;
2. Modifications to rights of Certificateholders;
3. Certificate calls;
4. Release, substitution, or sale of property securing repayment of the Certificates of Obligation;
5. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and
6. Appointment of a successor or additional trustee or the change of name of a trustee.

(ii) The Issuer shall notify the MSRB through EMMA in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Certificates of Obligation, without regard to whether such event is considered material within the meaning of the federal securities laws:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Certificates of Obligation, or other events affecting the tax-exempt status of the Certificates of Obligation;
6. Tender offers;
7. Defeasances;
8. Rating changes; and
9. Bankruptcy, insolvency, receivership or similar event of an obligated person .

(iii) The Issuer shall notify the MSRB through EMMA, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such subsection.

(d) Limitations, Disclaimers, and Amendments. The Issuer shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Issuer remains an "obligated person" with respect to the Certificates of Obligation within the meaning of the Rule, except that the Issuer in any event will give notice of any deposit made in accordance with Section 7 of this Ordinance that causes Certificates of Obligation no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Certificates of Obligation, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates of Obligation at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the Issuer in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates of Obligation in the primary offering of the Certificates of Obligation in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Certificates of Obligation consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the holders and beneficial owners of the Certificates of Obligation. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates of Obligation in the primary offering of the Certificates of Obligation. If the Issuer so amends the

provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

SECTION 20. SECURITY INTEREST. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates of Obligation and the pledge of the ad valorem taxes and surplus revenues granted by the City under Sections 6 and 7 of this Ordinance, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Certificates of Obligation are outstanding and unpaid such that the pledge of the ad valorem taxes or surplus revenues granted by the City under Sections 6 and 7 of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Certificates of Obligation the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 21. REMEDIES IN EVENT OF DEFAULT. In addition to all the rights and remedies provided by the laws of the State of Texas, it is specifically covenanted and agreed particularly that in the event the City (i) defaults in the payment of the principal, premium, if any, or interest on the Certificates of Obligation, (ii) defaults in the deposits and credits required to be made to the Interest and Sinking Fund, or (iii) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance and the continuation thereof for 30 days after the City has received written notice of such defaults, the Holders of any of the Certificates of Obligation shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedy herein provided shall be cumulative of all other existing remedies, and the specification of such remedy shall not be deemed to be exclusive.

SECTION 22. INTERESTED PARTIES. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Underwriters and the registered owners of the Certificates of Obligation, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Underwriters and the registered owners of the Certificates of Obligation.

SECTION 23. [RESERVED.]

SECTION 24. INCORPORATION OF RECITALS. The City hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City hereby incorporates such recitals as a part of this Ordinance.

SECTION 25. SEVERABILITY. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 26. FINDING AND AMENDMENT TO BUDGET. It is hereby officially found and determined that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, and that this Ordinance shall become effective on final passage, and that the annual budget for this year is hereby amended to appropriate the proceeds from the Certificates of Obligation for the purposes authorized herein.

SECTION 27. EFFECTIVE DATE. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Ordinance shall become effective immediately after its adoption by the City Council.

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**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LAREDO,
TEXAS AT A CITY COUNCIL MEETING ON THE 17th DAY OF JANUARY, 2012, AT
WHICH MEETING A QUORUM WAS PRESENT.**

RAUL G. SALIAS, MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.,
CITY SECRETARY

APPROVED AS TO FORM:
RAUL CASSO
CITY ATTORNEY

** ** * * *

EXHIBIT A

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

THE PAYING AGENT/REGISTRAR AGREEMENT IS OMITTED AT THIS POINT
AS IT APPEARS IN EXECUTED FORM ELSEWHERE IN THIS TRANSCRIPT.

EXHIBIT B

FORM OF PURCHASE AGREEMENT

THE PURCHASE AGREEMENT IS OMITTED AT THIS POINT AS IT APPEARS IN EXECUTED
FORM ELSEWHERE IN THIS TRANSCRIPT.

EXHIBIT C

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 19 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The annual audited financial statements of the City or the unaudited financial statements of the City in the event audited financial statements are not completed within six months after the end of any fiscal year.
2. All quantitative financial information and operating data with respect to the City of the general type included in the Official Statement under Tables 1 through 5 and 7 through 13.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above.

COUNCIL COMMUNICATION

| | |
|--------------------------------|---|
| DATE: 01/03/2012 | SUBJECT: INTRODUCTORY ORDINANCE Amending Ordinance No. 82-O- 123 approved on May 04, 1982, which ordinance established procedures for aircraft parking, disposal of wrecked aircraft, and disposal of abandoned or derelict aircraft at Laredo International Airport, Laredo, Texas; providing for impoundment of aircraft for nonpayment of fees; providing for notice to owner of impoundment; providing for lien on aircraft for nonpayment of fees, limiting the maximum time a derelict aircraft remains on airport property and providing for effective date. |
|--------------------------------|---|

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|---|--|
| INITIATED BY: Jesus Olivares Assistant City Manager | STAFF SOURCE: Jose L. Flores Airport Manager |
|---|--|

PREVIOUS ACTION: none

BACKGROUND:

This ordinance is almost 30 years old and is out dated. The proposed amendment reinforces the ordinance with an emphasis to discourage the on- airport abandonment and outside storage of aircraft. In this regard the daily rate is amended as follows:

| <u>Gross Wt. in pounds</u> | <u>Daily Charge</u> |
|----------------------------|---------------------------|
| 0- 12,000 | \$4.00 \$7.00 |
| 12,000- 50,000 | \$5.00 \$8.00 |
| 50,000-100,000 | \$6.00 \$10.00 |
| over 100,000 | \$7.00 \$15.00 |

This amendment limits the maximum time a derelict aircraft may remain on airport property to six months, after which, the City may impound the aircraft and increase the daily charge by two hundred (200) percent until the aircraft is removed by owner or disposed by City.

FINANCIAL:

Additional Revenue to the Airport fund.

BOARD RECOMMENDATION:
On December 06, 2011, the Airport Advisory Board considered this item and recommends **approval**.

STAFF RECOMMENDATION: Approve this Ordinance.

ORDINANCE NO. _____

AMENDING ORDINANCE NO. 82-2-123
ESTABLISHING PROCEDURES FOR
AIRCRAFT PARKING, DISPOSAL OF
WRECKED AIRCRAFT, AND DISPOSAL OF
ABANDONED OR DERELICT AIRCRAFT AT
LAREDO INTERNATIONAL AIRPORT,
LAREDO, TEXAS; PROVIDING FOR
IMPOUNDMENT OF AIRCRAFT FOR
NONPAYMENT OF FEES; PROVIDING FOR
NOTICE TO OWNER OF IMPOUNDMENT;
PROVIDING FOR LIEN ON AIRCRAFT FOR
NONPAYMENT FEES, LIMITING THE
MAXIMUM TIME A DERELICT AIRCRAFT
REMAINS ON AIRPORT PROPERTY AND
PROVIDING FOR EFFECTIVE DATE.

Section I: Definitions.

- a. **“Airport”** shall mean all of the land, improvements and facilities owned, leases or otherwise under the control of the City of Laredo, Texas and used in part for the landing, taking- off, taxing or loading and unloading of aircraft or any areas associated therewith, and within the boundaries of Laredo International Airport.
- b. **“Aircraft”** shall mean any device that is used for or intended to be used for flight in the air.
- c. **“Derelict Aircraft”** shall mean any aircraft which has not operated for a period in excess of thirty (30) days and is not producing revenues for the Airport.
- d. **“Airport Roadway”** shall mean those portions of the airfield designated and made available temporarily or permanently for vehicular traffic.
- e. **“Airport Director”** shall mean the head of the Airport appointed by the city to administer and control the airport for the city.
- f. **“Runway”** shall mean any surface used by aircraft for the expressed purpose of landing and taking –off.
- g. **“Taxiway”** shall mean any surface used by aircraft to move between the runways and ramp area.
- h. **“Ramp”** shall mean any area ~~near hangars or terminals~~ used for the parking, servicing, and movement of aircraft.

Section II. Parking of Aircraft on Airport Grounds.

- a. No person shall park any aircraft at Laredo International Airport except in an area specifically designated for aircraft parking. The City reserves the right to change designated aircraft parking areas.

Aircraft owner / operator shall notify the Airport Director in writing of any

and all its aircraft parked overnight on the ramp of the Laredo International Airport and shall provide to the Airport Director the aircraft identification information including year, make, model, registration and serial numbers of the aircraft. This section applies to aircraft parked for periods longer than five (5) days.

Under no circumstances shall any person park any aircraft ~~closer than 50 feet to the edge~~ within the Taxiway Safety Area of any taxiway or closer than 25 feet to the edge of any airport roadway or closer than 300 feet to the edge of any runway.

Between sunset and sunrise, the owner or operator of any stationary aircraft which is parked in other than an officially designated overnight parking area shall have the navigation lights of the aircraft turned on at all times during said interval.

Notwithstanding anything to the contrary contained in this ordinance, no derelict aircraft shall remain on airport property for a period exceeding six months. In the event the derelict aircraft remains on airport property past the six month period, then in such event, the City shall serve notice to owner to immediately remove said aircraft, failure to remove said aircraft from airport property will result with City impounding and disposal of said aircraft and the daily charge commencing after the six month period and ending the date the derelict aircraft is removed from airport be it by removal by owner or disposal by City will increase by two hundred percent.

- b. Any person who parks an aircraft in an officially designated parking area shall do so in an orderly manner, and the pilot as well as the owner or operator of the aircraft shall have the responsibility to ascertain that the aircraft is properly secured and tied down.
- c. No person shall park or leave overnight a disabled aircraft on any portion of the landing areas, taxiways, or their associated safety areas ~~without authorization from Laredo International Airport management~~ and any disabled aircraft shall be immediately removed with due diligence. Failure on the part of the aircraft owner/operator to immediately remove the disabled aircraft, may cause for the City to remove said disabled aircraft and the City shall not be responsible for any damage resulting from the removal of the disabled aircraft and its contents and the owner of said aircraft shall reimburse City for any expense the City may incur.

Section III. Disposal of Wrecked Aircraft.

- a. The aircraft owner, pilot, or their agent, shall be responsible for the disposal of wrecked aircraft and the parts thereof, and the costs associated

therewith. The damaged aircraft shall be moved promptly off the airport after the investigation, if any, of the incident/accident.

- b. The owner or pilot or any aircraft operator, or their agent, shall be responsible for the cost of repair or replacement of any damage to airport property by said aircraft.
- c. The owner of said aircraft shall be responsible for payment of any parking/storage fees as outlined in Section IV of this ordinance.
- d. In the case of emergency circumstances, the Airport Director or his designated representatives shall have the authority to cause to be moved any wrecked aircraft which would or could cause a hazard to other aircraft operating at Laredo International Airport.

Section IV. Abandoned/Damaged/Disabled/Derelict Aircraft.

- a. Any damaged, disabled, derelict or abandoned aircraft parked or stored on ~~any runway, taxiway,~~ parking ramp or any other area within Laredo International Airport in excess of ~~thirty (30)~~ ten (10) days, ~~without written consent of the Airport Director,~~ will be assessed parking fees based on the following schedule.

| <u>Gross Wt. in pounds</u> | <u>Daily Charge</u> |
|----------------------------|---------------------------|
| 0- 12,000 | \$4.00 \$7.00 |
| 12,000-50,000 | \$5.00 \$8.00 |
| 50,000-100,000 | \$6.00 \$10.00 |
| over 100,000 | \$7.00 \$15.00 |

- b. The gross weight of an airplane shall be determined by that weight ~~indicated on the license~~ issued for the aircraft by the Federal Aviation Administration.
- c. Any aircraft which has assessed fees unpaid for more than ~~(60)~~ (45) days shall be impounded by the Airport Director, or his designee. The registered owner of the impounded aircraft and all lien holders of record shall be notified within ten (10) days of the date the aircraft has been impounded, by registered or certified mail, return receipt requested, that the aircraft has been impounded. The notice shall describe the year, make, model, registration and serial numbers of the aircraft. Laredo International Airport has a lien on any aircraft impounded for delinquent parking fees. If after thirty (30) days of date of the mailing of required notice, payment or suitable arrangements for payments have not been made, the airport may satisfy its lien by conducting a public sale of the impounded aircraft.

- d. Any aircraft impounded by Laredo International Airport may be moved to a designated impound area for storage. No liability shall accrue to the City, Laredo International Airport, their officers, employees, or agents for this towing, removal, impoundment, storage or disposition of aircraft or their contents under the foregoing provisions of this ordinance.

**PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON
THIS THE _____ DAY OF _____, 2012.**

**RAUL G. SALINAS
MAYOR**

ATTEST:

**GUSTAVO GUEVARA, JR.
CITY SECRETARY**

APPROVED AS TO FORM:

**RAUL CASSO
CITY ATTORNEY**

COUNCIL COMMUNICATION

| | |
|--|---|
| DATE: 01/03/2012 | SUBJECT: INTRODUCTORY ORDINANCE Authorizing the City Manager to approve lease agreement between the City of Laredo, as Lessor, and Laredo Aero Center, Inc., as Lessee for approximately 5,048 square feet constituting a portion of Building 104 (north section of the former Passenger Terminal) and an additional 3,000 square feet outdoor area staging area located at 4805 Maher Avenue, Laredo, Webb County, Texas. The monthly rental amount of \$6,105.00 commencing on October 1, 2011 and ending on March 31, 2012; providing for an effective date. |
| INITIATED BY: Jesus Olivares Assistant City Manager | STAFF SOURCE: Jose L. Flores Airport Manager |
| PREVIOUS ACTION: none | |
| BACKGROUND: Laredo Aero Center, Inc., a fixed based operator, wishes to temporary lease a portion of Building 104 (former Passenger Terminal) for 6 months effective October 1, 2011 and end on March 31, 2012. Laredo Aero Center, Inc. has been supplying the aviation community at Laredo International Airport with fixed based operator services since 1975. Laredo Aero Center, inc. is a tenant in good standing. Currently the general aviation apron located in front of the Aero Center hangar is being reconstructed and the apron improvements are slated to be complete by March 2012. | |
| FINANCIAL: Aeronautical Building Rent Revenues Account No. 242-0000-361-1086 Monthly Rent: \$6,105.00 | |
| BOARD RECOMMENDATION: On December 06, 2011, the Airport Advisory Board considered this item and recommends <u>approval</u> . | STAFF RECOMMENDATION: Approve this Ordinance. |

ORDINANCE NO. _____

AUTHORIZING THE CITY MANAGER TO APPROVE A LEASE AGREEMENT BETWEEN THE CITY OF LAREDO, AS LESSOR, AND LAREDO AERO CENTER, INC., AS LESSEE, FOR APPROXIMATELY 5,048 SQUARE FEET CONSTITUTING A PORTION OF BUILDING 104 (NORTH SECTION OF THE FORMER PASSENGER TERMINAL) AND AN ADDITIONAL 3,000 SQUARE FEET OUTDOOR AREA STAGING AREA LOCATED AT 4805 MAHER AVENUE, LAREDO, WEBB COUNTY, TEXAS. THE MONTHLY RENTAL AMOUNT OF \$6,105.00 COMMENCING ON OCTOBER 1, 2011 AND ENDING ON MARCH 31, 2012; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Airport Manager recommends that the City Council approve a lease agreement between the City of Laredo, as LESSOR, and Laredo AeroCenter, Inc., as LESSEE, for approximately 5,048 square feet constituting a portion of Building 104 (north section of former Passenger Terminal) and an additional 3,000 square feet outdoor area staging area located at 4805 Maher Avenue, Laredo Webb County, at the Laredo International Airport, as a contract and in furtherance of the development of the Laredo International Airport and as a support to the maintenance and operation of the Laredo International Airport;

WHEREAS, the Airport Manager and the Airport Advisory Board finds that said lease amendment is in the best interest of the Airport and recommends that the City Council approve the proposed lease; and

WHEREAS, the City Council of the City of Laredo having heard the recommendations of the Airport Manager and of the Airport Advisory Board agrees with same.

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

Section 1: The City Manager be hereby authorized to enter into a lease agreement between the City of Laredo, as LESSOR, and Laredo AeroCenter, Inc., as LESSEE, for approximately 5,048 square feet constituting a portion of Building 104 (north section of former Passenger Terminal) and an additional 3,000 square feet outdoor area staging area located at 4805 Maher Avenue, Laredo Webb County, at the Laredo International Airport, a copy of which lease is attached hereto as Exhibit A, and incorporated herein as if set out at length for all intents and purposes.

Section 2: This Ordinance shall become effective upon passage hereof.

**PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON
THIS THE _____ DAY OF _____, 2012.**

**RAUL G. SALINAS
MAYOR**

ATTEST:

**GUSTAVO GUEVARA, JR.
CITY SECRETARY**

APPROVED AS TO FORM:

BY: _____
**RAUL CASSO
CITY ATTORNEY**

NOTE: This agreement is subject to City Council approval, and also constitutes a public document under the Texas Open Records Act, being subject to public inspection at any time hereafter.

STATE OF TEXAS)(

COUNTY OF WEBB)(

This agreement made and entered into by and between the City of Laredo, a municipal corporation (hereinafter called "LESSOR"), and Laredo Aero Center, Inc. (hereinafter called "LESSEE").

WITNESSETH

WHEREAS, the LESSOR currently owns and operates the land premises known as the Laredo International Airport (hereinafter called "Airport"), located in Laredo, Webb County, Texas, and;

WHEREAS, the LESSOR deems it advantageous to itself and to its operation of the Airport area to lease to LESSEE certain rights, privileges and uses herein as necessary to conduct its business as hereinafter set forth;

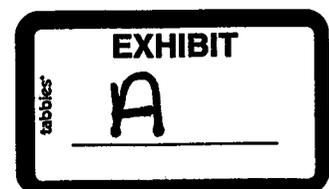
NOW, THEREFORE, LESSOR and LESSEE for and in consideration of the covenants and mutual agreements hereinafter contained, do hereby covenant and agree as follows:

ARTICLE I

PREMISES, TERMS, AND PRIVILEGES

DEFINITIONS:

"Laredo International Airport" or "Airport": That certain area administered by LESSOR pursuant to Indenture from the United States of America to the City of Laredo, dated February 21, 1975, and consisting of all the area bounded by Saunders Avenue to the South, McPherson Avenue to the West, Lake Casa Blanca to the East and undeveloped land to the North, and being more particularly described in that certain Deed of



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Indenture filed in Volume 478 at page 471 of the Deed of Records of Webb County, Texas.

“LESSOR”: The City of Laredo, by and through its duly constituted agent, the Airport Director, shall be considered the LESSOR for all purposes of this lease.

“PREMISES”: Includes the property and building space subject to the lease.

“STRUCTURE” or “STRUCTURAL”: Includes, but is not limited to, the foundation, load bearing walls, joists, rafters, load bearing surfaces, water pipes, drainage pipes, and air conditioning ducts.

1.01 LEASED AREA:

The LESSOR does hereby lease approximately 5,048 square feet constituting a portion of Building #104 (north section of the former Passenger Terminal), and an additional 3,000 square feet outdoor area staging area located at 4805 Maher Avenue, Laredo, Webb County, Texas. The subject property is more particularly described and depicted on “Exhibit A-1” attached hereto and incorporated herein, all hereinafter referred to as the leased area, all within the Laredo International Airport, and LESSEE hereby leases the said leased area from LESSOR.

1.02 TERM:

This lease is to be for a term of six (6) months commencing on October 1, 2011 and ending on March 31, 2012.

1.03 RENTAL OBLIGATION:

LESSEE herein agrees to pay to LESSOR monthly the sum of Six Thousand One Hundred Five Dollars (\$6,105.00) base rent for each month, (5,048 square feet at \$1.15 per square foot per month plus 3,000 square feet at \$0.10 per square foot per month).

Monthly rentals shall be paid in advance on or before the first (1st) day of each month, the first of such monthly rental payments (or

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proportionate part thereof, should the lease be effective on a day other than the first day of the month) being due on the effective date of this lease.

The basic rent and such additional charges as accrued shall be paid by the first (1st) day of each month without notice, demand, counterclaim, setoff, deduction or defense, and without abatement, suspension, deferment or diminution or reduction by reason thereof, and, except as otherwise provided in this agreement, the obligations and liabilities of the LESSEE shall not be affected by any circumstances or occurrences, including but not limited to:

- (a) Any damages to or destruction of the premises or any part thereof;
- (b) Any restriction or prevention of or interference with any use of the leased property or any part thereof;
- (c) Any claim LESSEE has or might have against LESSOR;
- (d) Notice of termination of leasehold, whether by LESSOR or LESSEE.

1.04 **DEPOSIT**: Waived

~~—In addition to the initial rental payment called for in paragraph 1.04, LESSEE shall deposit with LESSOR the sum of the amount equivalent to the first month's rent. The deposit held by LESSOR shall always be equivalent to the current monthly rental required hereunder. The deposit shall be retained by LESSOR during the lease term or any extension hereto, and, upon termination of the lease, shall be returned to LESSEE less and except, and this will serve to authorize LESSOR'S withholding from such deposit, any monies then due and owing to the LESSOR by LESSEE under the terms of this lease, including but not limited to any costs of restoring the premises to the condition called for under the terms hereof, as well as any other indebtedness caused, or charges owing by LESSEE to LESSOR, reasonable wear and tear excepted.~~

1.05 **UTILITIES**:

Temporary Lease Agreement Aero Center, Inc. for a portion of Building No. 104

LESSEE shall provide and pay or cause to be paid (prorated amount between all tenants of the building based on per square feet) all charges for water, heat, gas, electricity, sewers, and any and all other utilities used on the premises throughout the term of this lease, including any connection fees. In this regard, LESSOR shall pay and monthly LESSEE shall reimburse LESSOR Eighty (80%) of the cost of utilities. However, in the event the vacant portion of the former passenger terminal is leased to others, then in such, event the cost of utilities shall be prorated to all users. Furthermore, LESSEE at LESSEE'S sole expense may cause for a separate electric meter to be installed on LESSEE'S account.

1.06 TAXES:

LESSEE agrees to pay and discharge promptly, before delinquency, any and all taxes, impositions and government charges of any kind whatsoever that may be lawfully assessed against the LESSEE or the LESSOR, with respect to the leased premises or any improvement, personal property, tools, equipment, furniture, fixtures or inventory thereon, during the term of this Lease including any extensions or option periods granted thereto and LESSEE agrees to pay for all the costs and expenses of contesting any such taxes.

The LESSEE in good faith may contest any tax or governmental charge by means provided by law; provided that the LESSEE may not permit such tax or governmental charge to remain unpaid during the period of such contest and any appeal therefrom unless, in the opinion of counsel satisfactory to LESSOR, such action will not adversely affect any right or interest of the LESSOR.

1.07 USE AND USE CONFLICT:

The leased area is to be used and occupied solely for the purpose of Fixed Base Operator (FBO) Office and Lounge Area and no other use of the leased area is permitted.

1.10 LATE CHARGE:

Should LESSEE fail to pay when due any installment of rental, or any other sum payable to the LESSOR under the terms of this Lease, then

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interest at the maximum legal rate then payable by LESSEE in the State of Texas shall accrue from and after the date on which any such sum shall be due and payable, and such interest shall be paid by LESSEE to LESSOR at the time of payment of the sum upon which such interest shall have accrued and acceptance of such late payment and late fee shall not be a waiver of any of the provisions or rights provided by this contract.

1.11 LESSOR'S WARRANTY OF QUIET ENJOYMENT:

The LESSOR covenants that as long as LESSEE is not in default of any provision of this Agreement, LESSEE shall and may peaceably and quietly have, hold and enjoy the leased premises exclusively to it during the term hereof unless sooner terminated as provided in this Agreement.

1.12 WARRANTY OF TITLE:

LESSOR hereby represents and warrants that it is the owner in fee simple absolute of the leased premises, subject to any covenants, conditions, restrictions, easements, and other matters of record.

ARTICLE II

INDEMNITY, REPAIRS, ALTERATIONS AND INSURANCE

2.01 INDEMNITY AND NONCLAIM:

LESSEE hereby declares itself fully familiar with the physical condition of the leased premises and the improvements, fixtures and equipment leased herein, and declares that said premises were in good condition when possession of same was accepted and that there were no latent defects in the facilities as those facilities are deemed vital to the use of the premises for their intended commercial purpose.

LESSEE for itself, its agents, employees, servants, successors and assigns promises to hold harmless and indemnify LESSOR from and against any and all claims by or on behalf of any person, whether legal or equitable, including governmental bodies, arising from the conduct or management of or from any work or thing done and from any conditions of the leased buildings or other structures, sidewalks, driveways, or parking areas and

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facilities on the leased premises or any street, curb, or sidewalk adjoining thereon, and from all costs, attorney's fees, witness fees, expenses and liabilities incurred in or about any such claim or action or proceeding brought thereon; except any and all actions or proceedings arising out of the sole negligence or willful act of LESSOR, its employees, agents, or representatives from which LESSOR shall indemnify and hold LESSEE harmless; and in the event that any action or proceeding brought against the LESSOR by reason of such claim, the LESSEE upon notice from the LESSOR covenants to resist and defend such actions or proceedings.

LESSEE agrees for itself, its agents, servants, employees, invitees, successors and assigns that it will not bring suit against the LESSOR or assign any cause of action resulting from accident, fire, noise, or disturbance from the operation, maintenance, accident, crash, or crash landing of any airplane in the Laredo International Airport area or in the vicinity of the Laredo International Airport, or during any operation of aircraft over the premises, except any such cause of action arising out of the negligence or willful act of LESSOR, its employees, agents, or representatives.

LESSEE also holds LESSOR blameless for any damage to or destruction of LESSEE'S property located on leased premises, including that caused by natural occurrence, or any other cause whatsoever, unless caused by LESSOR'S employees, agents, or representatives, while said employees, agents or representatives are acting in the course or scope of their duties for the LESSOR.

2.02 **LESSEE'S DUTY TO REPAIR:**

LESSEE shall, throughout the term of this lease, take good care of the leased area and the fixtures and appurtenances therein and at its sole cost and expense make all repairs thereto as and when needed to preserve them in good working order and condition.

Damage or injury to the premises, fixtures, appurtenances whether requiring structural or non-structural repairs, caused by or resulting from carelessness, omission, neglect or improper conduct of LESSEE, its servants, employees, or licensees, shall be repaired promptly by LESSEE at LESSEE'S sole cost and expense, to the satisfaction of LESSOR.

2.03 ALTERATIONS:

LESSEE is granted the right to make only minor alterations to the leased area at LESSEE'S sole cost and expense subject to the following terms and conditions.

(a) LESSEE must first obtain the written consent of LESSOR. LESSOR reserves the right to reject any proposed extension, repair or alteration, any particular contractor or each and every subcontractor, or the complete project.

(b) Ultimate title to an alteration properly consented to by LESSOR will rest with LESSOR immediately upon completion and will remain in LESSOR'S possession at termination of LESSEE'S tenancy.

(c) Trade fixtures, movable furniture, and other service equipment of LESSEE peculiar to LESSEE'S business are not to be included in alterations, and must be removed by LESSEE, upon termination of lease, provided LESSEE is not in default of lease obligations.

LESSOR reserves the right to demand that LESSEE restore the premises to reasonably the same condition and state as the premises were found prior to making such alterations, in a manner acceptable to LESSOR, and to demand that LESSEE pay all costs of such restoration upon termination of lease.

LESSEE further agrees that any damages as may be caused by the installation or removal of trade fixtures discussed in condition (c), will bind LESSEE to repair said damage expeditiously at LESSEE'S sole expense.

2.04 INSURANCE:

(a) Fire and Extended Coverage Insurance: The leased area is covered under the LESSOR'S Master Insurance Coverage. Premiums are paid by the LESSOR for its sole benefit and protection.

(b) Contents: Insurance on the contents of the leased area is the sole responsibility of the LESSEE.

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c) **Public Liability Insurance:** LESSEE agrees to indemnify and hold LESSOR harmless from any and all claims, damages, causes of action, cost and expense, including attorney's fees resulting from or related to LESSEE'S use and occupancy of the leased premises, except any such claims, damages, causes of action, costs and expenses arising out of the negligence or willful act of LESSOR, its employees, agents, or representatives from and against which LESSOR shall indemnify and hold LESSEE harmless. In this connection, LESSEE shall carry and maintain Public Liability Insurance in minimum amounts of Five Hundred Thousand Dollars (\$500,000.00) per incident, and One Hundred Thousand Dollars (\$100,000.00) property damage per incident, in which LESSOR shall be named as additional insured. Such policies shall provide that same shall not be cancelled without thirty (30) days prior written notice to LESSOR, and LESSOR shall be furnished, within thirty (30) days from the effective date of this lease, with a copy of such proof of insurance. However, LESSEE shall maintain Public Liability Insurance at all times throughout the term of this lease. LESSOR reserves the right to make its acceptance of an insurance company a condition of this lease such that disapproval or revocation of approval thereof shall authorize LESSOR to terminate the lease.

ARTICLE III

DEFAULT, HOLDING OVER AND ABANDONMENT

3.01 LESSEE'S DEFAULT:

It is covenanted and agreed to by both parties that in the event that:

(1) LESSEE should fail to timely pay the full amount of rent and fees provided for herein; or

(2) LESSEE defaults in the performance of any of the covenants, conditions, or agreements provided for herein to be kept and performed by LESSEE, including, but not limited to, the provisions for carrying Public Liability Insurance; or

(3) LESSEE permits the leased premises to be used for any unauthorized or unlawful business or purpose; or

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(4) LESSEE assigns or subleases or otherwise transfers this lease;
or

(5) LESSEE files a voluntary petition of bankruptcy to make a general assignment for the benefit of creditors; or

(6) LESSEE abandons the premises or leaves the premises vacant or unoccupied for thirty (30) consecutive days;

Then, and in any event, the LESSOR may, at its option and without waiving any other rights that LESSOR has under this contract, at any time after such default, give notice of this specific default or failure of performance and demand immediate correction of such default or failure of performance by the LESSEE. In the event that LESSEE fails to remedy the default or to correct the failure of performance within thirty (30) days after service of such written notice, the LESSOR shall have the right to:

(a) Terminate the lease and re-enter the leased premises and remove all persons and any all personal property therefrom and LESSEE hereby agrees to surrender the premises to LESSOR, without waiving LESSOR'S right to past and future rents due hereunder. In such event, LESSOR may re-let the premises to other prospective LESSEES for the remainder of the term of this lease, and LESSEE shall be liable for any loss to LESSOR incurred in such re-letting for the terms of this lease, including but not limited to, rent, attorney's fees, if any; and/or

(b) Remedy the default and deduct the expenses incurred in remedying such default from the security deposit held by LESSOR pursuant to the terms of this lease.

Notwithstanding any provision as to notice in this lease contained, if in the LESSOR'S reasonable judgment the continuation of any default by the LESSEE for the full period of the notice otherwise provided for herein will jeopardize the leased area or the rights of LESSOR, the LESSOR may, without notice, elect to perform those acts in respect to which LESSEE is in default, at LESSEE'S sole cost and expense, and LESSEE shall thereupon reimburse the LESSOR within ten (10) days of written request by LESSOR to LESSEE for such reimbursement. Failure of the LESSEE to reimburse in

these circumstances shall mean that the LESSOR has the immediate right to terminate this lease.

3.02 **RIGHTS ON DEFAULT:** Waived

~~LESSOR shall have a statutory LESSOR'S lien on all merchandise, goods, chattels, implements, fixtures, tools, furniture, machinery and any other personal property which LESSEE now or at any time hereafter may place in or upon the premises, all exemption of said property, or any part of it being herein expressly waived by the LESSEE.~~

~~**LESSOR IS HEREBY GRANTED AN EXPRESS CONTRACTUAL LESSOR'S LIEN ON THE ABOVE GOODS, ALL OR ANY EXEMPTION BEING HEREBY WAIVED BY LESSEE, BUT WITHOUT LIMITING LESSEE'S RIGHT TO SELL, EXCHANGE OR REPLACE SUCH GOODS FROM TIME TO TIME IN THE ORDER OR COURSE OF BUSINESS OR TRADE.**~~

~~Default on rent entitles LESSOR, at its option, to take whatever lawful action reasonably necessary to protect LESSOR'S interest in said property, including the storing of liened goods for payment for a reasonable time, as well as the selling of such goods at public or private auction for rent due, without waiving LESSOR'S right to the total rent due.~~

3.03 **ATTORNEY'S FEES:**

In case LESSEE defaults in the performance of any of the terms, covenants, agreements or conditions contained in this lease and LESSOR places the enforcement of the terms of this lease, or any part thereof, or the collection of any rent due, or to become due hereunder, or recovery or possession of leased premises, in the hands of an attorney, or files suit upon same, LESSEE agrees to pay LESSOR reasonable attorney's fees and payment of same shall be secured in a like manner as herein provided as to lien for rent due.

3.04 **LESSOR'S REPRESENTATION AND WAIVER:**

Any representations by LESSOR regarding LESSEE'S leasehold interest are embodied in this writing. The waiver by LESSOR to LESSEE

of performance of any provision of this Agreement shall not amount to a future waiver of strict performance of such provision or any other provision of this agreement. Any waiver of this Agreement shall be in writing and approved by the LESSOR.

3.05 ANTI-DISCRIMINATION CLAUSES MANDATED BY FEDERAL GOVERNMENT:

(a) TITLE VI OF THE CIVIL RIGHTS ACT OF 1964: The LESSEE for itself, its agents, servants, employees, successors and assigns, as a part of the consideration hereof, does hereby covenant and agrees to a covenant running with land that:

1. No person on the grounds of race, color or national origin shall be excluded from participating in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;

2. That in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

3. That the LESSEE shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended;

4. That in the event of breach of any of the preceding nondiscrimination covenants, LESSOR shall have the right to take such action, anything to the contrary herein notwithstanding as the United States may direct to enforce this nondiscrimination covenant.

(b) That the LESSEE shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(c) That in the event of breach of any of the preceding nondiscrimination covenants, the LESSOR shall have the right to terminate the license, lease, permit, etc., and hold the same as if said lease had never been made and issued.

ARTICLE IV

MISCELLANEOUS

4.01 NON-EXCLUSIVE USE:

It is understood that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right unless specifically identified herein.

4.02 TRAILERS, ABANDONED VEHICLES EXPRESSLY PROHIBITED:

Towed vehicles, or motor vehicles not currently licensed and actively used are not to be permitted onto the premises or any common parking area within the Laredo International Airport.

4.03 CAPTIONS:

Articles and headings are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provision hereof, nor are they meant to bind the LESSOR or LESSEE to the meaning of such heading.

4.04 CONSTRUED PURSUANT TO TEXAS LAW:

This agreement shall be construed under and in accordance with the laws of the State of Texas, and performed in Webb County, Texas.

4.05 NON-EXCLUSIVE USE OF PARKING AREA:

LESSEE, its employees, agents, clients, and guests shall have reasonable use of designated parking areas immediately adjacent to the leased premises and within the Laredo International Airport, subject to the

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rights of LESSOR to change such designation and to impose reasonable rules and regulations for such areas.

4.06 BINDING AGREEMENT:

Subject to the provisions herein, all agreements, terms, obligations, covenants, and conditions of this lease shall be binding upon and inure to the benefit of the parties hereto and their respective employees, agents, servants, legal representatives, successors, and assigns unless otherwise prohibited or otherwise noted in this instrument.

4.07 NOTICES:

Any notices which are required hereunder, or which either LESSOR or LESSEE may desire to serve upon the other shall be in writing and shall be deemed served when deposited in the United States mail, postage prepaid, return receipt requested, addressed to LESSEE as follows:

Laredo Aero Center, Inc.
c/o Ross Aviation, LLC
3033 E. First Ave. , Suite 815
Denver, CO 80206
Attention: Jeffrey W. Ross
Telephone: 303-953-3300
Facsimile: 303-953-3305
E-mail: JRoss@rossfbo.com

and to LESSOR: Office of the Airport Manager
Laredo International Airport
5210 Bob Bullock Loop
Laredo, Texas 78041

4.08 COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS:

Further, LESSEE, will keep and maintain the leased area in a clean and healthful condition and comply with the laws, ordinances, orders, rules and regulations (State, Federal, Municipal and other agencies or bodies

having any jurisdiction hereof) with reference to use, conditions, or occupancy of the leased area.

4.09 OUTSIDE STORAGE PROHIBITED:

Storage of vehicles, equipment, supplies, or any other items outside of the leased building(s) is prohibited.

4.10 FIRE CLAUSE:

Should the leased area be destroyed by fire or casualty to the extent that it is no longer reasonably appropriate for LESSEE'S use and occupancy of said premises, then in this event the Lease Agreement will immediately terminate.

4.11 GARBAGE STORAGE AND DISPOSAL:

LESSEE agrees to store all accumulated garbage in a neat and clean manner, as an essential element of its responsibilities for neatness of the premises, LESSEE herein also agrees that garbage carrying and disposal is its sole responsibility, and agrees to comply with all rules and ordinances of the City and State regarding storage and disposal. LESSEE shall provide and or contract for disposal service.

4.12 IMPROVEMENTS VESTED IN LESSOR:

The parties agree that the obligation and promise of LESSEE, as expressed herein, to make repairs and improvements and maintain the leased premises is a part of the total consideration for this lease agreement. Therefore, all right, title, and interest in and to said repairs or improvements shall at all times herein be vested in LESSOR, subject only to the right of LESSEE to the use and possession of said building and improvements during this lease term plus any extensions hereof as provided in said lease so long as LESSEE is not in default or any of the terms of this agreement. It shall be the obligation of LESSEE to maintain and repair the said leased area and improvements during the term of this lease or any extension thereof. Upon termination, interest in and to the said repairs or improvements shall remain vested in LESSOR, and LESSEE shall not have

Temporary Lease Agreement Aero Center, Inc. for a portion of Building No. 104

any further rights therein nor be entitled to any reimbursement by reason of LESSEE'S maintenance, improvements, repair or use of said leased area.

4.13 SUBORDINATION OF LEASE:

This lease shall be subordinated to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal Funds for the development of the Airport.

It is expressly understood and agreed that this lease is subject to and subordinate to and controlled by provisions, stipulations, covenants and agreements contained in those certain contracts, agreements, resolutions and actions of the City of Laredo, Texas, constituting agreements between the City and United States of America and its agents including but not limited, to the Federal Aviation Administration (FAA) and all regulations now and hereafter imposed upon the City and that the LESSOR shall not be liable to LESSEE on account of any of the foregoing matters and all of such contracts, agreements, resolutions and regulations are incorporated herein by reference, and if any provision of this lease is determined to be a variance with same, such provision is unilaterally reformable at LESSOR'S option.

The parties agree that as of the date of execution of this contract there exists no provisions, stipulations, covenants, or agreements which would prohibit LESSEE from using the leased premises for the purpose set forth in Paragraph 1.08, entitled "Use and Use Conflict" in this Agreement.

4.14 NATIONAL EMERGENCY:

During the time of war and national emergency, LESSOR shall have the right to lease the landing area or any part thereof to the United States Government or military or naval use, and, if such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of such lease to the Government, shall be suspended.

4.15 AIRPORT HAZARD:

Temporary Lease Agreement Aero Center, Inc. for a portion of Building No. 104

The LESSEE and its agents, servants, employees, successors and assigns, will not make or permit any use of the property which would interfere with landing or taking off of aircraft at the Airport, or otherwise constitute an airport hazard. This includes such items as electrical or electronic equipment, creation of smoke or dust or glaring or misleading lights.

4.16 TIME OF ESSENCE:

Time is of the essence in this agreement.

4.17 PREMISES LEASED "AS IS":

Premises are leased AS IS and there is no expressed or implied warranty on the condition or suitability of the building.

4.18 SIGNS:

No signs shall be painted or attached to exterior walls. Exterior signs shall be free standing signs and shall not be attached to the building structure. Only signs identifying LESSEE'S business are permitted. LESSEE shall first submit to LESSOR a sign plan for LESSOR'S review, consideration and approval before erecting a sign on the leased premises.

4.19 CUSTODIAL SERVICES:

Custodial services are LESSEE'S sole responsibility.

4.20 PROVISIONS:

Any provision in this Lease which proves to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and the remainder of this Lease shall remain in full force and effect.

4.21 AGREEMENT:

This Agreement consists of Article I through IV and Exhibit A-1. It constitutes the entire Agreement of the parties on the subject matter hereof and may not be changed, modified, discharged, or extended except by

Temporary Lease Agreement Aero Center, Inc. for a portion of Building No. 104

written instrument duly executed by the LESSOR and LESSEE. LESSEE agrees that no representations or grant of rights or privileges shall be binding upon the LESSOR unless expressed in writing in this Agreement.

EXECUTED ON THIS _____ DAY OF _____,
2012.

CITY OF LAREDO
a municipal corporation

By: _____
CARLOS VILLARREAL
CITY MANAGER

ATTEST:

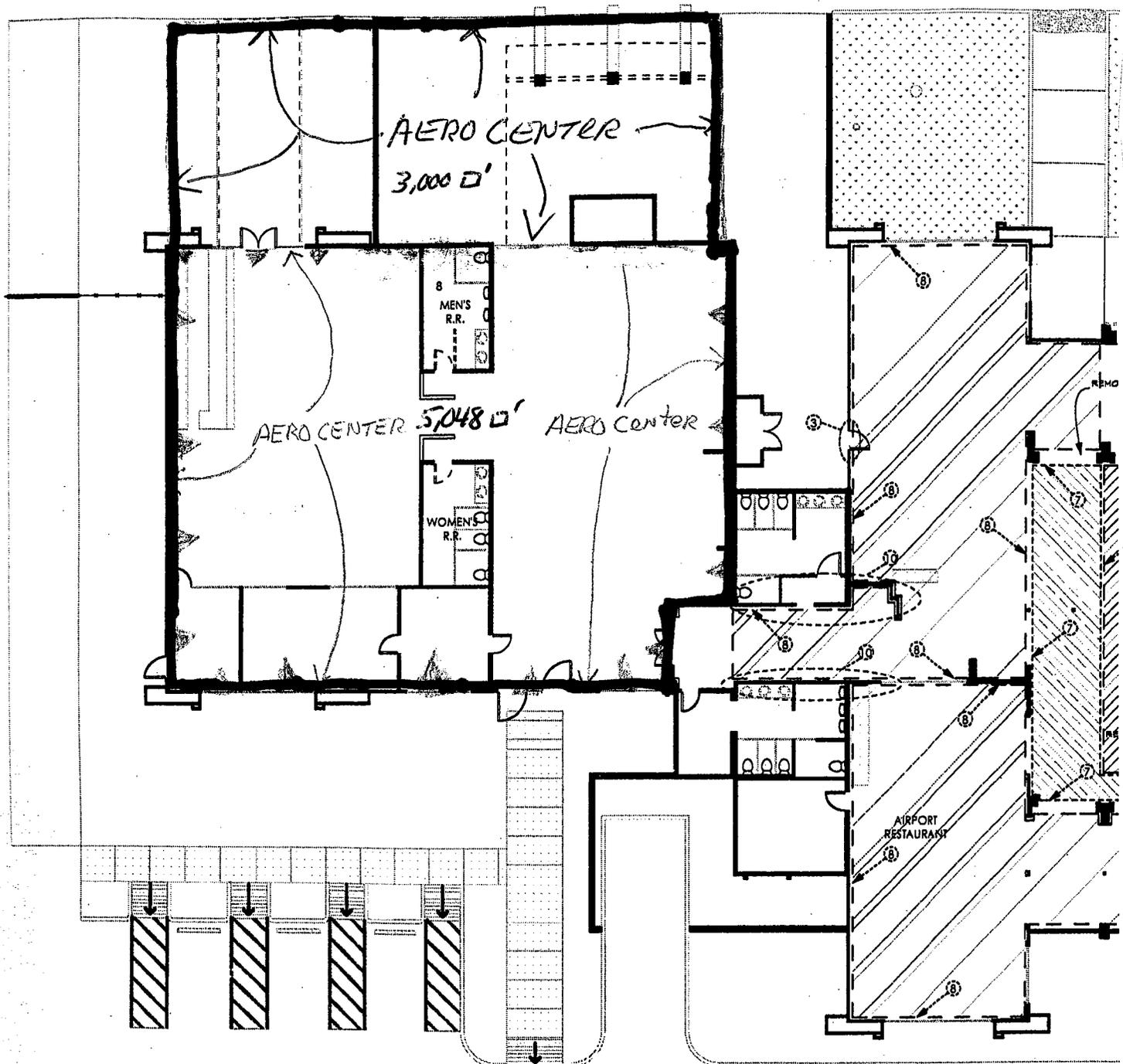
GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:

BY: _____
RAUL CASSO
CITY ATTORNEY

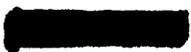
LESSEE: LAREDO AERO CENTER, INC.

BY: _____



Temporary Laredo Aero Center, Inc. Lease

North Portion of Bldg. No. 104 (former Passenger Terminal)



COUNCIL COMMUNICATION

| | | |
|--|---|--|
| DATE: 01/03/2012 | SUBJECT: INTRODUCTORY ORDINANCE Authorizing the City Manager to execute a lease assignment from Jose Mario Flores, Sole Proprietor, as Lessee, of that lease agreement approved by Ordinance No. 99-O-200 and as amended by Ordinance No. 2000-O-126 and Resolution No. 2002-R-028 for approximately 8,184 square feet constituting Building 2075 located at 1720 Hillside Road at the Laredo International Airport to Iglesia Casa de Alabanza, as Assignee effective January 1, 2012. The current monthly rental is \$2,590.80 and annually adjusted by changes in CPI, and further adjusted by Fair Market Value appraisal on the 10 th and 20 th anniversaries, providing for effective date. | |
| INITIATED BY: Jesus Olivares Assistant City Manager | | STAFF SOURCE: Jose L. Flores Airport Manager |
| PREVIOUS ACTION: None | | |
| BACKGROUND: Mr. Jose Mario Flores, a tenant in good standing, has leased Building No. 2075 since August 1, 1999. He has met all lease obligations. The subject lease agreement terminates on July 31, 2014, with two additional five year options to renew until July 31, 2024. Iglesia Casa de Alabanza has been in operations since 2009, and is affiliated to Iglesias Cristiana Misericordia in Laredo Texas and to Grace Point Church in San Antonio Texas. The principal for the organization is Mr. Edgar Hernandez. | | |
| FINANCIAL: Current monthly rent obligation is \$2,590.80 or \$0.317 per square foot per month. | | |
| COMMITTEE RECOMMENDATION: On December 06, 2011, the Airport Advisory Board considered this item and recommends <u>approval</u> . | | STAFF RECOMMENDATION: That this ordinance be approved. |

ORDINANCE NO.

AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE ASSIGNMENT FROM JOSE MARIO FLORES, SOLE PROPRIETOR, AS LESSEE, OF THAT LEASE AGREEMENT APPROVED BY ORDINANCE NO. 99-O-200 AND AS AMENDED BY ORDINANCE NO. 2000-O-126 AND RESOLUTION NO. 2002-R-028 FOR APPROXIMATELY 8,184 SQUARE FEET CONSTITUTING BUILDING 2075 LOCATED AT 1720 HILLSIDE ROAD AT THE LAREDO INTERNATIONAL AIRPORT TO IGLESIA CASA DE ALABANZA, AS ASSIGNEE EFFECTIVE JANUARY 1, 2012. THE CURRENT MONTHLY RENTAL IS \$2,590.80 AND ANNUALLY ADJUSTED BY CHANGES IN CPI, AND FURTHER ADJUSTED BY FAIR MARKET VALUE APPRAISAL ON THE 10TH AND 20TH ANNIVERSARIES, PROVIDING EFFECTIVE DATE.

WHEREAS, the Airport Director recommends that the City Council approve Lessor's Consent to an assignment of that Lease Agreement approved by Ordinance No. 99-O-200 and as amended by Ordinance No. 2000-O-126 and Resolution No. 2002-R-028 between City of Laredo, as Lessor, and Jose Mario Flores as Lessee, for approximately 8,184 square feet constituting Building 2075 located at 1720 Hillside Road at the Laredo International Airport to Iglesia Casa de Alabanza, as Assignee and in furtherance of the development of the Laredo International Airport;

WHEREAS, the Airport Advisory Board finds that said assignment is in the best interest of the Airport and recommends that the City Council approve the proposed assignment; and

WHEREAS, the City Council of the City of Laredo having heard the recommendations of the Airport Manager and of the Airport Advisory Board agrees with same.

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

Section 1: The City Manager be hereby authorized to execute Lessor's Consent to an assignment of that Lease Agreement approved by Ordinance No. 99-O-200 and as amended by Ordinance No. 2000-O-126 and Resolution No. 2002-R-028 between City of Laredo, as Lessor, and Jose Mario Flores as Lessee, for approximately 8,184 square feet constituting Building 2075 located at 1720 Hillside Road at the Laredo International Airport to Iglesia Casa de Alabanza, as Assignee. All terms and conditions of the original lease agreement will remain the same and in effect, a copy of which lease is

attached hereto as Exhibit A, and incorporated herein as if set out at length for all intents
and purposes.

Section 2: This Ordinance shall become effective upon passage hereof.

**PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR
ON THIS THE ____ DAY OF _____, 2012.**

RAUL G. SALINAS
MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:

BY: _____
RAUL CASSO
CITY ATTORNEY

ASSIGNMENT OF LEASE

This is an assignment of that lease between the City of Laredo and Jose Mario Flores. This Assignment of Lease is made effective as of 1st day of January, 2012 by and between Jose Mario Flores and Iglesia Casa de Alabanza.

BACKGROUND INFORMATION

- A. On or about July 19, 1999, Ordinance No. **99-O-200** authorizing the City Manager to execute a lease agreement with Jose Mario Flores, Sole Proprietor, for approximately 8,184 square feet of building located thereon and known as Building No. 2075 located at 1720 Hillside Road at the Laredo International Airport, lease term is for 15 consecutive years commencing on August 1, 1999 and ending on July 31, 2014 and may be extended for two-five year option ending on July 31, 2019, and July 31, 2024; Monthly rent shall be \$1,960.00 and will be adjusted annually during the primary and extension terms of this lease according to changes in the consumer price index; as well as appraisal in the 10th and 20th anniversary; providing for effective date, Exhibit "A".
- B. On or about May 15, 2000, Ordinance No. **2000-O-126** authorizing the City Manager to execute a lease with Jose Mario Flores for approximately 8,332 square feet constituting Building No. 464 located at 1705 E. Hillside Road at the Laredo International Airport, Lease term is for twenty five (25) years commencing on May 15, 2000 and ending on April 30, 2025 and may be extended for one (1) term of five (5) years ending April 30, 2030; Monthly rent shall be \$1,333.00 and will be adjusted annually during the primary and extension term of this lease according to changes in the consumer price index and further adjusted by Fair Market Value appraisal on the 10th and 20th anniversaries ; providing for effective date. Exhibit "B".
- C. On or about March 25, 2002, **Resolution No. 2002-R-028** authorizing the City Manager to execute a subordination, Non-Disturbance, and Attornment Agreement between the City of Laredo, Falcon National Bank, and Jose Mario Flores, thereby subordinating the lease agreement authorized by Ordinance No 99-0-200 dated July 19, 1999 and lease agreement authorized by Ordinance No. 2000-O-126 at the Laredo International Airport, to the Bank's Mortgage and repealing Resolution No. 200-R-108
- D. Jose Mario Flores desires to assign its right, title and interest in the Lease to Iglesia Casa de Alabanza and Iglesia Casa de Alabanza desires to acquire the same from Jose Mario Flores.

STATEMENT OF ASSIGNMENT

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Jose Mario Flores does hereby assign, transfer and set over all of its right, title and interest in and to the Lease to Iglesia Casa de Alabanza, and Iglesia Casa de Alabanza hereby accepts the foregoing Assignment and assumes and agrees to perform all the obligations of Tenant which are to be performed on or after the date upon which Iglesia Casa de Alabanza accepts the PREMISES under the Lease (“Transfer Date”).
2. Iglesia Casa de Alabanza hereby agrees to indemnify Jose Mario Flores, his successors and assigns, from and against any claim, loss, or damage suffered or incurred by the failure of Iglesia Casa de Alabanza to comply with its duties and obligations under the Lease hereby assumed from and after the Transfer Date.
3. Jose Mario Flores for himself, his successors and assigns hereby agrees to indemnify and hold Iglesia Casa de Alabanza, it’s successors and assigns, from and against any and all claims, loss, cost or demand suffered or incurred by Iglesia Casa de Alabanza by reason of any claim, action or demand arising from the failure of Jose Mario Flores to comply with his duties and obligations under the Lease hereby assigned or arising prior to the Transfer Date.

WITNESS their hands effective the day and date set forth above.

Signed and acknowledged
In the presence of:

By: _____
Jose Mario Flores

The foregoing instrument was acknowledged before me this _____ day of _____
2011 by Jose Mario Flores.

Notary Public
My Commission Expires on _____

IGLESIA CASA DE ALABANZA

By: _____
Edgar Hernandez

The foregoing instrument was acknowledged before me this ____ day of _____,
2011 by Edgar Hernandez

Notary Public
My Commission Expires _____

CITY OF LAREDO
a municipal corporation

By: _____
Carlos Villarreal
City Manager

ATTEST:

Gustavo Guevara, Jr.
City Secretary

APPROVED AS TO FORM:

By: _____
Raul Casso
City Attorney

Attachement: Exhibit "A" Ordinance No. 1999-O-200
Exhibit "B" Ordinance No. 2000-O-126
Exhibit "C" Resolution No. 2002-R-028

December 02, 2011

Mr. Jose A. Flores,
Airport Director
5210 Bob Bullock Loop
Laredo, Texas 78041

Dear Mr. Flores

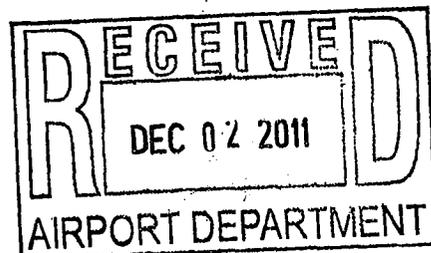
With this letter, I would like to request the assignment of the lease, building No. 2075. This property is located at 1720 E. Hillside Rd, to transfer to IGLESIA CASA DE ALABANZA, Effective January 1st 2012.

All terms and conditions will be in effect as the current contract states, thank you for your help.

Sincerely,



Jose Mario Flores



AN ORDINANCE 99-0-20D

AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE AGREEMENT WITH JOSE MARIO FLORES, SOLE PROPRIETOR, FOR APPROXIMATELY 8,184 SQUARE FEET CONSTITUTING BUILDING 2075 LOCATED AT 1720 HILLSIDE ROAD AT THE LAREDO INTERNATIONAL AIRPORT;

1. LEASE TERM IS FOR 15 CONSECUTIVE YEARS COMMENCING ON AUGUST 1, 1999 ENDING ON JULY 31, 2014 AND MAY BE EXTENDED FOR TWO-FIVE YEAR OPTIONS ENDING ON JULY 31, 2019, AND JULY 31, 2024;

2. MONTHLY RENT SHALL BE \$1,960.00 AND WILL BE ADJUSTED ANNUALLY DURING THE PRIMARY AND EXTENSION TERMS OF THIS LEASE ACCORDING TO CHANGES IN THE CONSUMER PRICE INDEX; AS WELL AS APPRIASAL ON THE 10TH AND 20TH ANNIVERSARY; PROVIDING FOR EFFECTIVE DATE.

WHEREAS, the Airport Director recommends that the Council approve the proposed lease between the City of Laredo, as LESSOR, and Jose Mario Flores, Sole Proprietor, as LESSEE, for approximately 8,184 square feet constituting Building 2075 located at 1720 Hillside Road at the Laredo International Airport, as a contract and in furtherance of the development of the Laredo International Airport and as a support to the maintenance and operation of the Laredo International Airport.

WHEREAS, the Airport Advisory Board finds that said lease and contract are in the best interest of the Airport; and

WHEREAS, the City Council of the City of Laredo is of the same opinion.

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

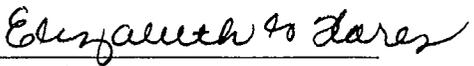
Section 1: The City Manager be and is authorized to execute a lease with Jose Mario Flores, Sole Proprietor for approximately 8,184 square feet constituting Building 2075 located at 1720 Hillside Road at the Laredo International Airport, a copy of which lease is attached hereto as Exhibit A, and incorporated herein as if set out at length for all intents and purposes.



AN ORDINANCE AUTHORIZING A LEASE BETWEEN THE CITY OF LAREDO AND JOSE MARIO FLORES, SOLE PROPRIETOR

Section 2: This Ordinance shall become effective upon passage hereof.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS THE 19~~th~~ DAY OF July, 1999.


ELIZABETH G. FLORES
MAYOR

ATTEST:


GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:
JAIME L. FLORES
CITY ATTORNEY

BY: 
VALERIA M. ACEVEDO
ASSISTANT CITY ATTORNEY

NOTE: This agreement is subject to City Council approval, and also constitutes a public document under the Texas Open Records Act, being subject to public inspection at any time hereafter.

STATE OF TEXAS)(

COUNTY OF WEBB)(

This agreement made and entered into by and between the City of Laredo, a municipal corporation (hereinafter called "LESSOR"), and Jose Mario Flores, Sole Proprietor (hereinafter called "LESSEE").

WITNESSETH

WHEREAS, the LESSOR currently owns and operates the land premises known as the Laredo International Airport (hereinafter called "Airport"), located in Laredo, Webb County, Texas, and;

WHEREAS, the LESSOR deems it advantageous to itself and to its operation of the Airport area to lease to LESSEE certain rights, privileges and uses herein as necessary to conduct its business as hereinafter set forth;

NOW, THEREFORE, LESSOR and LESSEE for and in consideration of the covenants and mutual agreements hereinafter contained, do hereby covenant and agree as follows:

ARTICLE I

PREMISES, TERMS, AND PRIVILEGES

DEFINITIONS:

"Laredo International Airport" or "Airport": That certain area administered by LESSOR pursuant to Indenture from the United States of America to the City of Laredo, dated February 21, 1975, and consisting of all the area bounded by Saunders Avenue to the South, McPherson Avenue to the West, Lake Casa Blanca to the East and undeveloped land to the North, and being more particularly described in that certain Deed of Indenture filed in Volume 478 at page 471 of the Deed of Records of Webb County, Texas.

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“LESSOR”: The City of Laredo, by and through its duly constituted agent, the Airport Director, shall be considered the LESSOR for all purposes of this lease.

“PREMISES”: Includes the property and building subject to the lease.

“STRUCTURE” or “STRUCTURAL”: Includes, but is not limited to, the foundation, load bearing walls, joists, rafters, load bearing surfaces, water pipes, drainage pipes, and air conditioning ducts.

1.01 **LEASED AREA:**

The LESSOR does hereby lease approximately 8,184 square feet constituting Building #2075, located at 1720 Hillside Road, Laredo, Webb County, Texas situated on property described as Block No. 27, of the subdivision plat of Laredo Airport according to the map or plat thereof recorded in Volume 5, Page 1, plat records of Webb County, Texas. The property on which the building is situated is more particularly described and depicted on “Exhibit A-1” attached hereto and incorporated herein, all hereinafter referred to as the leased area, all within the Laredo International Airport, and LESSEE hereby leases the said leased area from LESSOR.

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1.02 **TERM:**

This lease is to be for a term of fifteen (15) years commencing on August 1, 1999 and ending on July 31, 2014.

1.03 **OPTION TO EXTEND:**

LESSEE is hereby granted an option to extend this lease for two-five year options until July 31, 2019 and July 31, 2024 with each option to be exercised by letter in writing delivered to and received by the LESSOR at its Airport Director’s Office, at least sixty (60) days before the end of the previous term. Extension shall be upon the terms and conditions of this agreement.

1.04 RENTAL OBLIGATION AND MODE OF PAYMENT:

A. LESSEE agrees to pay to LESSOR, an annual rental sum of legal money of the United States of America, said annual rental to be paid for and during each and every year of the original term of this lease and of any extension hereof pursuant to paragraph 1.03. Each such annual rental amount shall be paid by LESSEE to LESSOR, in twelve (12) equal and consecutive monthly installments, each such monthly installment to be due and payable on the first (1st) day of each calendar month, except for the provision in (B), below, for the four month grace period at the beginning of the first year of this lease.

B. The first monthly installment of the annual rental for the first year of this lease shall be due and payable on the first (1st) day of the fifth month with each monthly installment to be in the sum of One Thousand Nine Hundred Sixty (1,960.00) dollars, except that the first four months' rental is waived by LESSOR, that is, no monthly rental shall be due on August, September, October, and November, 1999, but rather the first monthly installment shall be due and payable on December 1, 1999, with each monthly installment to be due and payable to LESSOR on the first day of each month, unless LESSEE completes construction activities and commences operations within the first four months grace period at which time the rent will commence.

C. Notwithstanding anything to the contrary, the annual rental obligation effective on the tenth (10th) and the twentieth (20th) anniversary shall be adjusted based on twelve (12) percent of the then appraised fair market value of the leased premises excluding improvements thereon and such revised rental shall be adjusted annually thereafter as provided in paragraph (D) of this section.

D. For each annual period of the initial term after the first year of the initial term, and for each annual period or part thereof that this lease is hereafter extended by the parties, pursuant to the provisions of this lease, rental shall be adjusted annually on the anniversary date of this lease, (except during the tenth (10th), twentieth (20th) anniversary when the rental will be adjusted according to paragraph C of Section 1.04) by an amount which is equivalent to the percent change in the Consumer Price Index (CPI) of the preceding calendar year's (January-December) average, specifically defined

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as the Consumer Price Index (U. S. Average, All Urban Consumers, All Items) 1967=100 Base as compiled by the Bureau of Labor Statistics. This means that at the anniversary date of this lease, which is August 1, 2000, and annually thereafter, the rent will be adjusted on the percent change in the CPI of the preceding calendar year (January-December) or Four Percent (4%), whichever is less. Should the percent change in the Consumer Price Index be less than zero, then in such event, the rental obligation shall not be adjusted and the previous annual rental shall continue for the next twelve (12) month period.

If publication of the Consumer Price Index shall be discontinued, the parties hereto shall thereafter accept the comparable statistics on the cost of living for the City of Laredo, Texas, as they shall be computed and published by an agency of the United States or by the State of Texas or by a responsible financial periodical of recognized authority, then to be selected by the parties hereto.

Each annual rental sum calculated in the preceding paragraph shall be payable in twelve (12) equal monthly installments and each installment shall be due and payable on or before the first day of each calendar month.

1.05 **UTILITIES:**

LESSEE shall provide and pay or cause to be paid all charges for water, heat, gas, electricity, sewers, and any and all other utilities used on the premises throughout the term of this lease, including any connection fees.

1.06 **TAXES:**

LESSEE agrees to pay and discharge promptly, before delinquency, any and all taxes, impositions and government charges of any kind whatsoever that may be lawfully assessed against the LESSEE or the LESSOR, with respect to the leased premises or any improvement, personal property, tools, equipment, furniture, fixtures or inventory thereon, during the term of this Lease including any extensions or option periods granted thereto and LESSEE agrees to pay for all the costs and expenses of contesting any such taxes.

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The LESSEE in good faith may contest any tax or governmental charge by means provided by law; provided that the LESSEE may not permit such tax or governmental charge to remain unpaid during the period of such contest and any appeal therefrom unless, in the opinion of counsel satisfactory to LESSOR, such action will not adversely affect any right or interest of the LESSOR.

1.06 USE AND USE CONFLICT:

The leased area is to be used and occupied solely for the purpose of office space, storage, and approved medical related uses and no other use of the leased area is permitted.

LESSEE shall have the right to sublease all or any part of the space demised hereunder for the same purpose permitted under the terms and provisions of this lease, provided LESSEE first obtains LESSOR'S consent, such consent shall not be unreasonably withheld. Any such sublease shall be subject to the same conditions, obligations and terms as set forth herein and LESSEE shall be responsible for the observance by its sublessees of the terms and covenants contained in this lease.

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1.07 LATE CHARGE:

Should LESSEE fail to pay when due any installment of rental, or any other sum payable to the LESSOR under the terms of this Lease, then interest at the maximum legal rate then payable by LESSEE in the State of Texas shall accrue from and after the date on which any such sum shall be due and payable, and such interest shall be paid by LESSEE to LESSOR at the time of payment of the sum upon which such interest shall have accrued and acceptance of such late payment and late fee shall not be a waiver of any of the provisions or rights provided by this contract.

1.08 LESSOR'S WARRANTY OF QUIET ENJOYMENT:

The LESSOR covenants that as long as LESSEE is not in default of any provision of this Agreement, LESSEE shall and may peaceably and quietly have, hold and enjoy the leased premises exclusively to it during the term hereof unless sooner terminated as provided in this Agreement.

1.09 WARRANTY OF TITLE:

LESSOR hereby represents and warrants that it is the owner in fee simple absolute of the leased premises, subject to any covenants, conditions, restrictions, easements, and other matters of record.

ARTICLE II

INDEMNITY, REPAIRS, ALTERATIONS AND INSURANCE

2.01 INDEMNITY AND NONCLAIM:

LESSEE hereby declares itself fully familiar with the physical condition of the leased premises and the improvements, fixtures and equipment leased herein, and declares that said premises were in good condition when possession of same was accepted and that there were no latent defects in the facilities as those facilities are deemed vital to the use of the premises for their intended commercial purpose.

LESSEE for itself, its agents, employees, servants, successors and assigns promises to hold harmless and indemnify LESSOR from and against any and all claims by or on behalf of any person, whether legal or equitable, including governmental bodies, arising from the conduct or management of or from any work or thing done and from any conditions of the leased buildings or other structures, sidewalks, driveways, or parking areas and facilities on the leased premises or any street, curb, or sidewalk adjoining thereon, and from all costs, attorney's fees, witness fees, expenses and liabilities incurred in or about any such claim or action or proceeding brought thereon; except any and all actions or proceedings arising out of the sole negligence or willful act of LESSOR, its employees, agents, or representatives from which LESSOR shall indemnify and hold LESSEE harmless; and in the event that any action or proceeding brought against the LESSOR by reason of such claim, the LESSEE upon notice from the LESSOR covenants to resist and defend such actions or proceedings.

LESSEE agrees for itself, its agents, servants, employees, invitees, successors and assigns that it will not bring suit against the LESSOR or assign any cause of action resulting from accident, fire, noise, or disturbance from the operation, maintenance, accident, crash, or crash landing of any

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airplane in the Laredo International Airport area or in the vicinity of the Laredo International Airport, or during any operation of aircraft over the premises, except any such cause of action arising out of the negligence or willful act of LESSOR, its employees, agents, or representatives.

LESSEE also holds LESSOR blameless for any damage to or destruction of LESSEE'S property located on leased premises, including that caused by natural occurrence, or any other cause whatsoever, unless caused by LESSOR'S employees, agents, or representatives, while said employees, agents or representatives are acting in the course or scope of their duties for the LESSOR.

2.02 **LESSEE'S DUTY TO REPAIR:**

LESSEE shall, throughout the term of this lease, take good care of the leased area and the fixtures and appurtenances therein and at its sole cost and expense make all repairs, whereby structural or non-structural, thereto as and when needed to preserve them in good working order and condition. In this regard, LESSEE is responsible for the maintenance and repair at LESSEE'S sole cost and expense of all windows, doors, plumbing, electrical, light fixtures, plumbing fixtures, air conditioning system, painting of interior and exterior walls when needed, floor covering and other non-structural repairs. As well as structural repairs including the roof, walls, whether interior or exterior, foundation and any other structural component of the building. Necessary modifications to the demised premises to comply with the Americans with Disabilities Act will be the responsibility of the LESSEE.

Damage or injury to the premises, fixtures, appurtenances whether requiring structural or non-structural repairs, caused by or resulting from carelessness, omission, neglect or improper conduct of LESSEE, its servants, employees, or licensees, shall be repaired promptly by LESSEE at LESSEE'S sole cost and expense, to the satisfaction of LESSOR.

2.03 **ALTERATIONS:**

LESSEE is granted the right to make alterations to the leased area other than structural alterations or repairs at LESSEE'S sole cost and expense subject to the following terms and conditions.

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(a) LESSEE must first obtain the written consent of LESSOR. LESSOR reserves the right to reject any proposed extension, repair or alteration, any particular contractor or each and every subcontractor, or the complete project.

(b) Ultimate title to an alteration properly consented to by LESSOR will rest with LESSOR immediately upon completion and will remain in LESSOR'S possession at termination of LESSEE'S tenancy.

(c) Trade fixtures, movable furniture, and other service equipment of LESSEE peculiar to LESSEE'S business are not to be included in alterations, and must be removed by LESSEE, upon termination of lease, provided LESSEE is not in default of lease obligations.

LESSOR reserves the right to demand that LESSEE restore the premises to reasonably the same condition and state as the premises were found prior to making such alterations, in a manner acceptable to LESSOR, and to demand that LESSEE pay all costs of such restoration upon termination of lease.

LESSEE further agrees that any damages as may be caused by the installation or removal of trade fixtures discussed in condition (c), will bind LESSEE to repair said damage expeditiously at LESSEE'S sole expense upon written notice by LESSOR.

LESSOR maintains and reserves the right to make alterations and remodeling changes, provided said work does not unduly or unreasonably interfere with LESSEE'S day-to-day operations and business.

2.04 IMPROVEMENTS BY LESSEE:

LESSEE proposes to make approximately One Hundred Thousand (\$150,000.00) Dollars of improvements to the property at the commencement of the lease term to include:

- a. Paved offset parking.
- b. Remodeling of office space.

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- c. Provide brick or stocco to building exterior.
- d. Electrical/mechanical improvements.
- e. Landscaping

2.05 **INSURANCE:**

(a) Fire and Extended Coverage Insurance: The leased area is covered under the LESSOR'S Master Insurance Coverage. Premiums are paid by the LESSOR for its sole benefit and protection.

(b) Contents: Insurance on the contents of the leased area is the sole responsibility of the LESSEE.

c) Public Liability Insurance: LESSEE agrees to indemnify and hold LESSOR harmless from any and all claims, damages, causes of action, cost and expense, including attorney's fees resulting from or related to LESSEE'S use and occupancy of the leased premises, except any such claims, damages, causes of action, costs and expenses arising out of the negligence or willful act of LESSOR, its employees, agents, or representatives from and against which LESSOR shall indemnify and hold LESSEE harmless. In this connection, LESSEE shall carry and maintain Public Liability Insurance in minimum amounts of Five Hundred Thousand Dollars (\$500,000.00) per incident, and One Hundred Thousand Dollars (\$100,000.00) property damage per incident, in which LESSOR shall be named as additional insured. Such policies shall provide that same shall not be cancelled without thirty (30) days prior written notice to LESSOR, and LESSOR shall be furnished, within thirty (30) days from the effective date of this lease, with a copy of such proof of insurance. However, LESSEE shall maintain Public Liability Insurance at all times throughout the term of this lease. LESSOR reserves the right to make its acceptance of an insurance company a condition of this lease such that disapproval or revocation of approval thereof shall authorize LESSOR to terminate the lease.

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ARTICLE III

DEFAULT, HOLDING OVER AND ABANDONMENT

3.01 LESSEE'S DEFAULT:

It is covenanted and agreed to by both parties that in the event that:

(1) LESSEE should fail to timely pay the full amount of rent and fees provided for herein; or

(2) LESSEE defaults in the performance of any of the covenants, conditions, or agreements provided for herein to be kept and performed by LESSEE, including, but not limited to, the provisions for carrying Public Liability Insurance; or

(3) LESSEE permits the leased premises to be used for any unauthorized or unlawful business or purpose; or

(4) LESSEE assigns or subleases or otherwise transfers this lease; or

(5) LESSEE files a voluntary petition of bankruptcy to make a general assignment for the benefit of creditors; or

(6) LESSEE abandons the premises or leaves the premises vacant or unoccupied for thirty (30) consecutive days;

Then, and in any event, the LESSOR may, at its option and without waiving any other rights that LESSOR has under this contract, at any time after such default, give notice of this specific default or failure of performance and demand immediate correction of such default or failure of performance by the LESSEE. In the event that LESSEE fails to remedy the default or to correct the failure of performance within thirty (30) days after service of such written notice, the LESSOR shall have the right to:

(a) Terminate the lease and re-enter the leased premises and remove all persons and any all personal property therefrom and LESSEE hereby agrees to surrender the premises to LESSOR, without waiving LESSOR'S right to past and future rents due hereunder. In such event, LESSOR may re-let the premises to other prospective LESSEES for the remainder of the term of this lease, and LESSEE shall be liable for any loss to LESSOR incurred in

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such re-letting for the terms of this lease, including but not limited to, rent, attorney's fees, if any; and/or

(b) Remedy the default and deduct the expenses incurred in remedying such default from the security deposit held by LESSOR pursuant to the terms of this lease.

Notwithstanding any provision as to notice in this lease contained, if in the LESSOR'S reasonable judgment the continuation of any default by the LESSEE for the full period of the notice otherwise provided for herein will jeopardize the leased area or the rights of LESSOR, the LESSOR may, without notice, elect to perform those acts in respect to which LESSEE is in default, at LESSEE'S sole cost and expense, and LESSEE shall thereupon reimburse the LESSOR within ten (10) days of written request by LESSOR to LESSEE for such reimbursement. Failure of the LESSEE to reimburse in these circumstances shall mean that the LESSOR has the immediate right to terminate this lease.

3.02 RIGHTS ON DEFAULT:

LESSOR shall have a statutory LESSOR'S lien on all merchandise, goods, chattels, implements, fixtures, tools, furniture, machinery and any other personal property which LESSEE now or at any time hereafter may place in or upon the premises, all exemption of said property, or any part of it being herein expressly waived by the LESSEE.

LESSOR IS HEREBY GRANTED AN EXPRESS CONTRACTUAL LESSOR'S LIEN ON THE ABOVE GOODS, ALL OR ANY EXEMPTION BEING HEREBY WAIVED BY LESSEE, BUT WITHOUT LIMITING LESSEE'S RIGHT TO SELL, EXCHANGE OR REPLACE SUCH GOODS FROM TIME TO TIME IN THE ORDER OR COURSE OF BUSINESS OR TRADE.

Default on rent entitles LESSOR, at its option, to take whatever lawful action reasonably necessary to protect LESSOR'S interest in said property, including the storing of lien goods for payment for a reasonable time, as well as the selling of such goods at public or private auction for rent due, without waiving LESSOR'S right to the total rent due.

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3.03 **ATTORNEY'S FEES:**

In case LESSEE defaults in the performance of any of the terms, covenants, agreements or conditions contained in this lease and LESSOR places the enforcement of the terms of this lease, or any part thereof, or the collection of any rent due, or to become due hereunder, or recovery or possession of leased premises, in the hands of an attorney, or files suit upon same, LESSEE agrees to pay LESSOR reasonable attorney's fees and payment of same shall be secured in a like manner as herein provided as to lien for rent due.

3.04 **HOLDING OVER:**

Staying over past the term of this lease without the notice required by Section 1.05 hereof or beyond the extension term hereof will constitute the LESSEE, upon acceptance of rental payment by LESSOR, a month-to-month tenant, at a revised rental rate of one and one half (1.5) times the rate prior to holding over. All CPI rental adjustments occurring during such hold over tenancy shall be in effect based on the revised rental rate.

3.05 **ABANDONMENT:**

If the leased area is abandoned or vacated by LESSEE, for a period exceeding thirty (30) calendar days, LESSOR shall advertise and re-let the premises for the remainder of the term of this lease. Notwithstanding any other provision herein, if rent received including charges, does not equal rent and charges agreed to herein by LESSEE, LESSEE shall remain liable and herein agrees to pay and satisfy all deficiencies and all reasonable expenses incurred in reletting and repair of any damages.

3.06 **LESSOR'S REPRESENTATION AND WAIVER:**

Any representations by LESSOR regarding LESSEE'S leasehold interest are embodied in this writing.

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The waiver by LESSOR to LESSEE of performance of any provision of this Agreement shall not amount to a future waiver of strict performance of such provision or any other provision of this agreement. Any waiver of this Agreement shall be in writing and approved by the LESSOR.

3.07 ANTI-DISCRIMINATION CLAUSES MANDATED BY FEDERAL GOVERNMENT:

(a) TITLE VI OF THE CIVIL RIGHTS ACT OF 1964: The LESSEE for itself, its agents, servants, employees, successors and assigns, as a part of the consideration hereof, does hereby covenant and agrees to a covenant running with land that:

1. No person on the grounds of race, color or national origin shall be excluded from participating in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;

2. That in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

3. That the LESSEE shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended;

4. That in the event of breach of any of the preceding nondiscrimination covenants, LESSOR shall have the right to take such action, anything to the contrary herein notwithstanding as the United States may direct to enforce this nondiscrimination covenant.

(b) That the LESSEE shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(c) That in the event of breach of any of the preceding nondiscrimination covenants, the LESSOR shall have the right to terminate the license, lease,

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permit, etc., and hold the same as if said lease had never been made and issued.

ARTICLE IV

MISCELLANEOUS

4.01 NON-EXCLUSIVE USE:

It is understood that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right unless specifically identified herein.

4.02 TRAILERS, ABANDONED VEHICLES EXPRESSLY PROHIBITED:

Towed vehicles, or motor vehicles not currently licensed and actively used are not to be permitted onto the premises or any common parking area within the Laredo International Airport. Under this provision, vehicles, RV trailers, travel homes, and mobile homes, wrecked or abandoned vehicles, must be removed at LESSEE'S expense, and failure to do so will constitute a breach of this lease.

4.03 CAPTIONS:

Articles and headings are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provision hereof, nor are they meant to bind the LESSOR or LESSEE to the meaning of such heading.

4.04 CONSTRUED PURSUANT TO TEXAS LAW:

This agreement shall be construed under and in accordance with the laws of the State of Texas, and performed in Webb County, Texas.

4.05 RE-ENTRY:

No re-entry, repossession, operations, or reletting of the premises or of fixtures and equipment shall be construed as an election by LESSOR to

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terminate this lease unless a written notice of such intention to terminate is given by LESSOR to LESSEE and notwithstanding any such operation or reletting without terminating this lease, LESSOR may at any time thereafter elect to terminate this lease.

4.06 NON-EXCLUSIVE USE OF PARKING AREA:

LESSEE, its employees, agents, clients, and guests shall have reasonable use of designated parking areas immediately adjacent to the leased premises and within the Laredo International Airport, subject to the rights of LESSOR to change such designation and to impose reasonable rules and regulations for such areas.

4.07 BINDING AGREEMENT:

Subject to the provisions herein, all agreements, terms, obligations, covenants, and conditions of this lease shall be binding upon and inure to the benefit of the parties hereto and their respective employees, agents, servants, legal representatives, successors, and assigns unless otherwise prohibited or otherwise noted in this instrument.

4.08 NOTICES:

Any notices which are required hereunder, or which either LESSOR or LESSEE may desire to serve upon the other shall be in writing and shall be deemed served when deposited in the United States mail, postage prepaid, return receipt requested, addressed to LESSEE as follows:

Jose Mario Flores
1808 Commerce Drive
Laredo, Texas 78041

and to LESSOR:

Office of the Airport Director
Laredo International Airport
5210 Bob Bullock Loop
Laredo, Texas 78041

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4.09 **COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS:**

Further, LESSEE, will keep and maintain the leased area in a clean and healthful condition and comply with the laws, ordinances, orders, rules and regulations (State, Federal, Municipal and other agencies or bodies having any jurisdiction hereof) with reference to use, conditions, or occupancy of the leased area.

4.10 **OUTSIDE STORAGE PROHIBITED:**

Storage of vehicles, equipment, supplies, or any other items outside of the leased building(s) is prohibited, unless the storage area is fenced and approved by the LESSOR.

4.11 **FIRE CLAUSE:**

Should the leased area be destroyed by fire or casualty to the extent that it is no longer reasonably appropriate for LESSEE'S use and occupancy of said premises, LESSEE shall have the option of cancelling this lease upon written notice to LESSOR within thirty (30) days of the date the premises are rendered untenable or restoring said leased area in a reasonable, sufficient, and timely manner at LESSEE'S sole cost and expense, in which case this lease shall continue in accordance with all of its terms and conditions. Failure of LESSEE to give notice of cancellation within said thirty (30) day period shall mean that the LESSEE exercises its option to continue the lease in force and effect. Rental during the period that the premises are being restored hereunder shall be abated.

4.12 **AREA SURROUNDING BUILDING:**

In addition to LESSEE'S obligations to maintain the building herein leased, LESSEE agrees to maintain in a safe, clean, well-kept and orderly condition the immediate area surrounding said building. It is agreed in this connection that the LESSEE shall keep said area free from litter or other unsightly trash, or refuse, will keep the grass cut, the weeds controlled, will water the lawn and trees when needed and will maintain the outside of the building and said area in a neat and orderly fashion.

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LESSOR reserves the right to maintain or have maintained the building(s) and/or grounds associated with the lease agreement for environmental and/or public health reasons. LESSEE agrees to promptly reimburse LESSOR for all expenses incurred in the maintenance of building(s) and/or grounds, within ten (10) days of receipt of statement. Failure to do so will constitute breach of contract and LESSEE will be in default of the lease agreement.

4.13 GARBAGE STORAGE AND DISPOSAL:

LESSEE agrees to store all accumulated garbage in a neat and clean manner, as an essential element of its responsibilities for neatness of the premises, LESSEE herein also agrees that garbage carrying and disposal is its sole responsibility, and agrees to comply with all rules and ordinances of the City and State regarding storage and disposal.

4.14 IMPROVEMENTS VESTED IN LESSOR:

The parties agree that the obligation and promise of LESSEE, as expressed herein, to make repairs and improvements and maintain the leased premises is a part of the total consideration for this lease agreement. Therefore, all right, title, and interest in and to said repairs or improvements shall at all times herein be vested in LESSOR, subject only to the right of LESSEE to the use and possession of said building and improvements during this lease term plus any extensions hereof as provided in said lease so long as LESSEE is not in default or any of the terms of this agreement. It shall be the obligation of LESSEE to maintain and repair the said leased area and improvements during the term of this lease or any extension thereof. Upon termination, interest in and to the said repairs or improvements shall remain vested in LESSOR, and LESSEE shall not have any further rights therein nor be entitled to any reimbursement by reason of LESSEE'S maintenance, improvements, repair or use of said leased area.

4.15 SUBORDINATION OF LEASE:

This lease shall be subordinated to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or

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may be required as a condition precedent to the expenditure of Federal Funds for the development of the Airport.

It is expressly understood and agreed that this lease is subject to and subordinate to and controlled by provisions, stipulations, covenants and agreements contained in those certain contracts, agreements, resolutions and actions of the City of Laredo, Texas, constituting agreements between the City and United States of America and its agents including but not limited, to the Federal Aviation Administration (FAA) and all regulations now and hereafter imposed upon the City and that the LESSOR shall not be liable to LESSEE on account of any of the foregoing matters and all of such contracts, agreements, resolutions and regulations are incorporated herein by reference, and if any provision of this lease is determined to be a variance with same, such provision is unilaterally reformable at LESSOR'S option.

The parties agree that as of the date of execution of this contract there exists no provisions, stipulations, covenants, or agreements which would prohibit LESSEE from using the leased premises for the purpose set forth in Paragraph 1.08, entitled "Use and Use Conflict" in this Agreement.

4.16 **NATIONAL EMERGENCY:**

During the time of war and national emergency, LESSOR shall have the right to lease the landing area or any part thereof to the United States Government or military or naval use, and, if such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of such lease to the Government, shall be suspended.

4.17 **AIRPORT HAZARD:**

The LESSEE and its agents, servants, employees, successors and assigns, will not make or permit any use of the property which would interfere with landing or taking off of aircraft at the Airport, or otherwise constitute an airport hazard. This includes such items as electrical or electronic equipment, creation of smoke or dust or glaring or misleading lights.

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4.18 **NOTICE OF PROPOSED CONSTRUCTION OR ALTERATION:**

The LESSEE and its successors and assigns will complete an FAA Form 7460-1, "Notice of Proposed Construction or Alteration", and receive a favorable determination from FAA prior to any construction on the property.

4.19 **AERIAL APPROACHES:**

LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the opinion of the LESSOR, would limit the usefulness of the Airport or constitute a hazard to aircraft.

4.20 **TIME OF ESSENCE:**

Time is of the essence in this agreement.

4.21 **PREMISES LEASED "AS IS":**

Premises are leased **AS IS** and there is no expressed or implied warranty on the condition or suitability of the building.

4.22 **PROVISIONS:**

Any provision in this Lease which proves to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and the remainder of this Lease shall remain in full force and effect.

4.23 **AGREEMENT:**

This Agreement consists of Article I through IV and Exhibit A-1. It constitutes the entire Agreement of the parties on the subject matter hereof and may not be changed, modified, discharged, or extended except by written instrument duly executed by the LESSOR and LESSEE. LESSEE agrees that no representations or grant of rights or privileges shall be binding upon the LESSOR unless expressed in writing in this Agreement.

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EXECUTED ON THIS 19th DAY OF July, 1999.

CITY OF LAREDO
a municipal corporation

By: [Signature]
FLORENCIO PEÑA, III
CITY MANAGER

ATTEST:
[Signature]
GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:
JAIME L. FLORES
CITY ATTORNEY

BY: [Signature]
VALERIA M. ACEVEDO
ASSISTANT CITY ATTORNEY

LESSEE: JOSE MARIO FLORES
SOLE PROPRIETOR

BY: [Signature]
JOSE MARIO FLORES

Fee Amount: \$49.00

Signed: [Signature]

Recorded
FEB. 11, 2002 AT 01:36PM

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DOC#: 752415

APPROVED BY CITY COUNCIL ON 7/19/99
[Signature]

ORDINANCE NO. 2000-0-126

AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE WITH JOSE MARIO FLORES FOR APPROXIMATELY 8,332 SQUARE FEET CONSTITUTING BUILDING NO. 464 LOCATED AT 1705 E. HILLSIDE ROAD AT THE LAREDO INTERNATIONAL AIRPORT;

1. LEASE TERM IS FOR TWENTY FIVE (25) YEARS COMMENCING ON MAY 1, 2000 AND ENDING ON APRIL 30, 2025 AND MAY BE EXTENDED FOR ONE (1) TERM OF FIVE (5) YEARS ENDING APRIL 30, 2030;
2. MONTHLY RENT SHALL BE \$1,333.00 AND WILL BE ADJUSTED ANNUALLY DURING THE PRIMARY AND EXTENSION TERM OF THIS LEASE ACCORDING TO CHANGES IN THE CONSUMER PRICE INDEX AND FURTHER ADJUSTED BY FAIR MARKET VALUE APPRAISAL ON THE 10TH AND 20TH ANNIVERSARIES; PROVIDING FOR EFFECTIVE DATE.

WHEREAS, the Airport Director recommends that the City Council approve the proposed lease between the City of Laredo, as LESSOR, and Jose Mario Flores, as LESSEE, for approximately 8,332 square feet constituting Building No. 464 located at 1705 E. Hillside Road at the Laredo International Airport, as a contract and in furtherance of the development of the Laredo International Airport and as a support to the maintenance and operation of the Laredo International Airport.

WHEREAS, the Airport Advisory Committee finds that said lease and contract are in the best interest of the Airport and recommends that the City Council approve the proposed lease; and

WHEREAS, the City Council of the City of Laredo having heard the recommendations of the Airport Director and of the Airport Advisory Committee agrees with same.

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

Section 1: The City Manager be and is hereby authorized to execute a lease with Jose Mario Flores for approximately 8,332 square feet constituting Building No. 464 located at 1705 E. Hillside Road at the Laredo International Airport, a copy of which lease is attached hereto as Exhibit A, and incorporated herein as if set out at length for all intents and purposes.

Section 2: This Ordinance shall become effective upon passage hereof.



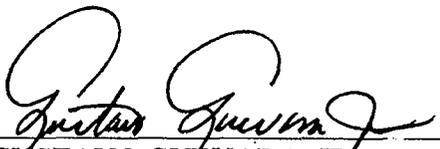
AN ORDINANCE AUTHORIZING A LEASE BETWEEN THE CITY OF LAREDO AND _____
(BUILDING NO. 134)

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON
THIS THE 15TH DAY OF MAY, 2000.



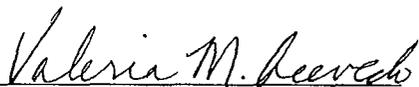
ELIZABETH G. FLORES
MAYOR

ATTEST:



GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:
JAIME L. FLORES
CITY ATTORNEY

BY: 

VALERIA M. ACEVEDO
ASSISTANT CITY ATTORNEY

COUNCIL COMMUNICATION

| | |
|--|--|
| <p>DATE: 5-15-00</p> | <p>SUBJECT: FINAL READING OF ORDINANCE NO. 2000-0-126 Authorizing the City Manager to execute a lease agreement with Jose Mario Flores for approximately 25,264.80 square feet of land to include Building No. 464 that consists of 8,332 square feet located at 1705 E. Hillside Road. Lease term is for twenty five (25) years commencing May 1, 2000 and ending on April 30, 2025 and may be extended for one (1) term of five (5) years ending on April 30, 2030. Monthly rent shall be \$1,333.00 and will be adjusted annually during the primary and extension terms of this lease according to changes in the Consumer Price Index, and further adjusted by Fair Market Value appraisal on the 10th and 20th anniversaries. Previous tenant was Madrid Printing paying monthly rent of \$1,318.71.</p> |
| <p>INITIATED BY: Cynthia Collazo Acting City Manager</p> | <p>STAFF SOURCE: Jose L. Flores Airport Director</p> |
| <p>PREVIOUS ACTION: On May 1, 2000, Ordinance was introduced by City Council, and Staff was instructed to proceed.</p> | |
| <p>BACKGROUND:</p> <p>On February 17, 2000, Requests for Interest Statements were solicited from parties interested in leasing airport property. Mr. Jose Mario Flores and Mr. Wolf Hofman submitted Interest Statements.</p> <p>Mr. Flores' interest was to enter into a proposed lease for 25,264.80 square feet of land in which Building No. 464 is located, and convert it into an office building. This use is compatible with the Airport Land Marketing and Use Plan. Mr. Hofman intended to use the property as a warehouse; thereby, disqualifying the proposal due to its incompatibility with the Airport Land Use Policy.</p> <p>Lessee proposes to invest approximately \$200,000 into the property which consists of a new parking lot, new exterior, construct office space, new electrical/mechanical components, new flooring, etc.</p> | |
| <p>FINANCIAL:</p> | <p>Land Rent Revenues Account No. 242-0000-361-1061 \$ 0.16 Per Square Foot \$ 1,333.00 Per Month \$15,996.00 Per Year</p> |
| <p>COMMITTEE RECOMMENDATION: The Airport Advisory Committee recommends approval of this lease.</p> | <p>STAFF RECOMMENDATION: That the City Manager execute lease with Jose Mario Flores.</p> |

HENRY FLORES, CLERK
WEBB COUNTY, TEXAS
LAREDO, TEXAS 78040
1110 VICTORIA ST.
SUITE 201
(956) 721-2640



DATE: JUNE 18, 2002

TO: CITY OF LAREDO SECRETARY'S OFFICE

P.O. BOX 579

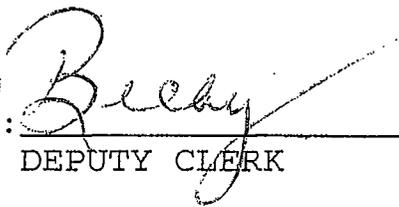
LAREDO, TEXAS 78042-0579

SIR/MADAM:

ENCLOSED, PLEASE FIND DOCUMENT(S) THAT WERE RECORDED IN THE OFFICIAL PUBLIC RECORDS OF THE WEBB COUNTY CLERK'S OFFICE IN LAREDO, TEXAS.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL THE ABOVE NUMBER.

HENRY FLORES,
WEBB COUNTY CLERK

BY: 
DEPUTY CLERK

NOTE: This agreement is subject to City Council approval, and also constitutes a public document under the Texas Open Records Act, being subject to public inspection at any time hereafter.

STATE OF TEXAS)(

COUNTY OF WEBB)(

This agreement made and entered into by and between the City of Laredo, a municipal corporation (hereinafter called "LESSOR"), and Jose Mario Flores (hereinafter called "LESSEE").

W I T N E S S E T H

WHEREAS, the LESSOR currently owns and operates the land premises known as the Laredo International Airport (hereinafter called "Airport"), located in Laredo, Webb County, Texas, and;

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WHEREAS, the LESSOR deems it advantageous to itself and to its operation of the Airport area to lease to LESSEE certain rights, privileges and uses herein as necessary to conduct its business as hereinafter set forth;

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NOW, THEREFORE, LESSOR and LESSEE for and in consideration of the covenants and mutual agreements hereinafter contained, do hereby covenant and agree as follows:

ARTICLE I

PREMISES, TERMS, AND PRIVILEGES

DEFINITIONS:

"Laredo International Airport" or "Airport": That certain area administered by LESSOR pursuant to Indenture from the United States of America to the City of Laredo, dated February 21, 1975, and consisting of all the area bounded by Saunders Avenue to the South, McPherson Avenue to the West, Lake Casa Blanca to the East and undeveloped land to the North, and being more particularly described in that certain Deed of

Indenture filed in Volume 478 at page 471 of the Deed of Records of Webb County, Texas.

“LESSOR”: The City of Laredo, by and through its duly constituted agent, the Airport Director, shall be considered the LESSOR for all purposes of this lease.

“PREMISES”: Includes the property and building subject to the lease.

“STRUCTURE” or “STRUCTURAL”: Includes, but is not limited to, the foundation, load bearing walls, joists, rafters, load bearing surfaces, water pipes, drainage pipes, and air conditioning ducts.

1.01 **LEASED AREA:**

The LESSOR does hereby lease approximately 8,332 square feet constituting Building No. 464, located at 1705 E. Hillside Road, Laredo, Webb County, Texas situated on property described as Block No. 15, of the subdivision plat of Laredo Airport according to the map or plat thereof recorded in Volume 5, Page 1, plat records of Webb County, Texas. The property on which the building is situated is more particularly described and depicted on “Exhibit A” attached hereto and incorporated herein, all hereinafter referred to as the leased area, all within the Laredo International Airport, and LESSEE hereby leases the said leased area from LESSOR.

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1.02 **TERM:**

This lease is to be for a term of twenty five (25) years commencing on May 1, 2000 and ending on April 30, 2025.

1.03 **OPTION TO EXTEND:**

LESSEE is hereby granted an option to extend this lease for one (1) five (5) year option until April 30, 2030, which shall be exercised by letter in writing delivered to and received by the LESSOR at its Airport Director’s Office, at least sixty (60) days before the end of the previous term. Extension shall be upon the terms and conditions of this agreement.

1.04 RENTAL OBLIGATION AND MODE OF PAYMENT:

A. LESSEE agrees to pay to LESSOR, an annual rental sum of legal money of the United States of America, said annual rental to be paid for and during each and every year of the original term of this lease and of any extension hereof pursuant to paragraph 1.03. Each such annual rental amount shall be paid by LESSEE to LESSOR, in twelve (12) equal and consecutive monthly installments, each such monthly installment to be due and payable on the first (1st) day of each calendar month, except for the provision in (B), below, for the four month grace period at the beginning of the first year of this lease.

B. The first month's rent in the amount of One Thousand Three Hundred Thirty Three Dollars (\$1,333.00) will be due and payable on September 1, 2000, with each monthly rental payment to be due and payable to LESSOR on the first day of each month thereafter. The rent for the first four months is abated by agreement between LESSEE and LESSOR in consideration of the improvements that LESSEE will construct and in consideration of the fact that LESSEE will not have beneficial use of the land during this period of abatement.

C. Notwithstanding anything to the contrary, the annual rental obligation effective on the tenth (10th) and the twentieth (20th) anniversary shall be adjusted based on twelve (12) percent of the then appraised fair market value of the leased premises excluding tenant-constructed improvements thereon and such revised rental shall be adjusted annually thereafter as provided in paragraph (D) of this section.

D. For each annual period of the initial term after the first year of the initial term, and for each annual period or part thereof that this lease is hereafter extended by the parties, pursuant to the provisions of this lease, rental shall be adjusted annually on the anniversary date of this lease, (except during the tenth (10th), twentieth (20th) anniversary when the rental will be adjusted according to paragraph C of Section 1.04) by an amount which is equivalent to the percent change in the Consumer Price Index (CPI) of the preceding calendar year's (January-December) average, specifically defined as the Consumer Price Index (U. S. Average, All Urban

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Consumers, All Items) 1967=100 Base as compiled by the Bureau of Labor Statistics. This means that at the anniversary date of this lease, which is May 1, 2001, and annually thereafter, the rent will be adjusted on the percent change in the CPI of the preceding calendar year (January-December) or Four Percent (4%), whichever is less. Should the percent change in the Consumer Price Index be less than zero, then in such event, the rental obligation shall not be adjusted and the previous annual rental shall continue for the next twelve (12) month period.

If publication of the Consumer Price Index shall be discontinued, the parties hereto shall thereafter accept the comparable statistics on the cost of living for the City of Laredo, Texas, as they shall be computed and published by an agency of the United States or by the State of Texas or by a responsible financial periodical of recognized authority, then to be selected by the parties hereto.

Each annual rental sum calculated in the preceding paragraph shall be payable in twelve (12) equal monthly installments and each installment shall be due and payable on or before the first day of each calendar month.

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1.05 UTILITIES:

LESSEE shall provide and pay or cause to be paid all charges for water, heat, gas, electricity, sewers, and any and all other utilities used on the premises throughout the term of this lease, including any connection fees.

1.06 TAXES:

LESSEE agrees to pay and discharge promptly, before delinquency, any and all taxes, impositions and government charges of any kind whatsoever that may be lawfully assessed against the LESSEE or the LESSOR, with respect to the leased premises or any improvement, personal property, tools, equipment, furniture, fixtures or inventory thereon, during the term of this Lease including any extensions or option periods granted thereto and LESSEE agrees to pay for all the costs and expenses of contesting any such taxes.

The LESSEE in good faith may contest any tax or governmental charge by means provided by law; provided that the LESSEE may not permit such tax or governmental charge to remain unpaid during the period of such contest and any appeal therefrom unless, in the opinion of counsel satisfactory to LESSOR, such action will not adversely affect any right or interest of the LESSOR.

1.06 USE AND USE CONFLICT:

The leased area is to be used and occupied solely for the purpose of office space, financial services, medical/dental clinic or offices and retail sales and no other use of the leased area is permitted.

LESSEE shall have the right to sublease all or any part of the space demised hereunder for the same purpose permitted under the terms and provisions of this lease, provided LESSEE first obtains LESSOR'S consent, such consent shall not be unreasonably withheld. Any such sublease shall be subject to the same conditions, obligations and terms as set forth herein and LESSEE shall be responsible for the observance by its sublessees of the terms and covenants contained in this lease.

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1.07 LATE CHARGE:

Should LESSEE fail to pay when due any installment of rental, or any other sum payable to the LESSOR under the terms of this Lease, then interest at the maximum legal rate then payable by LESSEE in the State of Texas shall accrue from and after the date on which any such sum shall be due and payable, and such interest shall be paid by LESSEE to LESSOR at the time of payment of the sum upon which such interest shall have accrued and acceptance of such late payment and late fee shall not be a waiver of any of the provisions or rights provided by this contract.

1.08 LESSOR'S WARRANTY OF QUIET ENJOYMENT:

The LESSOR covenants that as long as LESSEE is not in default of any provision of this Agreement, LESSEE shall and may peaceably and quietly have, hold and enjoy the leased premises exclusively to it during the term hereof unless sooner terminated as provided in this Agreement.

1.09 WARRANTY OF TITLE:

LESSOR hereby represents and warrants that it is the owner in fee simple absolute of the leased premises, subject to any covenants, conditions, restrictions, easements, and other matters of record.

1.10 FAIR MARKET RENTAL APPRAISAL:

The monthly rental obligation beginning in the first option period, if exercised, shall be based on the then appraised fair market value of the land and improvements located thereon, and such revised rental shall be adjusted annually thereafter as provided in paragraph 1.04(D). The annual rental shall be based on twelve (12) percent of the then appraised fair market value of the leased premises including any and all improvements thereon and such revised rental shall be adjusted annually as provided in paragraph 1.04(D). Should the LESSOR and the LESSEE be unable to agree on such value by the termination date of this lease term, LESSOR will appoint one appraiser, the LESSEE will appoint one appraiser, and the two appointed appraisers will select a third appraiser. The appraiser will meet and determine the fair cash market value of the premises as of such termination date in accordance with the rules of the American Association of Arbitration. Each party will pay one half of the cost of such arbitration.

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ARTICLE II

INDEMNITY, REPAIRS, ALTERATIONS AND INSURANCE

2.01 INDEMNITY AND NONCLAIM:

LESSEE hereby declares itself fully familiar with the physical condition of the leased premises and the improvements, fixtures and equipment leased herein, and declares that said premises were in good condition when possession of same was accepted and that there were no latent defects in the facilities as those facilities are deemed vital to the use of the premises for their intended commercial purpose.

LESSEE for itself, its agents, employees, servants, successors and assigns promises to hold harmless and indemnify LESSOR from and against

any and all claims by or on behalf of any person, whether legal or equitable, including governmental bodies, arising from the conduct or management of or from any work or thing done and from any conditions of the leased buildings or other structures, sidewalks, driveways, or parking areas and facilities on the leased premises or any street, curb, or sidewalk adjoining thereon, and from all costs, attorney's fees, witness fees, expenses and liabilities incurred in or about any such claim or action or proceeding brought thereon; except any and all actions or proceedings arising out of the sole negligence or willful act of LESSOR, its employees, agents, or representatives from which LESSOR shall indemnify and hold LESSEE harmless; and in the event that any action or proceeding brought against the LESSOR by reason of such claim, the LESSEE upon notice from the LESSOR covenants to resist and defend such actions or proceedings.

LESSEE agrees for itself, its agents, servants, employees, invitees, successors and assigns that it will not bring suit against the LESSOR or assign any cause of action resulting from accident, fire, noise, or disturbance from the operation, maintenance, accident, crash, or crash landing of any airplane in the Laredo International Airport area or in the vicinity of the Laredo International Airport, or during any operation of aircraft over the premises, except any such cause of action arising out of the negligence or willful act of LESSOR, its employees, agents, or representatives.

LESSEE also holds LESSOR blameless for any damage to or destruction of LESSEE'S property located on leased premises, including that caused by natural occurrence, or any other cause whatsoever, unless caused by LESSOR'S employees, agents, or representatives, while said employees, agents or representatives are acting in the course or scope of their duties for the LESSOR.

2.02 LESSEE'S DUTY TO REPAIR:

LESSEE shall, throughout the term of this lease, take good care of the leased area and the fixtures and appurtenances therein and at its sole cost and expense make all repairs, structural or non-structural, thereto as and when needed to preserve them in good working order and condition. In this regard, LESSEE is responsible for the maintenance and repair at LESSEE'S

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sole cost and expense of all windows, doors, plumbing, electrical, light fixtures, plumbing fixtures, air conditioning system, painting of interior and exterior walls when needed, floor covering and other non-structural repairs. As well as structural repairs including the roof, walls, whether interior or exterior, foundation and any other structural component of the building. Necessary modifications to the demised premises to comply with the Americans with Disabilities Act will be the responsibility of the LESSEE.

Damage or injury to the premises, fixtures, appurtenances whether requiring structural or non-structural repairs, caused by or resulting from carelessness, omission, neglect or improper conduct of LESSEE, its servants, employees, or licensees, shall be repaired promptly by LESSEE at LESSEE'S sole cost and expense, to the satisfaction of LESSOR.

2.03 ALTERATIONS:

LESSEE is granted the right to make alterations to the leased area other than structural alterations or repairs at LESSEE'S sole cost and expense subject to the following terms and conditions.

(a) LESSEE must first obtain the written consent of LESSOR. LESSOR reserves the right to reject any proposed extension, repair or alteration, any particular contractor or each and every subcontractor, or the complete project.

(b) Ultimate title to an alteration properly consented to by LESSOR will rest with LESSOR immediately upon completion and will remain in LESSOR'S possession at termination of LESSEE'S tenancy.

(c) Trade fixtures, movable furniture, and other service equipment of LESSEE peculiar to LESSEE'S business are not to be included in alterations, and must be removed by LESSEE, upon termination of lease, provided LESSEE is not in default of lease obligations.

LESSOR reserves the right to demand that LESSEE restore the premises to reasonably the same condition and state as the premises were found prior to making such alterations, in a manner acceptable to LESSOR,

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and to demand that LESSEE pay all costs of such restoration upon termination of lease.

LESSEE further agrees that any damages as may be caused by the installation or removal of trade fixtures discussed in condition (c), will bind LESSEE to repair said damage expeditiously at LESSEE'S sole expense upon written notice by LESSOR.

LESSOR maintains and reserves the right to make alterations and remodeling changes, provided said work does not unduly or unreasonably interfere with LESSEE'S day-to-day operations and business.

2.04 **IMPROVEMENTS BY LESSEE:**

LESSEE proposes to make approximately Two Hundred Thousand Dollars (\$200,000.00) of improvements to the property within 180 days after the commencement of the lease term to include:

- a. Paved parking.
- b. Construct office space.
- c. Provide brick or stucco to building exterior.
- d. Electrical/mechanical improvements.
- e. Landscaping

Notwithstanding anything to the contrary, LESSEE must provide written certification and documentation attesting to the actual value of improvements upon completion of said improvements.

2.05 **INSURANCE:**

(a) Fire and Extended Coverage Insurance: The leased area is covered under the LESSOR'S Master Insurance Coverage. Premiums are paid by the LESSOR for its sole benefit and protection.

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(b) Contents: Insurance on the contents of the leased area is the sole responsibility of the LESSEE.

c) Public Liability Insurance: LESSEE agrees to indemnify and hold LESSOR harmless from any and all claims, damages, causes of action, cost and expense, including attorney's fees resulting from or related to LESSEE'S use and occupancy of the leased premises, except any such claims, damages, causes of action, costs and expenses arising out of the negligence or willful act of LESSOR, its employees, agents, or representatives from and against which LESSOR shall indemnify and hold LESSEE harmless. In this connection, LESSEE shall carry and maintain Public Liability Insurance in minimum amounts of Five Hundred Thousand Dollars (\$500,000.00) per incident, and One Hundred Thousand Dollars (\$100,000.00) property damage per incident, in which LESSOR shall be named as additional insured. Such policies shall provide that same shall not be cancelled without thirty (30) days prior written notice to LESSOR, and LESSOR shall be furnished, within thirty (30) days from the effective date of this lease, with a copy of such proof of insurance. However, LESSEE shall maintain Public Liability Insurance at all times throughout the term of this lease. LESSOR reserves the right to make its acceptance of an insurance company a condition of this lease such that disapproval or revocation of approval thereof shall authorize LESSOR to terminate the lease.

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ARTICLE III

DEFAULT, HOLDING OVER AND ABANDONMENT

3.01 LESSEE'S DEFAULT:

It is covenanted and agreed to by both parties that in the event that:

(1) LESSEE should fail to timely pay the full amount of rent and fees provided for herein; or

(2) LESSEE defaults in the performance of any of the covenants, conditions, or agreements provided for herein to be kept and performed by LESSEE, including, but not limited to, the provisions for carrying Public Liability Insurance; or

(3) LESSEE permits the leased premises to be used for any unauthorized or unlawful business or purpose; or

(4) LESSEE assigns or subleases or otherwise transfers this lease;
or

(5) LESSEE files a voluntary petition of bankruptcy to make a general assignment for the benefit of creditors; or

(6) LESSEE abandons the premises or leaves the premises vacant or unoccupied for thirty (30) consecutive days;

Then, and in any event, the LESSOR may, at its option and without waiving any other rights that LESSOR has under this contract, at any time after such default, give notice of this specific default or failure of performance and demand immediate correction of such default or failure of performance by the LESSEE. In the event that LESSEE fails to remedy the default or to correct the failure of performance within thirty (30) days after service of such written notice, the LESSOR shall have the right to:

(a) Terminate the lease and re-enter the leased premises and remove all persons and any all personal property therefrom and LESSEE hereby agrees to surrender the premises to LESSOR, without waiving LESSOR'S right to past and future rents due hereunder. In such event, LESSOR may re-let the premises to other prospective LESSEES for the remainder of the term of this lease, and LESSEE shall be liable for any loss to LESSOR incurred in such re-letting for the terms of this lease, including but not limited to, rent, attorney's fees, if any; and/or

(b) Remedy the default and deduct the expenses incurred in remedying such default from the security deposit held by LESSOR pursuant to the terms of this lease.

Notwithstanding any provision as to notice in this lease contained, if in the LESSOR'S reasonable judgment the continuation of any default by the LESSEE for the full period of the notice otherwise provided for herein will jeopardize the leased area or the rights of LESSOR, the LESSOR may, without notice, elect to perform those acts in respect to which LESSEE is in default, at LESSEE'S sole cost and expense, and LESSEE shall thereupon

reimburse the LESSOR within ten (10) days of written request by LESSOR to LESSEE for such reimbursement. Failure of the LESSEE to reimburse in these circumstances shall mean that the LESSOR has the immediate right to terminate this lease.

3.02 RIGHTS ON DEFAULT:

LESSOR shall have a statutory LESSOR'S lien on all merchandise, goods, chattels, implements, fixtures, tools, furniture, machinery and any other personal property which LESSEE now or at any time hereafter may place in or upon the premises, all exemption of said property, or any part of it being herein expressly waived by the LESSEE.

LESSOR IS HEREBY GRANTED AN EXPRESS CONTRACTUAL LESSOR'S LIEN ON THE ABOVE GOODS, ALL OR ANY EXEMPTION BEING HEREBY WAIVED BY LESSEE, BUT WITHOUT LIMITING LESSEE'S RIGHT TO SELL, EXCHANGE OR REPLACE SUCH GOODS FROM TIME TO TIME IN THE ORDER OR COURSE OF BUSINESS OR TRADE.

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Default on rent entitles LESSOR, at its option, to take whatever lawful action reasonably necessary to protect LESSOR'S interest in said property, including the storing of lien goods for payment for a reasonable time, as well as the selling of such goods at public or private auction for rent due, without waiving LESSOR'S right to the total rent due.

3.03 ATTORNEY'S FEES:

In case LESSEE defaults in the performance of any of the terms, covenants, agreements or conditions contained in this lease and LESSOR places the enforcement of the terms of this lease, or any part thereof, or the collection of any rent due, or to become due hereunder, or recovery or possession of leased premises, in the hands of an attorney, or files suit upon same, LESSEE agrees to pay LESSOR reasonable attorney's fees and payment of same shall be secured in a like manner as herein provided as to lien for rent due.

3.04 **HOLDING OVER:**

Staying over past the term of this lease will constitute the LESSEE, upon acceptance of rental payment by LESSOR, a month-to-month tenant, at a revised rental rate of one and one half (1.5) times the rate prior to holding over. All CPI rental adjustments occurring during such hold over tenancy shall be in effect based on the revised rental rate.

3.05 **ABANDONMENT:**

If the leased area is abandoned or vacated by LESSEE, for a period exceeding thirty (30) calendar days, LESSOR shall advertise and re-let the premises for the remainder of the term of this lease. Notwithstanding any other provision herein, if rent received including charges, does not equal rent and charges agreed to herein by LESSEE, LESSEE shall remain liable and herein agrees to pay and satisfy all deficiencies and all reasonable expenses incurred in reletting and repair of any damages.

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3.06 **LESSOR'S REPRESENTATION AND WAIVER:**

Any representations by LESSOR regarding LESSEE'S leasehold interest are embodied in this writing.

The waiver by LESSOR to LESSEE of performance of any provision of this Agreement shall not amount to a future waiver of strict performance of such provision or any other provision of this agreement. Any waiver of this Agreement shall be in writing and approved by the LESSOR.

3.07 **ANTI-DISCRIMINATION CLAUSES MANDATED BY FEDERAL GOVERNMENT:**

(a) TITLE VI OF THE CIVIL RIGHTS ACT OF 1964: The LESSEE for itself, its agents, servants, employees, successors and assigns, as a part of the consideration hereof, does hereby covenant and agrees to a covenant running with land that:

1. No person on the grounds of race, color or national origin shall be excluded from participating in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;

2. That in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

3. That the LESSEE shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended;

4. That in the event of breach of any of the preceding nondiscrimination covenants, LESSOR shall have the right to take such action, anything to the contrary herein notwithstanding as the United States may direct to enforce this nondiscrimination covenant.

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(b) That the LESSEE shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(c) That in the event of breach of any of the preceding nondiscrimination covenants, the LESSOR shall have the right to terminate the license, lease, permit, etc., and hold the same as if said lease had never been made and issued.

**ARTICLE IV
ENCUMBRANCES**

4.01 ENCUMBRANCES:

As used herein the term "Mortgage" includes a deed of trust and the term "Mortgagee" includes the beneficiary under a deed of trust. LESSEE may encumber its leasehold estate by the execution and delivery of a mortgage. The mortgagee of such mortgage may deliver to LESSOR a written notice specifying:

A. The amount of the obligation secured by the mortgage and the date of the maturity or maturities thereof, and

B. The name and address of the mortgagee.

After receipt of such notice, LESSOR shall serve mortgagee by certified mail at the last address furnished by mortgagee a copy of every notice or demand served by LESSOR upon LESSEE under the terms and provisions of this lease so long as such mortgage is in effect.

4.02 **MORTGAGEE'S RIGHTS:**

Upon receipt of a notice or demand in accordance with Section 6.01 above, mortgagee shall have one hundred eight (180) days after receipt of such notice within which, at mortgagee's election to:

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A. Cure any default if it can be cured by the payment or expenditure of money; or

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B. Perform such other action as may be necessary to cure the default; or

C. Institute foreclosure proceedings and prosecute same diligently to conclusion.

4.03 **RIGHTS ON FORECLOSURE:**

In the event of foreclosure by mortgagee, the purchaser at the foreclosure sale or the person acquiring LESSEE'S interest by virtue of or in lieu of foreclosure shall succeed to all of LESSEE'S rights, interests, duties and obligations under this lease.

4.04 **LESSEE'S RIGHT TO ENCUMBER:**

Nothing herein shall be construed to prohibit LESSEE from encumbering LESSEE'S leasehold estate for the purpose of completing improvements in accordance to paragraph 2.04 of this lease, provided however that such leasehold estate shall not be encumbered beyond fifteen

(15) years or no later than April 30, 2015. Provided LESSOR shall not be liable in any manner to any mortgagee except as otherwise herein provided.

ARTICLE V

MISCELLANEOUS

5.01 NON-EXCLUSIVE USE:

It is understood that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right unless specifically identified herein.

5.02 TRAILERS, ABANDONED VEHICLES EXPRESSLY PROHIBITED:

Towed vehicles, or motor vehicles not currently licensed and actively used are not to be permitted onto the premises or any common parking area within the Laredo International Airport. Under this provision, vehicles, RV trailers, travel homes, and mobile homes, wrecked or abandoned vehicles, must be removed at LESSEE'S expense, and failure to do so will constitute a breach of this lease.

5.03 CAPTIONS:

Articles and headings are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provision hereof, nor are they meant to bind the LESSOR or LESSEE to the meaning of such heading.

5.04 CONSTRUED PURSUANT TO TEXAS LAW:

This agreement shall be construed under and in accordance with the laws of the State of Texas, and performed in Webb County, Texas.

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5.05 **RE-ENTRY:**

No re-entry, repossession, operations, or reletting of the premises or of fixtures and equipment shall be construed as an election by LESSOR to terminate this lease unless a written notice of such intention to terminate is given by LESSOR to LESSEE and notwithstanding any such operation or reletting without terminating this lease, LESSOR may at any time thereafter elect to terminate this lease.

5.06 **NON-EXCLUSIVE USE OF PARKING AREA:**

LESSEE, its employees, agents, clients, and guests shall have reasonable use of designated parking areas immediately adjacent to the leased premises and within the Laredo International Airport, subject to the rights of LESSOR to change such designation and to impose reasonable rules and regulations for such areas.

5.07 **BINDING AGREEMENT:**

Subject to the provisions herein, all agreements, terms, obligations, covenants, and conditions of this lease shall be binding upon and inure to the benefit of the parties hereto and their respective employees, agents, servants, legal representatives, successors, and assigns unless otherwise prohibited or otherwise noted in this instrument.

5.08 **NOTICES:**

Any notices which are required hereunder, or which either LESSOR or LESSEE may desire to serve upon the other shall be in writing and shall be deemed served when deposited in the United States mail, postage prepaid, return receipt requested, addressed to LESSEE as follows:

Jose Mario Flores
1808 Commerce Drive
Laredo, Texas 78041

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and to LESSOR: Office of the Airport Director
Laredo International Airport
5210 Bob Bullock Loop
Laredo, Texas 78041

5.09 **COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS:**

Further, LESSEE, will keep and maintain the leased area in a clean and healthful condition and comply with the laws, ordinances, orders, rules and regulations (State, Federal, Municipal and other agencies or bodies having any jurisdiction hereof) with reference to use, conditions, or occupancy of the leased area.

5.10 **OUTSIDE STORAGE PROHIBITED:**

Storage of vehicles, equipment, supplies, or any other items outside of the leased building(s) is prohibited, unless the storage area is fenced and approved by the LESSOR.

5.11 **FIRE CLAUSE:**

Should the leased area be destroyed by fire or casualty to the extent that it is no longer reasonably appropriate for LESSEE'S use and occupancy of said premises, LESSEE shall have the option of cancelling this lease upon written notice to LESSOR within thirty (30) days of the date the premises are rendered untenable or restoring said leased area in a reasonable, sufficient, and timely manner at LESSEE'S sole cost and expense, in which case this lease shall continue in accordance with all of its terms and conditions. Failure of LESSEE to give notice of cancellation within said thirty (30) day period shall mean that the LESSEE exercises its option to continue the lease in force and effect. Rental during the period that the premises are being restored hereunder shall be abated.

5.12 **AREA SURROUNDING BUILDING:**

In addition to LESSEE'S obligations to maintain the building herein leased, LESSEE agrees to maintain in a safe, clean, well-kept and orderly

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condition the immediate area surrounding said building, and as shown on attached Exhibit "A" to include the right-of-way areas up to the street curb bounded by North Bartlett Avenue to the west and Hillside Road to the north. It is agreed in this connection that the LESSEE shall keep said area free from litter or other unsightly trash, or refuse, will keep the grass cut, the weeds controlled, will water the lawn and trees when needed and will maintain the outside of the building and said area in a neat and orderly fashion.

LESSOR reserves the right to maintain or have maintained the building(s) and/or grounds associated with the lease agreement for environmental and/or public health reasons. LESSEE agrees to promptly reimburse LESSOR for all expenses incurred in the maintenance of building(s) and/or grounds, within ten (10) days of receipt of statement. Failure to do so will constitute breach of contract and LESSEE will be in default of the lease agreement.

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5.13 GARBAGE STORAGE AND DISPOSAL:

LESSEE agrees to store all accumulated garbage in a neat and clean manner, as an essential element of its responsibilities for neatness of the premises, LESSEE herein also agrees that garbage carrying and disposal is its sole responsibility, and agrees to comply with all rules and ordinances of the City and State regarding storage and disposal.

5.14 IMPROVEMENTS VESTED IN LESSOR:

The parties agree that the obligation and promise of LESSEE, as expressed herein, to make repairs and improvements and maintain the leased premises is a part of the total consideration for this lease agreement. Therefore, all right, title, and interest in and to said repairs or improvements shall at all times herein be vested in LESSOR, subject only to the right of LESSEE to the use and possession of said building and improvements during this lease term plus any extensions hereof as provided in said lease so long as LESSEE is not in default or any of the terms of this agreement. It shall be the obligation of LESSEE to maintain and repair the said leased area and improvements during the term of this lease or any extension thereof. Upon termination, interest in and to the said repairs or

improvements shall remain vested in LESSOR, and LESSEE shall not have any further rights therein nor be entitled to any reimbursement by reason of LESSEE'S maintenance, improvements, repair or use of said leased area.

5.15 SUBORDINATION OF LEASE:

This lease shall be subordinated to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal Funds for the development of the Airport.

It is expressly understood and agreed that this lease is subject to and subordinate to and controlled by provisions, stipulations, covenants and agreements contained in those certain contracts, agreements, resolutions and actions of the City of Laredo, Texas, constituting agreements between the City and United States of America and its agents including but not limited, to the Federal Aviation Administration (FAA) and all regulations now and hereafter imposed upon the City and that the LESSOR shall not be liable to LESSEE on account of any of the foregoing matters and all of such contracts, agreements, resolutions and regulations are incorporated herein by reference, and if any provision of this lease is determined to be a variance with same, such provision is unilaterally reformable at LESSOR'S option.

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The parties agree that as of the date of execution of this contract there exists no provisions, stipulations, covenants, or agreements which would prohibit LESSEE from using the leased premises for the purpose set forth in Paragraph 1.06, entitled "Use and Use Conflict" in this Agreement.

5.16 NATIONAL EMERGENCY:

During the time of war and national emergency, LESSOR shall have the right to lease the landing area or any part thereof to the United States Government or military or naval use, and, if such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of such lease to the Government, shall be suspended.

5.17 **AIRPORT HAZARD:**

The LESSEE and its agents, servants, employees, successors and assigns, will not make or permit any use of the property which would interfere with landing or taking off of aircraft at the Airport, or otherwise constitute an airport hazard. This includes such items as electrical or electronic equipment, creation of smoke or dust or glaring or misleading lights.

5.18 **NOTICE OF PROPOSED CONSTRUCTION OR:
ALTERATION:**

The LESSEE and its successors and assigns will complete an FAA Form 7460-1, "Notice of Proposed Construction or Alteration", and receive a favorable determination from FAA prior to any construction on the property.

5.19 **AERIAL APPROACHES:**

LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the opinion of the LESSOR, would limit the usefulness of the Airport or constitute a hazard to aircraft.

5.20 **TIME OF ESSENCE:**

Time is of the essence in this agreement.

5.21 **PREMISES LEASED "AS IS":**

Premises are leased **AS IS** and there is no expressed or implied warranty on the condition or suitability of the building.

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5.22 PROVISIONS:

Any provision in this Lease which proves to be invalid, void, or illegal shall in no way affect, impair or invalidate any other provision hereof and the remainder of this Lease shall remain in full force and effect.

5.23 AGREEMENT:

This Agreement consists of Article I through V and Exhibit A. It constitutes the entire Agreement of the parties on the subject matter hereof and may not be changed, modified, discharged, or extended except by written instrument duly executed by the LESSOR and LESSEE. LESSEE agrees that no representations or grant of rights or privileges shall be binding upon the LESSOR unless expressed in writing in this Agreement.

EXECUTED ON THIS 15TH DAY OF MAY, 2000.

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CITY OF LAREDO
a municipal corporation

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By: Cynthia Collazo
CYNTHIA COLLAZO
ACTING CITY MANAGER

ATTEST:
Gustavo Guevara Jr.
GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED BY CITY COUNCIL ON 05/15/00
Ref. Ord. 2000-126 Rosalinda D. Garza

APPROVED AS TO FORM:
JAIME L. FLORES
CITY ATTORNEY

BY: Valeria M. Acevedo
VALERIA M. ACEVEDO
ASSISTANT CITY ATTORNEY

LESSEE: JOSE MARIO FLORES

BY: 
JOSE MARIO FLORES

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HILLSIDE ROAD

75' WIDE RIGHT-OF-WAY / 23' WIDE PAVEMENT SECTION
ULTIMATE R.O.W. WIDTH OF HILLSIDE ROAD WILL BE 90'

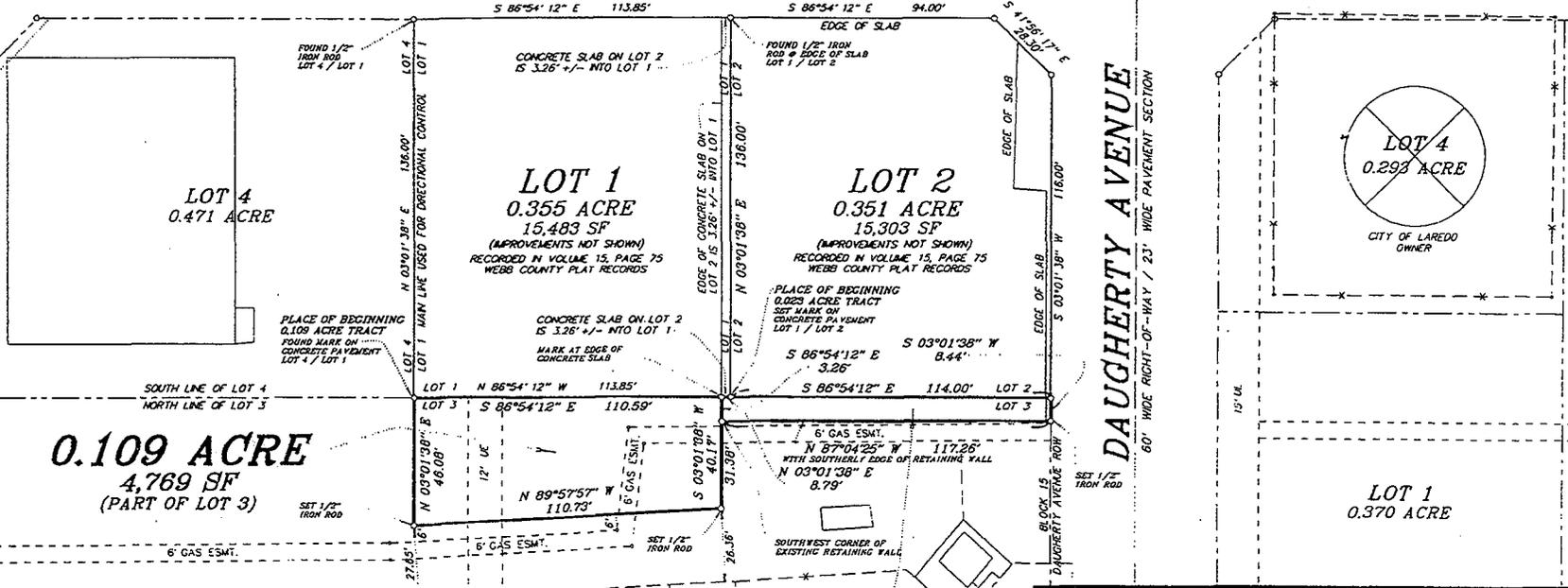
NORTH BARTLETT AVENUE

SCALE: 1" = 50'

75' WIDE RIGHT-OF-WAY / 23' WIDE PAVEMENT SECTION
ULTIMATE R.O.W. WIDTH OF BARTLETT AVENUE WILL BE 90'

DAUGHERTY AVENUE

60' WIDE RIGHT-OF-WAY / 23' WIDE PAVEMENT SECTION



0.109 ACRE
4,769 SF
(PART OF LOT 3)

LOT 3 0.023 ACRE
1,009 SF
(PART OF LOT 3)

LOT 3 0.243 ACRES
RECORDED IN VOLUME 15, PAGE 75
WEBB COUNTY PLAT RECORDS

BLOCK 15
SUBDIVISION PLAT OF LAREDO AIRPORT

MAP
SHOWING
A 0.109 ACRE TRACT
AND A
A 0.023 ACRE TRACT
EACH BEING A PART OF
LOT 3 ~ BLOCK 15
AS PER THE
REPLAT OF BLOCK 15 AND PARTIAL REPLAT OF BLOCK 12
OF THE SUBDIVISION PLAT OF LAREDO AIRPORT
RECORDED IN VOLUME 15, PAGE 75
WEBB COUNTY PLAT RECORDS

MEDINA SURVEYING / ENGINEERING SERVICES
P.O. BOX 440437 ~ LAREDO, TEXAS 78044-0437
(210) 712-4411 FAX (210) 712-4410

STATE OF TEXAS:
COUNTY OF WEBB:

I, A. J. MEDINA, JR., REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT THE FOREGOING MAP IS BASED ON A SURVEY CONDUCTED ON THE GROUND UNDER MY SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. THIS THE 25th DAY OF JULY, 1997.

A. J. Medina, Jr.
A. J. MEDINA, JR.
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5104 TEXAS



REFER TO FIELD NOTES ATTACHED AS PART OF THIS SURVEY

THE REPLAT OF BLOCK 15 AND THE PARTIAL REPLAT OF BLOCK 12 OF THE SUBDIVISION PLAT OF LAREDO AIRPORT AS PER PLAT RECORDED IN VOLUME 15, PAGE 75 OF THE WEBB COUNTY PLAT RECORDS IS THE SOURCE FOR THE BEARINGS SHOWN ON THIS MAP.

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ORIGINAL

RESOLUTION NO. 2002-R-028

AUTHORIZING THE CITY MANAGER TO EXECUTE A SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT AGREEMENT BETWEEN THE CITY OF LAREDO, FALCON NATIONAL BANK, AND JOSE MARIO FLORES, THEREBY SUBORDINATING THE LEASE AGREEMENT AUTHORIZED BY ORDINANCE NO. 99-0-200 DATED JULY 19, 1999 AND LEASE AGREEMENT AUTHORIZED BY ORDINANCE NO. 2000-O-126 AT THE LAREDO INTERNATIONAL AIRPORT, TO THE BANK'S MORTGAGE AND REPEALING RESOLUTION NO. 200-R-108.

WHEREAS, the Airport Director recommends that the City Council approve the proposed Subordination, Non-Disturbance, and Attornment Agreement between the City of Laredo, As Lessor, Falcon National Bank, as Lender, and Jose Mario Flores, as Lessee, thereby subordinating the lease agreement authorized by Ordinance No. 99-0-200 dated July 19, 1999 and lease agreement authorized by Ordinance 2000-O-126 to the Bank's Mortgage, as a contract and in furtherance of the development of the Laredo International Airport.

WHEREAS, the Airport Advisory Board finds that said Subordination, Non-Disturbance, and Attornment Agreement are in the best interest of the Airport; and

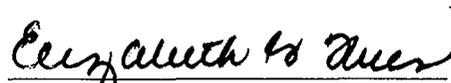
WHEREAS, the City Council of the City of Laredo is of the same opinion.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAREDO THAT:

Section 1: That the City manager be and is hereby authorized to execute a Subordination, Non-Disturbance, and Attornment Agreement between the City of Laredo, Falcon National Bank, and Jose Mario Flores, a copy of which Agreement is attached hereto as Exhibit A, and incorporated herein as if set out at length.

Section 2: This Resolution shall become effective upon passage hereof.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS THE 25th DAY OF MARCH, 2002.


ELIZABETH G. FLORES
MAYOR

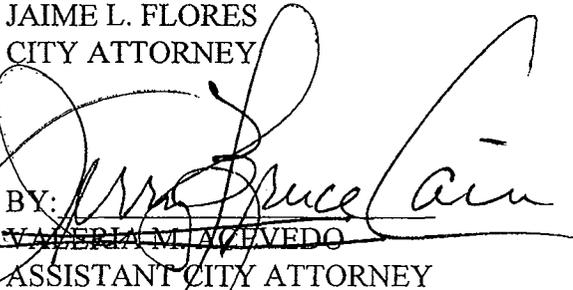


RESOLUTION - SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT AGREEMENT BETWEEN THE CITY OF LAREDO, FALCON NATIONAL BANK, AND JOSE MARIO FLORES (BUILDING NO. 2075 AND BUILDING 464)

ATTEST:


GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:
JAIME L. FLORES
CITY ATTORNEY

BY: 
~~VALERIA M. ACEVEDO~~
ASSISTANT CITY ATTORNEY

COUNCIL COMMUNICATION

| | |
|--|---|
| <p>DATE: 3/25/02</p> | <p>SUBJECT: RESOLUTION NO. 2002-R-028 Authorizing the City Manager to execute a Subordination, Non-Disturbance, and Attornment Agreement between the City of Laredo, Falcon National Bank, and Jose Mario Flores, thereby subordinating the lease agreement authorized by Ordinance No. 99-0-200 dated July 19, 1999 and lease agreement authorized by Ordinance No. 2000-0-126 at the Laredo International Airport, to the bank's mortgage and repealing Resolution No. 200-R-108.</p> |
| <p>INITIATED BY: Cynthia Collazo Asst. City Manager</p> | <p>STAFF SOURCE: Jose L. Flores Airport Director</p> |
| <p>PREVIOUS ACTION: On May 15, 2000, City Council approved a lease agreement with Jose Mario Flores for Building No. 464 that was authorized by Ordinance No. 2000-0-126.</p> | |
| <p>BACKGROUND:</p> <p>The City of Laredo and Jose Mario Flores entered into a lease agreement for approximately 25,264.80 square feet of land to include Building No. 464 that consists of 8,332 square feet located at 1705 E. Hillside Road. Lease term is for 25 years commencing on May 1, 2000 and ending on April 30, 2025 and may be renewed for one (1) term of five (5) years ending on April 30, 2030. Monthly rent is \$1,333.00 and is adjusted annually during the primary and extension term of this lease according to changes in the Consumer Price Index. Further monthly rent adjustments by Fair Market Value appraisal will be made on the 10th and 20th anniversaries.</p> <p>The Second lease agreement for approximately 8,184 square feet constituting Building No. 2075 located at 1720 Hillside Road. Lease term is for 15 years commencing on August 1, 1999 and ending on on July 31, 2014 and my be renewed for two five year options ending on July 31, 2019 and July 31, 2024. Said lease agreement was further amended on April 17, 2000 approved by Ordinance 2000-O-095. Monthly rental is \$1,960.00 and is adjusted annually during the primary and extension term of this lease according to changes in the Consumer Price Index. Further monthly rent adjustments by Fair Market Value appraisal will be made on the 10th and 20th anniversaries.</p> <p>The lease agreement with Jose Mario Flores allows the encumbrance of the leasehold interest through a Subordination, Non-Disturbance and Attornment Agreement for the purpose of obtaining a loan for \$280,000.00, subject to City Council approval. Encumbrance of the leasehold interest shall be for a period no longer than ten (10) years. Lessee proposes the following improvements:</p> | |
| <p>FINANCIAL: Falcon International Bank will cure tenant's default.</p> | |
| <p>COMMITTEE RECOMMENDATION:</p> | <p>STAFF RECOMMENDATION: That the City Manager be authorized to execute a Subordination, Non-Disturbance and Attornment Agreement between the City of Laredo, Jose Mario Flores, and Falcon International Bank.</p> |

BACKGROUND: (CONTINUED)

1. Construct office space,
2. Pave the parking lot,
3. Provide brick or stucco to the exterior of the buildings,
4. Make electrical/Mechanical improvement, and
5. Provide landscaping.

The proposed use of the buildings are compatible with the Airport's Land Use Master Plan.

Said Subordination, Non-disturbance and Attornment Agreement allows Tenant to assign lease to Mortgagee, which allows Mortgagee to assume Tenant's responsibilities should Tenant default in the performance of the terms and conditions of the lease.

COUNCIL COMMUNICATION

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|----------------------------|--|
| DATE: 01/03/2012 | SUBJECT: FINAL READING OF ORDINANCE 2012-O-001: Authorizing the ratification of the City Manager to accept and appropriate the City of Laredo Special Police FY 2011-2012 budget for \$193,000 supplemental funds under 2008 Operation Stone Garden, funding will be available on a reimbursement basis through the Webb County Sheriff's Office (WCSO). This funding will be used for the purchase of five fully equipped vehicles. |
|----------------------------|--|

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| INITIATED BY: Cynthia Collazo Deputy City Manager | STAFF SOURCE: Carlos Maldonado Chief of Police |
|--|---|

PREVIOUS COUNCIL ACTION:

ACTION PROPOSED:
That this Ordinance be passed and approved.

BACKGROUND:
These funds are 2008 supplemental funds and were offered to the Laredo Police Department with a grant agreement from May 1, 2011 through February 15, 2012.

The U.S. Border Patrol, Laredo Sector, WCSO and Laredo Police Department (LPD) will combine efforts to bolster Homeland Security related efforts in the Laredo Sector Area of Responsibility (AOR).

Historically, WCSO and LPD have diligently coordinated their efforts with the Office of Border Patrol Laredo Sector to safeguard the country's borders. In the first Operation Stonegarden, WCSO participated in joint ventures to increase visibility in pursuit of an elevated level of homeland security. This year, LPD and again WSCO, will provide 2nd-Tier, force-multiplier assets to work in partnership with the Laredo Sector Border Patrol Stations. Operation Laredo Region Stonegarden encompasses the core elements of the National Border Patrol Strategy.

FINANCIAL:

| | | Original Budget | Proposed Budget | Budget Amendment |
|----------------------------------|-------------------|-----------------|-----------------|------------------|
| Revenues: | | | | |
| U.S. Customs & Border Protection | 229-000-323-6013 | \$0 | \$193,000 | \$193,000 |
| Expenditures: | | | | |
| Automotive | 229-2367-525-9004 | \$0 | \$193,000 | \$193,000 |

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| RECOMMENDATION: | STAFF: Recommends that Council approve this Ordinance. |
|------------------------|--|

ORDINANCE NO. 2012-O-001

Authorizing the ratification of the City Manager to accept and appropriate the City of Laredo Special Police FY 2011-2012 budget for \$193,000 supplemental funds under 2008 Operation Stone Garden, funding will be available on a reimbursement basis through the Webb County Sheriff's Office (WCSO). This funding will be used for the purchase of five fully equipped vehicles.

Whereas, the Operation Stonegarden overtime agreement between the City of Laredo Police Department and Webb County Sheriff's Office is now in the amount of \$193,000 for five fully equipped police vehicles worked by Laredo Police officers in joint operational task forces for homeland security; and

Whereas, the Chief of Police recommends that the City Council authorize the approval of this supplemental overtime grant; and

Whereas, the City Council finds that such a budget amendment should be made and will be beneficial to the City; and

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

Section 1: The City of Laredo FY 2011-2012 annual budget is hereby amended in the amount of \$193,000 for reimbursable overtime cost for overtime worked by Laredo Police officers in Operation Stonegarden:

| | | Original Budget | Proposed Budget | Budget Amendment |
|----------------------------------|-------------------|-----------------|-----------------|------------------|
| Revenues: | | | | |
| U.S. Customs & Border Protection | 229-000-323-6013 | \$0 | \$193,000 | \$193,000 |
| | | | | |
| Expenditures: | | | | |
| Automotive | 229-2367-525-9004 | \$0 | \$193,000 | \$193,000 |

Section 2: The term of this overtime agreement is from May 1, 2011 through February 15, 2012.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS THE
_____ DAY OF _____, 2011.

RAUL SALINAS
CITY MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:

RAUL CASSO
CITY ATTORNEY

COUNCIL COMMUNICATION

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|--|--|---|
| Date: 01/03/2012 | SUBJECT: FINAL READING ORDINANCE 2012-O-002 AMENDING THE LAREDO CODE OF ORDINANCES, CHAPTER 19, MOTOR VEHICLES AND TRAFFIC, ARTICLE XIII, TRANSPORTATION OF HAZARDOUS MATERIALS, SECTION 19-605. MANDATED PERMISSABLE ROUTES FOR LOCAL DELIVERY; AND SECTION 19-606, PERMISSIBLE NRHM ROADWAY ROUTE FOR THROUGH TRAFFIC; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE. | |
| Initiated by: Nathan R. Bratton Planning Director | | Staff source: Nathan R. Bratton Planning Director |
| PRIOR COUNCIL ACTION: The Non-Radioactive Hazardous Material Route was approved by the Texas Department of Transportation on November 7, 2011. Subsequently the City Council approved and passed Ordinance 2011-O-149 designating Loop 20 as the Non-Radioactive Hazardous Material Route. | | |
| BACKGROUND: The City Council passed and approved Ordinance 2011-O-149 designating a Non-Radioactive Hazardous Material Route and there exist within Article XIII, Transportation Of Hazardous Materials, Chapter 19, Section 19-605 and 19-606 certain ambiguities which need to be clarified. | | |
| FINANCIAL IMPACT: None | | |
| COMMITTEE RECOMMENDATION: | | STAFF RECOMMENDATION: Staff recommends approval of the ordinance. |

ORDINANCE NO. 2012-O-002

AMENDING THE LAREDO CODE OF ORDINANCES, CHAPTER 19, MOTOR VEHICLES AND TRAFFIC, ARTICLE XIII, TRANSPORTATION OF HAZARDOUS MATERIALS, SECTION 19-605. MANDATED PERMISSABLE ROUTES FOR LOCAL DELIVERY; AND SECTION 19-606, PERMISSIBLE NRHM ROADWAY ROUTE FOR THROUGH TRAFFIC; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

WHEREAS, the transportation industry is one of the largest industries in the City of Laredo; and

WHEREAS, there is an increasing volume of truck traffic on streets and bridges throughout the City of Laredo; and

WHEREAS, TxDOT, after review, public hearings did approve the route on November 7, 2011 and authorized the City to adopt, by ordinance the route, and

WHEREAS, the City Council of the City of Laredo passed and approved Ordinance 2011-O-149 designating a Non-Radioactive Hazardous Material Route; and

WHEREAS, there exist within Article XIII, Transportation Of Hazardous Materials, Chapter 19, Section 19-605 and 19-606 certain ambiguities which need to be clarified.

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

Section 1: The Laredo Code of Ordinances, Article XIII, Transportation Of Hazardous Materials, Chapter 19, Article I, Section 19-605 and 19-606, be and hereby is amended as follows:

Sec. 19-605. - Mandated permissible routes for local delivery.

(a)

When any NRHM vehicle (truck, trailer, motor vehicle or any other vehicle) is carrying non-radioactive hazardous material to commercial consumers, domestic consumers, gasoline service stations, bulk stations or other points of origin or destination located within the corporate limits of the city, the carrier must use the safest route available by the best use of the highest classification roadways.

(b)

For purposes of local delivery, classification of roadways from highest to lowest are as follows:

Interstate highway

U.S. highway

State highway

Loop

F.M. road

Spur

Major arterial street

Minor arterial street

Collector street

Local street

(c)

For purposes of local delivery, the public health and safety reason for use of highest classification roadways is to reduce the risk and severity of potential harm to persons and property that may result from a spill of regulated or hazardous material.

(d)

Regulated materials picked-up or delivered at a City terminal may be transported on best use roadway, as set forth in Section 19-605(b), and the following "truck routes" provided that the City terminal is not directly accessible from the Non-Radioactive Hazardous Route and the City terminal is accessed by the shortest and most direct route along a best use roadway, designated truck route or combination thereof.

(1) Milo Road between FM 1472 (Mines Road) and IH 35.

(2) FM 1472 (Mines Road) between IH 35 and FM 255 (Dolores Boulevard).

(3) FM 255 (Dolores Boulevard) between FM 1472 (Mines Road) and the Columbia Solidarity Bridge.

(4) Santa Maria Road between FM 1472 (Mines Road) and Markley Lane.

(5) West Calton Road between Anna Avenue and IH 35.

(6) Mann Road between Santa Maria Avenue and IH 35.

(7) U.S. 59 (Saunders Street) between the corporate city limits and IH 35.

- (8) Scott Street westbound only between IH 35 and Santa Isabel Avenue (Exceptions see 8 A.)
- (8 A) Scott Street eastbound between Santa Isabel Avenue and IH 35 during the hours of 8:00 a.m. to 10:00 a.m. with a city-licensed oversize vehicle escort.
- (9) Jefferson Street westbound only between IH 35 and Santa Isabel Avenue.
- (10) Santa Isabel Avenue between Lafayette Street and Piedregal Street.
- (11) Anna Avenue between Jefferson Street and West Calton Road.
- (12) U.S. 83 (Zapata Highway) between SH 359 and IH 35.
- (13) SH 359 between the corporate city limits and the intersection at U.S. 83 (Zapata Highway).
- (14) U.S. 83 (Zapata Highway) between the corporate city limits to SH 359.
- (15) Loop 20 (Bob Bullock Loop) between U.S. 83 (Zapata Highway) and the World Trade Bridge.
- (16) IH 35 between the corporate city limits and the Lincoln-Juarez Bridge (Bridge No. 2).
- (17) Jefferson Street between Santa Isabel Avenue and Anna Avenue.
- (18) Killam Industrial Boulevard between FM 1472 (Mines Road) and IH 35.
- (19) Airpark Drive between U.S. 59 and Airpark Court.
- (20) Airpark Court between Airpark Drive and Bustamante Street.
- (21) Maher Avenue northbound only between Bustamante Street and Hillside Road.
- (22) Hillside Road westbound only between Maher Avenue and Thomas Avenue.
- (23) Thomas Avenue between Bartlett Avenue and Hillside Road.
- (24) Gale Street between McPherson Road and Bartlett Avenue.
- (25) Thomas Avenue southbound only between Hillside Road and Pappas Street.
- (26) Pappas Street westbound only between Thomas Avenue and Daugherty Avenue.
- (27) Daugherty Avenue southbound only between Pappas Street and Bustamante Street.

(28) Bustamante Street between Daugherty Avenue and U.S. 59 (Saunders Street).

(29) Any truck route which may be designated by the City.

Sec. 19-606. - Permissible NRHM roadway routes for through traffic.

(a)

It shall be prohibited and unlawful for through traffic transportation of non-radioactive hazardous materials to be performed on any roadway other than the Non-radioactive hazardous material route. [~~The prohibition of section 19-603, pertaining to unlawful routing of regulated materials, shall not apply if the non-radioactive hazardous materials are transported on the following permissive roadways. It shall be prohibited and unlawful for through traffic transportation of non-radioactive hazardous materials to be performed on any but the following routes, which are designated as "truck routes":~~

~~(1) Milo Road between FM 1472 (Mines Road) and IH 35.~~

~~(2) FM 1472 (Mines Road) between IH 35 and FM 255 (Dolores Boulevard).~~

~~(3) FM 255 (Dolores Boulevard) between FM 1472 (Mines Road) and the Columbia Solidarity Bridge.~~

~~(4) Santa Maria Road between FM 1472 (Mines Road) and Markley Lane.~~

~~(5) West Calton Road between Anna Avenue and IH 35.~~

~~(6) Mann Road between Santa Maria Avenue and IH 35.~~

~~(7) U.S. 59 (Saunders Street) between the corporate city limits and IH 35.~~

~~(8) Scott Street westbound only between IH 35 and Santa Isabel Avenue (Exceptions see 8 A.)~~

~~(8 A) Scott Street eastbound between Santa Isabel Avenue and IH 35 during the hours of 8:00 a.m. to 10:00 a.m. with a city licensed oversize vehicle escort.~~

~~(9) Jefferson Street westbound only between IH 35 and Santa Isabel Avenue.~~

~~(10) Santa Isabel Avenue between Lafayette Street and Piedregal Street.~~

~~(11) Anna Avenue between Jefferson Street and West Calton Road.~~

~~(12) U.S. 83 (Zapata Highway) between SH 359 and IH 35.~~

- ~~(13) SH 359 between the corporate city limits and the intersection at U.S. 83 (Zapata Highway).~~
- ~~(14) U.S. 83 (Zapata Highway) between the corporate city limits to SH 359.~~
- ~~(15) Loop 20 (Bob Bullock Loop) between U.S. 83 (Zapata Highway) and the World Trade Bridge.~~
- ~~(16) IH 35 between the corporate city limits and the Lincoln-Juarez Bridge (Bridge No. 2).~~
- ~~(17) Jefferson Street between Santa Isabel Avenue and Anna Avenue.~~
- ~~(18) Killam Industrial Boulevard between FM 1472 (Mines Road) and IH 35.~~
- ~~(19) Airpark Drive between U.S. 59 and Airpark Court.~~
- ~~(20) Airpark Court between Airpark Drive and Bustamante Street.~~
- ~~(21) Maher Avenue northbound only between Bustamante Street and Hillside Road.~~
- ~~(22) Hillside Road westbound only between Maher Avenue and Thomas Avenue.~~
- ~~(23) Thomas Avenue between Bartlett Avenue and Hillside Road.~~
- ~~(24) Gale Street between McPherson Road and Bartlett Avenue.~~
- ~~(25) Thomas Avenue southbound only between Hillside Road and Pappas Street.~~
- ~~(26) Pappas Street westbound only between Thomas Avenue and Daugherty Avenue.~~
- ~~(27) Daugherty Avenue southbound only between Pappas Street and Bustamante Street.~~
- ~~(28) Bustamante Street between Daugherty Avenue and U.S. 59 (Saunders Street).~~
- ~~(29) Any truck route which may be designated by the City.]~~

(b)

All provisions of this article pertaining to necessity for placarding of vehicles transporting regulated materials shall apply to transport of all such materials in the city, regardless of route.

(c)

It shall be an affirmative defense to a departure from the permissible route that the vehicle in question is immediately and directly destined for a location providing food, fuel, rest, safe haven, or repair. NRHM vehicles are allowed to use the access, frontage, and intersecting

road ways as needed to enter and leave the location providing food, fuel, rest, safe haven or repair.

Section 2: Severability: Should any paragraph, sentence, 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 provision thereof, other than the part so declared to be invalid, illegal or unconstitutional.

Section 3: Publication: After its passage by City Council, this Ordinance shall be published one (1) time in accordance with the provisions set forth in Section 2.09 (D) of the City Charter.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS _____ DAY OF _____, 2012.

Raul G. Salinas
Mayor

ATTEST:

Gustavo Guevara, Jr.
City Secretary

APPROVED AS TO FORM:

Raul Casso
City Attorney

COUNCIL COMMUNICATION

| | | |
|--|--|---|
| <p>Date: 01/03/11</p> | <p>SUBJECT: FINAL READING OF ORDINANCE NO. 2012-O-003 Amending the Zoning Ordinance (Map) of the City of Laredo by rezoning Lots 11 and 12, Block 481, Eastern Division, located at 302 and 304 Eistetter Street, from R-3 (Mixed Residential District) to B-1 (Limited Commercial District); providing for publication and effective date. ZC-46-2011</p> | |
| <p>Initiated by: Mary Gregory Fox</p> | | <p>Staff source: Nathan R. Bratton Planning Director</p> |
| <p>Prior action: This item was introduced by Juan Narvaez at the regular meeting of December 19, 2011.</p> | | |
| <p>BACKGROUND</p> <p>Council District: IV – The Honorable Juan Narvaez</p> <p>Proposed use: Parking lot for driving school</p> <p>Site: Commercial parking lot</p> <p>Surrounding land uses: The property to the north includes vacant lots, manufactured homes, single-family residences, a police substation, Pronto’s convenience store and multi-family apartments. South of the property are Gregory’s Driving School, single-family residences, manufactured homes multi-family apartments and lots used for commercial storage. East of the property are single-family residences, Memo Gallego Backhoe Service, Solano’s TV Service, and a City Park.</p> <p>Comprehensive Plan: The Comprehensive Plan identifies this area as Light Commercial.</p> <p>Transportation Plan: The Long Range Thoroughfare Plan does not identify Eistetter Street.</p> <p>Letters sent to surrounding property owners: 33 In Favor: 8 Opposed: 0</p> | | |
| <p>STAFF COMMENTS</p> <p>The proposed zone change is appropriate at this location. The change is consistent with the Comprehensive Plan’s designation for this area as Light Commercial. The proposed change is compatible with the existing commercial uses in the immediate vicinity. A B-1 District with be compatible with the existing commercial trend of development.</p> | | |
| <p>P&Z COMMISSION RECOMMENDATION: The P & Z Commission, in a 9 to 0 vote, recommended <u>approval</u> of the zone change.</p> | <p>STAFF RECOMMENDATION: Staff <u>supports</u> the proposed zone change.</p> | |

COUNCIL COMMUNICATION

IMPACT ANALYSIS

B-1 (Limited Commercial District): The purpose of the B-1 is to provide for business and commercial development serving a limited geographic area or neighborhood.

Is this change contrary to the established land use pattern?

No, there are numerous commercial uses in the surrounding neighborhood.

Would this change create an isolated zoning district unrelated to surrounding districts?

No, there is an existing B-1 district across the street to the south.

Will change adversely influence living conditions in the neighborhood?

No, the neighborhood has a well-established commercial mix of uses in the area.

Are there substantial reasons why the property can not be used in accord with existing zoning?

Yes, the existing zoning only allows for residential uses.

ORDINANCE NO. 2012-O-003

AMENDING THE ZONING ORDINANCE (MAP) OF THE CITY OF LAREDO BY REZONING LOTS 11 AND 12, BLOCK 481, EASTERN DIVISION, LOCATED AT 302 AND 304 EISTETTER STREET, FROM R-3 (MIXED RESIDENTIAL DISTRICT) TO B-1 (LIMITED COMMERCIAL DISTRICT); PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

WHEREAS, a zone change has been requested by the owners of Lots 11 and 12, Block 481, Eastern Division, located at 302 and 304 Eistetter Street, from R-3 (Mixed Residential District) to B-1 (Limited Commercial District); and,

WHEREAS, the required written notices were sent to surrounding property owners at least ten (10) days before the public hearing held before the Planning and Zoning Commission on November 17, 2011, and,

WHEREAS, the Planning and Zoning Commission, after a public hearing, has recommended **approval** of the proposed zone change; and,

WHEREAS, notice of the zone change request was advertised in the newspaper at least fifteen (15) days prior to the public hearing held before the City of Laredo City Council on this matter; and,

WHEREAS, the City Council has held a public hearing on December 19, 2011, on the request and finds the zone change appropriate and consistent with the General Plan of the City of Laredo; and,

WHEREAS, the City Council does not consider the impact, if any, of private covenants and deed restrictions on the subject property with the adoption of this ordinance.

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

Section 1: The Zoning Map of the City of Laredo be and is hereby amended by rezoning Lots 11 and 12, Block 481, Eastern Division, located at 302 and 304 Eistetter Street, from R-3 (Mixed Residential District) to B-1 (Limited Commercial District).

Section 2: This ordinance shall be published in a manner provided by Section 2.09 (D) of the Charter of the City of Laredo.

Section 3: This ordinance shall become effective as and from the date of publication specified in Section 2.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS THE _____ DAY OF _____, 2012.

RAUL G. SALINAS
MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:
RAUL CASSO
CITY ATTORNEY

COUNCIL COMMUNICATION

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| Date: 1/03/12 | SUBJECT: FINAL READING OF ORDINANCE NO. 2012-O-004 Amending the Zoning Ordinance (Map) of the City of Laredo by authorizing a Conditional Use Permit for catering services on Lot 3, Block 445, Eastern Division, located at 307 W. Bustamante Avenue; providing for effective date and publication. Staff supports the application and the Planning and Zoning Commission recommends approval of the Conditional Use Permit. District V ZC-41B-2011 |
| Initiated by: Ana E. Proa | Staff source: Nathan R. Bratton, Planning Director |
| Prior action: The current item was introduced by Johnny Rendon at the regular Council meeting of December 19, 2011. | |
| BACKGROUND <p>Council District: V – The Honorable Johnny Rendon</p> <p>Proposed use: Catering Services</p> <p>Site: The site is currently occupied by single family residence with a large open garage on the back of the lot.</p> <p>Surrounding land uses: To the south of the site are single- and multi-family residences, mobile homes, Templo el Buen Pastor Asamblea de Dios, a mechanics shop and a vacant lot. Single-family residences, a duplex, apartments and mobile homes are west of the property. East of the site are apartments, mobile homes, single-family residences, Cony & Arts Groceries, and a menudo/barbacoa stand. To the north are the Bustamante Apartments, mobile homes, single-family residences, Park View Apartments, single-family residences, Los Dos Laredos Flour Tortilla Factory, Eistetter Park, Water Hole Snack Shack, Solar Screens of South Texas, Trinity Welding, a mechanics shop for trucks, and Harmony Charter School.</p> <p>Comprehensive Plan: The Future Land Use Map recognizes this area as High Density Residential.</p> <p>Transportation Plan: The Long Range Thoroughfare Plan does not identify West Bustamante Street, Barcelona Avenue, or Valencia Avenue.</p> <p>Letters sent to surrounding property owners: 33 In Favor: 1 Opposed: 0</p> | |
| STAFF COMMENTS Staff supports the proposed Conditional Use Permit at this location, with the following conditions: <ol style="list-style-type: none"> 1.The C.U.P. shall be issued to Ana E. Proa, and is nontransferable. 2.The C.U.P. is restricted to the site plan, Exhibit “B”, which is made part hereof for all purposes. 3.The C.U.P. is restricted to the activities described in letter, Exhibit “A”, which is made part hereof for all purposes. 4.The site shall be used for catering service only. <p style="text-align: right;">(Continued on next page)</p> | |
| P&Z COMMISSION RECOMMENDATION: The P & Z Commission, in an <u>8</u> to <u>0</u> vote, recommended <u>approval</u> of the Conditional Use Permit. | STAFF RECOMMENDATION: Staff <u>supports</u> the Conditional Use Permit. |

COUNCIL COMMUNICATION

Staff Comments (cont.)

5. The site shall be limited to preparing and storing food items.
6. All food preparation shall occur indoors.
7. Hours of operation shall be limited to 8:00 a.m. to 9:00 p.m. daily.
8. No food shall be sold from this location.
9. Any food inventory shall be delivered on site and not in the public right-of-way.
10. Provide parking spaces in compliance with the Laredo Land Development Code.
11. The owner must provide and maintain trees and shrubs in compliance with the Laredo Land Development Code.
12. Lighting shall be aimed down and away from adjacent residential zones/uses.
13. Signage will be limited to that which is allowed for a home occupation—3 feet x 4 feet maximum and attached to a wall of the house.

ORDINANCE NO. 2012-O-004

AMENDING THE ZONING ORDINANCE (MAP) OF THE CITY OF LAREDO BY AUTHORIZING THE ISSUANCE OF A CONDITIONAL USE PERMIT FOR CATERING SERVICES ON LOT 3, BLOCK 445, EASTERN DIVISION, LOCATED AT 307 W. BUSTAMANTE STREET; PROVIDING FOR EFFECTIVE DATE AND PUBLICATION.

WHEREAS, a request has been received for the issuance of a Conditional Use Permit for catering services on Lot 3, Block 445, Eastern Division, located at 307 W. Bustamante Street; and,

WHEREAS, the required written notices were sent to surrounding property owners at least ten (10) days before the public hearing held before the Planning and Zoning Commission on December 1, 2011; and,

WHEREAS, the Planning and Zoning Commission, after a public hearing, has recommended **denial** of the Conditional Use Permit; and,

WHEREAS, notice of the zone change request was advertised in the newspaper at least fifteen (15) days prior to the public hearing held before the City of Laredo City Council on this matter; and,

WHEREAS, the City Council has held a public hearing on December 19, 2011, on the request and finds the Conditional Use Permit amendment appropriate and consistent with the General Plan of the City of Laredo; and,

WHEREAS, all conditions imposed by the Conditional Use Permit, and all pertinent requirements the Laredo Land Development Code shall be met before the activity sanctioned by the Conditional Use Permit may commence; and,

WHEREAS, the City Council does not consider the impact, if any, of private covenants and deed restrictions on the subject property with the adoption of this ordinance.

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

Section 1: The Zoning Map of the City of Laredo be and is hereby amended by authorizing the issuance of a Conditional Use Permit for Conditional Use Permit for catering services on Lot 3, Block 445, Eastern Division, located at 307 W. Bustamante Street.

Section 2: The Conditional Use Permit is further restricted to the following provision herewith adopted by the City Council:

1. The C.U.P. shall be issued to Ana E. Proa, and is nontransferable.
2. The C.U.P. is restricted to the site plan, Exhibit "B", which is made part hereof for all purposes.

3. The C.U.P. is restricted to the activities described in letter, Exhibit “A”, which is made part hereof for all purposes.
4. The site shall be used for catering service only.
5. The site shall be limited to preparing and storing food items.
6. All food preparation shall occur indoors.
7. Hours of operation shall be limited to 8:00 a.m. to 9:00 p.m. daily.
8. No food shall be sold from this location.
9. Any food inventory shall be delivered on site and not in the public right-of-way.
10. Provide parking spaces in compliance with the Laredo Land Development Code.
11. The owner must provide and maintain trees and shrubs in compliance with the Laredo Land Development Code.
12. Lighting shall be aimed down and away from adjacent residential zones/uses.
13. Signage will be limited to that which is allowed for a home occupation—3 feet x 4 feet maximum and attached to a wall of the house.

Section 3: This ordinance shall be published in a manner provided by Section 2.09 (D) of the Charter of the City of Laredo.

Section 4: This ordinance shall become effective as and from the date of publication specified in Section 3.

Section 5: The Conditional Use Permit authorized by this ordinance shall be revoked pursuant to the Laredo Land Development Code, section 24.94.10, entitled “Revocation,” according to the criteria and procedures described therein and below:

1. Criteria

Any Conditional Use Permit, authorized by City Council, shall be considered in noncompliance and shall be revoked and removed from the City of Laredo Zoning Map, in the event a court of law finds the use in violation of any of the following conditions:

- A. The use established on site does not conform, at any time, with any or all permit condition(s) approved by the City Council and or any local, state, or federal law.
- B. The activity authorized by the Conditional Use Permit commences prior to the institution of all conditions imposed by the Conditional Use Permit.
- C. Discontinuance of the Council approved conditional use for a period of six (6) consecutive months.
- D. The use of which the Conditional Use Permit was authorized does not commence within six months of City Council’s final approval date.

2. Procedures

Should City of Laredo Enforcement Official inspection reveal noncompliance with Laredo Land Development Code, Subsection 24.94.10, Conditional Use Permit revocation procedures shall commence as below stipulated:

- A. A Zoning Officer shall, upon discovery of conditional use permit noncompliance as per Subsection 24.94.10, issue a written warning, granting a grace period of a mini-

num of ten (10) working days, within which time the use may be brought into compliance with the current City Council approved Conditional Use Permit for that location.

- B. If noncompliance persists after the conclusion of the warning grace period, a Zoning Enforcement Official shall issue a written citation.
- C. Should the citation result in a guilty verdict, the City of Laredo shall consider the Conditional Use Permit revoked and proceed with its removal from the City of Laredo Zoning Map.
- D. The Planning Director shall then issue the permit holder written notification of the Conditional Use Permit's official revocation and removal from the City of Laredo Zoning Map.
- E. In the event of discontinuance or failure to commence as stipulated in Subsection 24.94.10.1 D and E of this Ordinance, Zoning Enforcement Staff will issue written notification of same. Ten days after issuance of Zoning Enforcement notification of discontinuance or failure to commence, the Planning Director shall then issue the permit holder written notification of the Conditional Use Permit's official revocation and removal from the City of Laredo Zoning Map.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS THE _____ DAY OF _____, 2012.

RAUL G. SALINAS
MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:

RAUL CASSO
CITY ATTORNEY

Hello,

My name is Ana Elizabeth Proa I am the property owner of 307 W. Bustamante St. I am applying for a Conditional Use Permit. My business is to prepare food to cater special events. Please note that I will only use this kitchen to prepare and store all food items. No food will be sold from this location. The City Health Department requires that I have a commissary since we are not allowed to prepare the food in our own home kitchen. Therefore I am requesting your approval so that I can build this commercial kitchen and start my small business with everything that is required by the City of Laredo Health Department.

EXHIBIT "A"

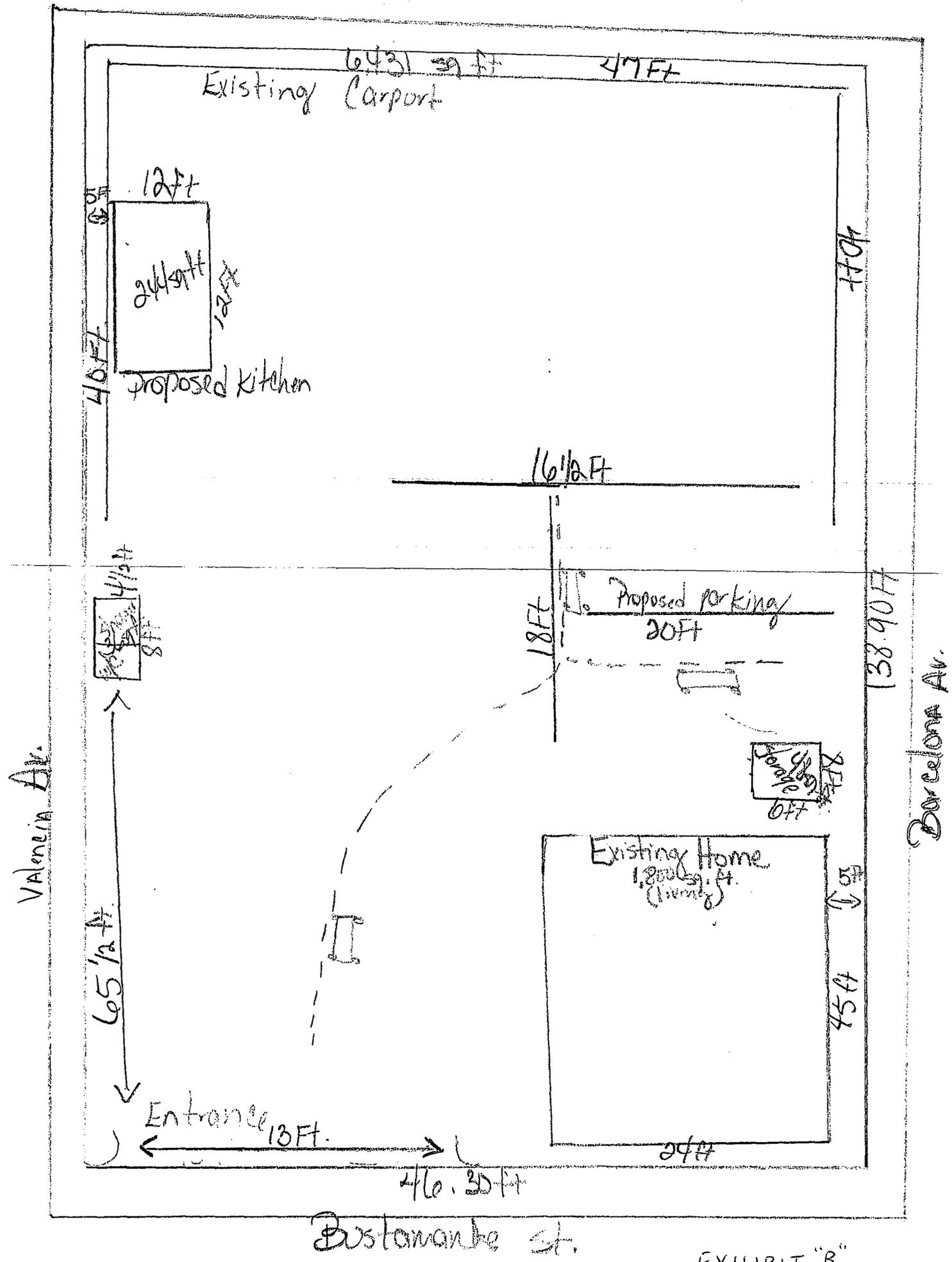


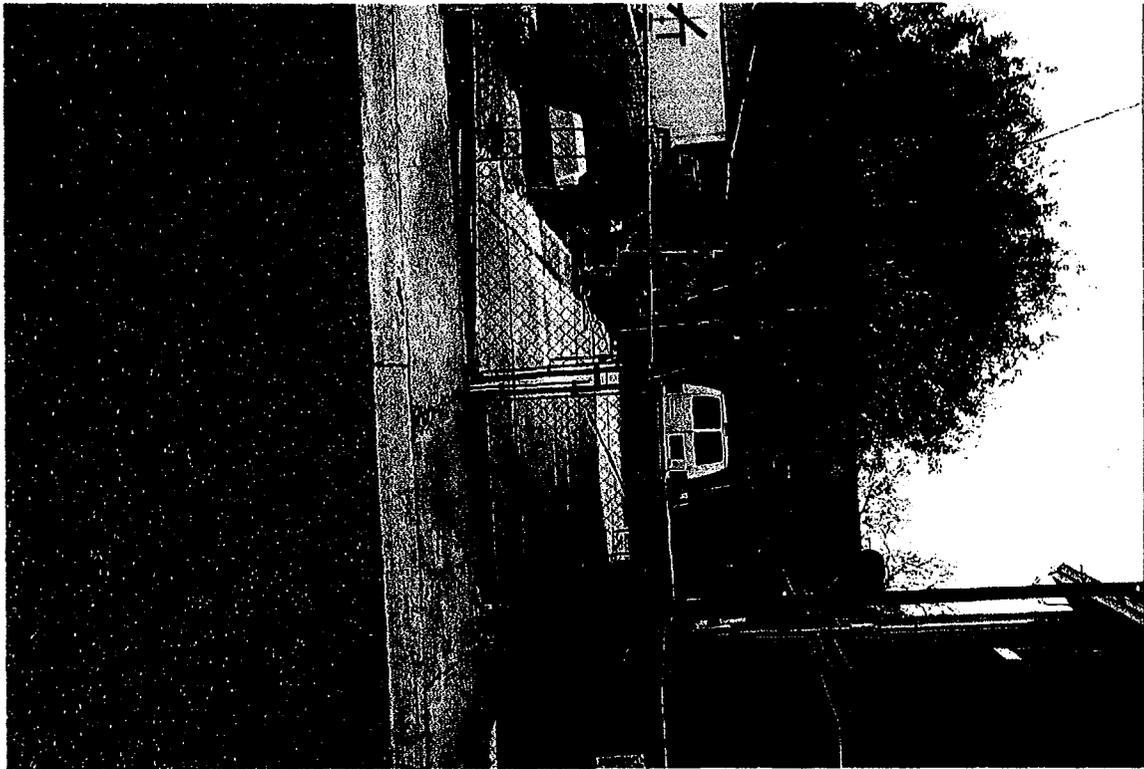
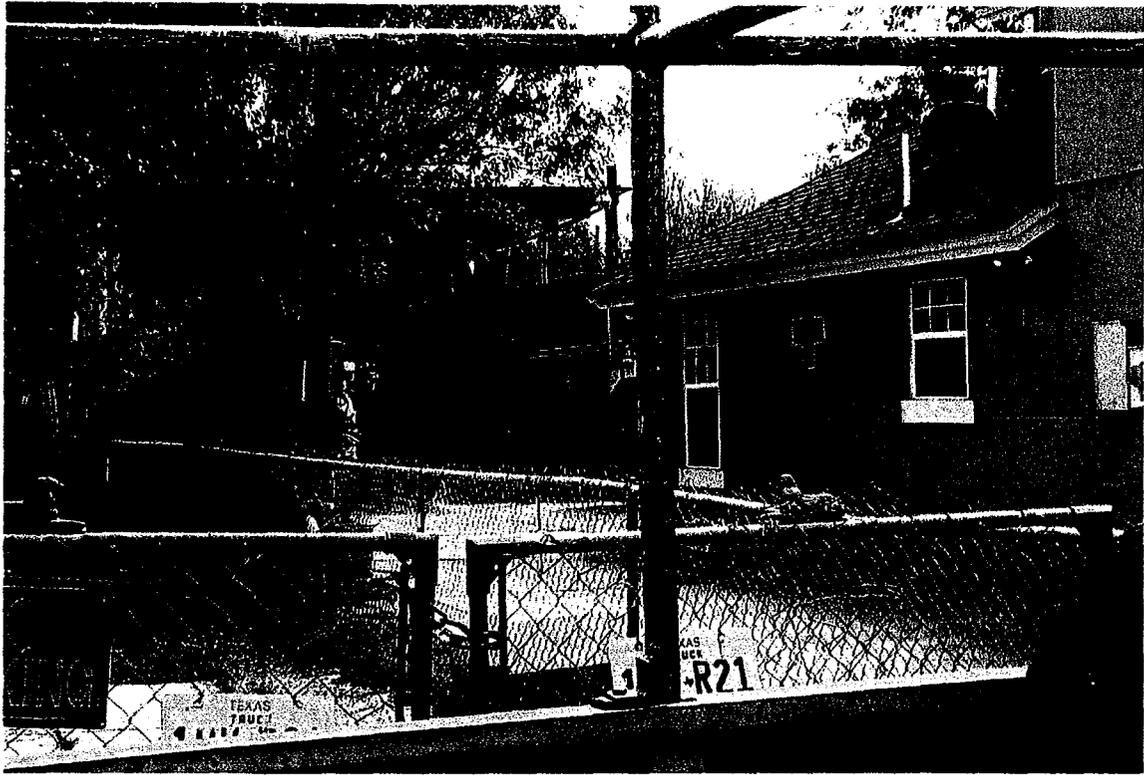
EXHIBIT "B"



*C=Conditional Use Permit (CUP)
*S=Special Use Permit (SUP)

1 inch = 333 feet





COUNCIL COMMUNICATION

| | |
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| <p>Date: 01/03/11</p> | <p>SUBJECT: FINAL READING OF ORDINANCE NO. 2012-O-005 Amending Ordinance No. 2009-O-007 authorizing the issuance of a Conditional Use Permit for two mobile homes on Lots 1 through 7, Block 1, Del Mar Hills Subdivision, Section 1, Area "B", located at 10 E. Del Mar Boulevard, by extending the expiration date for an additional three (3) years; providing for publication and effective date. ZC-47-2011</p> |
| <p>Initiated by: Mary Help of Christians School</p> | <p>Staff source: Nathan R. Bratton Planning Director</p> |
| <p>Prior action: This item was introduced by Charlie San Miguel at the regular meeting of December 19, 2011.</p> | |
| <p>BACKGROUND Council District: VI – The Honorable Charlie San Miguel Proposed use: Two Manufactured homes Site: Mary Help of Christians School Surrounding land uses: The land adjacent to the east of the site includes single-family residential uses. South of the site is Nye Elementary School. The land west of the site includes KGNS, Whataburger, HEB and Target. North of the site is vacant land. Comprehensive Plan: The Future Land Use Map recognizes this area as Light Commercial. Transportation Plan: The Long Range Thoroughfare Plan identifies Del Mar Boulevard as a Modified Major Arterial. Letters sent to surrounding property owners: 30 In Favor: 0 Opposed: 0</p> | |
| <p>STAFF COMMENTS</p> <p>Staff supports the proposed amendment to the existing Conditional Use Permit at this location by extending the expiration date for an additional three years and maintaining the following previous conditions:</p> <ol style="list-style-type: none"> 1. The C.U.P. shall be issued to the Daughters of Mary of San Antonio Salesian Sisters of St. John Bosco, and is nontransferable. 2. The Conditional Use Permit is issued for a three-year time period 3. The C.U.P. is restricted to the letter, Exhibit "A," which is made part hereof for all purposes. 4. The C.U.P. is restricted to the site plan, Exhibit "B", which is made part hereof for all purposes. | |
| <p>P&Z COMMISSION RECOMMENDATION: The P & Z Commission, in a 9 to 0 vote, recommended approval of the Conditional Use Permit.</p> | <p>STAFF RECOMMENDATION: Staff supports the Conditional Use Permit.</p> |

ORDINANCE NO. 2012-O-005

AMENDING ORDINANCE NO. 2009-O-007 AUTHORIZING THE ISSUANCE OF A CONDITIONAL USE PERMIT FOR TWO MOBILE HOMES ON LOTS 1 THROUGH 7, BLOCK 1, DEL MAR HILLS SUBDIVISION, SECTION 1, AREA "B", LOCATED AT 10 E. DEL MAR BOULEVARD, BY EXTENDING THE EXPIRATION DATE FOR AN ADDITIONAL THREE (3) YEARS; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

WHEREAS, a request has been received for the amendment of Ordinance No. 2009-O-007 authorizing the issuance of a Conditional Use Permit for two mobile homes on Lots 1 through 7, Block 1, Del Mar Hills Subdivision, Section 1, Area "B", located at 10 E. Del Mar Boulevard, by extending the expiration date for an additional three (3) years; and,

WHEREAS, the required written notices were sent to surrounding property owners at least ten (10) days before the public hearing held before the Planning and Zoning Commission on November 17, 2011; and,

WHEREAS, the Planning and Zoning Commission, after a public hearing, has recommended **approval** of the Conditional Use Permit; and,

WHEREAS, notice of the zone change request was advertised in the newspaper at least fifteen (15) days prior to the public hearing held before the City of Laredo City Council on this matter; and,

WHEREAS, the City Council has held a public hearing on December 19, 2011, on the request and finds the Conditional Use Permit appropriate and consistent with the General Plan of the City of Laredo; and,

WHEREAS, all conditions imposed by the Conditional Use Permit, and all pertinent requirements the Laredo Land Development Code shall be met before the activity sanctioned by the Conditional Use Permit may commence; and,

WHEREAS, the City Council does not consider the impact, if any, of private covenants and deed restrictions on the subject property with the adoption of this ordinance; and,

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

Section 1: City of Laredo Ordinance No. 2009-O-007 is hereby amended authorizing the issuance of a Conditional Use Permit for two mobile homes on Lots 1 through 7, Block 1, Del Mar Hills Subdivision, Section 1, Area "B", located at 10 E. Del Mar Boulevard, by extending the expiration date for an additional three (3) years.

Section 2: The Conditional Use Permit is further restricted to the following provision herewith adopted by the City Council:

1. The C.U.P. shall be issued to the Daughters of Mary of San Antonio Salesian Sisters of St. John Bosco, and is nontransferable.

2. The Conditional Use Permit is issued for a three-year time period
3. The C.U.P. is restricted to the letter, Exhibit "A," which is made part hereof for all purposes.
4. The C.U.P. is restricted to the site plan, Exhibit "B", which is made part hereof for all purposes.

Section 3: This ordinance shall be published in a manner provided by Section 2.09 (D) of the Charter of the City of Laredo.

Section 4: This ordinance shall become effective as and from the date of publication specified in Section 3.

Section 5: The Conditional Use Permit authorized by this ordinance shall be revoked pursuant to the Laredo Land Development Code, section 24.94.10, entitled "Revocation," according to the criteria and procedures described therein and below:

1. Criteria

Any Conditional Use Permit, authorized by City Council, shall be considered in noncompliance and shall be revoked and removed from the City of Laredo Zoning Map, in the event a court of law finds the use in violation of any of the following conditions:

- A. The use established on site does not conform, at any time, with any or all permit condition(s) approved by the City Council and or any local, state, or federal law.
- B. The activity authorized by the Conditional Use Permit commences prior to the institution of all conditions imposed by the Conditional Use Permit.
- C. Discontinuance of the Council approved conditional use for a period of six (6) consecutive months.
- D. The use of which the Conditional Use Permit was authorized does not commence within six months of City Council's final approval date.

2. Procedures

Should City of Laredo Enforcement Official inspection reveal noncompliance with Laredo Land Development Code, Subsection 24.94.10, Conditional Use Permit revocation procedures shall commence as below stipulated:

- A. A Zoning Officer shall, upon discovery of conditional use permit noncompliance as per Subsection 24.94.10, issue a written warning, granting a grace period of a minimum of ten (10) working days, within which time the use may be brought into compliance with the current City Council approved Conditional Use Permit for that location.
- B. If noncompliance persists after the conclusion of the warning grace period, a Zoning Enforcement Official shall issue a written citation.
- C. Should the citation result in a guilty verdict, the City of Laredo shall consider the Conditional Use Permit revoked and proceed with its removal from the City of Laredo Zoning Map.

- D. The Planning Director shall then issue the permit holder written notification of the Conditional Use Permit's official revocation and removal from the City of Laredo Zoning Map.
- E. In the event of discontinuance or failure to commence as stipulated in Subsection 24.94.10.1 D and E of this Ordinance, Zoning Enforcement Staff will issue written notification of same. Ten days after issuance of Zoning Enforcement notification of discontinuance or failure to commence, the Planning Director shall then issue the permit holder written notification of the Conditional Use Permit's official revocation and removal from the City of Laredo Zoning Map.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS THE _____ DAY OF _____, 2012.

RAUL G. SALINAS
MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:
RAUL CASSO
CITY ATTORNEY

COUNCIL COMMUNICATION

| | | |
|--|---|---|
| <p>Date: 01/03/11</p> | <p>SUBJECT: FINAL READING OF ORDINANCE NO. 2012-O-006 Amending the Zoning Ordinance (Map) of the City of Laredo by rezoning the south 1/3 of Lot 8 and the south 1/3 of the west 1/3 of Lot 7, Block 1606, Eastern Division, located at 2919 South Louisiana Avenue, from R-2 (Multi-Family Residential District) to B-1 (Limited Commercial District); providing for publication and effective date. ZC-48-2011</p> | |
| <p>Initiated by: Alex Garcia</p> | | <p>Staff source: Nathan R. Bratton Planning Director</p> |
| <p>Prior action: This item was introduced at the regular meeting of December 19, 2011.</p> | | |
| <p>BACKGROUND</p> <p>Council District: I – The Honorable Mike Garza</p> <p>Proposed use: Child Day Care</p> <p>Site: Mi Casita Child Care</p> <p>Surrounding land uses: The property to the north includes single-family residences. West of the property are apartments, single-family residences and commercial parking. South of the property are the Migrant Seasonal Head Start, multi-family apartments and vacant lots. East of the property are single-family residences , multi-family apartments, manufactured homes and vacant/storage lots.</p> <p>Comprehensive Plan: The Comprehensive Plan identifies this area as Medium Density Residential.</p> <p>Transportation Plan: The Long Range Thoroughfare Plan does not identify Louisiana Avenue.</p> <p>Letters sent to surrounding property owners: 30 In Favor: 0 Opposed: 0</p> | | |
| <p>STAFF COMMENTS</p> <p>The proposed zone change is not appropriate at this location. The change is not consistent with the Comprehensive Plan’s designation for this area as Medium Density Residential. The proposed change is not compatible with the existing residential uses in the surrounding neighborhood. A B-1 District would introduce more intense commercial uses into the primarily residential neighborhood. The proposed use is already in existence under an approved Conditional Use Permit. The approval of a B-1 district would open up the possibility to other more intense uses on a property limited in size.</p> | | |
| <p>P&Z COMMISSION RECOMMENDATION: The P & Z Commission, in a 9 to 0 vote, recommended approval of the zone change.</p> | | <p>STAFF RECOMMENDATION: Staff does not support the proposed zone change.</p> |

COUNCIL COMMUNICATION

IMPACT ANALYSIS

B-1 (Limited Commercial District): The purpose of the B-1 is to provide for business and commercial development serving a limited geographic area or neighborhood.

Is this change contrary to the established land use pattern?

Yes, the established land use pattern is primarily single and multi-family residential uses.

Would this change create an isolated zoning district unrelated to surrounding districts?

Yes, the surrounding districts are R-1 in all directions immediately surrounding this property.

Will change adversely influence living conditions in the neighborhood?

Yes, the proposed change may introduce more intense uses into the well-established residential neighborhood.

Are there substantial reasons why the property can not be used in accord with existing zoning?

No, the property already benefits from an approved CUP for the proposed use.

ORDINANCE NO. 2012-O-006

AMENDING THE ZONING ORDINANCE (MAP) OF THE CITY OF LAREDO BY REZONING THE SOUTH 1/3 OF LOT 8 AND THE SOUTH 1/3 OF THE WEST 1/3 OF LOT 7, BLOCK 1606, EASTERN DIVISION, LOCATED AT 2919 SOUTH LOUISIANA AVENUE, FROM R-2 (MULTI-FAMILY RESIDENTIAL DISTRICT) TO B-1 (LIMITED COMMERCIAL DISTRICT); PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

WHEREAS, a zone change has been requested by the owners of The south 1/3 of Lot 8 and the south 1/3 of the west 1/3 of Lot 7, Block 1606, Eastern Division, located at 2919 South Louisiana Avenue, from R-2 (Multi-Family Residential District) to B-1 (Limited Commercial District); and,

WHEREAS, the required written notices were sent to surrounding property owners at least ten (10) days before the public hearing held before the Planning and Zoning Commission on November 17, 2011, and,

WHEREAS, the Planning and Zoning Commission, after a public hearing, has recommended **approval** of the proposed zone change; and,

WHEREAS, notice of the zone change request was advertised in the newspaper at least fifteen (15) days prior to the public hearing held before the City of Laredo City Council on this matter; and,

WHEREAS, the City Council has held a public hearing on December 19, 2011, on the request and finds the zone change appropriate and consistent with the General Plan of the City of Laredo; and,

WHEREAS, the City Council does not consider the impact, if any, of private covenants and deed restrictions on the subject property with the adoption of this ordinance.

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

Section 1: The Zoning Map of the City of Laredo be and is hereby amended by rezoning the south 1/3 of Lot 8 and the south 1/3 of the west 1/3 of Lot 7, Block 1606, Eastern Division, located at 2919 South Louisiana Avenue, from R-2 (Multi-Family Residential District) to B-1 (Limited Commercial District).

Section 2: This ordinance shall be published in a manner provided by Section 2.09 (D) of the Charter of the City of Laredo.

Section 3: This ordinance shall become effective as and from the date of publication specified in Section 2.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS THE _____ DAY OF _____, 2012.

RAUL G. SALINAS
MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:
RAUL CASSO
CITY ATTORNEY

COUNCIL COMMUNICATION

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| DATE: 01-03-2012 | SUBJECT: ORDINANCE 2012-O-007 AMENDING ORDINANCE 2007-0-097 BY AMENDING CHAPTER 2, ADMINISTRATION, ARTICLE II, DEPARTMENTS, OFFICERS AND EMPLOYEES, DIVISION I, GENERALLY, SECTION 2-29, REIMBURSEMENTS, OF THE CODE OF ORDINANCES, DEFINING THE ACTUAL AND NECESSARY EXPENSES WHICH MAY BE REIMBURSED TO THE MAYOR AND COUNCIL. MEMBERS PURSUANT TO SECTION 2.02 OF THE CITY CHARTER, AND PROVIDING FOR THE PROCEDURES FOR SUCH REIMBURSEMENT |
| INITIATED BY: Carlos Villarreal City Manager | STAFF SOURCE: Raul Casso City Attorney |
| PREVIOUS ACTION: | |
| BACKGROUND: | |
| FINANCIAL: | |
| RECOMMENDATION: | STAFF RECOMMENDATION: Staff recommends passage of Ordinance. |

ORDINANCE 2012-O-007

AMENDING ORDINANCE 2007-0-097 BY AMENDING CHAPTER 2, ADMINISTRATION, ARTICLE II, DEPARTMENTS, OFFICERS AND EMPLOYEES, DIVISION I, GENERALLY, SECTION 2-29, REIMBURSEMENTS, OF THE CODE OF ORDINANCES, DEFINING THE ACTUAL AND NECESSARY EXPENSES WHICH MAY BE REIMBURSED TO THE MAYOR AND COUNCIL MEMBERS PURSUANT TO SECTION 2.02 OF THE CITY CHARTER, AND PROVIDING FOR THE PROCEDURES FOR SUCH REIMBURSEMENT

WHEREAS, Section 2.02 of the City Charter specifies that *"The Mayor and City Council Members shall receive reimbursement for their actual and necessary expenses incurred in the performance of their duties; and*

WHEREAS, Attorney General Opinion GA-0530 dated March 12, 2007, which addressed questions presented to his office on behalf of the City Attorney, on the subject of reimbursement of expenses to City Council Members, and particularly, with regard to that of City Council Members who are not permitted to receive a salary for serving as a council member due to Article XVI, section 40(b); and

WHEREAS, for the purpose of enacting this ordinance, staff are guided by following standards deriving from (1) the sentence from the said Attorney General Opinion *"the amount of money a member of a governmental body receives as reimbursement may not exceed the actual expenses the member incurred"*; and (2) from the charter provision that any expense to be reimbursed must be both actual and necessary; and

WHEREAS, the provisions and restrictions in the Texas Constitution at Article XVI, Section 40(b) are self implementing, and each City Council Member is bound to comply with its terms in submission of actual costs for reimbursement, and bears the legal burden of establishing such actual and necessary expenses on potential risk of office; and

WHEREAS, the procedures and submissions under this Ordinance and other City Ordinances involve public information under the provisions of the Texas Public Information Act for the protection of the public; and

WHEREAS, the Attorney General Opinion stated that *"a home-rule municipality may adopt reasonable ordinances delimiting expenses for which the municipality may reimburse council members."*

WHEREAS, the Attorney General Opinion further stated that whether a particular expense is reimbursable under the Charter is a question that the appropriate municipal officers, not the office of the attorney general, must determine in the first instance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAREDO THAT SECTION 2-29, REIMBURSEMENTS, BE AMENDED AS FOLLOWS:

Section 1: This Ordinance applies to the Mayor and Council Members, who hereinafter are referred to as the members of the governing body.

Section 2: The members of the governing body shall be reimbursed only for actual and necessary expenses which are submitted with expense verification in accordance with this ordinance and/or prior policy and existing ordinances and City policy, including but not limited to:

- a. Travel out-of-town in the course of City business.
- b. Lodging out-of-town in the course of City business.
- c. Meals out- of- town in the course of City business.
- d. Cost of stationary in the course of City business,
- e. Cost of postage in the course of City business.
- f. The actual value of annual leave taken from other employment in order to attend to City of Laredo official business, at the applicable hourly rate.
- g. Cell phone cost for City business calls if submitted from the actual cell phone billing records.
- h. ~~[The cost of meals for meetings with constituents or community members on official business, when the time, place, attendees and purpose of the meetings are provided, along with expense receipts, but not to exceed fifty (\$50.00) per meal].~~

Section 3: The members of the governing body shall be reimbursed for the following expenses as well:

- a. Transportation/vehicle cost of [~~Five Hundred Dollars (\$500)] Seven Hundred and Fifty Dollars (\$750) per month, which the City Council finds to be the actual minimum necessary amount for the performance of the duties of public office, provided that each member must certify the actual ownership or lease of a vehicle and its use and the resulting expense on a monthly basis, on a form to be provided by the Director of Financial Services.~~
- b. Home office costs determined on the basis of actual square footage, percentage of use, allowance for parking, utilities, taxes and insurance, as provided for on a form to be provided by the Director of Financial Services; but not to exceed [~~Five Hundred Dollars (\$500.00)] Seven Hundred and Fifty Dollars (\$750) per month. The reasonable rental value is assumed to be eight percent (8%) annually of the appraised value as established by the Webb County Appraisal District, or an independent M.I.A. appraisal. The City Council finds that the use of office space at home for such purposes is accepted, normal,~~

reasonable and necessary and provides for this method to cover the actual costs of such use. Each member must certify the actual ownership or lease of residence and its use and the resulting expense annually on a form for determination of the amount, and must certify the continuing use and applicability of the expense on the monthly submission for expense.

- c. Actual cell phone cost of [~~One Hundred and Twenty Five Dollars (\$125)~~] One Hundred and Fifty Dollars (\$150.00) per month, which the City Council finds to be the actual minimum cost for performance of the duties of public office, provided that each member must certify actual uses of a cell phone applicability of the expense during each monthly period.

Section 4: Any item not coming within the above enumerations, or those in prior policy and existing ordinances, are not deemed to be actual and necessary and are not reimbursable.

Section 5: The Director of Financial Services shall set up a reporting and record system whereby each member of the governing body provides documentation to the extent required herein or by other policy, code provision, or ordinance, supporting any and all reimbursement of actual and necessary expenses, and the members of the governing body shall comply fully with the requirements of such system. Failure to timely comply shall result in suspension of payment, and the Director shall notify the City Manager and the Mayor of any such suspension of payment.

Section 6: No final payment may be paid on any reimbursement for expenses until the supporting paperwork is provided as required by Section 5, except for necessary advances, for which final payment cannot be made until the final paperwork has been provided as stated in Section 5.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS
THE _____ DAY OF _____, 20_____.

RAUL G. SALINAS
MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:



RAUL CASSO
CITY ATTORNEY

**City Councilmember Expense Reimbursement Request
Home Office Expense**

Date _____ Name of Councilmember _____

Address of Home Office _____

WCAD Property Identification Number _____

Uses of the Office _____

- 1. Personal affairs and business
- 2. City business
- 3. Other business or investment
- 4. Profession
- 5. Other

Total Square footage of the Residence (inside HIC area only) _____

Square footage of the office area _____

Appraised value for last year per WCAD Ad valorem taxes for the prior year _____

Home owner's Insurance for the prior year _____

I hereby certify that the above figures are correct based on my personal knowledge, and further certify actual ownership and use of this home office as reflected above.

City Councilmember Expense Reimbursement Request

Meal Expense

Date _____ Name of Councilmember _____ Expense Amt. _____

Address of Home Office _____ Time of Meeting _____

Location of Meeting _____

Attendees _____

Purpose of Meeting _____

COUNCIL COMMUNICATION

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| DATE: 1/3/2012 | SUBJECT: RESOLUTION #2012-R-001 Authorizing the City Manager to enter into and execute 45 cooperative working agreements/mutual assistance agreements/memorandums of understanding between the City of Laredo Police Department and various federal, state and local agencies, including but not limited to: Drug Enforcement Administration (DEA), Federal Bureau of Investigations (FBI), SCAN, STCADA, <i>et al.</i> , a comprehensive list is attached hereto as "Exhibit A". The Police Department's participation is part of the community service provided to our citizens, with no cost to the City of Laredo. |
| INITIATED BY: Cynthia Collazo Deputy City Manger | STAFF SOURCE: Carlos R. Maldonado Chief of Police |
| PREVIOUS COUNCIL ACTION: City Council approved Resolution # 2011-R-37 on May 2, 2011. | |
| BACKGROUND: Since FY 2009 City Council approved the City of Laredo Police Department to work in conjunction with the agencies listed on Exhibit A. These agreements allow the Police Department to participate with other law enforcement agencies and refer civilians to social service organizations for any assistance. | |
| FINANCIAL IMPACT: N/A | |
| COMMITTEE RECOMMENDATION: | STAFF RECOMMENDATION: Recommends the approval of this Resolution. |

RESOLUTION #2012-R-001

Authorizing the City Manager to enter into and execute 45 cooperative working agreements/mutual assistance agreements/memorandums of understanding between the City of Laredo Police Department and various federal, state and local agencies, including but not limited to: Drug Enforcement Administration (DEA), Federal Bureau of Investigations (FBI), SCAN, STCADA, *et al.*, a comprehensive list is attached hereto as "Exhibit A". The Police Department's participation is part of the community service provided to our citizens, with no cost to the City of Laredo.

Whereas, the City of Laredo Police Department agrees to work in conjunction with these agencies; and

Whereas, the City of Laredo Police Department will assist law enforcement agencies on an as needed basis; and

Whereas, the City of Laredo Police Department will refer civilians that they come in contact with to those listed social service organizations that could assist them; and

Whereas, Exhibit A will be applicable starting on January 1, 2012 and ending on December 31, 2012.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAREDO THAT:

SECTION 1: Authorizing the City Manager to enter into and execute 45 cooperative working agreements/mutual assistance agreements/memorandums of understanding between the City of Laredo Police Department and various federal, state and local agencies, including but not limited to: Drug Enforcement Administration (DEA), Federal Bureau of Investigations (FBI), SCAN, STCADA, *et al.*, a comprehensive list is attached hereto as "Exhibit A". The Police Department's participation is part of the community service provided to our citizens, with no cost to the City of Laredo.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS THE _____
DAY OF _____, 2012.

RAUL SALINAS
MAYOR

ATTEST:

GUSTAVO GUEVARA, JR.
CITY SECRETARY

APPROVED AS TO FORM:

BY: Melissa A. Vivas
RAUL CASSO
CITY ATTORNEY

LAREDO POLICE DEPARTMENT

Agreements

tabbies
 RES.# 2012-R-001
 A

| Agency | Category |
|---|-----------------|
| 1 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) | LEA |
| 2 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) - Radio Agreement | Communications |
| 3 Children's Advocacy Center | Social Services |
| 4 Correction Corporation of America (CCA) Detention Center | LEA |
| 5 Correction Corporation of America (CCA) Detention Center - Radio Agreement | Communications |
| 6 Correction Corporation of America (CCA) Processing Center | LEA |
| 7 Department of Homeland Security Immigration and Customs Enforcement | LEA |
| 8 Drug Enforcement Administration (DEA) | LEA |
| 9 FBI - Safe Streets Task Force | LEA |
| 10 Laredo Community College Police Dept. | LEA |
| 11 Laredo Independent School District Police Dept. | LEA |
| 12 Laredo Independent School District Police Dept. - Radio Agreement | Communications |
| 13 Laredo Job Corps | Social Services |
| 14 Laredo-Webb County Safe Haven | LEA |
| 15 Law Enforcement Analysis Portal (LEAP) | LEA |
| 16 Learning ForLife (LPD Explorers) | Social Services |
| 17 Motorola, Inc. (equip. trial agreement) | LEA |
| 18 Office of the Inspector General, TDCJ | LEA |
| 19 Property Room.com | LEA |
| 20 Regional Organized Crime Information Center (ROCIC) | LEA |
| 21 Sam Houston Sate University - subaward agreement (USMS) | LEA |
| 22 SCAN (Sexual Assault Response Team) | Social Services |
| 23 SCAN (Sexual Assault Services Information) | Social Services |
| 24 SCAN (Shelter and Street Outreach Services) | Social Services |
| 25 SCAN (Substance Abuse and Mental Health Services Administration, National Child Traumatic Stress Initiative) | Social Services |
| 26 SCAN (Webb County Coalition) | Social Services |
| 27 STCADA (Adult Outpatient Treatment Services) | Social Services |
| 28 STCADA (Co-Occurring Psychiatric Substance Use Disorders) | Social Services |
| 29 STCADA (HIV Early Intervention) | Social Services |
| 30 STCADA (Youth Prevention and Rural Border Intervention Programs) | Social Services |
| 31 Texas A&M Int'l University - Radio Agreement | Communications |
| 32 Texas A&M Int'l University Police Dept. | LEA |
| 33 Texas Alcoholic Beverage commission (TABC) - Radio Agreement | Communications |
| 34 Texas Crime Information Center (TCIC) - Lic. P | LEA |
| 35 Texas Department of Public Safety | LEA |
| 36 Texas Department of Public Safety - TDEX | LEA |
| 37 Texas DPS Aircraft - Radio Agreement | Communications |
| 38 Texas DPS Fusion Center | LEA |
| 39 Texas Military Forces | LEA |
| 40 Texas Parks & Wildlife (Lake Casa Blanca) | LEA |
| 41 U.S. Customs and Border Protection (USBP) - Radio Agreement | Communications |
| 42 U.S. Marshals (USMS) - Fugitive Apprehension Task Force | LEA |
| 43 United Independent School District Police Dept. | LEA |
| 44 University of Texas Health Science Center at San Antonio Police Dept. | LEA |
| 45 Veterans Affairs | Social Services |

COUNCIL COMMUNICATION

| | |
|--|---|
| <p>DATE: 01/03/2012</p> | <p>SUBJECT: RESOLUTION 2012-R-002 AUTHORIZING THE CITY MANAGER TO ACCEPT AND ENTER INTO CONTRACT WITH THE TEXAS DEPARTMENT OF STATE HEALTH SERVICES IN THE AMOUNT OF \$393,717.00 FOR THE CONTINUATION OF THE CITY OF LAREDO HEALTH DEPARTMENT-HIV PREVENTION PROJECT FOR THE TERM PERIOD BEGINNING JANUARY 1, 2012 THROUGH DECEMBER 31, 2012.</p> |
| <p>INITIATED BY: Cynthia Collazo Deputy City Manager</p> | <p>Staff Source: Hector F. Gonzalez, M.D., M.P.H. Health Director</p> |
| <p>PREVIOUS COUNCIL ACTION: On January 3, 2011, Council approved Resolution 2011-R-01.</p> | |
| <p>BACKGROUND:</p> <p>The Texas Department of State Health Services continues to contract with the City of Laredo to provide public health services to residents of Laredo and Webb County through the City of Laredo Health Department (CLHD).</p> <p>Human immunodeficiency virus (HIV) prevention services ensure HIV awareness and prevention for persons at greatest risk of acquiring or transmitting HIV infection. The CLHD HIV Prevention Project is a model prevention and health promotion service which consists of innovation, coordination, and collaboration; some of the basic fundamentals in prevention. The project serves qualifying residents in the Duval, Jim Hogg, Webb and Zapata counties.</p> <p>Through early detection and intervention of HIV/AIDS, other co-morbidities (Sexually Transmitted Diseases, Hepatitis, and Tuberculosis) are also prevented.</p> <p align="center">Budget on next page</p> | |
| <p>FINANCIAL: The City of Laredo will receive \$393,717.00 in funds from the Texas Department of State Health Services. The revenue line item 226-0000-323-4046 is hereby increased by \$5,500.00. The revenue line item 222-0000-372-1000 is hereby decreased by \$5,500.00. The expenditure division 226-6002, Project Number HEHP04 is increased by \$5,500.00. The expenditure division 226-6801-544-9900 is hereby decreased by \$5,500.00. The total budget remains the same.</p> | |
| <p>RECOMMENDATION:</p> | <p>STAFF: Recommends that Council approve resolution.</p> |

HIV Prevention Program
 226-6002 HEHP04

BUDGET

| CATEGORIES | | APPROVED BUD. |
|------------------------|----|---------------|
| REVENUES | | |
| DSHS GRANT REVENUE | \$ | 393,717 |
| PROGRAM INCOME | | 0 |
| TOTAL REVENUES | \$ | 393,717 |
| EXPENSES | | |
| PERSONNEL | \$ | 247,444 |
| FRINGE BENEFITS | | 103,090 |
| TRAVEL | | 7,506 |
| EQUIPMENT | | 0 |
| SUPPLIES | | 5,410 |
| CONTRACTUAL | | 0 |
| OTHER | | 20,949 |
| SUB-TOTAL | \$ | 384,399 |
| INDIRECT CHARGES | | 9,318 |
| RESERVE (PROGRAM INC.) | | 0 |
| TOTAL | \$ | 393,717 |

RESOLUTION 2012-R-002

AUTHORIZING THE CITY MANAGER TO ACCEPT AND ENTER INTO CONTRACT WITH THE TEXAS DEPARTMENT OF STATE HEALTH SERVICES IN THE AMOUNT OF \$393,717.00 FOR THE CONTINUATION OF THE CITY OF LAREDO HEALTH DEPARTMENT-HIV PREVENTION PROJECT FOR THE TERM PERIOD BEGINNING JANUARY 1, 2012 THROUGH DECEMBER 31, 2012.

WHEREAS, the Texas Department of State Health Services continues to contract with the City of Laredo to provide public health services to residents of Laredo and Webb County through the City of Laredo Health Department (CLHD); and

WHEREAS, Human immunodeficiency virus (HIV) prevention services ensure HIV awareness and prevention for persons at greatest risk of acquiring or transmitting HIV infection. The CLHD HIV Prevention Project is a model prevention and health promotion service which consists of innovation, coordination, and collaboration; some of the basic fundamentals in prevention. The project serves qualifying residents in the Duval, Jim Hogg, Webb and Zapata counties; and

WHEREAS, through early detection and intervention of HIV/AIDS, other co-morbidities (Sexually Transmitted Diseases, Hepatitis, and Tuberculosis) are also prevented.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAREDO THAT:

Section 1: Authorizing the City Manager to accept and enter into contract with the Texas Department of State Health Services in the amount of \$393,717.00 for the continuation of the City of Laredo Health Department-HIV Prevention Project for the term period beginning January 1, 2012 through December 31, 2012.

Section 2: The revenue line item 226-0000-323-4046 is hereby increased by \$5,500.00. The revenue line item 222-0000-372-1000 is hereby decreased by \$5,500.00.

Section 3: The expenditure division 226-6002, Project Number HEHP04 is increased by \$5,500.00. The expenditure division 226-6801-544-9900 is hereby decreased by \$5,500.00. The total budget remains the same.

Section 4: The City Manager is hereby authorized to make transfers within the budget as allowable to meet the necessary costs to accomplish the scope of work for the program.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR

ON THIS _____ DAY OF _____, 2012.

**RAUL G. SALINAS
MAYOR**

ATTEST:

**GUSTAVO GUEVARA, JR.
CITY SECRETARY**

APPROVED AS TO FORM:

Melissa A. Vich

**RAUL CASSO
CITY ATTORNEY**

COUNCIL COMMUNICATION

| | | |
|--|--|---|
| DATE: 01/03/12 | SUBJECT: RESOLUTION NO. 2012-R-003 ACCEPTING THE CONVEYANCE OF THE FOLLOWING UTILITY EASEMENTS AND TEMPORARY CONSTRUCTION EASEMENTS, FOR THE 36 INCH WATER MAIN IH 35, MILE MARKER 11 TO INTERNATIONAL AND BOB BULLOCK LOOP PROJECT, FROM: Killam Ranch Properties, LTD & Killam Development, LTD. – Four Utility Easements with corresponding Temporary Construction Easements as follows: One over a <u>0.2236 Acre Tract</u> , a copy of which conveyance is attached as Exhibit 1; and One over a <u>0.7934 Acre Tract</u> , a copy of which conveyance is attached as Exhibit 2; and One over a <u>5.1376 Acre Tract</u> , a copy of which conveyance is attached as Exhibit 3; and One over a <u>0.3510 Acre Tract</u> , a copy of which conveyance is attached as Exhibit 4; And directing that the said Four Easements (and Temporary Construction Easements) be filed of record in official property records of Webb County, Texas. | |
| INITIATED BY: Celina Rivera, Real Estate Manager Community Development | | STAFF SOURCE: Tomas M. Rodriguez, Jr., P.E. Utilities Director |
| PREVIOUS COUNCIL ACTION: N/A | | |
| BACKGROUND: Killam Ranch Properties, LTD. and Killam Development, LTD. conveyed these utility easements to the City of Laredo upon request by the Utilities Department. These Utility Easements are being acquired as necessitated by the City of Laredo's <u>36" Waterline IH 35 to International/Bob Bullock Loop 20 Improvement Project</u> . | | |
| FINANCIAL IMPACT: Land-557-0000-161.10-00 | | |
| COMMITTEE RECOMMENDATION: Approval of this resolution. | STAFF RECOMMENDATION: Approval of this resolution. | |

RESOLUTION NO. 2012-R-003

ACCEPTING THE CONVEYANCE OF FOUR UTILITY EASEMENTS WITH CORRESPONDING TEMPORARY CONSTRUCTION EASEMENTS , FOR THE 36 INCH WATER MAIN IH 35, MILE MARKER 11 TO INTERNATIONAL AND BOB BULLOCK LOOP PROJECT, FROM KILLAM RANCH PROPERTIES, LTD & KILLAM DEVELOPMENT, LTD. THE CONVEYANCE OF UTILITY EASEMENTS OF ONE 0.2236 ACRE TRACT, ONE 0.7934 ACRE TRACT, ONE 5.1376 ACRE TRACT, ONE 0.3510 ACRE TRACT, COPIES OF WHICH CONVEYENCES ARE ATTACHED AS EXHIBITS 1, 2, 3 AND 4; AFTER CONVEYANCE THE CITY WILL CONSTRUCT THE 36 INCH WATER MAIN ON THE SAID EASEMENTS.

WHEREAS, Killam Ranch Properties, LTD. and Killam Development, LTD. has agreed to convey to the city by Utility Easement, tracts of 0.2236 acres, 0.7934 acres, 5.1376 acres and 0.3510 acres, which are described in Exhibits 1, 2, 3 and 4 attached to this resolution; and

WHEREAS, after the conveyance of the said Utility Easement tracts, the city will construct the 36" Waterline IH 35 to International/Bob Bullock Loop 20 Improvement Project; and

WHEREAS, in order to proceed with the construction of the 36" Waterline IH 35 to International/Bob Bullock Loop 20 Improvement Project, it is in the City of Laredo's best interests to accept the above-referenced conveyence from Killam Ranch Properties, LTD. and Killam Development, LTD.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAREDO THAT:

Section 1. It hereby accepts the conveyance of Utility Easements of these tracts of land for the conveyance of which tracts are situated in Webb County, Texas, and being more particularly described by metes and bounds on Exhibits 1, 2, 3 and 4 attached hereto.

Section 2. The conveyance will be accepted in the form and content of the Utility Easement, copies of which are attached as Exhibits 1, 2, 3 and 4 to this resolution, and the tracts are described in Exhibits 1, 2, 3 and 4 (metes and bounds description and surveys), attached to this resolution.

PASSED AND APPROVED THIS _____ DAY OF JANUARY, 2012.

Raul G. Salinas, Mayor

ATTEST:
Gustavo Guevara, Jr.
City Secretary

APPROVED AS TO FORM:

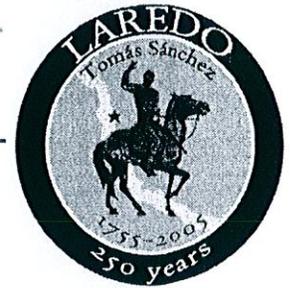
By: _____
Raul Casso
City Attorney

COUNCIL COMMUNICATION

| | | |
|--|---|---|
| DATE: 01/03/12 | SUBJECT: RESOLUTION NO. 2012-R-004 ACCEPTING THE CONVEYANCE OF THE FOLLOWING UTILITY EASEMENTS AND TEMPORARY CONSTRUCTION EASEMENTS, FOR THE 36 INCH WATER MAIN IH 35, MILE MARKER 11 TO INTERNATIONAL AND BOB BULLOCK LOOP PROJECT, FROM: San Isidro Northeast, LTD. – Four Utility Easements with corresponding Temporary Construction Easements as follows: One over a <u>0.5045 Acre Tract</u> , a copy of which conveyance is attached as Exhibit 1; and One over a <u>0.1943 Acre Tract</u> , a copy of which conveyance is attached as Exhibit 2; and One over a <u>0.3293 Acre Tract</u> , a copy of which conveyance is attached as Exhibit 3; and One over a <u>0.7120 Acre Tract</u> , a copy of which conveyance is attached as Exhibit 4; and And directing that the said Four Easements (and Temporary Construction Easements) be filed of record in official property records of Webb County, Texas. | |
| INITIATED BY: Celina Rivera, Real Estate Manager Community Development | | STAFF SOURCE: Tomas M. Rodriguez, Jr., P.E. Utilities Director |
| PREVIOUS COUNCIL ACTION: N/A | | |
| BACKGROUND: San Isidro Northeast, LTD. conveyed these utility easements to the City of Laredo upon request by the Utilities Department. These Utility Easements are being acquired as necessitated by the City of Laredo's <u>36" Waterline from IH 35, Killam Ranch to International Blvd. - Bob Bullock-Loop 20 Improvement Project.</u> | | |
| FINANCIAL IMPACT: Land-557-0000-161.10-00 | | |
| COMMITTEE RECOMMENDATION: Approval of this resolution. | | STAFF RECOMMENDATION: Approval of this resolution. |



CITY OF LAREDO
DEPARTMENT OF COMMUNITY DEVELOPMENT



This is to authorize Leticia Alvarado to file the Original Instrument
described below:

SAN ISIDRO NORTHEAST, LTD CONVEYED to the CITY OF LAREDO the
following NON EXCLUSIVE WATER LINE EASEMENTS:

TRACT I, 0.5045 acre tract (21,980.25 sq. ft.),

TRACT II, 0.1943 acre tract (8,466.42 sq. ft.),

TRACT III, 0.3293 acre tract (14,345.92 sq. ft.),

TRACT IV, 0.7120 acre tract (31,015.23 sq. ft.)

ACCOUNT: 557-4185-538-0359

Thelma V. Acosta
Thelma V. Acosta
CD Director

Received at:
County Clerk's Office
District Clerk's Office

By: _____
Date: _____
Time: _____
Fee: _____

NON EXCLUSIVE WATER LINE EASEMENT

0.1943 Acre Tract (8,466.42 s.f.); 0.2041 Acre Tract (8,891.76 s.f.); 0.3293 Acre Tract (14,345.92 s.f.); 0.5045 Acre Tract (21,980.25 s.f.); 0.7120 Acre Tract (31,015.23 s.f.)

(with Temporary Construction Easements)

STATE OF TEXAS §
COUNTY OF WEBB §

That, we, SAN ISIDRO NORTHEAST, LTD, a Texas limited partnership, of the County of Webb, State of Texas, hereinafter referred to as ("Grantor") has GIVEN, GRANTED, CONVEYED and DEDICATED to the City of Laredo, a home rule city and political subdivision of the State of Texas, and by these presents, does hereby GIVE, GRANT, CONVEY and DEDICATE unto the City of Laredo, a municipal corporation, of Webb County, Texas, hereinafter referred to as "Grantee", a non exclusive 20' foot wide easement described by metes and bounds on attached Exhibits "A", "B", "C", "D", "E" and by survey maps on Exhibit "A-1", "B-1", "C-1", "D-1", "E-1" to construct and maintain a thirty-six (36") inch underground water line (the "Easement") and a 30' foot wide Temporary Construction Easement along the easternmost boundaries thereof (the "Temporary Construction Easement"), giving Grantee the right to construct, reconstruct, repair and maintain one 36" water line together with all necessary laterals and valves, in and across the Easement:

The Temporary Construction Easement shall terminate and revert to Grantor upon the passage of eighteen months (18) after the execution of this easement or upon completion of the construction of Grantee's water line or water lines within the Easement, whichever is sooner.

Grantor excepts from this Easement and reserves unto itself, its successors and assigns, the right to build and maintain fences, landscaping, utility lines, pipelines, drainage facilities, highways, streets, roads and parking lots, sidewalks, driveways, towers, antenna's, signs and such other improvements Grantor deems convenient or necessary, in Grantor's sole and absolute discretion, over, under, above and across the Easement, and the right to fully use and enjoy said Easement, as long as such use does not unreasonably Interfere with the Grantee's use.

Grantee will bury the subject water line and/or lines to a minimum depth of four (4) feet and only access the Easement exclusively off the Bob Bullock Loop 20 of International Boulevard, in the City of Laredo.

Volume: 3224 Page: 591 - 608
Doc # 1127097
Doc Type: EASEMENT
Record Date: 3/1/2012 4:44:17 PM Record By: VG
Fees \$84.00
Margie Ibarra, Webb County Clerk



Grantee agrees to maintain the Easement in a smooth condition and to promptly fill, compact and repair any ruts, settling or erosion caused by Grantee's water line and/or lines, vehicles, equipment, the construction, reconstruction, repair or maintenance thereof, and restore areas within the Temporary Construction Easement and Easement. Grantee further agrees to promptly restore and repair any damage to structures, facilities or improvements within the Temporary Construction Easement and within the Easement, including but not limited to asphalt, concrete, base materials, curbs, sidewalks, fences, walls, signs, trees, hedges, bushes, grass sod and other landscaping, irrigation systems, utility infrastructure and utility service meters and connections (the "Maintenance and Restoration Obligations"). In the event that Grantee contracts with a third party or entity to provide construction, reconstruction, maintenance or repair services within the Temporary Easement or within the Easement, Grantee shall withhold a minimum of ten percent (10%) of the contract amount until such time as the Maintenance and Restoration Obligations have been satisfied.

This conveyance is part of the surface estate only, that is, in addition to other reservations, exceptions and other matters set out herein, Grantor reserves and excepts from this conveyance all oil, gas and other minerals.

Grantor also expressly reserves from this conveyance any and all ground water lying under the Easement.

This conveyance is also made and accepted subject to any and all validly existing encumbrances, easements, mineral leases, conditions and restrictions, relating to the hereinabove described property as now reflected by the Official Property Records, of Webb County, Texas

This grant and all rights associated therewith shall terminate and revert to Grantor should Grantee: fail to substantially complete the construction of the subject thirty-six inch (36") underground water line or lines on or before the expiration of eighteen (18) months from the execution of this easement; or if the subject water line is timely completed, in the event that Grantee does not maintain use of said waterline for a continuous period of twelve (12) consecutive Months.

The conveyance of the Easement is made upon the express condition that the Easement be used for constructing, reconstructing, repairing and maintaining the subject thirty-six inch (36") underground water line, including necessary laterals and valves (the "Permitted Purpose"). The use of the Easement shall be limited to the Permitted Purpose only.

TO HAVE AND TO HOLD the Easement, which is accepted by grantee "AS IS", i.e. in its present condition, and Grantor dose hereby bind itself to WARRANT AND FOREVER DEFEND all and singular the Easement unto said Grantee, by through or under it, but not otherwise, and except as to the matters to which this conveyance is expressly made subject, including but not limited to the express condition of this conveyance and the possibility of reversion.

EXECUTED on this 9th day of January 2012.

GRANTOR:

SAN ISIDRO NORTHEAST, LTD.
By its General Partner
SAN ISIDRO MANAGEMENT, L.C.

By: 
Name: Blaine D. Dilworth
Title: President

Accepted by Grantee

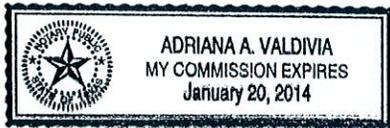
CITY OF LAREDO

By: 
Carlos R. Villarreal
City Manager

STATE OF TEXAS §

COUNTY OF WEBB §

This instrument was acknowledged before me on this 9th, day of January, 2012, by Blackstone Dilworth, Managing Member of SAN ISIDRO MANAGEMENT, L.C., General Partner to SAN ISIDRO NORTHEAST.LTD., a Texas Limited Partnership.



Adriana A. Valdivia
Notary Public, State of Texas

STATE OF TEXAS §

COUNTY OF WEBB §

This instrument was acknowledged before me on this _____, day of _____, 2012, by _____, City Manager of the CITY OF LAREDO.

Notary Public, State of Texas

STATE OF TEXAS *
COUNTY OF WEBB *
20' UTILITY EASEMENT
0.1943 ACRE (8,466.42 SF)

LEGAL DESCRIPTION OF A 0.1943 ACRE EASEMENT, BEING OUT OF LOT 27B, BLOCK 1 OF RE-PLAT OF SAN ISIDRO NORTHEAST SUBDIVION, PHASE 3, RECORDED IN VOLUME 29, PAGE 4, PLAT RECORDS OF WEBB COUNTY, TEXAS. HEREIN DESCRIBED EASEMENT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

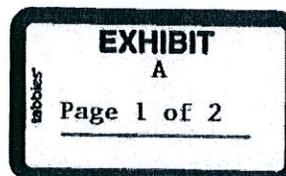
Commencing at a found ½ inch iron rod being the northerly corner of San Isidro Northeast Subdivision, Phase 4 recorded in Volume 28, Page 26, Plat Records of Webb County, Texas, same being the westerly corner of San Isidro Northeast Subdivision, Phase 3 recorded in Volume 27, Pages 79-80, Plat Records of Webb County, Texas.

Thence, N35°43'25"E, a distance of 80.00 feet for the **POINT OF BEGINNING** of this 0.1943 acre easement and the **southerly corner** hereof;

Thence, N09°51'52"W, with the common division line between the right-of-way line of International Boulevard, San Isidro Northeast Subdivision, Phase 1 recorded in Volume 27, Pages 4-8, Plat Records of Webb County, Texas, same being the southerly line of herein described easement, a distance of 28.63 feet for the **westerly corner** hereof;

Thence, along a curve to the left with a chord bearing N24°10'55"E, 407.57 feet, subtended by an arc having a radius of 1200.00 feet, with the common division line between the easterly right-of-way line of said International Boulevard and said Lot 27B, same being the westerly line of herein described easement, a distance of 409.55 feet for the **northerly corner** hereof;

Thence, S75°35'43"E, with the common division line between said Lot 27B and Lot 27A, Block 1, Re-Plat of San Isidro Northeast Subdivision, Phase 3, same being the northerly line of herein described easement, a distance of 20.00 feet for the **northeasterly corner** hereof;



September 11, 2009

Thence, along a curve to the right with a chord bearing S24°40'01"W, 434.70 feet, subtended by an arc having a radius of 1220.00 feet, with the easterly line of herein described easement, a distance of 437.03 feet to said **POINT OF BEGINNING**, containing within these metes and bounds 0.1943 acres of land (8,466.42 SF) more or less.

BASIS OF BEARINGS:

GPS NAD83/NAVD88 TEXAS STATE PLANE 4205 COORDINATES, GRID

REFERENCE BEARING:

SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 1, RECORDED IN VOLUME 27, PAGES 4-8, PLAT RECORDS OF WEBB COUNTY, TEXAS

I, ROBERT J. GILPIN, THE UNDERSIGNED REGISTERED PROFESSIONAL LAND SURVEYOR, NUMBER 5944, DO HEREBY CERTIFY THAT THE METES AND BOUNDS DESCRIPTION SHOWN HEREON IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF AND THAT IT WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND AND FROM OFFICE RECORDS AVAILABLE, WITHOUT THE BENEFIT OF A COMPLETE TITLE EXAMINATION REPORT.

WITNESS MY HAND AND SEAL

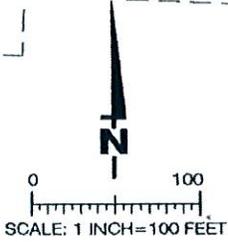
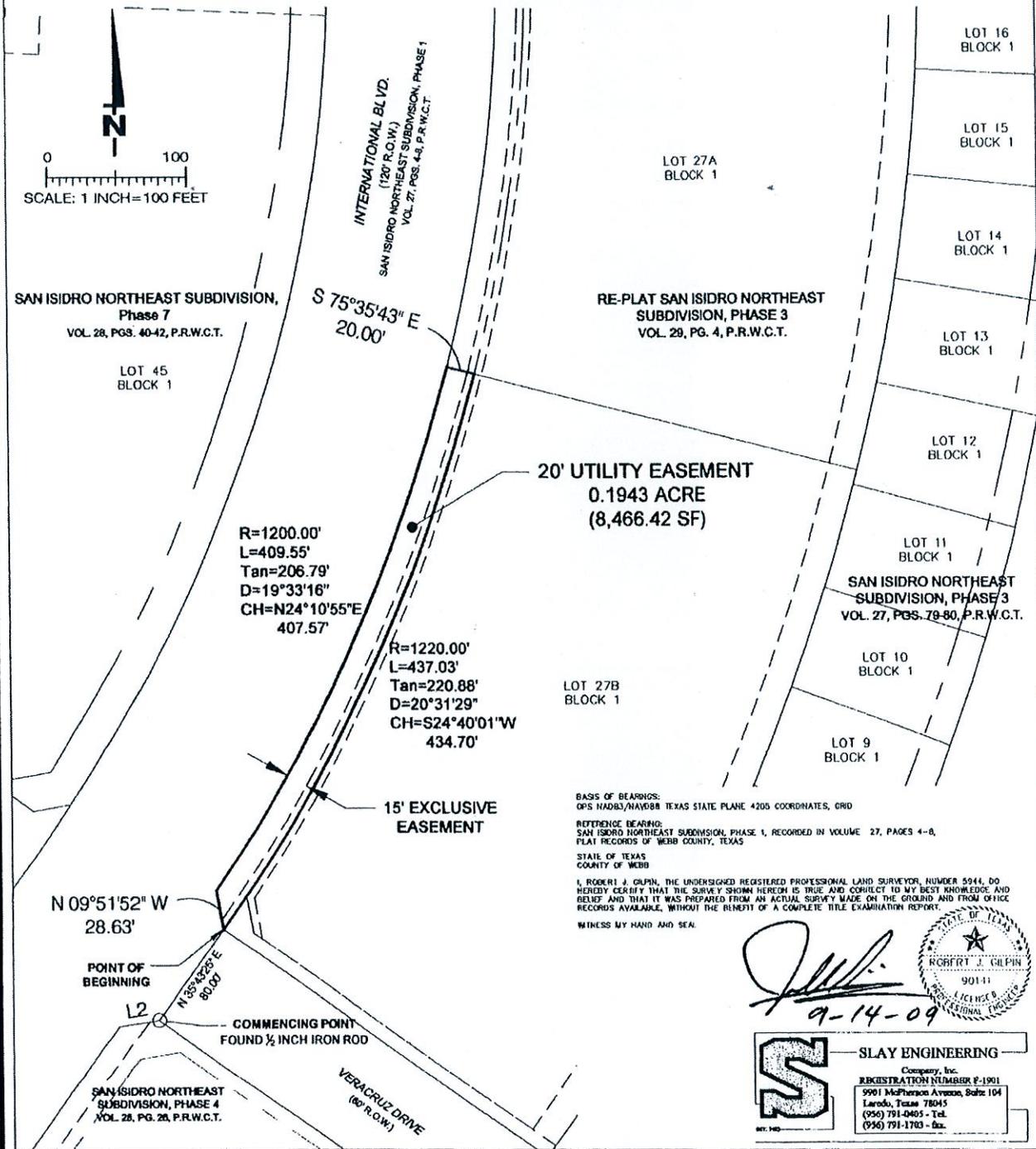

9-14-09



SURVEY

OF A 0.1943 ACRE EASEMENT

BEING OUT OF
LOT 27B, BLOCK 1, OF RE-PLAT OF SAN ISIDRO NORTHEAST, PHASE 3, RECORDED IN VOLUME 29, PAGE 4, PLAT RECORDS OF WEBB COUNTY, TEXAS.



SAN ISIDRO NORTHEAST SUBDIVISION,
Phase 7
VOL. 28, PGS. 40-42, P.R.W.C.T.

RE-PLAT SAN ISIDRO NORTHEAST
SUBDIVISION, PHASE 3
VOL. 29, PG. 4, P.R.W.C.T.

SAN ISIDRO NORTHEAST
SUBDIVISION, PHASE 3
VOL. 27, PGS. 79-80, P.R.W.C.T.

BASIS OF BEARINGS:
GPS NAD83/NAVD88 TEXAS STATE PLANE 4205 COORDINATES, GRID
REFERENCE BEARING:
SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 1, RECORDED IN VOLUME 27, PAGES 4-8,
PLAT RECORDS OF WEBB COUNTY, TEXAS
STATE OF TEXAS
COUNTY OF WEBB

I, ROBERT J. GILPIN, THE UNDERSIGNED REGISTERED PROFESSIONAL LAND SURVEYOR, NUMBER 5914, DO HEREBY CERTIFY THAT THE SURVEY SHOWN HEREON IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF AND THAT IT WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND AND FROM OFFICE RECORDS AVAILABLE, WITHOUT THE BENEFIT OF A COMPLETE TITLE EXAMINATION REPORT.

WITNESS MY HAND AND SEAL

Robert J. Gilpin
9-14-09

SLAY ENGINEERING
Company, Inc.
REGISTRATION NUMBER P-1901
5901 McPherson Avenue, Suite 104
Laredo, Texas 78045
(956) 791-0405 - Tel.
(956) 791-1703 - Fax.

| |
|----------------------------------|
| IN-NORTHEAST-BARTER-20080327.dwg |
| CREATED BY: GJA |
| DRAWN BY: Y.O. |
| CHECKED BY: R.J.G. |
| SHEET NO. |
| 1 of 1 |

SAN ISIDRO NORTHEAST
LAREDO, TEXAS
0.1943 ACRE EASEMENT

| |
|------------------|
| DATE: 08-18-2008 |
| REVISION: |
| |
| |
| |



GILPIN ENGINEERING COMPANY
101 W. Hillside Road, Ste. 8
Laredo, Texas 78041
Texas Registered Firm F-3284

Ph. (956) 753-2210
Pr. (956) 753-2212
Fax (956) 753-2213

EXHIBIT
A-1

STATE OF TEXAS *
COUNTY OF WEBB *
20' UTILITY EASEMENT
0.3293 ACRE (14,345.92 SF)

LEGAL DESCRIPTION OF A 0.3293 ACRE EASEMENT, BEING OUT OF LOT 26, BLOCK 1 OF SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 4, RECORDED IN VOLUME 28, PAGE 6, PLAT RECORDS OF WEBB COUNTY, TEXAS. HEREIN DESCRIBED EASEMENT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

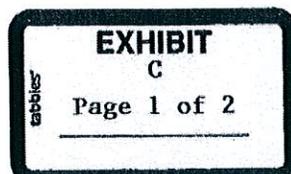
Commencing at a found ½ inch iron rod being the northerly corner of said San Isidro Northeast Subdivision, Phase 4, same being an exterior corner of San Isidro Northeast Subdivision, Phase 1, recorded in Volume 27, Pages 4-8, Plat Records of Webb County, Texas.

Thence N35°50'04"E, a distance of 90.00 feet for the **POINT OF BEGINNING** of this 0.3293 acre easement and the **southerly corner** hereof;

Thence, N09°09'56"W, with the common division line between the right-of-way line of International Boulevard as per said San Isidro Northeast, Phase 1 and Lot 26, Block 1, of said San Isidro Northeast, Phase 4, same being the southerly line of herein described easement, a distance of 28.28 feet for the **westerly corner** hereof;

Thence, N35°50'04"E, with the common division line between the easterly right-of-way line of said International Boulevard and said Lot 26, same being the westerly line of herein described easement, a distance of 697.30 feet for the **northwesterly corner** hereof;

Thence, N80°50'04"E, with the common division line between the easterly right-of-way line of said International Boulevard and said Lot 26, same being the northerly line of herein described easement, a distance of 28.28 feet for the **northeasterly corner** hereof;



September 11, 2009

Thence S35°50'04"W, with the easterly line of herein described easement, a distance of 737.30 feet to said **POINT OF BEGINNING** containing within these metes and bounds 0.3293 acres of land (14,345.92 SF) more or less.

BASIS OF BEARINGS:
GPS NAD83/NAVD88 TEXAS STATE PLANE 4205 COORDINATES, GRID

REFERENCE BEARING:
SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 1, RECORDED IN VOLUME 27,
PAGES 4-8, PLAT RECORDS OF WEBB COUNTY, TEXAS

I, ROBERT J. GILPIN, THE UNDERSIGNED REGISTERED PROFESSIONAL LAND SURVEYOR, NUMBER 5944, DO HEREBY CERTIFY THAT THE METES AND BOUNDS DESCRIPTION SHOWN HEREON IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF AND THAT IT WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND AND FROM OFFICE RECORDS AVAILABLE, WITHOUT THE BENEFIT OF A COMPLETE TITLE EXAMINATION REPORT.

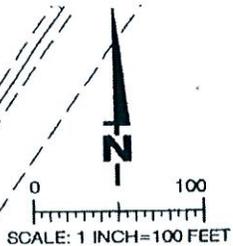
WITNESS MY HAND AND SEAL


9-14-09



SURVEY
OF
A 0.3293 ACRE EASEMENT
BEING OUT OF

SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 4, RECORDED IN VOLUME 28, PAGE 26 PLAT RECORDS OF WEBB COUNTY, TEXAS.



SAN ISIDRO NORTHEAST SUBDIVISION,
Phase 7
VOL. 28, PGS. 40-42, P.R.W.C.T.

LOT 10
BLOCK 4

INTERNATIONAL BLVD.
(20' R.O.W.)
SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 1
VOL. 27, PGS. 4-6, P.R.W.C.T.

SAN ISIDRO NORTHEAST
SUBDIVISION, PHASE 3
VOL. 27, PGS. 79-80, P.R.W.C.T.

VERACRUZ DRIVE
(60' R.O.W.)

20' UTILITY EASEMENT
0.3293 ACRE
(14,345.92 SF)

SAN ISIDRO NORTHEAST SUBDIVISION,
PHASE 4
VOL. 28, PG. 26, P.R.W.C.T.

LOT 26
BLOCK 1

LOT 11
BLOCK 1

LOT 12
BLOCK 1

**15' EXCLUSIVE
EASEMENT**

| LINE TABLE | | |
|------------|--------|-------------|
| LINE | LENGTH | BEARING |
| L1 | 28.28 | N09°09'56"W |
| L2 | 28.28 | N80°50'04"E |

BASIS OF BEARINGS:
GPS NAD83/NAVD88 TEXAS STATE PLANE 4205 COORDINATES, GRID

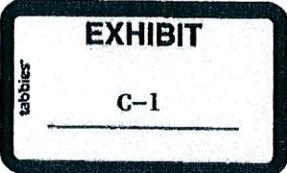
REFERENCE BEARING:
SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 1, RECORDED IN VOLUME 27, PAGES 4-6,
PLAT RECORDS OF WEBB COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WEBB

I, ROBERT J. GILPIN, THE UNDERSIGNED REGISTERED PROFESSIONAL LAND SURVEYOR,
NUMBER 5944, DO HEREBY CERTIFY THAT THE SURVEY SHOWN HEREON IS TRUE AND
CORRECT TO MY BEST KNOWLEDGE AND BELIEF AND THAT IT WAS PREPARED FROM AN
ACTUAL SURVEY MADE ON THE GROUND AND FROM OFFICE RECORDS AVAILABLE, WITHOUT
THE BENEFIT OF A COMPLETE TITLE EXAMINATION REPORT.

WITNESS MY HAND AND SEAL

Robert J. Gilpin
9-14-09



POINT OF
BEGINNING

COMMENCING POINT
FOUND 1/2 INCH IRON ROD

SIMON BOLIVAR BLVD.
(60' R.O.W.)



SLAY ENGINEERING

Company, Inc.
REGISTRATION NUMBER F-1901
9501 McPherson Avenue, Suite 104
Laredo, Texas 78045
(956) 791-0405 - Tel.
(956) 791-1703 - Fax.

BY: NORTHWEST-MARTIN 26000427.dwg
GILPIN@SLAY.COM
DRAWN BY: Y.D.
CHECKED BY: R.J.G.

SHEET NO.

1 of 1

SAN ISIDRO NORTHEAST
LAREDO, TEXAS

0.3293 ACRE EASEMENT

DATE: 08-19-2007
REVISION:



GILPIN ENGINEERING COMPANY
101 W. Hillside Road, Ste. 8
Laredo, Texas 78041
Texas Registered Firm F-8288

Ph. (956) 783-2210
Ph. (956) 783-2212
Fax (956) 783-2213

STATE OF TEXAS *
COUNTY OF WEBB *
20' UTILITY EASEMENT
0.5045 ACRE (21,980.25 SF)

LEGAL DESCRIPTION OF A 0.5045 ACRE EASEMENT, MORE OR LESS, BEING OUT OF A 582.4237 ACRE PARCEL, CALLED TO CONTAIN 580.55 ACRES RECORDED IN VOLUME 1450 PAGES 868-873 OFFICIAL PUBLIC RECORDS OF WEBB COUNTY, TEXAS. HEREIN DESCRIBED EASEMENT, SITUATED IN PORCION 20, ABSTRACT 48, ORIGINAL GRANTEE BAUTISTA GARCIA, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

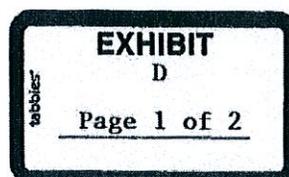
Commencing at a found ½ inch iron rod situated on the most northerly northwest corner of Lot 27A, Block 1 of Re-Plat of San Isidro Northeast, Phase 3 recorded in Volume 29, Page 4, Plat Records of Webb County, Texas, same being on the southerly right-of-way line of Juan Escutia Boulevard, San Isidro Northeast Subdivision, Phase 1 recorded in Volume 27, Pages 4-8, Plat Records of Webb County, Texas

Thence, N02°20'58"E, a distance of 90.00 feet to a found ½ inch iron rod situated on the northerly right-of-way line of said Juan Escutia Boulevard for the **POINT OF BEGINNING** of this 0.5045 acre easement and the **southerly corner** hereof;

Thence, N42°39'02"W, with the common division line between the easterly right-of-way line of International Boulevard as per said San Isidro Northeast Subdivision, Phase 1 and said 582.4237 acre remainder, same being the southerly line of herein described easement, a distance of 28.28 feet to a point on the easterly right-of-way line of said International Boulevard, for the **southwesterly corner** hereof;

Thence, N02°20'58"E, with the common division line between the easterly right-of-way line of said International Boulevard and said 582.4237 acre remainder, same being the westerly line of herein described easement, a distance of 1089.01 feet to a point being an interior corner of said San Isidro Northeast Subdivision, Phase 1 for the **northwesterly corner** hereof;

Thence, N87°39'02"E, with the common division line between said San Isidro Northeast, Phase 1 and said 582.4237 acre remainder, same being the northerly line of herein described easement, a distance of 20.00 feet for the **northeasterly corner** hereof;



Thence, S02°20'58"W, with the easterly line of herein described easement, a distance of 1109.01 feet to said **POINT OF BEGINNING**, containing within these metes and bounds 0.5045 acres of land (21,980.25 SF) more or less.

BASIS OF BEARINGS:
GPS NAD83/NAVD88 TEXAS STATE PLANE 4205 COORDINATES, GRID

REFERENCE BEARING:
SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 1, RECORDED IN VOLUME 27,
PAGES 4-8, PLAT RECORDS OF WEBB COUNTY, TEXAS

I, ROBERT J. GILPIN, THE UNDERSIGNED REGISTERED PROFESSIONAL LAND SURVEYOR, NUMBER 5944, DO HEREBY CERTIFY THAT THE METES AND BOUNDS DESCRIPTION SHOWN HEREON IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF AND THAT IT WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND AND FROM OFFICE RECORDS AVAILABLE, WITHOUT THE BENEFIT OF A COMPLETE TITLE EXAMINATION REPORT.

WITNESS MY HAND AND SEAL


9-14-09



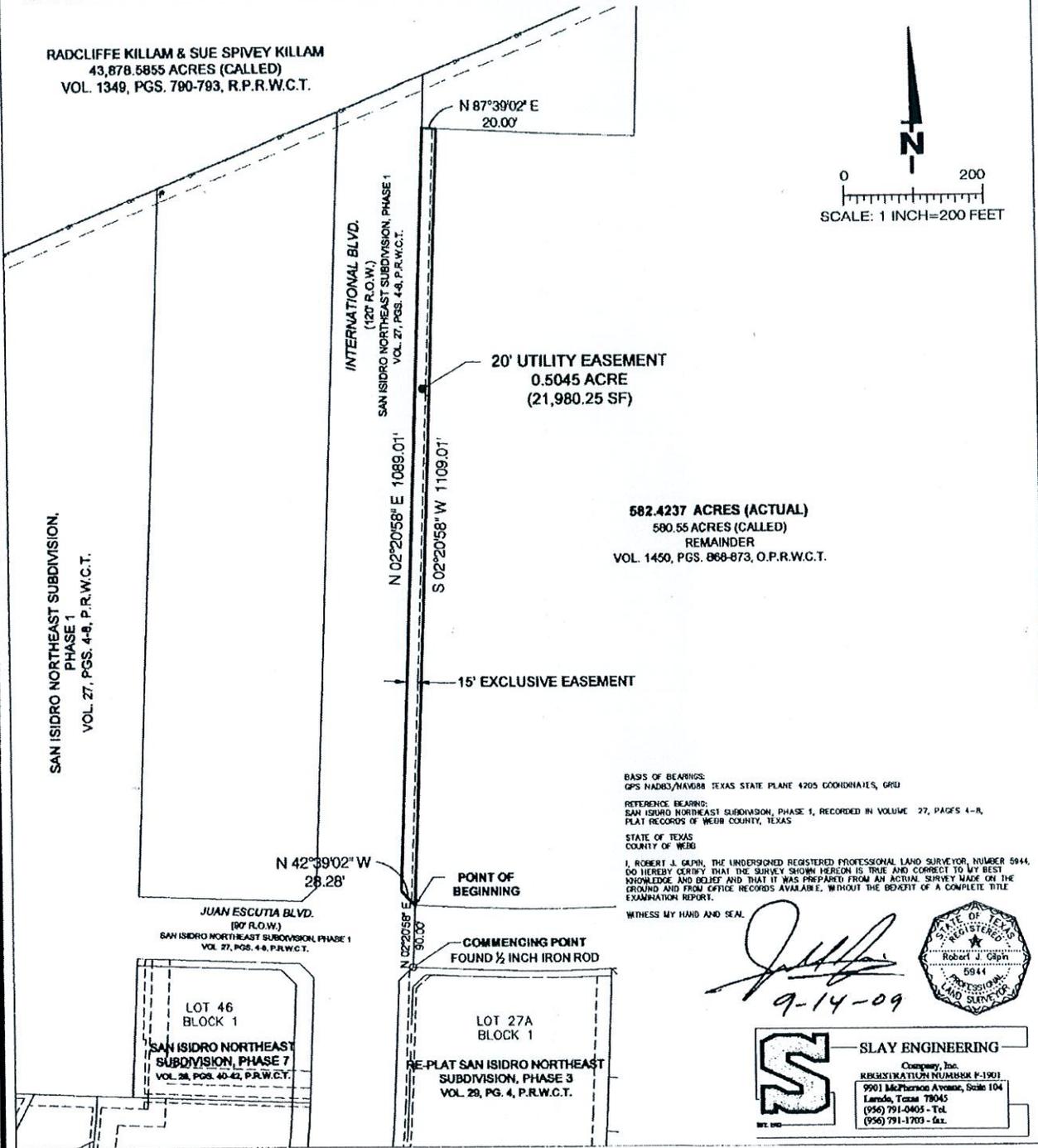
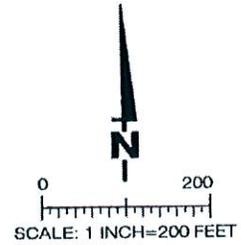
SURVEY

OF A 0.5045 ACRE EASEMENT

BEING OUT OF

A 582.4237 ACRE PARCEL OF LAND, MORE OR LESS, CALLED TO CONTAIN 580.55 ACRES, RECORDED IN VOLUME 1450, PAGES 868-873, OFFICIAL PUBLIC RECORDS OF WEBB COUNTY, TEXAS. SAID 0.5045 ACRE EASEMENT BEING SITUATED IN PORCION 20, ABSTRACT 48, ORIGINAL GRANTEE BAUTISTA GARCIA.

RADCLIFFE KILLAM & SUE SPIVEY KILLAM
43,878.5855 ACRES (CALLED)
VOL. 1349, PGS. 790-793, R.P.R.W.C.T.



582.4237 ACRES (ACTUAL)
580.55 ACRES (CALLED)
REMAINDER
VOL. 1450, PGS. 868-873, O.P.R.W.C.T.

BASES OF BEARINGS:
GPS HARD/NUMBER TEXAS STATE PLANE 4205 COORDINATES, GRU

REFERENCE BEARING:
SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 1, RECORDED IN VOLUME 27, PAGES 4-8, PLAT RECORDS OF WEBB COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WEBB

I, ROBERT J. GILPIN, THE UNDERSIGNED REGISTERED PROFESSIONAL LAND SURVEYOR, NUMBER 5944, DO HEREBY CERTIFY THAT THE SURVEY SHOWN HEREON IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF AND THAT IT WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND AND FROM OFFICE RECORDS AVAILABLE, WITHOUT THE BENEFIT OF A COMPLETE TITLE EXAMINATION REPORT.

WITNESS MY HAND AND SEAL.

Robert J. Gilpin
9-14-09



SLAY ENGINEERING

Company, Inc.
REGISTRATION NUMBER F-1901
9901 McPherson Avenue, Suite 104
Laredo, Texas 78045
(956) 791-0405 - Tel.
(956) 791-1703 - fax.

| |
|--|
| 14-NORTHEAST-MASTER-30099027.dwg GILPIN-5/14/09 DRAWN BY: Y.O. CHECKED BY: R.J.G. SHEET NO. 1 of 1 |
|--|

SAN ISIDRO NORTHEAST
LAREDO, TEXAS
0.5045 ACRE EASEMENT

| |
|------------------|
| DATE: 09-10-2009 |
| REVISION: |
| |
| |
| |

GILPIN ENGINEERING COMPANY
101 W. HEBBARD ROAD, Ste. 8
Laredo, Texas 78041
Texas Registered Firm F-4266

Ph. (956) 783-2210
Ph. (956) 783-2212
Fax (956) 783-2213

EXHIBIT
D-1

September 10, 2009

STATE OF TEXAS *
COUNTY OF WEBB *
20' UTILITY EASEMENT
0.7120 ACRE (31,015.23 SF)

LEGAL DESCRIPTION OF A 0.7120 ACRE EASEMENT, MORE OR LESS, BEING OUT OF A 582.4237 ACRE PARCEL, CALLED TO CONTAIN 580.55 ACRES RECORDED IN VOLUME 1450 PAGES 868-873 OFFICIAL PUBLIC RECORDS OF WEBB COUNTY, TEXAS. HEREIN DESCRIBED EASEMENT, SITUATED IN PORCION 20, ABSTRACT 48, ORIGINAL GRANTEE BAUTISTA GARCIA, AND PORCION 21, ABSTRACT 49, ORIGINAL GRANTEE LEONARDO GARCIA, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

Commencing at a found ½ inch iron rod being a southeasterly corner of San Isidro Northeast, Phase 1 recorded in Volume 27, Pages 4-8, Plat Records of Webb County, Texas, same being on the northerly right-of-way line of Bob Bullock Loop, recorded in Volume 151, Pages 712-716 Official Public Records of Webb County, Texas.

Thence, N45°12'12"W, a distance of 139.53 feet for the **POINT OF BEGINNING** of this 0.7120 acre easement and the **southeasterly corner** hereof;

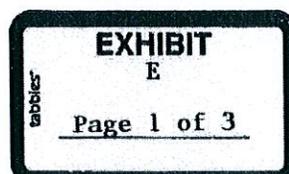
Thence, N45°12'12"W, with the common division line between the right-of-way line of International Boulevard, as per said San Isidro Northeast Subdivision, Phase 1 and said 582.4237 acre remainder, same being the southerly line of herein described easement, a distance of 28.12 feet, for the **southwesterly corner** hereof;

Thence, N00°08'07"E, with the westerly line of herein described easement, a distance of 209.15 feet for a point of deflection hereof;

Thence, N05°46'51"W, with the westerly line of herein described easement, a distance of 48.51 feet for a point of deflection hereof;

Thence, N00°08'03"E, with the westerly line of herein described easement, a distance of 341.20 feet for a point of curvature hereof;

Thence, along a curve to the right, with a chord bearing N06°39'55"E, 242.92 feet, subtended by an arc having a radius of 1068.00 feet, with the westerly line of herein described easement, a distance of 243.45 feet for an exterior corner hereof;

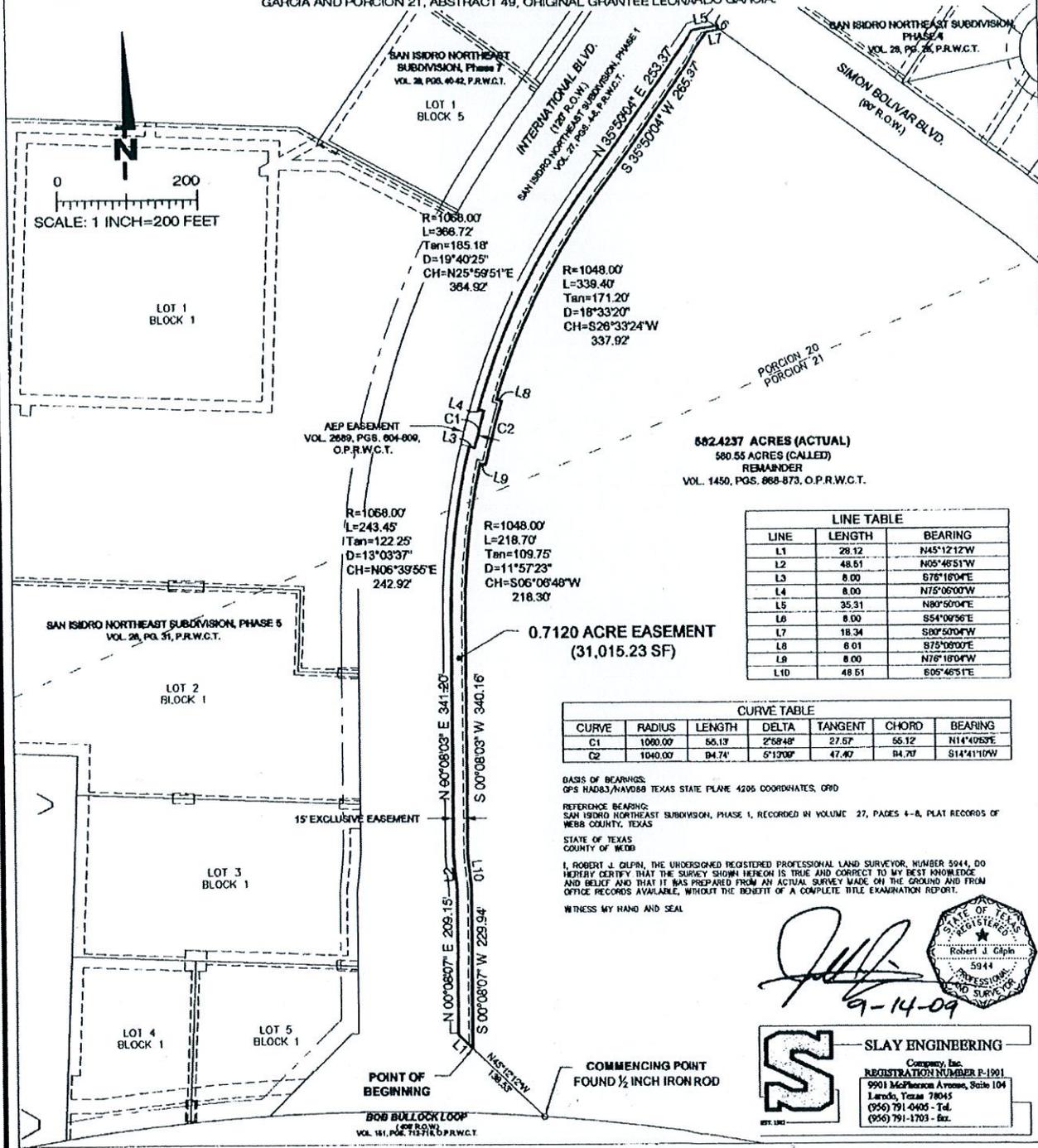


SURVEY

OF A 0.7120 ACRE EASEMENT

BEING OUT OF

A 582.4237 ACRE PARCEL OF LAND, MORE OR LESS, CALLED TO CONTAIN 580.55 ACRES, RECORDED IN VOLUME 1450, PAGES 868-873, OFFICIAL PUBLIC RECORDS OF WEBB COUNTY, TEXAS. SAID 0.7120 ACRE EASEMENT BEING SITUATED IN PORCION 20, ABSTRACT 48, ORIGINAL GRANTEE BAUTISTA GARCIA AND PORCION 21, ABSTRACT 49, ORIGINAL GRANTEE LEONARDO GARCIA.



0 200
SCALE: 1 INCH=200 FEET

582.4237 ACRES (ACTUAL)
580.55 ACRES (CALLED)
REMAINDER
VOL. 1450, PGS. 868-873, O.P.R.W.C.T.

| LINE TABLE | | |
|------------|--------|-------------|
| LINE | LENGTH | BEARING |
| L1 | 28.12 | N45°12'12"W |
| L2 | 48.51 | N05°45'51"W |
| L3 | 8.00 | S78°18'04"E |
| L4 | 8.00 | N75°05'00"W |
| L5 | 35.31 | N80°50'04"E |
| L6 | 8.00 | S54°00'56"E |
| L7 | 18.34 | S00°50'04"W |
| L8 | 8.01 | S75°09'00"E |
| L9 | 8.00 | N78°18'04"W |
| L10 | 48.51 | S05°46'51"E |

| CURVE TABLE | | | | | | |
|-------------|----------|--------|----------|---------|--------|-------------|
| CURVE | RADIUS | LENGTH | DELTA | TANGENT | CHORD | BEARING |
| C1 | 1000.00' | 66.13' | 2°58'48" | 27.57' | 56.12' | N14°40'59"E |
| C2 | 1040.00' | 84.74' | 5°13'00" | 47.40' | 84.70' | S14°41'10"W |

BASIS OF BEARINGS:
GPS NAD83/NAVD88 TEXAS STATE PLANE 4205 COORDINATES, OPD

REFERENCE BEARINGS:
SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 1, RECORDED IN VOLUME 27, PAGES 4-A, PLAT RECORDS OF WEBB COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF WEBB

I, ROBERT J. GILPIN, THE UNDERSIGNED REGISTERED PROFESSIONAL LAND SURVEYOR, NUMBER 5944, DO HEREBY CERTIFY THAT THE SURVEY SHOWN HEREON IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF AND THAT IT WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND AND FROM OFFICE RECORDS AVAILABLE, WITHOUT THE BENEFIT OF A COMPLETE TITLE EXAMINATION REPORT.

WITNESS MY HAND AND SEAL

Robert J. Gilpin
9-14-09

SLAY ENGINEERING
Company, Inc.
REGISTRATION NUMBER P-1901
9901 McPherson Avenue, Suite 104
Laredo, Texas 78045
(956) 791-0400 - Tel.
(956) 791-1703 - Fax.

BY: ROBERT J. GILPIN
DATE: 09-10-2009
REVISION:
DRAWN BY: Y.O.
CHECKED BY: R.L.G.
SHEET NO.
1 OF 1

SAN ISIDRO NORTHEAST
LAREDO, TEXAS
0.7120 ACRE EASEMENT



GILPIN ENGINEERING COMPANY
101 W. Hillside Road, Ste. 8
Laredo, Texas 78041
Texas Registered Firm F-8286
Ph. (956) 783-2210
Ph. (956) 783-2212
Fax (956) 783-2213

EXHIBIT
E-1

Thence, S76°16'04"E, with the westerly line of herein described easement, a distance of 8.00 feet for an interior corner hereof;

Thence, along a curve to the right, with a chord bearing N14°40'53"E, 55.12 feet, subtended by an arc having a radius of 1060.00 feet, with the westerly line of herein described easement, a distance of 55.13 feet for an interior corner hereof;

Thence, N75°06'00"W, with the westerly line of herein described easement, a distance of 8.00 feet for an exterior corner hereof;

Thence, along a curve to the right, with a chord bearing N25°59'51"E, 364.92 feet, subtended by an arc having a radius of 1068.00 feet, with the westerly line of herein described easement, a distance of 366.72 feet for a point of tangency hereof;

Thence, N35°50'04"E, with the westerly line of herein described easement, a distance of 253.37 feet for the **northwesterly corner** hereof;

Thence, N80°50'04"E, with the northerly line of herein described easement, a distance of 35.31 feet to a point on the southerly right-of-way line of Simon Bolivar Boulevard, San Isidro Northeast Subdivision, Phase 4 recorded in Volume 28, Page 26, Plat Records of Webb County, Texas for an exterior corner hereof;

Thence, S54°09'56"E, with the common division line between the southerly right-of-way line of said Simon Bolivar Boulevard and said 582.4237 acre remainder, same being the northerly line of herein described easement, a distance of 8.00 feet for the **northeasterly corner** hereof;

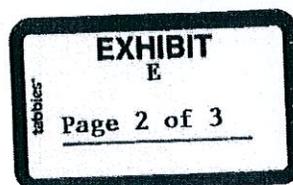
Thence, S80°50'04"W, with the easterly line of herein described easement, a distance of 18.34 feet for an interior corner hereof;

Thence, S35°50'04"W, with the easterly line of herein described easement, a distance of 265.37 feet for a point of curvature hereof;

Thence, along a curve to the left, with a chord bearing S26°33'24"W, 337.92 feet, subtended by an arc having a radius of 1048.00 feet, with the easterly line of herein described easement, a distance of 339.40 feet for an interior corner hereof;

Thence, S75°06'00"E, with the easterly line of herein described easement, a distance of 8.01 feet for an exterior corner hereof;

Thence, along a curve to the left, with a chord bearing S14°41'19"W, 94.70 feet, subtended by an arc having a radius of 1040.00 feet, with the easterly line of herein described easement, a distance of 94.74 feet for an exterior corner hereof;



September 10, 2009

Thence, N76°16'04"W, with the easterly line of herein described easement, a distance of 8.00 feet for an interior corner hereof;

Thence, along a curve to the left, with a chord bearing S06°06'48"W, 218.30 feet, subtended by an arc having a radius of 1048.00 feet, with the easterly line of herein described easement, a distance of 218.70 feet for a point of tangency hereof;

Thence, S00°08'03"W, with the easterly line of herein described easement, a distance of 340.16 feet for a point of deflection hereof;

Thence, S05°46'51"E, with the easterly line of herein described easement, a distance of 48.51 feet for a point of deflection hereof;

Thence, S00°08'07"W, with the easterly line of herein described easement, a distance of 229.94 feet to said **POINT OF BEGINNING**, containing within these metes and bounds 0.7120 acres of land (31,015.23 SF) more or less.

BASIS OF BEARINGS:

GPS NAD83/NAVD88 TEXAS STATE PLANE 4205 COORDINATES, GRID

REFERENCE BEARING:

SAN ISIDRO NORTHEAST SUBDIVISION, PHASE 1, RECORDED IN VOLUME 27, PAGES 4-8, PLAT RECORDS OF WEBB COUNTY, TEXAS

I, ROBERT J. GILPIN, THE UNDERSIGNED REGISTERED PROFESSIONAL LAND SURVEYOR, NUMBER 5944, DO HEREBY CERTIFY THAT THE METES AND BOUNDS DESCRIPTION SHOWN HEREON IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF AND THAT IT WAS PREPARED FROM AN ACTUAL SURVEY MADE ON THE GROUND AND FROM OFFICE RECORDS AVAILABLE, WITHOUT THE BENEFIT OF A COMPLETE TITLE EXAMINATION REPORT.

WITNESS MY HAND AND SEAL


9-14-09



STATE OF TEXAS
COUNTY OF WEBB
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS
FILED ON THE DATE AND AT THE TIME STAMPED
HEREON BY ME AND WAS DULY RECORDED IN THE
VOLUME AND PAGE OF THE OFFICIAL PUBLIC
RECORDS OF WEBB COUNTY TEXAS AS STAMPED
HEREON BY ME



Margie Ramirez Stone

COUNTY CLERK
WEBB COUNTY, TEXAS

COUNCIL COMMUNICATION

| | | |
|-------------------------------------|---|----|
| DATE: | SUBJECT: MOTION | |
| 01/03/12 | Consideration to adopt the federal legislative agenda. | |
| INITIATED BY: | STAFF SOURCE: | |
| Carlos Villarreal, City Manager | Jessica L. Newsome, Manager Communications and Administrative Support Services | |
| PREVIOUS COUNCIL ACTION: | | |
| None. | | |
| BACKGROUND: | | |
| Draft issues include the following: | | |
| <i>Environmental</i> | | |
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| | Energy Efficiency and Alternative Energy | 3 |
| <i>Health</i> | | |
| | Fund Substance Abuse and Mental Health Programs | 5 |
| | Support Core Public Health Services, Infrastructure and Laboratory Testing | 7 |
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| <i>Homeland Security</i> | | |
| | Emergency Operations Center | 13 |
| | Enhance Border Security for the US by Increasing Funding to First Responders | 15 |
| | Fire Station Construction | 18 |
| | Fund and Support COPS (Community Oriented Policing) Program | 20 |
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| | Construct Replacement Air Traffic Control Tower | 49 |
| | Funding Support for New Maintenance and Operations Facility | 50 |
| | Implement Capital Program to Replace Aging Transit Fleet..... | 51 |
| | Install 2 nd Instrument Landing System (ILS) | 52 |
| | Locate Mexican Customs and the Laredo International Airport..... | 53 |
| | Support for Bus Processing Facility..... | 55 |
| | Support for HR 3545 Transit System Flexibility Protection Act of 2011 | 56 |
| | Transportation Re-authorization | 58 |

2012 Federal Legislative Agenda – Draft

Environmental

- Continued Funding for Environmental Outreach Education Programs
- Energy Efficiency and Alternative Energy

Health

- Fund Substance Abuse and Mental Health Programs
- Support Core Public Health Services, Infrastructure and Laboratory Testing
- Support for Obesity and Diabetes Prevention Programs
- US/Mexico Border Region Federal Designation for Public Health Services and Public Health Response

Homeland Security

- Emergency Operations Center
- Enhance Border Security for the US by Increasing Funding to First Responders
- Fire Station Construction
- Fund and Support COPS (Community Oriented Policing Services) Program
- Intelligence Fusion Center
- Threat vs. Population Based Funding Formulas
- Weather Monitoring Equipment (NEW)

Quality of Life

- Funding for the Rio Grande Low Water Weir Project
- Funding for Conservation Easements and Restoration Projects
- Manadas Hike and Bike Pathways Funding
- Reduction of CDBG Funding
- Rio Grande Basin – Chacon Creek Funding
- River Vega Master Plan Funding
- Riverfront Improvements Project – Phase I
- San Bernardo Avenue Corridor Renovation and Restoration Project

Transportation

- 24/7 Air Traffic Control Tower Services (NEW)
- Construct Replacement Air Traffic Control Tower (NEW)
- Funding Support for New Maintenance and Operations Facility
- Implement Capital Program to Replace Aging Transit Fleet
- Install 2nd Instrument Landing System (ILS) (NEW)
- Locate Mexican Customs and the Laredo International Airport (NEW)
- Support for Bus Processing Facility
- Support for HR 3545 Transit System Flexibility Protection Act of 2011 (NEW)
- Transportation Re-authorization

Other

- Rights of Way and Zoning Over Cell Tower Citing Authority (NEW)

Deleted Items (from 2011 Agenda)

- SAFER Grant
- Federal Per Diem Accommodations Rate Review
- Safe Mortgage Licensing Act
- Support of City Authority and Right of Compensation for Use of Rights-of-Way from Transmission Main Project
- Funding for the 20 Million Gallon per Day Water Treatment Plant and 60 Inch Water Transmission Main Project
- Funding for Laredo International Airport Projects – EDA
- Funding for Laredo International Airport Projects – FAA
- Support for the Transit System Flexibility Protection Act of 2006 Providing Operating Assistance

COUNCIL COMMUNICATION

| | | |
|---|---|---|
| DATE: 01/03/2012 | SUBJECT: MOTION Amending a contract extension, not exceed \$34,800.00, to Texas Energy Engineering Services, Inc. (TEESI) and authorizing the City Manager to execute said engineering services contract. Contract will provide for assessment and engineering for the retrofitting/upgrade of the Health Department's HVAC Airside System Upgrades. This project will also focus on increasing the energy efficiency of the airside of the HVAC system. The initial contract was for \$75,000.00, with amendment will be for a total of \$109,800.00. Funding is available through the Energy Efficiency and Conservation Block Grant (EECBG). | |
| INITIATED BY: Jesus Olivares, Assistant City Manager | STAFF SOURCE: Riazul Mia, P.E., Director Environmental Services Department | |
| PREVIOUS COUNCIL ACTION: None | | |
| BACKGROUND: The American Recovery and Reinvestment Act of 2009 appropriated \$3.2 billion for the Energy Efficiency and Conservation Block Grant (EECBG) Program. The Energy Efficiency and Conservation Block Grant program assists local and state governments to develop and implement a comprehensive energy efficiency strategy which emphasizes a bottom-up, community-based approach in helping the nation meet its energy and climate protection goals. City Council awarded initial contract in the amount of \$75,000.00, to conduct an assessment and design the upgrades to the Health Department's HVAC system on 05/05/2010 to TEESI. TEESI had provided engineering services on the Health Department's HVAC system upgrade which was completed August 2011. Additional EECBG monies are available and airside improvements to the Health Department are recommended by the Department of Energy to further the energy efficiency of the Health Department. | | |
| FINANCIAL IMPACT: Funding is available in the EECBG grant 249-3863-545-9201 | | |
| RECOMMENDATION: | | STAFF RECOMMENDATION: Approval of the motion. |



TEXAS ENERGY ENGINEERING SERVICES, INC. (TEESI)

(TEESI): *Austin & Laredo*

Page 1 of 3

December 13, 2011

City of Laredo Heath Department
2600 Cedar Avenue, Laredo, Texas
HVAC AIRSIDE ASSESSMENT & DESIGN PHASE PROPOSAL
Professional Engineering Services
Existing HAVC System Analysis

PART A - Initial Assessment Phase - SCOPE OF SERVICES

1. Conduct existing HVAC (airside) and indoor lighting system preliminary assessment study to develop feasible renovation options and associated costs estimates.
2. Coordination with Owner as necessary (interview facilities staff).
3. Review existing HVAC control and provide costs estimates for proposed upgrades.
4. Provide input on options to include; (a) Traditional design, bid and build project and (b) Specs to pre-purchase equipment and preparation of construction document for installation only.
5. Prepare time line/schedules for both options outlined in item 4 above for Owner consideration.
6. Develop phase implementation plan for staff consideration and approval.
7. Investigate any necessary Main Electrical Service Upgrades required for proposed HVAC airside system renovations.
8. Conduct preliminary field survey to verify existing HVAC system conditions to the extent that is visually verifiable.
9. TEESI to field verify existing utilities with Owner's assistance. Owner to acquire underground utility locating service if required.

PART B - Design and Construction Management Phase - SCOPE OF SERVICES

1. Coordination with Owner.
2. Provide complete construction documents for bids to include turnkey labor and material installation or if necessary prepare equipment specs for pre purchase and develop plans and specification for installation by Contractor.
3. Develop draft and final contract documents & specifications as agreed upon in the initial assessment phase. The scope of design service is anticipated to be primarily focused on the HVAC (Airside) as per initial assessment report finding and agreed upon scope for work based on budget and timelines.
4. Develop Demo plan as required.
5. EMS control points design for systems to match existing and allocated budget.
6. Assist with permit issues and address code official review comments.
7. Attendance at pre-bid and pre-construction conferences.
8. Preparation of technical addenda.



TEXAS ENERGY ENGINEERING SERVICES, INC. (TEESI)

9. Equipment, materials, and shop drawing submittal review.
10. Respond to requests for information (RFI's) during construction and draft change orders as required for issuance by Owner.
11. One per month or maximum of six construction administration site trips are included in the base proposal.

DELIVERABLES:

Assessment Phase:

1. Once a month progress meeting.
2. Draft Report Findings (1 PDF sets).
3. Final Report (1 hardcopy and PDF).

Design Phase:

1. One set of reproducible 50% review drawings and specifications for review and comment.
2. One set of reproducible 95% review drawings and specifications for review and comment.
3. One submittal letter for each submittal document reviewed.
4. One field report after each construction site observation.
5. One submittal report for each set of closeout documents.
6. One set of record drawings based on contractor markups.

ADDITIONAL SERVICES:

The following are not included in the basic scope of services but may be completed as additional services in accordance with the hourly rates outlined in Attachment A. Any additional services will require prior approval from the City.

7. Studies, analyses, designs, or reports not specifically included in the scope of work.
8. HVAC System Commissioning.
9. Extensive analysis or redesign of electrical service to the facility.
10. Additional designs or redesigns due to required scope changes.
11. Owner approved alternate designs in excess of the available budget.
12. Excessive construction administration services due to contractor's neglect of following required procedures for submittal review and addressing engineer's field report observations.
13. Detailed verification of installed conditions necessary to produce record drawings. We will require the contractor to provide this item.
14. Detailed cost opinions.
15. Costs for forensic investigation, deposition, expert witness services, and other litigation support.
16. Locating underground utilities.
17. Renewable energy analysis and design.
18. Existing life safety system (FA and sprinkler systems) analysis or design.
19. Architectural, Civil and Structural analysis if required.
20. Invasive investigation or long term monitoring.



TEXAS ENERGY ENGINEERING SERVICES, INC. (TEESI)

ASSUMPTIONS

1. Expense/costs associated with the production of final plans & specifications for distribution to the Owner, Consultants and Contractors will be the responsibility of the City.
2. Electrical, natural gas and water utility data will be provided by the City at the beginning of the project.
3. Copy of any existing plans will be provided by the City at start of the project.
4. City to provide input on historical maintenance cost for HVAC systems if available
5. List of known electrical service or HVAC problems will be provided by the City.
6. Existing equipment list and associated maintenance practice, if available.
7. Items 1 through 4 under the "Assumptions" section will be provided in a timely manner.
8. Testing services (Geotech, environmental, structural/material etc.) if required will be provided by the City.
9. Qualified contractor will be selected in accordance with City's purchasing guidelines.
10. The Owner/Contractor will be required to adhere to contract requirements including submittal reviews and construction observations.

FEES & TERMS

The fees below are based on assumed available construction budget of \$250,000 - \$300,000 range. If the approved project scope as determined in the assessment phase is beyond \$300,000 construction budget estimate then the fee will be adjusted to reflect actual scope and budgets as mutually agreed upon both parties. We propose to perform the aforementioned professional engineering services not to exceed:

| | |
|---|--------------------|
| 1. Initial Assessment Phase: | |
| Assessment phase professional services: | \$9,250.00 |
| 2. Design and Construction Management Phase: | |
| Design Development Phase: | \$10,000.00 |
| Final Document Phase: | \$8,250.00 |
| Construction Management Phase: | \$6,500.00 |
| Reimbursable Expenses: | \$800.00 |
| Total Fees Phase 1 & 2: | \$34,800.00 |

Based on the information provided we do not anticipate the need for any additional sub consultants during this phase (Civil, Structural etc.); however, if required, the cost of sub consultants will be reimbursed at a 1.10 multiplier.

Reimbursable expenses (travel, draft reports and plans for review etc. As noted, Owner to be responsible for final plans production) will be as per Attachment A. TEESI reserves the rights to move money among budget categories provided that the total cost is not exceeded. Additional services will be in accordance with Texas Energy Engineering Services, Inc. standard hourly rate schedule (Ref: Attachment A). Owner or Engineer has the right to terminate Contract with two weeks' notice.



TEXAS ENERGY ENGINEERING SERVICES, INC. (TEESI)

If for any reason the project is canceled or put on hold for more than 45 days, Texas Energy Engineering Services, Inc. will be paid in full for all work completed to date, and all data, drawings, and documentation produced to date will be delivered, as outlined in "Deliverables", to Owner upon payment of the final invoice.

PAYMENT SCHEDULE:

Monthly billing will be based on percentage complete. Invoices will be due net 30. This proposal is valid for 60 days from the date herein. If any phase exceeds 30 days, a partial invoice may be generated, in proportion to the amount of work completed, and will be due in accordance with the terms outlined in this proposal.

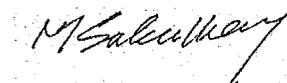
DELIVERY SCHEDULES:

Initial Assessment Phase: Final report due 35 days from receipt of notice to proceed.
Design Phase: Final documents due within 95 working days of initial assessment report acceptance.
Construction Phase: Compellation on or before November 2012.

We are ready to proceed at your convenience and look forward to working with you. Thank you for your consideration of Texas Energy Engineering Services, Inc. for this Project. If the aforementioned terms are acceptable to you, please issue written authorization to proceed with the Project. If you have any questions or require additional information, please do not hesitate to contact me. I look forward to working with the City on this important project.

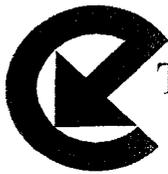
Sincerely,

APPROVED BY:


Signature & Date: 12/15/11
Saleem Khan, P.E. / President
(Texas Energy Engineering Svcs, Inc.)

APPROVED BY:

(Signature and Date):
Mr. Carlos R. Villarreal/City Manager
(City of Laredo)



TEXAS ENERGY ENGINEERING SERVICES, INC. (TEESI)

ATTACHMENT "A" TEXAS ENERGY ENGINEERING SERVICES, INC. HOURLY RATES

The following are TEESI's standard hourly rates for reference purposes. These rates are applicable for additional work as mutually agreed upon by both parties.

TEESI's TYPICAL SCHEDULE OF HOURLY RATES:

| | |
|----------------------------------|--|
| Principal, P.E..... | \$150.00 / hour |
| Engineering II, P.E..... | \$138.00 / hour |
| Project Manager (Non P.E.)..... | \$125.00 / hour |
| Engineer I/Sr. Designer..... | \$110.00 / hour |
| Staff Engineer/Sr. Designer..... | \$95.00 / hour |
| Senior CAD Designer..... | \$78.00 / hour |
| Junior CAD Designer..... | \$58.00 / hour |
| Technician..... | \$68.00 / hour |
| Engineer Aid / Intern..... | \$40.00 / hour |
| Office Administrator..... | \$45.00 / hour |
| Office Clerk..... | \$25.50 / hour |
| Travel..... | As Per State Established Rates |
| Per Diem..... | \$150/day with prior approval of the OWNER (Meals & Hotels) |

SUB-CONSULTANTS NOT INCLUDED IN BASIC SERVICES:

The cost of sub consultants will be reimbursed at a 1.10 multiplier.

REIMBURSABLE EXPENSES RATES IN EFFECT ON THE DATE OF THE AGREEMENT ARE:

| | |
|---------------------------------------|---------------------------|
| FAX Receipt and Transmission..... | \$0.08/page |
| 8½"x11" Black and White Copies..... | \$0.08/page |
| 8½"x11" Color Copies..... | \$0.28/page |
| B & W Half Size 24 x 18 (C Size)..... | \$1.65/page |
| B & W Full Size 24 x 36 (D Size)..... | \$3.30/page |
| B & W Full Size 30 x 42 (E Size)..... | \$4.95/page |
| 24 x 18 Plots – PDF Scans..... | \$3.25 /Page |
| 24 x 36 Plots – PDF Scans..... | \$6.60/Page |
| 30 x 42 Plots – PDF Scans..... | \$9.00/Page |
| Postage and Delivery..... | at cost |
| Travel (air, auto rental) | at cost |
| Equipment/rental..... | at cost/day plus expenses |

COUNCIL COMMUNICATION

| | |
|--------------------------|---|
| DATE: 01/03/12 | SUBJECT: MOTION Award of construction contract to the lowest bidder Red Cliff, Inc., El Paso, Texas, in the base bid amount of \$2,426,243.50 for the Canal Street Drainage Improvements Phase II with a construction contract time of one hundred eighty (180) working days; and authorizing the City Manager to execute all related contract documents contingent upon receipt and approval of insurance and bond documents. Funding is available in the HMGP (Hazard Mitigation Grant Program) from the Texas Governor's Division of Emergency Management (DEM). |
|--------------------------|---|

| | |
|--|--|
| INITIATED BY: Carlos Villarreal, City Manager | STAFF SOURCE: Rogelio Rivera, P.E., City Engineer Riazul I. Mia, Environmental Director |
|--|--|

PREVIOUS COUNCIL ACTION:
On February 22, 2011, City Council accepted the HMPG Grant (ORDINANCE NO. 2011-0-017)

BACKGROUND:
The project will replace approximately 4800 L.F. of existing Zacate Creek concrete channel with a new wider, and deeper reinforced concrete channel. The project extends from near the intersection of Canal Street and San Francisco Street to just west of the McPherson Avenue Bridge culverts.

The project includes removal of existing concrete rip-rap, structural walls, asphalt street paving, guardrails, and fencing. It includes roadway and channel demolition and excavation, backfill, site grading, concrete rip-rap, concrete retaining walls, hot-mix asphalt paving, traffic guard rails, and chain-link fencing. The successful contractor will be required to submit his intended traffic control plan to the Engineer for review and comment, prior to commencement of any work requiring existing road closures.

Plans and specifications were prepared by Espey and Howland Engineering, Laredo, Texas.

Four (4) bids were received at the City Secretary's Office at 4:00 P.M. on Tuesday, December 13, 2011, and publicly opened, read, and taken under advisement on Wednesday, December 14, 2011, at 10:00 A.M. as follows:

| Contractor (Bidder) | Base Bid |
|---|----------------|
| 1. Red Cliff, Inc. El Paso, Texas | \$2,426,243.50 |
| 2. Anderson Columbia Co., Inc. Weslaco, Texas | \$2,937,166.00 |
| 3. Zertuche Construction Laredo, Texas | \$3,657,349.45 |
| 4. SER Construction Partners, LLC. Pasadena, Texas | \$4,498,353.00 |

The bid and bid bonds for Red Cliff, Inc., El Paso, Texas, were checked and found to be in order. Staff therefore recommends award in the base bid amount of \$2,426,243.50 to the lowest bidder Red Cliff, Inc., El Paso, Texas.

Bid submitted by Red Cliff Inc., herewith attached.

Construction contract time is one hundred eighty (180) working days after notice to proceed is issued. Completion date for the project is scheduled for November 16, 2012.

FINANCIAL IMPACT:
Funding is available in the HMGP (Hazard Mitigation Grant Program) from the Texas Governor's Division of Emergency Management (DEM).
Account No. 249-3864-545-9301 (\$1,819,682.64) and 249-3891-545-9565 (\$606,560.88)

| | |
|--|---|
| COMMITTEE RECOMMENDATION: N/A. | STAFF RECOMMENDATION: Approval of Motion. |
|--|---|

**SECTION A-5
PROPOSAL**

To: The City of Laredo, Texas

From: RED CLIFF, INC.
Contractor

Address: 3800 DONIPHAN DRIVE
EL PASO, TX 7992

Project: Canal Street Drainage Improvement Phase 2

Attn: Honorable Raul G. Salinas, Mayor

Pursuant to Notice to Bidders, the undersigned bidder hereby proposes to furnish the labor, materials and equipment in accordance with the plans and specifications, General Conditions of the Agreement, special provisions of the Agreement, and Addenda, if any. The bidder binds himself upon acceptance of his proposal to execute a contract and bonds accompanying form of performing and completing the said work within the time stated as required by the detailed specifications at the following unit prices. The quantities shown below are based on the Engineer's estimate of quantities, and it is agreed that the quantities may be increased and diminished and may be considered necessary in the opinion of the City of Laredo, Texas, to complete the work fully as planned and contemplated, and that all quantities of work, either increased or decreased, are to be performed at the unit prices set forth below (except as provided in the General Conditions of the Agreement or the Specifications, the Contract documents).

Acknowledgement of Addenda: (Please initial and date):

Addendum No. 1: ACKNOWLEDGED 11/23/11 NM 12/12/11

Addendum No. 2: ACKNOWLEDGED 11/28/11 NM 12/12/11

Addendum No. 3: _____

Addendum No. 4: _____

Addendum No. 5: _____

Acknowledgement of other documents: (Please initial and date):

Wage Determination: ACKNOWLEDGED 12/12/11 NM 12/12/11

Labor Provisions: ACKNOWLEDGED 12/12/11 NM 12/12/11

Affirmative Action Program: ACKNOWLEDGED 12/12/11 NM 12/12/11

AFFIDAVIT

PROJECT: Canal Street Drainage Improvement Phase 2

Form of Non-Collusive Affidavit

STATE OF TEXAS
COUNTY OF WEBB

NATHAN MCGRAND
Being first dully sworn, deposes and says

That he is PRESIDENT OF RED CLIFF, INC.
(a Partner of Officer of the firm of, etc.)

the party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said Bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any Bidder or Person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price or affiant or of any other Bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other Bidder, or to secure any advantage against the City of Laredo or any person interested in the proposed Contract; and that all statements in said proposal or bid are true.

Nathan McGrand
Signature of

Bidder, if Bidder is an individual
Partner, if the Bidder is a Partnership
Officer, if the Bidder is a Corporation

Subscribed and sworn before me this 12TH day of DECEMBER, 2011.

Maria D. Macias
Notary Public

My Commission expires MAY 12, 2012



ATTACHMENT 1

**CITY OF LAREDO
ENGINEERING DEPARTMENT
BID SCHEDULE**

PROJECT: Canal Street Drainage Improvement Phase 2

| Item No. | Estimated Qty. | Unit | Description of item with Unit Price Written in Words | Unit Price | Amount |
|----------|----------------|------|---|--|--------------------------------|
| 1 | 24,352 | SY | Furnish all labor, materials and equipment required to remove and dispose of existing channel concrete riprap , for the sum of: <u>Eight</u> Dollars & <u>No</u> Cents per square yard. | (\$ <u>8.00</u>) per square yard. | \$ <u>194,816⁰⁰</u> |
| 2 | 4,064 | LF | Furnish all labor, materials and equipment required to remove and dispose of existing chain link fence , for the sum of: <u>Two</u> Dollars & <u>No</u> Cents per linear foot. | (\$ <u>2.00</u>) per linear foot. | \$ <u>8,128⁰⁰</u> |
| 3 | 280 | LF | Furnish all labor, materials and equipment required to remove and dispose of existing guardrail fence , for the sum of: <u>Twenty Five</u> Dollars & <u>No</u> Cents per linear foot. | (\$ <u>25.00</u>) per linear foot. | \$ <u>7,000⁰⁰</u> |

PROJECT: Canal Street Drainage Improvement Phase 2

| Item No. | Estimated Qty. | Unit | Description of Item with Unit Price Written in Words | Unit Price | Amount |
|----------|----------------|------|---|---|--------------------------------|
| 4 | 23,149 | CY | Furnish all labor, materials and equipment required to excavate, under proposed concrete channel to bottom of subgrade, including constructing, shaping, and finishing all earthwork in conformity with the provided lines, grades and cross sections, for the sum of: <i>Fourteen</i> Dollars & <i>Fifty</i> Cents per cubic yard. | (\$ <u>14.50</u>) per cubic yard. | \$ <u>335,660.50</u> |
| 5 | 8,093 | CY | Furnish all labor, materials and equipment required to prepare moisture-conditioned subgrade, and install gravel, under proposed concrete channel, mixing, blending, sprinkling, shaping, compacting, reconditioning, and testing in conformity with the provided lines, grades, and cross sections, for the sum of: <i>Twenty Six</i> Dollars & <i>No</i> Cents per cubic yard. | (\$ <u>26⁰⁰</u>) per cubic yard. | \$ <u>210,418⁰⁰</u> |

PROJECT: Canal Street Drainage Improvement Phase 2

| Item No. | Estimated Qty. | Unit | Description of item with Unit Price Written in Words | Unit Price | Amount |
|----------|----------------|------|--|---|---|
| 6 | 300 | CY | Furnish all labor, materials and equipment required to install additional gravel as fill as necessary , including placing, compacting, and finishing in conformity with the provided lines, grades, and cross sections, for the sum of: <i>Fifty</i> Dollars & <i>No</i> Cents per cubic yard. | (\$ <u><i>50⁰⁰</i></u>) per cubic yard. | \$ <u><i>15,000⁰⁰</i></u> |
| 7 | 4,208 | CY | Furnish all labor, materials and equipment required to install concrete channel including placing, vibrating, finishing, curing, and testing in conformity with the provided lines, grades, and cross sections, complete in place, ready for use by the Owner, for the sum of: <i>Three hundred twenty</i> Dollars & <i>No</i> Cents per cubic yard. | (\$ <u><i>320⁰⁰</i></u>) per cubic yard. | \$ <u><i>1,346,560⁰⁰</i></u> |

PROJECT: Canal Street Drainage Improvement Phase 2

| Item No. | Estimated Qty. | Unit | Description of item with Unit Price Written in Words | Unit Price | Amount |
|----------|----------------|------|--|--|-------------------------------|
| 8 | 9 | EA | Furnish all labor, materials and equipment required to repair/trim existing storm drainage RCP outfalls, in downstream channel including disposal, concrete work, and finishing, in conformity with the provided lines, grades, and cross sections, complete in place, ready for use by the Owner, for the sum of: <i>Two thousand Five hundred</i> Dollars & _____ Cents No _____ Cents per each. | (\$ <u>2,500⁰⁰</u>) per each. | \$ <u>22,500⁰⁰</u> |
| 9 | 4,524 | LF | Furnish all labor, materials and equipment required to install 5' Chain link fence, including excavation, backfilling, and disposal of surplus material, complete in place, ready for use by the Owner, for the sum of: <i>Seventeen</i> Dollars & _____ Cents per linear foot. | (\$ <u>17.00</u>) per linear foot. | \$ <u>76,908⁰⁰</u> |

PROJECT: Canal Street Drainage Improvement Phase 2

| Item No. | Estimated Qty. | Unit | Description of item with Unit Price Written in Words | Unit Price | Amount |
|----------|----------------|------|--|--|--|
| 10 | 319 | LF | Furnish all labor, materials and equipment required to install metal beam guard fence, with 10 gauge steel rails, including excavation, backfilling, and disposal of surplus material, complete in place, ready for use by the Owner, for the sum of: <i>Fifty</i> Dollars & <i>No</i> Cents per linear foot. | (\$ <i>50⁰⁰</i>) per linear foot. | <i>15,950⁰⁰</i> <i>14,950⁰⁰</i> \$ <i>15,950⁰⁰</i> |
| 11 | 2 | EA | Furnish all labor, materials and equipment required to install stabilized construction entrance, for the sum of: <i>Two Thousand</i> Dollars & <i>No</i> Cents per each. | (\$ <i>2,000⁰⁰</i>) per each. | \$ <i>4,000⁰⁰</i> |
| 12 | 85 | LF | Furnish all labor, materials and equipment required to install tree protection fence, including tree protection, maintenance requirements, repair and replacement of damaged sections, and removal and disposal of system at end of construction, for the sum of: <i>Six</i> Dollars & _____ Cents per linear foot. | (\$ <i>6.00</i>) per linear foot. | \$ <i>510⁰⁰</i> |

PROJECT: Canal Street Drainage Improvement Phase 2

| Item No. | Estimated Qty. | Unit | Description of item with Unit Price Written in Words | Unit Price | Amount |
|----------|----------------|------|---|--|-------------------------------|
| 13 | 405 | SY | Furnish all labor, materials and equipment for Removal and Replacement of Flexible Base , including, disposal of pavement materials, excavation, gravel, placing, compacting finishing, sub-grade stabilization, and all appurtenances required to return the pavement to equal, or better than its original state, complete in place for use by the Owner, for the sum of: <i>Thirty five</i> Dollars & _____ Cents per square yard. | (\$ <u>35.00</u>) per square yard. | \$ <u>14,175⁰⁰</u> |
| 14 | 405 | SY | Furnish all labor, materials and equipment for Bituminous Prime Coat , including all appurtenances required to return the pavement to equal, or better than its original state, complete in place for use by the Owner, for the sum of: <i>Four</i> Dollars & _____ Cents per square yard. | (\$ <u>4.00</u>) per square yard. | \$ <u>1,620⁰⁰</u> |

PROJECT: Canal Street Drainage Improvement Phase 2

| Item No. | Estimated Qty. | Unit | Description of item with Unit Price Written in Words | Unit Price | Amount |
|----------|----------------|------|---|--|-------------------------------|
| 15 | 405 | SY | Furnish all labor, materials and equipment for Removal and Replacement of Hot Mix Asphaltic Concrete Pavement (Type-D) , including, placing, finishing, and all appurtenances required to return the pavement to equal, or better than its original state, complete in place for use by the Owner for the sum of: <i>Thirty four</i> Dollars & <i>No</i> Cents per square yard. | (\$ <u>34.00</u>) per square yard. | \$ <u>13,770⁰⁰</u> |
| 16 | 4,807 | L.F. | For furnishing all sheeting, shoring, piling, bracing, boxes, equipment, tools and any device including de-watering, back sloping, and other operations as required for the safe construction of the concrete channel as required to comply with the latest OSHA regulations, for the sum of: <i>Four</i> Dollars & _____ Cents per linear foot. | (\$ <u>4.00</u>) per linear foot. | \$ <u>19,228⁰⁰</u> |

PROJECT: Canal Street Drainage Improvement Phase 2

| Item No. | Estimated Qty. | Unit | Description of Item with Unit Price Written in Words | Unit Price | Amount |
|----------|----------------|------|--|---------------------------------------|--------------------------------|
| 17 | 1 | L.S. | Furnish all labor, materials, supervision, and equipment necessary to implement a Traffic Control Plan approved by the City of Laredo, and according to TMUTCD standards, to maintain access to driveways and streets during construction, all for the sum of: <u>Forty Thousand</u> Dollars & <u>No</u> Cents per lump sum. | (\$ <u>40,000</u>) lump sum. | \$ <u>40,000</u> |
| 18 | 1 | LS | Miscellaneous Owner's Allowance For unforeseen circumstances, for the sum of: <u>One Hundred Thousand</u> Dollars & <u>Zero</u> Cents per lump sum. | (\$ <u>100,000</u>) per lump sum. | \$ <u>100,000⁰⁰</u> |
| | | | | TOTAL BASE BID | \$ <u>2,426,243.50</u> |

THE TOTAL BASE BID WRITTEN

IN WORDS:

Two million Four hundred twenty six Thousand two hundred forty three dollars and fifty cents

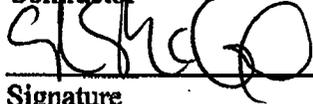
LAST MINUTE DEDUCTION FROM TOTAL, TO BE DISTRIBUTED PROPORTIONATELY TO ALL ITEMS UNLESS SPECIFIC ITEMS TO RECEIVE THESE DEDUCTIONS ARE LISTED BELOW:

ITEMS: _____

AMOUNT OF DEDUCT: \$ _____

RED CLIFF, INC

Contractor



PRESIDENT

Signature

Title

3800 DONIPHAN DRIVE, EL PASO, TX 79922

Address

City/State

Zip Code

Telephone Number: (915) 532-2610

Fax Number: (915) 808-7406

Date: 12/12/11

NOTE: ALL BID ITEMS WILL BE PAID FOR WHEN COMPLETE IN PLACE, TESTED, AND ACCEPTED BY THE OWNER.

Project: Canal Street Drainage Improvement Phase 2

Proposed Progress Schedules:
SEE ATTACHED SCHEDULE

Data on Equipment to be used on the Work: (Include the number of machines, the type, capacity, age and conditions and location.)
SEE ATTACHED EQUIPMENT LIST

Subcontractor: (Submit a list of proposed Subcontractors. List sources, types and manufacturers of proposed materials.)
SEE ATTACHED SUBCONTRACTOR LIST

BID BOND

PROJECT: Canal Street Drainage Improvement Phase 2

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned

Red Cliff Inc.

3800 Doniphan Drive, El Paso, Texas 79922

as Principal, and The Hanover Insurance Company as

Surety, are herby held and firmly bound unto

City of Laredo

as Owner in the penal sum of five percent (5%) of bid amount

for payment of which, well and truly to be made, we herby jointly as severally bid ourselves, our heirs, executors, administrations, successors and assigns.

Signed, this 13th day of December, 2011.

This condition of the above obligation is such that whereas the Principal has submitted to City of Laredo a certain Bid,

attached hereto and hereby made a part hereof to enter into a Contract in writing for the

Canal Street Drainage Improvement Phase 2; HMGP Grant #DR-1791-227

4,800 LF of demolition and reconstruction of concrete channel, 1,800 LF of 2' wide asphalt removal and replacement chain link fence demolition and installation

NOW, THEREFORE,

- (a) If said Bid shall be rejected; or in the alternate,
- (b) If said Bid shall be accepted and the Principal shall execute and deliver a Contract in the Form of Contract attached hereto (properly completed in accordance with said Bid) and shall furnish a bond for his faithful performance of said Contract, and for the payment of all persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the Agreement created by the acceptance of said Bid,

then this obligation shall be void, otherwise the same shall remain in force and effect; it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The surety, for value received, hereby stipulated and agrees that the obligations of said Surety, and its bonds shall in no way impaired or affected by any extension of the time within which the Owner may accept such Bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals and such of them as are corporations have caused their corporate seals to the hereto affixed and these presents to be signed by their proper officers, the day and year first set fourth herein.

(L.S.)

Red Cliff Inc.

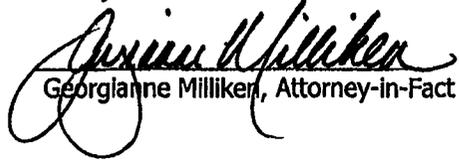

Principal



The Hanover Insurance Company

Surety

By:


Georgianne Milliken, Attorney-in-Fact

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

POWERS OF ATTORNEY
CERTIFIED COPY

KNOW ALL MEN BY THESE PRESENTS: That THE HANOVER INSURANCE COMPANY and MASSACHUSETTS BAY INSURANCE COMPANY, both being corporations organized and existing under the laws of the State of New Hampshire, and CITIZENS INSURANCE COMPANY OF AMERICA, a corporation organized and existing under the laws of the State of Michigan, do hereby constitute and appoint

John M. Rindt and/or Georgianne Milliken

of El Paso, TX and each is a true and lawful Attorney(s)-in-fact to sign, execute, seal, acknowledge and deliver for, and on its behalf, and as its act and deed any place within the United States, or, if the following line be filled in, only within the area therein designated any and all bonds, recognizances, undertakings, contracts of indemnity or other writings obligatory in the nature thereof, as follows:

Any such obligations in the United States, not to exceed Ten Million and No/100 (\$10,000,000) in any single instance

and said companies hereby ratify and confirm all and whatsoever said Attorney(s)-in-fact may lawfully do in the premises by virtue of these presents. These appointments are made under and by authority of the following Resolution passed by the Board of Directors of said Companies which resolutions are still in effect:

"RESOLVED, That the President or any Vice President, in conjunction with any Vice President, be and they are hereby authorized and empowered to appoint Attorneys-in-fact of the Company, in its name and as its acts, to execute and acknowledge for and on its behalf as Surety any and all bonds, recognizances, contracts of indemnity, waivers of citation and all other writings obligatory in the nature thereof, with power to attach thereto the seal of the Company. Any such writings so executed by such Attorneys-in-fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company in their own proper persons." (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 - Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

IN WITNESS WHEREOF, THE HANOVER INSURANCE COMPANY, MASSACHUSETTS BAY INSURANCE COMPANY and CITIZENS INSURANCE COMPANY OF AMERICA have caused these presents to be sealed with their respective corporate seals, duly attested by two Vice Presidents, this 2nd day of November 2011.

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

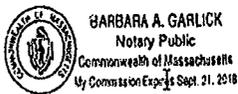


Robert Thomas
Robert Thomas, Vice President

Mary Fitzgerald
Mary Fitzgerald, Vice President

THE COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF WORCESTER) ss.

On this 2nd day of November 2011 before me came the above named Vice Presidents of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, to me personally known to be the individuals and officers described herein, and acknowledged that the seals affixed to the preceding instrument are the corporate seals of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, respectively, and that the said corporate seals and their signatures as officers were duly affixed and subscribed to said instrument by the authority and direction of said Corporations.



Barbara A. Garlick
Barbara A. Garlick, Notary Public
My Commission Expires September 21, 2018

I, the undersigned Vice President of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, hereby certify that the above and foregoing is a full, true and correct copy of the Original Power of Attorney issued by said Companies, and do hereby further certify that the said Powers of Attorney are still in force and effect.

This Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America.

"RESOLVED, That any and all Powers of Attorney and Certified Copies of such Powers of Attorney and certification in respect thereto, granted and executed by the President or any Vice President in conjunction with any Vice President of the Company, shall be binding on the Company to the same extent as if all signatures therein were manually affixed, even though one or more of any such signatures thereon may be facsimile." (Adopted October 7, 1981 - The Hanover Insurance Company; Adopted April 14, 1982 - Massachusetts Bay Insurance Company; Adopted September 7, 2001 - Citizens Insurance Company of America)

GIVEN under my hand and the seals of said Companies, at Worcester, Massachusetts, this 13th day of December 20 11 .

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

Glen Margosian
Glen Margosian, Vice President



PROPOSED SUBCONTRACTORS AND SUPPLIERS

3800 Doniphan Dr, El Paso, TX 79932
Bus: 915-532-2610 Fax: 915-808-7406
www.wredtexas.com

**CITY OF LAREDO, TX
CANAL STREET DRAINAGE IMPROVEMENTS
PHASE - 2
BID DATE: DECEMBER 13, 2011**

| JOB: | CANAL STREET DRAINAGE IMPROVEMENTS PHASE - 2 | | BID DATE: 12/13/11 @ 4:00 PM |
|------|--|----------------|------------------------------|
| | LIST OF PROPOSED SUBCONTRACTORS/SUPPLIERS | CONTACT NUMBER | WORK ITEM |
| 1 | Laredo Rdy Mix | 956 723-7429 | Concrete Supplier |
| | Gomez Trucking | 956 220-2552 | Trucking |
| 2 | Circle T Services | 956 242-1155 | Trucking |
| | Highway Technologies | 512 204-1608 | Traffic Control |
| 3 | Union Concrete Pumping | 956 729-0078 | Concrete Pumping |
| | Premier Eng | 956 717-1199 | Survey |
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COUNCIL COMMUNICATION

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| DATE: 01/03/12 | Subject: MOTIONS Consideration to renew contract FY11-008 awarded to the low bidder J.R. Landscaping, Laredo, TX, in the total amount of \$63,600.00 for providing mowing and maintenance of the Zacate Creek area. The term of the contract is for an additional twelve month period with an option to extend this contract for one additional twelve-month period. The contract includes the collection of trash, debris, rubbish, and other floatable material along the creek from Meadow and Canal Street to the mouth of the River. Funding is available in the Environmental Services Department. |
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| INITIATED BY: Jesus Olivares, Assistant City Manager | STAFF SOURCE: Riazul Mia, Environmental Services Department Director Francisco Meza, Purchasing Agent |
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PREVIOUS COUNCIL ACTION: Authorized a contract award to J. R. Landscaping on 01-03-2011

BACKGROUND: The City received seven (7) bids. Staff is recommending that the contract awarded to J.R. Landscaping low bidder for monthly mowing and maintenance of the Zacate Creek. This includes the collection of trash, debris, rubbish, and other floatable material along the creek from Meadow and Canal Street to the mouth of the River. This is the first of two contract extension as per bid specifications.

| | | |
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| | Zacate Creek Yr Maintenance Includes: Collection of trash, debris, liter and Branches form the Creek Area as specified 2.1 and Extra Cutting from water street to the mouth of river. | Option: Extra Cost Cycle Collection of trash, debris, liter and Branches form the Creek Area as specified 2.2 and Extra Cutting from water street to the mouth of the river |
| J.R Landscaping | \$ 63,600.00 | \$ 1,600.00 |
| Nick Benavides | \$ 66,076.00 | \$ 4,000.00 |
| Pulsar Construction | \$ 75,480.00 | \$ 4,000.00 |
| La Yerba Buena | \$ 90,000.00 | \$ 0.00 |
| CG Construction | \$ 99,600.00 | \$ 2,000.00 |
| Hollywood Garden | \$140,040.00 | \$ 4,560.00 |
| Zertuche Construction | \$171,360.00 | \$ 1,456.00 |

FINANCIAL IMPACT: Funding for this service is available in the Environmental Service Department budget. N.P.D.E.S-Environmental Services
 Account Number: 249-3840-543-5537

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| COMMITTEE RECOMMENDATION: | STAFF RECOMMENDATION: It is recommended that this contract be approved. |
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COUNCIL COMMUNICATION

| DATE: 01/03/2012 | SUBJECT: MOTION Consideration to exercise the renewal option for annual contract <u>FY09-098</u> to Enterprise Rent A Car, Laredo, Texas in the estimated amount of \$75,000.00 to provide rental vehicles for the Laredo Police Department Auto Theft. Approximately fifteen to twenty five vehicles are secured for use by the various task forces working with the Police Department. The term of this contract is for a twelve month period and is contingent upon continued funding in future fiscal years. Funding is currently available in the Auto Theft Fund. | | | | | | | | | | | | | | | | | | | | |
|---|---|--------------|------------|--------------------------------|----------------|--------------------------------|----------------|------------------------------------|-----------------|--------------------------------|-----------------|---------------------|-----------------|---------------|------------------|--------------|----------------|-----------------------------------|----------------|---|----------------|
| INITIATED BY: Cynthia Collazo, Deputy City Manager | STAFF SOURCE: Carlos R. Maldonado, Chief of Police Francisco Meza, Purchasing Agent | | | | | | | | | | | | | | | | | | | | |
| PREVIOUS COUNCIL ACTION: Awarded 24 month contract to Enterprise Rent A Car. | | | | | | | | | | | | | | | | | | | | | |
| BACKGROUND: Authorization is requested to exercise the first renewal of contract FY09-098 to Enterprise Rent A Car, Laredo, Texas for a twelve month period for vehicle rental services for the Laredo Police Department. <u>Bid Summary:</u> <table><thead><tr><th>Vehicle Type</th><th>Enterprise</th></tr></thead><tbody><tr><td>Full Size Extended Cab Pick Up</td><td>\$ 850.00/mth.</td></tr><tr><td>Full Size ½ Ton Crew Cab Truck</td><td>\$ 850.00/mth.</td></tr><tr><td>Full Size ¾ Ton Extended Cab Truck</td><td>\$1,200.00/mth.</td></tr><tr><td>Full Size ¾ Ton Crew Cab Truck</td><td>\$1,200.00/mth.</td></tr><tr><td>Full Size SUV ½ Ton</td><td>\$1,050.00/mth.</td></tr><tr><td>Full Size SUV</td><td>\$ 1,050.00/mth.</td></tr><tr><td>Mid Size SUV</td><td>\$ 900.00/mth.</td></tr><tr><td>Full Size Domestic Passenger Cars</td><td>\$ 725.00/mth.</td></tr><tr><td>Mid Size Domestic/Foreign Passenger Car</td><td>\$ 700.00/mth.</td></tr></tbody></table> | | Vehicle Type | Enterprise | Full Size Extended Cab Pick Up | \$ 850.00/mth. | Full Size ½ Ton Crew Cab Truck | \$ 850.00/mth. | Full Size ¾ Ton Extended Cab Truck | \$1,200.00/mth. | Full Size ¾ Ton Crew Cab Truck | \$1,200.00/mth. | Full Size SUV ½ Ton | \$1,050.00/mth. | Full Size SUV | \$ 1,050.00/mth. | Mid Size SUV | \$ 900.00/mth. | Full Size Domestic Passenger Cars | \$ 725.00/mth. | Mid Size Domestic/Foreign Passenger Car | \$ 700.00/mth. |
| Vehicle Type | Enterprise | | | | | | | | | | | | | | | | | | | | |
| Full Size Extended Cab Pick Up | \$ 850.00/mth. | | | | | | | | | | | | | | | | | | | | |
| Full Size ½ Ton Crew Cab Truck | \$ 850.00/mth. | | | | | | | | | | | | | | | | | | | | |
| Full Size ¾ Ton Extended Cab Truck | \$1,200.00/mth. | | | | | | | | | | | | | | | | | | | | |
| Full Size ¾ Ton Crew Cab Truck | \$1,200.00/mth. | | | | | | | | | | | | | | | | | | | | |
| Full Size SUV ½ Ton | \$1,050.00/mth. | | | | | | | | | | | | | | | | | | | | |
| Full Size SUV | \$ 1,050.00/mth. | | | | | | | | | | | | | | | | | | | | |
| Mid Size SUV | \$ 900.00/mth. | | | | | | | | | | | | | | | | | | | | |
| Full Size Domestic Passenger Cars | \$ 725.00/mth. | | | | | | | | | | | | | | | | | | | | |
| Mid Size Domestic/Foreign Passenger Car | \$ 700.00/mth. | | | | | | | | | | | | | | | | | | | | |
| FINANCIAL IMPACT: Funds are available in the Auto Theft Fund's contractual services, rental of equipment line item. Account Numbers: 222-2354-523-3730 | | | | | | | | | | | | | | | | | | | | | |
| COMMITTEE RECOMMENDATION: | STAFF RECOMMENDATION: It is recommended that this contract be awarded. | | | | | | | | | | | | | | | | | | | | |

COUNCIL COMMUNICATION

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|--------------------------|--|
| DATE: 01/03/12 | SUBJECT: MOTIONS Consideration to award contract FY12-017 to the following bidders meeting specifications: (a) Philpott Motors, Nederland, Texas in the amount of \$ 84,271.74 for the purchase of five vehicles, and; (b) Caldwell Ford, Caldwell, TX in the amount of \$ 115,628.00 for the purchase of three vehicles. Funding is available from Police Trust Fund proceeds. |
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| INITIATED BY: Cynthia Collazo, Deputy City Manager | STAFF SOURCE: Carlos R. Maldonado, Chief of Police Francisco Meza, Purchasing Agent |
|--|--|

PREVIOUS COUNCIL ACTION: None.

BACKGROUND: The City received four bids for the purchase of eight administrative vehicles and trucks for the Police Department. Delivery is expected within ninety to one hundred twenty days after receipt of order.

The following vehicles are being requested:

| Section | Description | Qty. | Unit Price | Total | Vendor |
|---------|--------------------------------------|----------|--------------|---------------------|----------------|
| I | 2012 Ford F-150 Crew Cab Truck | 3 | \$ 28,090.58 | \$ 84,271.74 | Philpott Motor |
| II | 2012 Ford F-150 Super Crew Cab Truck | 1 | \$ 21,446.00 | \$ 21,446.00 | Caldwell Ford |
| III | 2012 Chevrolet Tahoe | 2 | \$ 27,975.00 | \$ 55,950.00 | Caldwell Ford |
| IV | 2012 Chevrolet Impala LS | <u>2</u> | \$ 19,116.00 | <u>\$ 38,232.00</u> | Caldwell Ford |
| | | 5 | | \$ 115,628.00 | |

A complete bid summary is attached.

FINANCIAL IMPACT: Funding for the purchase of these vehicles is available in the following line item budget.

Account Number: 665-2300-525-9004- Machinery & Equipment Automotive

| | |
|----------------------------------|---|
| COMMITTEE RECOMMENDATION: | STAFF RECOMMENDATION: It is recommended that this contract be approved. |
|----------------------------------|---|

| Section | Qty | Philpott Motors Nederland, TX 77627 | | Caldwell Country Ford Caldwell, TX 77836 | | Caldwell Country Chevy Caldwell, TX 77836 | |
|--------------------------------|-----|--|---------------------|---|---------------------|---|--------------|
| | | Unit Price | Ext. Total | Unit Price | Ext. Total | Unit Price | Ext. Total |
| I Truck A | 3 | \$ 21,832.00 | \$ 65,496.00 | \$ 21,565.00 | \$ 64,695.00 | \$ 22,375.00 | \$ 67,125.00 |
| Option 1 Police Package | 3 | \$ 6,258.58 | \$ 18,775.74 | \$ 6,975.00 | \$ 20,925.00 | \$ 6,975.00 | \$ 20,925.00 |
| | 3 | | | \$ 800.00 | \$ 2,400.00 | | \$ 88,050.00 |
| | | | <u>\$ 84,271.74</u> | | <u>\$ 88,020.00</u> | | |
| Atuo Make and Model | | 2012 Ford F-150 Crew Cab | | 2012 Ford F150 Super Crew 4 x 2 - WIC | | 2012 Chevrolet 1500 Silverado Crew Cab CC10543 | |
| Estimated Time of Delivery | | 90 Days | | 120 Days | | 90-120 Days | |
| Color | | Black/White | | Black/White Option \$ 800 each truck | | Black/White | |
| II Truck B | 1 | \$ 21,521.88 | \$ 21,521.88 | \$ 21,446.00 | \$ 21,446.00 | \$ 21,975.00 | \$ 21,975.00 |
| Atuo Make and Model | | 2012 Ford F-150 Crew Cab | | 2012 Ford F150 Super Crew 4 x 2 - WIC | | 2012 Chevrolet 1500 Silverado Crew Cab CC10543 | |
| Estimated Time of Delivery | | 90 Days | | 90-120 Days | | 90-120 Days | |
| Color | | Dark Blue, Red, Black, Gray, Silver Green, White | | Dark Blue, Vermillion, Black, Sterling Gray, Ingot Silver, White | | Gray, Stone, Black, White, Blue Granite, Silver Ice, Red, I Blue | |
| III Utility Vehicle C | 2 | \$ 24,831.35 | \$ 49,662.70 | \$ 25,660.00 | \$ 51,320.00 | \$ 25,247.00 | \$ 50,494.00 |
| | 2 | | | \$ 27,776.00 | \$ 55,552.00 | \$ 27,975.00 | \$ 55,950.00 |
| Atuo Make and Model | | 2012 Ford Expedition SSV | | 2012 Ford Expedition UIF (SSV) | | 2012 Chevrolet Tahoe IFL-CC10706 (PPV) | |
| Estimated Time of Delivery | | 90 Days | | 120 Days | | 90-120 Days | |
| Color | | White, Red, Silver, Black, Blue | | Dark Blue, Vermillion Red, Black, Sterling Gray, Ingot Silver, White | | Gray, Stone, Black, White, Gold Mist, Silver Ice, Mocha Steel, Blue Topaz | |
| IV Sedan Vehicle D | 2 | \$ 19,598.88 | \$ 39,197.76 | \$ 19,988.00 | \$ 39,976.00 | \$ 19,116.00 | \$ 38,232.00 |
| Atuo Make and Model | | 2012 Ford Taurus | | 2012/2013 Ford Taurus SE | | 2012 Chevrolet Impala LS - 1WF19 | |
| Estimated Time of Delivery | | 90 Days | | 120 Days | | 90-120 Days | |
| Color: | | White, Black, Blue, Bordeaux Sterling Silver | | Sterling Gray, Ingot Silver, White, Dark Blue, Cinnamon Metallic, Black | | Silver Ice, Black, White, Gold, Red, I Blue, Ashen Gray | |

COUNCIL COMMUNICATION

| | |
|-------------------------|--|
| DATE: 1/03/12 | Subject:: MOTIONS Consideration to authorize the purchase of protective structural fire fighting suits and related equipment for the Fire Department from Dooley Tackaberry, Deer Park, Texas, through the Buy Board cooperative purchasing program's contract pricing in the total amount of \$122,629.00. The equipment includes bunker coats, bunker pants, gloves, hoods, helmets, suspenders, and rubber boots. Funding is available from Fire Department's operating budget. |
|-------------------------|--|

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|--|--|
| INITIATED BY: Cynthia Collazo, Deputy City Manager | STAFF SOURCE: Steven E. Landin, Fire Chief Francisco Meza, Purchasing Agent |
|--|--|

PREVIOUS COUNCIL ACTION: Authorized participation in the Buy Board's cooperative purchasing program

BACKGROUND: The City intends to purchase sets of protective suits used to fight structural fires. The set includes the fire coat, pants, gloves, rubber boots, hoods, helmets, and suspenders. Authorization is requested to purchase these items from Dooley Tackaberry, utilizing the Buy Board's cooperative purchasing program contract pricing.

| Equipment | Qty | Unit Price | Extended Total |
|-----------------------|-----|------------|----------------|
| Innotex Bunker Coat | 45 | \$1,227.00 | \$ 55,215.00 |
| Innotex Bunker Coat | 5 | \$ 904.60 | \$ 4,523.00 |
| Innotex Pants | 45 | \$ 868.00 | \$ 39,060.00 |
| Innotex Pants | 5 | \$ 651.80 | \$ 3,259.00 |
| Shelby Glove | 70 | \$ 62.00 | \$ 4,340.00 |
| DTI Hood | 80 | \$ 19.50 | \$ 1,560.00 |
| Thorogood Rubber boot | 80 | \$ 88.50 | \$ 7,080.00 |
| MSA Helmet | 20 | \$ 264.00 | \$ 5,280.00 |
| MSA Cairns front 6" | 20 | \$ 30.00 | \$ 600.00 |
| Honeywell Suspenders | 20 | \$ 42.00 | \$ 840.00 |
| Innotex Suspenders | 20 | \$ 43.60 | \$ 872.00 |
| | | | \$122,629.00 |

BUYBOARD Contract #284-08

FINANCIAL IMPACT:
 Funding for this purchase is available in the following line item budget:
 General Fund, Fire Department Materials and Supplies Account Number 101-2410-522-2400

| | |
|----------------------------------|---|
| COMMITTEE RECOMMENDATION: | STAFF RECOMMENDATION: It is recommended that this purchase contract be approved. |
|----------------------------------|---|

COUNCIL COMMUNICATION

| DATE: 1/03/12 | SUBJECT: MOTIONS Consideration to award contract number FY12-021 to the low bidder meeting specifications GCR Tire Centers, Austin, Texas, in the estimated annual amount of \$62,939.64. This contract is for the purchase of tractor and heavy equipment tires for the City's fleet. All tires are purchased on an as needed basis. Funding is available in the Fleet Fund. | | | | | | | | | | | | | | | | | | |
|--|---|---|--------------------|-----------------------|--------|----------------------------|------------------|--------------------|-----------------------|---|-------------|-------------|---------------|---------------|--|-------------|-------------|-------------|--------------|
| INITIATED BY: Jesus Olivares, Assistant City Manager | | STAFF SOURCE: Rogelio Rivera, P.E., Engineering Department Director Jack Dunn, General Fleet Manager Francisco Meza, Purchasing Agent | | | | | | | | | | | | | | | | | |
| PREVIOUS COUNCIL ACTION: None | | | | | | | | | | | | | | | | | | | |
| <p>BACKGROUND: The City received four bids for awarding an annual supply contract to furnish tractor and heavy equipment tires. The term of this contract will be for a one year period with an option to renew this contract for two one- year periods. Staff has reviewed the bids received and is recommending that a contract be awarded to the low bidder meeting specifications, GCR Tire Centers for sections I and II. They will deliver tires from their local office located at 8115 Las Cruces Drive Laredo, Texas 78045.</p> <p>Staff is not recommending that a contract be awarded to the apparent low bidder meeting specifications American Tire Distributors. The City of Laredo has had delivery and product availability issues with this vendor this last contract period. A to Z Tire & Battery and Southern Tire Mart submitted their bids on tire brands not listed on the Fleet's approved list for sections I and II.</p> <table style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;">Vendor</th> <th style="text-align: right;">American Tire Distributors</th> <th style="text-align: right;">GCR Tire Centers</th> <th style="text-align: right;">Southern Tire Mart</th> <th style="text-align: right;">A to Z Tire & Battery</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Section I -Tractor & Heavy Equipment Tires</td> <td style="text-align: right;">\$48,780.86</td> <td style="text-align: right;">\$52,650.12</td> <td style="text-align: right;">\$40,849.48 *</td> <td style="text-align: right;">\$33,605.62 *</td> </tr> <tr> <td style="text-align: left;">Section II – Landfill Equipment Tires</td> <td style="text-align: right;">\$13,540.78</td> <td style="text-align: right;">\$10,286.82</td> <td style="text-align: right;">\$11,102.66</td> <td style="text-align: right;">\$7,478.34 *</td> </tr> </tbody> </table> <p style="text-align: center; margin-top: 10px;">*Did not bid on Fleet approved tire manufacturer list.</p> | | | | | Vendor | American Tire Distributors | GCR Tire Centers | Southern Tire Mart | A to Z Tire & Battery | Section I -Tractor & Heavy Equipment Tires | \$48,780.86 | \$52,650.12 | \$40,849.48 * | \$33,605.62 * | Section II – Landfill Equipment Tires | \$13,540.78 | \$10,286.82 | \$11,102.66 | \$7,478.34 * |
| Vendor | American Tire Distributors | GCR Tire Centers | Southern Tire Mart | A to Z Tire & Battery | | | | | | | | | | | | | | | |
| Section I -Tractor & Heavy Equipment Tires | \$48,780.86 | \$52,650.12 | \$40,849.48 * | \$33,605.62 * | | | | | | | | | | | | | | | |
| Section II – Landfill Equipment Tires | \$13,540.78 | \$10,286.82 | \$11,102.66 | \$7,478.34 * | | | | | | | | | | | | | | | |
| FINANCIAL IMPACT: Funds for the purchase of tires and tubes are available from Fleet Maintenance Fund. Fleet Maintenance Fund-Fleet Charges Account Number: 593-2810-533-2072 | | | | | | | | | | | | | | | | | | | |
| COMMITTEE RECOMMENDATION: | | STAFF RECOMMENDATION: It is recommended that this contract be awarded to the low bidders meeting specifications. | | | | | | | | | | | | | | | | | |

Bid Tabulation
Tractor Heavy Equipment Tires-Fleet FY12-021
 December 13 , 2011

SECTION I – TRACTOR AND HEAVY EQUIPMENT TIRES

| ITEM | DESCRIPTION | QTY | GCR Tire Center Laredo Tx 78045 | | | American Tire Distributors McAllen TX 78501 | | | Southern Tire Mart LLC. Dallas Tx 75247 | | | A to Z Tire and Battery Inc. Armadorillo Tx 79105 | | |
|--------------------|-------------------------------|-----|------------------------------------|--------------|-----------------|--|--------------|-----------------|--|--------------|-----------------|--|--------------|-----------------|
| | | | UNIT PRICE | TOTAL | BRAND/ PROPOSED | UNIT PRICE | TOTAL | BRAND/ PROPOSED | UNIT PRICE | TOTAL | BRAND/ PROPOSED | UNIT PRICE | TOTAL | BRAND/ PROPOSED |
| 1 | 11L X 16 F-3 TL 12 PLY | 66 | \$ 218.00 | \$ 14,388.00 | Firestone | \$ 190.00 | \$ 12,540.00 | Firestone | \$ 170.00 | \$ 11,220.00 | Deestone | \$ 157.42 | \$ 10,389.72 | Firestone |
| 2 | 11.00 - 16 Tri Rib 12 PLY | 4 | \$ 282.12 | \$ 1,128.48 | Firestone | \$ 353.60 | \$ 1,414.40 | Firestone | \$ 237.00 | \$ 948.00 | Interco | \$ 211.04 | \$ 844.16 | BKT |
| 3 | 23.5 X 25 HRL E/L 3 TL 12 PLY | 2 | \$ 1,318.74 | \$ 2,637.48 | Firestone | \$ 1,671.44 | \$ 3,342.88 | Firestone | \$ 1,318.74 | \$ 2,637.48 | Firestone | \$ 1,208.50 | \$ 2,417.00 | Samson |
| 4 | 19.5 L X 24 R-4 TL 12 PLY | 16 | \$ 800.21 | \$ 12,803.36 | Firestone | \$ 822.76 | \$ 13,164.16 | Firestone | \$ 612.50 | \$ 9,800.00 | Mitas | \$ 532.89 | \$ 8,526.24 | Samson |
| 5 | 18.4 X 30 TRACTOR 12 PLY | 2 | \$ 1,850.70 | \$ 3,701.40 | Firestone | \$ 737.35 | \$ 1,474.70 | Firestone | \$ 663.00 | \$ 1,326.00 | Treadura | \$ 599.01 | \$ 1,198.02 | BKT |
| 6 | 20.5 X 25 HRL E-3 TL 12 PLY | 2 | \$ 1,031.00 | \$ 2,062.00 | Firestone | \$ 1,306.96 | \$ 2,613.92 | Firestone | \$ 1,031.00 | \$ 2,062.00 | Firestone | \$ 951.78 | \$ 1,903.56 | Samson |
| 7 | 17.5 L X 25 12 PLY XGHA | 4 | \$ 625.00 | \$ 2,500.00 | Firestone | \$ 979.10 | \$ 3,916.40 | Firestone | \$ 1,454.00 | \$ 5,816.00 | Bridgestone | \$ 661.81 | \$ 2,647.24 | Samson |
| 8 | 18.4 X 34 12 PLY | 2 | \$ 1,979.00 | \$ 3,958.00 | Firestone | \$ 725.82 | \$ 1,451.64 | Firestone | \$ 770.00 | \$ 1,540.00 | Treadura | \$ 656.37 | \$ 1,312.74 | BKT |
| 9 | 12X16.5 NHS 12 PLY | 16 | \$ 425.00 | \$ 6,800.00 | Firestone | \$ 401.99 | \$ 6,431.84 | Firestone | \$ 196.00 | \$ 3,136.00 | Duramax | \$ 148.95 | \$ 2,383.20 | Samson |
| 10 | 18.4X38 12 PLY | 2 | \$ 922.00 | \$ 1,844.00 | Firestone | \$ 857.46 | \$ 1,714.92 | Firestone | \$ 870.00 | \$ 1,740.00 | Treadura | \$ 769.05 | \$ 1,538.10 | BKT |
| 11 | 10-16.5 HD 8 PLY | 4 | \$ 206.85 | \$ 827.40 | Firestone | \$ 179.00 | \$ 716.00 | Firestone | \$ 156.00 | \$ 624.00 | Duramax | \$ 111.41 | \$ 445.64 | Samson |
| Grand Total | | | <u>\$ 52,650.12</u> | | | <u>\$ 48,780.86</u> | | | <u>\$ 40,849.48</u> | | | <u>\$ 33,605.62</u> | | |

SECTION II- LANDFILL EQUIPMENT TIRES

| ITEM | DESCRIPTION | QTY | GCR Tire Center Laredo Tx 78045 | | | American Tire Distributors McAllen TX 78501 | | | Southern Tire Mart LLC. Dallas Tx 75247 | | | A to Z Tire and Battery Inc. Armadorillo Tx 79105 | | |
|--------------------|-----------------------|-----|------------------------------------|-------------|-----------------|--|-------------|-----------------|--|-------------|-----------------|--|-------------|-----------------|
| | | | UNIT PRICE | TOTAL | BRAND/ PROPOSED | UNIT PRICE | TOTAL | BRAND/ PROPOSED | UNIT PRICE | TOTAL | BRAND/ PROPOSED | UNIT PRICE | TOTAL | BRAND/ PROPOSED |
| 1 | 33.25R29 – XR2 12 PLY | 1 | \$ 8,071.15 | \$ 8,071.15 | Bridgestone | \$ 9,997.36 | \$ 9,997.36 | Firestone | \$ 8,071.15 | \$ 8,071.15 | Bridgestone | \$ 5,065.44 | \$ 5,065.44 | Michelin |
| 2 | 26.5X25 – XR2 12 PLY | 1 | \$ 2,215.67 | \$ 2,215.67 | Firestone | \$ 3,543.42 | \$ 3,543.42 | Firestone | \$ 3,031.51 | \$ 3,031.51 | Bridgestone | \$ 2,412.90 | \$ 2,412.90 | Samson |
| Grand Total | | | <u>\$ 10,286.82</u> | | | <u>\$ 13,540.78</u> | | | <u>\$ 11,102.66</u> | | | <u>\$ 7,478.34</u> | | |

COUNCIL COMMUNICATION

| | |
|----------------------------|--|
| DATE: 1/3/12 | SUBJECT: MOTIONS Consideration to renew contract FY11-024 for the purchase of original equipment manufacturer (OEM) parts/service for the City's street sweepers and Case equipment to the following bidders: 1) Industrial Disposal Supply, San Antonio, TX in the estimated amount of \$60,000; 2) Nueces Power Equipment, Laredo, TX in the estimated amount of \$50,000 All parts and services will be secured on an as need basis. Funding is available in the Fleet Maintenance budget. |
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| INITIATED BY: Jesus Olivares, Assistant City Manager | STAFF SOURCE: Rogelio Rivera, P.E., Engineering Department Director Jack Dunn, Fleet General Manager Francisco Meza, Purchasing Agent |
|--|---|

PREVIOUS COUNCIL ACTION: Awarded contract FY11-024 on 1/3/11.

BACKGROUND: The City received two bids for the purchase of original equipment manufacturer (OEM) parts/service for the City's street sweepers and Case Equipment. The contract award is for a one year period with an option to extend for two additional one year terms. Staff is recommending that these contracts be awarded to these vendors. This is the first contract renewal.

| | Industrial Disposal Supply | Nueces Power Equipment |
|---|----------------------------|------------------------------|
| Discount Offered | 0% | 0% |
| Product I.D.(Mfr.) | Tymco | Case |
| Type price schedule (dealer, jobber, etc. | Dealer | Retail |
| Date of price schedule | 5/24/10 | Current |
| Price Schedule column on which discount is based (i.e. distributor, net, wholesale) | Distributor | N/A |
| Labor Rate for services | \$90/Hr | \$90/Hr Shop -\$110/Hr Field |
| Mileage Rate (if any) | \$90/Hr | No Charge |

FINANCIAL IMPACT: Funding for this service is available in the Fleet Maintenance budget. The purpose of this contract is to establish prices for the commodities or services needed should the City need to purchase these commodities or services. The City's obligation for performance of an annual supply contract beyond the current fiscal year is contingent upon the availability of appropriated funds from which payments for the contract purchases can be made. If no funds are appropriated and budgeted during the next fiscal year, this contract becomes null and void.

Account Number: 593-2810-533-2071 – Parts/Batteries

Account Number: 593-2810-533-2078 – Heavy Equipment Parts

| | |
|----------------------------------|--|
| COMMITTEE RECOMMENDATION: | STAFF RECOMMENDATION: It is recommended that contracts be approved. |
|----------------------------------|--|

COUNCIL COMMUNICATION

| DATE: 1/3/12 | SUBJECT: MOTIONS Consideration to renew contract FY11-017 awarded to the low bidder, III PG Enterprises, Inc, Laredo, Texas in the estimated amount of \$460,000.00 for the purchase and hauling of approximately 100,000 tons of earthen soils to the City's solid waste facility. The Solid Waste Department will use these soils to cover the landfill cells on a weekly basis in accordance to TCEQ requirements. Funding is available in the Solid Waste Department Fund. | | | | | | | | | | | | | | |
|--|--|--|----------------------|--------|--------------------|--------------------|-------|---------------------------------|----------------|----------------|----------------------|-------------------|---------|---------|----------------|
| INITIATED BY: Jesus Olivares, Assistant City Manager | | STAFF SOURCE: Rogelio Rivera, P.E., Engineering Department Director Stephen R Geiss, Interim Solid Waste Services Manager Francisco Meza, Purchasing Agent | | | | | | | | | | | | | |
| PREVIOUS COUNCIL ACTION: Awarded contract FY11-017 to III PG Enterprises on 12/20/10. | | | | | | | | | | | | | | | |
| BACKGROUND: Bids were requested for awarding a contract for the purchase and hauling of earthen soils to the City's landfill facility. This service requires the vendor to provide and haul approximately 100,000 tons of soils to the City solid waste facility during the contract period. This contract had an option to renew contract for one additional 12-month period. The bid pricing is based on cost per ton delivered price. | | | | | | | | | | | | | | | |
| Bid Summary | | | | | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Vendor</th> <th style="text-align: center;">Quantities in tons</th> <th style="text-align: center;">Unit Price per ton</th> <th style="text-align: center;">Total</th> </tr> </thead> <tbody> <tr> <td>III PG Enterprises, Inc.</td> <td style="text-align: center;">100,000</td> <td style="text-align: center;">\$ 4.60</td> <td style="text-align: center;">\$ 460,000.00</td> </tr> <tr> <td>Anderson Columbia</td> <td style="text-align: center;">100,000</td> <td style="text-align: center;">\$17.40</td> <td style="text-align: center;">\$1,740,000.00</td> </tr> </tbody> </table> | | | | Vendor | Quantities in tons | Unit Price per ton | Total | III PG Enterprises, Inc. | 100,000 | \$ 4.60 | \$ 460,000.00 | Anderson Columbia | 100,000 | \$17.40 | \$1,740,000.00 |
| Vendor | Quantities in tons | Unit Price per ton | Total | | | | | | | | | | | | |
| III PG Enterprises, Inc. | 100,000 | \$ 4.60 | \$ 460,000.00 | | | | | | | | | | | | |
| Anderson Columbia | 100,000 | \$17.40 | \$1,740,000.00 | | | | | | | | | | | | |
| FINANCIAL IMPACT: The purpose of this contract is to establish prices for the commodities or services needed, should the City need to purchase these commodities or services. The City's obligation for performance of an annual supply contract beyond the current fiscal year is contingent upon the availability of appropriated funds from which payments for the contract purchases can be made. If no funds are appropriated and budgeted during the next fiscal year, this contract becomes null and void. | | | | | | | | | | | | | | | |
| Solid Waste Fund – Account Number: 556-2560-533-3915 | | | | | | | | | | | | | | | |
| COMMITTEE RECOMMENDATION: | | STAFF RECOMMENDATION: It is recommended that this contract be approved. | | | | | | | | | | | | | |

COUNCIL COMMUNICATION

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|---|--|--|----------------|--|--|------------------------------|--------------|---|----------------|
| <p>DATE: 01/03/12</p> | <p>SUBJECT: MOTION Consideration for approval of change order no. 1 an increase of \$218,475.75 and to add twenty-four (24) calendar days to the construction contract with Reim Construction, Inc., Mission, Texas, for the Laredo International Airport Reconstruction of General Aviation Apron Phase 6 and Realignment of Taxiway F to increase quantity of apron pavement to be re-constructed due to additional budget availability from FAA Grants. Current construction contract amount with this change order is \$4,626,861.69. Completion date for the project is scheduled for July 2012. Funding is available in the FAA Grants No. 57, 61 and 68.</p> | | | | | | | | |
| <p>INITIATED BY: Carlos Villarreal, City Manager</p> | <p>STAFF SOURCE: Rogelio Rivera, P.E., City Engineer Jose L. Flores, Airport Manager</p> | | | | | | | | |
| <p>PREVIOUS COUNCIL ACTION: On September 19, 2011, City Council awarded a construction contract to Reim Construction, Inc., Mission, Texas, in the amount of \$4,408,385.94 for the Laredo International Airport Reconstruction of General Aviation Apron Phase 6 and Realignment of Taxiway F with a construction contract time of three hundred thirty-six (336) calendar days; and authorizing the City Manager to execute all related contract documents contingent upon receipt and approval of insurance and bond documents.</p> | | | | | | | | | |
| <p>BACKGROUND: The project involves pavement reconstruction at the north end of the General Aviation Apron, and reconstruction of Taxiway F at Runway 35L. The work includes demolition, grading, drainage, asphalt base, concrete pavement, airfield lighting and electrical work. All improvements will be constructed in accordance with Federal Aviation Administration standards and specifications for airport construction.</p> <p>Plans and specifications were prepared by URS, Dallas, Texas.</p> <p>This change order no. 1 is to increase quantity of apron pavement to be re-constructed due to additional budget availability from FAA Grants and to add twenty-four (24) calendar days to the construction contract time.</p> <table border="0" data-bbox="82 1191 1560 1336"> <tr> <td>Original construction contract amount.....</td> <td align="right">\$4,408,385.94</td> </tr> <tr> <td>(Approved by City Council on September 19, 2011)</td> <td></td> </tr> <tr> <td>This change order no. 1.....</td> <td align="right">\$218,475.75</td> </tr> <tr> <td>Current construction contract amount.....</td> <td align="right">\$4,626,861.69</td> </tr> </table> <p>Completion date for the project is scheduled for July 2012.</p> | | Original construction contract amount..... | \$4,408,385.94 | (Approved by City Council on September 19, 2011) | | This change order no. 1..... | \$218,475.75 | Current construction contract amount..... | \$4,626,861.69 |
| Original construction contract amount..... | \$4,408,385.94 | | | | | | | | |
| (Approved by City Council on September 19, 2011) | | | | | | | | | |
| This change order no. 1..... | \$218,475.75 | | | | | | | | |
| Current construction contract amount..... | \$4,626,861.69 | | | | | | | | |
| <p>FINANCIAL IMPACT: Funding is available in the FAA Grants No. 57, 61 and 68. Account No. (433-3652-585-9301 = \$2,099.34), (433-3647-585-9301 = \$30,016.69), and (433-3667-585-9301 = \$186,359.72), respectively.</p> | | | | | | | | | |
| <p>COMMITTEE RECOMMENDATION:</p> | <p>STAFF RECOMMENDATION: Approval of Motion.</p> | | | | | | | | |

Mauricio Del Barrio

From: Elsy D. Borgstedte
Sent: Friday, December 09, 2011 4:36 PM
To: Benjamin De La Garza; Mauricio Del Barrio
Cc: Cynthia Concannon
Subject: RE: 120911 Change Order No 1 for the Airport General Aviation Apron Ph 6 and Taxiway F Realignment.doc
Attachments: 120911 Change Order No 1 for the Airport General Aviation Apron Ph 6 and Taxiway F Realignment.doc

Mauricio and Ben,

I need your help in updating the financial section for this Council item for a change order with Reim. Please insert the amounts for the Change Order contract amount in the financial section, basically we need to utilize the FAA grants 57+61+68 from oldest to newest grant:

| Grant No. | Account No. | Amount |
|-----------|-------------------|---------------------|
| 57 | 433-3652-585-9301 | 2099.34 |
| 61 | 433-3647-585-9301 | 3006.68 |
| 68 | 433-3667-585-9301 | 186359.72 |
| | Total: | \$218,475.75 |

Elsy D. Borgstedte

City of Laredo
Laredo International Airport
5210 Bob Bullock Loop
Laredo, TX 78041-8801
Office: (956) 795-2000
Fax: (956) 795-2572
eborgstedt@ci.laredo.tx.us

-----Original Message-----

From: Jose L. Flores
Sent: Friday, December 09, 2011 9:37 AM
To: Cynthia Concannon; Elsy D. Borgstedte; Humberto Garza; Alejandro Labrada; Alicia R. Ortegon
Subject: 120911 Change Order No 1 for the Airport General Aviation Apron Ph 6 and Taxiway F Realignment.doc

Cindy, please place this item on our next AAB agenda.

Elsy, please work on the financial section.

Alejandro, changed my mind we are going with the first meeting in January.

Thanks

Jose L. Flores

COUNCIL COMMUNICATION

| | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--|----------------|--|--|-------------------------|-------------|--|--|--|--|-------------------------|---------------|--|--|---|--|-------------------------|-------------|--|--|---|--|------------------------------|---------------|---|----------------|
| <p>DATE: 01/03/12</p> | <p>SUBJECT: MOTION Consideration for approval of the Laredo International Airport Runway 17R-35L Extension Project as complete and approval of change order no. 4 a decrease of \$49,730.92 for the balance of quantities actually constructed in place, release of retainage and approval of final payment in the amount of \$540,578.51 to Price Construction, Ltd., Big Spring, Texas. Final construction contract amount is \$9,030,136.75. Funding is available in the Airport Construction Fund.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>INITIATED BY: Carlos Villarreal, City Manager</p> | <p>STAFF SOURCE: Rogelio Rivera, P.E., City Engineer Jose L. Flores, Airport Manager</p> | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>PREVIOUS COUNCIL ACTION: On September 7, 2010, City Council awarded a construction contract to the sole bidder Price Construction, Ltd., Big Spring, Texas, in the base bid amount of \$9,073,776.35 for the Laredo International Airport Runway 17R-35L Extension with a construction contract time of two hundred sixty (260) calendar days; and authorizing the City Manager to execute all related contract documents contingent upon receipt and approval of insurance and bond documents.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>BACKGROUND: The original project involved construction of approximately 913 feet of 150-foot wide concrete runway, 1950 feet of nominal 75-foot wide concrete taxiway and incidental grading, drainage and electrical work. All improvements were constructed in accordance with Federal Aviation Administration standards and specifications for airport construction.</p> <p>Plans and specifications were prepared by URS Corporation, Dallas, Texas.</p> <p>This change order no. 4 is for the balance of quantities actually constructed in place.</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 80%;">Original construction contract amount.....</td> <td align="right">\$9,073,776.35</td> </tr> <tr> <td colspan="2">(Awarded by City Council on September 7, 2010)</td> </tr> <tr> <td>Change order no. 1.....</td> <td align="right">\$16,740.00</td> </tr> <tr> <td colspan="2">(Approved by City Manager on November 5, 2010)</td> </tr> <tr> <td colspan="2">For deleted preformed thermoplastic surface-applied holding position signs, and added surface-painted holding position signs for entire airport.</td> </tr> <tr> <td>Change order no. 2.....</td> <td align="right">\$(23,798.88)</td> </tr> <tr> <td colspan="2">(Approved by the City Manager on November 8, 2010)</td> </tr> <tr> <td colspan="2">For value engineering proposal to allow the use of 20% recycled asphalt pavement (RAP) in mix design.</td> </tr> <tr> <td>Change order no. 3.....</td> <td align="right">\$13,150.20</td> </tr> <tr> <td colspan="2">(Approved by City Manager on July 7, 2011)</td> </tr> <tr> <td colspan="2">Elevation adjustments required to meet FAA grading criteria in RSA.</td> </tr> <tr> <td>This change order no. 4.....</td> <td align="right">\$(49,730.92)</td> </tr> <tr> <td>Current construction contract amount.....</td> <td align="right">\$9,030,136.75</td> </tr> </table> <p>The project was completed within the contract time allotted.</p> | | Original construction contract amount..... | \$9,073,776.35 | (Awarded by City Council on September 7, 2010) | | Change order no. 1..... | \$16,740.00 | (Approved by City Manager on November 5, 2010) | | For deleted preformed thermoplastic surface-applied holding position signs, and added surface-painted holding position signs for entire airport. | | Change order no. 2..... | \$(23,798.88) | (Approved by the City Manager on November 8, 2010) | | For value engineering proposal to allow the use of 20% recycled asphalt pavement (RAP) in mix design. | | Change order no. 3..... | \$13,150.20 | (Approved by City Manager on July 7, 2011) | | Elevation adjustments required to meet FAA grading criteria in RSA. | | This change order no. 4..... | \$(49,730.92) | Current construction contract amount..... | \$9,030,136.75 |
| Original construction contract amount..... | \$9,073,776.35 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (Awarded by City Council on September 7, 2010) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Change order no. 1..... | \$16,740.00 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (Approved by City Manager on November 5, 2010) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| For deleted preformed thermoplastic surface-applied holding position signs, and added surface-painted holding position signs for entire airport. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Change order no. 2..... | \$(23,798.88) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (Approved by the City Manager on November 8, 2010) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| For value engineering proposal to allow the use of 20% recycled asphalt pavement (RAP) in mix design. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Change order no. 3..... | \$13,150.20 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (Approved by City Manager on July 7, 2011) | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Elevation adjustments required to meet FAA grading criteria in RSA. | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| This change order no. 4..... | \$(49,730.92) | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Current construction contract amount..... | \$9,030,136.75 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>FINANCIAL IMPACT: Funding is available in the Airport Construction Fund. Account No. 433-3654-585-9301 (FAA Grant 65).</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>COMMITTEE RECOMMENDATION: N/A.</p> | <p>STAFF RECOMMENDATION: Approval of Motion.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | |

COUNCIL COMMUNICATION

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| DATE: 01/03/2012 | SUBJECT: Consideration to authorize a contract with Kraftsman Playground and Park Equipment, Spring, TX, through the Buyboard Cooperative Purchasing Agreement Program's contract pricing, in the total amount of \$233,270.40 for the purchase and installation of a splash park at Ladrillera Park. Funding is available from the Ladrillera Park Improvements Fund 466-9822-535-5168. |
|----------------------------|--|

| | |
|---|---|
| INITIATED BY: Horacio De Leon, Assistant City Manager | STAFF SOURCE: Osbaldo Guzman, Jr, Parks and Leisure Services Director |
|---|---|

PREVIOUS COUNCIL ACTION: Authorized participation in the BuyBoard cooperative purchasing program.

BACKGROUND:
Authorization to contract with Kraftsman Playground and Park Equipment through the BuyBoard Cooperative Purchasing Program's contract pricing for the purchase and installation of a splash park.

Kraftsman Playground and Park Equipment
19535 Haude Road
Spring, TX 77388

| | |
|--|---------------------|
| Fill N'Spill, 3-Arm Assembly with Wireless Activator Button | \$22,460.00 |
| (4) Aqua Arch | 5,680.00 |
| (2) Baby Long Legs | 2,840.00 |
| Water Weave | 3,690.00 |
| Daddy Long Legs | 3,040.00 |
| Wireless Touch & Go Vibration Bollard | 3,500.00 |
| Water Distribution Manifold | 12,323.00 |
| Dynamic Sequence Controller | 8,600.00 |
| Filtration System without UV System Included | 29,500.00 |
| ECP-UV Sanitization System | 18,111.00 |
| Chain Link Fence Enclosure | 14,250.00 |
| Concrete Pad | 2,240.00 |
| Tank-Below Ground with lockable access hatch | 17,200.00 |
| Spray Play Pad, 5" thick concrete pad With rebar reinforced, light broom finish | 10,434.50 |
| Floor Drain | 1,100.00 |
| Site Preparation | 3,500.00 |
| Design Assistance, Plans and Submittals | 8,500.00 |
| One Day Technical Support & Training | 1,450.00 |
| Obtain Building Permits | 3,500.00 |
| Insurance Coverage | 950.00 |
| Completion and Processing of Payment Bond | 6,998.12 |
| Shipping and Handling | 6,273.33 |
| Discount | (18,639.90) |
| Installation | <u>65,770.35</u> |
| Total | \$233,270.40 |

FINANCIAL IMPACT: The splash park will be purchased through District VIII Ladrillera Park Improvements Fund 466-9822-535-5168 in the amount of \$233,270.40.

| | |
|----------------------------------|---|
| COMMITTEE RECOMMENDATION: | STAFF RECOMMENDATION: It is recommended that this contract be approved. |
|----------------------------------|---|



Kraftsman
COMMERCIAL PLAYGROUNDS
 &
 19535 Haude Road
 Spring TX 77388
 Phone: 281-353-9599
 Fax: 281-353-2265

Quote #Q43027

Page: 1

Date: 12/6/2011
 Project: 12406
 By: Ramon Garza

Sold To:
 Laredo, City of, Parks & Leisure Services Dept
 Osvaldo "Valdi" Guzman, Jr
 Ladrillera SplashPark
 2201 Piedra China
 Laredo TX 78042
 Phone: 956-795-2350 Fax: 956-795-2353
 Terms:
 Net 30 days

Ship To:
 Laredo, City of, Parks & Leisure Services Dept
 Osvaldo "Valdi" Guzman, Jr
 Ladrillera SplashPark
 1901 Pinder
 Laredo TX 78040
 Main Phone: 956-795-2350 Mobile Phone: 956-337-8411

| Qty | Product | Description | Size | Weight | Color | Unit Price | Ext. Price | |
|-----|-------------|--|----------|--------|-------|------------|------------|--|
| | | Preliminary proposal based on Water Odyssey Design A9 With Filtration System. Includes UV Sanitization System | | | | | | |
| 1 | W103-3-SW | Fill N' Spill™, 3-Arm Assembly with Wireless Activator Button. By: Water Odyssey. | 5-15 | | | 22,460.00 | 22,460.00 | |
| 4 | W006 | Aqua Arch™. By: Water Odyssey. | 5 | | | 1,420.00 | 5,680.00 | |
| 2 | W036 | Baby Long Legs™. By: Water Odyssey. | 18 | | | 1,420.00 | 2,840.00 | |
| 1 | W093 | Water Weave™. By: Water Odyssey. | 14 | | | 3,690.00 | 3,690.00 | |
| 1 | W004 | Daddy Long Legs™. By: Water Odyssey. | 25 to 36 | | | 3,040.00 | 3,040.00 | |
| | | Approximate Total Flow Rate | 110 GPM | | | | | |
| 1 | W009-W | Wireless Touch & Go™ Vibration Bollard. By: Water Odyssey. | | | | 3,500.00 | 3,500.00 | |
| 1 | WMF-07P | Water distribution Manifold, wall mounted 4" Stainless Steel header with pressure gauge, drain valve, 2" water hammer arrestor, (2) 4" FPT connections, (1) 4" MPT plug, (7) discharge assemblies each with (1) true union ball valve and (1) glass lined plastic solenoid valve. By: Water Odyssey. | | | | 12,323.00 | 12,323.00 | |
| 1 | DSC-8-16-W | Dynamic Sequence Controller, with 32 wireless inputs, 8 hardwired inputs, and 16 outputs, with wireless antenna, mounted in a NEMA4X housing. By: Water Odyssey. | | | | 8,600.00 | 8,600.00 | |
| 1 | FILTRATION | Filtration, without UV System included), 100% filtered water. See notes page for description | | | | 29,500.00 | 29,500.00 | |
| 1 | ECP-113-5SP | ECP-UV Sanitization system with 3" flange connection for Flow rates up to 260 GPM. Complete validated system with Sanitation Chamber and Control Panel. Requires a 220V 1 Phase circuit breaker. By AquaKraft | 3" | | | 18,111.00 | 18,111.00 | |



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 Project: 12406
 By: Ramon Garza

| | | | | | |
|------|------------|--|--------|-----------|-----------|
| 1 | ENCLOSUER | Chain Link fence enclosure with lockable walk gate and metal roof to protect and cover filtration equipment, pumps, and feature controllers. | | 14,250.00 | 14,250.00 |
| 256 | CONC4RB | Concrete Pad, 4" thick concrete pad with, rebar reinforced, broom finish. | | 8.75 | 2,240.00 |
| 1 | TANK | Below ground water containment tank, with lockable access hatch | 3000 | 17,200.00 | 17,200.00 |
| 1018 | SPLASHDECK | Spray Play Pad, 5" thick concrete pad with slope to drains, rebar reinforced, light broom finished to help prevent the possibility of slippage (no coloring or top coat) | 1 sqft | 10.25 | 10,434.50 |
| 4 | 860-6PV | Floor Drain, Fat Max, 9" dia. top, pvc top grate, 6" Sch 40 outlet, PVC, Vandal proof screws, by Sioux Chief | grey | 275.00 | 1,100.00 |
| 1 | SITE PREP | Site preparation for the new SplashPark area. | | 3,500.00 | 3,500.00 |
| 1 | DOCU | Design Assistance, Plans and Submittal Documentation | | 8,500.00 | 8,500.00 |
| 1 | TRAIN 1 | One day of technical support personnel on site to assist with balancing features, system start up, and 4 hours of staff training. | | 1,450.00 | 1,450.00 |
| 1 | PERMITS | Obtain Building permits. | | 3,500.00 | 3,500.00 |
| 1 | INSUR | Naming customer as additional insured on insurance coverage, and processing of coverage | | 950.00 | 950.00 |
| 1 | BOND | Completion and Payment Bond and processing of bond | | 6,998.12 | 6,998.12 |

| | |
|----------------------|---------------------|
| Subtotal: | \$179,866.62 |
| Shipping & Handling: | \$6,273.33 |
| Discount: | (\$18,639.90) |
| Equipment Subtotal: | \$167,500.05 |
| Tax: | \$0.00 |
| Install: | \$65,770.35 |
| Total: | \$233,270.40 |



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|----------|-------------|
| Date: | 12/6/2011 |
| Project: | 12406 |
| By: | Ramon Garza |

Notes

Subject: Buy Board

Date: 4/21/2011

Proposal is submitted with applicable discounts per Buy Board program to reflect established discounts for this product. Kraftsman's Buy Board vendor number is 346-10.

Subject: Bonding

Date: 4/21/2011

Payment and Performance bonds are included. Maintenance bonds are not, but can be added for an additional expense.

Subject: Building Permits & Engineering Stamps

Date: 4/21/2011

1. Building permit acquisition is included.
2. Engineer stamped Filtration and concrete plans are included.
3. Submittals and reviews for State of Texas ADA compliance and inspections are not included. Additional charges will apply if excluded services are provided and / or required for completion of the project.

Subject: Site Work

Date: 4/21/2011

1. Site preparation grading is included.
2. Proper drainage of the area is to be assessed and completed prior to start of construction by Kraftsman.
3. Preparation and submittal of SWPPP (Storm Water Pollution Prevention Plan) is not included.

Subject: Utilities

Date: 4/21/2011

Customer is to plan, permit, and provide installation of utilities as follows (Kraftsman has not included costs for required improvements to utilities to support the SplashPark):

1. Electrical service to site for connection of electrical service to SplashPark Equipment. Service is to be 220v, 1 Phase, 100 amp, for pumps, UV System, control systems, utility plugs and needed lighting if required. Kraftsman will complete all 24V low voltage connections.
2. Kraftsman will provide bonding of all features, steel rebar, and filtration equipment per code requirements.
3. City water meter and Backflow Preventor is to be provided by customer. A 1.5" water line is to be provided (the minimum water supply to Holding tank is to be 75 GPM, with a minimum of 35 PSI). Kraftsman will supply automated water fill control system in tank.
4. Proper drain line to within 5' of edge of filtration equipment area for backwash discharge from filters and overflow from holding tank. Minimum of 8" size is to be provided. Kraftsman will connect drain boxes from pad to holding tank.
5. Utility leads and required facility improvements are to be completed and ready for connection of new improvements prior to Kraftsman coming on site for construction of the SplashPark improvements.

Subject: Installation

Date: 4/21/2011

Installation quoted includes:

1. Installation of SplashPark feature foundations, setting features, water supply piping to features from manifold (manifold is to be located within 50' of SplashDeck), connections between activators and controller, drain lines to Holding Tank, per standard Kraftsman construction techniques.
2. Installation does not include concrete pad or surfacing unless individually listed as line item in proposal.



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| Date: | 12/6/2011 |
| Project: | 12406 |
| By: | Ramon Garza |

Subject: Items Not Included

Date: 4/21/2011

1. Finish landscaping, sodding or seeding of disturbed areas.
2. Concrete lead walks or adjoining observation concrete deck areas. (unless noted as separate line item)
3. Shade systems or site amenities.
4. Site usage signage for use instructions, rules, safety, or emergency notifications as needed or required.
5. SplashDeck top surfacing for slip resistance, colorization, or fall absorbency. SplashDeck shall be brushed concrete for slip resistance. (unless noted as separate line item)
6. Temporary security fence during construction.
7. Storm Water Pollution Controls for project site. (unless noted as separate line item)
9. Safety wash station for chemical use area in filtration equipment enclosure if required.

Subject: Insurance Terms

Date: 4/21/2011

Kraftsman will supply a certificate of insurance verifying the limits of coverage and naming customer as Additional Insured. See terms page for details and charges for adding other special coverage's if required.

Subject: Start Up & System Training

Date: 4/21/2011

Service includes one day of technical support personnel on site to assist with balancing of features, system start up, and 4 hours of staff operations training.

Subject: Sales Tax

Date: 4/21/2011

Sales tax is not included in prices quoted. Customer is to supply Sales Tax Exemption or Sales Tax Resale certificate at time of acceptance of proposal, or sales tax will be added to final contract and invoicing for the project.

Subject: Filtration System

Date: 4/21/2011

Filtration System
Pumping, Filtration, and Water Treatment System, with self-priming EQ Series pump by Pentair, with integral large capacity clear top strainer; high rate sand filter with manual backwash valve (sand by Kraftsman); connected to manifolds; pressure gauges and one vacuum gauge. Electronic water quality monitoring controls with auto safety shutdown, pH treatment system and Liquid chlorine treatment system. Dynamic Sequencing Controller connected to feature valves, and motor starter.

Subject: Design Note

Date: 4/21/2011

Chlorine and Acid storage will be above grade, 30 gal. poly drums set on concrete slab inside of fenced equipment area.

Subject: Project Completion

Date: 4/21/2011

Allow 4 to 8 weeks for preparation of plans, drawings, and submittals after acceptance of proposal.

Shipping date of equipment from factory will be approximately 6 to 10 weeks after approval of submittal documentation, provided that the following has been completed and approved by the customer:

1. Project product submittals reviewed, approved and returned.
2. Color selection sheet (signed and dated)
3. Physical project address
4. All contact names and phone numbers
5. Exemption certificate (if applicable)
6. Deposit per contract (if applicable)

Allow adequate time for processing and procuring construction permits if required.

Allow approximately 8 to 12 weeks for project completion upon equipment delivery from manufacturer, issuance of building permits if required, weather permitting.



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| | |
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| Date: | 12/6/2011 |
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| By: | Ramon Garza |

Shipping & Handling:



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| | |
|----------|-------------|
| Date: | 12/6/2011 |
| Project: | 12406 |
| By: | Ramon Garza |

Terms

Sold To: Laredo, City of, Parks & Leisure Services Dept

Ship To: Ladrillera SplashPark

Terms: Net 30 days

CONDITIONS OF SALE

1. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the contract.
2. No returns of merchandise will be accepted unless previously authorized in writing by Kraftsman. All returns are subject to restocking fee of 25% plus freight charges incurred for return to original shipment origination.
3. Title for all equipment is reserved by Kraftsman Commercial Playgrounds and Water Parks until payment in full is received. The right to enter the property and repossess said equipment is hereby granted to Kraftsman Commercial Playgrounds and Water Parks if payment is not rendered in accordance with the terms above. All payments made prior to repossession under this contract shall be forfeited to Kraftsman Commercial Playgrounds and Water Parks as cost incurred to recover the equipment. Repossession of product does not waive any damages or costs due as awarded by the court.
4. All collections or litigation concerning this contract shall be governed by the laws of Harris County, the State of Texas.
5. Kraftsman warrants the merchandise on this proposal to be up to the manufacturers published standards as to material and workmanship. See catalogs or attached drawings for specific layouts, warranties, and specifications .
6. Kraftsman reserves the right to review contract for final acceptance by management and to make corrections of clerical errors.
7. A service charge of 1.5% per month will be assessed on all past due amounts.
8. Installation services include all labor, equipment required to complete the job, and insurance coverage's as required by law. Extra installation charges will incur for abnormal sub surfaces, ie. rock, landfill, etc. Price quoted includes Kraftsman's standard insurance coverages of \$2 million in General Liability & Completed operations, \$1 million in Automobile Liability, \$1 million in Workman's Compensation. Any charges by Kraftsman's insurance carrier or agents for adding GeneralContractor or Owner as additional insured, waivers of subrogation, or changes to standard coverage shall be added to contract charges. No performance bond or labor and material payment bonds shall be provided by Kraftsman, unless listed as individual line item in proposal.
9. Kraftsman Commercial Playgrounds and Water Parks is not liable for damages to underground utilities, and irrigations systems during installation. It is the customers responsibility to locate all underground utilities.
10. Building permits required by local or state authorities & municipalities are not included and are the responsibility of the owner of the property, unless specifically included as a line item in the proposal. If you want Kraftsman to handle required permitting please contact our office and we will provide a quote if not included as a line item within this proposal.
11. This proposal may be withdrawn by Kraftsman if not accepted within thirty (30) days.

Respectfully Submitted: _____
 Ramon Garza

Date: December 6, 2011

Acceptance of Proposal:

The prices, specification and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. If contract is placed with an attorney for suit or collection through probate, bankruptcy or other legal proceedings, customer agrees to pay all expenses and reasonable attorney fees incurred. Any verbal instructions, agreements, or promises are not valid unless written as part of this contract.

Authorized Signature: _____

PO#: _____

Printed Name & Title : _____

Date of Acceptance: _____

Authorized Signature: _____

Printed Name & Title : _____

WE STRONGLY RECOMMEND A RESILIENT FALL SURFACE BE INSTALLED UNDER ALL PLAY & FITNESS EQUIPMENT

Thank You! We Appreciate Your Business!

COUNCIL COMMUNICATION

| | |
|------------------------------|---|
| DATE: 01/03/12 | SUBJECT: MOTION Consideration for approval of the CDBG Sidewalks Project No. 40 (23 Blocks) – District V as complete and approval of change order no. 1 a decrease of \$9,960.10 for the balance of quantities actually constructed in place, release of retainage and approval of final payment in the amount of \$16,607.42 to ALC Construction, Inc., Laredo, Texas. Final construction contract amount is \$151,325.90. Funding is available in the Community Development Block Grant – 35 th Action Year/2009 Grant. |
|------------------------------|---|

| | |
|--|---|
| INITIATED BY: Carlos Villarreal, City Manager | STAFF SOURCE: Rogelio Rivera, P.E., City Engineer Ronnie Acosta, CD Director |
|--|---|

PREVIOUS COUNCIL ACTION:
On September 6, 2011, City Council approved to award a to the lowest bidder ALC Construction, Inc., Laredo, Texas, in the base bid amount of \$161,286.00 for the CDBG Sidewalks Project No. 40 (23 Blocks) – District V with a construction contract time of seventy (70) working days; and authorizing the City Manager to execute all related contract documents contingent upon receipt and approval of insurance and bond documents.

BACKGROUND:
The original project consisted of ADA accessible sidewalk improvements throughout the City of Laredo. Generally the sidewalks are 4 feet in width with ADA ramps at each street crossing. The project also included header walls, driveways and utility adjustments as required.

Plans and specifications were prepared by Seca Engineering, L.L.C., Laredo, Texas.

This change order no. 1 is for the balance actually constructed in place.

| | |
|---|---------------------|
| Original construction contract amount..... | \$161,286.00 |
| (Approved by City Council on September 6, 2011) | |
| This change order no. 1..... | <u>\$(9,960.10)</u> |
| Final construction contract amount..... | \$151,325.90 |

The project was completed within the contract time allotted.

FINANCIAL IMPACT:
Funding is available in the Community Development Block Grant – 35th Action Year/2009 Grant.
Account No. 211-9540-535-1416

| | |
|--|---|
| COMMITTEE RECOMMENDATION: N/A. | STAFF RECOMMENDATION: Approval of Motion. |
|--|---|

List of sidewalks was as follows:

| Street Name | From | To | Side | No. of Blocks |
|---------------------|----------------------|----------------------|-------------|----------------------|
| Barcelona Avenue | W. Travis Street | W. Saunders Street | East | 1 |
| Barcelona Avenue | W. Saunders Street | W. Olive Street | West | 2 |
| McDonell Avenue | W. Olive Street | W. Bustamante Street | West | 2 ½ |
| McDonell Avenue | W. Bustamante Street | W. Ryan Street | West | 1 ½ |
| Monterrey Avenue | Saunders Street | E. San Carlos Street | East | 3 |
| Monterrey Avenue | E. Bustamante Street | E. Eistetter Street | East | 1 |
| Sanders Avenue | E. Saunders Street | E. Olive Street | East | ½ |
| Sanders Avenue | E. Olive Street | E. San Pedro Street | East | ½ |
| Sanders Avenue | E. San Pedro Street | E. Ryan Street | East | 3 ½ |
| E. Eistetter Street | Monterrey Avenue | McDonell Avenue | North | 1 |
| W. Eistetter Street | McDonell Avenue | Valencia Avenue | North | ½ |
| Bustamante Street | Barcelona Avenue | McDonell Avenue | South | 1 ½ |
| San Carlos Street | San Francisco Avenue | Barcelona Avenue | South | 1 |
| San Carlos Street | Valencia Avenue | McDonell Avenue | South | 1 |
| San Carlos Street | Monterrey Avenue | Sanders Avenue | South | ½ |
| San Pedro Street | McDonell Avenue | Sanders Avenue | South | 2 |
| Total No. of Blocks | | | | 23 |

COUNCIL COMMUNICATION

| | | |
|--|---|--|
| DATE: 01/03/12 | SUBJECT: MOTION Authorizing the City Manager to execute a contract with Castle Engineering & Testing, L.L.C. of Laredo, Texas, in the amount of \$30,850.00 for construction material testing services for the 12-inch Diameter Off-Site Sanitary Sewer Line located at Vidal Cantu Boulevard to future Sombreretillo Waste Water Treatment Plant. Funding is available in the 2009 Sewer Bond. | |
| INITIATED BY: Jesus M. Olivares, Assistant City Manager | STAFF SOURCE: Tomas M. Rodriguez, Jr., P.E., Utilities Director | |
| PREVIOUS COUNCIL ACTION: On August 01, 2011 City Council awarded a construction contract to Western Summit Constructors, Inc. / McAllen Construction, Inc. for the El Pico Water Treatment Plant. | | |
| BACKGROUND: Castle Engineering & Testing, L.L.C. will provide construction material testing services for the 12-inch Diameter Off-Site Sanitary Sewer Line located at Vidal Cantu Boulevard to future Sombreretillo Waste Water Treatment Plant. | | |
| FINANCIAL IMPACT: Funding is available in the 2009 Bond Series 559-4283-538-0363; Sewer Rehabilitation | | |
| COMMITTEE RECOMMENDATION: Operations and Finance Committees | STAFF RECOMMENDATION: Approval of motion. | |

August 17, 2011

Mr. Tomas M. Rodriguez, Jr., P.E.
Director of Utilities
City of Laredo-Utilities Department
5816 Daugherty Avenue
Laredo, Texas 78041

Phone No.: 956.721.2000
Fax No.: 956.721.2001
E-Mail: trodriguez@ci.laredo.tx.us



Re: Proposal for Construction Materials Engineering
and Testing Services
El Pico Water Treatment Plant
12" Sanitary Sewer Line
Laredo, Webb County, Texas
Part I - CET Proposal No.: M11014

Dear Mr. Rodriguez:

Castle Engineering & Testing, LLC (CET) is pleased to express our interest in providing construction materials engineering and testing services for the referenced project and offer the following proposal for your consideration. *We understand that we have been chosen to provide these services for this publicly funded project. Therefore, by providing cost information we are not in violation of the Texas Professional Service Procurement Act.* This proposal consists of two parts: Part I—Proposal—Scope of Services and Estimated Cost of Services; Part II—Terms and Conditions (Attached). The following sections outline our understanding of the project and provide a description of the tasks to be performed.

PROJECT DESCRIPTION

The new construction consists of a 12" Sanitary Sewer Line that will be located south and parallel to FM 1472 from the proposed Vidal Cantu Road to the existing WW manhole A-1, all within the Laredo City Limits. The proposed sanitary sewer improvements will include pipe trenching, jack and bore, manholes, and other incidental improvements. The proposed sanitary sewer line route may possibly cross existing natural and man-made drainage systems that may require specific trench shoring systems due to the depth required. The total pipe length expected will be approximately 7,700 +/- feet. The anticipated method of pipe installation will be open cut trench which may require pavement repairs, if crossing existing paved streets and roads.

SCOPE OF SERVICES

Our understanding of the required construction materials engineering and testing services for this project is based upon information provided by you or your designated representative. Our scope of services will include, but may not be limited to testing and observations in the following categories as scheduled: Earthwork/Soils and Concrete Testing.

- Services will be performed in a manner consistent with the level of care and skill ordinarily expected by members of the profession currently practicing under similar circumstances. No warranty, expressed, or implied, is made.
- Field services will be provided on a "call-out" basis when scheduled by your authorized representative. A minimum of 24 hours notice is required to schedule our services, *although we will attempt to meet requests in a short time frame.*

ESTIMATED COST OF SERVICES

Our not-to-exceed without written approval price for providing the above scope of services is \$30,850.00 as shown on the following cost summary. Please recognize that this is an estimate only based on the quantity of tests indicated in the breakdown provided below. If these quantities are exceeded at the request of the contractor and written authorized by the client, additional fees will apply. However, we will keep you informed throughout the progress of the project and notify you of the budget conditions.

| Earthwork/Soils Testing | Quantity | Unit Rate | Total |
|--|-----------------|------------------|--------------------|
| Moisture Density Relationship for Soils Includes Sample Pick-Up, Lab Tech Time and Report | 12 | \$250.00 | \$3,000.00 |
| Liquid Limit, Plastic Limit and Plasticity Index Includes Lab Tech Time and Report | 15 | \$125.00 | \$1,875.00 |
| Material Finer Than the No. 200 Sieve Includes Lab Tech Time and Report | 15 | \$75.00 | \$1,125.00 |
| Gradation/Sieve Analysis Includes Lab Tech Time and Report | 3 | \$150.00 | \$450.00 |
| In-Place Field Density Tests Minimum Charge Four (4) Tests Per Trip Includes Trip Charge, Field Tech Time and Report | 520 | \$40.00 | \$20,800.00 |
| | | Subtotal | \$27,250.00 |

| Concrete Testing | Quantity | Unit Rate | Total |
|--|-----------------|------------------|-------------------|
| Compression Strength of Concrete Cylinders (Set's of Four (4) Cylinders) Includes Trip Charge, Field Tech Time, Temperature Reading, Slump, Molding/Testing and Report | 18 | \$200.00 | \$3,600.00 |
| | | Subtotal | \$3,600.00 |

| | |
|------------------------------|--------------------|
| Total Budget Estimate | \$30,850.00 |
|------------------------------|--------------------|

Authorization

Authorization to proceed with our work on this project will be provided by the authorized representative in the form of a signed Castle Professional Services Agreement (Part II – Terms and Conditions). Please return one of these duplicated proposals with your signature if you accept the terms and conditions described in this document. This proposal is valid if authorized within 60 days from the listed proposal date.

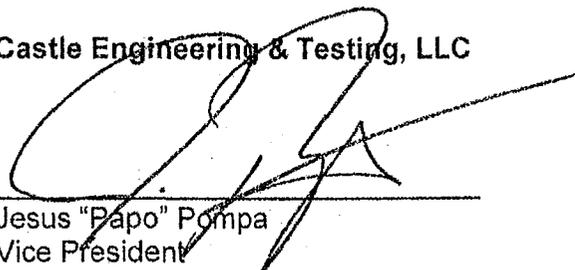
Reporting and Distribution

Field test results will be reported to your on-site representative at the time of testing, and written reports of the tests performed will be submitted to your attention. Reports can be distributed electronically upon request. Please provide us with a list of those whom you would like to receive testing results.

We appreciate the opportunity of providing our services for this project. If you have questions regarding this proposal or if we may be of further assistance, please contact our office.

Sincerely,

Castle Engineering & Testing, LLC



Jesus "Papo" Pompa
Vice President

Attachment(s): Professional Services Agreement (Part II – Terms and Conditions)

CASTLE ENGINEERING & TESTING, LLC
PROFESSIONAL SERVICES AGREEMENT
PART II - TERMS AND CONDITIONS

WHEREAS: This Professional Services Agreement is made and entered into between City of Laredo-Utilities Department ("Client") and Castle Engineering & Testing, LLC ("Engineer") a Texas corporation. This Agreement consists of two parts: Part I Proposal - Scope of Services and Compensation, Part II - Terms and Conditions.

ARTICLE 1: PROFESSIONAL SERVICES

1.1 **Services.** In connection with the property described in the Proposal, Engineer shall render the professional services ("Services") for the project described in the Proposal as outlined in the Proposal and any Amendments.

1.2 **Agreement.** The Professional Services Agreement includes the Proposal dated August 17, 2011 and these Terms and Conditions (collectively, the "Agreement").

ARTICLE 2: PROPOSALS

2.1 **Scope.** The Proposal(s) shall identify the specific scope of Services to be performed and the amount and type of compensation for the specific services.

2.2 **Acceptance of Agreement.** Client shall authorize and Engineer shall commence work upon Engineer's receipt of the properly executed and signed Proposal(s), as may amended from time to time. If the Agreement is not executed by Client within thirty (30) days of the date tendered, it shall become invalid unless: (1) Engineer extends the time in writing; or (2) at the sole option of Engineer, Engineer accepts Client's oral authorization to proceed with the services, in which event the terms of the oral authorization shall be presumed to include all the terms of this Agreement. Engineer's performance of the services under the oral authorization shall be in reliance on the inclusion of all the terms of this Agreement in the oral authorization.

ARTICLE 3: CHANGES

3.1 **Changes.** The Engineer and Client may at any time, by written amendment, make changes within the general scope of individual Proposal(s) or relating to services to be performed. If such changes cause an increase or decrease in the Engineer's cost of, or time required for, performance of any services under individual Proposals, an equitable adjustment shall be made and reflected in a properly executed Amendment.

3.2 **Regulatory Changes.** In the event that there are modifications or additions to regulatory requirements relating to the services to be performed under this Agreement after the date of execution of this Agreement, the increased or decreased cost of performance of the services provided for in this Agreement and subsequent Proposals shall be reflected in an appropriate Proposal Amendment.

ARTICLE 4: THE TERM

4.1 **Term.** Engineer shall be retained by Client as of the date Client executes the attached Proposal until the Services have been fully performed or until the Engineer's Services are terminated under provisions of the Agreement. Engineer will pursue completion of Services in accordance with the timely completion specified in the

Proposal and any amendments thereto. Engineer shall not be liable or responsible for any delays caused by circumstances beyond Engineer's control.

ARTICLE 5: DUTIES

5.1 **Access.** Client will provide Engineer with access to the Property or to any other site as required by Engineer for performance of the Services.

5.2 **Client-furnished Data.** Client shall provide all criteria and full information as to Client's requirements for the Project, designate a person to act with authority on Client's behalf in respect to all aspects of the Project, examine and respond promptly to Engineer's submissions, and give prompt written notice to Engineer whenever he observes or otherwise becomes aware of any defect in the work.

Client shall also do the following and pay all costs incident thereto: Furnish to Engineer core borings, probings and subsurface exploration, hydrographic surveys, laboratory tests and inspections of samples, materials and equipment and similar data; appropriate professional interpretations of all of the foregoing; environmental assessment and impact statements, and any other information previously made available to the Client, which may be required by Engineer, all of which Engineer may rely upon in performing its Services.

Client shall provide such legal, accounting, independent cost estimating and insurance counseling services as may be required for the Project, any auditing service required in respect of contractor(s)' applications for payment, and any inspection services to determine if contractor(s) are performing the work.

5.3 **Other Information.** Engineer will rely upon commonly used sources of data, including database searches and agency contacts. Engineer does not warrant the accuracy of the information obtained from those sources and has not been requested to independently verify such information.

5.4 **Ownership of Documents.** All designs, drawings, specifications, documents, and other work products of the engineer, whether in hard copy or electronic form, are instruments of service for the services and are owned by the Engineer regardless of whether or not services are completed. Reuse, change or alteration by the client or by other's acting through or on behalf of the client is not permitted without the written consent of Engineer. ANY REUSE, CHANGE OR ALTERATION BY THE CLIENT OR THIRD PARTIES IS AT THEIR OWN RISK AND CLIENT AGREES TO HOLD HARMLESS AND INDEMNIFY THE ENGINEER, ITS OFFICERS, PARTNERS, EMPLOYEES, AND SUBCONTRACTORS FROM ALL CLAIMS, DAMAGES, LOSSES, EXPENSES AND COSTS (INCLUDING ATTORNEYS' FEES), INCLUDING, BUT NOT LIMITED TO, CLAIMS FOR ENGINEER'S ALLEGED NEGLIGENCE, ARISING OUT OF OR RELATED TO SUCH AUTHORIZED OR UNAUTHORIZED REUSE, CHANGE OR ALTERATION.

5.5. **Reporting Obligations.** Client has responsibility for complying with all legal reporting obligations. Nothing in the Agreement precludes Engineer from providing any notices or reports that it may be required by law to give to governmental entities.

5.6 **Laboratory Services.** In performing services, Engineer may make use of an independent testing laboratory. Engineer will not, and Client shall not rely upon Engineer to, check the quality or accuracy of the testing laboratory's services.

5.7. **Changed Conditions.** The Client shall rely on the Engineer's judgment as to the continued adequacy of the Agreement in light of occurrences or discoveries that were not originally contemplated by or known to the Engineer. Should Engineer call for contract renegotiation, the Engineer shall identify the changed conditions necessitating renegotiation and the Engineer and the Client shall promptly and in good faith enter into renegotiation of this Agreement. If the terms cannot be agreed to, the parties agree that either party has the right to terminate the Agreement.

5.8 **Site Visit.** All conclusions, opinions and recommendations will be based upon site conditions at the Property as they existed at the time of Engineer's site visit. Any report should not be relied upon to represent conditions at a later date.

5.9 **Opinions of Cost.** Should Engineer provide any cost opinions, it is understood that those opinions are based on the experience and judgment of Engineer and are merely opinions. Engineer does not warrant that actual costs will not vary from those opinions because, among other things, Engineer has no control over market conditions.

5.10 **Construction Observation.** If construction phase services are included in the Services, the Engineer shall periodically visit the Project during construction to become generally familiar with the progress and quality of the contractors' work and to determine if the work is proceeding in general accordance with the Contract Documents. The Client has not retained the Engineer to make detailed inspections or to provide exhaustive or continuous Project review and observation services. The Engineer does not guarantee the performance of, and shall have no responsibility for, the acts or omissions of any contractor, subcontractor, supplier or any other entity furnishing materials or performing any work on the Project. Engineer shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by contractor(s) or the safety precautions and programs incident to the work of contractor(s).

5.11 **Permits.** Client is responsible for obtaining and complying with all required permits or other approvals of, and for giving any required notices to, all governmental and quasi-governmental authorities having jurisdiction over the Services or the Property. Before Engineer performs the Services, Client will provide Engineer evidence satisfactory to Engineer that all required permits or other approvals have been obtained and that all required notices have been given. Client will provide to Engineer copies of any such permits or any such notices, together with any other relevant information that will alert Engineer to the requirements of such permits, approvals, or notifications.

ARTICLE 6: COMPENSATION OF SERVICES

6.1 **Compensation of Services.** Engineer's compensation for services shall be set forth in individual Proposal.

6.2 **Compensation.** Client agrees to pay Engineer for Services in accordance with the Agreement. Expenses directly related to these Services, including reproduction, out of town travel, long distance telephone bill, express mail, special deliveries and subcontractor expenses shall include a ten percent (10%) markup on cost.

6.3 **Payments.** Engineer will invoice Client monthly in accordance with the terms and conditions of the Proposal, and amendment(s) for Services and reimbursables. Client agrees to promptly pay Engineer at its office at 1216 Santa Maria Avenue, Laredo, Texas 78040, the full amount of each such invoice upon receipt. In no event shall Engineer's failure to bill monthly constitute default under the terms and conditions of this Agreement.

6.4 **Sales and Use Tax.** Effective July 1, 1991, State, City and MTA Sales Tax of 8.25 % must be collected on Surveying Fees for the establishment of Real Property Boundaries and determining the location of structures or improvements in relation to the boundaries. Charges for prints and reproductions are also subject to the 8.25% Sales Tax. In the event subsequent taxes are levied by Federal, State, or Local authorities, relating to the services in writing and such modifications as are required shall be made a part of this Agreement.

6.5 **Right to Stop Performance.** If Client does not pay any amount due to Engineer within thirty (30) days after the invoice date, or within five (5) days of payment by Owner, Engineer may, upon three (3) additional days verbal or written notice to Client, stop performance of the Services until payment of the amount owed has been received.

6.6 **Attorney's Fees.** In the event Engineers' invoices for Services are given to any attorney for collection, or if suit is brought for collection, or if they are collected through probate, bankruptcy, or other judicial proceeding, then Client shall pay Engineer all cost of collection, including the maximum attorney's fees allowed by law and court costs, in addition to other amounts due.

ARTICLE 7: TERMINATION OF SERVICES

7.1 **Termination.** This Agreement may be terminated without cause at any time prior to completion of Engineer's services, either by Client or by Engineer, upon seven (7) days written notice to the other at the address of record. Upon receipt of written notice from Client to discontinue work, the Engineer shall discontinue work under this Agreement. Such termination shall release Engineer from any further obligation to provide Services to Client on this Agreement, but all obligations of Client shall continue. In the event Client terminates the Agreement based on Client's reasonable opinion the Engineer has failed or refused to prosecute the work efficiently, promptly or with diligence, the Engineer shall have ten (10) days, from the receipt of written notification by Client, to cure such failure to perform in accordance with the terms of this Agreement or Proposal(s).

Client waives any and all claims it has against Engineer arising out of termination of this Agreement by Engineer. Client waives any and all claims, causes of action, or damages that it has or may have against Engineer for failure to perform further services under this or any other Agreement with Client.

7.2 **Compensation in Event of Termination.** Upon termination by either Client or Engineer, Client shall pay Engineer with respect to all contracted Services rendered and expenses incurred before termination an amount fixed by applying the Engineer's standard hourly rates, in force at the time of termination, to all Services performed to date, in addition to termination settlement costs the Engineer reasonably incurs relating to commitments which had become firm before the termination.

ARTICLE 8: RELATIONSHIP OF PARTIES

8.1 **Independent Contractor.** It is understood that the relationship of Engineer to Client shall be that of an independent contractor. Neither Engineer nor employees of Engineer shall be deemed to be employees of Client.

ARTICLE 9: LIMITATION OF LIABILITY

9.1 **Limitation of Liability.** TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL LIABILITY OF ENGINEER, ITS EMPLOYEES, OFFICERS, SUBCONSULTANTS AND SUBCONTRACTORS, TO CLIENT FOR ANY AND ALL INJURIES, CLAIMS, LOSSES, EXPENSES, OR DAMAGES WHATSOEVER FROM ANY CAUSE OR CAUSES, INCLUDING, BUT NOT LIMITED TO, STRICT LIABILITY, BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, OR ERRORS OR OMISSIONS SHALL NOT EXCEED THE ENGINEER'S TOTAL FEE. NOTWITHSTANDING ANY OTHER PROVISION OF THE AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY PUNITIVE, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES INCURRED DUE TO THE FAULT OF THE OTHER PARTY, REGARDLESS OF THE NATURE OF THIS FAULT OR WHETHER IT WAS COMMITTED BY THE CLIENT OR BY ENGINEER, THEIR EMPLOYEES, AGENTS, SUBCONSULTANTS, OR SUBCONTRACTORS. CONSEQUENTIAL DAMAGES INCLUDE BUT ARE NOT LIMITED TO, LOSS OF USE AND LOSS OF PROFIT.

9.2 **No Certification.** Engineer shall not be required to sign any documents, no matter by who requested, that would result in Engineer having to certify, guarantee, or warrant the existence of conditions whose existence Engineer cannot ascertain. The Client also agrees not to make resolution of any dispute with Engineer or payments of any amount due to Engineer in any way contingent upon Engineer's signing any such certification.

9.3 **Asbestos or Hazardous Materials.** It is acknowledged by both parties that Engineer's scope of services does not include any services related to asbestos or hazardous or toxic materials. In the event Engineer or any other party encounters asbestos or hazardous or toxic materials at the Property, or should it become known in any way that such materials may be present at the Property or any adjacent areas that may affect the performance of Engineer's Services, Engineer may, at its option and without liability for consequential or other damages, suspend performance of Services on the Project until the Client retains appropriate specialist consultant(s) or contractor(s) to identify, abate, and/or remove the asbestos or hazardous or toxic materials and warrant that the Property is in full compliance with applicable laws and regulations.

9.4 **Delays.** Engineer is not responsible for delays caused by factors beyond Engineer's reasonable control, including but not limited to delays because of strikes, lockouts, work slowdowns or stoppages, accidents, acts of God, failure of any governmental or other regulatory authority to act in a timely manner, failure of the

Client to furnish timely information or approve or disapprove of Engineer's Services or work product promptly, or delays caused by faulty performance by the Client or by contractors of any level. When such delays beyond Engineer's reasonable control occur, the Client agrees Engineer is not responsible for damages, nor shall Engineer be deemed to be in default of this Agreement. In the event such delay exceeds ninety (90) days, Engineer shall be entitled to an extension of time equal to the delay and an equitable adjustment in compensation. In the event Engineer is delayed by the Client and such delay exceeds thirty (30) days, Engineer shall be entitled to an extension of time equal to the delay and an equitable adjustment in compensation.

9.5 **Project Enhancement.** If, due to Engineer's error or omission, any required item or component of the Project is omitted from Engineer's documents, Engineer shall not be responsible for paying the cost to add such item or component to the extent that such item or component would have been otherwise necessary to the Project or otherwise adds value or betterment to the Project. In no event will Engineer be responsible for any cost or expense that provides betterment, upgrade, or enhancement of the Project.

ARTICLE 10: MISCELLANEOUS

10.1 **Entire Agreement.** The Agreement contains the entire agreement between Engineer and Client, and no oral statements or prior written matter shall be of any force or effect. The Agreement may be modified only by written document executed by both parties.

10.2 **Modifications.** No one has authority to make variations in, or additions to, the terms of this Agreement on behalf of Engineer other than one of its officers, and then only in writing signed by him.

10.3 **Governing Law.** The Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

10.4 **Venue.** Engineer and Client agree that the services will be performed or partially performed in Webb County, Texas, and the venue of any action under the Agreement shall be exclusively in Webb County, Texas.

10.5 **Severability.** If any provision of the Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable and the Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision is not a party hereof, and the remaining provisions shall remain in full force and effect. In lieu of any illegal, invalid or unenforceable provision, there shall be added automatically as a part of the Agreement, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

10.6 **Construction of Agreements.** The parties acknowledge that each party and, if it so chooses, its counsel have reviewed and revised the Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Agreement or any amendments or exhibits.

10.7 **Successor and Assigns.** Client, for himself and partners, if any, and Engineer, for itself, each binds himself or itself and its successors, executors, administrators and assigns to the other party to this Agreement and to partners, successors, executors, administrators and assigns of such other party in respect to all covenants of this Agreement. Neither Client nor Engineer shall assign, sublet, or transfer his interest in this Agreement without the written consent of the other. Nothing herein shall be construed as giving any rights or benefits hereunder to anyone other than Client and Engineer. Client's representative signing below warrants that he or she has full authority to bind Client to this Agreement and further warrants that Client has an ownership interest in the real property that is part of the Project. Client's representative signing below agrees to indemnify, save, and hold Engineer harmless for any and all claims, causes of action, and damages that may arise against Engineer if the representations contained in this Paragraph are not correct.

Nothing in the Agreement restricts Engineer's ability to hire subcontractor in connection with the Services. The Services and any report prepared under this Agreement are for the sole benefit and sole use of Client and are not for the use of any other person. Only Client may rely upon the Agreement and the Services, unless the Engineer gives Client prior and specific written approval.

10.8 **Dispute Resolution.** Any claim, dispute or other matter in question arising out of or related to the Agreement of the Services provided thereunder shall be subject to arbitration. Prior to arbitration, the parties shall endeavor to resolve all disputes by mediation. Claims, disputes and other matters in question between the parties that are not resolved by mediation shall be decided by arbitration which, unless the parties mutually agree otherwise, shall be in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect. The demand for arbitration shall be filed in writing with the other party to the Agreement and with the American Arbitration Association. No arbitration arising out of or relating to the Agreement shall include, by consolidation or joinder or in any other manner, an additional person or entity not a party to this Agreement. The foregoing agreement to arbitration shall be specifically enforceable in accordance with applicable law in any court having jurisdiction. The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction.

10.9 **Mediation.** Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to non-binding mediation as a condition precedent to the institution of legal proceedings by either party. If such matter relates to or is the subject of a lien arising out of the Engineer's services, the Engineer may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or other legal proceedings.

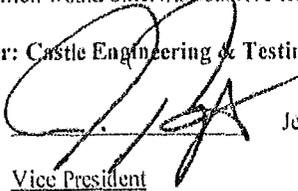
Each party agrees to include a similar mediation provision in all agreements with independent contractors and consultants retained for the Project and to require all independent contractors and consultants also to include similar mediation provisions in all agreements with their respective subcontractors, suppliers, and subconsultants, thereby providing for mediation as the initial method for dispute resolution between the parties to all those agreements.

The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the county where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

10.10 **No Warranty.** Engineer makes no warranty, either expressed or implied, as to Engineer's findings, recommendations, drawings, specifications, or professional advice. Any warranties or guarantees contained in any purchase orders; certifications, requisitions, or notices to proceed issued by the Client are specifically objected to and excluded. Client recognizes that neither Engineer nor any of Engineer's subconsultants or subcontractors owes any fiduciary responsibility to Client.

10.11 **Survival of Provisions.** Termination of the Services for any reason whatsoever shall not affect (a) any right or obligation of any party that is accrued or vested prior to such termination, and any provision of the Agreement relating to any such right or obligation shall be deemed to survive the termination of the Services or (b) any continuing obligation, liability or responsibility of Engineer and of Client which would otherwise survive termination of the Services.

Engineer: Castle Engineering & Testing, LLC

Name:  Jesus "Papo" Pompa

Title: Vice President

Date: 08/27/2011

Recommend Approval: City of Laredo-Utilities Department

Name: _____ Mr. Tomas M. Rodriguez, Jr., P.E.

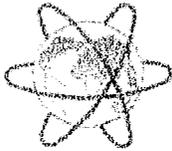
Title: Director of Utilities

Date: _____

CET Proposal No. M11014

COUNCIL COMMUNICATION

| | | |
|--|--|---|
| DATE: 01/03/12 | SUBJECT: MOTION Authorizing the City Manager to execute a contract with CMT-Tec, L.L.C. of Laredo, Texas, in the amount of \$49,300.00 for construction material testing services for the 12-inch Diameter Waterline located at El Pico Water Treatment Plant to Mines Road. Funding is available in the 2011 Bond Series. | |
| INITIATED BY: Jesus M. Olivares, Assistant City Manager | | STAFF SOURCE: Tomas M. Rodriguez, Jr., P.E., Utilities Director |
| PREVIOUS COUNCIL ACTION: On August 01, 2011 City Council awarded a construction contract to Western Summit Constructors, Inc. / McAllen Construction, Inc. for the El Pico Water Treatment Plant. | | |
| BACKGROUND: CMT-Tec, L.L.C. will provide construction material testing services for the 12-inch Diameter Waterline located along Vidal Cantu Boulevard from El Pico Water Treatment Plant to Mines Road (FM-1472). | | |
| FINANCIAL IMPACT: Funding is available in the 2011 Bond Series (Account 557-4193-538-0359) | | |
| COMMITTEE RECOMMENDATION: Operations and Finance Committees | | STAFF RECOMMENDATION: Approval of motion. |



CMT-Tec, L.L.C.

Materials Testing Laboratory

September 20, 2011

Ms. Gloria-Perez Saavedra, PE
City of Laredo Utilities Department
Engineering Division
5816 Daughtery St
Laredo, Texas 78041

**Re: Estimate of Fees for Professional Services
Construction Materials Testing
El Pico Water Treatment Plant
12" Transmission Water Line
Riverbank to Vidal Cantu/Mines Road
Laredo, Texas
CMT Proposal No. CMT-1109-02**

Dear Ms. Saavedra:

In accordance with your request, **CMT-Tec, LLC (CMT-Tec)** is pleased to present our estimate of fees for professional services as referenced above. Our scope of work is based upon the plans and specifications prepared by Dannenbaum Engineering.

ITEMIZED FEE ESTIMATE

| DESCRIPTION | QUANTITY | RATE (\$) | TOTAL (\$) |
|---|----------|-----------|------------------|
| Proctor (ASTM D698)-Sample Collection, Laboratory Moisture Density Relationship, Atterberg Limits | 10 | 250.00 | 2,500.00 |
| In-place Density Testing-Nuclear | 1,560 | 30.00 | 46,800.00 |
| Total Estimate | | | 49,300.00 |

The estimate of fees is based upon services provided between Monday and Friday during normal business hours (8:00 A.M. to 5:00 P.M.) and excludes company recognized holidays. Services provided outside of normal business hours or in excess of eight (8) hours in any one day will be billed as overtime at a rate of 1.5 times the stated hourly rate. Our estimate is to be used for budgeting purposes only. Actual charges will be assessed only for those items completed and will be billed at the rates stated.

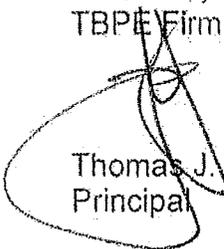
Estimate of Fees for Professional Services
Construction Materials Testing
El Pico WTP 12" Water Line
Laredo, Texas

Page 2 of 2

We appreciate the opportunity to provide you with our proposal. If the scope of work and fees are acceptable, please provide us with notice to proceed by returning a signed copy of this letter proposal to our office. If you have any questions regarding the information provided or if you require our assistance in another capacity, please call us at 956.727.8378.

Sincerely,

CMT-Tec, LLC
TBPE Firm No. F-5082



Thomas J. O'Connor, Jr., P.E., REM
Principal

Authorization to Proceed:

Printed Name:

Title:

Signature:

Date:

/tjo

COUNCIL COMMUNICATION

| | |
|---|---|
| DATE: 01/03/12 | SUBJECT: MOTION Authorizing the City Manager to award an Architectural Contract to Metaform Studio Architects of Laredo, Texas, in the amount of \$105,600.00 for architectural services for design of a new administration building at the Jefferson Water Treatment Plant. The building will be approximately 8,050 sq. ft. and contain student exhibit areas, observation deck, training/conference rooms and administrative offices. Funding is available in the Water Fund - 2011 Bond Series. |
| INITIATED BY: Jesus M. Olivares, Assistant City Manager | STAFF SOURCE: Tomas M. Rodriguez, Jr., P.E., Utilities Director |
| PREVIOUS COUNCIL ACTION: None | |
| BACKGROUND: Metaform Studio Architects will provide architectural services for design of a new administration building at the Jefferson Water Treatment Plant. The building will be approximately 8,050 sq. ft. and contain student exhibit areas, observation deck, training/conference rooms and administrative offices with a preliminary opinion of probable cost of \$1,605,500.00 The following scope of work is included in this contract: Schematic and Final Design Documents to include drawings and specifications, Bid Phase/Contractor Selection and Construction Administration Basic Services TOTAL\$105,600.00 Basic Services do not include the following: <ul style="list-style-type: none"> • Land Survey • Civil Engineering Services • City of Laredo permitting and/or associated fees • Accessibility Consultant (TDLR) for review and inspection • Geotechnical Surveys and Reports • Image studies and/or renderings (excluding required contract documents) | |
| FINANCIAL IMPACT: Funding is available in the Jefferson WTP Admin Building Account Number 557-4193-538-0109. | |
| COMMITTEE RECOMMENDATION: Operations and Finance Committees | STAFF RECOMMENDATION: Approve Motion |



Document B101™ – 2007 Exhibit A

Initial Information

for the following PROJECT:

(Name and location or address)

City of Laredo - Jefferson Water Treatment Plant Administration Building
2519 Jefferson Street
Laredo, Texas 78040

THE OWNER:

(Name, legal status and address)

City of Laredo
1110 Houston Street
Laredo, Texas 78040

THE ARCHITECT:

(Name, legal status and address)

Metaform Studio Architects
6909 Springfield Ave., Suite 107
Laredo, Texas 78041

This Agreement is based on the following information.

(Note the disposition for the following items by inserting the requested information or a statement such as "not applicable," "unknown at time of execution" or "to be determined later by mutual agreement.")

ARTICLE A.1 PROJECT INFORMATION

§ A.1.1 The Owner's program for the Project:

(Identify documentation or state the manner in which the program will be developed.)

To be determined and finalized with the owner.

§ A.1.2 The Project's physical characteristics:

(Identify or describe, if appropriate, size, location, dimensions, or other pertinent information, such as geotechnical reports; site, boundary and topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site; etc.)

The project site is located at the existing water treatment plant located at 2519 Jefferson Street.

§ A.1.3 The Owner's budget for the Cost of the Work, as defined in Section 6.1:

(Provide total, and if known, a line item break down.)

To be determined and finalized with the owner.

§ A.1.4 The Owner's other anticipated scheduling information, if any, not provided in Section 1.2:

See Section 1.2.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

§ A.1.5 The Owner intends the following procurement or delivery method for the Project:
(Identify method such as competitive bid, negotiated contract, or construction management.)

Competitive Bid, Competitive Sealed Proposal, or as otherwise determined by owner.

§ A.1.6 Other Project information:
(Identify special characteristics or needs of the Project not provided elsewhere, such as environmentally responsible design or historic preservation requirements.)

To be determined later by mutual agreement.

ARTICLE A.2 PROJECT TEAM

§ A.2.1 The Owner identifies the following representative in accordance with Section 5.3:
(List name, address and other information.)

Tomas M. Rodriguez, Jr
Utilities Director
City of Laredo
5816 Daugherty Ave
Laredo, Texas 78041

§ A.2.2 The persons or entities, in addition to the Owner's representative, who are required to review the Architect's submittals to the Owner are as follows:
(List name, address and other information.)

N/A

§ A.2.3 The Owner will retain the following consultants and contractors:
(List discipline and, if known, identify them by name and address.)

Geotechnical Engineering and Civil Engineering

§ A.2.4 The Architect identifies the following representative in accordance with Section 2.3:
(List name, address and other information.)

Ricardo A. Solis, AIA – Project Architect
Eduardo X. Quiroga - Project Manager

6909 Springfield Ave., Suite 107
Laredo, Texas 78041

§ A.2.5 The Architect will retain the consultants identified in Sections A.2.5.1 and A.2.5.2.
(List discipline and, if known, identify them by name, legal status, address and other information.)

§ A.2.5.1 Consultants retained under Basic Services:

.1 Structural Engineer

Synergy Structural Engineering, Inc, Professional Corporation
Victor De Anda, P.E.
901 Victoria St, Suite C
Laredo, Texas 78040
Telephone Number: (956) 753-5860
Fax Number: (956) 753-6210

(Paragraphs deleted)

.2 Mechanical, Electrical and Plumbing Engineer

Trinity MEP Engineering, Professional Corporation
Leonardo Munoz, P.E.
1810 W. 6th Street
Weslaco, Texas 78596
Telephone Number: (956) 973-0500
Fax Number: (956) 351-5750

§ A.2.5.2 Consultants retained under Additional Services:

N/A

§ A.2.6 Other Initial Information on which the Agreement is based:
(Provide other Initial Information.)

N/A

Metaform Studio Architects
Architecture, Interiors and Urban Design

Exhibit B

December 21, 2011

Mr. Tomas M. Rodriguez, PE
Utilities Director
City of Laredo Utilities Department
Laredo, Texas 78040

PROPOSAL - CITY OF LAREDO JEFFERSON WATER TREATMENT PLANT ADMINISTRATION OFFICES

The proposed scope of work is to provide architectural design services for the development of the New Administration building for the City of Laredo Jefferson Water Treatment Plant located at 2519 Jefferson Street, Laredo, Texas. The project will consist of a two-story, approximately 8,050 sf building. The project shall include student exhibit areas, observation deck, training / conference rooms and administrative offices. Professional services include schematic design, design development, construction documents, bid phase, and construction administration services as described below.

Architectural Services

Metaform Studio Architects will provide the following services as they relate to the project:
Design, Construction Documents and Specifications will be prepared for the scope presented above.

Compensation

Compensation for the project is based on seven and a half percent (7.5%) of the estimated building cost of one million four hundred eight thousand dollars (\$ 1,408,000.00) or the agreed amount set forth in the AIA B101-2007 Standard Form of Agreement between Owner and Architect. Professional services compensation to be adjusted when a construction cost is established. The percentage is based on the preliminary opinion of probable cost.

(15% Fee) Schematic Design Documents:

Schematic Design Documents will be based on the mutually agreed upon program (developed during this phase). The documents shall establish the conceptual design & site plan of the project, preliminary floor plans, sections and elevations.

(20% Fee) Design Development Documents:

Design Development Documents will be based on the approved Schematic Design Documents. The Design Development Documents shall illustrate and describe the refinement of the design of the project, establishing the scope, relationships, form, size and appearance of the Project by means of plans, sections, elevations and details to describe the project.

(40% Fee) Construction Documents:

Construction Documents will be based on the approved Design Development Documents. The Construction Documents shall set forth in detail the requirements for construction of the Project. The Construction Documents shall include Drawings and Specifications that establish the quality levels of materials and systems required for the project as described by the Architect.

Metaform Studio Architects

Architecture, Interiors and Urban Design

(5% Fee) Bid Phase/ Contractor Selection:

Metaform Studio Architects shall assist the Owner in obtaining either competitive bids or negotiated proposals and shall assist the Owner in awarding and preparing contracts for construction.

Bidding Documents shall consist of bidding requirements, proposed contract forms, General Conditions, Specifications and Drawings.

(20% Fee) Contract Administration:

Metaform Studio shall provide administration of the Contract between the Owner and the Contractor as set forth in the General Conditions of the Contract for Construction. The Architect's responsibility to provide contract administration services commence with the award of the Contract for Construction and terminate at the issuance to the Owner of the final Certificate for Payment. The Architects shall be a representative of and shall advise and consult with the Owner during the provision of the Contract Administration Services.

| | | |
|-----|--------------------------------|---------------------|
| 15% | Schematic Design Phase | \$ 15,840.00 |
| 20% | Design Development Phase | \$ 21,120.00 |
| 40% | Construction Documents | \$ 42,240.00 |
| 05% | Bid Phase Contractor Selection | \$ 5,280.00 |
| 20% | Construction Administration | <u>\$ 21,120.00</u> |
| | | \$ 105,600.00 |

Note: The percentage is based on a preliminary opinion of probable cost. Compensation will be adjusted when a construction cost is established.

Basic Services do not include

- Land Survey (Client Provided)
- Civil Engineering Services
- City of Laredo permitting and/or associated fees.
- Accessibility Consultant (TDLR) for review and inspection.
- Geotechnical Surveys and Reports (Client Provided)
- Image studies and or renderings (excluding required contract documents)

Additional Services

- Additional Services will be billed at the following rates:
- Principal Time: \$ 150. an hour
- Associate Time: \$ 125. an hour
- Cad Time: \$ 75. an hour
- Administration Time: \$ 35. an hour

Metaform Studio Architects
Architecture, Interiors and Urban Design

Direct Reimbursable Expenses

Reimbursable expenses, such as reproductions, printing, long distance travel, computer plots, postage, deliveries, etc., are billed in addition to professional fees at 10% the reasonable and actual cost to Metaform Studio Architects.

Limitation of Liability

In recognition of the relative risks and benefits of the project to both the Client and Metaform Studio Architects, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of the Metaform Studio Architects and their subconsultants to the Client and to all construction contractors and subcontractors on the project for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, so that the total aggregate liability of Metaform Studio Architects and their subconsultants to all those named shall not exceed Metaform Studio Architects total fee for services rendered on this project. Such claims and causes include, but not limited to negligence, professional errors or omissions, strict liability, breach of contract or warranty.

Agreement

We appreciate the opportunity to submit this proposal and look forward to working with you on this project. We ask that if this proposal is acceptable, please return a signed copy to Metaform Studio to indicate your acceptance. Upon acceptance, Metaform Studio will execute an AIA B101-2007 Owner – Architect Agreement prior to beginning work. Please do not hesitate to contact us if you have any questions concerning the proposal.

Once again thank you for allowing us to submit this proposal for your consideration. Please call me if you have any questions concerning the proposal.

Sincerely,

METAFORM STUDIO ARCHITECTS

Signature: 
Name / Title: Ricardo A. Solis, AIA LEED AP- Architect
Date: December 21, 2011

Metaform Studio Architects
Architecture + Planning + Interiors

City of Laredo Jefferson Water Plant Administration Building

December 2011

Preliminary Opinion of Probable Cost

- I. Site Improvements - Allowance
 - Land Acquisition (N/A)
 - Site Clearing/ Demolition Allowance
 - Utilities/ Trenching: Water, Sewer
 - Site Grading, Cut and Fill
 - Structural Fill
 - Power /Communication/ Technology
 - Parking - Asphalt
 - Road Work – Asphalt
 - Sidewalks - concrete
 - Landscaping/ Irrigation
 - Security Walls (Block)/ Fences
 - Security Gate/ Lighting
 - Electrical (Utilities trenching, parking lot lighting)
 - Water (8" or 6" fire protection, 4" Service lateral)

Site Improvements – Subtotal *\$ 120,000.00

* Note: This number is approximate and may change once the existing site information is reviewed.

- II. Building Construction
 - Jefferson WTP Administration Building (2 stories):
 - Training/ Conference Rooms, Exhibit / Student Area (for 40 students max), & Relocation of SCADA Equipment.

8,050 s.f. x \$ 160.00 s.f.

| | | |
|----------------------------------|------------------------|-----------------|
| Building Construction – Subtotal | <u>\$ 1,288,000.00</u> | |
| | \$ 1,003,500.00 | \$ 1,408,000.00 |

- III. Development

| | | |
|--|----------------|------------------------|
| Environmental Phase I Report (Allowance) | \$ 3,500.00 | |
| Surveying Cost/ Testing (Allowance) | 2,500.00 | |
| Construction Testing | \$ 6,500.00 | |
| Construction Contingency 5% | \$ 70,400.00 | (may not be necessary) |
| Arch. / Struct. / MEP Professional Services @ 7.5% | \$ 105,600.00 | |
| Civil Engineering | \$ 6,000.00 | |
| Furniture, Fixture and Equipment (by Owner) | Pending | |
| Technology/ Communications (by Owner) | <u>Pending</u> | |
| | \$ 188,500.00 | \$ 194,500.00 |

Preliminary Opinion of Probable Cost Total **\$1,602,500.00**

AIA[®] Document B101[™] – 2007

Standard Form of Agreement Between Owner and Architect

AGREEMENT made as of the Twenty-first day of December in the year Two Thousand Eleven

(In words, indicate day, month and year.)

BETWEEN the Architect's client identified as the Owner:

(Name, legal status, address and other information)

City of Laredo
1110 Houston Street
Laredo, Texas 78040
Telephone Number: (956) 791-7309

and the Architect:

(Name, legal status, address and other information)

Metaform Studio Architects
6909 Springfield Ave., Suite 107
Laredo, Texas 78041
Telephone Number: (956) 568-3315

for the following Project:

(Name, location and detailed description)

City of Laredo - Jefferson Water Treatment Plant Administration Building
2519 Jefferson Street
Laredo, Texas 78040

Provide architectural services for design of a new administration building for the City of Laredo Utility Department. The building will be approximately 8,050 sq. ft. and contain student exhibit areas, observation deck, training / conference rooms and administrative offices.

The Owner and Architect agree as follows.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Init.

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EXHIBIT A INITIAL INFORMATION

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Article 1 and in optional Exhibit A, Initial Information:

(Complete Exhibit A, Initial Information, and incorporate it into the Agreement at Section 13.2, or state below Initial Information such as details of the Project's site and program, Owner's contractors and consultants, Architect's consultants, Owner's budget for the Cost of the Work, authorized representatives, anticipated procurement method, and other information relevant to the Project.)

§ 1.2 The Owner's anticipated dates for commencement of construction and Substantial Completion of the Work are set forth below:

.1 Commencement of construction date:

To Be Determined by Owner's "Notice to Proceed" to the contractor.

.2 Substantial Completion date:

To Be Determined by Owner's "Notice to Proceed" to the contractor.

§ 1.3 The Owner and Architect may rely on the Initial Information. Both parties, however, recognize that such information may materially change and, in that event, the Owner and the Architect shall appropriately adjust the schedule, the Architect's services and the Architect's compensation.

ARTICLE 2 ARCHITECT'S RESPONSIBILITIES

§ 2.1 The Architect shall provide the professional services as set forth in this Agreement.

Init.

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User Notes:

(1785882451)

§ 2.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

§ 2.3 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project.

§ 2.4 Except with the Owner's knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect's professional judgment with respect to this Project.

§ 2.5 The Architect shall maintain the following insurance for the duration of this Agreement. If any of the requirements set forth below exceed the types and limits the Architect normally maintains, the Owner shall reimburse the Architect for any additional cost:

(Identify types and limits of insurance coverage, and other insurance requirements applicable to the Agreement, if any.)

.1 General Liability

Commercial General Liability - \$1,000,000 per occurrence, \$2,000,000 aggregate

.2 Automobile Liability

\$500,000

.3 Workers' Compensation

Statutory

.4 Professional Liability

Professional Liability - \$1,000,000 per occurrence, \$1,000,000 aggregate

ARTICLE 3 SCOPE OF ARCHITECT'S BASIC SERVICES

§ 3.1 The Architect's Basic Services consist of those described in Article 3 and include usual and customary structural, mechanical, and electrical engineering services. Services not set forth in this Article 3 are Additional Services.

§ 3.1.1 The Architect shall manage the Architect's services, consult with the Owner, research applicable design criteria, attend Project meetings, communicate with members of the Project team and report progress to the Owner.

§ 3.1.2 The Architect shall coordinate its services with those services provided by the Owner and the Owner's consultants. The Architect shall be entitled to rely on the accuracy and completeness of services and information furnished by the Owner and the Owner's consultants. The Architect shall provide prompt written notice to the Owner if the Architect becomes aware of any error, omission or inconsistency in such services or information.

§ 3.1.3 As soon as practicable after the date of this Agreement, the Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services. The schedule initially shall include anticipated dates for the commencement of construction and for Substantial Completion of the Work as set forth in the Initial Information. The schedule shall include allowances for periods of time required for the Owner's review, for the performance of the Owner's consultants, and for approval of submissions by authorities having jurisdiction over the Project. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect or Owner. With the Owner's approval, the Architect shall adjust the schedule, if necessary as the Project proceeds until the commencement of construction.

§ 3.1.4 The Architect shall not be responsible for an Owner's directive or substitution made without the Architect's approval.

§ 3.1.5 The Architect shall, at appropriate times, contact the governmental authorities required to approve the Construction Documents and the entities providing utility services to the Project. In designing the Project, the Architect shall respond to applicable design requirements imposed by such governmental authorities and by such entities providing utility services.

§ 3.1.6 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

§ 3.2 SCHEMATIC DESIGN PHASE SERVICES

§ 3.2.1 The Architect shall review the program and other information furnished by the Owner, and shall review laws, codes, and regulations applicable to the Architect's services.

§ 3.2.2 The Architect shall prepare a preliminary evaluation of the Owner's program, schedule, budget for the Cost of the Work, Project site, and the proposed procurement or delivery method and other Initial Information, each in terms of the other, to ascertain the requirements of the Project. The Architect shall notify the Owner of (1) any inconsistencies discovered in the information, and (2) other information or consulting services that may be reasonably needed for the Project.

§ 3.2.3 The Architect shall present its preliminary evaluation to the Owner and shall discuss with the Owner alternative approaches to design and construction of the Project, including the feasibility of incorporating environmentally responsible design approaches. The Architect shall reach an understanding with the Owner regarding the requirements of the Project.

§ 3.2.4 Based on the Project's requirements agreed upon with the Owner, the Architect shall prepare and present for the Owner's approval a preliminary design illustrating the scale and relationship of the Project components.

§ 3.2.5 Based on the Owner's approval of the preliminary design, the Architect shall prepare Schematic Design Documents for the Owner's approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary building plans, sections and elevations; and may include some combination of study models, perspective sketches, or digital modeling. Preliminary selections of major building systems and construction materials shall be noted on the drawings or described in writing.

§ 3.2.5.1 The Architect shall consider environmentally responsible design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the Owner's program, schedule and budget for the Cost of the Work. The Owner may obtain other environmentally responsible design services under Article 4.

§ 3.2.5.2 The Architect shall consider the value of alternative materials, building systems and equipment, together with other considerations based on program and aesthetics in developing a design for the Project that is consistent with the Owner's program, schedule and budget for the Cost of the Work.

§ 3.2.6 The Architect shall submit to the Owner an estimate of the Cost of the Work prepared in accordance with Section 6.3.

§ 3.2.7 The Architect shall submit the Schematic Design Documents to the Owner, and request the Owner's approval.

§ 3.3 DESIGN DEVELOPMENT PHASE SERVICES

§ 3.3.1 Based on the Owner's approval of the Schematic Design Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Owner's approval. The Design Development Documents shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and

such other elements as may be appropriate. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish in general their quality levels.

§ 3.3.2 The Architect shall update the estimate of the Cost of the Work.

§ 3.3.3 The Architect shall submit the Design Development documents to the Owner, advise the Owner of any adjustments to the estimate of the Cost of the Work, and request the Owner's approval.

§ 3.4 CONSTRUCTION DOCUMENTS PHASE SERVICES

§ 3.4.1 Based on the Owner's approval of the Design Development Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Construction Documents for the Owner's approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that in order to construct the Work the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

§ 3.4.2 The Architect shall incorporate into the Construction Documents the design requirements of governmental authorities having jurisdiction over the Project.

§ 3.4.3 During the development of the Construction Documents, the Architect shall assist the Owner in the development and preparation of (1) bidding and procurement information that describes the time, place and conditions of bidding, including bidding or proposal forms; (2) the form of agreement between the Owner and Contractor; and (3) the Conditions of the Contract for Construction (General, Supplementary and other Conditions). The Architect shall also compile a project manual that includes the Conditions of the Contract for Construction and Specifications and may include bidding requirements and sample forms.

§ 3.4.4 The Architect shall update the estimate for the Cost of the Work.

§ 3.4.5 The Architect shall submit the Construction Documents to the Owner, advise the Owner of any adjustments to the estimate of the Cost of the Work, take any action required under Section 6.5, and request the Owner's approval.

§ 3.5 BIDDING OR NEGOTIATION PHASE SERVICES

§ 3.5.1 GENERAL

The Architect shall assist the Owner in establishing a list of prospective contractors. Following the Owner's approval of the Construction Documents, the Architect shall assist the Owner in (1) obtaining either competitive bids or negotiated proposals; (2) confirming responsiveness of bids or proposals; (3) determining the successful bid or proposal, if any; and, (4) awarding and preparing contracts for construction.

§ 3.5.2 COMPETITIVE BIDDING

§ 3.5.2.1 Bidding Documents shall consist of bidding requirements and proposed Contract Documents.

§ 3.5.2.2 The Architect shall assist the Owner in bidding the Project by

- .1 procuring the reproduction of Bidding Documents for distribution to prospective bidders;
- .2 distributing the Bidding Documents to prospective bidders, requesting their return upon completion of the bidding process, and maintaining a log of distribution and retrieval and of the amounts of deposits, if any, received from and returned to prospective bidders;
- .3 organizing and conducting a pre-bid conference for prospective bidders;
- .4 preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to all prospective bidders in the form of addenda; and
- .5 organizing and conducting the opening of the bids, and subsequently documenting and distributing the bidding results, as directed by the Owner.

§ 3.5.2.3 The Architect shall consider requests for substitutions, if the Bidding Documents permit substitutions, and shall prepare and distribute addenda identifying approved substitutions to all prospective bidders.

§ 3.5.3 NEGOTIATED PROPOSALS

§ 3.5.3.1 Proposal Documents shall consist of proposal requirements and proposed Contract Documents.

§ 3.5.3.2 The Architect shall assist the Owner in obtaining proposals by

- .1 procuring the reproduction of Proposal Documents for distribution to prospective contractors, and requesting their return upon completion of the negotiation process;
- .2 organizing and participating in selection interviews with prospective contractors; and
- .3 participating in negotiations with prospective contractors, and subsequently preparing a summary report of the negotiation results, as directed by the Owner.

§ 3.5.3.3 The Architect shall consider requests for substitutions, if the Proposal Documents permit substitutions, and shall prepare and distribute addenda identifying approved substitutions to all prospective contractors.

§ 3.6 CONSTRUCTION PHASE SERVICES

§ 3.6.1 GENERAL

§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Contractor as set forth below and in AIA Document A201™–2007, General Conditions of the Contract for Construction. If the Owner and Contractor modify AIA Document A201–2007, those modifications shall not affect the Architect’s services under this Agreement unless the Owner and the Architect amend this Agreement.

§ 3.6.1.2 The Architect shall advise and consult with the Owner during the Construction Phase Services. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Architect shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Architect be responsible for the Contractor’s failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect’s negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the Contractor or of any other persons or entities performing portions of the Work.

§ 3.6.1.3 Subject to Section 4.3, the Architect’s responsibility to provide Construction Phase Services commences with the award of the Contract for Construction and terminates on the date the Architect issues the final Certificate for Payment.

§ 3.6.2 EVALUATIONS OF THE WORK

§ 3.6.2.1 The Architect shall visit the site at intervals appropriate to the stage of construction, or as otherwise required in Section 4.3.3, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of the site visits, the Architect shall keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and report to the Owner (1) known deviations from the Contract Documents and from the most recent construction schedule submitted by the Contractor, and (2) defects and deficiencies observed in the Work.

§ 3.6.2.2 The Architect has the authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect shall have the authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees or other persons or entities performing portions of the Work.

§ 3.6.2.3 The Architect shall interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect’s response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 3.6.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations

and decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

§ 3.6.2.5 Unless the Owner and Contractor designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document A201–2007, the Architect shall render initial decisions on Claims between the Owner and Contractor as provided in the Contract Documents.

§ 3.6.3 CERTIFICATES FOR PAYMENT TO CONTRACTOR

§ 3.6.3.1 The Architect shall review and certify the amounts due the Contractor and shall issue certificates in such amounts. The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's evaluation of the Work as provided in Section 3.6.2 and on the data comprising the Contractor's Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated and that the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject (1) to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) to results of subsequent tests and inspections, (3) to correction of minor deviations from the Contract Documents prior to completion, and (4) to specific qualifications expressed by the Architect.

§ 3.6.3.2 The issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and material suppliers and other data requested by the Owner to substantiate the Contractor's right to payment, or (4) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 3.6.3.3 The Architect shall maintain a record of the Applications and Certificates for Payment.

§ 3.6.4 SUBMITTALS

§ 3.6.4.1 The Architect shall review the Contractor's submittal schedule and shall not unreasonably delay or withhold approval. The Architect's action in reviewing submittals shall be taken in accordance with the approved submittal schedule or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Architect's professional judgment to permit adequate review.

§ 3.6.4.2 In accordance with the Architect-approved submittal schedule, the Architect shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Contractor's responsibility. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of any construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 3.6.4.3 If the Contract Documents specifically require the Contractor to provide professional design services or certifications by a design professional related to systems, materials or equipment, the Architect shall specify the appropriate performance and design criteria that such services must satisfy. The Architect shall review shop drawings and other submittals related to the Work designed or certified by the design professional retained by the Contractor that bear such professional's seal and signature when submitted to the Architect. The Architect shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications and approvals performed or provided by such design professionals.

§ 3.6.4.4 Subject to the provisions of Section 4.3, the Architect shall review and respond to requests for information about the Contract Documents. The Architect shall set forth in the Contract Documents the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect's response to such requests shall be made in writing within any time limits agreed upon, or otherwise with

reasonable promptness. If appropriate, the Architect shall prepare and issue supplemental Drawings and Specifications in response to requests for information.

§ 3.6.4.5 The Architect shall maintain a record of submittals and copies of submittals supplied by the Contractor in accordance with the requirements of the Contract Documents.

§ 3.6.5 CHANGES IN THE WORK

§ 3.6.5.1 The Architect may authorize minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. Subject to the provisions of Section 4.3, the Architect shall prepare Change Orders and Construction Change Directives for the Owner’s approval and execution in accordance with the Contract Documents.

§ 3.6.5.2 The Architect shall maintain records relative to changes in the Work.

§ 3.6.6 PROJECT COMPLETION

§ 3.6.6.1 The Architect shall conduct inspections to determine the date or dates of Substantial Completion and the date of final completion; issue Certificates of Substantial Completion; receive from the Contractor and forward to the Owner, for the Owner’s review and records, written warranties and related documents required by the Contract Documents and assembled by the Contractor; and issue a final Certificate for Payment based upon a final inspection indicating the Work complies with the requirements of the Contract Documents.

§ 3.6.6.2 The Architect’s inspections shall be conducted with the Owner to check conformance of the Work with the requirements of the Contract Documents and to verify the accuracy and completeness of the list submitted by the Contractor of Work to be completed or corrected.

§ 3.6.6.3 When the Work is found to be substantially complete, the Architect shall inform the Owner about the balance of the Contract Sum remaining to be paid the Contractor, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work.

§ 3.6.6.4 The Architect shall forward to the Owner the following information received from the Contractor: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens or bonds indemnifying the Owner against liens; and (3) any other documentation required of the Contractor under the Contract Documents.

§ 3.6.6.5 Upon request of the Owner, and prior to the expiration of one year from the date of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner to review the facility operations and performance.

ARTICLE 4 ADDITIONAL SERVICES

§ 4.1 Additional Services listed below are not included in Basic Services but may be required for the Project. The Architect shall provide the listed Additional Services only if specifically designated in the table below as the Architect’s responsibility, and the Owner shall compensate the Architect as provided in Section 11.2.

(Designate the Additional Services the Architect shall provide in the second column of the table below. In the third column indicate whether the service description is located in Section 4.2 or in an attached exhibit. If in an exhibit, identify the exhibit.)

| Additional Services | Responsibility (Architect, Owner or Not Provided) | Location of Service Description (Section 4.2 below or in an exhibit attached to this document and identified below) |
|---|--|--|
| § 4.1.1 Programming | Architect | Section 11.1 |
| § 4.1.2 Multiple preliminary designs | Not Provided | |
| § 4.1.3 Measured drawings | Not Provided | |
| § 4.1.4 Existing facilities surveys | Not Provided | |
| § 4.1.5 Site Evaluation and Planning (B203™–2007) | Not Provided | |
| § 4.1.6 Building information modeling | Not Provided | |
| § 4.1.7 Civil engineering | Not Provided | |

Init.

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User Notes:

(1785882451)

| | | | |
|----------|---|--------------|--------------|
| § 4.1.8 | Landscape design | Not Provided | |
| § 4.1.9 | Architectural Interior Design (B252™-2007) | Not Provided | |
| § 4.1.10 | Value Analysis (B204™-2007) | Not Provided | |
| § 4.1.11 | Detailed cost estimating | Not Provided | |
| § 4.1.12 | On-site project representation | Not Provided | |
| § 4.1.13 | Conformed construction documents | Not Provided | |
| § 4.1.14 | As-Designed Record drawings | Not Provided | |
| § 4.1.15 | As-Constructed Record drawings | Not Provided | |
| § 4.1.16 | Post occupancy evaluation | Not Provided | |
| § 4.1.17 | Facility Support Services (B210™-2007) | Not Provided | |
| § 4.1.18 | Tenant-related services | Not Provided | |
| § 4.1.19 | Coordination of Owner's consultants | Architect | Section 11.1 |
| § 4.1.20 | Telecommunications/data design | Not Provided | |
| § 4.1.21 | Security Evaluation and Planning (B206™-2007) | Not Provided | |
| § 4.1.22 | Commissioning (B211™-2007) | Not Provided | |
| § 4.1.23 | Extensive environmentally responsible design | Not Provided | |
| § 4.1.24 | LEED® Certification (B214™-2007) | Not Provided | |
| § 4.1.25 | Fast-track design services | Not Provided | |
| § 4.1.26 | Historic Preservation (B205™-2007) | Not Provided | |
| § 4.1.27 | Furniture, Furnishings, and Equipment Design (B253™-2007) | Not Provided | |

§ 4.2 Insert a description of each Additional Service designated in Section 4.1 as the Architect's responsibility, if not further described in an exhibit attached to this document.

None anticipated unless there is an increase in project scope and/or size.

§ 4.3 Additional Services may be provided after execution of this Agreement, without invalidating the Agreement. Except for services required due to the fault of the Architect, any Additional Services provided in accordance with this Section 4.3 shall entitle the Architect to compensation pursuant to Section 11.3 and an appropriate adjustment in the Architect's schedule.

§ 4.3.1 Upon recognizing the need to perform the following Additional Services, the Architect shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Architect shall not proceed to provide the following services until the Architect receives the Owner's written authorization:

- .1 Services necessitated by a change in the Initial Information, previous instructions or approvals given by the Owner, or a material change in the Project including, but not limited to, size, quality, complexity, the Owner's schedule or budget for Cost of the Work, or procurement or delivery method;
- .2 Services necessitated by the Owner's request for extensive environmentally responsible design alternatives, such as unique system designs, in-depth material research, energy modeling, or LEED® certification;
- .3 Changing or editing previously prepared Instruments of Service necessitated by the enactment or revision of codes, laws or regulations or official interpretations;
- .4 Services necessitated by decisions of the Owner not rendered in a timely manner or any other failure of performance on the part of the Owner or the Owner's consultants or contractors;
- .5 Preparing digital data for transmission to the Owner's consultants and contractors, or to other Owner authorized recipients;
- .6 Preparation of design and documentation for alternate bid or proposal requests proposed by the Owner;
- .7 Preparation for, and attendance at, a public presentation, meeting or hearing;
- .8 Preparation for, and attendance at a dispute resolution proceeding or legal proceeding, except where the Architect is party thereto;
- .9 Evaluation of the qualifications of bidders or persons providing proposals;
- .10 Consultation concerning replacement of Work resulting from fire or other cause during construction; or
- .11 Assistance to the Initial Decision Maker, if other than the Architect.

Init.

§ 4.3.2 To avoid delay in the Construction Phase, the Architect shall provide the following Additional Services, notify the Owner with reasonable promptness, and explain the facts and circumstances giving rise to the need. If the Owner subsequently determines that all or parts of those services are not required, the Owner shall give prompt written notice to the Architect, and the Owner shall have no further obligation to compensate the Architect for those services:

- .1 Reviewing a Contractor's submittal out of sequence from the submittal schedule agreed to by the Architect;
- .2 Responding to the Contractor's requests for information that are not prepared in accordance with the Contract Documents or where such information is available to the Contractor from a careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation;
- .3 Preparing Change Orders and Construction Change Directives that require evaluation of Contractor's proposals and supporting data, or the preparation or revision of Instruments of Service;
- .4 Evaluating an extensive number of Claims as the Initial Decision Maker;
- .5 Evaluating substitutions proposed by the Owner or Contractor and making subsequent revisions to Instruments of Service resulting therefrom; or
- .6 To the extent the Architect's Basic Services are affected, providing Construction Phase Services 60 days after (1) the date of Substantial Completion of the Work or (2) the anticipated date of Substantial Completion identified in Initial Information, whichever is earlier.

§ 4.3.3 The Architect shall provide Construction Phase Services exceeding the limits set forth below as Additional Services. When the limits below are reached, the Architect shall notify the Owner:

- .1 As required reviews of each Shop Drawing, Product Data item, sample and similar submittal of the Contractor
- .2 As necessary visits to the site by the Architect over the duration of the Project during the original construction time allotted.
- .3 Two (2) inspections for any portion of the Work to determine whether such portion of the Work is substantially complete in accordance with the requirements of the Contract Documents
- .4 Two (2) inspections for any portion of the Work to determine final completion

§ 4.3.4 If the services covered by this Agreement have not been completed within twelve months of the date of this Agreement, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as Additional Services.

ARTICLE 5 OWNER'S RESPONSIBILITIES

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, schedule, constraints and criteria, including space requirements and relationships, flexibility, expandability, special equipment, systems and site requirements. Within 15 days after receipt of a written request from the Architect, the Owner shall furnish the requested information as necessary and relevant for the Architect to evaluate, give notice of or enforce lien rights.

§ 5.2 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner's other costs; and, (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Architect. The Owner and the Architect shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 5.3 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the Project. The Owner shall render decisions and approve the Architect's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services.

§ 5.4 The Owner shall furnish surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data with respect to existing buildings, other improvements

and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

(Paragraph deleted)

§ 5.5 The Owner shall furnish services of geotechnical engineers, which may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 5.6 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. Upon the Architect's request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner's consultants. The Owner shall furnish the services of consultants other than those designated in this Agreement, or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants maintain professional liability insurance as appropriate to the services provided.

§ 5.7 The Owner shall furnish tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 5.8 The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 5.9 The Owner shall provide prompt written notice to the Architect if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect's Instruments of Service.

§ 5.10 Except as otherwise provided in this Agreement, or when direct communications have been specially authorized, the Owner shall endeavor to communicate with the Contractor and the Architect's consultants through the Architect about matters arising out of or relating to the Contract Documents. The Owner shall promptly notify the Architect of any direct communications that may affect the Architect's services.

§ 5.11 Before executing the Contract for Construction, the Owner shall coordinate the Architect's duties and responsibilities set forth in the Contract for Construction with the Architect's services set forth in this Agreement. The Owner shall provide the Architect a copy of the executed agreement between the Owner and Contractor, including the General Conditions of the Contract for Construction.

§ 5.12 The Owner shall provide the Architect access to the Project site prior to commencement of the Work and shall obligate the Contractor to provide the Architect access to the Work wherever it is in preparation or progress.

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include contractors' general conditions costs, overhead and profit. The Cost of the Work does not include the compensation of the Architect, the costs of the land, rights-of-way, financing, contingencies for changes in the Work or other costs that are the responsibility of the Owner.

§ 6.2 The Owner's budget for the Cost of the Work is provided in Initial Information, and may be adjusted throughout the Project as required under Sections 5.2, 6.4 and 6.5. Evaluations of the Owner's budget for the Cost of the Work, the preliminary estimate of the Cost of the Work and updated estimates of the Cost of the Work prepared by the Architect, represent the Architect's judgment as a design professional. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials or equipment; the Contractor's methods of determining bid prices; or competitive bidding, market or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Owner's budget for the Cost of the Work or from any estimate of the Cost of the Work or evaluation prepared or agreed to by the Architect.

§ 6.3 In preparing estimates of the Cost of Work, the Architect shall be permitted to include contingencies for design, bidding and price escalation; to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents; to make reasonable adjustments in the program and scope of the Project; and to include in the Contract Documents alternate bids as may be necessary to adjust the estimated Cost of the Work

to meet the Owner's budget for the Cost of the Work. The Architect's estimate of the Cost of the Work shall be based on current area, volume or similar conceptual estimating techniques. If the Owner requests detailed cost estimating services, the Architect shall provide such services as an Additional Service under Article 4.

§ 6.4 If the Bidding or Negotiation Phase has not commenced within 90 days after the Architect submits the Construction Documents to the Owner, through no fault of the Architect, the Owner's budget for the Cost of the Work shall be adjusted to reflect changes in the general level of prices in the applicable construction market.

§ 6.5 If at any time the Architect's estimate of the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Architect shall make appropriate recommendations to the Owner to adjust the Project's size, quality or budget for the Cost of the Work, and the Owner shall cooperate with the Architect in making such adjustments.

§ 6.6 If the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall

- .1 give written approval of an increase in the budget for the Cost of the Work;
- .2 authorize rebidding or renegotiating of the Project within a reasonable time;
- .3 terminate in accordance with Section 9.5;
- .4 in consultation with the Architect, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or
- .5 implement any other mutually acceptable alternative.

§ 6.7 If the Owner chooses to proceed under Section 6.6.4, the Architect, without additional compensation, shall modify the Construction Documents as necessary to comply with the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services, or the budget as adjusted under Section 6.6.1. The Architect's modification of the Construction Documents shall be the limit of the Architect's responsibility under this Article 6.

ARTICLE 7 COPYRIGHTS AND LICENSES

§ 7.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project. If the Owner and Architect intend to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions.

§ 7.2 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect's consultants.

§ 7.3 Upon execution of this Agreement, the Architect grants to the Owner a nonexclusive license to use the Architect's Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations, including prompt payment of all sums when due, under this Agreement. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractor, Subcontractors, Sub-subcontractors, and material or equipment suppliers, as well as the Owner's consultants and separate contractors, to reproduce applicable portions of the Instruments of Service solely and exclusively for use in performing services or construction for the Project. If the Architect rightfully terminates this Agreement for cause as provided in Section 9.4, the license granted in this Section 7.3 shall terminate.

§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the author of the Instruments of Service, the Owner releases the Architect and Architect's consultant(s) from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Architect and its consultants from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's use of the Instruments of Service under this Section 7.3.1. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.

§ 7.4 Except for the licenses granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 GENERAL

§ 8.1.1 The Owner and Architect shall commence all claims and causes of action, whether in contract, tort, or otherwise, against the other arising out of or related to this Agreement in accordance with the requirements of the method of binding dispute resolution selected in this Agreement within the period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.2 To the extent damages are covered by property insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201-2007, General Conditions of the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 The Architect and Owner waive consequential damages for claims, disputes or other matters in question arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement, except as specifically provided in Section 9.7.

§ 8.2 MEDIATION

§ 8.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. If such matter relates to or is the subject of a lien arising out of the Architect's services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution.

§ 8.2.2 The Owner and Architect shall endeavor to resolve claims, disputes and other matters in question between them by mediation which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of the Agreement. A request for mediation shall be made in writing, delivered to the other party to the Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 8.2.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:
(Check the appropriate box. If the Owner and Architect do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.)

Arbitration pursuant to Section 8.3 of this Agreement

Litigation in a court of competent jurisdiction

Other (Specify)

Init.

§ 8.3 ARBITRATION

§ 8.3.1 If the parties have selected arbitration as the method for binding dispute resolution in this Agreement, any claim, dispute or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation shall be subject to arbitration which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of this Agreement. A demand for arbitration shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration.

§ 8.3.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim, dispute or other matter in question.

§ 8.3.2 The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.

§ 8.3.3 The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

§ 8.3.4 CONSOLIDATION OR JOINDER

§ 8.3.4.1 Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 8.3.4.2 Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

§ 8.3.4.3 The Owner and Architect grant to any person or entity made a party to an arbitration conducted under this Section 8.3, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Architect under this Agreement.

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 If the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Architect shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days' written notice.

§ 9.4 Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 9.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Architect for the Owner's convenience and without cause.

§ 9.6 In the event of termination not the fault of the Architect, the Architect shall be compensated for services performed prior to termination, together with Reimbursable Expenses then due and all Termination Expenses as defined in Section 9.7.

§ 9.7 Termination Expenses are in addition to compensation for the Architect's services and include expenses directly attributable to termination for which the Architect is not otherwise compensated, plus an amount for the Architect's anticipated profit on the value of the services not performed by the Architect.

§ 9.8 The Owner's rights to use the Architect's Instruments of Service in the event of a termination of this Agreement are set forth in Article 7 and Section 11.9.

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the place where the Project is located, except that if the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 8.3.

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201-2007, General Conditions of the Contract for Construction.

§ 10.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement.

§ 10.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. If the Owner requests the Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least 14 days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Owner or Architect.

§ 10.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.7 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner's promotional materials for the Project.

§ 10.8 If the Architect or Owner receives information specifically designated by the other party as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except to (1) its employees, (2) those who need to know the content of such information in order to

perform services or construction solely and exclusively for the Project, or (3) its consultants and contractors whose contracts include similar restrictions on the use of confidential information.

ARTICLE 11 COMPENSATION

§ 11.1 For the Architect's Basic Services described under Article 3, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation.)

Compensation for the project is based on seven and a half percent (7.5%) of the estimated building cost of One Million Four Hundred Eight Thousand Dollars and Zero Cents (\$1,408,000.00). Professional services fee shall be One Hundred Five Thousand Six Hundred Dollars and Zero Cents (\$105,600.00).

§ 11.2 For Additional Services designated in Section 4.1, the Owner shall compensate the Architect as follows:
(Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)

Hourly rate as established below.

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.3, the Owner shall compensate the Architect as follows:
(Insert amount of, or basis for, compensation.)

Hourly rate as established below.

§ 11.4 Compensation for Additional Services of the Architect's consultants when not included in Section 11.2 or 11.3, shall be the amount invoiced to the Architect plus Ten percent (10.00 %), or as otherwise stated below:

§ 11.5 Where compensation for Basic Services is based on a stipulated sum or percentage of the Cost of the Work, the compensation for each phase of services shall be as follows:

| | | | | |
|---------------------------------|--------------------|------------------|------------|-----------|
| Schematic Design Phase | Fifteen | percent (| 15 | %) |
| Design Development Phase | Twenty | percent (| 20 | %) |
| Construction Documents Phase | Forty | percent (| 40 | %) |
| Bidding or Negotiation Phase | Five | percent (| 5 | %) |
| Construction Phase | Twenty | percent (| 20 | %) |
| Total Basic Compensation | one hundred | percent (| 100 | %) |

§ 11.6 When compensation is based on a percentage of the Cost of the Work and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions, in accordance with the schedule set forth in Section 11.5 based on (1) the lowest bona fide bid or negotiated proposal, or (2) if no such bid or proposal is received, the most recent estimate of the Cost of the Work for such portions of the Project. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

§ 11.7 The hourly billing rates for services of the Architect and the Architect's consultants, if any, are set forth below. The rates shall be adjusted in accordance with the Architect's and Architect's consultants' normal review practices.
(If applicable, attach an exhibit of hourly billing rates or insert them below.)

| Employee or Category | Rate |
|----------------------|----------------|
| Principal Time | \$150 per hour |
| Associate Time | \$125 per hour |

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| | |
|----------------|----------------|
| CAD Drafting | \$ 75 per hour |
| Administration | \$ 35 per hour |

§ 11.8 COMPENSATION FOR REIMBURSABLE EXPENSES

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic and Additional Services and include expenses incurred by the Architect and the Architect’s consultants directly related to the Project, as follows:

- .1 Transportation and authorized out-of-town travel and subsistence;
- .2 Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets;
- .3 Fees paid for securing approval of authorities having jurisdiction over the Project;
- .4 Printing, reproductions, plots, standard form documents;
- .5 Postage, handling and delivery;
- .6 Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;
- .7 Renderings, models, mock-ups, professional photography, and presentation materials requested by the Owner;
- .8 Architect’s Consultant’s expense of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits if the Owner requests such insurance in excess of that normally carried by the Architect’s consultants;
- .9 All taxes levied on professional services and on reimbursable expenses;
- .10 Site office expenses; and
- .11 Other similar Project-related expenditures.

§ 11.8.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Architect and the Architect’s consultants plus Ten percent (10.00 %) of the expenses incurred.

§ 11.9 COMPENSATION FOR USE OF ARCHITECT’S INSTRUMENTS OF SERVICE

If the Owner terminates the Architect for its convenience under Section 9.5, or the Architect terminates this Agreement under Section 9.3, the Owner shall pay a licensing fee as compensation for the Owner’s continued use of the Architect’s Instruments of Service solely for purposes of completing, using and maintaining the Project as follows:

Compensation accrued

§ 11.10 PAYMENTS TO THE ARCHITECT

§ 11.10.1 An initial payment of Zero Dollars and Zero Cents (\$ 0.00) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner’s account in the final invoice.

§ 11.10.2 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect’s invoice. Amounts unpaid Thirty (30) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.
(Insert rate of monthly or annual interest agreed upon.)

Legal rate prevailing at project location.

§ 11.10.3 The Owner shall not withhold amounts from the Architect’s compensation to impose a penalty or liquidated damages on the Architect, or to offset sums requested by or paid to contractors for the cost of changes in the Work unless the Architect agrees or has been found liable for the amounts in a binding dispute resolution proceeding.

§ 11.10.4 Records of Reimbursable Expenses, expenses pertaining to Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:

In recognition of the relative risks and benefits of the project to both the Client and Metaform Studio Architects, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of the Architect and their subconsultants to the Client and to all of the construction’s contractors and subcontractors on the

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project for any and all claims, losses, cost, damages of any nature whatsoever or claim expenses from any cause or causes, so that the total aggregate liability of Metaform Studio Architects and their subconsultants to all those named shall not exceed Metaform Studio Architects total fee for services rendered on this project. Such claims and causes include, but are not limited to negligence, professional errors and omissions, strict liability, and breach of contract or warranty.

ARTICLE 13 SCOPE OF THE AGREEMENT

§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.

§ 13.2 This Agreement is comprised of the following documents listed below:

- .1 AIA Document B101™-2007, Standard Form Agreement Between Owner and Architect
(Paragraphs deleted)
- .2 Other documents:
(List other documents, if any, including Exhibit A, Initial Information, and additional scopes of service, if any, forming part of the Agreement.)

AIA Document B101 - Exhibit A, Initial Information
Exhibit B – Metaform Studio Architects Proposal

This Agreement entered into as of the day and year first written above.

OWNER

ARCHITECT

(Signature)

Carlos Villarreal, City Manager

(Printed name and title)

(Signature)

Ricardo A. Solis, AIA, Metaform Studio - Architect

(Printed name and title)

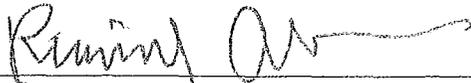
The Texas Board of Architectural Examiners has jurisdiction over complaints regarding the professional practices of persons registered as architects in Texas

Texas Board of Architectural Examiners
P.O. Box 12337
Austin, Texas 78711
(512) 305-9000

Certification of Document's Authenticity

AIA® Document D401™ – 2003

I, Ricardo A Solis, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 14:55:50 on 12/21/2011 under Order No. 4544755648_1 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document B101™ – 2007, Standard Form of Agreement Between Owner and Architect, as published by the AIA in its software, other than those additions and deletions shown in the associated Additions and Deletions Report.



(Signed)

ARCHITECT

(Title)

12/21/11

(Dated)

AIA[®] Document B101[™] – 2007

Standard Form of Agreement Between Owner and Architect

AGREEMENT made as of the Twenty-first day of December in the year Two Thousand Eleven

(In words, indicate day, month and year.)

BETWEEN the Architect's client identified as the Owner:

(Name, legal status, address and other information)

City of Laredo
1110 Houston Street
Laredo, Texas 78040
Telephone Number: (956) 791-7309

and the Architect:

(Name, legal status, address and other information)

Metaform Studio Architects
6909 Springfield Ave., Suite 107
Laredo, Texas 78041
Telephone Number: (956) 568-3315

for the following Project:

(Name, location and detailed description)

City of Laredo - Jefferson Water Treatment Plant Administration Building
2519 Jefferson Street
Laredo, Texas 78040

Provide architectural services for design of a new administration building for the City of Laredo Utility Department. The building will be approximately 8,050 sq. ft. and contain student exhibit areas, observation deck, training / conference rooms and administrative offices.

The Owner and Architect agree as follows.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

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EXHIBIT A INITIAL INFORMATION

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Article 1 and in optional Exhibit A, Initial Information:

(Complete Exhibit A, Initial Information, and incorporate it into the Agreement at Section 13.2, or state below Initial Information such as details of the Project's site and program, Owner's contractors and consultants, Architect's consultants, Owner's budget for the Cost of the Work, authorized representatives, anticipated procurement method, and other information relevant to the Project.)

§ 1.2 The Owner's anticipated dates for commencement of construction and Substantial Completion of the Work are set forth below:

- .1 Commencement of construction date:

To Be Determined by Owner's "Notice to Proceed" to the contractor.

- .2 Substantial Completion date:

To Be Determined by Owner's "Notice to Proceed" to the contractor.

§ 1.3 The Owner and Architect may rely on the Initial Information. Both parties, however, recognize that such information may materially change and, in that event, the Owner and the Architect shall appropriately adjust the schedule, the Architect's services and the Architect's compensation.

ARTICLE 2 ARCHITECT'S RESPONSIBILITIES

§ 2.1 The Architect shall provide the professional services as set forth in this Agreement.

Init.

§ 2.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

§ 2.3 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project.

§ 2.4 Except with the Owner's knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect's professional judgment with respect to this Project.

§ 2.5 The Architect shall maintain the following insurance for the duration of this Agreement. If any of the requirements set forth below exceed the types and limits the Architect normally maintains, the Owner shall reimburse the Architect for any additional cost:

(Identify types and limits of insurance coverage, and other insurance requirements applicable to the Agreement, if any.)

.1 General Liability

Commercial General Liability - \$1,000,000 per occurrence, \$2,000,000 aggregate

.2 Automobile Liability

\$500,000

.3 Workers' Compensation

Statutory

.4 Professional Liability

Professional Liability - \$1,000,000 per occurrence, \$1,000,000 aggregate

ARTICLE 3 SCOPE OF ARCHITECT'S BASIC SERVICES

§ 3.1 The Architect's Basic Services consist of those described in Article 3 and include usual and customary structural, mechanical, and electrical engineering services. Services not set forth in this Article 3 are Additional Services.

§ 3.1.1 The Architect shall manage the Architect's services, consult with the Owner, research applicable design criteria, attend Project meetings, communicate with members of the Project team and report progress to the Owner.

§ 3.1.2 The Architect shall coordinate its services with those services provided by the Owner and the Owner's consultants. The Architect shall be entitled to rely on the accuracy and completeness of services and information furnished by the Owner and the Owner's consultants. The Architect shall provide prompt written notice to the Owner if the Architect becomes aware of any error, omission or inconsistency in such services or information.

§ 3.1.3 As soon as practicable after the date of this Agreement, the Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services. The schedule initially shall include anticipated dates for the commencement of construction and for Substantial Completion of the Work as set forth in the Initial Information. The schedule shall include allowances for periods of time required for the Owner's review, for the performance of the Owner's consultants, and for approval of submissions by authorities having jurisdiction over the Project. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect or Owner. With the Owner's approval, the Architect shall adjust the schedule, if necessary as the Project proceeds until the commencement of construction.

§ 3.1.4 The Architect shall not be responsible for an Owner's directive or substitution made without the Architect's approval.

§ 3.1.5 The Architect shall, at appropriate times, contact the governmental authorities required to approve the Construction Documents and the entities providing utility services to the Project. In designing the Project, the Architect shall respond to applicable design requirements imposed by such governmental authorities and by such entities providing utility services.

§ 3.1.6 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

§ 3.2 SCHEMATIC DESIGN PHASE SERVICES

§ 3.2.1 The Architect shall review the program and other information furnished by the Owner, and shall review laws, codes, and regulations applicable to the Architect's services.

§ 3.2.2 The Architect shall prepare a preliminary evaluation of the Owner's program, schedule, budget for the Cost of the Work, Project site, and the proposed procurement or delivery method and other Initial Information, each in terms of the other, to ascertain the requirements of the Project. The Architect shall notify the Owner of (1) any inconsistencies discovered in the information, and (2) other information or consulting services that may be reasonably needed for the Project.

§ 3.2.3 The Architect shall present its preliminary evaluation to the Owner and shall discuss with the Owner alternative approaches to design and construction of the Project, including the feasibility of incorporating environmentally responsible design approaches. The Architect shall reach an understanding with the Owner regarding the requirements of the Project.

§ 3.2.4 Based on the Project's requirements agreed upon with the Owner, the Architect shall prepare and present for the Owner's approval a preliminary design illustrating the scale and relationship of the Project components.

§ 3.2.5 Based on the Owner's approval of the preliminary design, the Architect shall prepare Schematic Design Documents for the Owner's approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary building plans, sections and elevations; and may include some combination of study models, perspective sketches, or digital modeling. Preliminary selections of major building systems and construction materials shall be noted on the drawings or described in writing.

§ 3.2.5.1 The Architect shall consider environmentally responsible design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the Owner's program, schedule and budget for the Cost of the Work. The Owner may obtain other environmentally responsible design services under Article 4.

§ 3.2.5.2 The Architect shall consider the value of alternative materials, building systems and equipment, together with other considerations based on program and aesthetics in developing a design for the Project that is consistent with the Owner's program, schedule and budget for the Cost of the Work.

§ 3.2.6 The Architect shall submit to the Owner an estimate of the Cost of the Work prepared in accordance with Section 6.3.

§ 3.2.7 The Architect shall submit the Schematic Design Documents to the Owner, and request the Owner's approval.

§ 3.3 DESIGN DEVELOPMENT PHASE SERVICES

§ 3.3.1 Based on the Owner's approval of the Schematic Design Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Owner's approval. The Design Development Documents shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and

such other elements as may be appropriate. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish in general their quality levels.

§ 3.3.2 The Architect shall update the estimate of the Cost of the Work.

§ 3.3.3 The Architect shall submit the Design Development documents to the Owner, advise the Owner of any adjustments to the estimate of the Cost of the Work, and request the Owner's approval.

§ 3.4 CONSTRUCTION DOCUMENTS PHASE SERVICES

§ 3.4.1 Based on the Owner's approval of the Design Development Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Construction Documents for the Owner's approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that in order to construct the Work the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

§ 3.4.2 The Architect shall incorporate into the Construction Documents the design requirements of governmental authorities having jurisdiction over the Project.

§ 3.4.3 During the development of the Construction Documents, the Architect shall assist the Owner in the development and preparation of (1) bidding and procurement information that describes the time, place and conditions of bidding, including bidding or proposal forms; (2) the form of agreement between the Owner and Contractor; and (3) the Conditions of the Contract for Construction (General, Supplementary and other Conditions). The Architect shall also compile a project manual that includes the Conditions of the Contract for Construction and Specifications and may include bidding requirements and sample forms.

§ 3.4.4 The Architect shall update the estimate for the Cost of the Work.

§ 3.4.5 The Architect shall submit the Construction Documents to the Owner, advise the Owner of any adjustments to the estimate of the Cost of the Work, take any action required under Section 6.5, and request the Owner's approval.

§ 3.5 BIDDING OR NEGOTIATION PHASE SERVICES

§ 3.5.1 GENERAL

The Architect shall assist the Owner in establishing a list of prospective contractors. Following the Owner's approval of the Construction Documents, the Architect shall assist the Owner in (1) obtaining either competitive bids or negotiated proposals; (2) confirming responsiveness of bids or proposals; (3) determining the successful bid or proposal, if any; and, (4) awarding and preparing contracts for construction.

§ 3.5.2 COMPETITIVE BIDDING

§ 3.5.2.1 Bidding Documents shall consist of bidding requirements and proposed Contract Documents.

§ 3.5.2.2 The Architect shall assist the Owner in bidding the Project by

- .1 procuring the reproduction of Bidding Documents for distribution to prospective bidders;
- .2 distributing the Bidding Documents to prospective bidders, requesting their return upon completion of the bidding process, and maintaining a log of distribution and retrieval and of the amounts of deposits, if any, received from and returned to prospective bidders;
- .3 organizing and conducting a pre-bid conference for prospective bidders;
- .4 preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to all prospective bidders in the form of addenda; and
- .5 organizing and conducting the opening of the bids, and subsequently documenting and distributing the bidding results, as directed by the Owner.

§ 3.5.2.3 The Architect shall consider requests for substitutions, if the Bidding Documents permit substitutions, and shall prepare and distribute addenda identifying approved substitutions to all prospective bidders.

§ 3.5.3 NEGOTIATED PROPOSALS

§ 3.5.3.1 Proposal Documents shall consist of proposal requirements and proposed Contract Documents.

§ 3.5.3.2 The Architect shall assist the Owner in obtaining proposals by

- .1 procuring the reproduction of Proposal Documents for distribution to prospective contractors, and requesting their return upon completion of the negotiation process;
- .2 organizing and participating in selection interviews with prospective contractors; and
- .3 participating in negotiations with prospective contractors, and subsequently preparing a summary report of the negotiation results, as directed by the Owner.

§ 3.5.3.3 The Architect shall consider requests for substitutions, if the Proposal Documents permit substitutions, and shall prepare and distribute addenda identifying approved substitutions to all prospective contractors.

§ 3.6 CONSTRUCTION PHASE SERVICES

§ 3.6.1 GENERAL

§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Contractor as set forth below and in AIA Document A201™–2007, General Conditions of the Contract for Construction. If the Owner and Contractor modify AIA Document A201–2007, those modifications shall not affect the Architect's services under this Agreement unless the Owner and the Architect amend this Agreement.

§ 3.6.1.2 The Architect shall advise and consult with the Owner during the Construction Phase Services. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Architect shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Architect be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the Contractor or of any other persons or entities performing portions of the Work.

§ 3.6.1.3 Subject to Section 4.3, the Architect's responsibility to provide Construction Phase Services commences with the award of the Contract for Construction and terminates on the date the Architect issues the final Certificate for Payment.

§ 3.6.2 EVALUATIONS OF THE WORK

§ 3.6.2.1 The Architect shall visit the site at intervals appropriate to the stage of construction, or as otherwise required in Section 4.3.3, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of the site visits, the Architect shall keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and report to the Owner (1) known deviations from the Contract Documents and from the most recent construction schedule submitted by the Contractor, and (2) defects and deficiencies observed in the Work.

§ 3.6.2.2 The Architect has the authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect shall have the authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees or other persons or entities performing portions of the Work.

§ 3.6.2.3 The Architect shall interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 3.6.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations

and decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

§ 3.6.2.5 Unless the Owner and Contractor designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document A201–2007, the Architect shall render initial decisions on Claims between the Owner and Contractor as provided in the Contract Documents.

§ 3.6.3 CERTIFICATES FOR PAYMENT TO CONTRACTOR

§ 3.6.3.1 The Architect shall review and certify the amounts due the Contractor and shall issue certificates in such amounts. The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's evaluation of the Work as provided in Section 3.6.2 and on the data comprising the Contractor's Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated and that the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject (1) to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) to results of subsequent tests and inspections, (3) to correction of minor deviations from the Contract Documents prior to completion, and (4) to specific qualifications expressed by the Architect.

§ 3.6.3.2 The issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and material suppliers and other data requested by the Owner to substantiate the Contractor's right to payment, or (4) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 3.6.3.3 The Architect shall maintain a record of the Applications and Certificates for Payment.

§ 3.6.4 SUBMITTALS

§ 3.6.4.1 The Architect shall review the Contractor's submittal schedule and shall not unreasonably delay or withhold approval. The Architect's action in reviewing submittals shall be taken in accordance with the approved submittal schedule or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Architect's professional judgment to permit adequate review.

§ 3.6.4.2 In accordance with the Architect-approved submittal schedule, the Architect shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Contractor's responsibility. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of any construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 3.6.4.3 If the Contract Documents specifically require the Contractor to provide professional design services or certifications by a design professional related to systems, materials or equipment, the Architect shall specify the appropriate performance and design criteria that such services must satisfy. The Architect shall review shop drawings and other submittals related to the Work designed or certified by the design professional retained by the Contractor that bear such professional's seal and signature when submitted to the Architect. The Architect shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications and approvals performed or provided by such design professionals.

§ 3.6.4.4 Subject to the provisions of Section 4.3, the Architect shall review and respond to requests for information about the Contract Documents. The Architect shall set forth in the Contract Documents the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect's response to such requests shall be made in writing within any time limits agreed upon, or otherwise with

reasonable promptness. If appropriate, the Architect shall prepare and issue supplemental Drawings and Specifications in response to requests for information.

§ 3.6.4.5 The Architect shall maintain a record of submittals and copies of submittals supplied by the Contractor in accordance with the requirements of the Contract Documents.

§ 3.6.5 CHANGES IN THE WORK

§ 3.6.5.1 The Architect may authorize minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. Subject to the provisions of Section 4.3, the Architect shall prepare Change Orders and Construction Change Directives for the Owner's approval and execution in accordance with the Contract Documents.

§ 3.6.5.2 The Architect shall maintain records relative to changes in the Work.

§ 3.6.6 PROJECT COMPLETION

§ 3.6.6.1 The Architect shall conduct inspections to determine the date or dates of Substantial Completion and the date of final completion; issue Certificates of Substantial Completion; receive from the Contractor and forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract Documents and assembled by the Contractor; and issue a final Certificate for Payment based upon a final inspection indicating the Work complies with the requirements of the Contract Documents.

§ 3.6.6.2 The Architect's inspections shall be conducted with the Owner to check conformance of the Work with the requirements of the Contract Documents and to verify the accuracy and completeness of the list submitted by the Contractor of Work to be completed or corrected.

§ 3.6.6.3 When the Work is found to be substantially complete, the Architect shall inform the Owner about the balance of the Contract Sum remaining to be paid the Contractor, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work.

§ 3.6.6.4 The Architect shall forward to the Owner the following information received from the Contractor: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens or bonds indemnifying the Owner against liens; and (3) any other documentation required of the Contractor under the Contract Documents.

§ 3.6.6.5 Upon request of the Owner, and prior to the expiration of one year from the date of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner to review the facility operations and performance.

ARTICLE 4 ADDITIONAL SERVICES

§ 4.1 Additional Services listed below are not included in Basic Services but may be required for the Project. The Architect shall provide the listed Additional Services only if specifically designated in the table below as the Architect's responsibility, and the Owner shall compensate the Architect as provided in Section 11.2.

(Designate the Additional Services the Architect shall provide in the second column of the table below. In the third column indicate whether the service description is located in Section 4.2 or in an attached exhibit. If in an exhibit, identify the exhibit.)

| Additional Services | Responsibility (Architect, Owner or Not Provided) | Location of Service Description (Section 4.2 below or in an exhibit attached to this document and identified below) |
|---|--|--|
| § 4.1.1 Programming | Architect | Section 11.1 |
| § 4.1.2 Multiple preliminary designs | Not Provided | |
| § 4.1.3 Measured drawings | Not Provided | |
| § 4.1.4 Existing facilities surveys | Not Provided | |
| § 4.1.5 Site Evaluation and Planning (B203™-2007) | Not Provided | |
| § 4.1.6 Building information modeling | Not Provided | |
| § 4.1.7 Civil engineering | Not Provided | |

| | | | |
|----------|---|--------------|--------------|
| § 4.1.8 | Landscape design | Not Provided | |
| § 4.1.9 | Architectural Interior Design (B252™-2007) | Not Provided | |
| § 4.1.10 | Value Analysis (B204™-2007) | Not Provided | |
| § 4.1.11 | Detailed cost estimating | Not Provided | |
| § 4.1.12 | On-site project representation | Not Provided | |
| § 4.1.13 | Conformed construction documents | Not Provided | |
| § 4.1.14 | As-Designed Record drawings | Not Provided | |
| § 4.1.15 | As-Constructed Record drawings | Not Provided | |
| § 4.1.16 | Post occupancy evaluation | Not Provided | |
| § 4.1.17 | Facility Support Services (B210™-2007) | Not Provided | |
| § 4.1.18 | Tenant-related services | Not Provided | |
| § 4.1.19 | Coordination of Owner's consultants | Architect | Section 11.1 |
| § 4.1.20 | Telecommunications/data design | Not Provided | |
| § 4.1.21 | Security Evaluation and Planning (B206™-2007) | Not Provided | |
| § 4.1.22 | Commissioning (B211™-2007) | Not Provided | |
| § 4.1.23 | Extensive environmentally responsible design | Not Provided | |
| § 4.1.24 | LEED® Certification (B214™-2007) | Not Provided | |
| § 4.1.25 | Fast-track design services | Not Provided | |
| § 4.1.26 | Historic Preservation (B205™-2007) | Not Provided | |
| § 4.1.27 | Furniture, Furnishings, and Equipment Design (B253™-2007) | Not Provided | |
| | | | |

§ 4.2 Insert a description of each Additional Service designated in Section 4.1 as the Architect's responsibility, if not further described in an exhibit attached to this document.

None anticipated unless there is an increase in project scope and/or size.

§ 4.3 Additional Services may be provided after execution of this Agreement, without invalidating the Agreement. Except for services required due to the fault of the Architect, any Additional Services provided in accordance with this Section 4.3 shall entitle the Architect to compensation pursuant to Section 11.3 and an appropriate adjustment in the Architect's schedule.

§ 4.3.1 Upon recognizing the need to perform the following Additional Services, the Architect shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Architect shall not proceed to provide the following services until the Architect receives the Owner's written authorization:

- .1 Services necessitated by a change in the Initial Information, previous instructions or approvals given by the Owner, or a material change in the Project including, but not limited to, size, quality, complexity, the Owner's schedule or budget for Cost of the Work, or procurement or delivery method;
- .2 Services necessitated by the Owner's request for extensive environmentally responsible design alternatives, such as unique system designs, in-depth material research, energy modeling, or LEED® certification;
- .3 Changing or editing previously prepared Instruments of Service necessitated by the enactment or revision of codes, laws or regulations or official interpretations;
- .4 Services necessitated by decisions of the Owner not rendered in a timely manner or any other failure of performance on the part of the Owner or the Owner's consultants or contractors;
- .5 Preparing digital data for transmission to the Owner's consultants and contractors, or to other Owner authorized recipients;
- .6 Preparation of design and documentation for alternate bid or proposal requests proposed by the Owner;
- .7 Preparation for, and attendance at, a public presentation, meeting or hearing;
- .8 Preparation for, and attendance at a dispute resolution proceeding or legal proceeding, except where the Architect is party thereto;
- .9 Evaluation of the qualifications of bidders or persons providing proposals;
- .10 Consultation concerning replacement of Work resulting from fire or other cause during construction; or
- .11 Assistance to the Initial Decision Maker, if other than the Architect.

§ 4.3.2 To avoid delay in the Construction Phase, the Architect shall provide the following Additional Services, notify the Owner with reasonable promptness, and explain the facts and circumstances giving rise to the need. If the Owner subsequently determines that all or parts of those services are not required, the Owner shall give prompt written notice to the Architect, and the Owner shall have no further obligation to compensate the Architect for those services:

- .1 Reviewing a Contractor's submittal out of sequence from the submittal schedule agreed to by the Architect;
- .2 Responding to the Contractor's requests for information that are not prepared in accordance with the Contract Documents or where such information is available to the Contractor from a careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation;
- .3 Preparing Change Orders and Construction Change Directives that require evaluation of Contractor's proposals and supporting data, or the preparation or revision of Instruments of Service;
- .4 Evaluating an extensive number of Claims as the Initial Decision Maker;
- .5 Evaluating substitutions proposed by the Owner or Contractor and making subsequent revisions to Instruments of Service resulting therefrom; or
- .6 To the extent the Architect's Basic Services are affected, providing Construction Phase Services 60 days after (1) the date of Substantial Completion of the Work or (2) the anticipated date of Substantial Completion identified in Initial Information, whichever is earlier.

§ 4.3.3 The Architect shall provide Construction Phase Services exceeding the limits set forth below as Additional Services. When the limits below are reached, the Architect shall notify the Owner:

- .1 As required reviews of each Shop Drawing, Product Data item, sample and similar submittal of the Contractor
- .2 As necessary visits to the site by the Architect over the duration of the Project during the original construction time allotted.
- .3 Two (2) inspections for any portion of the Work to determine whether such portion of the Work is substantially complete in accordance with the requirements of the Contract Documents
- .4 Two (2) inspections for any portion of the Work to determine final completion

§ 4.3.4 If the services covered by this Agreement have not been completed within twelve months of the date of this Agreement, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as Additional Services.

ARTICLE 5 OWNER'S RESPONSIBILITIES

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, schedule, constraints and criteria, including space requirements and relationships, flexibility, expandability, special equipment, systems and site requirements. Within 15 days after receipt of a written request from the Architect, the Owner shall furnish the requested information as necessary and relevant for the Architect to evaluate, give notice of or enforce lien rights.

§ 5.2 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner's other costs; and, (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Architect. The Owner and the Architect shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 5.3 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the Project. The Owner shall render decisions and approve the Architect's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services.

§ 5.4 The Owner shall furnish surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data with respect to existing buildings, other improvements

and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

(Paragraph deleted)

§ 5.5 The Owner shall furnish services of geotechnical engineers, which may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 5.6 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. Upon the Architect's request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner's consultants. The Owner shall furnish the services of consultants other than those designated in this Agreement, or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants maintain professional liability insurance as appropriate to the services provided.

§ 5.7 The Owner shall furnish tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 5.8 The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 5.9 The Owner shall provide prompt written notice to the Architect if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect's Instruments of Service.

§ 5.10 Except as otherwise provided in this Agreement, or when direct communications have been specially authorized, the Owner shall endeavor to communicate with the Contractor and the Architect's consultants through the Architect about matters arising out of or relating to the Contract Documents. The Owner shall promptly notify the Architect of any direct communications that may affect the Architect's services.

§ 5.11 Before executing the Contract for Construction, the Owner shall coordinate the Architect's duties and responsibilities set forth in the Contract for Construction with the Architect's services set forth in this Agreement. The Owner shall provide the Architect a copy of the executed agreement between the Owner and Contractor, including the General Conditions of the Contract for Construction.

§ 5.12 The Owner shall provide the Architect access to the Project site prior to commencement of the Work and shall obligate the Contractor to provide the Architect access to the Work wherever it is in preparation or progress.

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include contractors' general conditions costs, overhead and profit. The Cost of the Work does not include the compensation of the Architect, the costs of the land, rights-of-way, financing, contingencies for changes in the Work or other costs that are the responsibility of the Owner.

§ 6.2 The Owner's budget for the Cost of the Work is provided in Initial Information, and may be adjusted throughout the Project as required under Sections 5.2, 6.4 and 6.5. Evaluations of the Owner's budget for the Cost of the Work, the preliminary estimate of the Cost of the Work and updated estimates of the Cost of the Work prepared by the Architect, represent the Architect's judgment as a design professional. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials or equipment; the Contractor's methods of determining bid prices; or competitive bidding, market or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Owner's budget for the Cost of the Work or from any estimate of the Cost of the Work or evaluation prepared or agreed to by the Architect.

§ 6.3 In preparing estimates of the Cost of Work, the Architect shall be permitted to include contingencies for design, bidding and price escalation; to determine what materials, equipment, component systems and types of construction are to be included in the Contract Documents; to make reasonable adjustments in the program and scope of the Project; and to include in the Contract Documents alternate bids as may be necessary to adjust the estimated Cost of the Work

to meet the Owner's budget for the Cost of the Work. The Architect's estimate of the Cost of the Work shall be based on current area, volume or similar conceptual estimating techniques. If the Owner requests detailed cost estimating services, the Architect shall provide such services as an Additional Service under Article 4.

§ 6.4 If the Bidding or Negotiation Phase has not commenced within 90 days after the Architect submits the Construction Documents to the Owner, through no fault of the Architect, the Owner's budget for the Cost of the Work shall be adjusted to reflect changes in the general level of prices in the applicable construction market.

§ 6.5 If at any time the Architect's estimate of the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Architect shall make appropriate recommendations to the Owner to adjust the Project's size, quality or budget for the Cost of the Work, and the Owner shall cooperate with the Architect in making such adjustments.

§ 6.6 If the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services is exceeded by the lowest bona fide bid or negotiated proposal, the Owner shall

- .1 give written approval of an increase in the budget for the Cost of the Work;
- .2 authorize rebidding or renegotiating of the Project within a reasonable time;
- .3 terminate in accordance with Section 9.5;
- .4 in consultation with the Architect, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or
- .5 implement any other mutually acceptable alternative.

§ 6.7 If the Owner chooses to proceed under Section 6.6.4, the Architect, without additional compensation, shall modify the Construction Documents as necessary to comply with the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services, or the budget as adjusted under Section 6.6.1. The Architect's modification of the Construction Documents shall be the limit of the Architect's responsibility under this Article 6.

ARTICLE 7 COPYRIGHTS AND LICENSES

§ 7.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project. If the Owner and Architect intend to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions.

§ 7.2 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect's consultants.

§ 7.3 Upon execution of this Agreement, the Architect grants to the Owner a nonexclusive license to use the Architect's Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations, including prompt payment of all sums when due, under this Agreement. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractor, Subcontractors, Sub-subcontractors, and material or equipment suppliers, as well as the Owner's consultants and separate contractors, to reproduce applicable portions of the Instruments of Service solely and exclusively for use in performing services or construction for the Project. If the Architect rightfully terminates this Agreement for cause as provided in Section 9.4, the license granted in this Section 7.3 shall terminate.

§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the author of the Instruments of Service, the Owner releases the Architect and Architect's consultant(s) from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Architect and its consultants from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's use of the Instruments of Service under this Section 7.3.1. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.

§ 7.4 Except for the licenses granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 GENERAL

§ 8.1.1 The Owner and Architect shall commence all claims and causes of action, whether in contract, tort, or otherwise, against the other arising out of or related to this Agreement in accordance with the requirements of the method of binding dispute resolution selected in this Agreement within the period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.2 To the extent damages are covered by property insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201-2007, General Conditions of the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 The Architect and Owner waive consequential damages for claims, disputes or other matters in question arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement, except as specifically provided in Section 9.7.

§ 8.2 MEDIATION

§ 8.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. If such matter relates to or is the subject of a lien arising out of the Architect's services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution.

§ 8.2.2 The Owner and Architect shall endeavor to resolve claims, disputes and other matters in question between them by mediation which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of the Agreement. A request for mediation shall be made in writing, delivered to the other party to the Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 8.2.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:

(Check the appropriate box. If the Owner and Architect do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.)

Arbitration pursuant to Section 8.3 of this Agreement

Litigation in a court of competent jurisdiction

Other (Specify)

§ 8.3 ARBITRATION

§ 8.3.1 If the parties have selected arbitration as the method for binding dispute resolution in this Agreement, any claim, dispute or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation shall be subject to arbitration which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of this Agreement. A demand for arbitration shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration.

§ 8.3.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim, dispute or other matter in question.

§ 8.3.2 The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.

§ 8.3.3 The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

§ 8.3.4 CONSOLIDATION OR JOINDER

§ 8.3.4.1 Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 8.3.4.2 Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

§ 8.3.4.3 The Owner and Architect grant to any person or entity made a party to an arbitration conducted under this Section 8.3, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Architect under this Agreement.

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 If the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Architect shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days' written notice.

§ 9.4 Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 9.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Architect for the Owner's convenience and without cause.

§ 9.6 In the event of termination not the fault of the Architect, the Architect shall be compensated for services performed prior to termination, together with Reimbursable Expenses then due and all Termination Expenses as defined in Section 9.7.

§ 9.7 Termination Expenses are in addition to compensation for the Architect's services and include expenses directly attributable to termination for which the Architect is not otherwise compensated, plus an amount for the Architect's anticipated profit on the value of the services not performed by the Architect.

§ 9.8 The Owner's rights to use the Architect's Instruments of Service in the event of a termination of this Agreement are set forth in Article 7 and Section 11.9.

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the place where the Project is located, except that if the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 8.3.

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201-2007, General Conditions of the Contract for Construction.

§ 10.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement.

§ 10.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. If the Owner requests the Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least 14 days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Owner or Architect.

§ 10.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.7 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner's promotional materials for the Project.

§ 10.8 If the Architect or Owner receives information specifically designated by the other party as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except to (1) its employees, (2) those who need to know the content of such information in order to

perform services or construction solely and exclusively for the Project, or (3) its consultants and contractors whose contracts include similar restrictions on the use of confidential information.

ARTICLE 11 COMPENSATION

§ 11.1 For the Architect's Basic Services described under Article 3, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation.)

Compensation for the project is based on seven and a half percent (7.5%) of the estimated building cost of One Million Four Hundred Eight Thousand Dollars and Zero Cents (\$1,408,000.00). Professional services fee shall be One Hundred Five Thousand Six Hundred Dollars and Zero Cents (\$105,600.00).

§ 11.2 For Additional Services designated in Section 4.1, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)

Hourly rate as established below.

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.3, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation.)

Hourly rate as established below.

§ 11.4 Compensation for Additional Services of the Architect's consultants when not included in Section 11.2 or 11.3, shall be the amount invoiced to the Architect plus Ten percent (10.00 %), or as otherwise stated below:

§ 11.5 Where compensation for Basic Services is based on a stipulated sum or percentage of the Cost of the Work, the compensation for each phase of services shall be as follows:

| | | | | |
|------------------------------|-------------|-----------|-----|----|
| Schematic Design Phase | Fifteen | percent (| 15 | %) |
| Design Development Phase | Twenty | percent (| 20 | %) |
| Construction Documents Phase | Forty | percent (| 40 | %) |
| Bidding or Negotiation Phase | Five | percent (| 5 | %) |
| Construction Phase | Twenty | percent (| 20 | %) |
| <hr/> | | | | |
| Total Basic Compensation | one hundred | percent (| 100 | %) |

§ 11.6 When compensation is based on a percentage of the Cost of the Work and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions, in accordance with the schedule set forth in Section 11.5 based on (1) the lowest bona fide bid or negotiated proposal, or (2) if no such bid or proposal is received, the most recent estimate of the Cost of the Work for such portions of the Project. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

§ 11.7 The hourly billing rates for services of the Architect and the Architect's consultants, if any, are set forth below. The rates shall be adjusted in accordance with the Architect's and Architect's consultants' normal review practices.

(If applicable, attach an exhibit of hourly billing rates or insert them below.)

| Employee or Category | Rate |
|----------------------|----------------|
| Principal Time | \$150 per hour |
| Associate Time | \$125 per hour |

Init.

| | |
|----------------|----------------|
| CAD Drafting | \$ 75 per hour |
| Administration | \$ 35 per hour |

§ 11.8 COMPENSATION FOR REIMBURSABLE EXPENSES

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic and Additional Services and include expenses incurred by the Architect and the Architect's consultants directly related to the Project, as follows:

- .1 Transportation and authorized out-of-town travel and subsistence;
- .2 Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets;
- .3 Fees paid for securing approval of authorities having jurisdiction over the Project;
- .4 Printing, reproductions, plots, standard form documents;
- .5 Postage, handling and delivery;
- .6 Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;
- .7 Renderings, models, mock-ups, professional photography, and presentation materials requested by the Owner;
- .8 Architect's Consultant's expense of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits if the Owner requests such insurance in excess of that normally carried by the Architect's consultants;
- .9 All taxes levied on professional services and on reimbursable expenses;
- .10 Site office expenses; and
- .11 Other similar Project-related expenditures.

§ 11.8.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Architect and the Architect's consultants plus Ten percent (10.00 %) of the expenses incurred.

§ 11.9 COMPENSATION FOR USE OF ARCHITECT'S INSTRUMENTS OF SERVICE

If the Owner terminates the Architect for its convenience under Section 9.5, or the Architect terminates this Agreement under Section 9.3, the Owner shall pay a licensing fee as compensation for the Owner's continued use of the Architect's Instruments of Service solely for purposes of completing, using and maintaining the Project as follows:

Compensation accrued

§ 11.10 PAYMENTS TO THE ARCHITECT

§ 11.10.1 An initial payment of Zero Dollars and Zero Cents (\$ 0.00) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner's account in the final invoice.

§ 11.10.2 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect's invoice. Amounts unpaid Thirty (30) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.
(Insert rate of monthly or annual interest agreed upon.)

Legal rate prevailing at project location.

§ 11.10.3 The Owner shall not withhold amounts from the Architect's compensation to impose a penalty or liquidated damages on the Architect, or to offset sums requested by or paid to contractors for the cost of changes in the Work unless the Architect agrees or has been found liable for the amounts in a binding dispute resolution proceeding.

§ 11.10.4 Records of Reimbursable Expenses, expenses pertaining to Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:

In recognition of the relative risks and benefits of the project to both the Client and Metaform Studio Architects, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of the Architect and their subconsultants to the Client and to all of the construction's contractors and subcontractors on the

project for any and all claims, losses, cost, damages of any nature whatsoever or claim expenses from any cause or causes, so that the total aggregate liability of Metaform Studio Architects and their subconsultants to all those named shall not exceed Metaform Studio Architects total fee for services rendered on this project. Such claims and causes include, but are not limited to negligence, professional errors and omissions, strict liability, and breach of contract or warranty.

ARTICLE 13 SCOPE OF THE AGREEMENT

§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.

§ 13.2 This Agreement is comprised of the following documents listed below:

- .1 AIA Document B101™-2007, Standard Form Agreement Between Owner and Architect

(Paragraphs deleted)

- .2 Other documents:

(List other documents, if any, including Exhibit A, Initial Information, and additional scopes of service, if any, forming part of the Agreement.)

AIA Document B101 - Exhibit A, Initial Information
Exhibit B - Metaform Studio Architects Proposal

This Agreement entered into as of the day and year first written above.

OWNER

ARCHITECT

(Signature)

Carlos Villarreal, City Manager

(Printed name and title)

(Signature)

Ricardo A. Solis, AIA, Metaform Studio - Architect

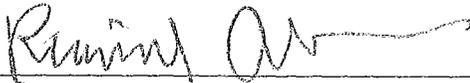
(Printed name and title)

The Texas Board of Architectural Examiners has jurisdiction over complaints regarding the professional practices of persons registered as architects in Texas

Texas Board of Architectural Examiners
P.O. Box 12337
Austin, Texas 78711
(512) 305-9000

Certification of Document's Authenticity
AIA® Document D401™ – 2003

I, Ricardo A Solis, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 14:55:50 on 12/21/2011 under Order No. 4544755648_1 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document B101™ – 2007, Standard Form of Agreement Between Owner and Architect, as published by the AIA in its software, other than those additions and deletions shown in the associated Additions and Deletions Report.



(Signed)

ARCHITECT

(Title)

12/21/11

(Dated)

COUNCIL COMMUNICATION

| | | |
|---|---|--|
| DATE: 01/03/12 | SUBJECT: MOTION Authorizing the City Manager to execute and award a contract with Carrillo & Associates, Inc. of Laredo, Texas, in the amount of \$78,775.00 for construction material testing services for the Vidal Cantu Boulevard from El Pico Water Treatment Plant to Mines Road. Funding is available in the Waterworks Fund - 2011 Bond Series. | |
| INITIATED BY: Jesus M. Olivares, Assistant City Manager | STAFF SOURCE: Tomas M. Rodriguez, Jr., P.E., Utilities Director | |
| PREVIOUS COUNCIL ACTION: On August 01, 2011 City Council awarded a construction contract to Western Summit Constructors, Inc. / McAllen Construction, Inc. for the El Pico Water Treatment Plant. | | |
| BACKGROUND: Carrillo & Associates, Inc. will provide construction material testing services for the Vidal Cantu Boulevard from El Pico Water Treatment Plant to Mines Road (FM-1472). | | |
| FINANCIAL IMPACT: Funding is available in the 2011 Bond Series-Line Rehabilitation (Account 557-4193-538-0359) | | |
| COMMITTEE RECOMMENDATION: Operations and Finance Committees | STAFF RECOMMENDATION: Approval of motion. | |



CONSULTING ENGINEERS

Construction Material Testing & Engineering • Geotechnical • Environmental

30-Nov-11

City of Laredo - Utilities Department

5816 Daugherty Avenue

Laredo, Texas 78041

Attn: Mr. Tomas M. Rodriguez Jr., P.E., Utilities Director

Re: Construction Materials Testing - Vidal Cantu Road

We are pleased to submit our estimated unit fees for the construction material and laboratory testing for the above referenced project. Field and laboratory testing frequencies and quantities for this estimate are based on the plans and specifications. The production days related to construction activities are assumed based on our past experience for this type of project and may reflect values that may be higher or lower. This estimate covers initial testing in accordance with the project documents and does not include control observation testing, re-testing, or any additional tests requested without prior approval from authorized representative.

All services for your project will be provided on a per call basis as requested and scheduled by your designated project management personnel and will be invoiced at unit prices as indicated in this estimate.

Carrillo & Associates, Inc. laboratory procedures, equipment and personnel are US Army Corps of Engineers validated, and meet the requirements for the Standard Practice for Laboratories ASTM C-1077 as well as the Standard Specification for Agencies Engaged in Construction Inspection and/or Testing ASTM E-329.

Carrillo & Associates, Inc. is certified as Disadvantaged, Woman, Minority, Small and Historically Underutilized Business. We thank you for this opportunity to provide our estimated fee cost and look forward to working with you on this and upcoming projects.

| Earthwork | Qty. | Unit | Unit Rate | Amount |
|---|------|------|-----------------|---------------------|
| Backfill/Subgrade | 12 | Each | \$ 385.00 | \$ 4,620.00 |
| Flex Base Proctor | 2 | Each | \$ 450.00 | \$ 900.00 |
| Densities Embankment/Subgrade/Base | 688 | Each | \$ 40.00 | \$ 27,520.00 |
| Minimum two (2) tests per trip, twice a day | | | | \$ - |
| HMAC "B" Densities | 150 | Each | \$ 40.00 | \$ 6,000.00 |
| Minimum two (2) tests per trip, twice a day | | | | \$ - |
| HMAC "D" Densities | 80 | Each | \$ 40.00 | \$ 3,200.00 |
| Minimum two (2) tests per trip, twice a day | | | | |
| HMAC "D" Asphalt Cores | 15 | Each | \$ 125.00 | \$ 1,875.00 |
| HMAC "D" Asphalt Content/Gradation/Hveem | 6 | Each | \$ 450.00 | \$ 2,700.00 |
| Specific Gravity Lab Density | | | | |
| | | | Subtotal | \$ 46,815.00 |

Construction Materials Testing - Vidal Cantu Road

Page 2

30-Nov-11

| | Qty. | Unit | Unit Rate | Amount |
|---|------|-------|-----------|--------------|
| Zero PI Sand Gradation | 5 | Each | \$ 260.00 | \$ 1,300.00 |
| Trench Crossing Backfill Densities Minimum two (2) tests per trip, twice a day | 600 | Each | \$ 35.00 | \$ 21,000.00 |
| Concrete Cylinders (set of 4 cylinders) | 42 | Sets | \$ 160.00 | \$ 6,720.00 |
| Technician Overtime (Weekend, before 7:00 am after 6:00 PM) | 60 | Hours | \$ 49.00 | \$ 2,940.00 |

| | |
|--|---------------------|
| Total QC Construction Material Testing: | \$ 78,775.00 |
| Failed Tests at Additional Costs | |

Minimum call-out charge for **hourly** technician and equipment is 3 hours. Overtime rates of 1.3 times hourly are applicable to time worked in excess of 8 hours per day, Monday through Friday, hours worked before 7 a.m. or after 6 p.m. and all hours worked on Saturday, Sunday and holidays.

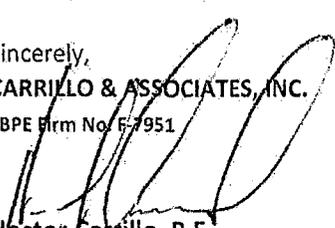
Technician will not enter trench unless OSHA approved trench protection is in place and is provided by client or contractor.

Should you need any information or have any questions, please call us at 956-726-9600.

Sincerely,

CARRILLO & ASSOCIATES, INC.

TBPE Firm No. F-7951



Hector Carrillo, P.E.

Principal

CERTIFIED DBE, WBE, MBE, SBE, HUB and SBA 8(a)

A CERTIFIED TEXAS DEPARTMENT OF TRANSPORTATION CONSULTANT

VALIDATED US ARMY CORPS OF ENGINEERS LABORATORY

LIMITATION OF LIABILITY

Client and Consultant have evaluated the risks and rewards and agree to allocate certain of the risks to the fullest extent permitted by law, the total liability of consultant to client and third parties granted reliance is limited to its fee, for any and all injuries, damages, claims, losses, or expenses (including attorney and expert fees) arising out of Consultant's services or this agreement regardless of cause or causes or the theory of liability, including negligence, indemnity or other recovery.

ACCEPTANCE

We appreciate the opportunity to submit this proposal and look forward to working with you in the development of this project. If this proposal is acceptable to you, please sign date and return one copy to our office. Our fax number is 956-726-9603.

Authorization to proceed:

Signature: _____

Mr. Tomas M. Rodriguez, P.E.
Utilities Department Director

Date: _____

Signature: _____

Mr. Carlos Villarreal
City Manager

Date: _____



COUNCIL COMMUNICATION

| | | |
|--|---|--|
| DATE: 01/03/12 | SUBJECT: MOTION Authorizing the City Manager to execute and award a contract with Terracon Consultants, Inc. of Laredo, Texas, in the amount of \$266,520.00 for construction material testing services for the 60-inch Diameter Finish Waterline located at El Pico Water Treatment Plant to Mines Road. Funding is available in the Waterworks Fund - 2011 Bond Series. | |
| INITIATED BY: Jesus M. Olivares, Assistant City Manager | STAFF SOURCE: Tomas M. Rodriguez, Jr., P.E., Utilities Director | |
| PREVIOUS COUNCIL ACTION: On August 01, 2011 City Council awarded a construction contract to Western Summit Constructors, Inc. / McAllen Construction, Inc. for the El Pico Water Treatment Plant. | | |
| BACKGROUND: Terracon Consultants, Inc. will provide construction material testing services for the 60-inch Diameter Finish Waterline located along Vidal Cantu Boulevard from El Pico Water Treatment Plant to Mines Road (FM-1472). | | |
| FINANCIAL IMPACT: Funding is available in the 2011 Bond Series-Line Rehabilitation (Account 557-4193-538-0359) | | |
| COMMITTEE RECOMMENDATION: Operations and Finance Committees | STAFF RECOMMENDATION: Approval of motion. | |

September 6, 2011



City of Laredo – Utilities Department
5816 Daugherty Avenue
Laredo, Texas 78044

Attn: Mr. Thomas M. Rodriguez, Jr., P.E.
P: [956] 721.2000
F: [956] 721.2001
E: trodriguez@ci.laredo.tx.us

Re: Proposal for Construction Material Testing & Observation Services
El Pico Water Treatment Plant
60-inch Diameter Finish Waterline
Laredo, Texas
Terracon Proposal No.: P89110101

Dear Mr. Rodriguez:

Terracon Consultants, Inc. (Terracon) appreciates the opportunity to submit this proposal to provide *value construction materials testing and observation services* for this project. **We understand that we have been chosen to negotiate these services for this publicly funded project. Therefore, by providing cost information we are not in violation of the Texas Professional Services Procurement Act.** We are presenting this proposal to confirm our understanding of the *value construction materials testing and observation services* to be performed by our firm, to present the estimated cost to provide these services, and to obtain written authorization to commence these services. The following sections outline our understanding of the project and provide a description of the tasks to be performed. Our services, as we understand them and our estimated fee to perform these services are listed below.

A. PROJECT INFORMATION

| Item | Description |
|------------------------|--|
| Site layout | Site plans. |
| Structures | According to a site plan provided to us by the client, the portion of El Pico WTP project that has been assigned to us includes the construction of the approximately 7,800 linear feet long 60-inch diameter Finish Waterline and related appurtenances (flow meter, valves, manholes, etc.). The Finish Waterline flow line will be approximately 15 to 20 feet below existing ground elevation. |
| Structure construction | The Finish Waterline will be constructed with steel pipe. |



| Item | Description |
|-----------------------|---|
| Flow line elevations | Station 0+60.18 at El. 498.67 feet on Riverbank Road ROW Station 8+00.00 at El. 500.00 feet on Vidal Cantu Road ROW Station 78+00.78 at El. 501.87 feet on Mines Road ROW |
| Location | The pipeline will be located in the right-of-ways of Riverbank Road (westside) and Vidal Cantu Road (southside) finishing at the intersection of Vidal Cantu Road and Mines Road. |
| Existing improvements | Undeveloped. |
| Current ground cover | Bare Soils. |
| Existing topography | Based on information provided in Dannenbaum/Sherfey Engineering Company, LLC plans the proposed Finish Waterline alignment is along a slight to moderate slopes terrain. |

B. SCOPE OF SERVICES

Our understanding of the required construction materials testing services for this project is based on information provided by your firm.

We anticipate providing the requested construction materials observation and testing services for this project on an "as requested" basis for the majority of the finish waterline construction. The services estimated for this project are listed below, followed by the specific scope of services for each service type:

Earthwork / Soils Test: These services will be supported by laboratory evaluation of existing and fill soils used on the site. The laboratory testing will include moisture-density relationships (proctors), soil classification, and sulfate content in soils as appropriate. Field testing will be performed to determine compliance with project specifications or as recommended in the geotechnical engineering report.

Steel Pipe Weld Observations: A NACE/CWI technician will perform ultrasonic testing of the welded connections to verify compliance with the project plans and specifications and in accordance with the project special inspections requirements.

Holiday Testing: An engineering technician will perform holiday testing of the pipe segments to verify compliance with the project plans and specifications and in accordance with the project special inspections requirements.

Foundation Observation (for finish waterline related appurtenances only): Pre-pour observation will be provided on an as-requested basis, prior to concrete placement. The foundations will be observed for conformance with the project plans and specifications.

Concrete Testing (for finish waterline related appurtenances only): An engineering technician will be provided, on an as-requested basis, to sample the plastic concrete used during construction of the structures. The concrete will be tested for slump, air content and temperature at the time of placement. Concrete cylinder samples will be cast and field cured at the site and returned to our laboratory for proper curing prior to compressive strength testing.

Project Management: The project manager will be the point of contact for the project and his duties include as related construction material testing and observation services the following:

- a) Attend construction meetings, if requested
- b) Coordinate field and laboratory testing,
- c) Communicate with Terracon field technicians, Contractor, and Owner's site representative,
- d) Review laboratory and field test reports,
- e) Control our budget and invoice.
- f) Performing site visits to the project site.
- g) Provide technical assistance.

Scheduling: It is the responsibility of the contractor or designated representative to notify Terracon, in advance (minimum of 24 hour notice), for testing services required on this project. Our services will be performed on an as requested basis. Terracon will not be responsible for scheduling our services and will not be responsible for tests that are not performed due to failure to schedule our services on the project. Scheduling for your convenience is handled by our dispatcher (956.729.1100 Ext.16).

C. COMPENSATION

We estimate the cost of our services to be **\$266,520.00**. Please recognize that this is an estimate. We will only invoice for the actual services and required laboratory tests based on the attached Schedule of Fees. In the event the construction activities do not require the time we have estimated, the cost should be lower than our estimated cost. If more services are required due to conditions such as scheduling, inclement weather, or retesting this cost estimate may be exceeded, but in no case will our services exceed our estimated amount without your written approval.

Earthwork/Soils Testing

| Item | Units | Unit Cost | Estimated Total |
|--|-----------------|-----------|---------------------|
| Compaction in-place field density, tests (3 density tests/12-inch lift/150 linear feet of pipe) | 2,750 | \$35.00 | \$96,250.00 |
| Moisture-Density relationship for soils, each | 8 | \$185.00 | \$1,480.00 |
| Gradation for granular material, each | 4 | \$100.00 | \$400.00 |
| Material finer than the No. 200 sieve, each | 8 | \$50.00 | \$400.00 |
| Atterberg limits, each | 8 | \$65.00 | \$520.00 |
| Sulfate content in soils, each | 50 | \$50.00 | \$2,500.00 |
| Lab preparation of samples/materials, hours | 32 | \$40.00 | \$1,280.00 |
| | Subtotal | | \$102,830.00 |

Steel Pipe Weld Observations

| Item | Units | Unit Cost | Estimated Total |
|---|-----------------|-----------|---------------------|
| Certified Welding Inspector (NACE), hour (2 hours per weld/392 20-foot long pipe segments) | 784 | \$95.00 | \$74,480.00 |
| Ultrasonic testing equipment, trip | 392 | \$75.00 | \$29,400.00 |
| | Subtotal | | \$103,880.00 |

Holiday Testing

| Item | Units | Unit Cost | Estimated Total |
|---|-----------------|-----------|--------------------|
| Holiday testing observation, hour (1 hour per pipe segment for 390 20-foot long pipe segments) | 390 | \$65.00 | \$25,350.00 |
| Holiday testing Equipment, trip | 390 | \$50.00 | \$19,500.00 |
| | Subtotal | | \$44,850.00 |

Foundation Observation

| Item | Units | Unit Cost | Estimated Total |
|---|-----------------|-----------|-------------------|
| Reinforcing steel observation, hours Finish Waterline related structures | 24 | \$65.00 | \$1,560.00 |
| | Subtotal | | \$1,560.00 |

Concrete Testing

| Item | Units | Unit Cost | Estimated Total |
|--|-----------------|-----------|-------------------|
| Concrete cylinders, set (5 cylinders/set) Finish Waterline related structures | 15 | \$200.00 | \$3,000.00 |
| | Subtotal | | \$3,000.00 |

Project Management

| Item | Units | Unit Cost | Estimated Total |
|------------------------|-----------------|-----------|--------------------|
| Project manager, hours | 80 | \$130.00 | \$10,400.00 |
| | Subtotal | | \$10,400.00 |

Budget Estimate **\$266,520.00**

The above estimate is based on the unit fees shown on the attached Schedule of Fees.

Please be aware that we will be unable to distribute field and laboratory reports until a signed contract is received.

The applicable field rate will be invoiced for all hours worked, including travel time, report and sample preparation. Technician time will be invoiced on a portal-to-portal basis from our office. Overtime rates of 1.5 times the regular hourly rates will be charged for time worked outside normal workday hours of 8:00 am to 5:00 pm and over 8 hours per day, Monday through Saturday. Hours worked on Sunday or holidays will be invoiced at the rate of 2 times the regular hourly rates. A minimum 3-hour charge will be invoiced per visit to the project site. Hours will be rounded up to the next whole number. A 10 percent technical review and administration cost will be added to all invoices.

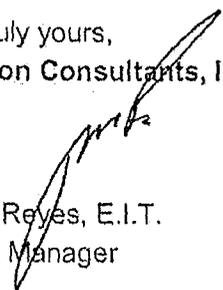
D. AUTHORIZATION

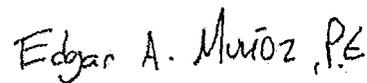
If this Scope of Services meets with your approval, project initiation may be expedited by emailing eamunoz@terracon.com or faxing a copy of the signed Agreement for Services to [956] 791.1071. Unless requested otherwise, a hard copy of this proposal will not be mailed to you.

The terms, conditions and limitations stated in the Agreement for Services (and sections of this proposal incorporated therein), shall constitute the exclusive terms and conditions and services to be performed for this project. This proposal is valid only if authorized within 90 days from the proposal date.

We thank you for this opportunity to be of service, and we look forward to working with you on this project.

Very truly yours,
Terracon Consultants, Inc.


Martin Reyes, E.I.T.
Project Manager


Edgar A. Muñoz, P.E.
Department Manager

APR Review by Mike T. Ghazawi, P.E.

Cc: Ms. City of Laredo – Utilities Department; Gloria Peres-Saavedra, P.E. gsaavedra@ci.laredo.tx.us
City of Laredo – Utilities Department; Carl Schwing; cschwing@ci.laredo.tx.us

Attachments: Agreement of Services and Distribution Sheet

AGREEMENT FOR SERVICES

This **AGREEMENT** is between City of Laredo – Utilities Department ("Client") and Terracon Consultants, Inc. ("Consultant") for Services to be provided by Consultant for Client on the El Pico Water Treatment Plant project ("Project"), as described in the Project Information section of Consultant's Proposal dated September 6, 2011 ("Proposal") unless the Project is otherwise described in Exhibit A to this Agreement (which section or Exhibit is incorporated into this Agreement).

1. **Scope of Services.** The scope of Consultant's services is described in the Scope of Services section of the Proposal ("Services"), unless Services are otherwise described in Exhibit B to this Agreement (which section or exhibit is incorporated into this Agreement). Portions of the Services may be subcontracted. Consultant's Services do not include the investigation or detection of, nor do recommendations in Consultant's reports address the presence or prevention of biological pollutants (e.g., mold, fungi, bacteria, viruses, or their byproducts) or occupant safety issues, such as vulnerability to natural disasters, terrorism, or violence. If Services include purchase of software, Client will execute a separate software license agreement. Consultant's findings, opinions, and recommendations are based solely upon data and information obtained by and furnished to Consultant at the time of the Services.
2. **Acceptance/ Termination.** Client agrees that execution of this Agreement is a material element of the consideration Consultant requires to execute the Services, and if Services are initiated by Consultant prior to execution of this Agreement as an accommodation for Client at Client's request, both parties shall consider that commencement of Services constitutes formal acceptance of all terms and conditions of this Agreement. Additional terms and conditions may be added or changed only by written amendment to this Agreement signed by both parties. In the event Client uses a purchase order or other form to administer this Agreement, the use of such form shall be for convenience purposes only and any additional or conflicting terms it contains are stricken. This Agreement shall not be assigned by either party without prior written consent of the other party. Either party may terminate this Agreement or the Services upon written notice to the other. In such case, Consultant shall be paid costs incurred and fees earned to the date of termination plus reasonable costs of closing the project.
3. **Change Orders.** Client may request changes to the scope of Services by altering or adding to the Services to be performed. If Client so requests, Consultant will return to Client a statement (or supplemental proposal) of the change setting forth an adjustment to the Services and fees for the requested changes. Following Client's review, Client shall provide written acceptance. If Client does not follow these procedures, but instead directs, authorizes, or permits Consultant to perform changed or additional work, the Services are changed accordingly and Consultant will be paid for this work according to the fees stated or its current fee schedule. If project conditions change materially from those observed at the site or described to Consultant at the time of proposal, Consultant is entitled to a change order equitably adjusting its Services and fee.
4. **Compensation and Terms of Payment.** Client shall pay compensation for the Services performed at the fees stated in the Compensation section of the Proposal unless fees are otherwise stated in Exhibit C to this Agreement (which section or Exhibit is incorporated into this Agreement). If not stated in either, fees will be according to Consultant's current fee schedule. Fee schedules are valid for the calendar year in which they are issued. Consultant may invoice Client at least monthly and payment is due upon receipt of invoice. Client shall notify Consultant in writing, at the address below, within 15 days of the date of the invoice if Client objects to any portion of the charges on the invoice, and shall promptly pay the undisputed portion. Client shall pay a finance fee of 1.5% per month, but not exceeding the maximum rate allowed by law, for all unpaid amounts 30 days or older. Client agrees to pay all collection-related costs that Consultant incurs, including attorney fees. Consultant may suspend Services for lack of timely payment. It is the responsibility of Client to determine whether federal, state, or local prevailing wage requirements apply and to notify Consultant if prevailing wages apply. If it is later determined that prevailing wages apply, and Consultant was not previously notified by Client, Client agrees to pay the prevailing wage from that point forward, as well as a retroactive payment adjustment to bring previously paid amounts in line with prevailing wages. Client also agrees to defend, indemnify, and hold harmless Consultant from any alleged violations made by any governmental agency regulating prevailing wage activity for failing to pay prevailing wages, including the payment of any fines or penalties.
5. **Third Party Reliance.** This Agreement and the Services provided are for Consultant and Client's sole benefit and exclusive use with no third party beneficiaries intended. Reliance upon the Services and any work product is limited to Client, and is not intended for third parties. For a limited time period not to exceed three months from the date of the report, Consultant will issue additional reports to others agreed upon with Client, however Client understands that such reliance will not be granted until those parties sign and return Consultant's reliance agreement and Consultant receives the agreed-upon reliance fee.
6. **LIMITATION OF LIABILITY.** CLIENT AND CONSULTANT HAVE EVALUATED THE RISKS AND REWARDS ASSOCIATED WITH THIS PROJECT, INCLUDING CONSULTANT'S FEE RELATIVE TO THE RISKS ASSUMED, AND AGREE TO ALLOCATE CERTAIN OF THE ASSOCIATED RISKS. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF CONSULTANT (AND ITS RELATED CORPORATIONS AND EMPLOYEES) TO CLIENT AND THIRD PARTIES GRANTED RELIANCE IS LIMITED TO THE GREATER OF \$250,000 OR CONSULTANT'S FEE, FOR ANY AND ALL INJURIES, DAMAGES, CLAIMS, LOSSES, OR EXPENSES (INCLUDING ATTORNEY AND EXPERT FEES) ARISING OUT OF CONSULTANT'S SERVICES OR THIS AGREEMENT. UPON WRITTEN REQUEST FROM CLIENT, CONSULTANT MAY NEGOTIATE A HIGHER LIMITATION FOR ADDITIONAL CONSIDERATION. THIS LIMITATION SHALL APPLY REGARDLESS OF AVAILABLE INSURANCE COVERAGE, CAUSE(S) OR THE THEORY OF LIABILITY, INCLUDING NEGLIGENCE, INDEMNITY, OR OTHER RECOVERY. THIS LIMITATION SHALL NOT APPLY TO THE EXTENT THE DAMAGE IS PAID UNDER CONSULTANT'S COMMERCIAL GENERAL LIABILITY POLICY.
7. **Indemnity/Statute of Limitations.** Consultant and Client shall indemnify and hold harmless the other and their respective employees from and against legal liability for claims, losses, damages, and expenses to the extent such claims, losses, damages, or expenses are legally determined to be caused by their negligent acts, errors, or omissions. In the event such claims, losses, damages, or expenses are legally determined to be caused by the joint or concurrent negligence of Consultant and Client, they shall be borne by each party in proportion to its own negligence under comparative fault principles. Neither party shall have a duty to defend the other party, and no duty to defend is hereby created by this indemnity provision and such duty is explicitly waived under this Agreement. Causes of action arising out of Consultant's services or this Agreement regardless of cause(s) or the theory of liability, including negligence, indemnity or other recovery shall be deemed to have accrued and the applicable statute of limitations shall commence to run not later than the date of Consultant's substantial completion of services on the project.
8. **Warranty.** Consultant will perform the Services in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions in the same locale. CONSULTANT MAKES NO WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, RELATING TO CONSULTANT'S SERVICES AND CONSULTANT DISCLAIMS ANY IMPLIED WARRANTIES OR WARRANTIES IMPOSED BY LAW, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

9. **Insurance.** Consultant represents that it now carries, and will continue to carry: (i) workers' compensation insurance in accordance with the laws of the states having jurisdiction over Consultant's employees who are engaged in the Services, and employer's liability insurance (\$1,000,000); (ii) commercial general liability insurance (\$1,000,000 occ / \$2,000,000 agg); (iii) automobile liability insurance (\$1,000,000 B.I. and P.D. combined single limit); and (iv) professional liability insurance (\$1,000,000 claim / agg). Certificates of insurance will be provided upon request. Client and Consultant shall waive subrogation against the other party on all general liability and property coverage.
10. **CONSEQUENTIAL DAMAGES.** NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR LOSS OF PROFITS OR REVENUE; LOSS OF USE OR OPPORTUNITY; LOSS OF GOOD WILL; COST OF SUBSTITUTE FACILITIES, GOODS, OR SERVICES; COST OF CAPITAL; OR FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR EXEMPLARY DAMAGES.
11. **Dispute Resolution.** Client shall not be entitled to assert a Claim against Consultant based on any theory of professional negligence unless and until Client has obtained the written opinion from a registered, independent, and reputable engineer, architect, or geologist that Consultant has violated the standard of care applicable to Consultant's performance of the Services. Client shall provide this opinion to Consultant and the parties shall endeavor to resolve the dispute within 30 days, after which Client may pursue its remedies at law. This Agreement shall be governed by and construed according to Kansas law.
12. **Subsurface Explorations.** Subsurface conditions throughout the site may vary from those depicted on logs of discrete borings, test pits, or other exploratory services. Client understands Consultant's layout of boring and test locations is approximate and that Consultant may deviate a reasonable distance from those locations. Consultant will take reasonable precautions to reduce damage to the site when performing Services; however, Client accepts that invasive services such as drilling or sampling may damage or alter the site. Site restoration is not provided unless specifically included in the Services.
13. **Testing and Observations.** Client understands that testing and observation are discrete sampling procedures, and that such procedures indicate conditions only at the depths, locations, and times the procedures were performed. Consultant will provide test results and opinions based on tests and field observations only for the work tested. Client understands that testing and observation are not continuous or exhaustive, and are conducted to reduce - not eliminate - project risk. Client agrees to the level or amount of testing performed and the associated risk. Client is responsible (even if delegated to contractor) for requesting services, and notifying and scheduling Consultant so Consultant can perform these Services. Consultant is not responsible for damages caused by services not performed due to a failure to request or schedule Consultant's services. Consultant shall not be responsible for the quality and completeness of Client's contractor's work or their adherence to the project documents, and Consultant's performance of testing and observation services shall not relieve Client's contractor in any way from its responsibility for defects discovered in its work, or create a warranty or guarantee. Consultant will not supervise or direct the work performed by Client's contractor or its subcontractors and is not responsible for their means and methods.
14. **Sample Disposition, Affected Materials, and Indemnity.** Samples are consumed in testing or disposed of upon completion of tests (unless stated otherwise in the Services). Client shall furnish or cause to be furnished to Consultant all documents and information known or available to Client that relate to the identity, location, quantity, nature, or characteristic of any hazardous waste, toxic, radioactive, or contaminated materials ("Affected Materials") at or near the site, and shall immediately transmit new, updated, or revised information as it becomes available. Client agrees that Consultant is not responsible for the disposition of Affected Material unless specifically provided in the Services, and that Client is responsible for directing such disposition. In the event that test samples obtained during the performance of Services (i) contain substances hazardous to health, safety, or the environment, or (ii) equipment used during the Services cannot reasonably be decontaminated, Client shall sign documentation (if necessary) required to ensure the equipment and/or samples are transported and disposed of properly, and agrees to pay Consultant the fair market value of this equipment and reasonable disposal costs. In no event shall Consultant be required to sign a hazardous waste manifest or take title to any Affected Materials. Client shall have the obligation to make all spill or release notifications to appropriate governmental agencies. The Client agrees that Consultant neither created nor contributed to the creation or existence of any Affected Materials conditions at the site. Accordingly, Client waives any claim against Consultant and agrees to indemnify and save Consultant, its agents, employees, and related companies harmless from any claim, liability or defense cost, including attorney and expert fees, for injury or loss sustained by any party from such exposures allegedly arising out of Consultant's non-negligent performance of services hereunder, or for any claims against Consultant as a generator, disposer, or arranger of Affected Materials under federal, state, or local law or ordinance.
15. **Ownership of Documents.** Work product, such as reports, logs, data, notes, or calculations, prepared by Consultant shall remain Consultant's property. Proprietary concepts, systems, and ideas developed during performance of the Services shall remain the sole property of Consultant. Files shall be maintained in general accordance with Consultant's document retention policies and practices.
16. **Utilities.** Client shall provide the location and/or arrange for the marking of private utilities and subterranean structures. Consultant shall take reasonable precautions to avoid damage or injury to subterranean structures or utilities. Consultant shall not be responsible for damage to subterranean structures or utilities that are not called to Consultant's attention, are not correctly marked, including by a utility locate service, or are incorrectly shown on the plans furnished to Consultant.
17. **Site Access and Safety.** Client shall secure all necessary site related approvals, permits, licenses, and consents necessary to commence and complete the Services and will execute any necessary site access agreement. Consultant will be responsible for supervision and site safety measures for its own employees, but shall not be responsible for the supervision or health and safety precautions for any other parties, including Client, Client's contractors, subcontractors, or other parties present at the site.

Consultant: **Terracon Consultants, Inc.**
By: Joe Edgar A. Hemon Date: 9/6/2011
Name/Title: **Mike Ghazawi, Office Manager**
Address: **615 Gale Street, Building B**
Laredo, Texas 78041
Phone: **956.729.1100** Fax: **956.791.1071**

Client: **City of Laredo - Utilities Department**
By: _____ Date: _____
Name/Title: _____
Address: **5816 Daugherty Avenue**
Laredo, Texas 78044
Phone: **[956] 721.2000** Fax: **[956] 721.2001**

Reference Number: P89110101

DISTRIBUTION SHEET

Thank you for choosing Terracon Consultants, Inc. to provide these services. Please fill out below the pertinent information below so that we may expedite report distribution, project correspondence and invoice(s) to appropriate person (s). If you have any questions please do not hesitate to contact our office.

Project Name: El Pico Water Treatment Plant

Client
Copies _____ Firm _____
Address _____
Attn: _____ P () _____ F () _____
Email: _____

Invoice (do not complete if same as client)

Copies _____ Firm _____
Address _____
Attn: _____ P () _____ F () _____
Email: _____

Report Distribution (Clients, Architects, Engineers, Contractors, etc...)

Copies _____ Firm _____
Address _____
Attn: _____ P () _____ F () _____
Email: _____

Copies _____ Firm _____
Address _____
Attn: _____ P () _____ F () _____
Email: _____

Copies _____ Firm _____
Address _____
Attn: _____ P () _____ F () _____
Email: _____

Copies _____ Firm _____
Address _____
Attn: _____ P () _____ F () _____
Email: _____

Copies _____ Firm _____
Address _____
Attn: _____ P () _____ F () _____
Email: _____

If you need more room or would like to send other pertinent information please provide on the back of this sheet. Thank you for your time and concern to this matter.

COUNCIL COMMUNICATION

| | | |
|--|--|--|
| DATE: 1/3/2012 | SUBJECT: MOTION Consideration for approval of amendment # 1 to Crane Engineering Corporation for the amount of \$34,764.00 for the additional engineering services for the 24" Water Transmission Main from TAMIU Tank to Doctor's Hospital. The revised contract amount is \$248,722.00. Funding is available in the 2008 Utility Bond. | |
| INITIATED BY: Jesus Olivares, Assistant City Manager | | STAFF SOURCE: Tomas M. Rodriguez, Jr., P.E. Utilities Director |
| PREVIOUS COUNCIL ACTION: October 6, 2008-City Council authorized original engineering contract to Crane Engineering Corporation in the amount of \$213,958.00 for engineering services for the design and construction management of the 24" Water Transmission Main from TAMIU Tank to Doctor's Hospital. Original Contract Amount: \$213,958.00 Amendment #1: <u>\$34,764.00</u> Revised Contract Amount: \$248,722.00 | | |
| FINANCIAL IMPACT: Funding is available in the 2008 Utility Bond, account #557-4185-538-0377 (24" Main Loop 20 to Hospital Project). | | |
| COMMITTEE RECOMMENDATION: Finance & Operations Committees recommend approval of this motion. | | STAFF RECOMMENDATION: Recommends approval of motion. |

CITY OF LAREDO
AMENDMENT NO. 1
12/19/2011

Project: 24" Water Transmission Main from TAMIU Tank to Doctor's Hospital

Consultant: Crane Engineering Corporation
1310 Junction Dr. Suite B
Laredo, TX 78041

You are hereby requested to comply with the following changes from the original contract approved by City Council on 10/6/2008. The Consultant is also hereby advised that this Amendment No. 1 is hereby made a part of the original contract and that all conditions and scope of services, and other obligations under the original contract apply thereunto.

Scope of Services under the Original Contract and Amendment No. 1 are as follows:

ORIGINAL ENGINEERING CONTRACT: The City of Laredo is planning to construct certain improvements to its Water System comprised of a 24-inch Water Transmission Line for the North Laredo Pressure Plane to benefit the residents of the City of Laredo, Webb County, Texas.

The original scope of service involves the following services: **Basic Services:** Phase 1- Feasibility Study; Phase 2-Preliminary and Final Design; Phase 3-Construction Management. **Contract additional Services:** Prepare easement survey and metes and bounds descriptions; As-built field surveys.

AMENDMENT NO. 1:

Task 1: Review and coordination with Slay Engineering for proposed alignment and utility easements through the San Isidro Ranch area.

Task 2: Extension of proposed 24" water main from Loop 20/McPherson along Loop 20 including topographic surveys, utility coordination, schematic design layouts with cost estimate and coordination with Utilities Department.

Task 3: Extension of 12" water main from existing 12" line along Loop 20 West of International Boulevard to existing 12" water main behind Best Buy. Work includes topographic surveys, utility coordination, preparation of construction plans and specifications and construction phase services.

Task 4: Bores under Loop 20 at Havana, Shiloh, and Eskimo.

CITY OF LAREDO
AMENDMENT NO. 1

Project: 24" Water Transmission Main from TAMIU to Doctor's Hospital

Consultant: Crane Engineering Corporation
1310 Junction Dr. Suite B
Laredo, TX 78041

AMENDMENT NO. 1 COSTS:

Task 1 \$ 2,500.00
Task 2 \$ 5,504.00
Task 3 \$10,760.00
Task 4 \$16,000.00

Total Amendment No. 1 Cost: \$34,764.00

AMENDMENT NO. 1 ADDITIONAL TIME: 45 days

CRANE ENGINEERING CO.

CITY OF LAREDO

Signature: _____

Signature: _____

Printed Name: Edward D. Garza, PE

Printed Name: Tomas M. Rodriguez, Jr, PE

Title: Owner

Title: Director, Water Utilities

Signature: _____

Printed Name: Carlos R. Villarreal

Title: City Manager

Signature: Melissa A. Vidaw

Printed Name: Raul Casso Melissa A. Vidaw

Title: City Attorney / Assistant City Attorney

Signature: _____

Printed Name: Gustavo Guevara, Jr

Title: City Secretary

COUNCIL COMMUNICATION

| | | |
|---|--|--|
| DATE: 01/03/12 | SUBJECT: MOTION Authorizing the City Manager to execute and award a contract with Howland Engineering and Surveying Co. of Laredo, Texas, in the amount of \$619,435.00 for construction material testing services for the El Pico Water Treatment Plant. Funding is available in the Waterworks Fund, 2011 Bond Series. | |
| INITIATED BY: Jesus M. Olivares, Assistant City Manager | STAFF SOURCE: Tomas M. Rodriguez, Jr., P.E., Utilities Director | |
| PREVIOUS COUNCIL ACTION: On August 01, 2011 City Council awarded a construction contract to Western Summit Constructors, Inc. / McAllen Construction, Inc. for the El Pico Water Treatment Plant. | | |
| BACKGROUND: Howland Engineering and Surveying Co. will provide construction material testing services for the plant only at El Pico Water Treatment Plant. | | |
| FINANCIAL IMPACT: Funding is available in the 2011 Bond Series 557-4193-538.03-76 Construction Projects / El Pico WTP | | |
| COMMITTEE RECOMMENDATION: Operations and Finance Committees | STAFF RECOMMENDATION: Approval of motion. | |

HOWLAND

ENGINEERING AND SURVEYING CO.

December 5, 2011

City of Laredo Utilities Department
5816 Daugherty
Laredo, TX 78044

*Sent Via Hand Delivery and E-Mail to:
gsaavedra@ci.laredo.tx.us*

Attn.: Gloria Perez Saavedra, PE
Civil Engineer II

**Subject: Cost Estimate – Construction Materials Testing
El Pico Water Treatment Plant
Laredo, Webb County, Texas**

Dear Ms. Saavedra:

Howland Engineering and Surveying Co. (Howland) appreciate the opportunity to have been selected by the City of Laredo as the construction materials testing lab for the above referenced project in northwest Laredo, Texas. We are pleased to submit the following cost estimate.

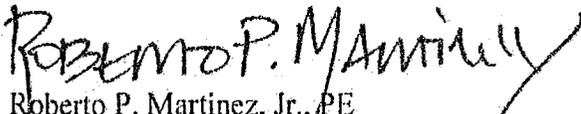
The attached cost estimate is based on the construction plans provided by the City of Laredo and the standard required testing frequencies we anticipate from the City of Laredo Utilities Department. The total estimated fee is **\$619,435.00**. Please be advised that this is an estimate only and may change due to unforeseen quantities and/or situations during the construction phase of the project.

Howland maintains a full service testing laboratory in Laredo, Texas. Howland has experienced personnel with knowledge of local geologic conditions and materials. Our field personnel are certified nuclear density operators and American Concrete Institute (ACI) Grade I certified.
Campaign

www.howlandcompanies.com

We appreciate the opportunity in submitting this cost estimate and look forward to the upcoming project. Should you have any questions or require additional information, please do not hesitate to call us at (956) 722-4411. Thank you.

Sincerely,
Howland Engineering and Surveying Co.
TBPE Firm Registration No. F-4097


Roberto P. Martinez, Jr., PE
Project Engineer

Enclosure: Fee Estimate Breakdown

proposal ltr-col-el pico.doc

CITY OF LAREDO:

Tomas M. Rodriguez, Jr., PE
Utilities Director
Date: _____

Carlos R. Villarreal
City Manager
Date: _____

Raul Casso
City Attorney
Date: _____

Gustavo Guevara, Jr.
City Secretary
Date: _____

| Special Testing | | | | |
|--|----|----|-----------|-------------|
| Magnetic Particle Testing | | | | |
| 12" Sludge Line (Sta.: 0+00 to 15+00) | 0 | HR | \$ 150.00 | \$ - |
| 12-10" Sludge Line (Sta.: 15+00 to 20+47.83) | 0 | HR | \$ 150.00 | \$ - |
| 48" BWW Line (Sta.: 0+00 to 2+62.44) | 8 | HR | \$ 150.00 | \$ 1,200.00 |
| 60" Filter Water Effluent (Sta.: 0+00 to 11+88.98) | 24 | HR | \$ 150.00 | \$ 3,600.00 |
| 48" Settled Water (Sta.: 0+00 to 1+01.51) | 3 | HR | \$ 150.00 | \$ 450.00 |
| 6" SL "A" (Sta.: 0+00 to 0+78.54) | 0 | HR | \$ 150.00 | \$ - |
| 6" SL "B" (Sta.: 0+00 to 0+85.54) | 0 | HR | \$ 150.00 | \$ - |
| 6" SL "C" (Sta.: 0+00 to 0+92.54) | 0 | HR | \$ 150.00 | \$ - |
| 8" TSL Line (Sta.: 0+00 to 11+18.94) | 0 | HR | \$ 150.00 | \$ - |
| 12" Bypass Sludge Line (Sta.: 0+00 to 1+93.00) | 0 | HR | \$ 150.00 | \$ - |
| 8" TSL Line (Sta.: 0+00 to 0+94.54) | 0 | HR | \$ 150.00 | \$ - |
| 8" TSL Line (Sta.: 0+00 to 1+73.54) | 0 | HR | \$ 150.00 | \$ - |
| 72" FE Line (Sta.: 0+00 to 1+33.63) | 4 | HR | \$ 150.00 | \$ 600.00 |
| 8" PVC Sewer Line (Sta.: 0+00 to 11+75.00) | 0 | HR | \$ 150.00 | \$ - |
| 8" PVC Sewer Line (Sta.: 11+75.00 to 21+90.77) | 0 | HR | \$ 150.00 | \$ - |
| 4" PSW | 0 | HR | \$ 150.00 | \$ - |
| 8" PSW | 0 | HR | \$ 150.00 | \$ - |
| 30" Drain Line (Sta.: 1+00 to 5+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 5+50 to 7+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 7+50 to 9+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 9+50 to 15+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 15+50 to 24+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 24+50 to 28+00) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 28+00 to 29+00) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 29+00 to 32+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 32+50 to 40+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 40+50 to 43+57) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" and 8" Drain Line (Sta.: 0+00 to 4+87) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 0+00 to 7+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" and 10" Drain Line (Sta.: 7+50 to 10+34) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 0+00 to 4+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 4+50 to 7+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 30" Drain Line (Sta.: 7+50 to 9+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 12", 30" & 24" Drain Line (Sta.: 0+00 to 6+20) | 6 | HR | \$ 150.00 | \$ 900.00 |

| | | | | | |
|---|---|-----|----|-----------|-------------|
| Asphalt Densities -Type C | | | | | |
| | Plant Drive A | 16 | EA | \$ 40.00 | \$ 640.00 |
| | Plant Drive B | 37 | EA | \$ 40.00 | \$ 1,480.00 |
| | Plant Drive C | 19 | EA | \$ 40.00 | \$ 760.00 |
| | Plant Drive D | 9 | EA | \$ 40.00 | \$ 360.00 |
| | Plant Drive E | 14 | EA | \$ 40.00 | \$ 560.00 |
| | Plant Drive F | 4 | EA | \$ 40.00 | \$ 160.00 |
| | Plant Drive G | 12 | EA | \$ 40.00 | \$ 480.00 |
| | Plant Drive H | 32 | EA | \$ 40.00 | \$ 1,280.00 |
| | Administration Parking (Curb & Gutter) | 12 | EA | \$ 40.00 | \$ 480.00 |
| Asphalt Coring - Type B | | | | | |
| | Plant Drive A | 4 | EA | \$ 150.00 | \$ 600.00 |
| | Plant Drive B | 5 | EA | \$ 150.00 | \$ 750.00 |
| | Plant Drive C | 4 | EA | \$ 150.00 | \$ 600.00 |
| | Plant Drive D | 2 | EA | \$ 150.00 | \$ 300.00 |
| | Plant Drive E | 2 | EA | \$ 150.00 | \$ 300.00 |
| | Plant Drive F | 1 | EA | \$ 150.00 | \$ 150.00 |
| | Plant Drive G | 2 | EA | \$ 150.00 | \$ 300.00 |
| | Plant Drive H | 5 | EA | \$ 150.00 | \$ 750.00 |
| | Administration Parking (Curb & Gutter) | 0 | EA | \$ 150.00 | \$ - |
| Asphalt Coring - Type C | | | | | |
| | Plant Drive A | 4 | EA | \$ 100.00 | \$ 400.00 |
| | Plant Drive B | 5 | EA | \$ 100.00 | \$ 500.00 |
| | Plant Drive C | 4 | EA | \$ 100.00 | \$ 400.00 |
| | Plant Drive D | 2 | EA | \$ 100.00 | \$ 200.00 |
| | Plant Drive E | 2 | EA | \$ 100.00 | \$ 200.00 |
| | Plant Drive F | 1 | EA | \$ 100.00 | \$ 100.00 |
| | Plant Drive G | 2 | EA | \$ 100.00 | \$ 200.00 |
| | Plant Drive H | 5 | EA | \$ 100.00 | \$ 500.00 |
| | Administration Parking (Curb & Gutter) | 3 | EA | \$ 100.00 | \$ 300.00 |
| Miscellaneous Testing & Services | | | | | |
| Flexible Base Depth Check | | | | | |
| | Plant Drive A | 4 | EA | \$ 100.00 | \$ 400.00 |
| | Plant Drive B | 5 | EA | \$ 100.00 | \$ 500.00 |
| | Plant Drive C | 4 | EA | \$ 100.00 | \$ 400.00 |
| | Plant Drive D | 2 | EA | \$ 100.00 | \$ 200.00 |
| | Plant Drive E | 2 | EA | \$ 100.00 | \$ 200.00 |
| | Plant Drive F | 1 | EA | \$ 100.00 | \$ 100.00 |
| | Plant Drive G | 2 | EA | \$ 100.00 | \$ 200.00 |
| | Plant Drive H | 5 | EA | \$ 100.00 | \$ 500.00 |
| | Administration Parking (Curb & Gutter) | 3 | EA | \$ 100.00 | \$ 300.00 |
| | Atterberg Limits | 10 | EA | \$ 120.00 | \$ 1,200.00 |
| | Sieve Analysis | 20 | EA | \$ 30.00 | \$ 600.00 |
| | NDT (Non-Destructive Testing) | 15 | EA | \$ 100.00 | \$ 1,500.00 |
| | Obtaining and Testing Drilled Cores | 360 | IN | \$ 25.00 | \$ 9,000.00 |
| | Steel Inspection - Administration Building | 16 | HR | \$ 100.00 | \$ 1,600.00 |

| | | | | | |
|--------------------------------------|--|----|-----|-----------|-------------|
| Roadways | | | | | |
| | Plant Drive A | 10 | SET | \$ 120.00 | \$ 1,200.00 |
| | Plant Drive B | 5 | SET | \$ 120.00 | \$ 600.00 |
| | Plant Drive C | 3 | SET | \$ 120.00 | \$ 360.00 |
| | Plant Drive D | 3 | SET | \$ 120.00 | \$ 360.00 |
| | Plant Drive E | 3 | SET | \$ 120.00 | \$ 360.00 |
| | Plant Drive F | 0 | SET | \$ 120.00 | \$ - |
| | Plant Drive G | 15 | SET | \$ 120.00 | \$ 1,800.00 |
| | Plant Drive H | 4 | SET | \$ 120.00 | \$ 480.00 |
| | Administration Parking (Curb & Gutter) | 3 | SET | \$ 120.00 | \$ 360.00 |
| Sidewalks | | | | | |
| | | 18 | SET | \$ 120.00 | \$ 2,160.00 |
| CMU @ Administration Building | | | | | |
| | Grout | 4 | SET | \$ 120.00 | \$ 480.00 |
| | Mortar | 4 | SET | \$ 120.00 | \$ 480.00 |
| | Prism | 4 | SET | \$ 120.00 | \$ 480.00 |
| Asphalt | | | | | |
| Asphalt Sampling - Type B | | | | | |
| | Plant Drive A | 1 | EA | \$ 450.00 | \$ 450.00 |
| | Plant Drive B | 2 | EA | \$ 450.00 | \$ 900.00 |
| | Plant Drive C | 1 | EA | \$ 450.00 | \$ 450.00 |
| | Plant Drive D | 1 | EA | \$ 450.00 | \$ 450.00 |
| | Plant Drive E | 1 | EA | \$ 450.00 | \$ 450.00 |
| | Plant Drive F | 0 | EA | \$ 450.00 | \$ - |
| | Plant Drive G | 0 | EA | \$ 450.00 | \$ - |
| | Plant Drive H | 1 | EA | \$ 450.00 | \$ 450.00 |
| | Administration Parking (Curb & Gutter) | 0 | EA | \$ 450.00 | \$ - |
| Asphalt Sampling - Type C | | | | | |
| | Plant Drive A | 1 | EA | \$ 450.00 | \$ 450.00 |
| | Plant Drive B | 2 | EA | \$ 450.00 | \$ 900.00 |
| | Plant Drive C | 1 | EA | \$ 450.00 | \$ 450.00 |
| | Plant Drive D | 1 | EA | \$ 450.00 | \$ 450.00 |
| | Plant Drive E | 1 | EA | \$ 450.00 | \$ 450.00 |
| | Plant Drive F | 0 | EA | \$ 450.00 | \$ - |
| | Plant Drive G | 0 | EA | \$ 450.00 | \$ - |
| | Plant Drive H | 1 | EA | \$ 450.00 | \$ 450.00 |
| | Administration Parking (Curb & Gutter) | 0 | EA | \$ 450.00 | \$ - |
| Asphalt Densities - Type B | | | | | |
| | Plant Drive A | 16 | EA | \$ 40.00 | \$ 640.00 |
| | Plant Drive B | 37 | EA | \$ 40.00 | \$ 1,480.00 |
| | Plant Drive C | 19 | EA | \$ 40.00 | \$ 760.00 |
| | Plant Drive D | 9 | EA | \$ 40.00 | \$ 360.00 |
| | Plant Drive E | 14 | EA | \$ 40.00 | \$ 560.00 |
| | Plant Drive F | 4 | EA | \$ 40.00 | \$ 160.00 |
| | Plant Drive G | 12 | EA | \$ 40.00 | \$ 480.00 |
| | Plant Drive H | 32 | EA | \$ 40.00 | \$ 1,280.00 |
| | Administration Parking (Curb & Gutter) | 0 | EA | \$ 40.00 | \$ - |

| | | | | | |
|---|---|-----|-----|-----------|--------------|
| Roadways @ Subgrade | | | | | |
| | Plant Drive A | 16 | EA | \$ 35.00 | \$ 560.00 |
| | Plant Drive B | 37 | EA | \$ 35.00 | \$ 1,295.00 |
| | Plant Drive C | 19 | EA | \$ 35.00 | \$ 665.00 |
| | Plant Drive D | 9 | EA | \$ 35.00 | \$ 315.00 |
| | Plant Drive E | 14 | EA | \$ 35.00 | \$ 490.00 |
| | Plant Drive F | 4 | EA | \$ 35.00 | \$ 140.00 |
| | Plant Drive G | 12 | EA | \$ 35.00 | \$ 420.00 |
| | Plant Drive H | 32 | EA | \$ 35.00 | \$ 1,120.00 |
| | Administration Parking | 12 | EA | \$ 35.00 | \$ 420.00 |
| Roadways @ Fill Material | | | | | |
| | Plant Drive A | 0 | EA | \$ 35.00 | \$ - |
| | Plant Drive B | 334 | EA | \$ 35.00 | \$ 11,690.00 |
| | Plant Drive C | 74 | EA | \$ 35.00 | \$ 2,590.00 |
| | Plant Drive D | 0 | EA | \$ 35.00 | \$ - |
| | Plant Drive E | 28 | EA | \$ 35.00 | \$ 980.00 |
| | Plant Drive F | 66 | EA | \$ 35.00 | \$ 2,310.00 |
| | Plant Drive G | 0 | EA | \$ 35.00 | \$ - |
| | Plant Drive H | 0 | EA | \$ 35.00 | \$ - |
| | Administration Parking | 216 | EA | \$ 35.00 | \$ 7,560.00 |
| Roadways @ Flexible Base | | | | | |
| | Plant Drive A | 31 | EA | \$ 35.00 | \$ 1,085.00 |
| | Plant Drive B | 74 | EA | \$ 35.00 | \$ 2,590.00 |
| | Plant Drive C | 37 | EA | \$ 35.00 | \$ 1,295.00 |
| | Plant Drive D | 18 | EA | \$ 35.00 | \$ 630.00 |
| | Plant Drive E | 28 | EA | \$ 35.00 | \$ 980.00 |
| | Plant Drive F | 7 | EA | \$ 35.00 | \$ 245.00 |
| | Plant Drive G | 25 | EA | \$ 35.00 | \$ 875.00 |
| | Plant Drive H | 65 | EA | \$ 35.00 | \$ 2,275.00 |
| | Administration Parking | 24 | EA | \$ 35.00 | \$ 840.00 |
| Concrete Four (4) Four (4) Three (3) Three (3) Cylinders per Set | | | | | |
| Buildings | | | | | |
| | Flocculation Building & Rectangular Clarifier | 157 | SET | \$ 120.00 | \$ 18,840.00 |
| | Filter Building & Inter Backwas Pump Station | 115 | SET | \$ 120.00 | \$ 13,800.00 |
| | Administration Building | 14 | SET | \$ 120.00 | \$ 1,680.00 |
| | Backwash Equal Basin | 21 | SET | \$ 120.00 | \$ 2,520.00 |
| | Backwash Clarifiers & Pump Station | 16 | SET | \$ 120.00 | \$ 1,920.00 |
| | Chemical Building | 16 | SET | \$ 120.00 | \$ 1,920.00 |
| | High Service Pump Station | 11 | SET | \$ 120.00 | \$ 1,320.00 |
| | 5 MG Clearwell | 14 | SET | \$ 120.00 | \$ 1,680.00 |
| | Sludge Thickener | 8 | SET | \$ 120.00 | \$ 960.00 |
| | Sludge Holding Tank | 37 | SET | \$ 120.00 | \$ 4,440.00 |
| | Sludge Dewatering Building | 20 | SET | \$ 120.00 | \$ 2,400.00 |
| | Raw Water Intake Structure | 40 | SET | \$ 120.00 | \$ 4,800.00 |

| | | | | |
|--|------|----|----------|--------------|
| 8" PVC Sewer Line (Sta.: 0+00 to 11+75.00) | 306 | EA | \$ 35.00 | \$ 10,710.00 |
| 8" PVC Sewer Line (Sta.: 11+75.00 to 21+90.77) | 345 | EA | \$ 35.00 | \$ 12,075.00 |
| 4" PSW | 305 | EA | \$ 35.00 | \$ 10,675.00 |
| 8" PSW | 1069 | EA | \$ 35.00 | \$ 37,415.00 |
| 30" Drain Line (Sta.: 1+00 to 5+50) | 99 | EA | \$ 35.00 | \$ 3,465.00 |
| 30" Drain Line (Sta.: 5+50 to 7+50) | 44 | EA | \$ 35.00 | \$ 1,540.00 |
| 30" Drain Line (Sta.: 7+50 to 9+50) | 44 | EA | \$ 35.00 | \$ 1,540.00 |
| 30" Drain Line (Sta.: 9+50 to 15+50) | 540 | EA | \$ 35.00 | \$ 18,900.00 |
| 30" Drain Line (Sta.: 15+50 to 24+50) | 666 | EA | \$ 35.00 | \$ 23,310.00 |
| 30" Drain Line (Sta.: 24+50 to 28+00) | 329 | EA | \$ 35.00 | \$ 11,515.00 |
| 30" Drain Line (Sta.: 28+00 to 29+00) | 82 | EA | \$ 35.00 | \$ 2,870.00 |
| 30" Drain Line (Sta.: 29+00 to 32+50) | 259 | EA | \$ 35.00 | \$ 9,065.00 |
| 30" Drain Line (Sta.: 32+50 to 40+50) | 624 | EA | \$ 35.00 | \$ 21,840.00 |
| 30" Drain Line (Sta.: 40+50 to 43+57) | 239 | EA | \$ 35.00 | \$ 8,365.00 |
| 30" and 8" Drain Line (Sta.: 0+00 to 4+87) | 146 | EA | \$ 35.00 | \$ 5,110.00 |
| 30" Drain Line (Sta.: 0+00 to 7+50) | 615 | EA | \$ 35.00 | \$ 21,525.00 |
| 30" and 10" Drain Line (Sta.: 7+50 to 10+34) | 176 | EA | \$ 35.00 | \$ 6,160.00 |
| 30" Drain Line (Sta.: 0+00 to 4+50) | 297 | EA | \$ 35.00 | \$ 10,395.00 |
| 30" Drain Line (Sta.: 4+50 to 7+50) | 186 | EA | \$ 35.00 | \$ 6,510.00 |
| 30" Drain Line (Sta.: 7+50 to 9+50) | 68 | EA | \$ 35.00 | \$ 2,380.00 |
| 12", 30" & 24" Drain Line (Sta.: 0+00 to 6+20) | 335 | EA | \$ 35.00 | \$ 11,725.00 |
| 60" Raw Water Line (Sta.: 0+00 to 5+50) | 121 | EA | \$ 35.00 | \$ 4,235.00 |
| 60" Raw Water Line (Sta.: 5+50 to 10+50) | 310 | EA | \$ 35.00 | \$ 10,850.00 |
| 60" Raw Water Line (Sta.: 10+50 to 13+00) | 205 | EA | \$ 35.00 | \$ 7,175.00 |
| 60" Raw Water Line (Sta.: 13+00 to 16+00) | 246 | EA | \$ 35.00 | \$ 8,610.00 |
| 60" Raw Water Line (Sta.: 16+00 to 19+00) | 246 | EA | \$ 35.00 | \$ 8,610.00 |
| 60" Raw Water Line (Sta.: 19+00 to 21+00) | 164 | EA | \$ 35.00 | \$ 5,740.00 |
| 60" Raw Water Line (Sta.: 21+00 to 24+50) | 189 | EA | \$ 35.00 | \$ 6,615.00 |
| 60" Raw Water Line (Sta.: 24+50 to 31+00) | 429 | EA | \$ 35.00 | \$ 15,015.00 |
| 60" Raw Water Line (Sta.: 31+00 to 33+00) | 116 | EA | \$ 35.00 | \$ 4,060.00 |
| 60" Raw Water Line (Sta.: 33+00 to 39+00) | 348 | EA | \$ 35.00 | \$ 12,180.00 |
| Miscellaneous Water Service Connections | 360 | EA | \$ 35.00 | \$ 12,600.00 |
| Miscellaneous Electrical Conduits | 270 | EA | \$ 35.00 | \$ 9,450.00 |
| Miscellaneous Chemical Line | 270 | EA | \$ 35.00 | \$ 9,450.00 |



Project Name: El Pico Water Treatment Plant
 Client: City of Laredo Utilities Department
 Type of Service: Construction Materials Testing
 Date: December 5, 2011

| Description | Quantities | Unit | Rate | Fee |
|--|------------|------|-----------|--------------|
| Proctors | | | | |
| Subgrade | | | | |
| Building | 5 | EA | \$ 300.00 | \$ 1,500.00 |
| Yard Piping | 8 | EA | \$ 300.00 | \$ 2,400.00 |
| Roadways | 5 | EA | \$ 300.00 | \$ 1,500.00 |
| Fill Material | | | | |
| Flexible Base | 5 | EA | \$ 315.00 | \$ 1,575.00 |
| Densities | | | | |
| Buildings | | | | |
| Flocculation Building | 24 | EA | \$ 35.00 | \$ 840.00 |
| Rectangular Clarifier | 22 | EA | \$ 35.00 | \$ 770.00 |
| Sludge Pump Station | 0 | EA | \$ 35.00 | \$ - |
| Filter Building | 32 | EA | \$ 35.00 | \$ 1,120.00 |
| Inter Backwash Pump Station | 8 | EA | \$ 35.00 | \$ 280.00 |
| Administration Building | 37 | EA | \$ 35.00 | \$ 1,295.00 |
| Backwash Equal Basin | 8 | EA | \$ 35.00 | \$ 280.00 |
| Backwash Clarifiers | 6 | EA | \$ 35.00 | \$ 210.00 |
| Backwash Clarifier Pump Station | 6 | EA | \$ 35.00 | \$ 210.00 |
| Chemical Building | 46 | EA | \$ 35.00 | \$ 1,610.00 |
| High Service Pump Station | 72 | EA | \$ 35.00 | \$ 2,520.00 |
| 5 MG Clearwell | 12 | EA | \$ 35.00 | \$ 420.00 |
| Sludge Thickener | 6 | EA | \$ 35.00 | \$ 210.00 |
| Sludge Holding Tank | 24 | EA | \$ 35.00 | \$ 840.00 |
| Sludge Dewatering Building | 8 | EA | \$ 35.00 | \$ 280.00 |
| Raw Water Intake Structure | 104 | EA | \$ 35.00 | \$ 3,640.00 |
| Yard Piping | | | | |
| 12" Sludge Line (Sta.: 0+00 to 15+00) | 510 | EA | \$ 35.00 | \$ 17,850.00 |
| 12-10" Sludge Line (Sta.: 15+00 to 20+47.83) | 186 | EA | \$ 35.00 | \$ 6,510.00 |
| 48" BWV Line (Sta.: 0+00 to 2+62.44) | 58 | EA | \$ 35.00 | \$ 2,030.00 |
| 60" Filter Water Effluent (Sta.: 0+00 to 11+88.98) | 499 | EA | \$ 35.00 | \$ 17,465.00 |
| 48" Settled Water (Sta.: 0+00 to 1+01.51) | 30 | EA | \$ 35.00 | \$ 1,050.00 |
| 6" SL "A" (Sta.: 0+00 to 0+78.54) | 17 | EA | \$ 35.00 | \$ 595.00 |
| 6" SL "B" (Sta.: 0+00 to 0+85.54) | 19 | EA | \$ 35.00 | \$ 665.00 |
| 6" SL "C" (Sta.: 0+00 to 0+92.54) | 20 | EA | \$ 35.00 | \$ 700.00 |
| 8" TSL Line (Sta.: 0+00 to 11+18.94) | 470 | EA | \$ 35.00 | \$ 16,450.00 |
| 12" Bypass Sludge Line (Sta.: 0+00 to 1+93.00) | 42 | EA | \$ 35.00 | \$ 1,470.00 |
| 8" TSL Line (Sta.: 0+00 to 0+94.54) | 21 | EA | \$ 35.00 | \$ 735.00 |
| 8" TSL Line (Sta.: 0+00 to 1+73.54) | 38 | EA | \$ 35.00 | \$ 1,330.00 |
| 72" FE Line (Sta.: 0+00 to 1+33.63) | 29 | EA | \$ 35.00 | \$ 1,015.00 |

| | | | | |
|---|---|----|-----------|-----------|
| 60" Raw Water Line (Sta.: 0+00 to 5+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 60" Raw Water Line (Sta.: 5+50 to 10+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 60" Raw Water Line (Sta.: 10+50 to 13+00) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 60" Raw Water Line (Sta.: 13+00 to 16+00) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 60" Raw Water Line (Sta.: 16+00 to 19+00) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 60" Raw Water Line (Sta.: 19+00 to 21+00) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 60" Raw Water Line (Sta.: 21+00 to 24+50) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 60" Raw Water Line (Sta.: 24+50 to 31+00) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 60" Raw Water Line (Sta.: 31+00 to 33+00) | 6 | HR | \$ 150.00 | \$ 900.00 |
| 60" Raw Water Line (Sta.: 33+00 to 39+00) | 6 | HR | \$ 150.00 | \$ 900.00 |

Notes:

1.5 x Non-Regular Working Hours
 Stanby-Time @ \$45/hr invoiced to Contractor
 Mininum Densities per Call-Out - 4
 Mininum Concrete Coring - 4 inches

Total Est. Fee = \$ 619,435.00