



City of Killeen

Agenda

City Council Workshop

Tuesday, August 1, 2017

3:00 PM

Utility Collections
Conference Room
210 West Avenue C
Killeen, Texas 76541

**DISCUSSION ITEMS NOT COMPLETED BY 4:00 P.M. WILL RESUME IN THE UTILITY
COLLECTIONS CONFERENCE ROOM FOLLOWING THE SPECIAL CITY COUNCIL
MEETING**

Items for Discussion at Workshop of August 1, 2017

1. [DS-17-088](#) Discuss Agenda Items for the Regular City Council Meeting of August 8, 2017.
2. [DS-17-089](#) Planning Session:
 - Proposed FY 17-18 Budget

Items for Regular City Council Meeting of August 8, 2017

Minutes

3. [MN-17-017](#) Consider Minutes of Regular City Council Meeting of July 25, 2017.

Attachments: [Minutes](#)

Resolutions

4. [RS-17-074](#) Consider a memorandum/resolution to authorize the award of a professional services agreement with Belt Harris Pechacek, LLLP to perform independent auditing services.

Attachments: [Staff Report](#)
[Engagement Letter](#)
[Certificate of Interested Parties](#)
[Presentation](#)
5. [RS-17-075](#) Consider a memorandum/resolution for the acquisition of Axon Taser X26P conducted electrical weapons and related accessories for the Killeen Police Department.

Attachments: [Staff Report](#)
[Quotes](#)
[Sole Source Letter](#)

[Terms and Conditions](#)

[Purchasing Options](#)

[Certificate of Interested Parties](#)

[Presentation](#)

6. [RS-17-076](#) Consider a memorandum/resolution accepting a grant from Texas Department of Transportation-Aviation Division to fund a T-Hangar Design and Construction Project on Skylark Field.
Attachments: [Staff Report](#)
[TxDOT Agreement](#)
[Presentation](#)
7. [RS-17-077](#) Consider a memorandum/resolution approving use of a Request for Proposal (RFP) for the common-use system / flight information display system (FIDs) at Killeen Fort Hood Regional Airport.
Attachments: [Staff Report](#)
[Presentation](#)
8. [RS-17-078](#) Consider a memorandum/resolution approving the appointment of the Police Chief.
Attachments: [Staff Report](#)
[Kimble Resume](#)
[Presentation](#)

Public Hearings

9. [PH-17-036](#) HOLD a public hearing and consider an ordinance adopting the 2017-2018 Annual Action Plan describing use of funds and authorizing application for and allocation of Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) program funds. (2nd of 2 Public Hearings)
Attachments: [Staff Report](#)
[CDAC Meeting Minutes](#)
[FY 2017 Allocation Tables](#)
[Ordinance](#)
[Presentation](#)

Adjournment

I certify that the above notice of meeting was posted on the Internet and on the bulletin boards at Killeen City Hall and at the Killeen Police Department on or before 5:00 p.m. on July 28, 2017.

Dianna Barker, City Secretary

The public is hereby informed that notices for City of Killeen meetings will no longer distinguish between matters to be discussed in open or closed session of a meeting. This practice is in accordance with rulings by the Texas Attorney General that, under the Texas Open Meetings Act, the City Council may convene a closed session to discuss any matter listed on the agenda, without prior or further notice, if the matter is one that the Open Meetings Act allows to be discussed in a closed session..

This meeting is being conducted in accordance with the Texas Open Meetings Law [V.T.C.A., Government Code, § 551.001 et seq.]. This meeting is being conducted in accordance with the Americans with Disabilities Act [42 USC 12101 (1991)]. The facility is wheelchair accessible and handicap parking is available. Requests for sign interpretive services are available upon requests received at least 48 hours prior to the meeting. To make arrangements for those services, please call 254-501-7700, City Manager's Office, or TDD 1-800-734-2989.

Notice of Meetings

The Mayor and/or City Council have been invited to attend and/or participate in the following meetings/conferences/events. Although a quorum of the members of the City Council may or may not be available to attend this meeting, this notice is being posted to meet the requirements of the Texas Open Meetings Act and subsequent opinions of the Texas Attorney General's Office. No official action will be taken by Council.

- *The HOP Public Hearing, August 3, 2017, 5:00 p.m., Killeen City Hall*

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City of Killeen

Legislation Details

File #: DS-17-088 **Version:** 1 **Name:** Discuss Agenda Items
Type: Discussion Items **Status:** Discussion Items
File created: 7/26/2017 **In control:** City Council Workshop
On agenda: 8/1/2017 **Final action:**
Title: Discuss Agenda Items for the Regular City Council Meeting of August 8, 2017.
Sponsors: City Manager Department
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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City of Killeen

Legislation Details

File #:	DS-17-089	Version:	1	Name:	Planning Session
Type:	Discussion Items	Status:		Status:	Discussion Items
File created:	7/24/2017	In control:		In control:	City Council Workshop
On agenda:	8/1/2017	Final action:		Final action:	
Title:	Planning Session:				
	· Proposed FY 17-18 Budget				
Sponsors:	City Manager Department				
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result
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City of Killeen

Legislation Details

File #: MN-17-017 **Version:** 1 **Name:** Minutes of Regular City Council Meeting of July 25, 2017
Type: Minutes **Status:** Minutes
File created: 7/18/2017 **In control:** City Council Workshop
On agenda: 8/1/2017 **Final action:**
Title: Consider Minutes of Regular City Council Meeting of July 25, 2017.
Sponsors: City Secretary
Indexes:
Code sections:
Attachments: [Minutes](#)

Date	Ver.	Action By	Action	Result
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City of Killeen
Regular City Council Meeting
Killeen City Hall
July 25, 2017 at 5:00 p.m.

Presiding: Mayor Jose L. Segarra

Attending: Mayor Pro-Tem Jim Kilpatrick, Councilmembers Debbie Nash-King, Juan Rivera, Shirley Fleming, Gregory Johnson, Jonathan Okray, and Steve Harris

Also attending were City Manager Ronald L. Olson, Deputy City Attorney Traci Briggs, City Secretary Dianna Barker, and Sergeant-at-Arms Cole.

Mayor Pro-Tem Kilpatrick gave the invocation, and Councilmember Okray led everyone in the Pledge of Allegiance.

Approval of Agenda

Motion was made by Mayor Pro-Tem Kilpatrick to approve the agenda as written. Motion seconded by Councilmember Rivera. The motion carried unanimously.

Minutes

Motion was made by Councilmember Okray to approve the minutes of the July 11th Regular City Council Meeting. Motion was seconded by Councilmember Fleming. Motion carried unanimously.

Resolutions

RS-17-067 Consider a memorandum/resolution to authorize the award of a professional services agreement with Valley View Consulting, LLC to provide investment advisory services.

Staff comments: Jonathan Locke

The City advertised a Request for Qualifications in which the City sought responses from qualified firms to provide investment advisory services. The City received two responses. A committee consisting of Jonathan Locke, Executive Director of Finance; Karen Evans, Assistant Executive Director of Finance; and Judith Tangalin, Accountant, evaluated both responses and chose Valley View Consulting as the most qualified responder. Staff recommends that the City Council authorize the award of a professional services agreement with Valley View Consulting, LLC to provide investment advisory services.

Motion was made by Councilmember Fleming to approve RS-17-067. Motion was seconded by Councilmember Nash-King. Motion carried unanimously.

RS-17-068 Consider a memorandum/resolution approving the Interlocal Agreement for the KISD Fire Academy.

Staff comments: Brian Brank

The Killeen Fire Department offers KISD students the opportunity to attend the Killeen Fire Academy. This program allows students from KISD who pass the Fire and EMT-B courses at the end of their senior year to test for a structural fire certification from the Texas Commission on Fire Protection (TCFP) and an EMT-B certification from the Texas Department of State Health Services (TDSHS) and enables candidacy for a future job pool.

KISD will pay a minimum of \$61,100 per year for both classes to include Emergency Medical Technician class. Staff recommends that the City Council approve the Interlocal Agreement for the KISD Fire Academy and authorize the City Manager, or his designee, to execute the Agreement.

Motion was made by Councilmember Rivera to approve RS-17-068. Motion was seconded by Councilmember Fleming. Motion carried unanimously.

RS-17-069 Consider a memorandum/resolution denying an application to change rates submitted by Oncor Electric Delivery Company LLC.

Staff comments: Traci Briggs

Oncor Electric Delivery Company LLC (“Oncor”) filed an application to change rates. The Steering Committee engaged the services of three consultants to review the requested rates. They identified numerous unreasonable expenses and have proposed significant reductions to the request. No settlement has been reached. The Steering Committee now recommends denying the rate change to prevent the increased rates from becoming effective on August 19, 2017.

Motion was made by Councilmember Okray to approve RS-17-069. Motion was seconded by Councilmember Harris. Motion carried unanimously.

RS-17-070 Consider a memorandum/resolution approving a lease agreement with O’Rourke Enterprises LLC d/b/a Freedom Air Helicopters at Skylark Field.

Staff comments: Matt Van Valkenburgh

Staff has negotiated a lease agreement with O’Rourke Enterprises LLC, d/b/a Freedom Air Helicopters, to lease 6400 square feet of hangar space at Skylark Field. The term of the lease agreement is for three (3) years beginning August 1, 2017, and ending July 30, 2020. Staff recommends City Council approve the lease agreement with O’Rourke Enterprises LLC, d/b/a Freedom Air Helicopters for a three (3)- year period beginning on August 1, 2017, and authorize the City Manager to execute same. Additionally, authorize the City Manager to execute all addendums and lease actions to the agreement, including termination, to the extent allowed by the City Charter and the laws of the state of Texas.

Motion was made by Councilmember Rivera to approve RS-17-070. Motion was seconded by Councilmember Fleming. Motion carried unanimously.

RS-17-071 Consider a memorandum/resolution authorizing the award of a professional services agreement with the Wallace Group to design the Septic Tank Elimination Program (STEP) Phase X Project.

Staff comments: David Olson

Phase 10 will bring City sanitary sewer to 101 homes in the Tucker Subdivision (Clear Creek Rentals) which is located at 6000 South Clear Creek Road. Staff recommends that the City Council authorize the City Manager to enter into an agreement with The Wallace Group for a professional services agreement for the design and contract administration of the STEP Phase X Project in the amount of \$118,340.00, and that the City Manager is expressly authorized to execute any and all changes within the amounts set by state and local law.

Motion was made by Councilmember Nash-King to approve RS-17-071. Motion was seconded by Mayor Pro-Tem Kilpatrick. Motion carried unanimously.

RS-17-072 Consider a memorandum/resolution authorizing the award of a construction contract with Insituform Technologies, LLC to rehabilitate 5,130 feet of wastewater main.

Staff comments: David Olson

Pipeline Analysis, who completed Phase 3 of the wastewater main Sanitary Sewer Evaluation Survey (SSES), recommends the rehabilitation of 7,022 feet of wastewater main through a process called pipe-bursting. City staff is in the process of pipe-bursting 1,892 feet, but the remaining 5,130 feet of required pipe-bursting requires specialized experience. Staff recommends that the City Council authorize the City Manager to enter into an agreement with Insituform Technologies, LLC for a construction contract to rehabilitate 5,130 feet of wastewater main for the amount of \$655,575.00, and that the City Manager is expressly authorized to execute any and all changes within the amounts set by state and local law.

Motion was made by Councilmember Nash-King to approve RS-17-072. Motion was seconded by Councilmember Rivera. Motion carried 5 to 2 with Councilmember Johnson and Councilmember Harris opposing.

RS-17-073 Consider a memorandum/resolution authorizing the award of a professional services agreement with Freese and Nichols, Inc. to develop the 2017 Water and Wastewater Master Plan.

Staff comments: David Olson

Staff met with Chang, Patel, and Yerby (CP&Y) and Freese and Nichols, Inc. to discuss what each engineering firm could bring to the development of this new master plan. Staff found that FNI offers more technical analysis in areas needed in this new master plan. Staff recommends that the City Council authorize the City Manager to enter into an agreement with Freese and Nichols, Inc. for a professional services agreement to develop the 2017 Water and Wastewater Master Plan in the amount of \$338,400.00, and that the City Manager is expressly authorized to execute any and all changes within the amounts set by state and local law.

Motion was made by Councilmember Rivera to approve RS-17-073. Motion was seconded by Councilmember Fleming. Motion carried 5 to 2 with Councilmember Johnson and Councilmember Harris opposing.

Public Hearings

PH-17-035 HOLD a public hearing and consider an ordinance adopting the 2017-2018 Annual Action Plan describing use of funds and authorizing application for and allocation of Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) program funds. (1st of 2 Public Hearings)

The City Secretary read the caption of the ordinance.

AN ORDINANCE AUTHORIZING SUBMITTAL OF THE 2017-18 ANNUAL ACTION

PLAN DESCRIBING THE USE OF FUNDS AND AUTHORIZING THE APPLICATION FOR AND ALLOCATION OF \$868,553.00 IN FY 2017-18 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS AND THE USE OF PRIOR YEAR PROGRAM INCOME AND PRIOR YEARS PROGRAM INCOME FUNDS FOR A TOTAL EXPENDITURE OF \$889,739.10 OF CDBG FUNDS; AND THE APPLICATION FOR AND ALLOCATION OF \$297,536.00 IN HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM FUNDS AND THE USE OF PRIOR YEAR PROGRAM INCOME AND PRIOR YEAR RECAPTURED FUNDS FOR A TOTAL EXPENDITURE OF \$381,657.06 OF HOME FUNDS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

Staff comments: Leslie Hinkle

The City of Killeen will receive funding from the U.S. Department of Housing and Urban Development (HUD) for FY2017-2018. Two community planning meetings were held February 9 and 22, 2017, resulting in identification and prioritization of housing and community needs. Applications requesting funding to address those community priorities were received with presentations made to the Community Development Advisory Committee (CDAC) on May 3, 2017. Staff recommends opening a 14-day comment period to receive citizen comments and participation on the application and then approval of CDBG and HOME programs as listed in the proposed 2017-2018 Annual Action Plan developed based on citizen comment and revisions, as appropriate, at the second public hearing on August 8, 2017. Ralph Cossey read the recommendation for grant awards to various organizations.

Mayor Segarra opened the public hearing.

Maureen Jouette, PO Box 763, Killeen - handed out presentation to council and briefly went over funds and services In the Zone provides.

Marlene DiLillo, 718 N. 2nd St. - Representative for Greater Killeen Free Clinic. Ms. DiLillo thanked Killeen for CDBG funds assistance and briefly explained services this organization provides.

With no one else appearing, the public hearing was closed.

Adjournment

With no further business, upon motion being made by Councilmember Okray, seconded by Councilmember Rivera, and unanimously approved, the meeting was adjourned at 6:00 p.m.



City of Killeen

Legislation Details

File #:	RS-17-074	Version:	1	Name:	External audit services
Type:	Resolution	Status:		Status:	Resolutions
File created:	6/28/2017	In control:		In control:	City Council Workshop
On agenda:	8/1/2017	Final action:		Final action:	
Title:	Consider a memorandum/resolution to authorize the award of a professional services agreement with Belt Harris Pechacek, LLLP to perform independent auditing services.				
Sponsors:	Finance Department				
Indexes:					
Code sections:					
Attachments:	Staff Report Engagement Letter Certificate of Interested Parties Presentation				

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: August 1, 2017

TO: Ronald L. Olson, City Manager

FROM: Jonathan Locke, Executive Director of Finance

SUBJECT: Independent Auditing Services Agreement with Belt Harris Pechacek, LLLP

BACKGROUND AND FINDINGS:

The City's audits are required to be performed in accordance with generally accepted auditing standards set forth in the General Accounting Office's (GAO) Government Auditing Standards, the provisions of the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget (OMB) Circular A-133, and Audits of State and Local Governments.

On May 28, 2017, the City began advertising a Request for Qualifications (RFQ) in which responses were sought from qualified firms to provide independent auditing services. The RFQ requested audit services for the fiscal years ending September 30, 2017 and 2018, with the option of the addition of the three subsequent fiscal years, based upon satisfactory performance and the annual availability of an appropriation.

On June 14, 2017, the City received and opened responses from five firms. A committee consisting of Jonathan Locke, Executive Director of Finance; Karen Evans, Assistant Executive Director of Finance; Judith Tangalin, Accountant; Mathew Grady, Internal Auditor; and Leslie Hinkle, Executive Director of Community Development evaluated the responses; Belt Harris Pechacek, LLLP was chosen as the most qualified responder.

On July 25, 2017, the audit committee met with the audit firm and city staff to discuss the audit process and the firm's experience auditing governmental entities. The audit committee supported the recommendation to award the professional services agreement for independent auditing services to Belt Harris Pechacek, LLLP.

THE ALTERNATIVES CONSIDERED:

1. Contract with Belt Harris Pechacek, LLLP to provide independent audit services to the City of Killeen.
2. Contract with one of the other four firms that submitted a response to the RFQ.
3. Do not contract with an independent audit firm.

Which alternative is recommended? Why?

Option number 1 to contract with Belt Harris Pechacek, LLLP is the recommended alternative. Belt Harris Pechacek, LLLP has extensive governmental auditing experience and was chosen

based upon expertise and experience, audit approach, and adherence to the requirements of the RFQ.

CONFORMITY TO CITY POLICY:

City Charter Section 40 states that, prior to the end of each fiscal year, the city council shall designate qualified Certified Public Accountants who, as of the end of the fiscal year, shall make an independent audit of accounts and other evidences of financial transactions of the city government and shall submit their report to the City Council. Such accountant shall have no personal interest, direct or indirect, in the fiscal affairs of the city government. They shall not maintain any accounts or record of the city business, but, within specifications approved by the city council, shall post-audit the books and documents kept by the department of finance and any separate or subordinate accounts kept by any other office, department, or agency of the city government.

Texas Local Government Code 103.001 states that a municipality shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Maximum Price - Audit	\$109,050	\$110,958	\$112,900	\$114,876	\$116,886
Maximum Price - Single Audit *	\$9,450	\$9,615	\$9,784	\$9,955	\$10,129
Maximum Price - PFC Audit & Report	\$8,950	\$9,107	\$9,266	\$9,428	\$9,593
Total Maximum Price - All Inclusive	\$127,450	\$129,680	\$131,950	\$134,259	\$136,608

*One major program

**The fee estimate for additional single audit major programs is \$6,950, plus a 1.75% increase per year for inflation and regulatory costs.

Is this a one-time or recurring expenditure?

Recurring expenditure; see above.

Is this expenditure budgeted?

Yes

If not, where will the money come from?

NA

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes

RECOMMENDATION:

Staff recommends that the City Council authorize the award of a professional services agreement with Belt Harris Pechacek, LLLP to provide independent auditing services to the City of Killeen.

DEPARTMENTAL CLEARANCES:

Legal

ATTACHED SUPPORTING DOCUMENTS:

Engagement Letter
Certificate of Interested Parties



Engagement Letter - Single Audit

June 14, 2017

The Honorable Jose L. Segarra, Mayor
City of Killeen
101 North College Street
Killeen, Texas 76541

We are pleased to confirm our understanding of the services we are to provide for the City of Killeen, Texas (the "City") for the years ended September 30, 2017 and 2018, with the option to renew for three subsequent fiscal years.

Audit Services

We will audit the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City as of and for the years ended September 30, 2017 and 2018, with the option to renew for three subsequent fiscal years.

The component unit will be audited as part of the audit of the financial statements of the City as noted below:

1. Killeen Economic Development Corporation: Discretely Presented, No Separate Financial Statements

Limited Procedures

Accounting standards generally accepted in the United States of America provide for certain Required Supplementary Information (RSI), such as Management's Discussion and Analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Budgetary Comparison Schedule(s)
3. Net Pension Liability and Contribution Schedule(s)
4. Schedule(s) of Funding Progress

In Relation Opinion

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements:

1. Combining Statement(s) and Schedule(s)
2. Budgetary Comparison Schedule(s)
3. Schedule of Expenditures of Federal Awards

Unaudited Information

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditors' report will not provide an opinion or any assurance on that other information:

1. Introductory Section
2. Statistical Section

In connection with the engagement, we will perform services unrelated to our attest function. The additional services we will provide include:

1. **Preparation of Documents**
We will assist in preparing the financial statements and related notes of the City in conformity with U.S. generally accepted accounting principles based on information provided by the City.
2. **Advisory Services**
We will provide routine advisory services through phone calls, conferences, or otherwise, in connection with incidental matters arising during the year. We encourage open lines of communication throughout the year as part of our services.
3. **Correspondence**
We will handle all normal correspondence from grantor, regulatory, or oversight agencies related to the audit.
4. **Professional Proofing**
To ensure documents issued in connection with the audit engagement are professional in appearance, we will submit both client-prepared information, as well as documents created entirely by the auditor, to an independent professional proofreader for a cover-to-cover inspection. This review will include consistent formatting, grammar, logic, and any other items that may detract from the document. This process is over and above technical reviews performed.
5. **Printing and Binding**
All final hard copy documents will be printed on a 1200 dpi or better resolution copier and bright white report paper. Reports will be bound with GBC-brand plastic combs with 30 mil oversized covers. We will manually inspect each page from one document and spot check remaining reports for printing errors. Our reports will be centered, properly aligned, and free of smudges and other detracting elements.
6. **Electronic Adobe Searchable PDF**
In addition to providing hard copy documents, we will also provide all final documents in electronic image files in Adobe PDF format, suitable for posting in electronic agenda packages, posting on websites, or transmitting by email to regulatory agencies.
7. **Client Portal - Auditbox**
We will provide the City access to our proprietary AuditBox online site to provide a central repository where both the City's personnel and audit team members can see documents being exchanged during the process to eliminate duplicate requests from audit team members. Both the City's documents, as well as final audit documents, will be hosted on the site providing an archive of information that new personnel

may access in subsequent years, if information is needed regarding what was provided for a prior year audit or a copy of audit documents issued.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contract, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review prior to the beginning of our audit fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, on which we have been engaged to report, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with the preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on---

1. Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

2. Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to management and members of the governing body of the City. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinions are other than unmodified, we will discuss the reasons with management in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Audit Procedures-General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial

institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures-Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures-Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and

confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Belt Harris Pechacek, LLLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to any oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Belt Harris Pechacek, LLLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the oversight agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Fees for our services are based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs such as report production, typing, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. The time estimates used to project our fees are based on anticipated cooperation from your personnel and management fulfilling its responsibility, as discussed previously. Our time budget for this engagement does not include addressing matters related to management's responsibilities, such as modifications to the City's financial information, additional procedures related to alleged noncompliance with laws and regulations and similar improprieties, the City's lack of preparation for the audit, and similar matters. Such time requirements have not been included in the estimate and will be billed in addition to the fees quoted at our standard hourly rates and actual costs incurred, including legal consultations, if necessary. We will notify the appropriate party when such conditions are encountered, such as identifying schedules not prepared, out-of-balance accounts, alleged violations, etc. When possible, we will provide management with options for alleviating the condition. If it appears the item(s) will not be addressed by the City, we may perform procedures to address incidental matters to facilitate timely completion of the audit. To the extent possible, we will obtain approval before performing additional work for matters considered significant to the original proposed fee. Due to the nature of our work, such approval may not always be possible (i.e., we may be legally compelled by subpoena or similar request to expend additional time and incur other expenses to handle matters arising from this engagement).

As customary in the industry, the price quoted is an estimate. In accordance with rules of the State Board of Public Accountancy, we cannot be bound to provide the audit for the amount estimated. However, in practice, we honor our fee quotes unless adverse conditions such as those described above are encountered.

Fee Estimates

	2017	2018	2019	2020	2021
CAFR Audit	TBN	TBN	TBN	TBN	TBN
KEDC	TBN	TBN	TBN	TBN	TBN
<u>Additional Services (*if required):</u>					
Single Audit - Basic Procedure	TBN	TBN	TBN	TBN	TBN
Single Audit - Major Program	TBN	TBN	TBN	TBN	TBN

* A single audit is required when federal funds over \$750,000 are expended. Our fees are based on the number of major programs (programs over \$750,000).

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Generally, 40 percent will be billed and payable upon completion of interim audit procedures (normally one to four months before year end) and 60 percent after a draft of the financial statements is issued. Accordingly, the fee will be split 40/60 between budget years. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written

notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2015 peer review accompanies this letter.

Required Non-Appropriation Clause

Notwithstanding anything contained in this engagement to the contrary, in the event no funds or insufficient funds are appropriated and budgeted or are otherwise unavailable in any fiscal period for fees due under this engagement agreement, the City will immediately notify us in writing of such occurrence and this agreement shall terminate on the last day of the fiscal period for which appropriations have been received or made.

Authorization of CPA's Disclosure

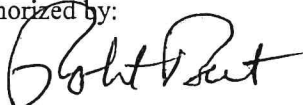
Any client certified public accountant involved with assisting us shall not be prohibited from disclosure of information required to be made available by the standards of the public accounting profession in reporting on the examination of financial statements. Management understands and provides permission to staff certificate or registration holders as required under the Rules of Professional Conduct, Texas Administrative Code, Title 22, Part 22, Chapter 501, Subchapter C, Section 501.75.

We appreciate the opportunity to be of service to the City and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Belt Harris Pechacek, LLLP
Certified Public Accountants

Authorized by:



Robert Belt, CPA, CGMA
Managing Partner

RESPONSE:

This letter correctly sets forth the understanding of City of Killeen, Texas.

The Honorable Jose L. Segarra, Mayor

Date

**City of Killeen
Request for Qualifications
Annual Financial Audit**

**CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity**

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;

or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for statements or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

City of Killeen
Request for Qualifications
Annual Financial Audit

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

Belt Harris Pechacek, LLLP

2 ☐ Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

NONE

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes

☒ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

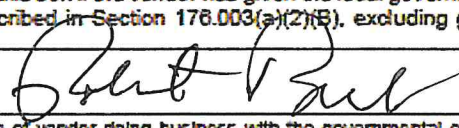
☐ Yes

☒ No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

N/A

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 
Signature of vendor doing business with the governmental entity

06/14/2017

Date

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

Certificate Number:
2017-233275

Date Filed:
07/07/2017

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Belt Harris Pechacek, LLLP
Houston, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Killeen

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

262686915
Financial Audit

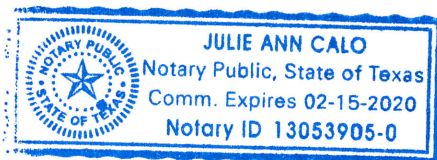
4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Harris, Stephanie E.	Houston, TX United States	X	
	Belt, Robert	Houston, TX United States	X	

5 Check only if there is NO Interested Party.

☐

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



Robert Belt

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Robert Belt, this the 7th day of July, 2017, to certify which, witness my hand and seal of office.

Julie Calo
Signature of officer administering oath

Julie Calo
Printed name of officer administering oath

Office Assistant
Title of officer administering oath



INDEPENDENT AUDITING SERVICES

RS-17-074

August 1, 2017

Scope and Audit Approach



- City onboarding and engagement setup
- Planning, interim, and final audit
- Final delivery
- Post-audit assessment, warranty, and support

Alternatives



- ❑ Contract with Belt Harris Pechacek, LLP to provide independent auditing services to the City of Killeen
- ❑ Contract with one of the other four firms that submitted a response to the RFQ
- ❑ Do nothing

Conformity to Policy

- City Charter Section 40 states that prior to the end of each fiscal year the council shall designate qualified Certified Public Accountants who, as of the end of the fiscal year, shall make an independent audit of accounts and other evidences of financial transactions of the city government and shall submit their report to the council.
- Texas Local Government Code 103.001 states that a municipality shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit.

Compensation

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Maximum Price - Audit	\$109,050	\$110,958	\$112,900	\$114,876	\$116,886
Maximum Price - Single Audit*	\$9,450	\$9,615	\$9,784	\$9,955	\$10,129
Maximum Price - PFC Audit & Report	\$8,950	\$9,107	\$9,266	\$9,428	\$9,593
Total Maximum Price – All Inclusive	\$127,450	\$129,680	\$131,950	\$134,259	\$136,608

*One Major Program

**The fee estimate for additional single audit major programs is \$6,950, plus a 1.75% increase per year for inflation and regulatory costs.

Recommendation



Staff recommends that the City Council authorize the award of a professional services agreement with Belt Harris Pechacek, LLP to provide independent auditing services.



City of Killeen

Legislation Details

File #: RS-17-075 **Version:** 1 **Name:** Acquisition of Taser & Accessories
Type: Resolution **Status:** Resolutions
File created: 7/14/2017 **In control:** City Council Workshop
On agenda: 8/1/2017 **Final action:**
Title: Consider a memorandum/resolution for the acquisition of Axon Taser X26P conducted electrical weapons and related accessories for the Killeen Police Department.
Sponsors: Police Department
Indexes:
Code sections:
Attachments: [Staff Report](#)
[Quotes](#)
[Sole Source Letter](#)
[Terms and Conditions](#)
[Purchasing Options](#)
[Certificate of Interested Parties](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: August 1, 2017

TO: Ronald L. Olson, City Manager

FROM: Margaret Young, Interim Chief of Police

SUBJECT: TASER CEW Replacements

BACKGROUND AND FINDINGS:

The Police Department needs to replace 132 TASERs that have reached the end of their service life. These 132 TASERs are more than five years old and out of warranty. Axon recommends replacement of all TASERs at five years and will not service or repair TASERs more five years old. The Police Department recommends replacing 132 TASER CEWs utilizing Axon's five-year extended purchase plan, Taser60, for a total cost of \$162,650.

THE ALTERNATIVES CONSIDERED:

Which alternative is recommended? Why?

- 1) Discontinue or reduce issuance of TASER CEWs.
This option would limit an officer's less-than-lethal force options and is not recommended.
- 2) Replace TASER CEWs individually as they fail.
This option could generate a significant liability risk and is not recommended.
- 3) Replace only 90 TASER CEWs instituting a program where each CEW is "hot seated" i.e. issued out on a continuous basis instead of to individual officers.
This option would cause premature wear and tear on the units and batteries and is not recommended.
- 4) Purchase 132 TASER CEWs outright. Although this is the option that has been used in the past, it is not optimum as it requires a large outlay of funds at one time; current funding is not sufficient to replace all units that have reached the end of their service life.

Alternatives 1-3 are not recommended and alternative 4 is not economically viable. The current cost to purchase 132 TASER CEWs and related accessories outright is \$188,470, and these devices with only a one-year warranty. Pricing to obtain the same quantity of TASER CEWs and accessories utilizing the TASER 60 program will total \$162,650 at the end of the five-year program (less than \$34,848 / year). The CEWs acquired through the TASER 60 program are covered by a five-year repair/replacement warranty. Acquiring 132 TASER CEWs utilizing the TASER 60 extended purchase program is the most efficient and cost effective option.

CONFORMITY TO CITY POLICY:

This acquisition would be conducted as a sole source purchase and, as such, would conform with state and local purchasing policies.

FINANCIAL IMPACT:**What is the amount of the expenditure in the current fiscal year? For future years?**

Utilizing Axon's extended purchase plan, TASER 60, the cost for this acquisition will be \$21,648 for the first year and \$34,848 per year for the next four years, for a total cost of \$162,650. This price includes \$1,610 for shipping and a \$100 per unit trade in allowance for 132 CEWs (\$13,200) that is applied to the first year payment.

Is this a one-time or recurring expenditure?

The period for this purchase plan is five years, as described above.

Is this expenditure budgeted?

Yes

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

There is sufficient funding currently available in the 010-6000-441.41-65 account for the first year's installment of \$21,648. Sufficient funding was requested in the FY2017/2018 budget in the 010-6000-441.46-35 account to cover the second annual installment of \$34,848. Based on the assumption that funding will remain steady for the following several years, it is reasonable to anticipate that funding will also be available for the remaining three (3) installments of \$34,848. This program would be completed in FY 2020/2021; then there would be an assessment to determine future steps.

RECOMMENDATION:

The Department recommends the acquisition of 132 TASER CEW packages from Axon at a total cost of \$162,650, utilizing the TASER 60 extended purchase plan and taking advantage of the current trade-in rebate.

DEPARTMENTAL CLEARANCES:

Purchasing
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Quotes

Sole Source Letter

Terms and Conditions

Purchasing Options

Certificate of Interested Parties

Axon Enterprise, Inc.

Protect Life.

17800 N 85th St.
Scottsdale, Arizona 85255
United States
Phone: (800) 978-2737
Fax: +1 4809910791



Erich Morsbach
(254) 501-8858
emorsbach@killeentexas.gov

Quotation

Quote: Q-122877-1
Date: 6/26/2017 7:27 AM
Quote Expiration: 7/31/2017
Contract Start Date*: 6/1/2017
Contract Term: 5 years

AX Account Number:
112277

Bill To:
Killeen Police Dept. - TX
3304 COMMUNITY BLVD
KILLEEN, TX 76542
US

Ship To:
Erich Morsbach
Killeen Police Dept. - TX
3304 COMMUNITY BLVD
KILLEEN, TX 76542
US

SALESPERSON	PHONE	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Elliott Kelly	+1 5127123580	ekelly@taser.com	Fedex - Ground	Net 30

*Note this will vary based on the shipment date of the product.

Year 1

Due Net 30

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
132	11003	HANDLE, YELLOW, CLASS III, X26P	USD 0.00	USD 0.00	USD 0.00	USD 0.00
132	85181	TASER 60 YEAR 1 PAYMENT: X26P BASIC	USD 264.00	USD 34,848.00	USD 13,200.00	USD 21,648.00
85	11501	HOLSTER, BLACKHAWK, RIGHT, X26P	USD 0.00	USD 0.00	USD 0.00	USD 0.00
5	11504	HOLSTER, BLACKHAWK, LEFT, X26P	USD 0.00	USD 0.00	USD 0.00	USD 0.00
180	44205	Cartridge - Simulation	USD 0.00	USD 0.00	USD 0.00	USD 0.00
1	22010	PPM, BATTERY PACK, STANDARD, X2/ X26P	USD 58.38	USD 58.38	USD 58.38	USD 0.00
90	22010	PPM, BATTERY PACK, STANDARD, X2/ X26P	USD 0.00	USD 0.00	USD 0.00	USD 0.00
2	22013	KIT, DATAPORT DOWNLOAD, USB, X2/ X26P	USD 176.49	USD 352.98	USD 352.98	USD 0.00
Year 1 Total Before Discounts:						USD 35,259.36
Year 1 Discount:						USD 13,611.36
Year 1 Net Amount Due:						USD 21,648.00

Spare

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
1	11003	HANDLE, YELLOW, CLASS III, X26P	USD 964.05	USD 964.05	USD 964.05	USD 0.00
Spare Total Before Discounts:						USD 964.05
Spare Discount:						USD 964.05
Spare Net Amount Due:						USD 0.00

Year 2

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
132	85182	TASER 60 YEAR 2 PAYMENT: X26P BASIC	USD 264.00	USD 34,848.00	USD 0.00	USD 34,848.00
Year 2 Total Before Discounts:						USD 34,848.00
Year 2 Net Amount Due:						USD 34,848.00

Year 3

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
132	85183	TASER 60 YEAR 3 PAYMENT: X26P BASIC	USD 264.00	USD 34,848.00	USD 0.00	USD 34,848.00
Year 3 Total Before Discounts:						USD 34,848.00
Year 3 Net Amount Due:						USD 34,848.00

Year 4

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
132	85184	TASER 60 YEAR 4 PAYMENT: X26P BASIC	USD 264.00	USD 34,848.00	USD 0.00	USD 34,848.00
Year 4 Total Before Discounts:						USD 34,848.00
Year 4 Net Amount Due:						USD 34,848.00

Year 5

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
132	85185	TASER 60 YEAR 5 PAYMENT: X26P BASIC	USD 264.00	USD 34,848.00	USD 0.00	USD 34,848.00
Year 5 Total Before Discounts:						USD 34,848.00
Year 5 Net Amount Due:						USD 34,848.00

Subtotal	USD 161,040.00
Estimated Shipping & Handling Cost	USD 1,610.40
Grand Total	USD 162,650.40

TASER 60 Sales Terms and Conditions

This quote contains a purchase under the TASER 60 Plan. If your purchase only includes the TASER 60 Plan, CEWs, and CEW accessories, then this purchase is solely governed by the TASER 60 Terms and Conditions posted at: <http://www.axon.com/legal>, and the terms and conditions of Axon's Master Services and Purchasing Agreement do not apply to this order. You represent that you are lawfully able to enter into contracts and if you are entering into this agreement for an entity, such as the company, municipality, or government agency you work for, you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, do not sign this Quote.

\$9,000 trade up credit available through July 31st, 2017.

Axon Enterprise, Inc.'s Sales Terms and Conditions for Direct Sales to End User Purchasers

By signing this Quote, you are entering into a contract and you certify that you have read and agree to the provisions set forth in this Quote and Axon's Master Services and Purchasing Agreement posted at <https://www.axon.com/legal/sales-terms-and-conditions>. You represent that you are lawfully able to enter into contracts and if you are entering into this agreement for an entity, such as the company, municipality, or government agency you work for, you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, do not sign this Quote.

Signature:	_____	Date:	_____
Name (Print):	_____	Title:	_____
PO# (if needed):	_____		

Quote: Q-122877-1

Please sign and email to Elliott Kelly at ekelly@taser.com or fax to +1 4809910791

THANK YOU FOR YOUR BUSINESS!

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Certificate of Destruction

Agency Name:	<hr/>		
Quote/PO Number:	<hr/>		
Product/ Quantity to be destroyed:	M26: <hr/>	X26: <hr/>	Other: <hr/>

Customer certifies that all products for which Customer receives a trade-up discount will be removed from service to be destroyed and rendered permanently nonfunctional. Destruction of units should be performed according to Customer's policy. Products traded-in may not be resold or redistributed. TASER is not responsible for Product warranty or liability related to traded-in products, reserves the right to invoice Customer for the discounted amount for any device not destroyed, and reserves the right to require verification that destruction has been performed.

Form completed by:

Signature (Digital is acceptable or scan)

Printed name, title

Date

Return the signed form to your sales representative along with your purchase order/quote.

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17800 N. 85th St., Scottsdale, Arizona 85255 * 480-991-0797 * Fax 480-991-0791 * www.axon.com

April 5, 2017

To: Killeen Police Department

Re: Sole Source Letter for Axon Enterprise, Inc.'s TASER Conducted Electrical Weapons, Axon brand products, and Evidence.com Data Management Solutions

A sole source justification exists because the following goods and services required to satisfy the agency's needs are only manufactured and available for purchase from Axon Enterprise. Axon is also the sole distributor of all TASER brand products for the agency identified in this letter.

TASER CEW Descriptions

X2 CEW

- Multiple-shot CEW
- High efficiency flashlight
- Static dual LASERs (used for target acquisition)
- ARC switch enables drive-stun with or without a Smart Cartridge installed
- Central Information Display (CID): Displays mission-critical data such as remaining battery energy, burst time, operating mode, and user menu to change settings and view data on a yellow-on-black display
- The Trilogy log system records information from a variety of sensors into three data logs: Event log, Pulse log, and Engineering log. Data can be downloaded using a universal serial bus (USB) data interface module connected to a personal computer (PC). Data may be transferred to Evidence.com services.
- Real-time clock with back-up battery
- Onboard self-diagnostic and system status monitoring and reporting
- Ambidextrous safety switch
- Capable of audio/video recording with optional TASER CAM HD recorder
- The trigger activates a single cycle (approximately five seconds). Holding the trigger down will continue the discharge beyond the standard cycle (except when used with an APPM or TASER CAM HD AS). The CEW cycle can be stopped by placing the safety switch in the down (SAFE) position
- Compatible with TASER Smart Cartridges only

X26P CEW

- High efficiency flashlight
- Red LASER (used for target acquisition)
- Central Information Display (CID): Displays data such as calculated remaining energy, burst time, and notifications
- The Trilogy log system records information from a variety of sensors into three data logs: Event log, Pulse log, and Engineering log. Data can be downloaded using a universal serial bus (USB) data interface module connected to a personal computer (PC). Data may be transferred to Evidence.com services.
- Real-time clock with back-up battery
- Onboard self-diagnostic and system status monitoring and reporting
- Ambidextrous safety switch
- Capable of audio/video recording with optional TASER CAM HD recorder
- The trigger activates a single cycle (approximately five seconds). Holding the trigger down will continue the discharge beyond the standard cycle (except when used with an APPM or TASER CAM HD AS). The CEW cycle can be stopped by placing the safety switch in the down (SAFE) position.
- Compatible with TASER standard series cartridges

Axon Signal Performance Power Magazine (SPPM)

- Battery pack for the X2 and X26P conducted electrical weapons
- Shifting the safety switch from the down (SAFE) to the up (ARMED) positions sends a signal from the SPPM. Upon processing the signal, an Axon system equipped with Axon Signal technology transitions from the BUFFERING to EVENT mode. Axon Signal technology only works with Axon cameras.

TASER Brand CEW Model Numbers

1. Conducted Electrical Weapons (CEWs):
 - TASER X2 Models: 22002 and 22003
 - TASER X26P Models: 11002 and 11003
2. Optional Extended Warranties for CEWs:
 - X2 - 4-year extended warranty, item number 22014
 - X26P - 2-year extended warranty, item number 11008
 - X26P - 4-year extended warranty, item number 11004
3. TASER standard cartridges (compatible with the X26P; required for this CEW to function in the probe deployment mode):
 - 15-foot Model: 34200
 - 21-foot Model: 44200
 - 21-foot non-conductive Model: 44205
 - 25-foot Model: 44203
 - 35-foot Model: 44206
4. TASER Smart cartridges (compatible with the X2; required for this CEW to function in the probe deployment mode):
 - 15-foot Model: 22150
 - 25-foot Model: 22151
 - 25-foot inert simulation Model: 22155
 - 25-foot non-conductive Model: 22157
 - 35-foot Model: 22152
5. TASER CAM HD recorder Model: 26810 (full HD video and audio) and TASER CAM HD with AS (automatic shut-down feature) Model: 26820. The TASER CAM HD is compatible with both the X26P and X2 CEWs.
 - TASER CAM HD replacement battery Model: 26764
 - TASER CAM HD Download Kit Model: 26762
 - TASER CAM HD optional 4-year extended warranty, item number 26763
6. Power Modules (Battery Packs) for X26P and X2 CEWs:
 - Performance Power Magazine (PPM) Model: 22010
 - Tactical Performance Power Magazine (TPPM) Model: 22012
 - Automatic Shut-Down Performance Power Magazine (APPM) Model: 22011
 - eXtended Performance Power Magazine (XPPM) Model: 11010
 - eXtended Automatic Shut-Down Performance Power Magazine (XAPPM) Model: 11015
 - Axon Signal Performance Power Magazine (SPPM) Model: 70116
7. TASER Dataport Download Kits:
 - Dataport Download Kit for the X2 and X26P Model: 22013
8. TASER Blast Door Repair Kit Model 44019 and TASER Blast Door Replenishment Kit Model 44023
9. Conductive Target front Model 80000 and Conductive Target back, Model 80001

10. CEW Holsters:

- Right-hand X2 holster by BLACKHAWK Model: 22501
- Left-hand X2 holster by BLACKHAWK Model: 22504
- Right-hand X26P holster by BLACKHAWK Model: 11501
- Left-hand X26P holster by BLACKHAWK Model: 11504

11. TASER Simulation Suit II Model 44550

Axon Digital Evidence Solution Description

Axon Flex 2 Video Camera (DVR)

- Video playback on mobile devices in the field via Bluetooth pairing
- Retina Low Light capability sensitive to less than 0.1 lux
- Audio tones to alert user of usage
- Low SD, high SD, low HD, and high HD resolution (customizable by the agency)
- Up to 120-second buffering period to record footage before pressing record button
- Multiple mounting options using magnetic attachment: head, collar, shoulder, helmet, ball cap, car dash, and Oakley sunglass mounts available
- 120-degree diagonal field of view camera lens. 102-degree horizontal field of view, and 55-degree vertical field of view

Axon Flex 2 Controller

- 12+ hours of battery operation per shift (even in recording mode)
- LED lights to show current battery level and operating mode
- Haptic notification available
- Tactical beveled button design for use in pocket
- Compatible with Axon Signal technology

Axon Body 2 Video Camera

- Video playback on mobile devices in the field via Bluetooth pairing
- Retina Low Light capability sensitive to less than 1 lux
- Audio tones and haptic (vibration) notification to alert user of usage
- Audio mute during event option
- Wi-Fi capability
- High, medium, and low quality recording available (customizable by the agency)
- Up to two-minute buffering period to record footage before pressing record button
- Multiple mounting options using holster attachment: shirt, vest, belt, and dash mounts available
- 12+ hours of battery operation per shift (even in recording mode)
- LED lights to show current battery level and operating mode
- 143-degree lens
- Includes Axon Signal technology

Axon Fleet Camera

- Fully integrated with Evidence.com services and Axon devices
- Automatic time synchronization with other Axon Fleet and Axon body cameras allows for multi-camera playback on Evidence.com.
- Immediate upload to Evidence.com of critical event videos via 4G/LTE
- Wireless alerts from the TASER CEW Signal Performance Power Magazine (SPPM).
- Automatic transition from buffering to event mode in an emergency vehicle equipped with the Axon Signal Unit

Axon Signal Unit (ASU)

- Communications device that can be installed in emergency vehicles.
- With emergency vehicle light bar activation, or other activation triggers, the Axon Signal Unit sends a signal. Upon processing the signal, an Axon system equipped with Axon Signal technology transitions

from the BUFFERING to EVENT mode.

Axon Interview Solution

- High-definition cameras and microphones for interview rooms
- Covert or overt camera installations
- Touch-screen user interface
- Motion-based activation
- Up to 7-minute pre- and post-event buffering period
- Full hardware and software integration
- Upload to Evidence.com services
- Interview room files can be managed under the same case umbrella as files from Axon on-officer cameras and Axon Fleet cameras; i.e., Axon video of an arrest and interview room video are managed as part of the same case in Evidence.com
- Dual integration of on-officer camera and interview room camera with Evidence.com digital evidence solution

Axon Flex Camera (DVR)

- Video playback on mobile devices in the field via Bluetooth pairing
- Retina Low Light capability sensitive to less than 1 lux
- Audio tones to alert user of usage
- High, medium, and low quality recording available (customizable by the agency)
- 30-second buffering period to record footage before pressing record button
- Multiple mounting options using magnetic attachment: head, collar, shoulder, helmet, ball cap, car dash, and Oakley sunglass mounts available

Axon Flex Controller

- 12+ hours of battery operation per shift (even in recording mode)
- LED lights to show current battery level and operating mode
- Tactical beveled button design for use in pocket
- Available with Axon Signal technology

Axon Body Video Camera

- Video playback on mobile devices in the field via Bluetooth pairing
- Retina Low Light capability sensitive to less than 1 lux
- Audio tones to alert user of usage
- High, medium, and low quality recording available (customizable by the agency)
- 30-second buffering period to record footage before pressing record button
- Multiple mounting options using holster attachment: shirt, vest, belt, and dash mounts available
- 12+ hours of battery operation per shift (even in recording mode)
- LED lights to show current battery level and operating mode
- Tactical beveled button design for use in pocket
- 130-degree lens

Axon Signal Technology

- Sends a broadcast of status that compatible devices recognize when certain status changes are detected.
- Only compatible with TASER and Axon products

Axon Dock

- Automated docking station uploads to Evidence.com services through Internet connection
- No computer necessary for secure upload to Evidence.com
- Charges and uploads simultaneously
- The Axon Dock is tested and certified by TUV Rheinland to be in compliance with UL 60950-1: 2007 R10.14 and CAN/ CSA-C22.2 NO.60950-I-07+A1:2011+A2:2014 Information Technology Equipment safety standards.

Evidence.com Data Management System

- Software as a Service (SaaS) delivery model that allows agencies to manage and share digital evidence without local storage infrastructure or software needed
- SaaS model reduces security and administration by local IT staff: no local installation required
- Automatic, timely security upgrades and enhancements deployed to application without the need for any local IT staff involvement
- Securely share digital evidence with other agencies or prosecutors without creating copies or requiring the data to leave your agency's domain of control
- Controlled access to evidence based on pre-defined roles and permissions and pre-defined individuals
- Password authentication includes customizable security parameters: customizable password complexity, IP-based access restrictions, and multi-factor authentication support
- Automated category-based evidence retention policies assists with efficient database management
- Ability to recover deleted evidence within seven days of deletion
- Stores and supports all major digital file types: .mpeg, .doc, .pdf, .jpeg, etc.
- Requires NO proprietary file formats
- Ability to upload files directly from the computer to Evidence.com via an Internet browser
- Data Security: Robust Transport Layer Security (TLS) implementation for data in transit and 256-bit AES encryption for data in storage
- Security Testing: Independent security firms perform in-depth security and penetration testing
- Reliability: Fault- and disaster-tolerant infrastructure in at least four redundant data centers in both the East and West regions of the United States
- Chain-of-Custody: Audit logs automatically track all system and user activity. These logs cannot be edited or deleted, even by account administrators and IT staff
- Protection: With no on-site application, critical evidence stored in Evidence.com is protected from local malware that may penetrate agency infrastructure
- Stability: Axon Enterprise is a publicly traded company with stable finances and funding, reducing concerns of loss of application support or commercial viability
- Application and data protected by a CJIS and ISO 27001 compliant information security program
- Dedicated information security department that protects Evidence.com and data with security monitoring, centralized event log analysis and correlation, advanced threat and intrusion protection, and incident response capabilities
- Redact videos easily within the system, create tags, markers and clips, search seven fields in addition to five category-based fields, create cases for multiple evidence files

Evidence.com for Prosecutors

- All the benefits of the standard Evidence.com services
- Ability to share information during the discovery process
- Standard licenses available for free to prosecutors working with agencies already using Evidence.com services
- Unlimited storage for data collected by Axon cameras and Axon Capture

Axon Capture Application

- Free app for iOS and Android mobile devices
- Allows users to capture videos, audio recordings, and photos and upload these files to their Evidence.com account from the field
- Allows adding metadata to these files, such as: Category, Title, Case ID, and GPS data

Axon View Application

- Free app for iOS and Android mobile devices
- Allows user to view the camera feed from a paired Axon Body, Axon Body 2, or Axon Flex, or Axon Flex 2 camera in real-time
- Allows for playback of videos stored on a paired Axon Body or Axon Flex system
- Allows adding meta-data to videos, such as: Category, Title, Case ID, and GPS data

Axon Professional Services

- Dedicated implementation team
- Project management and deployment best practices aid
- Training and train-the-trainer sessions
- Integration services with other systems

Axon Customer Support

- Online and email-based support available 24/7
- Human phone-based support available Monday–Friday 7:00 AM–5:00 PM MST; support is located in Scottsdale, AZ, USA
- Library of webinars available 24/7
- Remote-location troubleshooting



Axon Brand Model Numbers

1. Axon Flex 2 Cameras:
 - Axon Flex 2 Camera (online) Model: 11528
 - Axon Flex 2 Camera (offline) Model: 11529
2. Axon Flex 2 Controller Model: 11532
3. Axon Flex 2 USB Sync Cable Model: 11534
4. Axon Flex 2 Coiled Cable, Straight to Right Angle, 48" (1.2 m)
5. Axon Flex 2 Camera Mounts:
 - Oakley Flak Jacket Kit Model: 11544
 - Collar Mount Model: 11545
 - Oakley Clip Model: 11554
 - Epaulette Mount Model: 11546
 - Ballcap Mount Model: 11547
 - Ballistic Vest Mount Model: 11555
 - Universal Helmet Mount Model: 11548
6. Axon Body 2 Camera Model: 74001
7. Axon Flex 2 Controller and Axon Body 2 Camera Mounts:
 - Z-Bracket, Men's, Axon RapidLock Model: 74018
 - Z-Bracket, Women's Axon RapidLock Model: 74019
 - Magnet, Flexible, Axon RapidLock Model: 74020
 - Magnet, Outerwear, Axon RapidLock Model: 74021
 - Small Pocket, 4" (10.1 cm), Axon RapidLock Model: 74022
 - Large Pocket, 6" (15.2 cm), Axon RapidLock Model: 74023
 - MOLLE Mount, Single, Axon RapidLock Model: 11507
 - MOLLE Mount, Double, Axon RapidLock Model: 11508
 - Belt Clip Mount, Axon RapidLock Model: 11509
8. Axon Fleet Camera Model: 74001
9. Axon Signal Unit Model: 70112
10. Axon Dock Models:
 - Axon Dock – Individual Bay and Core for Axon Flex 2
 - Axon Dock – 6-Bay and Core for Axon Flex 2
 - Individual Bay for Axon Flex 2 Model: 11538
 - Core (compatible with all Individual Bays and 6-Bays) Model: 70027
 - Wall Mount Bracket Assembly for Axon Dock: 70033
 - Axon Dock – Individual Bay and Core for Axon Body 2 and Axon Fleet Model 74009
 - Axon Dock – 6-Bay and Core for Axon Body 2 and Axon Fleet Model 74008
 - Individual Bay for Axon Body 2 and Axon Fleet Model: 74011

Axon Product Packages

1. Officer Safety Plan: includes a CEW, Axon camera and Dock upgrade, and Evidence.com license and

storage. See your Sales Representative for further details and Model numbers.

2. TASER Assurance Plan (TAP): Hardware extended warranty coverage, Spare Products, and Upgrade Models available for the X2 and X26P CEWs, and the TASER CAM HD recorder. (The TAP is available only through Axon Enterprise, Inc.)
3. TASER 60: Pay for X2 and X26P CEWs and Spare Products in installments over 5 years.

SOLE AUTHORIZED DISTRIBUTOR FOR AXON BRAND CAMERAS AND TASER BRAND CEW PRODUCTS	SOLE AUTHORIZED REPAIR FACILITY FOR AXON BRAND CAMERAS AND TASER BRAND CEW PRODUCTS
Axon Enterprise, Inc. 17800 N. 85th Street, Scottsdale, AZ 85255 Phone: 800-978-2737 Fax: 480-991-0791	Axon Enterprise, Inc. 17800 N. 85th Street, Scottsdale, AZ 85255 Phone: 800-978-2737 Fax: 480-991-0791

Please contact your local Axon sales representative or call us at 1-800-978-2737 with any questions.

Sincerely,



Josh Isner
Executive Vice President, North American Sales
Axon Enterprise, Inc.

Android is a trademark of Google, Inc, Bluetooth is a trademark of the Bluetooth SIG, Flak Jacket is a trademark of Oakley, Inc, iPod touch is a trademark of Apple Inc., IOS is a trademark of Cisco, LTE is a trademark of the European Telecommunications Standards Institute, Shoen is a trademark of Shoen Co., Ltd., VELCRO is a trademark of Velcro Industries, B.V., and Wi-Fi is a trademark of the Wi-Fi Alliance.

The 'Delta Axon' logo, Axon, Axon Body, Axon Body 2, Axon Dock, Axon Fleet, Axon Flex, Axon Flex 2, Axon Interview, Axon RapidLock, Axon Signal, Evidence.com, Smart Cartridge, Trilogy, TASER CAM, X2, X26P, TASER and the 'Bolt within Circle' logo are trademarks of Axon Enterprise, Inc., some of which are registered in the US and other countries. For more information, visit www.axon.com/legal. All rights reserved. © 2017 Axon Enterprise, Inc.



Axon Enterprise, Inc.'s TASER 60 Terms and Conditions

These TASER 60 Terms and Conditions (**Agreement**) apply to your purchase from Axon Enterprise, Inc. (**Axon**) under the TASER 60 Plan. TASER 60 provides CEW hardware extended warranty coverage, CEW Products, and CEW accessories. TASER 60 only applies to the TASER CEW Product and accessories listed in the Quote.

1. **TASER 60 Term.** TASER 60 Term start date is based upon the shipment date of the hardware covered under TASER 60 (**Start Date**). The TASER 60 Term will end 5 years after the Start Date (**Term**).
2. **Payment Terms.** Axon invoices for the TASER 60 Unlimited plan on an annual basis. Agency will be invoiced upon the Start Date and then upon the anniversary of the Start Date for the remainder of the Term. Invoices are due to be paid within 30 days of the date of invoice. Invoices are due to be paid within 30 days of the date of invoice. Payment obligations are non-cancelable and fees paid are non-refundable and all amounts payable will be made without setoff, deduction, or withholding.
3. **Taxes.** Unless the Agency provides a valid and correct tax exemption certificate applicable to the purchase and ship-to location, the Agency is responsible for sales and other taxes associated with the order.
4. **Shipping; Title; Risk of Loss; Rejection.** Axon reserves the right to make partial shipments and products may ship from multiple locations. All shipments are E.X.W. via common carrier and title and risk of loss pass to the Agency upon delivery to the common carrier by Axon. The Agency is responsible for all freight charges. Any loss or damage that occurs during shipment is the Agency's responsibility. Shipping dates are estimates only.
5. **Returns.** All sales are final and no refunds or exchanges are allowed, except for warranty returns or as provided by state or federal law.
6. **Hardware Limited Warranty.** Axon warrants that its law enforcement hardware products are free from defects in workmanship and materials for a period of ONE (1) YEAR from the date of receipt. Extended warranties run from the date of purchase of the extended warranty through the balance of the 1-year limited warranty term plus the term of the extended warranty measured after the expiration of the 1-year limited warranty. CEW cartridges and Smart cartridges that are expended are deemed to have operated properly. Axon-Manufactured Accessories are covered under a limited 90-DAY warranty from the date of receipt. Non-Axon manufactured accessories are covered under the manufacturer's warranty. If Axon determines that a valid warranty claim is received within the warranty period, Axon agrees to repair or replace the Product. Axon's sole responsibility under this warranty is to either repair or replace with the same or like Product, at Axon's option.
7. **Warranty Limitations.** The warranties do not apply and Axon will not be responsible for any loss, damage, or other liabilities arising from: (a) damage from failure to follow instructions relating to the Product's use; (b) damage caused by use with non-Axon products or from the use of cartridges, batteries or other parts, components or accessories that are not manufactured or recommended by Axon; (c) damage caused by abuse, misuse, intentional or deliberate damage to the product, or force majeure; (d) damage to a Product or part that has been repaired or modified by persons other than Axon authorized personnel or without the written permission of Axon; or (e) if any Axon serial number has been removed or defaced.



Axon Enterprise, Inc.'s TASER 60 Terms and Conditions

To the extent permitted by law, the warranties and remedies set forth above are exclusive and Axon disclaims all other warranties, remedies, and conditions, whether oral or written, statutory, or implied, as permitted by applicable law. If statutory or implied warranties cannot be lawfully disclaimed, then all such warranties are limited to the duration of the express warranty described above and limited by the other provisions contained in this Agreement.

Axon's cumulative liability to any Party for any loss or damage resulting from any claims, demands, or actions arising out of or relating to any Axon product will not exceed the purchase price paid to Axon for the product or if for services, the amount paid for such services over the prior 12 months preceding the claim. In no event will either Party be liable for any direct, special, indirect, incidental, exemplary, punitive or consequential damages, however caused, whether for breach of warranty, breach of contract, negligence, strict liability, tort or under any other legal theory.

8. **Warranty Returns.** If a valid warranty claim is received by Axon within the warranty period, Axon agrees to repair or replace the Product which Axon determines in its sole discretion to be defective under normal use, as defined in the Product instructions. Axon's sole responsibility under this warranty is to either repair or replace with the same or like Product, at Axon's option. For warranty return and repair procedures, including troubleshooting guides, please go to Axon's website www.axon.com/support.

A replacement product will be new or like new and have the remaining warranty period of the original product or 90 days from the date of replacement or repair, whichever period is longer. Any replacement item becomes Purchaser's property and the replaced item becomes Axon's property.

9. **TASER 60 Warranty Coverage.** TASER 60 includes extended warranty coverage for TASER CEW hardware specifically identified in the Quote and as described in the Hardware Limited Warranty. TASER 60 warranty coverage starts at the beginning of the Term and continues as long as the Agency continues to pay the required annual fees for TASER 60 during the Term. The Agency may not have both an optional extended warranty and TASER 60 on the TASER CEW product.
10. **Spare Product.** For orders of more than 30 units, Axon will provide a predetermined number of Spare Product for the TASER CEW hardware listed in the Quote (**Spare Products**) to keep at the Agency location to replace broken or non-functioning units in order to improve the availability of the units to officers in the field. The Agency must return to Axon, through Axon's RMA process, any broken or non-functioning units for which a Spare Product is utilized, and Axon will repair or replace the non-functioning unit with a replacement product. Axon warrants it will repair or replace the unit which fails to function for any reason not excluded by the warranty coverage, during the Term with the same product or a like product, at Axon's sole option. Within 30 days of the end of the Term, the Agency must return to Axon all Spare Products. The Agency will be invoiced for and are obligated to pay to Axon the MSRP then in effect for all Spare Products not returned to Axon.
11. **Product Warnings.** See our website at www.axon.com for the most current product warnings.

12. **Design Changes.** Axon reserves the right to make changes in the design of any of Axon's products and



Axon Enterprise, Inc.'s TASER 60 Terms and Conditions

services without incurring any obligation to notify the Agency or to make the same change to products and services previously purchased. Axon may replace end of life products with the next generation of that product without notifying the Agency.

13. TASER 60 Termination. If an invoice for TASER 60 is more than 30 days past due, then Axon may terminate TASER 60. Axon will provide notification that TASER 60 coverage is terminated. Once TASER 60 coverage is terminated for any reason, then:

13.1 TASER 60 coverage will terminate as of the date of termination and no refunds will be given.

13.2 The Agency will be invoiced and obligated to pay for the remainder of the MSRP for TASER 60 Products received before the termination date. In the case of termination for non-appropriations, Axon will not invoice the Agency if the Agency returns the CEW, battery, holster, and unused cartridges to Axon within 30 days of the date of termination.

13.3 The Agency will be responsible for payment of any missed payments due to the termination before being allowed to purchase any future TASER 60 Unlimited plan.

14. Excusable Delays. Axon will use commercially reasonable efforts to deliver all products and services ordered as soon as reasonably practicable. In the event of interruption of any delivery due to causes beyond Axon's reasonable control Axon has the right to delay or terminate the delivery with reasonable notice.

15. Proprietary Information. The Agency agrees that Axon has and claims various proprietary rights in the hardware, firmware, software, and the integration of ancillary materials, knowledge, and designs that constitute Axon products and services, and that the Agency will not directly or indirectly cause any proprietary rights to be violated.

16. Import and Export Compliance. In connection with this Agreement, each Party will comply with all applicable import, re-import, export, and re-export control laws and regulations.

17. Assignment. The Agency may not may assign or otherwise transfer this Agreement without the prior written approval of Axon.

18. Severability. This Agreement is contractual and not a mere recital. If any portion of this Agreement is held to be invalid or unenforceable, the remaining portions of this Agreement will remain in full force and effect.

19. Governing Law; Venue. The laws of the state where the Agency is physically located, without reference to conflict of law rules, govern this Agreement and any dispute of any sort that might arise between the Parties. The United Nations Convention for the International Sale of Goods does not apply to this Agreement.

20. Entire Agreement. This Agreement and the quote provided by Axon, represents the entire agreement between the Parties. This Agreement supersedes all prior or contemporaneous representations, understandings, agreements, or communications between the Parties, whether written or verbal, regarding the subject matter of this Agreement. No modification or amendment of any portion of this Agreement will be effective unless in writing and signed by the Parties to this Agreement.

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Killeen PD - 132 CEW (X26P) TCO Breakdown				
	Yearly (26/yr)	Out Right	T60 (Basic)	T60 Unlimited
Cost Year 1 (26)	\$37,179.84	\$188,469.60	\$21,648.00	\$35,904.00
Cost Year 2 (52)	\$38,481.13	\$0.00	\$34,848.00	\$49,104.00
Cost Year 3 (78)	\$39,827.97	\$0.00	\$34,848.00	\$49,104.00
Cost Year 4 (104)	\$41,221.95	\$0.00	\$34,848.00	\$49,104.00
Cost Year 5 (132)	\$42,664.72	\$0.00	\$34,848.00	\$49,104.00
TCO (5 Year)	\$199,375.62	\$188,469.60	\$161,040.00	\$232,320.00

- TASER 60 Basic includes CEW, holster, PPM, and 2 training cartridges per CEW (Year 1 only)
- TASER 60 Unlimited includes and unlimited number of duty cartridges and PPMs over the 5 year term, plus the 3 training carts per CEW per year
- Year 1 on the T60 Basic and T60 Unlimited options will include a \$13,200 trade up credit if executed before 7/31/17.

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

Certificate Number:
2017-227128

Date Filed:
06/21/2017

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Axon Enterprise, Inc.
Scottsdale, AZ United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Killeen Police Department

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

Q-114367
TASER CEW's

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Taylor, Bret	Scottsdale, AZ United States	X	
	Partovi, Hadi	Scottsdale, AZ United States	X	
	Martz, Judy	Scottsdale, AZ United States	X	
	Kroll, Mark	Scottsdale, AZ United States	X	
	Carmona, Richard	Scottsdale, AZ United States	X	
	McBrady, Matthew	Scottsdale, AZ United States	X	
	Garnreiter, Michael	Scottsdale, AZ United States	X	
	Smith, Patrick	Scottsdale, AZ United States	X	

5 Check only if there is NO Interested Party. ☐

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



[Signature]

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Robert Driscoll, this the 21st day of June, 2017, to certify which, witness my hand and seal of office.

[Signature]

Signature of officer administering oath

Alissa McDowell

Printed name of officer administering oath

Sr. Contracts Mgr.

Title of officer administering oath



TASER REPLACEMENTS

RS-17-075

August 1, 2017

Taser replacement

2

- ❑ 132 Tasers have reached the end of their service life of five years
- ❑ Axon will no longer service or repair the older Tasers
- ❑ Axon offers an extended purchase plan, allowing for the purchase 132 Tasers with a five-year payment plan, a five-year warranty, and a turn-in credit

Alternatives

3

- (1) Discontinue/reduce issuance of Tasers
- (2) Replace individually as they fail
- (3) Issue to officers as they arrive for shift
- (4) Purchase outright (\$188,470)
- (5) Taser 60 Program
 - ▣ Spread cost over five years; renew plan
 - ▣ Five-year repair/replace warranty

Financial Impact

4

- Utilizing Axon's extended purchase plan
 - ▣ \$21,648 for the first year (\$13,200 credit)
 - ▣ \$34,848 per year for subsequent four years
- Budgeted funds available in the FY17 Minor Tools Account
- The Tasers purchase would be completed in FY21
 - ▣ For FY22 – reevaluate purchase options

Recommendation

5

- Staff recommends the acquisition of 132 replacement Tasers from Axon at a total cost of \$162,650 over five years utilizing the TASER 60 extended purchase plan, taking advantage of the current trade-in rebate and authorizing the City Manager to execute the purchase agreement.



City of Killeen

Legislation Details

File #: RS-17-076 **Version:** 1 **Name:** TxDOT Airport Participation Agreement
Type: Resolution **Status:** Resolutions
File created: 7/17/2017 **In control:** City Council Workshop
On agenda: 8/1/2017 **Final action:**
Title: Consider a memorandum/resolution accepting a grant from Texas Department of Transportation-Aviation Division to fund a T-Hangar Design and Construction Project on Skylark Field.
Sponsors: Aviation Department
Indexes:
Code sections:
Attachments: [Staff Report](#)
[TxDOT Agreement](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: August 1, 2017

TO: Ronald L. Olson, City Manager

FROM: Matthew Van Valkenburgh A.A.E., Executive Director of Aviation

SUBJECT: RESOLUTION TO ACCEPT A GRANT FROM TXDOT-AVIATION DIVISION FOR THE PURPOSE OF DESIGNING AND CONSTRUCTING A T-HANGAR BUILDING ON SKYLARK FIELD

BACKGROUND AND FINDINGS:

On October 25, 2016, Council adopted a new Skylark Field Master Plan which identified adding T-hangars as the highest priority facility requirement and recommended construction of a T-hangar complex in FY 2018.

A major revenue source for the Skylark Field enterprise fund is the rental of light aircraft storage units, commonly known as T-hangars, to individuals and businesses basing their aircraft at Skylark Field. The airport currently has 40 T-hangar and covered tie-down units. These facilities stay 100% occupied, and there is a waiting list with approximately 43 requests for additional T-hangar space. A new nine (9)-unit T-hangar building is estimated to earn approximately \$28,000 per year in rental revenues. Additional revenues will be earned from the sale of fuel to the tenants of the new hangar.

On April 11, 2017, Council approved resolution # RS-17-041 authorizing TxDOT-Aviation Division to act as the airport's agent for a T-hangar development project on Skylark Field. On June 29, 2017, the Texas Transportation Commission approved the use of state and federal funding for 90% of the cost of design and construction of the proposed hangar and the supporting infrastructure (taxiway, apron, and utility connections).

On July 14, 2017, the City received a Federally and State Assisted Airport Development Grant offer in the form of a Texas Department of Transportation Airport Project Participation Agreement in the amount of \$1,285,800 to fund 90% of this project. The City will be required to provide a match of \$142,866 (10% of estimated total project cost) to receive this grant funding and allow the project to proceed. The grant is comprised of \$600,000 in FAA non-primary entitlement funding with the balance of the grant being state funding.

The estimated design and construction cost of a nine (9)-unit T-hangar building is \$1,428,666; design being \$118,500 and construction \$1,310,166, based upon TxDOT's initial estimates.

Acceptance of this grant, as does all FAA and TxDOT Aviation grants, requires the City to make certain assurances related to the continued availability of the facility to the public for aeronautical use, use of revenues generated by the airport, and compliance with a number of Federal Regulations and standards.

THE ALTERNATIVES CONSIDERED:

The alternatives for the project are: (1) accept the grant and proceed with the project; or (2) decline the grant and defer the project indefinitely.

Which alternative is recommended? Why?

Staff recommends Alternative 1. Rental of the additional T-hangar units will position Skylark Field for full cost recovery of airport operation and maintenance costs by FY 2019, while meeting citizen requests for aircraft storage facilities in Killeen.

CONFORMITY TO CITY POLICY:

The hangar construction plan conforms to Skylark Field Airport Master Plan as adopted by City Council on October 25, 2016.

FINANCIAL IMPACT:

No General Funds are required for this project.

What is the amount of the expenditure in the current fiscal year? For future years?

For FY 2017, the City's share for this project is \$11,850 to match the state funds being used for the design phase of the project.

For FY 2018, the City's share will be \$131,017 to match federal and state grant funds for the construction phase. Upon completion of the building, estimated annual insurance, operations and maintenance costs are approximately \$1,500; however, the hangar will provide annual rental revenues of approximately \$28,000.

Is this a one-time or recurring expenditure?

The grant matching expenditure is a one-time expense divided between FY 2017 and 2018.

Is this expenditure budgeted?

Funding was not included in the adopted budget.

If not, where will the money come from?

The funds are available in the Skylark Field Aviation enterprise fund balance to satisfy the grant matching requirements. The Skylark Field fund balance currently includes restricted funds that were received from the sale of approximately 15 acres of land in 2012; it is more than enough to satisfy this matching requirement. Those funds must be used for capital improvement projects at Skylark Field.

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes. Funding is available for FY 2017, and sufficient funding will be included in the FY 2018 budget to cover the remaining expense.

RECOMMENDATION:

City Council approve the attached Texas Department of Transportation Airport Project Participation Agreement CSJ No. 1709KILEN accepting the state and federal grant offer in the amount of \$1,285,800 for design and construction of a T-hangar on Skylark Field, ratify and adopt all assurances, statements, representations, warranties, covenants and agreements incorporated into this Airport Project Participation Agreement and expressly authorize the City Manager to execute all amendments within the amounts set by state and local law.

DEPARTMENTAL CLEARANCES:

Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

TxDOT Airport Project Participation Agreement

**TEXAS DEPARTMENT OF TRANSPORTATION
AIRPORT PROJECT PARTICIPATION AGREEMENT**

(Federally and State Assisted Airport Development Grant)

TxDOT CSJ No.: 1709KILEN
TxDOT Project No.: AP KILLEEN
Commission Approval: June 29, 2017
NPE Funds Applied: FY 14-17
DUNS: 127789972
C.F.D.A.:20.106

Part I - Identification of the Project

TO: The City of Killeen, Texas

FROM: The State of Texas, acting through the Texas Department of Transportation

This Agreement is made and entered into by and between the Texas Department of Transportation, (hereinafter referred to as the "State"), for and on behalf of the State of Texas, and the City of Killeen, Texas, (hereinafter referred to as the "Sponsor").

The Sponsor desires to sponsor a project for the development of a public aviation facility, known or to be designated as the Airport under the Airport and Airway Improvement Act of 1982, as repealed and recodified in Title 49 United States Code, Section 47101 et seq., (hereinafter referred to as "Title 49 U.S.C."), and Rules, Regulations and Procedures promulgated pursuant to; and under V.T.C.A. Transportation Code, Title 3, Chapters 21-22, et seq. (Vernon and Vernon Supp).

The project is described as follows: design and construction services to construct nine unit t-hangar complex; construct hangar access taxiway; and relocate and install utilities for T-hangar unit at the Killeen Skylark Field.

The Sponsor applies for federal and state financial assistance and desires the State to act as the Sponsor's agent in matters connected with the project described above.

The parties, by this Agreement, do fix their respective responsibilities, with reference to each other, with reference to the accomplishment of the project and with reference to the United States.

Pursuant to and for the purpose of carrying out the provisions of Title 49 U.S.C., and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in the Airport Project Participation Agreement and its acceptance of this Offer as provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the project and compliance with the assurances and conditions as herein provided, **THE TEXAS DEPARTMENT OF TRANSPORTATION, FOR AND ON BEHALF OF THE UNITED STATES, FEDERAL AVIATION ADMINISTRATION (HEREINAFTER REFERRED TO AS THE "FAA"), OFFERS AND AGREES** to pay, as the United States share of the allowable costs incurred in accomplishing the project. This grant is made on and subject to the following terms and conditions:

Part II - Offer of Financial Assistance

1. The allowable costs of the project shall not include any costs determined by the State to be ineligible for consideration as to allowability under Title 49 U.S.C., the V.T.C.A. Transportation Code, Title 3, Chapters 21-22, et seq., (Vernon and Vernon Supp), and the Airport Zoning Act, Tex. Loc. Govt. Code Ann. §§ 241.001 et seq. (Vernon and Vernon Supp).

It is estimated that total project costs will be approximately \$1,428,666 (Amount A). It is further estimated that approximately \$1,428,666 (Amount B) of the project costs will be eligible for federal financial assistance, and that federal and state financial assistance will be for ninety percent (90%) of the eligible project costs. Final determination of federal eligibility of total project costs will be determined by the State in accordance with federal guidelines following completion of project.

2. The maximum obligation of the United States and State Treasury under this offer shall be \$1,285,800 (Amount C).
3. It is estimated that the Sponsor's share of the total project costs will be \$142,866 (Amount D). The Sponsor specifically agrees that it shall pay any project costs, which exceed the sum of the federal share (Amount C).

In the event that federal or state funds are unavailable, this Agreement shall automatically be voided and become of no force and effect.

4. This grant should not be construed as block grant funds for the Sponsor, but as a grant for funding of the scope items as listed on page one of this agreement. It is the intent of the State to provide funding to complete the approved work items of this grant and not to amend the scope of work to include items outside of the current determined needs of this project. Scope of work may be amended as necessary to fulfill the unforeseen needs of this specific development project within the spirit of the approved scope, subject to the availability of state, federal, and/or local funds.
5. The Sponsor specifically agrees that it shall pay any project costs, which exceed the sum of the available federal and state funding. Sponsor guarantees that if available grant funds do not cover the entire cost of the hangar development project, the sponsor will complete the unfunded elements of the project.

It is further agreed that the Sponsor will reimburse the State for any payment or payments made by the State in behalf of the Sponsor which are in excess of the federal percentage of financial participation as stated in Paragraph II-2. The State shall refund to the Sponsor, at the financial closure of the project, any excess funds provided by the Sponsor.

6. During design, if the estimated eligible construction project costs exceed available funding, the Sponsor may request the State to void this Agreement, the State shall agree to void this Agreement upon the satisfaction of the following conditions:
 - a. the Sponsor's request to the State to void the Agreement shall be in writing and dated; and
 - b. if required by the State, the Sponsor shall reimburse the State for funds expended on this project and Sponsor shall assume the responsibility for any future expenses for contracted services or materials related to the project for which a contract had been executed prior to the Sponsor's request to void the Agreement; and
 - c. failure on the part of the Sponsor to comply with the conditions of this paragraph shall

constitute a breach of this Agreement.

7. Upon satisfaction of the conditions specified in Paragraph II-6 above, the State shall declare this Agreement null and void, and this Agreement shall have no force and effect.
8. The Sponsor is responsible for all 100% of all costs above the federal share of \$600,000. The \$600,000 is the maximum amount available to a Sponsor in non-primary entitlement (NPE) funds for a hangar building. The amount that the Sponsor has available in NPE funds will be applied to the hangar building – all costs over the available NPE fund will be 100% Sponsor funded. The Sponsor agrees by entering into a revenue producing project, the Sponsor will not be eligible for state appointment or discretionary funds until FY 2020. NPE funds would be available to the Sponsor for projects during this time period, once it is received by TxDOT, and RAMP funding would be available during this time period.

Payment of the eligible share of the allowable project costs will be made in accordance with the provisions of such regulations and procedures as the State and the FAA shall prescribe. Final determination of the eligible share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the eligible share of costs.

The value of all in-kind contributions made to the project of engineering design, small miscellaneous costs and other expenses approved by the State and claimed by the Sponsor as project costs for the purposes of determining the Sponsor's share of total project costs (Amount D), shall be determined according to federal and state rules, regulations, orders, procedures, advisory circulars or any other directives.

9. Sponsor's share of project costs shall be paid initially in cash when requested by the State. At project closeout, Sponsor will be reimbursed for any credited amounts that exceed Sponsor's share.
10. Sponsor, by executing this Agreement certifies, and upon request, shall furnish proof to the State that it has sufficient funds to meet its share of the costs as stated. The Sponsor grants to the State and federal government the right, upon advance written request during reasonable and regular business hours, to audit any books and records of the Sponsor to verify the funds. In addition, the Sponsor shall disclose the source of all funds for the project and its ability to finance and operate the project.

Following the execution of this Agreement and upon written demand by the State, the Sponsor's financial obligation shall be due and payable to the State. State may request the Sponsor's financial obligation in partial payments. Should the Sponsor fail to pay said obligation, either in whole or in part, within 30 days of written demand, the State may exercise its rights under Paragraph V-7. Likewise, should the State be unwilling or unable to pay its obligation in a timely manner, the failure to pay shall be considered a breach and the Sponsor may exercise any rights and remedies it has at law or equity.

11. The State shall make all reasonable attempts to acquire federal/state funding for the completion and construction of this project within two years of completion of design services. The Sponsor agrees to complete and construct this project within two years of completion of design services, subject to the availability of federal/state funds. If the sponsor does not move forward with design or construction, they shall reimburse the state 100% of all costs under contract and/or expended at the point of notification that the project will not be completed

PART III - Sponsor Responsibilities

1. In accepting the Agreement, the Sponsor guarantees that:
 - a. it will comply with the Attachment A, Certification of Airport Property Interests, attached and made a part of this agreement; and
 - b. it will comply with the Attachment B, Certification of Airport Fund, attached and made a part of this agreement; and
 - c. it will comply with the Attachment F, Certification and Disclosure Regarding Potential Conflicts of Interest, attached and made a part of this agreement; and
 - d. it will comply with the Attachment G, Airport Assurances (3/2014)(State Modified), attached and made a part of this Agreement; and
 - e. The Sponsor shall have on file with the State, Attachment C, Certification Regarding Drug-Free Workplace Requirements, attached and made a part of this agreement
 - f. by execution of this grant, certifies that it has implemented, or will implement during the period of this Agreement, an effective airport pavement maintenance management program, and will provide upon written request such reports on pavement condition and pavement management program as the State determines may be useful. The program shall meet the minimum requirements of Attachment D, Pavement Maintenance Management Program, attached and made a part of this Agreement; and
 - g. it will, for grant funded hangar construction, comply with Attachment E, Minimum Requirements for Metal Building Systems, attached and made a part of this Agreement; and
 - h. it will, in the operation of the facility, comply with all applicable state and federal laws, rules, regulations, procedures, covenants and assurances required by the State of Texas or the FAA in connection with the federal grant; and
 - i. the Airport or navigational facility which is the subject of this Agreement shall be controlled for a period of at least 20 years, and improvements made or acquired under this project shall be operated, repaired and maintained in a safe and serviceable manner for the useful life of said improvements, not to exceed 20 years; and
 - j. consistent with safety and security requirements, it shall make the airport or air navigational facility available to all types, kinds and classes of aeronautical use without unjust discrimination between such types, kinds and classes and shall provide adequate public access during the term of this Agreement; and
 - k. it shall not grant or permit anyone to exercise an exclusive right for the conduct of aeronautical activity on or about an airport landing area. Aeronautical activities include, but are not limited to scheduled airline flights, charter flights, flight instruction, aircraft sales, rental and repair, sale of aviation petroleum products and aerial applications. The landing area consists of runways or landing strips, taxiways, parking aprons, roads, airport lighting and navigational aids; and
 - l. it shall not permit non-aeronautical use of airport facilities, unless noted on an approved Airport Layout Plan, without prior approval of the State/FAA; and

- m. it will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport; and
- n. it will acquire all property interests identified as needed for the purposes of this project and comply with all applicable state and federal laws, rules, regulations, procedures, covenants and assurances required by the State of Texas or the FAA in connection with the federal grant in the acquisition of such property interests; and that airport property identified within the scope of this project and Attorney's Certificate of Airport Property Interests shall be pledged to airport use and shall not be removed from such use without prior written approval of the State; and
- o. the Sponsor shall submit to the State annual statements of airport revenues and expenses as requested; and
- p. all fees collected for the use of an airport or navigational facility constructed with funds provided under the program shall be reasonable and nondiscriminatory. The proceeds of such fees shall be used solely for the development, operation and maintenance of the Sponsor's system of airport(s) or navigational facility(ies).
- q. an Airport Fund shall be established by resolution, order or ordinance in the treasury of the Sponsor, or evidence of the prior creation of an existing airport fund or a properly executed copy of the resolution, order, or ordinance creating such a fund shall be submitted to the State. Such fund may be an account within another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole. All fees, charges, rents, and money from any source derived from airport operations must be deposited in said Airport Fund and shall not be diverted to the general revenue fund or any other revenue fund of the Sponsor. All expenditures from the Airport Fund shall be solely for airport or airport system purposes. Sponsor shall be ineligible for a subsequent grant or loan by the State unless, prior to such subsequent approval of a grant or loan, Sponsor has complied with the requirements of this subparagraph; and
- r. for federally funded projects any revenue from airport property mineral rights be identified as airport revenue; deposited to the airport fund and used for airport operations; and
- s. the Sponsor shall operate runway lighting at least at low intensity from sunset to sunrise; and
- t. insofar as it is reasonable and within its power, Sponsor shall adopt and enforce zoning regulations to restrict the height of structures and use of land adjacent to or in the immediate vicinity of the airport to heights and activities compatible with normal airport operations as provided in Tex. Loc. Govt. Code Ann. §§241.001 et seq. (Vernon and Vernon Supp.). Sponsor shall also acquire and retain aviation easements or other property interests in or rights to use of land or airspace, unless Sponsor can show that acquisition and retention of such interests will be impractical or will result in undue hardship to Sponsor. Sponsor shall be ineligible for a subsequent grant or loan by the State unless Sponsor has, prior to such subsequent approval of a grant or loan, adopted and passed an airport hazard zoning ordinance or order approved by the State; and
- u. it will provide upon request of the State, the engineering or planning consultant, and the FAA copies of any maps, plans, or reports of the project site, applicable to or affecting the above project; and

- v. after reasonable notice, it will permit the State, the FAA, and any consultants and contractors associated with this project, access to the project site, and will obtain permission for the State, the FAA, and consultants and contractors associated with this project, to enter private property for purposes necessary to this project; and
 - w. all development of an airport constructed with program funds shall be consistent with the Airport Layout Plan approved by the State and maintained by the Sponsor. A reproducible copy of such plan, and all subsequent modifications, shall be filed with the State for approval; and
 - x. it shall take all steps, including litigation if necessary, to recover funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal and State funds have been expended. For the purposes of this grant agreement, the term "funds" means funds, however used or disbursed by the Sponsor or Agent that were originally paid pursuant to this or any other grant agreement. It shall obtain the approval of the State as to any determination of the amount of such funds. It shall return the recovered share, including funds recovered by settlement, order or judgment, to the State. It shall furnish to the State, upon request, all documents and records pertaining to the determination of the amount of the funds or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such funds shall be approved in advance by the State.
2. The Sponsor certifies to the State that it will have acquired clear title in fee simple to all property upon which construction work is to be performed, or have acquired a leasehold on such property for a term of not less than 20 years, prior to the advertisement for bids for such construction or procurement of facilities that are part of the above project, and within the time frame of the project, a sufficient interest (easement or otherwise) in any other property which may be affected by the project. The Sponsor shall have on file with the State a current and approved Attorney's Certificate of Airport Property Interests and Attachment A Property Map.
3. The Sponsor, to the extent of its legal authority to do so, shall save harmless the State, the State's agents, employees or contractors from all claims and liability due to activities of the Sponsor, the Sponsor's agents or employees performed under this agreement. The Sponsor, to the extent of its legal authority to do so, shall also save harmless the State, the State's agents, employees or contractors from any and all expenses, including attorney fees which might be incurred by the State in litigation or otherwise resisting said claim or liabilities which might be imposed on the State as the result of such activities by the Sponsor, the Sponsor's agents or employees.
4. The Sponsor's acceptance of this Offer and ratification and adoption of the Agreement incorporated shall be evidenced by execution of this instrument by the Sponsor, as provided, and the Agreement shall comprise a contract, constituting the obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the project and the operation and maintenance of the airport. Such Agreement shall become effective upon execution of this instrument and shall remain in full force and effect for a period of at least 20 years.
6. The Sponsor and not the State shall, for all purposes, be the "Sponsor" of the project identified above as defined in Title 49 U.S.C. Sponsor agrees to assume responsibility for operation of the facility in compliance with all applicable state and federal requirements including any statutes, rules, regulations, assurances, procedures or any other directives before, during and after the completion of this project.

7. Unless otherwise approved by the State, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant. The sponsor will include in every contract a provision implementing this special condition.
8. Except for instrument landing systems acquired with AIP funds and later donated to and accepted by the FAA, the Sponsor must provide for the continuous operation and maintenance of any navigational aid funded under the AIP during the useful life of the equipment. The sponsor must check the facility, including instrument landing systems, prior to commissioning to ensure it meets the operational standards. The Sponsor must also remove, relocate, or lower each obstruction on the approach or provide for the adequate lighting or marking of the obstruction if any aeronautical study conducted under FAR Part 77 determines that to be acceptable; and mark and light the runway, as appropriate. The Federal Aviation Administration will not take over the ownership, operation, or maintenance of any sponsor-acquired equipment, except for instrument landing systems.
9. The Sponsor may utilize paving specifications meeting State Highway criteria for runways at non-primary airports with lengths up to 5,000 feet and serving aircraft not exceeding 60,000 pounds gross take-off weight. The sponsor agrees not to request additional AIP funds for reconstruction or rehabilitate of pavement construct utilizing State specification for 10 years from pavement acceptance.
10. Sponsor agrees to provide a suitable location for pre-bid and for pre-construction conferences, and for the submission and opening of construction bids.

Part IV- Nomination of the Agent

1. The Sponsor designates the State as the party to apply for, receive and disburse all funds used, or to be used, in payment of the costs of the project, or in reimbursement to either of the parties for costs incurred.
2. The State agrees to assume the responsibility to assure that all aspects of the grant and project are done in compliance with all applicable state and federal requirements including any statutes, rules, regulations, assurances, procedures or any other directives, except as otherwise specifically provided.
3. The State shall, for all purposes in connection with the project identified above, be the Agent of the Sponsor. The Sponsor grants the State a power of attorney to act as its agent to perform the following services:

Receiving Disbursing Agent:

- a. apply for, accept, receive, and deposit with the State Treasury any and all project funds granted, allowed, and paid or made available by the State and/or the United States under Title 49 U.S.C. and congressional appropriation made pursuant thereto, and the Sponsor;
- b. receive, review, approve and process Sponsor's reimbursement requests for approved project costs; and
- c. pay to the Sponsor, from granted funds, the portion of any approved reasonable and eligible project costs incurred by the Sponsor that are in excess of the Sponsor's share.

Paying Agent:

- d. receive, review, approve and pay invoices and payment requests for services and materials supplied in accordance with State executed contracts;

Contracting Agent:

- e. advertise for professional engineering and/or planning services for, but not limited to, the preparation of planning studies, plans and specifications for the above project and for the management of the construction of the above project; certify consultant selection procedures; provide notification of contract award for professional services; and negotiate professional services fees; and execute, on behalf of the Sponsor, a professional services agreement as related to this project;
- f. administer Disadvantage Business Enterprises (DBE) and/or Historically Underutilized Business (HUB) Programs in accordance with federal and state regulations.

Contract Management Agent:

- g. exercise such supervision and direction of the project work as the State reasonably finds appropriate. Where there is an irreconcilable conflict or difference of opinion, judgment, order or direction between the State and the Sponsor, any engineer, contractor, or materialman, the State shall issue a written order, which shall prevail and be controlling;
- h. coordinate and review project plans, specifications and construction; coordinate and conduct progress and final inspections.

Construction Phase:

- i. authorize the advertisement, receipt and opening of bids for construction of the above project; and award contracts for construction of the above project and acquisition of materials related to it; and execute, on behalf of the Sponsor, construction contracts as related to this project;
- j. participate in pre-bid and pre-construction conferences; and issue orders as it deems appropriate regarding construction progress, including but not limited to Notices to Proceed, Stop Work Orders, and Change Orders;
- k. review, approve and maintain record drawings.

PART V - Recitals

1. The State and Sponsor shall obtain an audit as required by federal or state regulations.
2. The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the contract or indirectly through a subcontract under the contract. Acceptance of funds directly under the contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.
3. The Sponsor, and not the State, shall be the contractual party to all construction and professional

service contracts entered into for the accomplishment of this project. The power of attorney, as granted by the Sponsor to the State in Part IV - Nomination of Agent, is a limited power to perform acts in connection with airport improvements as specified in or necessitated by this Agreement.

4. The Sponsor agrees to pursue and enforce contract items, which are required by federal and/or state regulations, laws and orders to insure satisfactory performance of contract vendors. Such items include, but are not limited to, bid bonds, payment bonds, and performance bonds. Pursuit and enforcement of contract items may require litigation and other remedies of law.
5. The United States and the State of Texas shall not be responsible or liable for damage to property or injury to persons, which may arise from, or be incidental to, compliance with this grant agreement.
6. This Agreement is executed for the sole benefit of the contracting parties and is not intended or executed for the direct or incidental benefit of any third party. Furthermore, the State shall not be a party to any other contract or commitment, which the Sponsor may enter into or assume, or have entered into or have assumed, in regard to the above project.
7. If the Sponsor fails to comply with the conditions of the grant, the State may, by written notice to the Sponsor, suspend the grant in whole or in part. The notice of suspension shall contain the following:
 - a. The reasons for the suspension and the corrective action necessary to lift the suspension;
 - b. A date by which the corrective action must be taken;
 - c. Notification that consideration will be given to terminating the grant after the corrective action date.

In the case of suspension or termination, the Sponsor may request the State to reconsider the suspension or termination. Such request for reconsideration shall be made within 45 days after receipt of the notice of suspension or termination.

8. This Agreement is subject to the applicable provisions of Title 49 U.S.C., the V.T.C.A. Transportation Code, Title 3, Chapters 21- 22, et seq., (Vernon and Vernon Supp.), and the Airport Zoning Act, Tex. Loc. Govt. Code Ann. §§241.001 et seq. (Vernon and Vernon Supp.). Failure to comply with the terms of this Agreement or with the aforementioned rules and statutes shall be considered a breach of this contract and will allow the State to pursue the remedies for breach as stated below.
 - a. Of primary importance to the State is compliance with the terms and conditions of this Agreement. If, however, after all reasonable attempts to require compliance have failed, the State finds that Sponsor is unwilling and/or unable to comply with any of the terms and conditions of this Agreement, the State may pursue any of the following remedies: (1) require a refund of any money expended pursuant to the Agreement, (2) deny Sponsor's future requests for aid, (3) request the Attorney General to bring suit seeking reimbursement of any money expended on the project pursuant to the Agreement, provided however, these remedies shall not limit the State's authority to enforce its rules, regulations or orders as otherwise provided by law, (4) declare this Agreement null and void, or (5) any other remedy available at law or in equity.
 - b. Venue for resolution by a court of competent jurisdiction of any dispute arising under the terms of this Agreement, or for enforcement of any of the provisions of this Agreement, is

specifically set by Agreement of the parties in Travis County, Texas.

9. The State reserves the right to amend or withdraw this Agreement at any time prior to acceptance by the Sponsor. The acceptance period cannot be greater than 30 days after issuance unless extended by the State, which extension shall not be unreasonably denied or delayed.
10. This Agreement constitutes the full and total understanding of the parties concerning their rights and responsibilities in regard to this project and shall not be modified, amended, rescinded or revoked unless such modification, amendment, rescission or revocation is agreed to by both parties in writing and executed by both parties.
11. All commitments by the Sponsor and the State are subject to constitutional and statutory limitations and restrictions binding upon the Sponsor and the State (including §§5 and 7 of Article 11 of the Texas Constitution, if applicable) and to the availability of funds which lawfully may be applied.
12. The Sponsor's acceptance of this Agreement and ratification and adoption of the Airport Project Participation Agreement shall be evidenced by execution of this instrument by the Sponsor. This Offer and Acceptance shall comprise a Grant Agreement, as provided by the Title 49 U.S.C., constituting the contractual obligations and rights of the United States, the State of Texas and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided.

13. Termination

This agreement may be terminated in the following manner:

- ◆ by mutual written agreement and consent of both parties;
- ◆ by either party upon the failure of the other party to fulfill the obligations set forth herein;
- ◆ by the State if it determines that the performance of the Project is not in the best interest of the State.

If the contract is terminated in accordance with the above provisions, the Sponsor will be responsible for the payment of Project costs incurred by the State on behalf of the Sponsor up to the time of termination.

- A. In the event the State determines that additional funding is required by the Sponsor at any time during the development of the Project, the State will notify the Sponsor in writing. The Sponsor will make payment to the State within thirty (30) days from receipt of the State's written notification.
- B. Upon completion of the Project, the State will perform an audit of the Project costs. Any funds due to the Sponsor, the State, or the Federal Government will be promptly paid by the owing party.
- C. In the event the Project is not completed, the State may seek reimbursement from the Sponsor of the expended funds. The Sponsor will remit the required funds to the State within sixty (60) days from receipt of the State's notification.
- D. The State will not pay interest on any funds provided by the Sponsor.
- E. The State will not execute the contract for the construction of the Project until the required funding has been made available by the Sponsor in accordance with this Agreement.

Part VI - Acceptance of the Sponsor

The City of Killeen, Texas, does ratify and adopt all statements, representations, warranties, covenants and agreements constituting the described project and incorporated materials referred to in the foregoing Agreement, and does accept the Offer, and by such acceptance agrees to all of the terms and conditions of the Agreement.

Executed this _____ day of _____, 20____.

The City of Killeen, Texas
Sponsor

Witness Signature

Ronald L. Olson
Sponsor Signature

Witness Title

City Manager
Sponsor Title

Certificate of Sponsor's Attorney

I, _____, acting as attorney for _____, Texas, do certify that I have fully examined the Agreement and the proceedings taken by the Sponsor relating, and find that the manner of acceptance and execution, of the Agreement by the Sponsor, is in accordance with the laws of the State of Texas.

Dated at _____, Texas, this _____ day of _____, 20____.

Witness Signature

Attorney Signature

Witness Title

Part VII - Acceptance of the State

Executed by and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs and grants heretofore approved and authorized by the Texas Transportation Commission.

STATE OF TEXAS
TEXAS DEPARTMENT OF TRANSPORTATION

By: _____

Date: _____

ATTACHMENT A

CERTIFICATION OF AIRPORT PROPERTY INTERESTS

By signature below, the Sponsor does certify that the airport property, as reflected on the property map and attorney certificate dated _____June 29, 2017_____ and on file with TxDOT Aviation Division, remains unchanged and is an accurate reflection of the property owned and/or controlled for the Killeen Skylark Field.

City of Killeen, Texas
(Sponsor)

By: Ronald L. Olson

Title: City Manager

Date: _____

ATTACHMENT B

CERTIFICATION OF AIRPORT FUND

The Sponsor does certify that an Airport Fund has been established for the Sponsor, and that all fees, charges, rents, and money from any source derived from airport operations will be deposited for the benefit of the Airport Fund and will not be diverted for other general revenue fund expenditures or any other special fund of the Sponsor and that all expenditures from the Fund will be solely for airport purposes. Such fund may be an account as part of another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole.

The City of Killeen, Texas
(Sponsor)

By: Ronald L. Olson

Title: City Manager

Date:

ATTACHMENT C

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

- A. The grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - (b) Establishing an ongoing drug-free awareness program to inform employees about-
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will-
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - (e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notices shall include the identification number(s) of each affected grant;
 - (f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted-
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f),

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

Skylark Field

1523 Stonetree Drive

Killeen, Bell, Texas 76543

Check ____ if there are workplaces on file that are not identified here.

Signed: _____ Dated: _____

Ronald L. Olson, City Manager

Typed Name and Title of Sponsor Representative

PAVEMENT MAINTENANCE MANAGEMENT PROGRAM

An effective pavement maintenance management program is one that details the procedures to be followed to assure that proper pavement maintenance, both preventative and repair, is performed. An airport sponsor may use any form of inspection program it deems appropriate. The program must, as a minimum, include the following:

1. Pavement Inventory. The following must be depicted in an appropriate form and level of details:

- a. location of all runways, taxiways, and aprons
- b. dimensions
- c. type of pavement
- d. year of construction or most recent rehabilitation

For compliance with the Airport Improvement Program assurances, pavements that have been constructed, reconstructed, or repaired with Federal financial assistance shall be so depicted.

2. Inspection Schedule.

- a. Detailed Inspection. A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e. Pavement Condition Index (PCI) survey as set forth in Advisory Circular 150/5380-6, Guidelines and Procedures for Maintenance of Airport Pavements, the frequency of inspections may be extended to three years.
- b. Drive-by Inspection. A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition.

3. Record Keeping. Complete information on the findings of all detailed inspections and other maintenance performed must be recorded and kept on file for a minimum of five years. The types of distress, their locations, and remedial action, scheduled or performed, must be documented. The minimum information to be recorded is listed below.

- a. inspection date
- b. location
- c. distress types
- d. maintenance scheduled or performed

For drive-by inspections, the date of inspection and any maintenance performed must be recorded.

4. Information Retrieval. An airport sponsor may use any form of record keeping it deems appropriate, so long as the information and records produced by the pavement survey can be retrieved to provide a report to the FAA as may be required.

5. Reference. Refer to Advisory Circular 150/5380-6, Guidelines and Procedures for Maintenance of Airport Pavements, for specific guidelines and procedures for maintaining airport pavements and establishing an effective maintenance program. Specific types of distress, their probable causes, inspection guideline, and recommended methods of repair are presented.

ATTACHMENT E

Minimum Requirements for Metal Building System

- A. WORK INCLUDED:** Materials and the fabrication of metal building(s) designed, fabricated, and readily erected to be weather tight. The building shall include the structural framing, roofing, siding, bracing, doors, hardware, fasteners, sealants, ventilators, flashing, and any other component parts for the metal building as specified. These specifications are an outline of performance for manufacture, application and function of the manufacturer's metal building system. The proposal shall include foundation design with site drainage plan showing proposed hangar finished floor elevation.
- B. BUILDING DESCRIPTION:** Gable Building (symmetrical) is a continuous frame building with the ridge in the center of the building.
- Building Physical Description:
1. _____ Hangar Units
 2. _____ Building width
 3. _____ Building length
 4. _____ Eave height
 5. _____ Clear door opening(s) and height(s)
 6. _____ Roof pitch
- C. BUILDING NOMENCLATURE:** Use the following where applicable in building design:
1. Roof "Pitch" is expressed as inches of rise for each 12" of horizontal run.
 2. Building "Width" is measured from outside to outside of sidewall girts.
 3. Building "Length" is measured from outside to outside of endwall girts.
 4. Building "Eave Height" is a nominal dimension measured from the bottom of the base plate on the column to the intersection of the inside of the roof and sidewall sheet.
- D. CODES AND STANDARDS:** Use the following where applicable in building design:
1. IBC "International Building Code" latest Edition
 2. AISI "Specifications for the Design of Cold Formed Steel Structural Members" latest edition
 3. AISC "Steel Construction Manual" and "Specifications for the Design, Fabrication and Erection of Structural Steel for Buildings."
 4. AWS "Structural Welding Code- Steel"
 5. AAMA "Aluminum Construction Manual"
 6. AISC "Specification for Structural Joints Using ASTM A-325, A-307, or A-490 bolts."
 7. Building Code and Regulations of the _____ *sponsor* as applicable.
 8. _____ *sponsor* Minimum Standards
- E. CERTIFICATION, CALCULATIONS, AND DRAWINGS:** Construction drawings for the building(s) signed and sealed by a professional engineer licensed in the state of Texas shall be submitted.
- F. BUILDING ANCHORAGE AND FOUNDATION:**
1. Anchorage: The building anchor bolt diameter and design shall be as specified by building manufacturer to resist the column reaction resulting from the application of Basic Design Loads.
 2. Foundation: The building(s) foundation design signed and sealed by a professional engineer licensed in the state of Texas shall be submitted. The foundation shall include a 3 foot strip of 6" minimum thickness continuous concrete pavement wherever asphalt pavement will adjoin the hangar.
- G. STRUCTURAL STEEL DESIGN:** The Building manufacturer shall use standards, specifications, recommendations, findings and/or interpretations of professionally recognized groups such as AISC, AISI, AAMA, AWS, ASTM, IBC, as the basis for establishing design, drafting, fabrication, and quality criteria, practices, and tolerances.
1. Design Loads: Design must conform to the minimum requirements of the International Building Code, (IBC), latest edition. Vertical live loads and wind loads with the doors closed shall be as prescribed by the IBC.
- H. ROOF AND WALL COVERING:** Roof with minimum 6" overhang, wall, and soffit panels shall be minimum 26 gauge (0.019inch) Galvalume Plus or pre-coated Galvalume steel ribbed panels.

1. Flashing, Trim, and Closures

a. Flashing and/or trim shall be furnished at the rake, corners, eaves, at framed openings, and wherever necessary to provide weather tightness and a finished appearance. Color shall be selected from standard color selection chart.

b. All flashing shall be manufactured from Galvalume steel, whether pre-painted or Galvalume Plus.

c. Flashing at the rake (parallel to roof panels) and high eave shall not compromise the integrity of the roof system by constricting movement due to thermal expansion and contraction.

d. Solid or closed cell, preformed (inside for the roof panels and outside for the endwall panels at the rake) rubber closures (or filler strips) matching the profile of the panel shall be installed along the eave of the roof panels and rake of the endwall panels.

2. Color Finish: Unless specified otherwise, all wall panels, trim, flashing and other exposed light gauge surfaces shall be color coated.

a. Color of panels and trim shall be selected from available standard supply colors. Color coated panels shall have manufacturers standard written guarantee covering excessive chalking, fading, blistering, chipping, cracking, or peeling.

I. INTERIOR PARTITIONS: Interior partitions shall be minimum 29 gauge Galvalume steel ribbed panels extending to roof height

J. DOORS: Doors shall be either bi-fold construction or multi-section rolling wheel sliding doors adequate for building design live and wind load with uplift protection. Door design/manufacture shall be part of the metal building system for hangar, or certified to be compatible with hangar building design, and have secure locking system. Door panels shall match building material and color.

1. SLIDING DOORS

a. Sliding doors shall open to stack on the opposing hangar endwall for unobstructed opening

b. Rollers: each wheel shall be adequate diameter for easy rolling and designed to withstand all radial and thrust loads imposed by dead load and wind pressure on door. Bottom roller assemblies to be designed to be removable from door without removing door from opening. Each door to have vertical adjusting capability. Re-lubrication fittings or equivalent roller bearings with fittings or pre-lubricated sealed maintenance free rollers are required.

2. BI-FOLD DOORS

a. Bi-Fold doors shall come with a minimum of one 3'x6' steel walk through door with hinges and lock sets.

b. Bi-Fold doors will have electrically operated door openers that must be manually operated until fully closed.

K. ERECTION AND INSTALLATION: The erection of the metal building components shall be performed by a qualified erector, using proper tools and equipment. Erector shall follow good, sound, safe procedures and guidelines and in accordance with any applicable federal, state, or local laws. Erector will procure all necessary building, utility, or other permits as required by sponsor.

1. Erection drawings will be provided by building manufacturer and will show location of all primary and secondary steel, sheeting, trim and accessories

L. INSULATION:

1. Insulation: Fiberglass blanket insulation with a 2" thickness with reinforced vinyl backing or 1/4" Low-E type insulation on roof of structure at minimum for condensation control.

Attachment F

Certification and Disclosure Regarding Potential Conflicts of Interest Certification Form

A sponsor must disclose in writing any potential conflict of interest to the Texas Department of Transportation. No employee, officer or agent of the sponsor shall participate in selection, or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

1. The employee, officer or agent,
2. Any member of his immediate family,
3. His or her partner, or
4. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The sponsor's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements.

Sponsor may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by state or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrant recipient's officers, employees, or agents, or by contractors or their agents.

The sponsor must maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts.

1. By checking "Yes," the sponsor certifies that it does not have any potential conflict of interest or Significant Financial Interests. By checking "No," the sponsor discloses that it does have a potential conflict of interest, which is further explained below.

☒ Yes ☐ No

2. The sponsor maintains a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. By checking "No", the sponsor discloses that it does not have a written policy, which is further explained below.

☒ Yes ☐ No

3. Explanation of items marked "no":

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and have the explanation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Signature of Sponsor's Designated Official Representative: Matthew Van Valkenburgh, Executive Director of Aviation

Date: _____

ASSURANCES

Airport Sponsors

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

1. Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.

The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.

The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements.

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds

for this project including but not limited to the following:

Federal Legislation

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.² d. Hatch Act – 5 U.S.C. 1501, et seq.
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.^{1 2}
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).¹
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq. i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.¹
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended. r. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.¹
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended. x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

Executive Orders

- a. Executive Order 11246 - Equal Employment Opportunity¹
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction¹
 - a. Executive Order 12898 - Environmental Justice

Federal Regulations

- a. 2 CFR Part 180 - OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).

- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].^{4, 5, 6}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures 14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.¹
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).¹
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.³
- m. 49 CFR Part 20 - New restrictions on lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.^{1 2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.¹
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

Specific Assurances

Specific assurances required to be included in grant agreements by any of the above laws, regulations or

circulars are incorporated by reference in this grant agreement.

Footnotes to Assurance C.1.

¹ These laws do not apply to airport planning sponsors.

² These laws do not apply to private sponsors.

³ 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

⁴ On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

⁵ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

⁶ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.
- b. It will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the

sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and

has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

a. It shall keep all project accounts and records which fully disclose the amount and disposition by the

recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-

- 1) Operating the airport's aeronautical facilities whenever required;
 - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating

existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-
 - 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non- signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.
 - 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.

3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.

b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

26. Reports and Inspections.

It will:

a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;

c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and make available to the public following each of its fiscal years, an annual report listing in detail:

1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and

2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or

b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. It will keep up to date at all times an airport layout plan of the airport showing
 - 1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 - 2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and facilities;
 - 3) the location of all existing and proposed nonaviation areas and of all existing improvements thereon; and
 - 4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.
- b. If a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this grant.

- a. Using the definitions of activity, facility and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR § 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non- discrimination requirements imposed by, or pursuant to these assurances.
- b. Applicability
 - 1) Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the

sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.

2) Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in

which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or

2) So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this grant agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

“The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

e. Required Contract Provisions.

1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally- assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non- discrimination in Federally-assisted programs of the DOT acts and regulations.

2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.

3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.

4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a

or similar instruments entered into by the sponsor with other parties:

a) For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and

b) For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title

49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another

eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.

c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December

31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

It will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated 3/2014 (the latest approved version as of this grant offer) and included in this grant, and in accordance _____ with applicable state policies, standards, and specifications approved by the Secretary.

35. Relocation and Real Property Acquisition.

a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.

b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.

c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49

CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its DBE and ACDBE programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary

and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession

contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts

26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may

impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-

1) Describes the requests;

2) Provides an explanation as to why the requests could not be accommodated;
and

3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.

b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

Current FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects

Updated: 1/24/2017

NUMBER

TITLE

70/7460-11	Change 1 Obstruction Marking and Lighting
150/5020-1	Noise Control and Compatibility Planning for Airports
150/5070-66	Changes 1-2 Airport Master Plans
150/5070-7	Change 1 The Airport System Planning Process
150/5100-136	Development of State Standards for Nonprimary Airports
150/5200-28D	Notices to Airmen (NOTAMS) for Airport Operators
150/5200-30D	Airport Field Condition Assessments and Winter Operations Safety
150/5200-31C	Changes 1-2 Airport Emergency Plan
150/5210-5D	Painting, Marking, and Lighting of Vehicles Used on an Airport
150/5210-7D	Aircraft Rescue and Fire Fighting Communications
150/5210-13C	Airport Water Rescue Plans and Equipment
150/5210-146	Aircraft Rescue Fire Fighting Equipment, Tools and Clothing
150/5210-15A	Aircraft Rescue and Firefighting Station Building Design
150/5210-15A	Systems for Interactive Training of Airport Personnel
150/5210-19A	Driver's Enhanced Vision System (DEVS)
150/5220-10E	Guide Specification for Aircraft Rescue and Fire Fighting (ARFF) Vehicles
150/5220-16D	Automated Weather Observing Systems (AWOS) for Non-Federal Applications
150/5220-17B	Aircraft Rescue and Fire Fighting (ARFF) Training Facilities
150/5220-18A	Buildings for Storage and Maintenance of Airport Snow and Ice Control Equipment and Materials
150/5220-20A	Airport Snow and Ice Control Equipment
150/5220-21C	Aircraft Boarding Equipment
150/5220-22B	Engineered Materials Arresting Systems (EMAS) for Aircraft Overruns
150/5220-23	Frangible Connections
150/5220-24	Foreign Object Debris Detection Equipment
150/5220-25	Airport Avian Radar Systems
150/5220-26	Changes 1-2 Airport Ground Vehicle Automatic Dependent Surveillance - Broadcast (ADS-B) Out Squitter Equipment

150/5300-7B	FAA Policy on Facility Relocations Occasioned by Airport Improvements of Changes
150/5300-BA	Change 1 Airport Design
150/5300-14C	Design of Aircraft Deicing Facilities
150/5300-16A	General Guidance and Specifications for Aeronautical Surveys: Establishment of Geodetic Control and Submission to the National Geodetic Survey
150/5300-17C	Standards for Using Remote Sensing Technologies in Airport Surveys
150/5300-18B	Change 1 Survey and Data Standards for Submission of Aeronautical Data Using Airports GIS
150/5320-5D	Airport Drainage Design
150/5320-6F	Airport Pavement Design and Evaluation
150/5320-12C	Changes 1-8 Measurement, Construction, and Maintenance of Skid Resistant Airport Pavement Surfaces
150/5320-15A	Management of Airport Industrial Waste
150/5235-4B	Runway Length Requirements for Airport Design
150/5335-5C	Standardized Method of Reporting Airport Pavement Strength - PCN
150/5340-1I	Standards for Airport Markings
150/5340-5D	Segmented Circle Airport Marker System
150/5340-18F	Standards for Airport Sign Systems
150/5340-26C	Maintenance of Airport Visual Aid Facilities
150/5340-30H	Design and Installation Details for Airport Visual Aids
150/5345-36	Specification for L-821, Panels for the Control of Airport Lighting
150/5345-5B	Circuit Selector Switch
150/5345-7F	Specification for L-824 Underground Electrical Cable for Airport Lighting Circuits
150/5345- OH	Specification for Constant Current Regulators and Regulator Monitors
150/5345-12F	Specification for Airport and Heliport Beacons
150/5345-BB	Specification for L-841 Auxiliary Relay Cabinet Assembly for Pilot Control of Airport Lighting Circuits
150/5345-26D	FAA Specification For L-823 Plug and Receptacle, Cable Connectors
150/5345-27E	Specification for Wind Cone Assemblies
150/5345-286	Precision Approach Path Indicator (PAPI) Systems
150/5345-39D	Specification for L-853, Runway and Taxiway Retro reflective Markers

150/5345-42H	Specification for Airport Light Bases, Transformer Housings, Junction Boxes, and Accessories
150/5345-43H	Specification for Obstruction Lighting Equipment
150/5345-44K	Specification for Runway and Taxiway Signs
150/5345-45C	Low-Impact Resistant (LIR) Structures
150/5345-46E	Specification for Runway and Taxiway Light Fixtures
150/5345-47C	Specification for Series to Series Isolation Transformers for Airport Lighting Systems
150/5345-49C	Specification L-854, Radio Control Equipment
150/5345-50B	Specification for Portable Runway and Taxiway Lights
150/5345-51B	Specification for Discharge-Type Flashing Light Equipment
150/5345-52A	Generic Visual Glideslope Indicators (GVGI)
150/5345-53D	Airport Lighting Equipment Certification Program
150/5345-54B	Specification for L-884, Power and Control Unit for Land and Hold Short Lighting Systems
150/5345-55A	Specification for L-893, Lighted Visual Aid to Indicate Temporary Runway Closure
150/5345-56B	Specification for L-890 Airport Lighting Control and Monitoring System (ALCMS)
150/5360-12F	Airport Signing and Graphics
150/5360-13	Change 1 Planning and Design Guidelines for Airport Terminal Facilities
150/5360-14	Access to Airports By Individuals With Disabilities
150/5370-2F	Operational Safety on Airports During Construction
150/5370-10G	Standards for Specifying Construction of Airports
150/5370-11B	Use of Nondestructive Testing in the Evaluation of Airport Pavements
150/5370-BA	Off-Peak Construction of Airport Pavements Using Hot-Mix Asphalt
150/5370-15B	Airside Applications for Artificial Turf
150/5370-16	Rapid Construction of Rigid (Portland Cement Concrete) Airfield Pavements
150/5370-17	Airside Use of Heated Pavement Systems
150/5390-2C	Heliport Design
150/5395-1A	Seaplane Bases

THE FOLLOWING ADDITIONAL APPLY TO AIP PROJECTS ONLY

Updated: 3/7/2014

150/5100-14E	Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects
150/5100-17I	Changes 1- 6 Acquisition and Relocation Assistance for Airport Improvement Program Assisted Projects
150/5300-ISA	Use of Value Engineering for Engineering Design of Airport Grant Projects
150/5320-17A	Airfield Pavement Surface Evaluation and Rating Manuals
150/5370-128	Quality Management for Federally Funded Airport Construction Projects
150/5380-GC	Guidelines and Procedures for Maintenance of Airport Pavements
150/5380-78	Airport Pavement Management Program
150/5380-9	Guidelines and Procedures for Measuring Airfield Pavement Roughness



TXDOT-SKYLARK FIELD HANGAR PROJECT GRANT ACCEPTANCE

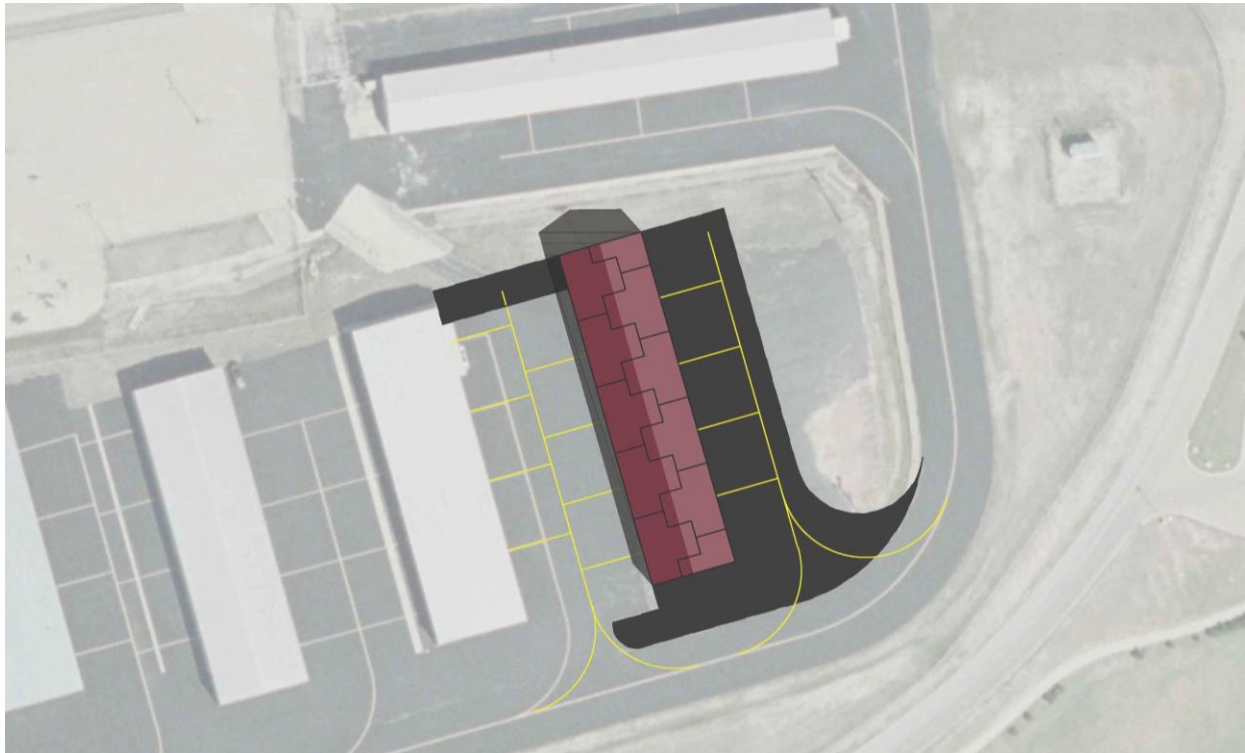
RS-17-076

August 1, 2017

Skylark Field Hangar Project

2

- Design and construct a nine (9) unit t-hangar building



TxDOT Grant Offer

3

- T-hangar project is number one priority on Skylark approved master plan

- Total project cost estimated at \$1,428,666
 - ▣ TxDOT grant is 90% of project \$1,285,800
 - ▣ City requirement is 10% of project \$ 142,866

- Funds to be distributed over FY17 and FY18
 - ▣ FY17 Design \$ 11,850
 - ▣ FY18 Construction \$131,016

TxDOT Grant Offer

4

- Alternatives Considered
 - ▣ 1. Accept grant and proceed with project
 - ▣ 2. Decline the grant and defer the project
- Staff recommends alternative No. 1
 - ▣ Revenue from project will be realized in F19
 - ▣ In addition to Skylark Field's non-primary entitlement of \$600,000, TxDOT has identified and supplied an additional \$685,800 in State funds toward the project
 - ▣ Meets immediate demand for hangars at Skylark

RECOMMENDATION

5

- Approve the TxDOT Airport Project Participation Agreement

- Authorize the City Manager to execute the Agreement with TxDOT and any / all amendments to same within the amounts set by state and local law



City of Killeen

Legislation Details

File #:	RS-17-077	Version:	1	Name:	Request to use RFP for Common-Use System & Flight Information Display System at KFHRA
Type:	Resolution	Status:			Resolutions
File created:	7/17/2017	In control:			City Council Workshop
On agenda:	8/1/2017	Final action:			
Title:	Consider a memorandum/resolution approving use of a Request for Proposal (RFP) for the common-use system / flight information display system (FIDs) at Killeen Fort Hood Regional Airport.				
Sponsors:	Aviation Department				
Indexes:					
Code sections:					
Attachments:	Staff Report Presentation				

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: August 1, 2017

TO: Ronald L. Olson, City Manager

FROM: Matthew Van Valkenburgh A.A.E., Executive Director of Aviation

SUBJECT: USE OF A REQUEST FOR PROPOSAL (RFP) FOR THE COMMON-USE SYSTEM / FLIGHT INFORMATION DISPLAY SYSTEM (FIDS) AT KILLEEN FORT HOOD REGIONAL AIRPORT

BACKGROUND AND FINDINGS:

The existing common-use system and infrastructure is six (6) years old and runs on a non-supportable Window XP platform, using equipment that is outdated and not compatible with current Windows operating systems. The lack of software updates is reaching a point where the existing system may no longer interface with the air carriers' computer systems as necessary to check in passengers and provide other required customer service at the departure gates. This upgrade will enable the airport and airlines to better utilize and manage resources; enhance the passenger experience; provide for safety and emergency messaging for the public, passengers, and tenants; and reduce maintenance and operational costs incurred by the airport.

The existing flight information display system (FIDS) infrastructure is approaching six (6) years old and is becoming more difficult and more expensive to maintain in operational condition. Passengers, as well as "meeters and greeters," depend upon flight status data that includes information such as gate numbers, updated departure and arrival times, and baggage claim locations for arrivals. Historically, the FIDS monitors, which operate continuously 24/7/365, average approximately 4 ½ to 5 years of useful life.

The objective of the project is to provide a system which permits the airport complete flexibility to assign airlines to any ticket counter, check-in counter, or departure gate to meet the needs of the airport dependent upon demand, delays, diversions, charter activity, etc., or passenger boarding bridge maintenance requirements. It will also reduce barriers to new airline entry into the market by providing a system which significantly reduces airline costs to those airlines in the market or those entering the market. This will dramatically improve the airport's ability to attract carriers which would lead to lower costs and furnish opportunities for increased competition among airlines.

Staff recommends using a Request for Proposal (RFP) for the evaluation, selection, procurement, and installation of a system. It is the opinion of staff that using a quantitative, evaluative process such as the RFP will provide the City with the greatest opportunity to receive the best value in a comprehensive common-use and FIDS system that will incorporate the latest in technology and encompass techniques that will significantly improve the Airport's ability to serve its internal and external customers. The RFP will garner information from interested parties and permit a team to review and evaluate the requested information. This evaluation

will examine the content of each proposal and compare each system proposal to the specifications of the RFP, as well as evaluate the proposer's level of experience at various airports, references of the proposer, adaptability of the system for future added capabilities, and serviceability/maintainability of the proposed system. A standard bid process only guarantees the lowest cost to a defined set of specifications, but not necessarily the best value of a proposal. Although cost will be a component of the evaluation, it does not necessarily represent the best overall value to the City. The RFP process will provide the best value system for the airport and the City and will provide the opportunity to consider the latest technology available from different vendors.

THE ALTERNATIVES CONSIDERED:

Alternatives considered: (1) Use RFP process to select a vendor and a best value system or (2) Use the standard competitive sealed bid process.

Which alternative is recommended? Why?

Staff recommends the first alternative. The RFP procurement method will provide the airport with the opportunity to consider and select the best value system with the latest technology available without extensive bid specification development costs.

CONFORMITY TO CITY POLICY:

Yes

FINANCIAL IMPACT:

There is no financial impact.

What is the amount of the expenditure in the current fiscal year? For future years?

N/A

Is this a one-time or recurring expenditure?

N/A

Is this expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

N/A

RECOMMENDATION:

City Council find that competitive sealed proposal (RFP) method will provide the best value for the City and authorize the City Manager and staff to utilize the RFP evaluation process to identify and select the best value common-use and FID system for the Killeen-Fort Hood Regional Airport.

DEPARTMENTAL CLEARANCES:

Finance

Legal



USE OF REQUEST FOR PROPOSAL (RFP) FOR COMMON USE-FLIGHT INFORMATION DISPLAY (FID) SYSTEM SOLUTION AT KFHRA

RS-17-077

August 1, 2017

Common use – FID System RFP

2

- Project is to upgrade / replace existing aging systems
- RFP is the right tool
 - ▣ It is a qualitative, evaluative process
 - ▣ Provides a mechanism to compare various systems
 - ▣ Evaluate system's future capabilities
 - ▣ Provides best value for City and Airport

Common use – FID System RFP

3

- Alternatives Considered
 - ▣ 1. Use RFP to select a common use – flight information display system for the City / Airport
 - ▣ 2. Use standard design, bid, build process
- Staff recommends alternative No. 1
 - ▣ Saves time and development costs
 - ▣ Permits selection of the most suitable and cost-effective system for Airport
 - ▣ No initial financial impacts against Airport; all costs are borne following system selection
 - ▣ Provides best value alternative for the City / Airport

RECOMMENDATION

4

- City Council authorize staff to utilize the RFP evaluation process to identify and select the best value common-use and flight information display system for the Killeen-Fort Hood Regional Airport



City of Killeen

Legislation Details

File #: RS-17-078 **Version:** 1 **Name:** Police Chief Selection
Type: Resolution **Status:** Resolutions
File created: 7/24/2017 **In control:** City Council Workshop
On agenda: 8/1/2017 **Final action:**
Title: Consider a memorandum/resolution approving the appointment of the Police Chief.
Sponsors: Human Resources Department
Indexes:
Code sections:
Attachments: [Staff Report](#)
[Kimble Resume](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: August 1, 2017

TO: Ronald L. Olson, City Manager

FROM: Eva Bark, Executive Director of Human Resources

SUBJECT: Appointment of Police Chief

BACKGROUND AND FINDINGS:

On February 8, 2017, Dennis Baldwin was appointed Assistant City Manager, creating a vacancy in the position of Police Chief.

During the week of March 13, 2017, Human Resources sought three bids from executive search firms and signed an agreement with Chris Hartung Consulting on March 20, 2017. On April 23, 2017, the consulting firm developed a recruiting brochure and distributed it nationwide. The firm solicited forty-two (42) candidates and then sent questionnaires to twenty-two (22) of those candidates.

On May 22, 2017, Mr. Olson and Human Resources met with Chris Hartung Consulting and identified ten (10) semi-finalists for a video interview. On June 5, 2017, Mr. Olson and Human Resources narrowed the selection to six (6) finalists for an in-person, on-site interview. On July 20, 2017, the six finalists participated in a City tour, met with department heads for a casual luncheon, and attended a public reception that evening.

On July 21, 2017, the six finalists interviewed with three (3) different panels: city management, city employees and community members. After considering the feedback from the panel members, Mr. Olson selected two candidates as top finalists: Mr. John Houston from Corpus Christi and Mr. Charles Kimble from Fayetteville, North Carolina.

After conducting an extensive background check, Mr. Olson has selected Mr. Charles "Chuck" Kimble as the City of Killeen's Police Chief. Mr. Kimble has more than twenty-five (25) years of experience in law enforcement. He is currently Police Chief of Spring Lake, North Carolina, Police Department. His career also includes 20 years with the Fayetteville, North Carolina, Police Department and two years with the Fayetteville State University Police Department. Kimble holds a Bachelor of Science in Criminal Justice from Liberty University and an Associate of Arts in Criminal Justice from Central Texas College. He graduated from the North Carolina State University's Law Enforcement Executive Program in 2004, from the North Carolina Justice Academy's Management Development Program in 2007, from the University of North Carolina at Chapel Hill's Municipal/County Officer's Course in 2011, from the Boston University's Police Executive Research Forum/Senior Management Institute of Policing Class #48 in 2011, from the Federal Bureau of Investigation Executive Leadership Institute in 2015, and from the Federal Bureau of Investigation Command College in 2016.

THE ALTERNATIVES CONSIDERED:

Alternatives are: (1) to approve appointment of Charles "Chuck" Kimble as the City of Killeen's Police Chief or (2) to disapprove the appointment of Charles "Chuck" Kimble as the City of Killeen's Police Chief.

Which alternative is recommended? Why?

Staff recommends the first alternative to approve appointment of Charles "Chuck" Kimble. Mr. Kimble brings over twenty-five (25) years of experience of law enforcement.

CONFORMITY TO CITY POLICY:

This action supports City of Killeen Vision 2030 Goal 9: Quality Educational Opportunities; and Goal 11: Recruiting and Maintaining a Talented and Committed Workforce for the City of Killeen.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

The financial impact will be the following:

- Annual Salary of \$129,726.27
- Relocation cost of \$7,500.00

Is this a one-time or recurring expenditure?

This is a recurring expenditure.

Is this expenditure budgeted?

Yes

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes

RECOMMENDATION:

Staff recommends that the City Council authorize the City Manager to execute the appointment of Charles "Chuck" Kimble as the City of Killeen's Police Chief.

DEPARTMENTAL CLEARANCES:

City Attorney
Finance

ATTACHED SUPPORTING DOCUMENTS:

Kimble Résumé

EXECUTIVE LAW ENFORCEMENT PROFESSIONAL

Leadership | Problem Solving | Law Enforcement Operations | Management | Administration

Charles F. Kimble

845 Log Cabin Drive, Fayetteville, NC 28312

Phone: (910) 261-6681 email: kimblechuck@gmail.com

CAREER PROFILE

SIGNATURE STRENGTHS

☆ Patrol & Investigations

☆ Leadership

☆ Conflict Resolution

Executive Law Enforcement Professional with more than 25 years of law enforcement experience managing people, budgets, and complex law enforcement investigations. Exhibited exceptional accomplishments, and received consistent promotions within the largest police organization in Cumberland County, North Carolina. With extensive experience in leadership, executive management, performance measurement, and planning success, I possess the reputation as a committed leader that does not cross unethical boundaries to accomplish tasks. I desire to use these skill sets to obtain the position of Chief of Police at the Killeen Police Department.

COMPETENCIES / SKILL AREAS

Leadership | Strategic Planning and Operations | Workforce Management | Tactical Planning | Project Management Performance Evaluation | Audit Procedures | Budget Development/Management | Due Diligence | Human Resources Policy and Procedure | Mentoring/Coaching/Training | Analytical Reasoning | Investigations | Experienced Mediator | Continuous Improvement | Contract Negotiation | Contractor Management | Conflict Resolution | Security and Patrol functions | Inter-Departmental Functions | Risk Analysis | Local, State, Federal Agency Liaison | Punitive Measures | Quality Control Training Policy/Delivery

Computer Skills: Microsoft Office, ICS budgeting software, HR computer systems, Social media platforms

CAREER PROGRESSION

SPRING LAKE POLICE DEPARTMENT

2017-PRESENT

Responsible for Police and Investigation service for municipal police department in the State of North Carolina. Implement community-oriented policing strategies and foster exceptional community relationships for the local and military communities- (Chief of Police)

FAYETTEVILLE STATE UNIVERSITY POLICE DEPARTMENT

2015-2017

Responsible for Police and Emergency Management operations for Fayetteville State University a Constituent Institution of The University of North Carolina - (Associate Vice Chancellor/Police Chief)

FAYETTEVILLE POLICE DEPARTMENT

1995-2015

HIRING/BUDGETING/POLICY DEVELOPMENT - (ASST. CHIEF OF POLICE)

SPECIAL OPERATIONS/INVESTIGATIONS - (ASST. CHIEF OF POLICE)

SPECIAL OPERATION/SUPPORT COMMANDER – (CAPTAIN)

TRAFFIC/SPECIAL OPERATION/EVENT PLANNING – (LIEUTENANT)

INTERNAL AFFAIRS/GENERAL CRIME (SERGEANT)

NARCOTICS DETECTIVE/PROPERTY CRIME (DETECTIVE)

POLICE OFFICER/SCHOOL RESOURCE (OFFICER)

POLICE CHIEF, TOWN OF SPRING LAKE (NC)**2017-PRESENT**

Coordinate and manage the day to day operations of a municipal police department and the chief executive law enforcement official for the Town. Plan organize and direct comprehensive police services to include; patrol, investigations, administrative along with a robust social media outreach to the community. Part of a progressive city management team that fosters cooperative working relationships; and provide highly responsible and complex administrative support to the town.

- ◆ Responsible for operational, administrative and investigatory work of sworn officers and civilians to provide high quality police services to the town
- ◆ Foster a community policing philosophy with law enforcement, citizens, business and military partners
- ◆ Assist military partners with the Force Protection of Fort Bragg and soldiers, families, civilians assigned and living on the installation
- ◆ Work closely with local, regional and state law enforcement agencies in the execution safety plans; particularly emergency management and critical incident plans
- ◆ Work closely with the Town Manager, the Town Council, Human Resources and other town departments in developing problem solving service problems
- ◆ Frequently meet with citizen, business and civic groups to meet targets set out in 21st Century Policing strategies
- ◆ Assist in the preparation of the town budget for immediate operational plans and planning for future needs

ASSOCIATE VICE CHANCELLOR FOR POLICE AND PUBLIC SAFETY/POLICE CHIEF, FAYETTEVILLE STATE UNIVERSITY POLICE DEPARTMENT (NC)**2015 – 2017**

Coordinated and managed the day to day operations of a campus police department and is the chief executive law enforcement official. Responsible for the enforcement of the laws of North Carolina, and the rules/policies of Fayetteville State University. Responsible for the safety and security of the students, staff, faculty and visitors to the University.

- ◆ Managed Police and Public Safety department and Emergency Management department with an operating budget, in excess of 3 million dollars, while tracking and overseeing the daily operations of 55 personnel and equipment
- ◆ Implemented and executed crime prevention programs in a university/campus residential setting
- ◆ Worked closely with other university departments for student success and safety
- ◆ Advisor to the University Chief Executive Officer on Emergency Management matters
- ◆ Planned and implemented event security for NCAA Division II athletic events
- ◆ Managed a 24-hour communication/dispatch center
- ◆ Worked closely with local, regional and state law enforcement agencies in the execution campus and regional safety plans; particularly emergency management and critical incident plans

ASSISTANT POLICE CHIEF, FAYETTEVILLE POLICE DEPARTMENT (NC)

2009 – 2014

Coordinated and managed all felony investigations as the Bureau Commander. Develop budget and training expectations for sworn and non-sworn personnel in the Bureau. Assisted the City's Chief Executive Officer in policy formation to meet standards established by the City of Fayetteville leadership

- ◆ Managed Bureau operating budget, in excess of 7 million dollars, while tracking and overseeing the daily operations of 130 personnel and equipment
- ◆ Managed officers and detectives assigned to federal task forces; directly responsible for all felony investigation to include homicide, sexual assault, narcotics, robbery and property crimes
- ◆ Worked closely with other City departments on developing a working budget, interpreting and developing policy, and working with third party vendors on human resource development
- ◆ Assisted the Chief Executive in developing an effective hiring and recruiting strategy to retain and recruit the best applicants for employment
- ◆ Represented the department on projects involving internal city of Fayetteville customers and/or projects with external agencies
- ◆ Identified duplication of services and formulate strategies to streamline inter-department functions
- ◆ Developed and managed police department's security plan for award winning Dogwood Festival in Fayetteville, NC

POLICE CAPTAIN, FAYETTEVILLE POLICE DEPARTMENT (NC)

2009 - 2009

Police Department Operations Support Division Commander; provided investigative and patrol support to traditional units so that mission of the department could be accomplished.

- ◆ Commanded two highly specialized divisions (Patrol & Investigations) to supplement to daily police operations
- ◆ Patrol division provided traffic enforcement and fatality collision services to assist patrol operations. Managed all special events (parades, park concerts, military liaison, canine services and airport security)
- ◆ Investigated Division included homicide investigations, narcotic and gang unit long-term investigations, 24 hour forensic services to patrol officers and detectives
- ◆ Emergency Operations Officer for the Police Department

POLICE LIEUTENANT, FAYETTEVILLE POLICE DEPARTMENT (NC)

2002 – 2009

- ◆ Positions held- Investigative Lieutenant Narcotic Unit; Patrol Watch Commander
- ◆ Coordinated resources for major incidents and investigations involving patrol operations as the senior staff member on-duty
- ◆ Supervised a staff of 15 narcotic & vice detectives; federal task force officers and a support staff of two
- ◆ Supervised and coordinated confidential/undercover narcotic investigations
Managed a working confidential funds budget, in excess of \$150,000, and a fleet of covert vehicles and equipment

MILITARY EXPERIENCE

United States Army

1987-1990

EDUCATION

Bachelor of Science, Criminal Justice

Liberty University, Lynchburg, VA, (2011)

Associate of Arts, Criminal Justice

Central Texas College, Killeen, TX, (Pope Air Force Base Campus) (1997)

Graduate, Law Enforcement Executive Program

North Carolina State University, Raleigh, NC (2004)

Graduate, North Carolina Justice Academy Management Development Program

North Carolina Justice Academy, Salemburg, NC, (2007)

Graduate, Municipal/County Officers Course

University of North Carolina at Chapel Hill/School of Government, (2011)

Graduate, Police Executive Research Forum/Senior Management Institute of Policing Class #48

Boston University, Boston, MA, (2011)

Graduate, Federal Bureau of Investigation Executive leadership Institute

Raleigh, NC, (2015)

Graduate, Federal Bureau of Investigation Command College

NC (2016)

CIVIC / COMMUNITY / VOLUNTEER

**Mentor – Omega Psi Phi mentoring programs; mentor of local middle and elementary schools;
Board of Director for Operation Ceasefire - Part of team that produced movie about teens and gun
violence; Member/Commissioner - North Carolina Sentencing and Policy Advisory Commission;**

Volunteer – Great Oak Youth Development Center Fayetteville, NC; Boys and Girls Club of Cumberland County; Operation Inasmuch (Homeless Outreach); North Carolina Special Olympic

PROFESSIONAL AFFILIATIONS

International Association of Chief of Police (IACP)

International Association of Camps Law Enforcement Association (IACLEA)

FBI-Law Enforcement Executive Development Association (FBI-LEEDA)

National Organization of Black Law Enforcement Executives (NOBLE)

North Carolina Association of Chiefs of Police

North Carolina Association of Campus Law Enforcement Association

North Carolina Police Executives

Fraternal Order of Police

Appointed member-North Carolina Sentencing and Policy Advisory Commission



APPOINTMENT OF CHIEF OF POLICE

RS-17-078

August 1, 2017

Background

2

- Police Chief vacancy
- Timeline of Police Chief recruitment
- Alignment with Vision 2030: Goal 1 1: Recruiting and Maintaining a Talented and Committed Workforce

Alternatives

3

- City Council to approve appointment of Charles “Chuck” Kimble as the City of Killeen’s Police Chief.
- City Council to disapprove appointment of Charles “Chuck” Kimble as the City of Killeen’s Police Chief.

Staff Recommendation

4



Staff recommends that the City Council authorize the City Manager to approve appointment of Charles “Chuck” Kimble as the City of Killeen’s Police Chief.



City of Killeen

Legislation Details

File #: PH-17-036 **Version:** 1 **Name:** 2017-18 Annual Action Plan 2nd of 2 Public Hearings

Type: Ordinance/Public Hearing **Status:** Public Hearings

File created: 6/23/2017 **In control:** City Council Workshop

On agenda: 8/1/2017 **Final action:**

Title: HOLD a public hearing and consider an ordinance adopting the 2017-2018 Annual Action Plan describing use of funds and authorizing application for and allocation of Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) program funds. (2nd of 2 Public Hearings)

Sponsors: Community Development Department

Indexes:

Code sections:

Attachments: [Staff Report](#)
[CDAC Meeting Minutes](#)
[FY 2017 Allocation Tables](#)
[Ordinance](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: August 1, 2017

TO: Ronald L. Olson, City Manager

FROM: Leslie Hinkle, Executive Director of Community Development

SUBJECT: Public Hearing and Approval of Annual Action Plan FY2017-18

BACKGROUND AND FINDINGS:

The City of Killeen will receive funding from the U.S. Department of Housing and Urban Development (HUD) for FY2017-2018. The Consolidated Appropriations Bill 2017 was signed into law May 5, 2017, by President Trump, directing HUD to announce formula grant allocation amounts within 60 days of enactment. As of May 22, 2017, HUD was waiting to receive an appropriation amount from the Office of Management and Budget (OMB) to begin computations for FY2017 formula allocation amounts; this affects Killeen's Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) program funds. Due to the delay of the FY2017 annual appropriations act, there is insufficient time to complete the required minimum 30-day citizen participation, publication, and comment process before the Annual Action Plan submission deadline of August 16, 2017. On May 10, 2017, HUD issued a waiver providing grantees with significant relief from the required public comment period provisions by reducing the minimum public comment period to 14 calendar days for the FY2017 allocations. The City has chosen to utilize this waiver to ensure that citizens have opportunity for meaningful participation and comment on Killeen's FY2017-18 CDBG and HOME activities.

Two community planning meetings were held February 9 and 22, 2017, resulting in identification and prioritization of housing and community needs. Applications requesting funding to address those community priorities were received with presentations made to the Community Development Advisory Committee (CDAC) on May 3, 2017. Staff and CDAC used the FY2016 HUD allocations for CDBG and HOME as a benchmark from which to formulate recommendations to Council for activities in FY2017-18. Therefore, funding recommendations are based upon the reprogrammable funds from prior year's program income along with the benchmark FY2016 HUD funds for the CDBG and HOME program. CDAC further indicated their recommendation be adjusted by a pro rata share for each entity receiving an allocation recommendation under each particular funding program category, with final recommendations calculated upon notice of the FY2017 CDBG and HOME grantee allocations from HUD. HUD then notified the city on June 15, 2017, of the FY2017 annual allocation for both CDBG and HOME programs.

CDBG funding is the allocation amount of \$868,553.00 with additional funds available in the amount of \$10,829.10 in funds from prior year FY2015-16 program income and \$10,357.00 in funds from prior year FY2016-17 program income, providing a total of \$889,739.10 available for FY2017-18 CDBG programs and activities; Home Investment Partnerships Act (HOME) Program funding in the allocation amount of \$297,536.00 with additional funds available in the amount of \$2,396.00 of recaptured funds from the First Time Homebuyer Assistance Program,

\$39,018.48 in funds from prior year FY2015-16 program income, \$42,706.58 in funds from prior year FY2016-17 program income, providing a total of \$381,657.06 available for FY2017-18 HOME Program activities.

Adjustments in accordance with the CDAC allocation recommendation for pro rata share based upon the actual HUD funding are as follows:

		HUD FY2017 CDBG \$868,553.00		
Community Development Block Grant (CDBG)		Original Amount Requested	CDAC Recomnd	Changes with HUD Funding
Public Service Programs (maximum 15% of annual amount)	Hill Country Community Action Association - salary assistance	\$10,247.00	\$10,000.00	\$9,566.29
	Heritage House of Central Texas - salary assistance	\$8,000.00	\$5,000.00	\$4,783.14
	Communities In Schools - salary assistance	\$21,000.00	\$21,000.00	\$20,089.21
	Families In Crisis - salary assistance	\$27,132.89	\$17,000.00	\$16,262.69
	Bring Everyone In the Zone - salary assistance	\$15,600.00	\$13,189.65	\$12,617.60
	Greater Killeen Free Clinic - salary assistance	\$30,000.00	\$30,000.00	\$28,698.87
	Killeen Community Development - elderly transportation assistance	\$40,000.00	\$40,000.00	\$38,265.15
Housing and Public Improvements (65% of all funds available)	Killeen PW- Transportation-Street Services - Stewart Project Phase 4 (sidewalk reconstruction)	\$251,354.00	\$314,327.52	\$301,167.22
	Killeen Community Development - Housing Rehab Program	\$234,070.21	\$297,013.73	\$284,578.33
CDBG Admin (maximum 20% of annual amount)		\$181,586.20	\$181,586.20	\$173,710.60
Total FY2017-18 CDBG				\$ 889,739.10

		HUD FY2017 \$ 297,536.00		
Home Investment Partnerships (HOME) Program		Original Requested	CDAC Recomnd	HUD Fund Changes
	CHDO Setaside (minimum 15% of annual amount)	\$ 46,693.35	\$ 46,693.35	\$ 44,630.40
	Killeen Community Development - First Time Homebuyer Assistance Program	\$ 165,000.00	\$ 313,317.81	\$ 303,003.06
	HOME Admin (10% of annual amount plus maximum 10% of FY16-17 program income = \$4,270)	\$ 35,398.90	\$ 35,398.90	\$ 34,023.60
Total FY2017-18 HOME				\$ 381,657.06

Further description of activities and programs funded are in the attached FY2017 allocation tables.

THE ALTERNATIVES CONSIDERED:

Which alternative is recommended? Why?

No alternatives were considered as this funding, plan submissions, and due dates are prescribed by federal regulation.

CONFORMITY TO CITY POLICY:

N/A

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

None. The fiscal impact and expenditures associated will be for the FY2017-2018 CDBG and HOME programs. Future funding is based on allocations from the Federal budget through the Department of Housing and Urban Development (HUD). HUD regulations allow 20% of CDBG and 10% of HOME funds to be expended on administration/planning of CDBG and HOME activities with all eligible costs reimbursed to the City by the U.S. Department of Housing and Urban Development.

Is this a one-time or recurring expenditure?

These expenditures will occur throughout the 2017-18 fiscal year on approved programs and activities.

Is this expenditure budgeted?

The expenditures for CDBG and HOME program activities are budgeted for FY2017-18 under the Special Revenue Funds budget.

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes.

RECOMMENDATION:

Following the second public hearing, August 8, 2017, Staff recommends approval of the proposed 2017-2018 Annual Action Plan to a final plan with revisions as appropriate based on citizen comments received during the 14-day comment period ending August 8, 2017.

DEPARTMENTAL CLEARANCES:

Finance
City Attorney

ATTACHED SUPPORTING DOCUMENTS:

CDAC Meeting Minutes
FY2017 Allocation Tables
Ordinance

MINUTES
COMMUNITY DEVELOPMENT ADVISORY COMMITTEE
May 3, 2017
Community Development Training Room #E105
Killeen Arts and Activities Center
802 N. 2nd Street, Building E, Killeen TX 76541
11:50 AM

1. PRESIDING: Mr. Ralph Cossey, Committee Chairman presided over meeting beginning at 12:05 PM
2. PRESENT: Committee members present: Riakos Adams, Ramon Alvarez, Richard Banta, Kim Barr, Angelia Batie, TaNeika Driver-Moultrie, Nick Guajardo, Andrew Owens and Ashley Whitworth. City staff present: Leslie Hinkle, Cinda Hayward, Holli Clements (replacing Traci Briggs), and Celeste Sierra. (Mr. Alvarez excused himself from the meeting at 1:45 PM and did not return; the Committee took a break from 2:04 to 2:23; Mr. Banta excused himself from meeting at 4:14 but returned to meeting).
3. APPROVAL OF AGENDA: Ms. Driver-Moultrie moved, seconded by Mr. Barr to approve meeting agenda. Motion carried unanimously.
4. APPROVAL OF MINUTES: Mr. Alvarez moved, seconded by Mr. Banta to approve February 15, 2017 minutes as written. Motion carried unanimously.
5. AGENDA ITEMS
 - A. Receive briefing on revised Conflict of Interest disclosure forms and form submittal: Ms. Hayward advised that a revised form had been developed by her and the Deputy City Attorney based on policy and the form included indicates the four questions by checking yes or no and indicating what a potential conflict would be. Mr. Adams asked if committee members were considered covered persons and Ms. Hayward responded that committee members were considered covered persons.
 - B. Receive briefing on 2nd quarter status of CDBG and HOME projects: Ms. Hinkle directed committee to the report attachment for the status information of current CDBG and HOME project. Committee viewed a slide presentation of the Stewart Neighborhood Improvements project. Ms. Driver-Moultrie commented that she would like the City to let people know where the park is and what work has gone into getting it to where it is today. Mr. Barr asked about the status of the Girl Scout project. Ms. Hayward advised that agency plans to have drawings presented to plans review by the middle of June. There was a bit of a delay getting the plans ready because the agency had to deal with city, state and federal regulations governing asbestos removal and lead abatement. Ms. Driver-Moultrie asked if the agency was going to use the funding by the end of September and Ms. Hayward advised that this being a construction project, the agency had until March 2018 to complete project.
 - C. Receive briefing on hiring of a consultant to administer the HOME program projects until a suitable replacement can be hired: Ms. Hinkle advised that the current Home Program Coordinator had submitted her resignation and since there the program is still very active, the Department had decided to hire Ms. Barraza as a consultant to provide assistance with processing homebuyer applications, conduct education classes, and assure that applications for homebuyer assistance are eligible per program regulations. HUD requires that a public disclosure be made if the consultant is someone that has previously worked doing HOME Program activities. Disclosure was being made to the public through this agenda item that Community Development's intention is to hire Ms. Barraza on a on consulting basis to prevent a gap in service until a replacement can be hired. Mr. Guajardo inquired as to how Ms. Barraza was going to be paid and Ms. Hinkle advised that she would be paid on an hourly basis and would submit all information for Ms. Hinkle to review prior to being paid. Mr. Owens asked if there would be any benefits paid and Ms. Hinkle advised that she would not be eligible to receive any benefits.

- D. Receive a briefing on status of notification from HUD on annual entitlement amounts for FY 2017-18 CDBG and HOME programs and process for making recommendations for funding proposed activities and projects: Ms. Hinkle advised that although the administration has approved level funding, there are still no Entitlement budget numbers available for the Committee to make funding recommendation. Ms. Hinkle asked the Committee to consider going with current allocation and recommend funding on a prorated share evenly across the board. Amounts will be adjusted when the actual Entitlement figures are received and will either be increased or decreased. The Committee would need to include this form of approval when they make recommendations.
- E. Discuss and consider reprogramming of CDBG and HOME funds to eligible FY 2017-2018 activities: Ms. Hinkle briefed the Committee on funding available for reprogramming to eligible activities which include program income received by CDBG in the amount of \$21,186.10 during FY 15-16 and FY 16-17 and HOME funds in the amount of \$84,121.06 in program income and recaptured funds received during FY 15-16 and FY 16-17. Ms. Driver-Moultrie moved, seconded by Mr. Adams to approve the use of CDBG and HOME program income and recaptured funds on FY 17-18 eligible activities. Motion passed unanimously.
- F. Discuss and consider approval of applications submitted for FY 2017-18 proposed program of activities for recommendation to City Council: The Committee heard a presentation from the following applicants Ms. Hobbs and Ms. Pierce from Hill Country Community Action Association, Inc.; Ms. Quiney from Heritage House of Central TX; Mr. Dewees and Ms. Clay from Communities in Schools of Greater Central Texas; Mr. Hall and Ms. Armour from Families in Crisis, Inc.; Ms. Jouett from Bring Everyone in the Zone; Ms. DiLillo from Greater Killeen Free Clinic; Ms. Sierra and Ms. Hinkle and Mr. Radeke from COK Community Development; Mr. Koester from COK Street Services; and Mr. Thompson and Ms. Schuler from MCI Nextgen Properties, LLC.

After question and answer session with applicants and various discussions on funding, the following final prorated recommendations based on FY 16-17 HOME Entitlement funding, were approved by the Committee:

Mr. Adams moved seconded by Mr. Owens to allocate funding in the amount of \$31,128.90 in Entitlement funds and \$4,270 in 2016 program income funds for a total of \$35,398.90 for HOME Program Administration. Motion passed unanimously.

Mr. Adams moved seconded by Mr. Guajardo to allocated funding the in the amount of \$46,693.35 to the CHDO set aside. Motion passed unanimously.

Ms. Driver-Moultrie moved, seconded by Mr. Adams to allocate \$00.00 to MCI Nextgen Properties, LLC. Motion passed 6 to 3 with Ms. Whitworth, Mr. Barr and Mr. Banta opposing.

Mr. Barr moved, seconded by Ms. Driver-Moultrie to allocated \$165,000.00 to Homebuyer Program with Repairs. Motion passed 7 to 1 with Mr. Adams opposing.

Ms. Driver-Moultrie moved, seconded by Mr. Adams to allocate remaining \$148,317.81 to Homebuyer program with Repairs. Motion passed 4 to 3 with Mr. Guajardo, Ms. Whitworth and Mr. Banta opposing and Mr. Barr abstaining.

After question and answer session with applicants and various discussions on funding, the following final prorated recommendations based on FY 16-17 CDBG Entitlement funding, were approved by the Committee:

Mr. Guajardo moved, seconded by Mr. Adams to allocated \$30,000 to the Greater Killeen Free Clinic, Nursing Salary Assistance. Motion passed 3-2 with Ms. Whitworth and Ms. Baitie opposing and Ms. Driver-Moultrie, Mr. Barr, Mr. Banta and Mr. Alvarez abstaining.

Ms. Driver-Moultrie moved seconded by Mr. Adams to allocate \$10,000 to Hill Country Community Action Association, Inc., Killeen Elderly Meals. Motion passed unanimously.

Ms. Driver-Moultrie moved, seconded by Mr. Owens to allocate \$5,000 to Heritage House of Central TX,

Empowerment Program. Motion passed 7 to 1 with Mr. Banta opposing.

Ms. Driver Moultrie moved, seconded by Ms. Whitworth to allocate \$21,000 to Communities in Schools of Greater Central Texas, Connections Program. Motion passed 7 to 1 with Mr. Banta opposing.

Mr. Adams moved, seconded by Mr. Guajardo to allocate \$17,000 to Families in Crisis, Inc., Shelter Case Manager. Motion passed 5 to 2 with Mr. Barr and Mr. Banta opposing.

Mr. Driver-Moultrie moved, seconded by Mr. Adams to allocate \$13,189.65 to Bring Everyone in the Zone, Military Support Program. Motion passed unanimously.

Mr. Barr moved, seconded by Ms. Driver-Moultrie to allocate \$40,000 to the COK Elderly Transportation program. Motion passed unanimously.

Mr. Adams moved, seconded by Ms. Driver-Moultrie to allocate \$181,586.20 to CDBG Administration. Motion passed unanimously.

Ms. Driver-Moultrie moved, seconded by Mr. Owens to allocate \$297,013.73 to COK Housing Rehabilitation Program for program admin and rehabilitation costs. Motion passed unanimously.

Ms. Driver-Moultrie moved, seconded by Mr. Owens to allocate \$314,327.52 to COK Street Services for sidewalk reconstruction. Motion passed unanimously.

With funding recommendations concluded, Mr. Cossey advised committee members to turn in completed scoring sheets and conflict of interest forms to CD Staff.

6. ADJOURNMENT: Ms. Driver-Moultrie moved, seconded by Mr. Banta to adjourn meeting. Motion passed unanimously and meeting adjourned at 4:42 PM.

Celestina Sierra, CD Specialist: _____

**CITY OF KILLEEN COMMUNITY DEVELOPMENT BLOCK GRANT
FY 2017-18/B-17-MC-48-0020
PUBLIC SERVICE REQUESTS and CDBG ADMINISTRATION**

CDBG -PUBLIC SERVICE REQUESTS				
	AGENCY	PROJECT DESCRIPTION & PROPOSED UNITS	REQUESTED AMOUNT	CDAC RECOMND w/ PRO RATA SHARE
1	Tama Shaw, Executive Director HILL COUNTRY COMMUNITY ACTION ASSOCIATION, INC. P.O. Box 846 San Saba, Texas 76877 325.372.5167 tshaw@hccaa.com	Killeen Elderly Meals Program (salary) – 170 - partial payment of salary and fringe benefits for one meal delivery driver who will assist with preparation and delivery of meals, Monday-Friday, to elderly, home-bound residents, age 60 and older in Killeen; targeting low-income and minority elderly.	\$ 10,247.00	\$ 9,566.29
2	Michael Christ, Executive Director HERITAGE HOUSE OF CENTRAL TEXAS 1103 N Gray Street, PO Box 1588 Killeen, Texas 76540 254. 681.1759 mikchrist@yahoo.com	Empowerment Program (salary) - 100 - partial payment of salary (only) for two client advocates to provide services; to individuals designed to end homelessness or prevent future homelessness of those persons who are at risk of becoming homeless.	\$8,000.00	\$ 4,783.14
3	Michael Dewees, Executive Director COMMUNITIES IN SCHOOLS OF GREATER CENTRAL TEXAS, INC. 4520 E. Central Texas Expressway, Suite 106 Killeen, Texas 76543 254.554.2132 mdewees@hotmail.com	Connections Program-Eastward Elementary (salary) – 175 - partial payment of salary and taxes for the CIS Connections Program case worker who will deliver much needed services to low-moderate income, at-risk youth and their families who are at risk of academic failure (TEA criteria), are economically disadvantaged, or are currently in a crisis situation.	\$21,000.00	\$ 20,089.21
4	William K. Hall, Operations Director FAMILIES IN CRISIS, INC. P.O. Box 25 Killeen, Texas 76540-0025 254.634.1184 ficinc@earthlink.net	Homeless Shelter Case Manager (salary) - 312 - partial payment of salary and fringe benefits for one case manager at the Friends In Crisis homeless shelter to assess, facilitate, coordinate and advocate for options and services to meet participant's needs and promote participant stability.	\$ 27,132.89	\$ 16,262.69

CITY OF KILLEEN COMMUNITY DEVELOPMENT BLOCK GRANT

FY 2017-18/B-17-MC-48-0020

PUBLIC SERVICE REQUESTS and CDBG ADMINISTRATION

CDBG -PUBLIC SERVICE REQUESTS				
AGENCY		PROJECT DESCRIPTION & PROPOSED UNITS	REQUESTED AMOUNT	CDAC RECOMND w/ PRO RATA SHARE
5	Maureen Jouett, Executive Director BRING EVERYONE IN THE ZONE, INC. 718 N. 2nd Street, Suite B Killeen, Texas 76541 254.681.9112 mojo53@hotmail.com	Military Support Program (salary) - 600 - partial payment of salary and taxes for one full time Resource Manager that will provide a comprehensive assessment of needs for customers accessing various types of assistance to include development of resources and management with a focus on sustainability, while working on a Person Centered Plan and budget-identifying previous poor choices, then development of a plan for a better future.	\$ 15,600.00	\$ 12,617.60
6	Marlene DiLillo, Executive Director GREATER KILLEEN FREE CLINIC 718 N. 2ND Street, Suite A Killeen, Texas 76541 254. 618.4211 mdilillo@gkfclinic.org	Nursing Salary Assistance (salary) - 1824 - partial payment of salary (only) for one full time Clinical Supervisor to provide oversight of all functions and activities related to the clinical operation including acute and chronic care; behavioral health, dental appointments, medication inventory, dispensing, tracking; scheduling clinical paid/volunteer staff; decisions to medical conditions, patient discharge, outside referrals, chronic disease education, medication education/management, supplies/equipment inventory, clinical human resources/data.	\$ 30,000.00	\$ 28,698.87
7	Leslie K. Hinkle, Executive Director - Community Development Department CITY OF KILLEEN ATTN: Celeste Sierra 802 N 2nd Street, Bldg. E Killeen, Texas 76541 254.501.7843 lhinkle@killeentexas.gov csierra@killeentexas.gov	Elderly Transportation Program (direct assistance to beneficiaries) – 166 - payment of transportation provided via monthly taxi rides, special transit passes, public fixed route passes for low income Killeen elderly, age 62 and older.	\$ 40,000.00	\$ 38,265.15
TOTAL FUNDING REQUESTS			\$ 151,979.89	\$ 130,282.95

Total Available \$130,282.95

(maximum 15% of Annual CDBG grant)

**CITY OF KILLEEN COMMUNITY DEVELOPMENT BLOCK GRANT
FY 2017-18/B-17-MC-48-0020
PUBLIC SERVICE REQUESTS and CDBG ADMINISTRATION**

CDBG -PUBLIC SERVICE REQUESTS				
AGENCY		PROJECT DESCRIPTION & PROPOSED UNITS	REQUESTED AMOUNT	CDAC RECOMND w/ PRO RATA SHARE
CDBG ADMINISTRATION				
8	Leslie K. Hinkle, Director of Community Development Department CITY OF KILLEEN 802 N 2nd Street, Bldg. E Killeen, Texas 76541 254.501.7843 lhinkle@killeentexas.gov	CDBG Administration 2017 - maximum 20% of annual grant amount - costs for salary, administration and delivery of the CDBG program.	\$ 181,586.20	\$ 173,710.60
TOTAL CDBG ADMINISTRATION REQUEST			\$ 181,586.20	\$ 173,710.60
Total Available			\$173,710.60	
(maximum 20% of Annual CDBG grant)				

CITY OF KILLEEN
COMMUNITY DEVELOPMENT BLOCK GRANT
FY2017-18/B-17-MC-48-0020
PUBLIC FACILITIES/IMPROVEMENTS, HOUSING REQUESTS

CDBG -PUBLIC FACILITIES/IMPROVEMENTS, HISTORIC PRESERVATION, HOUSING REHABILITATION, CODE ENFORCEMENT, CLEARANCE/DEMOLITION REQUESTS				
	AGENCY	PROJECT DESCRIPTION & PROPOSED UNITS	REQUESTED AMOUNT	CDAC RECOMND w/ PRO RATA SHARE
9	John Koester, Director of Street Services CITY OF KILLEEN Public Works-Transportation/Street Services 3201-A S. W.S. Young Drive Killeen, Texas 76543 254. 616.3154 jkoester@killeentexas.gov	Stewart Neighborhood Project - Phase 4 - sidewalk replacements along designated streets in the Stewart Neighborhood - specifically Culp Ave to 18th Street, Franz Drive, Carol Way Drive in the Stewart Neighborhood.	\$ 251,354.00	\$ 301,167.22
10	Leslie K. Hinkle, Executive Director of Community Development Department CITY OF KILLEEN COMMUNITY DEVELOPMENT 802 N. 2nd Street, Bldg. E Killeen, Texas 76541 254.501-7847 lhinkle@killeentexas.gov	Housing Rehabilitation Program - - 12 units - funds will be used to address urgent repairs as well as costs for moderate to full rehabilitation of the housing unit to prevent further decay and make the house safer and extend the economic life of the structure. Costs include lead based paint testing and hazard removal, unit rehabilitation and cost for architectural barrier removal and delivery of the program (staff and supply related).	\$ 234,070.21	\$ 284,578.33
TOTAL PROGRAM FUNDING REQUESTS:				\$ 585,745.55

Total Available \$585,745.55

(includes all reprogrammed funds and remaining 65% of available Annual CDBG grant)

CITY OF KILLEEN
HOME INVESTMENT PARTNERSHIPS PROGRAM
FY2017-18/M-17-MC-48-0228

HOME PROGRAM REQUESTS				
AGENCY		PROJECT DESCRIPTION & PROPOSED UNITS	REQUESTED FUNDS	CDAC RECOMND w/ PRO RATA SHARE
OTHER ELIGIBLE PROJECTS				
11	MCI Nextgen Properties, LLC Aaron Amuchastegui, Manager 6265 Indian Springs Rd. Loomis, CA 95650 805.904.8369 aaron@amaconstruct.com	Palo Alto Duplexes - 2/2br duplexes (4 units) - reconstruction of two existing duplexes including hazardous material abatement (as required), install new sidewalks, repave the parking stalls, install security fencing and relocate and secure the dumpster; Contains a 20 year affordable housing compliance requirement; Rental to low-income households with annual income at 80% or less of the AMI.	\$ 324,635.00	\$0.00
12	Leslie K. Hinkle, Executive Director - Community Development Department CITY OF KILLEEN COMMUNITY DEVELOPMENT 802 N. 2nd Street, Bldg. E Killeen, Texas 76541 254.501.7847 lhinkle@killeentexas.gov	Homebuyer Assistance Program (HAP) with Repairs - 10 - funds will be used to assist first time buyers with down payment and closing costs not to exceed \$7,500; repairs will be made to ensure the unit meets local, state, and federal building code. Buyers must have a minimum income equal to 60%-80% of the Area Median Income and qualify for a mortgage loan; unit must be single family conventional construction within the corporate city limits.	\$ 165,000.00	\$303,003.06
TOTAL PROGRAM FUNDING REQUESTS :			\$ 489,635.00	\$303,003.06

Total Available **\$ 674,923.06**

**CITY OF KILLEEN
HOME INVESTMENT PARTNERSHIPS PROGRAM**

HOME PROGRAM REQUESTS				
AGENCY		PROJECT DESCRIPTION & PROPOSED UNITS	REQUESTED FUNDS	CDAC RECOMND w/ PRO RATA SHARE
CHDO SET ASIDE				
13	NO APPLICATION REQUEST RECEIVED	2016 Minimum CHDO Set Aside Requirement- Minimum 15% of annual HOME allocation for eligible Community Housing Development Organization (CHDO) activity. No applications were received, the City must set aside the funds as required by regulation.	\$ 46,653.75	\$ 44,630.40
TOTAL FUNDING CHDO SET ASIDE: (minimum 15% of Annual HOME grant)			\$ 46,653.75	\$ 44,630.40

Amount Available for CHDO Set Aside: \$ 44,630.40

15% Minimum requirement of the annual HOME grant

HOME ADMINISTRATION				
14	Leslie K. Hinkle, Executive Director - Community Development Department CITY OF KILLEEN COMMUNITY DEVELOPMENT 802 N. 2nd Street, Bldg. E P.O. Box 1329 Killeen, Texas 76540 254.501.7847 lhinkle@killeentexas.gov	HOME Program Administration - Maximum 10% of annual grant amount - costs for salary, operations and delivery of the HOME Program. Add in 10% of FY2016-17 program income = \$4,270	\$ 31,128.90	\$ 34,023.60
TOTAL HOME ADMINISTRATION REQUEST			\$ 31,128.90	\$ 34,023.60
			<u>\$34,023.60</u>	

ORDINANCE _____

AN ORDINANCE AUTHORIZING SUBMITTAL OF THE 2017-18 ANNUAL ACTION PLAN DESCRIBING THE USE OF FUNDS AND AUTHORIZING THE APPLICATION FOR AND ALLOCATION OF \$868,553.00 IN FY 2017-18 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS AND THE USE OF PRIOR YEAR PROGRAM INCOME AND PRIOR YEARS PROGRAM INCOME FUNDS FOR A TOTAL EXPENDITURE OF \$889,739.10 OF CDBG FUNDS; AND THE APPLICATION FOR AND ALLOCATION OF \$297,536.00 IN HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM FUNDS AND THE USE OF PRIOR YEAR PROGRAM INCOME AND PRIOR YEAR RECAPTURED FUNDS FOR A TOTAL EXPENDITURE OF \$381,657.06 OF HOME FUNDS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the 2017-18 Annual Action Plan has been developed in accordance with established priorities and objectives of the overall goals of the 2015-2019 Consolidated Strategic Plan; and

WHEREAS, two public hearings were conducted and held by the City Council to seek citizen participation in the development of the 2017-2018 Annual Action Plan describing the allocation of Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Program funds; and

WHEREAS, the Community Development Advisory Committee (CDAC) has reported its recommendation on the use of CDBG and HOME Program funds for FY 2017-18; and

WHEREAS, the City Council of the City of Killeen has invited and received further citizen comment on the allocation of \$868,553.00 in FY 2017-18 CDBG funds and the reprogramming of \$21,186.10 of FY2015-16 and FY2016-17 program income, and the allocation of \$297,536.00 in FY 2017-18 HOME funds and the reprogramming of \$81,725.06 of FY2015-16 and FY2016-17 program income and \$2,396.00 recaptured

Homebuyer Assistance Program funds:

WHEREAS, after due consideration of the community's needs within the City as provided by the U.S. Department of Housing and Urban Development and Community Planning Meetings, the City Council of the City of Killeen has determined to apply for and has agreed on the allocation of said funds;

NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN:

SECTION I. That the City Council of the City of Killeen held public hearings in accordance with the May 10, 2017 HUD issued waiver of the 30-day comment period regulations due to timing of the enactment of the 2017 Appropriations Act choosing to utilize the issued 14-day citizen participation and comment period on the 2017-18 Annual Action Plan in order to provide citizens with a meaningful comment period, with the comment period beginning July 26 and ending August 8, 2017, describing proposed CDBG and HOME activities.

SECTION II. That the City Council of the City of Killeen hereby authorizes the City Manager to submit the 2017-2018 Annual Action Plan and execute an application for the amount of \$868,553.00 in CDBG funds and \$297,536.00 in HOME funds for FY 2017-18 and approves the reprogramming of \$21,186.10 in prior years CDBG funds and \$84,121.06 in prior years of HOME funds and approves CDBG and HOME Program expenditures during FY 2017-18 in the following manner:

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

		FY 2017 CDBG		\$868,553.00
		Original Amount Requested	CDAC Recomnd	HUD Fund Changes
Public Service Programs (maximum 15% of annual amount)	Community Development Block Grant (CDBG)			
	Hill Country Community Action Association - salary assistance	\$10,247.00	\$10,000.00	\$9,566.29
	Heritage House of Central Texas - salary assistance	\$8,000.00	\$5,000.00	\$4,783.14
	Communities In Schools - salary assistance	\$21,000.00	\$21,000.00	\$20,089.21
	Families In Crisis - salary assistance	\$27,132.89	\$17,000.00	\$16,262.69
	Bring Everyone In the Zone - salary assistance	\$15,600.00	\$13,189.65	\$12,617.60
	Greater Killeen Free Clinic - salary assistance	\$30,000.00	\$30,000.00	\$28,698.87
	Killeen Community Development - elderly transportation assistance	\$40,000.00	\$40,000.00	\$38,265.15
Housing and Public Improvements (65% of all funds available)	Killeen PW- Transportation-Street Services - Stewart Project Phase 4 (sidewalk reconstruction)	\$251,354.00	\$314,327.52	\$301,167.22
	Killeen Community Development - Housing Rehab Program	\$234,070.21	\$297,013.73	\$284,578.33
	CDBG Admin (maximum 20% of annual amount)	\$181,586.20	\$181,586.20	\$173,710.60
TOTAL CDBG FUNDS ALLOCATED				\$ 889,739.10

HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM

		FY2017 HOME		297,536.00
		Original Requested	CDAC Recomnd	HUD Fund Changes
Home Investment Partnerships (HOME) Program				
CHDO Setaside	(minimum 15% of annual amount)	46,693.35	46,693.35	44,630.40
Killeen Community Development - First Time Homebuyer Assistance Program		165,000.00	313,317.81	303,003.06
HOME Admin	(10% of annual amount plus maximum 10% of FY16-17 program income = \$4,270)	35,398.90	35,398.90	34,023.60
TOTAL HOME FUNDS ALLOCATED:				\$ 381,657.06

Further, all funds remaining in any project account at the completion of the project shall be transferred forward to like accounts to be available for subsequent reprogramming to other eligible projects.

SECTION III. That if any section or part of any section or paragraph of this ordinance is declared invalid or unconstitutional for any reason, it shall not invalidate or impair the validity, force or effect of any other section or sections or part of a section or paragraph of this ordinance.

SECTION IV. That this ordinance shall be effective after its passage and approval.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas, this 8th day of August, 2017 at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A. Government Code § 551.001 *et seq.*

APPROVED

Jose L. Segarra, MAYOR

ATTEST:

Dianna Barker, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

Kathryn H. Davis, CITY ATTORNEY

DISTRIBUTION: Community Development Department, Finance Department



FY 17-18 COMMUNITY DEVELOPMENT BLOCK GRANT & HOME PROGRAM PROPOSED GRANT ALLOCATIONS

PH-17-035

July 18, 2017

Overview of CDBG & HOME program



- ❑ National objectives & requirements of programs
- ❑ FY 17-18 funding allocations & committee recommendations
- ❑ Public hearing schedule
- ❑ Submission to HUD for approval

CDBG & HOME funding available in FY 17-18

- CDBG grant
\$868,553.00
- Reprogrammed funds
& program income
\$21,186.10
- Total funding =
\$889,739.10
- HOME grant
\$297,536.00
- Program income
\$84,121.06
- Total funding =
\$381,657.06

Community Development Advisory Committee Public Service Recommendations = 15% of grant award

Agency	Project Description	Amount Requested	CDAC Recommendation	HUD funding change
Hill Country Community Action Agency	Meals on wheels program – salary assistance	\$10,247.00	\$10,000	\$9,566.29
Heritage House of Central Texas	Empowerment Program – salary assistance	\$8,000	\$5,000	\$4,783.14
Families In Crisis	Homeless program – salary assistance	\$27,132.89	\$17,000	\$16,262.69
Bring Everyone in the Zone	Salary assistance	\$15,600	\$13,189.65	\$12,617.60
Greater Killeen Free Clinic	Nursing program - Salary assistance	\$30,000	\$30,000	\$28,698.87
Killeen Community Development	Elderly transportation services	\$40,000	\$40,000	\$38,265.15
			Total	\$130,282.95

Community Development Advisory Committee

Recommendations – housing, public facilities & admin.

Agency	Project Description	Amount Requested	CDAC Recommendation	HUD funding change
City of Killeen – Transportation/Street Services	Stewart Project, Phase 4 (sidewalk improvements)	\$251,354.00	\$314,327.52	\$301,157.22
Killeen Community Development	Housing Rehabilitation Program	\$234,070.21	\$297,013.73	\$284,578.33
			Total	\$585,745.55
CDBG administration		\$181,586.20	\$181,586.20	\$173,710.60
			Total	\$759,456.15

Community Development Advisory Committee HOME Program Recommendations

Agency	Project Description	Amount Requested	CDAC Recommendation	HUD funding change
CHDO set aside	Minimum 15% of grant allocation must be set aside for future	\$46,693.35	\$46,693.35	\$44,630.40
Killeen Community Development	First Time Homebuyer Program	\$165,000.00	\$313,317.81	\$303,003.06
MCI NextGen Properties LLC	Rental Housing Rehabilitation – Palo Alto Duplexes	\$324,635	\$0	
			Total	\$347,633.06
HOME administration		\$35,398.90	\$35,398.90	\$ 34,023.60
			Total	\$381,657.06

Summary

- ❑ 14 day comment period
- ❑ Annual Action Plan to HUD by August 16th for approval
- ❑ Funding released in October
- ❑ Grant agreements executed
- ❑ Programs and projects underway