



City of Killeen

Agenda

City Council Workshop

Tuesday, January 8, 2019

5:00 PM

Utility Collections
Conference Room
210 West Avenue C
Killeen, Texas

Items for Discussion at Workshop

1. [DS-19-001](#) Discuss Agenda Items for the Regular City Council Meeting of January 15, 2018
2. [DS-19-002](#) KEDC Briefing

Attachments: [Presentation](#)
3. [DS-19-003](#) Discuss WCID's Proposed Boundary Expansion

Attachments: [Bell County WCID 1 Proposal](#)
[Presentation](#)
[WCID Presentation](#)
4. [DS-19-004](#) Discuss Economic Development Policies

Attachments: [Draft Policy](#)
[Presentation](#)
5. [DS-19-005](#) City Manager Updates
 - Governing Standards Section 2-60. Use of City Facilities
 - Governing Standards Section 6-10. Council and Appointed Board Members
 - Capital Improvement Advisory Committee Update
6. [DS-19-006](#) Discuss and Receive Legal Advice Regarding Invocation Procedure at City Council Meetings

Councilmember Requests for Future Agenda Items

7. [RQ-19-001](#) Future Agenda Item Requests:
 - Impact Fees

Items for Regular City Council Meeting of January 15, 2019

Minutes

8. [MN-19-001](#) Consider Minutes of Regular City Council Meeting of December 18, 2018.

Attachments: [Minutes](#)

Resolutions

9. [RS-19-001](#) Consider a memorandum/resolution authorizing the procurement of fleet replacement vehicles and equipment.
Attachments: [Staff Report](#)
[Chastang Quotes](#)
[Freightliner Quotes](#)
[TYMCO Quote](#)
[Certificate of Interested Parties](#)
[Presentation](#)
10. [RS-19-002](#) Consider a memorandum/resolution approving an airport concession agreement for Killeen Fort Hood Regional Airport.
Attachments: [Staff Report](#)
[Agreement](#)
[Certificate of Interested Parties](#)
[Presentation](#)
11. [RS-19-003](#) Consider a memorandum/resolution approving Addendum No. 1 to the David Gosnell dba Diamond Star Aviation hangar lease at Skylark Field.
Attachments: [Staff Report](#)
[Addendum No 1](#)
[Agreement](#)
[Certificate of Interested Parties](#)
[Presentation](#)
12. [RS-19-004](#) Consider a memorandum/resolution approving a professional services agreement with Garver, LLC, for design of the rehabilitation of Taxiway B and all associated improvements on Robert Gray Army Airfield.
Attachments: [Staff Report](#)
[Agreement](#)
[Certificate of Interested Parties](#)
[Presentation](#)
13. [RS-19-005](#) Consider a memorandum/resolution to upgrade the Laserfiche electronic content management software.
Attachments: [Staff Report](#)
[Proposal](#)
[Certificate of Interested Parties](#)
[Presentation](#)

14. [RS-19-006](#) Consider a memorandum/resolution approving the appointment of an Assistant City Manager.

Attachments: [Staff Report](#)
[Ellison Résumé](#)
[Presentation](#)

Public Hearings

15. [PH-19-001](#) HOLD a public hearing and consider an ordinance amending the FY 2019 Annual Budget and Plan of Municipal Services of the City of Killeen to authorize the carry forward of FY 2018 expenditure budgets to the FY 2019 budget.

Attachments: [Staff Report](#)
[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 January 4, 2019.

Lucy C. Aldrich, 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.

- *Public Policy Luncheon, January 9, 2019, 11:30 a.m., Texas A&M University - Central Texas*
- *State of the Region and City, January 23, 2019, 11:30 a.m., Central Texas College -*

Anderson Hall

Dedicated Service -- Every Day, for Everyone!



City of Killeen

Legislation Details

File #: DS-19-001 **Version:** 1 **Name:** Discuss Agenda Items
Type: Discussion Items **Status:** Discussion Items
File created: 12/18/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: Discuss Agenda Items for the Regular City Council Meeting of January 15, 2018
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-19-002 **Version:** 1 **Name:** KEDC Briefing
Type: Discussion Items **Status:** Discussion Items
File created: 12/17/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: KEDC Briefing
Sponsors: City Manager Department
Indexes:
Code sections:
Attachments: [Presentation](#)

Date	Ver.	Action By	Action	Result
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Killeen Economic Development Corporation

Mission: to promote the development of commercial, industrial and manufacturing enterprises to promote and encourage employment and the public welfare.



Killeen Business Update

- ✓ KEDC-Owned Buildings in Killeen Business Park
 - First National Bank Texas
 - Raytheon
 - Blackboard Student Services
- ✓ Mitsubishi Pure Chemicals (MPCA)
 - Phase I
 - Phase II



MPCA

Killeen Business Update

- ✓ Solix
 - 402 East Avenue D
 - 201 East Avenue D
- ✓ Z Modular
- ✓ Top Notch Parking & Storage



Economic Analysis



- ✓What is driving population growth in the city and KISD?
- ✓What is the likelihood that those drivers will continue?
- ✓What portion of that growth resides here but works elsewhere?
- ✓What is the inventory of housing stock and what role has housing played in population growth?
- ✓Given continued growth, how can the city and KISD maintain a revenue base sufficient to maintain services at current, or better, levels?
- ✓And, many more questions.

Killeen – Fort Hood Regional Airport

- ✓ KEDC provided \$250,000 in matching funds for a grant to attract new routes to the airport.
- ✓ Provide up to \$25,000 to match funding in the airport budget for airline marketing activities.



Greater Killeen Chamber of Commerce

Mission: to provide vision, leadership and support to businesses and community leaders to create economic prosperity.



Public Policy

Upcoming Public Policy Luncheons



State Comptroller Glenn Hegar
January 9, 2019



Bell County Judge David Blackburn
& Killeen Mayor Jose Segarra
January 23, 2019

Public Policy

2019 Legislative Tour



Military Relations

Community-Based Strategy to Support Fort Hood



Military Relations

U.S. Army National Training Center



NTC Tour February 2017

Business Development

Business Resource Center



BRC Women's Bootcamp
October 2018



Small Business Saturday
November 2018

Retail

Killeen Mall



14 Forward

A New 2018-2022 Strategic Economic
Development Initiative of the Greater
Killeen Chamber of Commerce





Research Park Development



Cummings Research Park
Huntsville, AL



Central Florida Research Park
Orlando, FL



Increase Bandwidth

- Recruit new internet service providers
- Make 1,000 Mbps (Gigabyte) internet available for businesses
- Make 50 Mbps internet available for residences
- Currently working with Unite Private Networks (UPN) to provide high-speed internet in the region

GOAL 3

STRENGTHEN INFRASTRUCTURE TO
IMPROVE QUALITY OF PLACE

*Investing in the Place Where
Infrastructure Grows*



Lead expansion of Interstate 14



14 Forward Annual Meeting

- Thursday, January 24 2019
- Keynote: Dr. Steven Cambone,
Vice Chancellor of Cyber Security Initiatives,
Texas A&M University System & former
Undersecretary for Intelligence in the
Department of Defense



Thank you for your support!



killeenchamber.com/forward
jennifer@killeenchamber.com



City of Killeen

Legislation Details

File #: DS-19-003 **Version:** 1 **Name:** Discuss WCID's Proposed Boundary Expansion
Type: Discussion Items **Status:** Discussion Items
File created: 12/27/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: Discuss WCID's Proposed Boundary Expansion
Sponsors: City Manager Department
Indexes:
Code sections:
Attachments: [Bell County WCID 1 Proposal Presentation](#)
[WCID Presentation](#)

Date	Ver.	Action By	Action	Result
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D R A F T

Bell County WCID 1 Proposal for Boundary Expansion and Board Representation

Introduction – Bell County Water Control & Improvement District #1 was created by Roy J. Smith and other Killeen businessmen as a vehicle to provide utility services to Fort Hood and the surrounding civilian communities. Before WCID 1, Fort Hood received water through a 24 inch pipeline from the Lampasas River near the current Lake Stillhouse Hollow. The initial District Boundary was the Killeen City Limits of 1952.

Background – Legislation was later passed to increase the district boundary to the 1985 City Limits of Killeen. This bill included language to make subsequent boundary increases automatic upon petition of Killeen residents so that the boundary could be coterminous with the Killeen boundary automatically following annexations.

During the recent 2018 contested election, a lot of questions were raised regarding the existing boundary and unfortunately there were no current board members or staff, whom was present during the prior boundary expansion to immediately respond with meaningful answers.

The district now serves Ft. Hood, Copperas Cove, Killeen, Harker Heights, Nolanville (WCID3), Belton, and 439 Water Supply Corporation. Roughly 275,000 residents are served through these entities. Our water contracts include the same terms and provisions to all customers whereby capacity is acquired through capital outlay on a pro rata basis. In other words, when an expansion is made, an entity agrees to take on the debt associated with their increase in capacity. Operations and Maintenance costs, the annual volumetric rate, is a simple cost projected divided by gallons sold projection. This rate is the same for all customers.

RECOMMENDATIONS

Boundary

The district boundary should include all of our wholesale customers and their respective service areas. In the event an additional entity should contract for services, the boundary would remain the same unless voted to expand by the WCID 1 Board. If the Board were to vote to expand, the expansion would include that entity and their service area.

Representation

Likewise each contract customer should be entitled to representation on the board. The governing body of each entity will appoint their representative(s). Killeen shall have 3 representatives to the board. All other members shall have one board representative for a total of 9 Directors. Each Director would reside or own taxable property within the boundary or service area of the appointing entity. Should an appointee seat be vacated, the entity would have 30 days to name a successor.

Transition

7 new members would become Board Directors in May of 2020. At that time the elected terms of Mitchell Jacobs, John Blankenship, and Don Farek end. Those three could become the appointed representatives of any of our contracting entities or be replaced and off the board. In May of 2022, Killeen would gain 2 more representatives to the board. At that time Allen Cloud and Dick Young's elected term ends. Those two could become appointed representatives of Killeen or be replaced

Terms

Directors would serve for 3 year terms beginning the fourth Wednesday in May of their appointed year.

Initial appointment

Due to the number of board members coming on board at the same time in May of 2020, the terms of the newly appointed or elected members shall be staggered. The newest customers will have the shortest initial terms and longest standing members the longest initial terms. Ft. Hood, Killeen and Copperas Cove appointees shall have 3 year terms for their 2020 representatives. Harker Heights' representative in 2020 will have a 2-year initial term. WCID 3, Belton and 439 WSC's 2020 representatives will have a 1-year initial term. Killeen's 2 additional representatives to come on in May of 2022 will have full 3 year terms. In this manner, every year 3 Board Directors will be up for re-appointment.



BELL CO. WCID NO. 1 BOUNDARY UPDATE

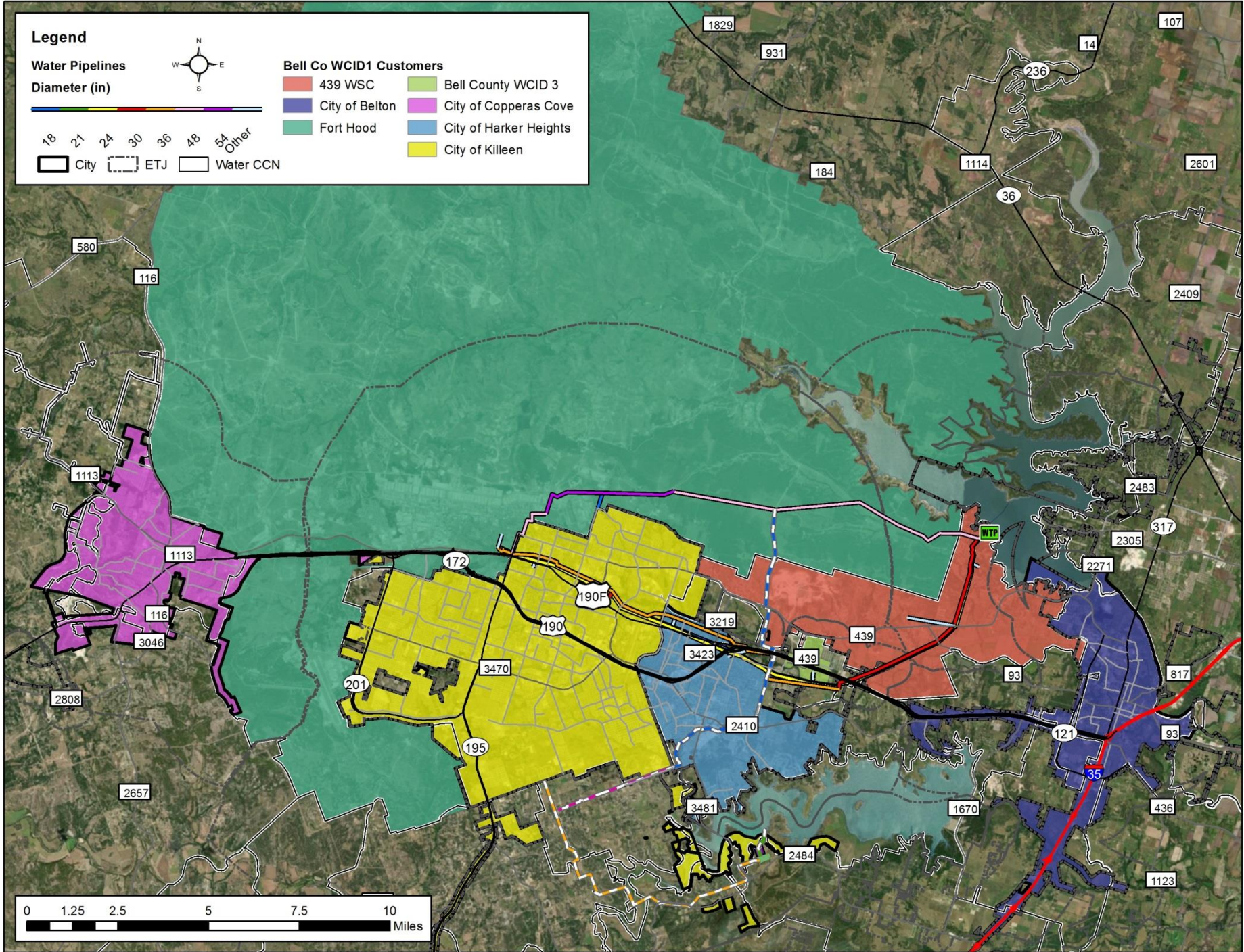
DS-19-003

January 8, 2019

Background

2

- ❑ The original limits of Bell Co. WCID No. 1 were the 1952 Killeen City Limits.
- ❑ Limits were expanded in 1985 to the Killeen City Limits at that time.
- ❑ During the 2018 election the topic of expanding boundaries was discussed.
- ❑ The District currently serves seven entities with an estimated population of 275,000.
- ❑ Recent board recommendation was to pursue legislation that would allow for representation of all entities on the board.
- ❑ Furthermore, the recommendation is that those board members should be appointed by the governing bodies of those entities.
- ❑ The proposal shows six entities to have one appointed board member and The City of Killeen to have three (3) appointed board members.



Representation

4

Entity	# of Members
Killeen	3
Fort Hood	1
Copperas Cove	1
Harker Heights	1
WCID #3 (Nolanville)	1
Belton	1
439 Water Supply Corp.	1
Total Board Members	9

Transition

5

- ❑ 7 new members would become Board Directors in May 2020.
- ❑ Each entity appoints 1 member at this time. John Blankenship, Mitchell Jacobs and Don Farek's term ends at this time.
- ❑ In order to provide for no more than 3 members of the Board to change on any given year, the initial appointment terms will be staggered as shown on next slide.

Terms

6

Entity	Initial Appointed Term (Yrs.)*	Expiration of Initial Appointed Term		
		2021	2022	2023
Fort Hood	3			X
Killeen	3		X,X	X
Copperas Cove	3			X
Harker Heights	2		X	
WCID 3	1	X		
Belton	1	X		
439 WSC	1	X		

*Standard Term is 3 Years

Next Steps

7

- ❑ WCID No. 1 has requested a resolution of support for this item.
- ❑ Discuss questions pertaining to the topic.
- ❑ Motion of direction indicating the preference of the City Council regarding a resolution of support.

BELL COUNTY WCID #1 Boundary Expansion Proposal

December 19, 2018

Recommendations

- Boundary
- Representation
- Transition
- Terms

Legend

Water Pipelines

Diameter (in)



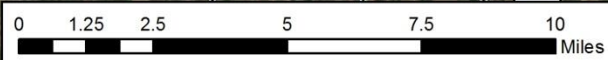
18 24 30 36 48 54 Other

City ETJ Water CCN

Bell Co WCID1 Customers



Boundary



Representation

Board Members per Entity

Entity	# of Members
Killeen	3
Fort Hood	1
Copperas Cove	1
Harker Heights	1
WCID #3 (Nolanville)	1
Belton	1
439 Water Supply Corp.	1
Total Board Members	9

Representation

Selection Method

- The governing body of each entity shall appoint their representatives to the WCID 1 Board.
- Should an appointee vacate their post, the appointing entity would have 30 days to name a successor.

Transition

- 7 new members would become Board Directors in May 2020. Each entity appoints 1 member at this time. John Blankenship, Mitchell Jacobs and Don Farek's term ends at this time.
- In order to provide for no more than 3 members of the Board to change on any given year, the initial appointment terms will be staggered as shown on next slide.

Terms

Entity	Initial Appointed Term (Yrs.)*	Expiration of Initial Appointed Term		
		2021	2022	2023
Fort Hood	3			X
Killeen	3		X,X	X
Copperas Cove	3			X
Harker Heights	2		X	
WCID 3	1	X		
Belton	1	X		
439 WSC	1	X		

*Standard Term is 3 Years



City of Killeen

Legislation Details

File #: DS-19-004 **Version:** 1 **Name:** Discuss Economic Development Policies
Type: Discussion Items **Status:** Discussion Items
File created: 12/6/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: Discuss Economic Development Policies
Sponsors: City Manager Department
Indexes:
Code sections:
Attachments: [Draft Policy](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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City of Killeen

Economic Development Policy

ADOPTED VIA RESOLUTION __-__

ECONOMIC DEVELOPMENT POLICY:

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ECONOMIC DEVELOPMENT POLICY

DIVISION 1. INTRODUCTION

The City of Killeen desires to create a policy for economic development incentives that are specific enough to establish clear boundaries, but not overly restrictive, so as to allow for flexibility and discretion and ensure that the best interests of the community are served. The City delegates primary responsibility for economic development to the Killeen Economic Development Corporation (KEDC).

The Economic Development Policy will guide economic development activities by directing the growth of Killeen to maximize economic potential, secure and enhance quality of life, and create a bright future. The City of Killeen desires to stimulate economic activity and create competitive wage jobs, thereby broadening its collective tax base and attracting investments that would improve the quality of life for its citizens.

DIVISION 2. ECONOMIC DEVELOPMENT PROGRAM

Sec. 2-10. Purpose

The purpose of this policy is to grant, and vest authority to offer incentives, when appropriate, to eligible applicants or projects that support:

1. Growth of private sector employment that provides competitive wage jobs and talent development, within the City of Killeen;
2. Increased tax revenue and other revenues;
3. Diversifying the economic base; and/or
4. Public infrastructure development.

This policy is intended to attract new businesses and encourage expansion of existing businesses. The City Council, at its sole discretion, may offer assistance to retain existing businesses when they deem it appropriate to do so.

Sec. 2-20. Goals

The City of Killeen has the following goals:

- A. **Employment** – Stimulate the creation and retention of permanent competitive wage jobs that reduce unemployment and underemployment rates;
- B. **Fiscal** - Promote and encourage private sector capital investment that generates stable long-term revenue streams to support the City's services and infrastructure;
- C. **Economic Diversification** - Encourage and foster the development of targeted industries;

- D. **Workforce Development** - Close the “Capabilities Gap” by supporting new and existing businesses and industries that adopt new technology and processes;
- E. **Business Retention & Expansion** - Support existing business and industry by providing services and programs that facilitate expansion and long-term stability;
- F. **Targeted Investment Areas** - Facilitate development of key commerce and industrial areas including existing and future business/industrial parks that will result in incremental infrastructure development;
- G. **Public Infrastructure Development** – Promote the construction of public infrastructure to ensure that key sites are ready for development; and
- H. **Place design**- Place design to shape developments. Incentives can be used to add quality, or up-scale features to a project. This is particularly the case with non-industrial developments where unique architecture, landscaping or other features would enhance the quality of development to attract customers and other businesses.

DIVISION 3. COMPONENTS OF ECONOMIC DEVELOPMENT

Sec. 3-10. Workforce Development

Workforce Development Policy Statement- The City, through KEDC, shall coordinate with the Workforce Solutions of Central Texas to provide employment assistance and training to eligible businesses and industries. The City shall coordinate with other partners, local or otherwise, to provide necessary training to close the “Capabilities Gap” by supporting new and existing business and industry that adopt new technology and processes that require special training.

It is important for economic development activities to closely align with workforce development efforts. Successful workforce development efforts include supplying the needed workforce, taking stock of business needs, connecting employees with job training and education programs, and developing initiatives to attract and retain the right kind of talent in the community. Educational institutions can develop workforce training programs to entice prospective industries and businesses to locate in Killeen.

The following resources are available:

- A. **The Texas Self-Sufficiency Fund** is a job-training program that is specifically designed for individuals who receive Temporary Assistance for Needy Families (TANF). The program links the business community with local educational institutions and is administered by the Texas Workforce Commission. The goal of the Fund is to assist TANF recipients in becoming independent from government financial assistance.
- B. **The Killeen Economic Development Corporation (KEDC)** offers cash incentives for businesses that create competitive wage jobs in Killeen. These funds may be utilized by companies to train and develop their workforce in ways that suit them best.

- C. **The Workforce Solutions of Central Texas** provides programs and services to meet the employment needs of business, industry, and workers in the Central Texas area. These services are designed to place Texans in jobs and to equip those workers with the skills needed to foster economic development.
- D. **The Business Resources Center**, which is a collaboration of GKCC, CTC, and Workforce Solutions of Central Texas. Their activities are limited to small business development.
- E. **The Veterans Business Outreach Center (VBOC)** is a program designed to provide entrepreneurial development services such as business training, counseling, mentoring and resource partner referrals to transitioning service members, veterans, National Guard and Reserve members, and military spouses interested in starting or growing a small business.
- F. **The Skills Development Fund** is a program created to assist in financing public, community, and technical colleges to customize job training for their local businesses. The Fund was established by the Legislature in 1995 and is administered by the Texas Workforce Commission. Grants are provided to help companies and labor unions form partnerships with local community colleges and technical schools to provide custom job training.
- G. **The Economic Development and Diversification In-State Tuition** incentive allows employees and family members of a qualified business considering a relocation or expansion of its operations to pay in-state tuition rates at public institutions of higher education in the state without first establishing residency. A city, county or economic development group covering the Texas region in which the qualified business is considering locating may apply on behalf of the business, so long as the business is still in the decision-making process to relocate or expand its operations at the applicable site. The incentive lasts for a period of five (5) years after the qualified business becomes established as part of the state's Economic Development and Diversification Program (i.e., a qualifying student's enrollment date may not be more than five (5) years after the dates of the qualified business' establishment in the program).
- H. **Educational Institutions** such as Central Texas College (CTC), Killeen Independent School District (KISD), Texas A&M Central University Central Texas (TAMU-CT).

Sec. 3-20. Provision of Infrastructure

Provision of Infrastructure Policy Statement- The City, through KEDC, may on a case by case basis, consider paying or reimbursing businesses/developers for all or a portion of the cost of public infrastructure required for targeted economic development to occur. Tax Increment Reinvestment Zone (TIRZ) #2 was established for that purpose. The City may also offer incentives to promote economic development throughout the city.

Public infrastructure is an integral part of economic development. The City must promote the construction of infrastructure to ensure that adequate sites are available for targeted industry and business development, or be ready to participate with the private sector with development incentives.

Sec. 3-30. Availability of Utilities

Availability of Utilities Policy Statement - Local utility providers are always ready to accommodate new development and work with developers to provide needed utilities. The City and/or KEDC will assist utility providers as possible to provide such utilities, subject to all applicable laws, rules and requirements.

Sec. 3-40. Access to Capital

Access to Capital Policy Statement - The City, through KEDC, shall assist businesses by providing them with information regarding available funding alternatives to obtain loans, grants, or other resources.

Potential funding options for businesses include banks and credit unions, the U.S. Small Business Administration loans, and alternative online lenders. See Appendix 1 for a list of funding options.

Sec. 3-50. Government Regulations

Compatible Government Regulations Policy Statement- The City shall streamline the economic development process so that it is efficient and not unnecessarily burdensome, while remaining in compliance with all applicable state, federal and local laws.

Sec. 3-60. Economic Development Partners' Roles and Expectations

- A. **City Council** - The City Council shall develop and adopt clear and understandable policy to promote the creation and retention of competitive wage jobs and attract targeted businesses and industries. The City Council shall also annually audit Development Agreements and review and evaluate incentivized projects and the economic development policy and incentives to determine if adjustments are required to improve the economic development tools.
- B. **City of Killeen Staff** –City staff develops website information regarding this policy and the development process in Killeen. The Planning and Development Services Director, or designee, shall act as liaison to facilitate the development process.
- C. **Killeen Economic Development Corporation (KEDC)** - KEDC is the primary economic development arm of the City. KEDC encourages the economic development of Killeen and recommends to the City Council projects and programs to encourage and further the economic development of Killeen.

KEDC shall provide the City with an annual budget detailing the anticipated use of the City's allocated funds. KEDC is authorized to commit and spend allocated funds contributing to the creation of new jobs or retention of jobs without securing prior approval from the City Council for the following types of projects: improvement of infrastructure, extension of existing roads, water and sewer treatment and improvement; business, industrial or commercial expansion grants, state and federal matching grants, construction of building and structures to attract business, purchase of land for present/future business expansion, professional services associated with creation/retention of military/civilian jobs, insurance to secure KEDC's interest in any such projects, and posting of required bonds.

KEDC, shall obtain City Council consent prior to entering into any agreement requiring an expenditure of public funds or for any agreement expending allocated funds in a manner not specifically authorized above to be spent without Council approval. For purposes of this document, "public funds" are City budgeted funds that do not include funds that have been allocated to KEDC pursuant to an agreement with KEDC for economic development services.

When incentives that require City action are contemplated, including but not limited to tax abatement, 380 agreements, and public improvement districts, KEDC shall make recommendations to the City Council.

When an incentives application is submitted to the City the Killeen or KEDC, KEDC will review, process, and evaluate the application pursuant to the City's Economic Development Application and Performance Agreement Instructions attached hereto as Appendix 2.

KEDC shall report quarterly to the City Council on the amount and nature of expenditures or commitments made of funds received from the City and its progress and plans in promoting the economic development of the City. If the need arises for additional communication on a sensitive matter, KEDC shall communicate to City Council members within the bounds of the law. KEDC shall work with the City's liaison to keep the City informed of its activities and to schedule required meetings with City Council.

- D. **The Greater Killeen Chamber of Commerce (GKCC)** - The Chamber of Commerce focuses on programs that will lead to the creation and recruitment of jobs with competitive wages in the service, manufacturing and retail sectors. They organize and host prospect visits to the community, analyze data, and prepare recommendations. They work with a negotiating team to evaluate and create incentive proposals, prepare offer letters, and collaborate with attorneys to prepare Development/Performance Agreements. They then present projects to the City Council, as needed, for the Council's approval. The GKCC funds the Business Resource Center, which offers counseling and training to entrepreneurs and small businesses. They conduct a business recruitment program to attract new retail business and commercial/industrial business to the community. They

market and keep the Killeen Business Park competitive. They also provide staff support for KEDC and the Killeen Industrial Foundation (KIF) and contribute to economic development by keeping the KEDC website up to date. The GKCC develops policy, keeps current, and acts on public policy agendas to address key issues at the federal, state, and local levels.

In promoting economic development, they maintain a meaningful, user-friendly chamber website and continually add content to the websites to meet the information needs of investors and the general public.

- E. **Other Partners** - Educational institutions can develop workforce training programs to entice prospective industries and businesses to locate in Killeen. Also, Bell County has economic development programs and incentives that Killeen could benefit from.

Sec. 3-70. Confidentiality Statement

It is specifically agreed and understood between all parties that confidentiality must be maintained in economic development negotiations and discussions with potential. Subject to the Texas Open Meetings Act, Texas Public Information Act (V.T.C.A., Government Code, Chapters 551 and 552, respectively), Texas Attorney General opinions interpreting the same, and any other applicable statute or regulation, it must be agreed and understood that involved parties may freely conduct confidential discussions or negotiations, unless and until some public action by the City is required, or unless and until the release of such information is approved by the potential employer.

DIVISION 4. ECONOMIC DEVELOPMENT PROCESS

The economic development process includes:

- 1) Identifying business opportunities, supporting entrepreneurial initiatives, facilitating market access and creating a climate conducive to investment and business activity;
- 2) Seizing opportunities and effectively utilizing labor, capital and other resources to achieve local priorities;
- 3) Identifying sites that are already zoned appropriately and served by utilities and streets, or sites that can be zoned and developed to accommodate new companies;
- 4) Identifying available services that could be needed and how to obtain them;
- 5) Identifying potential incentives that could be offered to a new or growing business;
- 6) Identifying companies that will locate in Killeen. This includes meeting with and providing interested companies with all relevant information on development requirements, permits, certificates of occupancy, and community resources that could play a part in providing employee training or other services;
- 7) Guiding potential developers in completing required applications, including those for economic development incentives;

- 8) Submission and evaluation of all required applications by the City and others;
- 9) Obtaining necessary permits and construction of facilities; and
- 10) Obtaining a Certificate of Occupancy in order to use the facilities.

DIVISION 5. ECONOMIC DEVELOPMENT INCENTIVES TOOLBOX

This policy is intended to ensure that the use of economic development incentives is standardized, contributes to the community's vitality, and targets prospects with a high return on investment. The City has many incentives in its tool box, including tax abatement, fee waivers, grants, etc. No incentives will be distributed on a retroactive funding basis. City incentives will only be granted pursuant to this policy. Neither the applicant/business, nor the City, shall be obligated to the other until such time an approved Performance Agreement is fully executed and all conditions are met.

The following are potential incentives that could be utilized independently or in combination with others:

- A. 380 and 381 Development Agreement** - Through a 380/381 Agreement, the City/County can provide grants, loans, and services for the promotion and encouragement of economic development by stimulating business and commercial activity within the City. These are governed by Chapters 380 and 381 of the Texas Local Government Code.
- B. Job Creation Incentive** - The City shall offer job creation incentive through KEDC and other sources when possible. The KEDC offers cash incentives based on competitive wage jobs that are created in Killeen. Generally, if the prospect's business is in a targeted industry cluster, an amount of \$2,500 or more could be offered for each full time equivalent job created. The amount is based on the return on investment back to the City of Killeen.
- C. Killeen Tax Abatement** – The City of Killeen offers tax abatements up to 100 percent (100%) of property taxes (excluding school district taxes, per state law) and can be approved for up to ten (10) years.
- D. KEDC Incentives** - Potential incentives are listed below:
 - a. Build-to-Suit Option: KEDC will consider a build-to-suit agreement in exchange for a five- to ten-year lease agreement, with a five year option to renew.
 - b. Job Creation Payments: KEDC offers cash incentives based on premier paying jobs that are created in Killeen. Generally, if the prospect's business is in a Targeted Industry Cluster, an amount of \$2,500 or more could be offered for each job created. The amount is based on the Return on Investment back to the City of Killeen.

- c. **Tax Abatements:** Up to 100 percent of property taxes (excluding school district taxes, per state law) can be abated up to five (5) years.
- d. **Fast Track Permitting:** The City of Killeen offers Fast Track Permitting for companies meeting at least one of the following criteria:
 - 1. Create a minimum of 50 permanent, full-time jobs within the first 12 months after its expansion or relocation to the City of Killeen; or
 - 2. Create a minimum increase in property value of 300% for construction of a new facility; or
 - 3. Expansion of an existing facility with an investment of at least \$250,000 in taxable assets; or
 - 4. Be a targeted industrial, commercial or service project eligible for incentives; or
 - 5. Produce \$2 million in gross annual payroll.
- e. **Reduced price or free land:** KEDC and the Killeen Industrial Foundation own land in the Killeen Business Park. Land can be discounted or provided without charge.
- f. **Employment assistance** utilizing the Workforce Solutions of Central Texas.
- g. **Property tax reimbursement:** Property taxes can be reimbursed by KEDC in lieu of a Tax Abatement.

E. Downtown Incentives:

- 1) **Façade Improvement Grant Program** - The City of Killeen offers a grant for eligible rehab projects located in the downtown Historic Overlay District (HOD). The grant is structured on a 4:1 basis, in which the City contributes 80% of the eligible costs, and the property owner contributes 20% of funds toward façade, roof, and/or sign improvements. The goal of this program is to encourage reinvestment in, and revitalization of, downtown Killeen. These grants are available for up to \$10,000 per façade with a maximum subsidy of \$20,000 per property owner in any given calendar year.
- 2) **Historic District Sign Grant Program** - Any commercial property within the Historic Overlay District (HOD) is eligible for sign grant funds. The Historic District Sign Grant Program is designed to encourage unique, quality signs in Killeen's historic business district. The grant is a single payment reimbursement to property owners and tenants per building on a 50/50 matching basis with a cap of \$800 per grant.
- 3) **North Killeen Revitalization Program** – The North Killeen Revitalization Program exists to promote redevelopment in North Killeen by offering financial incentives for property owners who wish to construct new buildings or rehabilitate or expand existing ones. New construction and rehabilitation projects that spend at least \$2,000 are eligible to have all permit fees waived.

Also, Tax Abatement Guidelines and Criteria for this area offer tax abatement opportunities to commercial and multi-family property owners who increase their property value 150% for new construction or 25% for the expansion of an existing facility and an overall new investment of at least \$25,000 in taxable assets.

- 4) **Texas Historic Preservation Tax Credit Program** - The state historic tax credit is worth 25 percent of eligible rehabilitation costs and is available for buildings listed in the National Register of Historic Places. The program is administered jointly by the Texas Historical Commission (THC) in cooperation with the Texas Comptroller of Public Accounts.
 - 5) **Federal Historic Preservation Tax Incentives** - The Federal Historic Preservation Tax Incentives program encourages private sector investment in the rehabilitation and reuse of historic buildings by offering a twenty percent (20%) tax credit for the rehabilitation of historic buildings. Established in 1976, the federal historic tax credit program is a significant financial incentive for the reuse of historic buildings and revitalization of historic downtowns.
- F. **Tax Increment Reinvestment Zone No. 2** - In 2008, the City created TIRZ No. 2, comprised of a large area including the City's downtown. TIRZ funds can be used to construct needed public infrastructure, thereby encouraging development and increasing property values and long term property tax revenue. The TIRZ can reduce the developer's costs by providing reimbursement for eligible public improvements. This reduction in the cost of development may ensure the viability of certain types of development.
- G. **Industrial District Agreement** - An Industrial District Agreement contractually protects companies located in the designated district from annexation and exempts them from City requirements, such as permitting and platting, in exchange for a Payment in Lieu of Taxes (PILOT).
- H. **State & Federal Incentives** - Texas offers competitive incentives to companies that are creating jobs and driving innovation in Texas. The incentives are administered by the Department of Economic Development Finance. Local incentives and tax abatements are not included here.
- I. **Texas Enterprise Zone** - The State Economic and Tourism department identifies Killeen's downtown area as a designated State Enterprise Zone. The Enterprise Zone Program is an economic development tool, which allows local communities to partner with Bell County to promote job creation and significant private investment that will assist economically distressed areas of the state. Approved projects are eligible to apply for state sales and use tax refunds on qualified expenditures. The Texas Enterprise Fund

(TEF) is used as a final incentive tool for projects that offer significant projected job creation and capital investment and where a single Texas site is competing with another viable out-of-state option.

J. Product Development and Small Business Incubator Fund - The Product Development and Small Business Incubator Fund (PDSBI) is a revolving loan program financed through original bond issuances. The primary objective of the program is to aid in the development, production and commercialization of new or improved products, and to foster and stimulate small business.

K. Development Agreements - Chapter 212 of the Texas Local Government Code provides a mechanism for a city to can enter into a written contract with an owner of land in the city's extraterritorial jurisdiction (ETJ) to:

- 1) Guarantee the continuation of the extraterritorial status of the land and its immunity from annexation by the municipality;
- 2) Extend the municipality's planning authority over the land by providing for a development plan to be prepared by the landowner and approved by the municipality under which certain general uses and development of the land are authorized;
- 3) Authorize enforcement by the municipality of certain municipal land use and development regulations in the same manner the regulations are enforced within the municipality's boundaries;
- 4) Authorize enforcement by the municipality of land use and development regulations other than those that apply within the municipality's boundaries, as may be agreed to by the landowner and the municipality;
- 5) Provide for infrastructure for the land, including streets, drainage, water, wastewater, and other utility systems;
- 6) Authorize enforcement of environmental regulations;
- 7) Provide for the annexation of the land as a whole or in parts and to provide for the terms of annexation, if annexation is agreed to by the parties;
- 8) Specify the uses and development of the land before and after annexation, if annexation is agreed to by the parties; or
- 9) Include other lawful terms and considerations the parties consider appropriate.

Public Improvement Districts (PID) - A public improvement district (PID) is a defined geographical area established to provide improvements financed by assessments against the property owners within the district. Allowable projects include construction or improvement of pedestrian malls; acquisition, construction or improvement of libraries; and the establishment or improvement of parks.

Chapter 372 of the Texas Local Government requires that the petition to create a PID be signed by owners of more than 50% of the appraised value of the taxable real property subject to assessment, as well as owners of real property liable for assessment who constitute more than 50% of all owners liable for assessment, or own taxable real property that constitutes more than 50% of the area liable for the assessment.

- L. **Up-sizing Agreements** - Section 212.071 of the Local Government Code regulates how cities can enter into Developer Participation Contracts without having to comply with the sealed bid requirements of Texas Local Government Code Chapter 252. Subject to certain limitations, Section 212.071 allows the city to “make a contract with a developer of a subdivision or land in the municipality to construct public improvements, not including a building, related to the development.” Under a contract pursuant to Section 212.071, the developer is required to construct the improvements, and the city is required to participate in the costs. The City may participate in up to thirty percent (30%) of the total contract price, and additionally may participate in up to 100 percent (100%) of the cost for the over-sizing of improvements that are required by the City to meet existing or future needs.
- M. **Opportunity Zones** - Opportunity Zones are a new community development program established by Congress in the Tax Cuts and Jobs Act of 2017 to encourage long-term investments in low-income urban and rural communities nationwide. The Opportunity Zones program provides a tax incentive for investors to re-invest their unrealized capital gains into Opportunity Funds that are dedicated to investing into Opportunity Zones designated by the chief executives of every U.S. state and territory.
- N. **Development Fee Waivers** - The City may consider waiving a portion, or the entire amount, of all City fees charged in the regulation of land development, as approved by ordinance.
- O. **Fast-Track Development Process** - At times, the standard development process may not meet the special needs and time constraints of an economic development prospect. A customized approach to the development review process may be necessary to complete the project in an expedited manner.

DIVISION 6. TARGETED BUSINESSES & INDUSTRIES

The City of Killeen and its economic development arm, KEDC, want to attract clean industrial development, regional retail development, defense-related businesses, business retention, regional health and medical services, technology and cyber-security, and alternative energy businesses /industries. They strive to upgrade local infrastructure in order to improve access to

current and emerging technology for businesses and residents/ families and to strengthen the region's competitive advantage in the new information-based economy.

- A. The City intends to be selective regarding the kinds of industrial businesses that are recruited and incentivized. To that end, non-retail businesses will take precedence over retail businesses, unless the retail establishment has regional draw and serves residents from Central Texas and beyond. In general, the primary objective of the City's economic development efforts is to target new and expanding businesses that offer living wage jobs with benefits that equal or exceed the median wages for similar positions in the State of Texas or that make significant capital investment in the City. The creation and retention of competitive wage jobs shall be a key determinant in granting any incentive.
- B. The City encourages the development of regional retail opportunities within its jurisdiction in order to provide services to its constituency and the visiting public from Central Texas and beyond. The City will consider incentives for retail businesses and developers that precipitate the expansion of the sales tax base and other revenues, further the effort to develop Killeen as a regional hub for retail goods and services, and expand the property tax base. The City wants such developers who add quality, or up-scale features, to the architectural designs and landscaping. This is particularly the case with non-industrial developments where unique architecture, landscaping or other features would enhance the quality of development to attract customers and other businesses.
- C. The City desires to retain existing businesses/industries that are contemplating relocating to another city, or state. The City may consider offering financial incentives that would offset the cost differentials that make other locations viable. To be eligible under this premise, the applicant or business must provide a declaration that states it is actively pursuing relocation and, absent City incentives, would carry out its intent. Furthermore, the applicant or business must make a minimum incremental capital investment, which can be for plant modernization, new equipment, technology, or other long-lived depreciable assets that increase the assessed valuation.
- D. Generally, incentives will not be considered if an applicant, whether a new or existing business, has been issued a building permit for new construction, has executed a binding purchase contract on an existing building or site, or has executed a lease of land or a building, unless there are enforceable written contingencies in such contracts that make closing and/or occupancy subject to the award of City incentives or as otherwise provided herein for expansion or retention of certain businesses. Before granting any incentive, the City shall determine that without the incentive, the applicant would not locate or expand within the City's jurisdictional boundaries.

DIVISION 7. ANNUAL REVIEW OF POLICY

To ensure the ongoing relevance of the Economic Development Policy, the City Council shall evaluate it annually. By May 1 of each year, an annual report listing all financial incentives that remain in effect will be presented to the City Council. The annual report shall include information regarding when the incentive was granted, when the incentive expires, current property taxes paid for the property, in-lieu-of tax payments if any, the amount of any industrial revenue bonds issued, the assessed value of the property, number of employees, salary and payroll of all employees, and any additional information concerning the operation of the business receiving the incentive, and other information as requested by the City Council.

APPENDIX 1: FUNDING OPTIONS

- A. **SBA Grants** - The U.S. Small Business Administration's (SBA) provides grants to cities for projects that involve job creation, and that are dependent on infrastructure improvements and/or other business development programs that should be investigated by the City.
- B. **SBA Loan Programs** - The SBA loan guarantee programs cover a variety of purposes, including start-ups, working capital, real estate, equipment and inventory. The SBA does not make the loans itself, nor does it set rates. Rather, the agency guarantees a portion of the loans (up to 85%) made by lenders including banks and microfinance organizations. By guaranteeing a portion of the loan, the SBA allows lenders to make loans to small businesses that might not otherwise meet their criteria or may be deemed risky. These businesses may not be in a strong enough financial position to obtain traditional small business loans from a bank, and therefore rely on the SBA guarantee.
- SBA loans** cover a wide range of business uses, including start-ups, working capital, inventory, debt refinancing, equipment purchases, and more. Here's an overview of the SBA's most commonly offered loan programs:
- 1) **The SBA Advantage Loan** - (formerly known as the 7(a) loan) is the SBA's most popular guarantee program. An SBA Advantage loan allows funds to be used for starting, acquiring or expanding a small business (up to \$5 million). It provides creditworthy small firms that cannot obtain credit elsewhere the opportunity to access capital from private lenders. SBA does not offer direct lending to small businesses; rather, SBA guarantees the repayment of loans issued by lenders for general business purposes.
 - 2) **CDC/504 Loan Program** - SBA's second largest loan program is the CDC/504 Loan Program, which provides long-term and fixed-rate financing provided by a combination of private and government guarantee support to assist with the acquisition of major fixed assets, such as real estate or machinery or equipment purchases that expand or update small businesses. To be eligible for the loan program, the project must meet a job creation or job retention requirement or meet specific community development or public policy goals.
 - 3) **SBA Grow Loan** - The SBA Grow Loan provides long-term, fixed-rate financing for real estate or other fixed assets. It provides up to \$12 million with a 10% down payment (15% for startups), and requires 51% occupancy of an existing building or 60% occupancy for new construction.
 - 4) **SBA Microloan** - The SBA Microloan offers short-term loans of up for \$50,000.00 for working capital or the purchase of inventory, supplies, furniture, fixtures, machinery and/or equipment.
- C. **Venture Capital** - Venture capital (VC) is a type of equity financing for early-stage, high-growth startups with funds pooled from institutional investors. Venture capital

involves giving up a portion of the ownership of business in exchange for money from investors. Venture capital firms are usually organized as partnerships that raise money from institutional investors, such as pension funds and endowments, which the VC partners then invest in promising startups. Only a tiny fraction—less than 1%—of all startups receive venture capital funding.

- D. **Texas Capital Access Program** - The Capital Access Program (CAP) is a partnership between the State of Texas and selected non-profit lenders to increase access to financing for small and medium-sized businesses and non-profits which face barriers to accessing capital or fall outside the guidelines for conventional lending. The Program facilitates loans which are underwritten by the participating non-profit lenders and supported by the state contributions to a loan loss reserve fund.

This program is for small and medium-sized businesses and non-profit organizations seeking financing for projects, activities or enterprises in the state that foster economic development. Recipients must be domiciled in Bell County, or have at least 51% of their employees located in the state. The incentive is for loans whose proceeds may be used for working capital or the purchase, construction or lease of capital assets, to include buildings and equipment. The state supports program loans made by each participating lender through contributions to a loan loss reserve account.

- E. **Community Banks and Credit Unions** - Smaller banks are key allies to small businesses, offering similar services to big banks, but with higher loan approval rates. Small businesses have better luck with small banks (under \$10 billion in assets). Community banks and credit unions have traditionally been key allies for small business, making a disproportionate share of small business loans. In general, working with small businesses is a main focus of community banks. They have a deep understanding of the local community and take that into account when considering loan applications from local businesses. The same goes for credit unions. Credit unions are nonprofit financial cooperatives owned by their members/depositors. They offer similar services as banks, including small business loans, but often have a “community” focus or mission.

APPENDIX 2: APPLICATION AND PERFORMANCE AGREEMENT INSTRUCTIONS

Application Process

The KEDC will accept and evaluate applications based on anticipated economic impact of the projects and cost vs. benefit analysis. Incentives are created and offered on a case-by-case basis. The first step in the process is that the prospect must complete a MS-Excel Data Sheet. When completed, the file created provides information regarding the company's operations and investment. It is important that the data within the file be accurate. An economic impact analysis (EIA) is completed based on the data provided in the file. The analysis is prepared by a software program developed by Impact DataSource.

Subject to the Public Information Act and Texas Attorney General opinions interpreting the same, applications submitted to the City are considered confidential until some public action by the City is required, or unless and until the release of such information is approved by the applicant.

Application Information

The application requires at least the following:

- Name of the company, street address and website
- Name of person applying, title, phone number, and email address
- Name of and proposed location of the Project
- Will the Project be located within the city limits?
- Description of the Project
- Identify the Project's primary North American Industry Classification System (NAICS) Code or describe the activity that will occur at the local facility.
- The Project's capital investment each year
- Are the building and improvements costs entered above for construction?
- Building permits and fees to be paid to the City during construction, if applicable
- Estimated taxable inventories at the end of each year
- Numbers of new full-time jobs to be added in the community each year
- Average annual salaries of new employees each year
- The Project's estimated taxable purchases of materials, supplies, and services in the community as well as the estimated sales that will be subject to sales taxes in the community
- The Project's annual utilities
- Number of telephone lines at the Project
- Percent of the Project's utility usage for manufacturing or processing operations
- Number of out-of-town visitors expected in the first year
- Percent of annual increase in the number of visitors
- Average number of days each visitor will stay in Killeen.
- Average daily taxable visitor spending in the City, excluding lodging
- Average number of nights that a typical visitor will stay in a hotel in Killeen

Performance Agreements

Once a completed application is determined to be eligible for consideration for incentives, KEDC will develop a draft Performance Agreement. The Performance Agreement shall generally be between KEDC and the business and/or property owner, unless the use of certain incentives legally requires that the City be a party to the agreement. At a minimum, any Performance Agreement shall clearly include:

- A. The parties to the Performance Agreement;
- B. The term of the Performance Agreement, or the duration that incentives will be payable to a complying business/applicant;
- C. The City's/KEDC's responsibilities, as applicable;
- D. The Business/Property Owner's responsibilities, including to secure and maintain all applicable licenses and permits;
- E. The terms and conditions under which the City/KEDC, as applicable, can access the prospect's records;
- F. A statement that compliance with all applicable local, state, and federal codes, laws, and regulations is required;
- G. Default definitions;
- H. Circumstances that would trigger repayment or clawback of any incentives by the developer, and penalties for non-compliance;
- I. Indemnity and hold-harmless provisions that are germane to incentive agreements;
- J. Penalties for failure to remedy a default; and
- K. A binding agreement between the business (including the business owner(s), real property owner(s), and their successors and assigns) and the City/KEDC, as applicable.

Performance agreements will stipulate the requirements for reporting of hiring practices and a census of jobs and classifications. If an applicant is a lessee, the lease must reference the Performance Agreement and acknowledge that any incentives are for the benefit of the lessee, not the lessor. In addition, the lease must be equal to or longer than the duration of the Performance Agreement. The City/KEDC shall not be obligated in any way to the lessor should the lessee breach its lease or take other actions that result in the termination of the Performance Agreement.

Each business receiving an incentive from the City/KEDC shall be required to complete an annual report in a KEDC-provided format by March 1. The information in the report will cover the time period of January 1 through December 31 of the previous year. The annual report will be reviewed by May 1. Any material omission or misrepresentation in the information provided to the City may be deemed grounds for repeal of any Performance Agreement approved, renewed or extended in reliance thereon. The failure of a business to provide accurate and timely information to the City in the preparation of the annual report or to comply with the performance

standards set forth in the Performance Agreement shall be grounds for the modification or revocation of the incentives.

The Performance Agreement will grant the City/KEDC, as applicable, the right to levy appropriate recourse for non-compliance. These may include: 1) rescission, or a complete cancellation of the Performance Agreement, 2) monetary penalties, which shall be assessed if the business does not meet a certain level of performance or relocates, and finally, 3) recalibration, which is a provision for changing the Performance Agreement in some manner in order to accommodate an evolving economic climate. The City's/KEDC's use of these options is intended to motivate compliance and ensure that the community realizes the promised economic and public benefits that were the basis for the original Performance Agreement.

Additionally, if the City/KEDC determines that a national or state-declared disaster, force majeure, or economic downturn has substantially contributed to the non-compliance, the City/KEDC may amend the Performance Agreement to reconcile the recipient's obligations with the expected benefits to the City. An updated, limited-scope EIA may be required to frame the new Performance Agreement terms and obligations.

The Agreement shall not be reassigned, transferred, or sold without the prior written consent of the City/KEDC, as applicable. Incentives granted by the City/KEDC may be transferred as a result of a change in the majority ownership of the business. The transferee shall file a new application for the City's/KEDC's consideration of modifying the Performance Agreement. The City/KEDC shall be immediately notified by the business of any change in ownership, or of and any substantive change in operations upon which the original incentive award was based. The City/KEDC shall not be obligated to transfer the Performance Agreement should the new ownership or use not satisfy eligibility requirements of these policies.

The Draft Performance Agreement as prepared by KEDC will be presented to the City Liaison for further processing and consideration by the City Council if Council approval is required. The City Council has final authority to approve or disapprove the application and/or performance agreement if Council approval is required.

Following approval, the applicant and the City/KEDC shall execute the Performance Agreement when applicable. If applicable, the land owner (if applicant leases land or building) shall either co-sign the Performance Agreement or provide a Landowner Consent and Stand Still Agreement enabling the City/KEDC to recapture any incentive funds prior to the Landlord exercising its rights and remedies under a lease, should a breach of the Performance Agreement occur. To ensure compliance with clawback remedies, the City/KEDC may, in its sole and absolute discretion, record liens against real and/or personal property belonging to the applicant or business. Under no circumstances is the approval and execution of a Performance Agreement to be interpreted as approval of any required development permits, ministerial or discretionary. The decision of the City Council is final and no appeal process is available.

Each Performance Agreement shall be reviewed annually by KEDC and the City. The City shall receive the annual review report, and if it is determined that a business or project is not in compliance with the provisions of the Performance Agreement, the incentive may be modified pursuant to the Performance Agreement as deemed appropriate by the City/KEDC. Modifications to the incentive may include, but are not limited to, termination of the incentive, reduction of any incentive and clawback or repayment of any existing incentive. The review shall also include a comprehensive review of the entire incentive period for the business (if applicable), including milestones and project phases for the business.



ECONOMIC DEVELOPMENT POLICY PRESENTATION

DS-19-004

January 8, 2019

Economic Development Policy

2

- A single-source reference for directing economic development activities for the City of Killeen.
- City Council received briefing on this policy on December 4th, 2018.
- Purpose of this presentation is to gain input from City Council to determine whether the policy needs to be modified before it is considered for adoption.

Division 1: Introduction

3

- Outlines the City's expectations to stimulate economic development by attracting investments to create competitive wage jobs and broaden the tax base.
- Establishes the Killeen Economic Development Corporation (KEDC) as the economic development arm of the City.

Division 2: Economic Development Program

4

- Sec. 2-10. Purpose
- Sec. 2-20. Goal

Division 3: Components of Economic Development

5

- ❑ Sec. 3-10. Workforce Development
- ❑ Sec. 3-20. Provision of Infrastructure
- ❑ Sec. 3-30. Availability of Utilities
- ❑ Sec. 3-40. Access to Capital
- ❑ Sec. 3-50. Government Regulations
- ❑ Sec. 3-60. Economic Development Partners'
Roles and Expectations
- ❑ Sec. 3-70. Confidentiality Statement

Division 4: Economic Development Process

6

☐ Development Process

Division 5: Economic Development

Incentives Toolbox

7

☐ Incentives

Division 6: Targeted Businesses and Industries

8

☐ Business Attraction and Retention

Division 7: Annual Review of Policy

9

☐ Annual Policy Evaluation



City of Killeen

Legislation Details

File #: DS-19-005 **Version:** 1 **Name:** City Manager Updates
Type: Discussion Items **Status:** Discussion Items
File created: 12/12/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: City Manager Updates
· Governing Standards Section 2-60. Use of City Facilities
· Governing Standards Section 6-10. Council and Appointed Board Members
· Capital Improvement Advisory Committee Update
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-19-006 **Version:** 1 **Name:** Discuss and Receive Legal Advice Regarding Invocation Procedure at City Council Meetings

Type: Discussion Items **Status:** Discussion Items

File created: 1/2/2019 **In control:** City Council Workshop

On agenda: 1/8/2019 **Final action:**

Title: Discuss and Receive Legal Advice Regarding Invocation Procedure at City Council Meetings

Sponsors: City Attorney Department

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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City of Killeen

Legislation Details

File #: RQ-19-001 **Version:** 1 **Name:** Future Agenda Item Requests
Type: Future Agenda Requests **Status:** Future Agenda Items
File created: 12/12/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: Future Agenda Item Requests:
· Impact Fees
Sponsors: City Council
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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City of Killeen

Legislation Details

File #: MN-19-001 **Version:** 1 **Name:** Minutes of December 18, 2018
Type: Minutes **Status:** Minutes
File created: 12/17/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: Consider Minutes of Regular City Council Meeting of December 18, 2018.
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 Utilities Collections Conference Room
December 18, 2018 at 5:00 p.m.

Presiding: Mayor Jose Segarra

Attending: Mayor Pro Tem Jim Kilpatrick, Councilmembers, Butch Menking, Juan Rivera, Gregory Johnson (arrived at 5:06 p.m.), Shirley Fleming, Debbie Nash-King and Steve Harris

Also attending were City Manager Ron Olson, City Attorney Kathryn Davis, City Secretary Lucy Aldrich, and Sergeant-at-Arms Gilman.

Father Chris with St. Joseph's gave the invocation, and Mayor Segarra 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 was seconded by Councilmember Fleming. The motion carried unanimously.

Presentations

PR-18-006 Presentation - Bell County Child Safety Check
Bell County Tax Assessor-Collector Shay Luedeke, and out-going County Commissioner John Fisher presented a check to the City of Killeen in the amount of \$158,778.80, collected by the county on vehicle registrations to be used for school crossings or health services.

Minutes

Motion was made by Councilmember Menking to approve the minutes of the December 11, 2018 Regular City Council Meeting. Motion was seconded by Councilmember Nash-King. Motion carried unanimously.

Resolutions

RS-18-110 Consider a memorandum/resolution approving the investment report for the quarter ended September 30, 2018.
Staff Comments: Jon Locke, Executive Director of Finance.
Mr. Locke introduced Susan Anderson with Valley View Consulting who presented the investment report for the quarter ending September 30, 2018.

Motion was made by Councilmember Johnson to approve RS-18-110. Motion was seconded by Councilmember Fleming. Motion carried unanimously.

RS-18-111 Consider a memorandum/resolution granting an Operating Authority to Ambiance Limousine and Transportation.
Staff Comments: Kathy Davis, City Attorney.

On November 16, 2018, Ambiance Limousine & Transportation submitted an application, paid the required fee and supplied the proper supporting documents to be in compliance with Chapter 29 of the Code of Ordinances. The application is complete and provides for a limousine service and airport shuttle from any established pick-up point in Killeen. As indicated on the application, the company will operate three vehicles: a 2014 Chrysler Stretch Limousine with a seating capacity of 10, and two 2011 Ford E350 Vans with a seating capacity of 15 each. Operating authority permits are valid for five years with the window sticker permits expiring annually on December 31. City staff recommends the City Council approve an Operating Authority to Ambiance Limousine & Transportation effective January 1, 2019.

Motion was made by Councilmember Nash-King to approve RS-18-111. Motion was seconded by Councilmember Rivera. Motion carried unanimously.

RS-18-112 Consider a memorandum/resolution appointing citizens to Heritage Preservation Board and Killeen Volunteers, Incorporated.

Staff Comments: Kathy Davis, City Attorney.

Ms. Davis gave a brief overview of the need to appoint citizens to several boards and commissions. City Council made the following appointments:

Heritage Preservation Board (All Council)

Current Member	Status	New Member	Comments
Holly Teel (unexpired 2016-19)	Resigned	Jordan Smith	Citizen Rep

Killeen Volunteers, Inc. (Sub-Comm: J. Kilpatrick, D. Nash-King)

Current Member	Status	New Member	Comments
Olivia Winder	YAC Rep	Madelyn Spear	YAC Rep
Terry Mustapher	Resigned	Angenet Wilkerson	Celebrate Killeen Rep

Motion was made by Councilmember Nash-King to approve RS-18-112 with the exception of appointing Angenet Wilkerson as Celebrate Killeen Representative on Killeen Volunteers, Inc. until Celebrate Killeen can vote on filling the Chair position vacated by Mr. Mustapher. Motion was seconded by Councilmember Fleming. Motion carried unanimously.

Ordinances

OR-18-018 Consider an ordinance amending the Killeen Code of Ordinances Chapter 11, "Fire Prevention and Protection" by removing the prohibition of use and sales of fireworks within the ETJ.

The City Secretary read the caption of the ordinance.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS, AMENDING CHAPTER 11 OF THE CODE OF ORDINANCES OF THE CITY OF KILLEEN BY AMENDING SECTION 11.5 TO NO LONGER RESTRICT FIREWORKS IN THE CITY'S ETJ; PROVIDING FOR REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A SAVINGS CLAUSE, AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

Staff Comments: Kathy Davis, City Attorney.

The Texas State Legislature amended the Texas Local Government Code, Section 217.042 to remove a municipality's ability to restrict fireworks within the extraterritorial jurisdiction. Our ordinance should be amended to reflect the current law. City Staff recommends amending the City's Ordinance Chapter 11 to be consistent with state law.

Motion was made by Councilmember Rivera to approve OR-18-018. Motion was seconded by Councilmember Menking. Motion carried unanimously.

- OR-18-019** Consider an ordinance amending the Killeen Code of Ordinances Chapter 16, to no longer regulate the discharge of firearms in areas annexed after 1981 in accordance with state law, and to allow air-powered weapon businesses.

The City Secretary read the caption of the ordinance.

AN ORDINANCE AMENDING CHAPTER 16, ARTICLE 11, DIVISION 2 OF THE CODE OF ORDINANCES OF THE CITY OF KILLEEN, TEXAS BY AMENDING SECTION 16-44 PROVIDING FOR AIR POWERED WEAPON BUSINESS AND SECTION 16-46 PROVIDING A DEFENSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

Staff Comments: Kathy Davis, City Attorney.

Ms. Davis gave a brief overview of the current ordinance which only allows the discharge of air-powered weapons and archery devices in agricultural and agricultural single family residential zoned property, identifying that the current ordinance does not allow for paintball businesses. The following amendments are being presented for City Council consideration: allow for discharge of air-powered weapons and archery devices as part of a business located on property zoned B-5 Business District; and in accordance with state law, provide for an exception to enforcement. City staff recommends adopting the amendments to Chapter 16.

Motion was made by Councilmember Menking to approve OR-18-019. Motion was seconded by Councilmember Harris. Motion carried unanimously.

- OR-18-020** Consider an ordinance amending Chapter 28 Traffic, Article V. Stopping, Standing and Parking, Sec. 28-132 Parking in residential areas.

The City Secretary read the caption of the ordinance.

AN ORDINANCE AMENDING CHAPTER 28, ARTICLE V. OF THE CODE OF ORDINANCES OF THE CITY OF KILLEEN, TEXAS, REGARDING TRAFFIC: STOPPING, STANDING AND PARKING: PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

Staff Comments: Chief Kimble, Police Chief.

Upon review of the current ordinance and in consideration of public safety and public nuisance abatement, staff recommends Council approve an amendment to City Ordinance 28-132, making it unlawful for any person to park any vehicle having a capacity of more than one (1) ton, including, but not limited to, truck tractors, on a street within 600 feet of property zoned or used for residential purposes.

Motion was made by Councilmember Fleming to approve OR-18-020. Motion was seconded by Councilmember Menking. Motion carried 6 to 1 with Councilmember Johnson in opposition.

Public Hearings

PH-18-037 HOLD a public hearing and consider an ordinance requested by Titan Towers, L. P. on behalf of Abundant Life Church of God of Bell County, Inc. (Case #Z18-24) to rezone part of Lot 1, Block 1, Abundant Life Acres, from "R-3" (Multifamily Residential District) to "R-3" (Multifamily Residential District) with a Conditional Use Permit (C.U.P.) for a 150' tall monopole communication structure. The property is locally known as 1210 Florence Road, Killeen, Texas. (Requires a 3/4 majority vote)

The City Secretary read the caption of the ordinance.

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF KILLEEN BY CHANGING THE ZONING OF PART OF LOT 1, BLOCK 1, ABUNDANT LIFE ACRES, FROM "R-3" (MULTIFAMILY RESIDENTIAL DISTRICT) TO "R-3" (MULTIFAMILY RESIDENTIAL DISTRICT) WITH A CONDITIONAL USE PERMIT" (C.U.P.) FOR A 150' MONOPOLE COMMUNICATION STRUCTURE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE.

Staff comments: Tony McIlwain, City Planner.

The proposed monopole is proposed to be located approximately 155' from the west and south property lines and approximately 310' from Florence Road. The rear portion of the subject property abuts two residential areas (Rolling Acres and Swope Estates, First Extension). The proposed communication tower will be enclosed by a 50' by 50' enclosure, which will be accessed via an all-weather surface. The Planning and Zoning Commission by a vote of 6 to 1 recommended approval of the applicant's request for a Conditional Use Permit (C.U.P.) for a proposed 150' tall monopole communications structure, with the allowance of chain-link fencing as an acceptable screening device along the west and south project site. Commissioner Gukeisen voted in opposition.

Mayor Segarra invited the Applicant to speak: Mr. Laddie Galloway with Titan Towers spoke in favor of the request.

Mayor Segarra opened the public hearing.

Mr. Johnny Frederick, 1405 S. 2nd Street spoke against the request.

Bishop David Scoggins of Abundant Church of God, 1210 Florence Road spoke in favor of the request.

Ms. Mellisa Brown, 6105 Melanie Drive spoke against the request.

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

Motion was made by Mayor Pro-Tem Kilpatrick to table PH-18-038. Motion was seconded by Councilmember Johnson. Motion carried unanimously.

PH-18-040A Consider a memorandum/resolution approving an Intergovernmental Support Agreement with the U.S. Army Garrison at Fort Hood.

Staff Comments: Matt Van Valkenburgh, Executive Director of Aviation.

Mr. Van Valkenburgh provided a brief overview of the history of this initiative. This agreement will provide that airfield markings and minor pavement maintenance will be done by the Killeen Fort Hood Regional Airport. The five year agreement with five (5) one-year options will provide additional revenue in the amount of \$517,000 with the initial expense being estimated at \$460,000. Staff recommends approval of the Intergovernmental Support Agreement with the U.S. Army Garrison at Fort Hood at Robert Gray Army Airfield / Killeen-Fort Hood Regional Airport and authorize the City Manager or designee to execute same as well as any and all amendments as allowed per federal, state, or local law.

Motion was made by Mayor Pro Tem Kilpatrick to approve PH-18-040A. Motion was seconded by Councilmember Fleming. Motion carried unanimously.

PH-18-040B HOLD a public hearing and consider an ordinance amending the FY 2019 Annual Budget and Plan of Municipal Services of the City of Killeen by increasing revenue and expenditure accounts in Aviation.

The City Secretary read the caption of the ordinance.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS, AMENDING THE FY 2019 ANNUAL BUDGET AND PLAN OF MUNICIPAL SERVICES OF THE CITY OF KILLEEN BY INCREASING REVENUE AND EXPENDITURE ACCOUNTS IN AVIATION; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; PROVIDING A SAVING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

Staff comments: Jon Locke, Executive Director of Finance.

The Killeen-Fort Hood Regional Airport (KFHRA) staff has negotiated an inter-governmental support agreement (IGSA) with the U.S. Army Garrison at Fort Hood for maintenance on Robert Gray Army Airfield. This agreement has revenue and expenditures for each year of the agreement. The revenue for the agreement for the first year will be \$517,540 and will increase contractually 2% per annum for the duration of the agreement. Staff recommends that the City Council approve the ordinance amending the FY 2019 Annual Budget and Plan of Municipal Services of the City of Killeen increasing revenue and expenditure accounts in Aviation.

Mayor Segarra opened the public hearing.

Ms. Mellisa Brown, 6105 Melanie Drive spoke against the request.

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

Motion was made by Councilmember Fleming to approve PH-18-040B. Motion was seconded by Councilmember Nash-King. Motion carried unanimously.

PH-18-041A Consider a memorandum/resolution approving an inter-fund loan agreement between the General Fund and Aviation.

Staff Comments: Matt Van Valkenburgh, Executive Director of Aviation.

Mr. Van Valkenburgh recognized that the Killeen Fort Hood Regional Airport has been notified that the airport is on a list of small and nonhub airports that could be awarded funds for eligible projects. KFHRA's Taxiway B rehabilitation is an eligible project. However, the project needs to be designed as soon as practicable to be ready for the grant award that is anticipated February 2019. The design cost for the project is \$701,400 and the proposed funding mechanism for the design is an inter-fund loan agreement from the General Fund. This loan will be paid in full by September 2019 from the fiscal year 2019 airport improvement program entitlement grant and passenger facility charge revenue. Staff recommends approval of the inter-fund loan agreement between the General Fund and Aviation Fund, and authorize the City Manager or designee to execute the same, as well as any and all amendments as allowed per federal, state, or local law.

Motion was made by Mayor Pro Tem Kilpatrick to approve PH-18-041A. Motion was seconded by Councilmember Rivera. Motion carried 6 to 1 with Councilmember Johnson in opposition.

PH-18-040B HOLD a public hearing and consider an ordinance amending the FY 2019 Annual Budget and Plan of Municipal Services of the City of Killeen by increasing revenue and expenditure accounts for the design of taxiway improvements at the Killeen-Fort Hood Regional Airport.

The City Secretary read the caption of the ordinance.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS, AMENDING THE FY 2019 ANNUAL BUDGET AND PLAN OF MUNICIPAL SERVICES OF THE CITY OF KILLEEN BY INCREASING REVENUE AND EXPENDITURE ACCOUNTS FOR THE DESIGN OF TAXIWAY IMPROVEMENTS AT THE KILLEEN-FORT HOOD REGIONAL AIRPORT; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; PROVIDING A SAVING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

Staff comments: Jon Locke, Executive Director of Finance.

Staff at the Killeen-Ft. Hood Regional Airport (KFHRA) was notified by the Federal Aviation Administration (FAA) of a potential grant opportunity. In order to apply for the grant opportunity, funding has to be secured for the design of the project. The entitlement funds are used on a reimbursement basis, so upfront funding is required. The General Fund will provide an inter-fund loan to initially cover the design costs, and bridge the gap until the airport improvement program funding is

received. Since the General Fund will lose interest revenue on the \$701,400 loaned to initially cover the design costs, Aviation will pay interest on the outstanding amount. It is anticipated that the airport improvement program funds will be received no later than September 2019, which will make the loan from the General Fund outstanding for approximately nine months. The interest earned on the City's investments for last quarter was about 2%. The interest to be paid by Aviation while the loan is outstanding will be at a rate of 2.5%, which represents the rate earned last quarter (2%) plus fifty basis points (0.5%). The interest will be paid by the Passenger Facility Charge Fund in addition to the 10% match previously mentioned. The estimated interest to be paid on the loan is \$13,151. Staff recommends that the City Council approve the ordinance amending the FY 2019 Annual Budget and Plan of Municipal Services of the City of Killeen by increasing revenue and expenditure accounts for the design of taxiway improvements at the Killeen Fort Hood Regional Airport.

Mayor Segarra opened the public hearing.

Ms. Mellisa Brown, 6105 Melanie Drive spoke against the request.

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

Motion was made by Councilmember Menking to approve PH-18-041B. Motion was seconded by Councilmember Rivera. Motion carried 6 to 1 with Councilmember Johnson in opposition.

Adjournment

With no further business, upon motion being made by Councilmember Nash-King, seconded by Councilmember Johnson, and unanimously approved, the meeting was adjourned at 6:38 p.m.



City of Killeen

Legislation Details

File #: RS-19-001 **Version:** 1 **Name:** Procurement of Vehicles and Street Sweeper
Type: Resolution **Status:** Resolutions
File created: 12/11/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: Consider a memorandum/resolution authorizing the procurement of fleet replacement vehicles and equipment.
Sponsors: Environmental Services, Fleet Services, Public Works Department, Solid Waste, Streets
Indexes:
Code sections:
Attachments: [Staff Report](#)
[Chastang Quotes](#)
[Freightliner Quotes](#)
[TYMCO Quote](#)
[Certificate of Interested Parties](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: January 8, 2019

TO: Ronald L. Olson, City Manager

FROM: Jonathan Locke, Executive Director of Finance

SUBJECT: Procurement of Fleet Replacement Vehicles and Equipment.

BACKGROUND AND FINDINGS:

Funding for the acquisition of replacement vehicles and equipment was approved as part of the City's FY 2018 and FY 2019 Budget processes. The Fleet Services Division maintains an annual vehicle and equipment replacement schedule. The criteria used to establish this replacement schedule is based upon available funding, units per category, age, mileage/hours, repair costs, and department/division feedback. The annual fleet replacement budget for FY 2017 and FY 2018 was \$752,155 and \$4,444,596, respectively. The FY 2019 Budget includes \$4,613,300 for fleet replacement.

In addition to the budgeted replacement vehicles, this fleet procurement addresses the replacement of a street sweeper that was involved in a single vehicle roll-over accident October 15, 2018. The sweeper unit was damaged beyond repair. The total cost to replace the street sweeper is \$240,760. The City received insurance proceeds in the amount of \$196,166 leaving a balance of \$44,594 to replace the vehicle.

The following proposed vehicles and equipment will be utilized to support each department's mission and replace those that have exceeded their useful life. The procurements are listed below:

Department/Division	Description	Qty.	Fund Year
Solid Waste Commercial	2020 Autocar/McNeilus Front Loader	3	FY18 & 19
Solid Waste Commercial	2020 Autocar/Galbreath Roll-Off	1	FY19
Solid Waste Residential	2020 Autocar/Bridgeport Auto Side Loader	4	FY18 & 19
Solid Waste Residential	2020 Freightliner/McNeilus Rear Loader	1	FY18
Solid Waste Residential	2020 Freightliner/Petersen Brush Truck	2	FY18 & 19
Drainage Utility Maint.	2019 TYMCO Model 600 Regen Air Sweeper	1	FY19

The existing vehicles being replaced are on average 13 years of age and have an average of 156,000 miles.

THE ALTERNATIVES CONSIDERED:

- 1.) Defer replacement, which will cause the departments to continue to operate in a reduced resource capacity, incur increased maintenance costs, and lose residual value in the existing vehicles.
- 2.) Replace the vehicles in order to provide safe and effective services and achieve the least cost of ownership.

Which alternative is recommended? Why?

The second alternative is recommended in order to meet the departments' mission and operate in the safest and most cost effective manner.

CONFORMITY TO CITY POLICY:

The City of Killeen is a member of several purchasing cooperatives that are in compliance with Texas Local Government Code section 271.102. Purchases made through a cooperative satisfy competitive bid requirements.

FINANCIAL IMPACT:

The purchase pricing from Chastang Enterprises, Inc. for three (3) Solid Waste Commercial Division front loader refuse trucks utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Cost/Unit	Total
2020 Autocar/McNeilus Front Loader Refuse Truck	\$292,374.00	\$877,122.00

The purchase pricing from Chastang Enterprises, Inc. for one (1) Solid Waste Commercial Division roll-off truck utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Total
2020 Autocar/Galbreath Roll-Off Truck	\$215,322.00

The purchase pricing from Chastang Enterprises, Inc. for four (4) Solid Waste Residential Division automated side loader refuse trucks utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Cost/Unit	Total
2020 Autocar/Bridgeport Auto Side Loader Refuse Truck	\$283,752.00	\$1,135,408.00 *

*Includes \$400 BuyBoard fee for the purchase of the eight (8) Chastang Enterprises, Inc. vehicles.

The purchase pricing from Freightliner of Austin for one (1) Solid Waste Residential Division rear loader refuse truck utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Total
2020 Freightliner/McNeilus Rear Loader Refuse Truck	\$194,663.90

The purchase pricing from Freightliner of Austin for two (2) Solid Waste Residential Division brush trucks utilizing the TASB BuyBoard Cooperative is as follows:

Make/Model	Cost/Unit	Total
2020 Freightliner/Petersen Brush Truck	\$156,996.40	\$314,392.80 *

*Includes \$400.00 BuyBoard fee for all three (3) Freightliner of Austin purchases

The purchase pricing from TYMCO, Inc. for one (1) Drainage Utility Maintenance Division street sweeper utilizing the Houston Galveston Area Council (HGAC) Cooperative is as follows:

Make/Model	Total
2019 TYMCO Model 600 Regenerative Air Sweeper	\$240,760.00 *

*TML Insurance settlement will cover \$196,166.

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

Item	FY19
Solid Waste Commercial 2020 Autocar/McNeilus Front Loaders	\$877,122.00
Solid Waste Commercial 2020 Autocar/Galbreath Roll-Off	\$215,322.00
Solid Waste Residential 2020 Autocar/Bridgeport Auto Side Loader Trucks	\$1,135,408.00
Solid Waste Residential 2020 Freightliner/McNeilus Rear Loader Truck	\$194,663.90
Solid Waste Residential 2020 Freightliner/Petersen Brush Trucks	\$314,392.80
Drainage Utility Maintenance 2019 TYMCO Model 600 Regen Air Sweeper	\$240,760.00
Total	\$2,977,668.70

Is this a one-time or recurring expenditure?

These are one-time expenditures.

Is this expenditure budgeted? If not, where will the money come from?

Upon approval of the FY 2018 Carry Forward Budget Amendment, funds will be available as shown below:

Division/Department	Account	Cost	Available Funds
Solid Waste Commercial	388-3465-439.61-10	\$1,092,444.00	\$1,229,300.00
Solid Waste Residential	388-3460-439.61-10	\$1,644,464.70	\$1,687,520.00
Drainage Utility Maintenance	375-3445-434.61-35	\$240,760.00	\$240,760.00

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

Yes, upon approval of the FY 2018 Carry Forward Budget Amendment.

RECOMMENDATION:

Staff recommends that City Council approve the procurement of the fleet as stated above and that the City Manager or designee be authorized to execute any change orders as permitted by state and local law.

DEPARTMENTAL CLEARANCES:

Public Works Department
Purchasing
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Chastang Quotes
Freightliner Quotes
TYMCO Quote
Certificates of Interested Parties



Chastang Enterprises, Inc.
6200 N. Loop East
Houston, TX 77026
713.678.5000



TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE



CUSTOMER:	City of Killeen
CONTACT	Grant Roach
PHONE:	254-501-7798
EMAIL:	groach@killeentexas.gov

QUOTE DATE:	12/4/2018
QUOTED BY:	John Chastang
PHONE:	Office: 713-678-5042 Cell: 281-460-7518
EMAIL:	jchastang@chastangford.com

ITEM DESCRIPTION: 2020 Autocar ACX64 with Front Load Refuse Body

CONTRACT:	BuyBoard	PROPOSAL NO.	521-16	ITEM NO.	3	ITEM PRICE:	69720
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CHASSIS EQUIPMENT

STANDARD EQUIPMENT
12 Month Chassis Warranty
Tilt/Telescope steering column; Integral Heat & A/C w/ defrost
5 Min. Engine idle shutdown

STANDARD EQUIPMENT
Technician Training
Service Manuals, Electrical & Air Schematics
Autocar Solutions 24/7 Tech Support

PUBLISHED OPTIONS	COST
AM/FM CD stereo	593
Two Stage Air Cleaner	866
Allison 4500 Series Transmission	13520
Pre-Engineered Chassis Layout	3420
Double Frame	3965
Cummins X12 350HP Diesel	18970
46,000 Rear Axle	6630
Dual Power Windows	866
Trans Auto Neutral	1963
16.5x8.62 Rear Brakes	1256
Heated remote mirrors	1390
Rear shock absorbers	890
Transmission retarder	14550
Battery Box with Aluminum Lid	470
Central manifold air drain	365
Dual fire extinguishers	234
Commercial front load body	120000

PUBLISHED OPTIONS	COST
Trans PTO Prep Kit	1870
High back air ride driver's seat	479
Floorplan charges	5520
22,000 Front suspension	3120
Auxiliary front axle load cushions	1960
Synthetic Rear Axle Lube	755
Overhang over 56"	1190
Integrated Body Control Compartment	2945
5 Year Transmission Warranty	3250
5 Year Cummins Extended Warranty	3995
5 Year Aftertreatment Warranty	3875
46,000 # rear suspension	7410
1810 Series main driveshaft	387
16.5x7" Refuse front brakes	972
2 Additional switches wired to power	215
Heated fuel water separator	320
Early pay discount	-2000
Fleet discount	-3557
CHASSIS OPTIONS	222654
CHASSIS TOTAL	292374

BODY EQUIPMENT

BODY VENDOR:		PROPOSAL NO.		ITEM NO.		ITEM PRICE:	0
BODY MFG:	McNeilus	MODEL:	Atlantic 4029	TYPE:	Front load	CAPACITY:	40yd

OPTIONAL EQUIPMENT	COST
Co-Op contract fee on sideloader price sheet because 1 purchase order to be issued to vendor	

EARLY PAY DISCOUNT	COST
Early pay discount included \$2,000.00/chassis	
Pay for chassis after factory visit to verify specs before body installed. Note: Manufacturer (Autocar) will cover travel expenses.	
BODY OPTIONS	0
BODY TOTAL	0

Submit Approved Quote to BuyBoard:
Fax: 800-211-5454 Email: info@buyboard.com

ESTIMATED DELIVERY	Approx. 180-210 Days
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UNIT PRICE	292374
QUANTITY	3
CONTRACT FEE (per PO)	0
TOTAL PURCHASE	\$ 877,122.00



Chastang Enterprises, Inc.
6200 N. Loop East
Houston, TX 77026
713.678.5000



TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE



CUSTOMER:	City of Killeen
CONTACT	Grant Roach
PHONE:	254-501-7798
EMAIL:	groach@killeentexas.gov

QUOTE DATE:	12/6/2018
QUOTED BY:	John Chastang
PHONE:	Office: 713-678-5042 Cell: 281-460-7518
EMAIL:	jchastang@chastangford.com

ITEM DESCRIPTION:	2020 Autocar ACX64 with 60,000 # rolloff hoist Body						
CONTRACT:	BuyBoard	PROPOSAL NO.	521-16	ITEM NO.	3	ITEM PRICE:	69720

CHASSIS EQUIPMENT

STANDARD EQUIPMENT
12 Month Chassis Warranty
Tilt/Telescope steering column; Integral Heat & A/C w/ defrost
5 Min. Engine idle shutdown

STANDARD EQUIPMENT
Technician Training
Service Manuals, Electrical & Air Schematics
Autocar Solutions 24/7 Tech Support

PUBLISHED OPTIONS	COST
AM/FM CD stereo	593
Two Stage Air Cleaner	866
Allison 4500 Series Transmission	13520
Pre-Engineered Chassis Layout	3420
Double Frame	3965
Cummins X12 350HP Diesel	18970
46,000 Rear Axle	6630
Dual Power Windows	866
Trans Auto Neutral	1963
16.5x8.62 Rear Brakes	1256
Heated remote mirrors	1390
Exterior sun visor	2370
2 Additional switches wired to power	215
Battery Box with Aluminum Lid	470
Central manifold air drain	365
Dual fire extinguishers	234
Rolloff container body	62000

PUBLISHED OPTIONS	COST
Trans PTO Prep Kit	1870
High back air ride driver's seat	479
Floorplan charges	5520
22,000 Front suspension	3120
Auxiliary front axle load cushions	1960
Synthetic Rear Axle Lube	755
Overhang over 56"	1190
Integrated Body Control Compartment	2945
5 Year Transmission Warranty	3250
5 Year Cummins Extended Warranty	3995
5 Year Aftertreatment Warranty	3875
46,000 # rear suspension	7410
1810 Series main driveshaft	387
16.5x7" Refuse front brakes	972
Heated fuel water separator	320
Early pay discount	-2000
Fleet discount	-9539
CHASSIS OPTIONS	145602
CHASSIS TOTAL	215322

BODY EQUIPMENT

BODY VENDOR:	B & C Body Co.	PROPOSAL NO.		ITEM NO.		ITEM PRICE:	0
BODY MFG:	Galbreath	MODEL:	U5-OR-174	TYPE:	Rolloff hoist	CAPACITY:	60,000 #

OPTIONAL EQUIPMENT	COST
Co-Op contract fee on sideloader price sheet	
because 1 purchase order to be issued to vendor	
if approved	

EARLY PAY DISCOUNT	COST
Early pay discount included \$2,000.00/chassis	
Pay for chassis after factory visit to verify specs	
before body installed. Note: Manufacturer	
(Autocar) will cover travel expenses.	
BODY OPTIONS	0
BODY TOTAL	0

Submit Approved Quote to BuyBoard:

Fax: 800-211-5454 Email: info@buyboard.com

ESTIMATED DELIVERY	Approx. 180-210 Days
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UNIT PRICE	215322
QUANTITY	1
CONTRACT FEE (per PO)	0
TOTAL PURCHASE	\$ 215,322.00



Chastang Enterprises, Inc.
6200 N. Loop East
Houston, TX 77026
713.678.5000



TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE



CUSTOMER:	City of Killeen
CONTACT	Grant Roach
PHONE:	254-501-7798
EMAIL:	groach@killeentexas.gov

QUOTE DATE:	12/6/2018
QUOTED BY:	John Chastang
PHONE:	Office: 713-678-5042 Cell: 281-460-7518
EMAIL:	inchastang@chastangford.com

ITEM DESCRIPTION:	2020 Autocar ACX64 with Automated Side Load Refuse Body
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CONTRACT:	BuyBoard	PROPOSAL NO.	521-16	ITEM NO.	3	ITEM PRICE:	69720
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CHASSIS EQUIPMENT

STANDARD EQUIPMENT
12 Month Chassis Warranty
Tilt/Telescope steering column; Integral Heat & A/C w/ defrost
5 Min. Engine idle shutdown

STANDARD EQUIPMENT
Technician Training
Service Manuals, Electrical & Air Schematics
Autocar Solutions 24/7 Tech Support

PUBLISHED OPTIONS	COST
AM/FM CD stereo	593
Two Stage Air Cleaner	866
Allison 4500 Series Transmission	13520
Pre-Engineered Chassis Layout	3420
Double Frame	3965
Cummins X12 350HP Diesel	18970
46,000 Rear Axle	6630
Dual Power Windows	866
Trans Auto Neutral	1963
16.5x8.62 Rear Brakes	1256
Heated remote mirrors	1390
Exterior sun visor	2370
Transmission retarder	14550
Battery Box with Aluminum Lid	470
Central manifold air drain	365
Dual fire extinguishers	234
Automated side load refuse body	130000

PUBLISHED OPTIONS	COST
Trans PTO Prep Kit	1870
High back air ride driver's seat	479
Floorplan charges	5520
Right hand drive cab	6972
LH Vertical Exhaust	983
Synthetic Rear Axle Lube	755
Overhang over 56"	1190
Integrated Body Control Compartment	2945
5 Year Transmission Warranty	3250
5 Year Cummins Extended Warranty	3995
5 Year Aftertreatment Warranty	3875
46,000 # rear suspension	7410
1810 Series main driveshaft	387
16.5x7" Refuse front brakes	972
Heated fuel water separator	320
2 Additional switches wired to power	215
Early pay discount	-2000
Fleet discount	-26534
CHASSIS OPTIONS	214032
CHASSIS TOTAL	283752

BODY EQUIPMENT

BODY VENDOR:		PROPOSAL NO.		ITEM NO.		ITEM PRICE:	0
BODY MFG:	Bridgeport	MODEL:	Ranger	TYPE:	Automated	CAPACITY:	31 Yard

OPTIONAL EQUIPMENT	COST

OPTIONAL EQUIPMENT	COST
Early pay discount included \$2000.00/ chassis	
Pay for chassis after factory visit to verify specs before body installed. Note: Manufacturer (Autocar) will cover travel expenses.	
BODY OPTIONS	0
BODY TOTAL	0

Submit Approved Quote to BuyBoard:
Fax: 800-211-5454 Email: info@buyboard.com

ESTIMATED DELIVERY	Approx. 180-210 Days
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UNIT PRICE	283752
QUANTITY	4
CONTRACT FEE (per PO)	400
TOTAL PURCHASE	\$ 1,135,408.00



FREIGHTLINER OF AUSTIN

1701 Smith Rd. (Hwy. 183 So.)
Austin, Texas 78721

Bus: 512-389-0000
FAX: 512-389-2663
Wats: 1-800-395-2005

INV.

PURCHASING NAME CITY OF KILEEN		TELEPHONE 254-501-7789	
ADDRESS 101 N. COLLEGE ST.	CITY KILEEN	STATE TX	ZIP CODE 76541

I/We Hereby Purchase from You, Under the Terms and Conditions Specified, the Following:

YEAR 2020	MAKE FREIGHTLINER	MODEL/BODY M2106	VIN ORDER	LICENSE PLATE		
<p>A documentary fee is not an official fee, a documentary fee is not required by law but may be charged to buyers for handling documents and performing services relating to the the closing of a sale. Buyers may avoid payment of the fee to the seller by handling the documents and performing the services relating to the closing of the sale. A documentary fee may not exceed \$50.00. This notice is required by law.</p> <p><i>El cobro documental no es un cobro oficial. El cobro documental no es un requisito bajo la ley, pero se le puede cobrar. Al comprador por el rendimiento de los servicios relacionados con la completacion de la venta y por completar los documentos. El comprador puede evitar el pago al vendedor de este costo si el comprador mismo se encarga de mandejar los documentos y de los servicios necesarios para la completacion de la venta. El cobro documental no puede sobrepasar los \$50.00 (U.S.) Este aviso es requerido bajo la ley.</i></p> <p>Disclaimer of Warranties</p> <p>Any warranties on the products sold hereby are those made by the factory. The Seller, Freightliner of Austin, hereby expressly disclaims all warranties, either expressed or implied including any implied warranty of merchantability or fitness for a particular purpose, and Freightliner of Austin, neither assumes nor authorizes any other person to assume for it any liability in connection with the sale of this vehicle.</p>						
				MILEAGE:		
				BUY BOARD CONTRACT #521-16		
				CHASSIS BASE MODEL PRICE		\$51,982.00
				CHASSIS OPTION EQUIPMENT PRICE		\$43,028.30
				MCNEILUS 25 YD. HIGH COMPACTION XC REAR LOAD BODY		\$99,653.00
				REAR LOADER TOTAL		\$194,663.30
				CHASSIS BASE MODEL PRICE		\$51,982.00
				CHASSIS OPTION EQUIPMENT PRICE		\$23,052.40
				PETERSEN TL3 LOADER		\$81,962.00
BRUSH TRUCK TOTAL EACH		\$156,996.40				
\$156,966.40 X (2) = BRUSH TRUCK TOTAL		\$313,992.80				
BUY BOARD FEE		\$400.00				
CUSTOMER SIGNATURE						
SALESMAN SIGNATURE KEVIN KRIEG						

CONTRACTUAL DISCLOSURE STATEMENT FOR USED VEHICLE ONLY. "The information you see on the window form for this vehicle is part of this contract. Information on the window form overrides any contrary provisions in the contract of sale."

MILEAGE:		TRADE-IN		
YEAR	MAKE	MODEL/BODY	VIN	LICENSE PLATE
MILEAGE:		TRADE-IN		
YEAR	MAKE	MODEL/BODY	VIN	LICENSE PLATE
				TOTAL 509,056.10
PAYOFF TO:				Trade Allowance N/A
ADDRESS:				Trading Difference N/A
TELEPHONE: / FAX:				Sales Tax N/A
GOOD UNTIL:				Vehicle Inventory Tax N/A
QUOTED BY:				License Fee N/A
SHOW LIEN TO:		Body Type:		Documentary Fee N/A
ADDRESS:		License Wt.:		Federal Excise Tax N/A
		State Insp.:		TOTAL SALE PRICE 509,056.10
DATED: LIEN AMOUNT \$		License:		Payoff on Trade
DRAFT FOR \$		Title:		Ext. Service Agreement
DRAFT THRU:		Transfer:		Less Deposit
ADDRESS:				Total Balance Due 509,056.10

Full disclosure required by federal regulation "Z", The Consumer Protection Act and The Texas Consumer Credit Code, will be made prior to consummation of a credit sale. This written order comprises the entire agreement pertaining to this purchase and no other agreement of any kind, verbal understanding or promise whatsoever, will be recognized. It is expressly agreed that the purchaser acquires no right, title or interest in or to the property which he agrees to purchase hereunder until such property is delivered to him/her and either the full price is paid in cash or satisfactory deferred payment agreement is executed by the parties hereto, the terms of which shall thereafter be controlling, and a clear title is furnished to dealer for the used cars or trucks involved, if any. THIS IS NOT A CONDITIONAL SALES CONTRACT, BUT IS A BUYER'S ORDER. All new vehicles carry the standard factory warranty. It is understood there is no guarantee on the above described new or used vehicle other than appears on this Buyer's Order. Mileage, if used vehicle model is not guaranteed and a verbal agreement by the Salesman will not be considered binding on the Seller. It is agreed that neither Freightliner of Austin nor the manufacturer will be liable for failure to effect delivery. This order is not binding on the dealer until approved by an officer of Freightliner of Austin at its office in Austin, Texas

HGACBuy		CONTRACT PRICING WORKSHEET For MOTOR VEHICLES Only		Contract No.:	SW04-18	Date Prepared:	10/22/2018
<i>This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.</i>							
Buying Agency:	City of Killeen, TX			Contractor:	TYMCO, Inc. (ISSUE P.O. TO TYMCO, Inc.- email below)		
Contact Person:	Joe Stuart			Prepared By:	Kaye Morgan		
Phone:	254-501-8895			Phone:	254-799-5546		
Fax:				Fax:	254-799-2722		
Email:	jstuart@killeentexas.gov			Email:	kaye.morgan@tymco.com		
Product Code:	BI06	Description:	TYMCO Model 600 Regenerative Air Sweeper				
A. Product Item Base Unit Price Per Contractor's H-GAC Contract:							\$ 125,350.00
B. Published Options - Itemize below - Attach additional sheet(s) if necessary - Include Option Code in description if							
Description		Cost	Description		Cost		
Hi/Low Pressure Washdown System 600005		\$ 1,500.00	Hopper Drain 600020		\$ 565.00		
Auxiliary Hand Hose - 8" 600035		\$ 1,225.00	Gutter Broom Tilt Adjuster - Right 600022		\$ 650.00		
Abrasion Protection Package 600036		\$ 1,275.00	Sweeper Deluge 600013		\$ 1,050.00		
Auxiliary Hydraulic System 600053		\$ 1,130.00	High Output Water 600045		\$ 850.00		
Pick-Up Head Curtain Lifter 600087		\$ 1,605.00	Broom Assist Pick-Up Head 600064		\$ 4,350.00		
Reverse Pick-Up Head System 600082		\$ 410.00	Variable Speed Gutter Brooms 600070		\$ 775.00		
COMDEX Package 600021		\$ 4,900.00	AWTI Camera/Monitor System - 2 cameras 600008-B		\$ 2,600.00		
			2018 International 4300-ISB Chassis 600713		\$ 83,000.00		
High Capacity Dust Separator is standard on HGAC contract							
					Subtotal From Additional Sheet(s):		
					Subtotal B:		\$ 105,885.00
C. Unpublished Options - Itemize below / attach additional sheet(s) if necessary.							
Description		Cost	Description		Cost		
Dump Switch in Cab		\$ 200.00	Hopper Chip Seal/Milling Screen (Exchange)		\$ 600.00		
Hopper Load Indicators		\$ 400.00	Auto Sweep Interrupt w/Overspeed Interrupt		\$ 1,000.00		
Hopper Suction Throat Inlet Liner w/Wear Flange		\$ 1,500.00	Additional Nozzle w/Separate Switch - Hopper		\$ 400.00		
2019 International 4300-ISB Chassis UPGRADE		\$ 1,750.00	Pick-Up Head Inlet Water Injection System		\$ 1,800.00		
			Whelen Mini-Freedom IV F4MAAAAP Light-Cab Mounted		\$ 1,375.00		
					Subtotal From Additional Sheet(s):		
					Subtotal C:		\$ 9,025.00
Check: Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B).					For this transaction the percentage is:		4%
D. Total Cost Before Any Applicable Trade-In / Other Allowances / Discounts (A+B+C)							\$ 240,260.00
Quantity Ordered:	1	X	Subtotal of A + B + C:	\$ 240,260.00	=	Subtotal D:	\$ 240,260.00
F. Trade-Ins / Other Allowances / Special Discounts / Freight / Installation							
Description		Cost	Description		Cost		
Freight/PDI/Inservice		\$ 500.00					
					Subtotal F:		\$ 500.00
Delivery Date:		60-90 Days		G. Total Purchase Price (D+E+F):		\$ 240,760.00	

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:
2018-432093

Date Filed:
12/10/2018

Date Acknowledged:

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

Chastang's Bayou City Autocar
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.

521-16
Autocar refuse trucks

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Chastang, John	Houston, TX United States		X

5 Check only if there is NO Interested Party.

☐

6 UNSWORN DECLARATION

My name is JOHN CHASTANG, and my date of birth is 7-24-52.

My address is 19506 SANCTUARY PEACE DR. SPRING TX 77388 USA
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in HARRIS County, State of TEXAS, on the 10 day of DEC., 2018.
(month) (year)

John C. Chastang
Signature of authorized agent of contracting business entity
(Declarant)

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

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

Freightliner of Austin
Austin, TX United States

Certificate Number:
2018-432167

Date Filed:
12/10/2018

Date Acknowledged:

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.

BuyBoard 521-16
Equipment Purchases

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Hempel, Carlton	Austin, TX United States	X	

5 Check only if there is NO Interested Party. ☐

6 UNSWORN DECLARATION

My name is Carlton Hempel, and my date of birth is 12-5-67.

My address is 1701 Smith Rd, Austin, TX, 78721, US.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Travis County, State of Texas, on the 10 day of December, 2018.
(month) (year)



Signature of authorized agent of contracting business entity
(Declarant)



PROCUREMENT OF FLEET REPLACEMENT VEHICLES

RS-19-001

January 8, 2019

Background

2

- Fleet Services maintains the annual vehicle replacement schedule that is approved during the budget process.
 - ▣ At times fleet replacement crosses fiscal years
- Criteria used to establish the replacement schedule:
 - ▣ Available funding;
 - ▣ Vehicle age compared to the recommended replacement age;
 - ▣ Mileage or hours used;
 - ▣ Repair costs; and
 - ▣ Department and division feedback.
- Annual fleet replacement budget:
 - ▣ FY 2017 - \$752,155
 - ▣ FY 2018 - \$4,444,596
 - ▣ FY 2019 - \$4,613,300

Procurement Information

3

- Total of 12 pieces of fleet are being procured for Public Works at a cost of \$3 million.
 - ▣ Solid Waste Commercial – 4 pieces of fleet (\$1.1 million);
 - ▣ Solid Waste Residential – 7 pieces of fleet (\$1.6 million); and
 - ▣ Drainage Utility Maint. – 1 piece of fleet (\$240,760).
- FY 2018 fleet replacement - \$1.2 million.
- FY 2019 fleet replacement - \$1.8 million.
- Vehicle and equipment purchases are in compliance with the Local Government Code and the City's Purchasing Policy.

Alternatives

4

- Option 1: Defer replacement.
 - ▣ This will cause the departments to operate in a reduced resource capacity, incur increased maintenance costs, and lose residual value.
- Option 2: Replace the fleet.
 - ▣ This provides for safe and effective delivery of services and achieves the least cost of ownership.

Recommendation

5

Staff recommends that City Council approve the procurement of the fleet, and that the City Manager or designee be authorized to execute any change orders as permitted by state and local law.



City of Killeen

Legislation Details

File #:	RS-19-002	Version:	1	Name:	Airport Food/Beverage/Bar Service Lease
Type:	Resolution	Status:		Status:	Resolutions
File created:	12/17/2018	In control:		In control:	City Council Workshop
On agenda:	1/8/2019	Final action:		Final action:	
Title:	Consider a memorandum/resolution approving an airport concession agreement for Killeen Fort Hood Regional Airport.				
Sponsors:	Aviation Department				
Indexes:					
Code sections:					
Attachments:	Staff Report Agreement Certificate of Interested Parties Presentation				

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: January 8, 2019

TO: Ronald L. Olson, City Manager

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

SUBJECT: APPROVAL OF CONCESSION AGREEMENT FOR KILLEEN FORT HOOD REGIONAL AIRPORT

BACKGROUND AND FINDINGS:

Shortly following opening of the Killeen Fort Hood Regional Airport in August of 2004, an agreement was entered into with Subway Corp. as a food service vendor to passengers, customers, staff, and visitors, and Jester's Lounge for serving of alcoholic beverages and light snack foods. Subsequently, as Jester's departed the market in 2010, in that same year agreements were made to provide a coffee and bar concession with Green Beans Coffee, Inc. In September 2016, Subway Corp. made a corporate decision to discontinue their services at the Airport; Green Beans continued operation at the Airport until September 2017. In lieu of these concessions, the Airport requested the vending provider, Automatic Chef, provide additional services in the concession area until such time a vendor was selected.

Realizing the need for a concessionaire at the Airport, staff began drafting a concession request for proposal in August 2017; RFP 18-05 "Food, Drink and Bar Service Killeen Fort Hood Regional Airport" was released in November 2017. The document stated the Airport's desire for a tenant within the terminal building that would sell on-site prepared hot and cold meals, pastries, other snacks, coffee, beer, wine, liquor, soft drinks, and other similar items. Sale of related non-food products would be approved if offered in conjunction with the desired drink and food items. The successful proposer was to be granted exclusive rights to the sale of alcoholic beverages within the terminal. Due to the size of the Airport and the number of enplanements, it was envisioned only one major provider would be selected to handle all the concession concepts. This would ensure competition would not potentially drive one vendor from the market, and to maximize the profitability of the chosen proposer. The proposal deadline was December 19, 2017.

Staff hosted a pre-proposal meeting for potential proposers on December 12, 2017; there were no attendees. When the bid closed on December 19, the City received no proposals. Due to the receipt of no proposals, staff reached out to local businesses, chamber contacts, and the Army / Air Force Exchange Service at Fort Hood. Multiple meetings were held with potential vendors. In June 2018, CCL Ventures, LLC, a vendor offering a multi-venue proposal visited the Airport to review the concession build-out and discuss possible concession options. Following a number of meetings, emails, phone conversations, and site visits, an agreement was reached which will bring a concessionaire to the Airport delivering quality service and product. The venues will include a Blimpie Sandwich Shop, a Kahala Coffee Traders concession, and a bar service. Discussions were held to expand services into the hold rooms for added service / concession opportunities.

The new agreement is for a single term of five (5) years with an option for one negotiated extension and will commence on March 1, 2019.

THE ALTERNATIVES CONSIDERED:

Alternatives considered: (1) approve the agreement, or (2) do not approve the agreement.

Which alternative is recommended? Why?

Staff recommends alternative 1. Approval of the agreement will provide (1) a first class concession for Airport customers, and (2) a consistent revenue source for the Airport for the next (5) years.

CONFORMITY TO CITY POLICY:

Yes

FINANCIAL IMPACT:

Total initial annual revenue to the Killeen-Fort Hood Regional Airport Enterprise Fund represented by these lease agreements is approximately \$20,000; rents and fees will increase annually according to the previous year's consumer price index.

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:

Council approve the concession agreement with CCL Ventures, LLC and authorize the City Manager or designee to execute same as well as any and all amendments as allowed per federal, state, or local law.

DEPARTMENTAL CLEARANCES:

Finance

Legal

ATTACHED SUPPORTING DOCUMENTS:

Agreement

Certificate of Interested Parties



CONCESSION AGREEMENT

FOOD AND BEVERAGE / BAR SERVICE CONCESSION AGREEMENT

Killeen - Fort Hood Regional Airport
Killeen, Texas

between

Killeen - Fort Hood Regional Airport
City of Killeen, Texas

and

CCL Ventures, LLC

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FOOD AND BEVERAGE / BAR SERVICE CONCESSION AGREEMENT

THIS CONCESSION AGREEMENT ("Agreement"), made and entered into this _____ day of _____, 2019, by and between the City of Killeen (the "City"), a municipal corporation and existing under the laws of the State of Texas, whose address is 8101 S. Clear Creek Rd, Box C, Killeen, Texas 76549, (hereinafter referred to as "City") and CCL Ventures, LLC (hereinafter referred to as "Tenant"), a limited liability company with its office and address being 1609 Grand Falls Dr., Cedar Park, Texas 78613, with a mailing address of 1609 Grand Falls Dr., Cedar Park, Texas 78613.

WITNESSETH:

WHEREAS, City controls, owns, operates, and maintains an airport in the City of Killeen, County of Bell, State of Texas, known as Killeen Fort Hood Regional Airport (hereinafter referred to as "Airport"), and has the power to grant rights and privileges with respect thereto, and

WHEREAS, the City has determined it to be in the best interests of the public and the City to enter into this Agreement with Tenant to provide a food and beverage / bar concession services at the Airport pursuant and subject to the terms and conditions hereunder,

NOW, THEREFORE, THE PARTIES AGREE:

ARTICLE I **Description of Leased Premises**

The Airport, in consideration of the rents and covenants herein to be performed by the Tenant, does hereby lease and let unto Tenant the following described property, hereinafter referred to as "Leased Premises", located in the Ted C. Connell Terminal Building at the Killeen-Fort Hood Regional Airport, 8101 S. Clear Creek Rd, Killeen, Texas 76549:

1. Rooms B207 (front counter area), B217 (kitchen), B218 (storage) as depicted in Exhibit "A".
2. Rooms B208 (counter area) and B219 (storage) as depicted in Exhibit "A".
3. Room B206 (food court) is available to the tenant for use by its customers on a non-exclusive basis.

ARTICLE II **Description of Concession Granted**

1. The Airport grants Tenant the right to engage in the activities of a food and beverage / bar service concession.

2. Airport and Tenant agree and understand that the Tenant will have exclusive rights to the sale of food and alcoholic beverages in the Ted C. Connell terminal building. For this agreement, exclusive rights refers to hot and cold sandwiches, deli-style and cold-cut meat sandwiches of any type or kind whatsoever, wraps, salads, gourmet soups, breakfast items, smoothies, coffee items and alcoholic beverages. Tenant agrees and understands that it will not have exclusive rights for the sale of any other items otherwise authorized by this agreement. If the Tenant cannot provide services for the sale of alcoholic beverages, the Airport has the right to seek a vendor for this purpose or, otherwise provide this service.
3. It is expressly provided that the rights and privileges granted hereunder are granted on an exclusive basis, except as provided for in Article VI, Paragraph 7. In the event the Trigger Level is achieved, all rights and privileges granted hereunder shall immediately be non-exclusive, and nothing herein shall preclude the City from entering into an agreement with any other parties during the remaining term of this Agreement for the sale in any part of the Facilities of the same or similar merchandise or service which Tenant is permitted to sell or offer hereunder, whether such agreements are awarded competitively or through negotiations and regardless of whether the terms of such agreements are more or less favorable than the terms of this Agreement, except that Tenant shall have the right of first refusal to develop a similar concept in the contemplated space in the Facilities.

ARTICLE III

Obligations of the Airport

1. The Airport shall maintain and repair the non-leased portion of the areas surrounding the Leased Premises.
2. The Airport shall provide adequate access to the Leased Premises so long as Airport, Transportation Security Administration, Federal Aviation Administration, U.S. Army and other pertinent regulations are not violated. This access includes the terminal ingress/egress routes during times when the terminal building is open to the public.
3. The Airport will keep the terminal building open to the public at least one hour before the first scheduled flight of the day until at least 30 minutes after the arrival of the last scheduled flight of the day.
4. Parking will be provided for Tenant's employees in an area designated by the Airport. Parking will be at no additional cost to the employee or the tenant while the employee is on business of the tenant as long as the employee has registered his/her vehicle with the Airport's parking lot management company and possesses the electronic access media issued and controlled by that company. This provision applies only to employees of the tenant whose duty assignment is at the Killeen-Fort Hood Regional Airport. Senior company officials and other employees who have occasional official duties at the airport

may obtain a daily pass from the airport administration office to accommodate their requirements.

5. If the Leased Premises are destroyed, damaged, or otherwise made unavailable by any means which are not fully the fault of the Tenant due to fire, flood, explosion, and other acts of God, war, terrorist acts, riots, court orders, and the acts of superior governmental or military authority, to the extent that the Tenant will be unable to conduct any substantial portion/s of the business contemplated by this lease, either party may cancel this lease and the Tenant will stand charged only with the rent specified in ARTICLE VI up to the time of such damage, destruction, or other non-availability. If the repair of the damage can be reasonably accomplished by the Airport in less than ninety (90) days, the Airport shall make such repairs with the rental to be abated in proportion to the space usable to the Tenant during the repair period. All repair work shall be done in a good and workmanlike manner, which is in concert with the City of Killeen requirements.
6. The Airport shall provide heating and air conditioning in all leased areas of the terminal building. The Airport has provided the initial supply of light bulbs for these fixtures; however, subsequent replacement of such bulbs will be made by the Airport with bulb replacement costs passed on to the Tenant as specified in Exhibit "B". Light/sign fixtures used solely for premise enhancement/advertisement shall be maintained by the Tenant.
7. The Airport will furnish keys, at no initial cost to Tenant, to the Tenant's designated Station Manager who shall be responsible for safekeeping of such keys. These include:
 - A. Access to leased premises and internal storage spaces;
 - B. Post office box (mail delivery).

Lost keys will be charged to Tenant in accordance with the Rents and Fees Schedule depicted on Exhibit "B".
8. The Airport normally has master keys or coded card access to all passageways in the terminal building, for use in emergencies. The Tenant may not add its own locks or change locks to these areas.
9. The Airport shall furnish telephone system/service access to the Internet via a T-1. Rates for these services will be in accordance with the Rents and Fees Schedule depicted on Exhibit "B". A letter of agreement or other suitable document will be executed between the Airport's Executive Director of Aviation or his/her designated representative and the local designated representative of the Tenant to document exactly which services are agreed to between the two parties. Tenant shall be prohibited from procuring telephone, data communications, wireless 802.11 data, or Internet access from others.

10. After reasonable notice to Tenant (when practical), the Airport reserves the right to temporarily close the airport or any other facilities thereon for maintenance, improvements, or for the safety of the public only for the period of time reasonable necessary.
11. The Airport will make available the appliances and fixtures indicated at Exhibit "C" to Tenant for use at the Killeen-Fort Hood Regional Airport only. Such appliances and fixtures are provided in as is condition. The Airport makes no guarantee as to their condition or expected life service. On the effective date of this agreement, a designated representative from the Airport and the Tenant will inventory and document the exact appliances and fixtures mutually agreed that will be provided to the Tenant for the term of the concession agreement. Tenant shall maintain these appliances and fixtures in accordance with Article IV, Par. 5, except that said appliances and fixtures that become non-economically repairable through fair-wear-and-tear, may be returned to the Airport with appropriate documentation from a reputable appliance repair company. The Airport is not obligated to provide a replacement for said appliance or fixture. Appliances or fixtures damaged through no fault of the Airport, remain the responsibility of the Tenant to repair to original condition or replace as necessary. Any changes in the inventory of Airport provided equipment during the term of this agreement will be documented in a letter of agreement between the Airport's Executive Director of Aviation and the Tenant's designated representative.

ARTICLE IV

Obligations of the Tenant

1. Tenant agrees will not assign this lease or sublet the Leased Premises or any part thereof, without prior written consent of the Killeen City Manager, or designee, which shall not be unreasonably withheld.
2. Tenant agrees to keep the Leased Premises clean and shall provide its own janitorial services. Tenant is also responsible for table cleaning and spill clean-up janitorial services for the Food Court area (Room B206) during the hours the business is open to the public.
3. Tenant shall be responsible for disposal of its own trash accumulations by depositing it in the nearest exterior trash dumpster on a daily basis. Trash shall be contained within appropriate trash bags or containers in such a method as to prevent spillage or leakage while in route to said dumpster. Trash receptacles inside the terminal building are for customer use only. Tenant also agrees to participate in the City of Killeen's recycling program by depositing all recyclable products in the appropriate outside recycling container in lieu of the trash dumpster and not mixing trash with said recycling materials. Tenant shall be responsible for the clean-up of any spilled debris left anywhere within the terminal area as a result of its careless trash handling and transport procedures.
4. Tenant agrees that it shall not engage in any business or activity within the confines of the Killeen-Fort Hood Regional Airport other than those permitted

herein or such other activities as may be expressly authorized in writing by the Airport.

5. Tenant shall operate the Leased Premises without cost to the City of Killeen, and will maintain all of the included equipment, appliances and furnishings. The appliances and fixtures listed at Exhibit "C" are included in this requirement.
6. Tenant agrees to keep clean, maintain and repair all Tenant owned furnishings utilized in the public areas to include cabinets, display cases, signage, etc. Failed enhancement lighting and sign fixtures visible to the public areas must be replaced/repared to fully operational condition within seven (7) calendar days.
7. Tenant shall be responsible to clean, maintain, and/or service exhaust ventilator filters, sewage grease traps, and fire extinguisher systems that exclusively service the food service area. The mandated frequency of said cleaning, maintain, and/or servicing will be no less than that prescribed by the applicable code, ordinance, or law that is applicable to the tenant's use of the leased premises. Components of these systems may be located beyond the specified boundaries of the leased premises. Access to these areas will be coordinated with the designated representative of the Airport.
8. Tenant agrees that its employees, while performing the duties associated with the concession granted in ARTICLE II, will be neatly groomed and attired in a designated company uniform, and will conduct themselves in a courteous, professional, and businesslike manner while providing responsible and reliable service to the public.
9. Tenant shall provide and maintain an adequate staff of employees with skills, licenses, and certificates appropriate to the activities conducted.
10. Tenant shall obtain and maintain, at no cost to the Airport, appropriate business permits, licenses, and certifications as required by Federal, State, and local laws for the services and activities to be provided.
11. Tenant shall insure that required periodic health/sanitation inspections are conducted by appropriate authority and that such inspection reports meet the satisfactory requirements of the agency conducting the inspections.
12. Upon vacating, Tenant shall leave the Leased Premises in the same condition as they were before removal, ordinary wear and tear excepted. Tenant shall make no structural changes, additions or improvements to the Leased Premises without prior written consent of the Executive Director of Aviation, and appropriate building permits obtained from the City of Killeen Building and Developments Services Department. Any such structural changes / improvements become property of the Airport, unless otherwise agreed upon in writing before such work begins. The foregoing notwithstanding, Tenant shall not be liable for damage caused by other tenants and other users, or their

employees, representatives or invitees, and shall be liable only for its proportionate share of wear and tear in the leased premises.

13. Tenant's employees shall observe and comply with all posted restrictions on parking or standing vehicles, speed limits, and traffic rules on the airport properties.
14. Tenant shall, not later than ten (10) days after the end of each month, provide a report reflecting the following for the completed month: (a) a Gross Receipts statement reporting the amount of total gross revenue received; (b) a listing of the amount of excluded receipts in accordance with Article VI, paragraph 2.b; and (c) amounts previously paid to the Airport or included with the report for that month. Such report will be signed by the Tenant's designated manager or other representative designated by the Tenant.
15. Tenant is responsible to ensure every employee that has regular duty at the airport is submitted for airport credentials appropriate for that employee and that all employee data remains current. The tenant will notify the Airport Operations Center by telephone or other appropriate means as soon as possible following the termination of any employee, but will do so in writing no later than 24 hours after the effective time of the termination. The Tenant is further responsible for returning the employee's credentials to the Operations Center no later than the next calendar day after the last day of employment. Any lost electronic access cards must be reported in writing to the airport's representative as soon as possible, but no later than 24 hours after the loss is discovered. Tenant is responsible for any charges or damages incurred by the use of credentials issued to its employees unless more than one business day has from the time the Tenant provides written notification to the Airport's Operation Center to cancel any access these credentials allow. A monthly fee will be charged for active employee credentials and for lost cards as indicated in Exhibit "B". Employees are subject to a ten (10) year fingerprint based FBI background check prior to the issue of airport credentials and will be required to complete regular security training.
16. Tenant may advertise only within the leased premises of the terminal building. Installation and operation of appropriate identifying signs will be allowed within the leased premises and above the exterior window of the leased premises, subject to the approval of the Executive Director of Aviation, or his designated representative. The Tenant may coordinate with the Airport's advertisement concession, as appropriate, for advertising/promotional material in other areas of the building.
17. As a minimum, Tenant shall provide the service described in Article II and continuously remain open to the public from an opening and closing time mutually agreeable to the Tenant and the Executive Director. These times may be adjusted from time-to-time based upon airline schedules, holidays, or other reasonable occasions. Tenant may remain open to the public for the duration of the time the terminal building is open to the public (Art. III, Par. 3.) and may

extend its operating hours to meet public demand, (e.g., late flights, flight diversions, or other occurrences. Normal hours of operation will be posted in a visible location within the leased premises. If Tenant remains open to the public beyond the later of the posted closing time of the terminal building or the extended actual closing time as a result of late flight arrivals, Tenant agrees to reimburse the Airport for hourly overtime rates as specified in Exhibit "B".

18. Tenant acknowledges the entire terminal building is a no smoking facility and will ensure patrons and employees do not smoke in the leased premises. Failure to enforce this no smoking policy will be grounds for default of the lease agreement.
19. Tenant agrees that it will not allow any music, sounds, or noise generated from the leased premises to interfere with the normal atmosphere in the terminal building. The Tenant may not produce noise audible outside the bar area without specific approval of the Airport's Executive Director of Aviation.

ARTICLE V

Terms of Agreement

1. The Airport hereby grants unto the Tenant, beginning January 1, 2019 and ending January 1, 2024, the right to operate the food and beverage / bar service concessions, as previously described in Article II of this Lease, at the Killeen Fort Hood Regional Airport.
2. If Tenant is not in default of the terms hereunder, Tenant will have the option to enter into an additional five (5) year lease agreement under terms and fees as mutually agreed to between the Tenant and Airport, providing it gives notice of its option in writing at least one hundred and eighty (180) days prior to the termination date hereof.
3. At the expiration of the term of this lease, the Tenant will immediately vacate the leased premises unless the Tenant has executed a subsequent lease renewal agreement for the premises prior to its expiration. Alternatively, the Tenant may submit a written request to the Executive Director of Aviation to remain in the premises on a month-to-month basis beyond that expiration date. If the Executive Director provides written approval of such a request, the Tenant will be considered to be in a "hold over status". Any such holding over by the Tenant on the expiration of the term of this lease shall not constitute a renewal thereof but shall constitute only a tenancy on a month-to-month basis. All provisions of this lease will remain in full force and effect for the duration of the period that the Tenant remains in hold over status except that rental rates will be increased in accordance with ARTICLE VI, Par 6.
4. As consideration for this lease, Tenant promises to pay to the Airport the fees and rent prescribed in ARTICLE VI and Exhibit "B". The remittance shall be to: City of Killeen, Finance Department, PO Box 1329, Killeen, TX 76540. Airport may designate other locations and/or methods of payment during the term of this

concession lease agreement. Tenant will be notified in writing of any such change.

ARTICLE VI

Rentals, Fees, and Accounting Records

1. Tenant shall pay to the Airport \$1,000 per month as described in Exhibit "B" as Basic Rents and Fees. Basic Rents and Fees include a \$500 minimum concession fee, and a \$500 utility fee. Basic Rents and Fees are payable without demand in monthly installments in advance on or before the first day of each and every month during the term of this lease.

On January 1 of each year of the initial or renewal term, commencing January 1, 2020, the total of the Basic Rents and Fees, shall be adjusted in accordance with the Consumer Price Index – National Index for All Urban Consumers (CPI) for the previous calendar year. Said adjustment shall be computed as follows:

Most recent year's rate x (CPI for November of most recent year / CPI for November of the next most recent year) = New Rate

2. In addition to Basic Rents and Fees, Tenant shall pay percentage concession fees as follows. Tenant shall pay the Airport eight percent (8%) of its monthly gross receipts collected in excess of \$30,000, up to \$40,000; and ten percent (10%) of its monthly gross receipts in excess of \$40,000. These payments shall be made no later than the first day of the second month following the month of its collection.
 - A. "Gross Receipts" shall include all receipts, whether by coin or currency, on account, by check or credit card, collected or uncollected, whether conducted on or off airport, derived by the Tenant as a result of its operation of the concession rights herein granted, without exclusion, except those expressly permitted in paragraph 2.b. Gross receipts shall include the total amount actually charged to the customer by the Tenant for, or in connection with, products sold, or delivered from the Tenant's Leased Premises at the Killeen-Fort Hood Regional Airport, regardless of where or by whom the payment is made.
 - B. Gross Receipts shall exclude receipts from the following:
 - (1) Federal, State, City or municipal sales taxes now in effect or hereinafter levied which are separately stated and collected from customers of the Tenant.
 - (2) The value of any goods exchanged or transferred from or to other business locations of the Tenant, where such exchanges or transfers are not made for the purpose of avoiding a sale or service fee by the Tenant that would otherwise be made from or at the Killeen-Fort Hood Regional Airport.

- (3) Refunds to customers. Receipts with respect to any refunds made to Tenant's customers, to the extent of any refund actually granted or adjustment actually made, either in the form of cash or credit, providing the refund and reason therefore is documented along with the name and address of the person receiving the refund.
 - (4) Documented discounts and rebates to customers, to include discount cards and coupons.
 - (5) Gratuities and tips collected, recorded and remitted to employees.
3. Tenant shall pay the sundry charges and other variable fees based upon activity to the Airport as described in Exhibit "B", no later than thirty (30) days after the invoice for that period is provided to the Tenant. Sundry charges are subject to change on an annual basis. Airport will provide a revised Rents and Fees Schedule to Tenant at least sixty (60) days before the effective date of any changes to sundry charges. For purposes of this provision, Tenant may designate either its local representative or a corporate office to receive the official copy of this invoice.
4. A late fee of five percent (5%) of the total amount due will be assessed to the Tenant if payments prescribed in Paragraphs 1, 2, or 3 above are not received in the administrative offices of the Director of Aviation within 5 days of the dates prescribed therein. An additional five percent (5%) of the outstanding amount will be assessed each month that all or a portion of the Tenant's obligations remain unpaid. Obligations unpaid more than sixty days after the prescribed due dates will be cause of considering the payment(s) in default of the lease agreement.
5. If Tenant defaults in the payment of rent, fees, or any part thereof, and such default shall continue for thirty (30) days after written notice by the City of Killeen to the Tenant to pay, the Airport shall, without further notice, have the right to re-enter the Leased Premises to remove the Tenant and all persons holding over it and to terminate this lease and repossess the premises. Such repossession shall not constitute a waiver by the Airport for any other rights it may have to enforce collection of rents for the balance of the term or to recover damages from the Tenant for default in payment of rents.
6. If the Tenant holds over beyond the term of the lease on a month-to-month basis, basic rents and concession fees, as listed in Exhibit "B", will increase by 15%. Beginning with the fourth month in a hold over status, the above described rents and fees will increase by 20%. Beginning with the seventh month in a hold over status, the above described rents and fees will increase by 25%. The additional 15%, 20%, or 25%, as applicable, will also be added to the total concession percentage of gross receipts formula. Other fees and/or charges will be at the current rates in effect for that month as approved by the City Council.
7. In the event the Airport records, for any consecutive 12-month period, in excess of 250,000 passenger enplanements (the "Trigger Level") and gives Tenant

notice that Trigger Level has been achieved, then the conditions of Article II, Paragraph 3 shall be enacted.

8. Tenant shall maintain a performance bond, cash deposit, or other financial assurance acceptable to the Airport in the amount of \$2,000 for the full initial term and any renewal term of this retail concession lease agreement. Tenant shall forfeit said assurance if it fails to perform all the terms and conditions of this agreement.

ARTICLE VII

Rights of Inspection

1. The Airport reserves the right to inspect the Leased Premises, equipment, and services at any reasonable time and with reasonable notice for the purpose of assuring compliance with this lease, public safety or welfare, or the Airport's general rights and duties as lessor. The Airport also reserves the right to inspect and audit any records and computer software necessary to verify the correct reporting of data used to compute fees described in Exhibit "B".
2. Upon at least fifteen (15) days written notice, Airport auditors or other authorized representatives shall, at any time during the term of this lease agreement, within two years after the end of this agreement, or within two years of any extension to it, have access to, and the right to audit, examine, or reproduce any and all records of the Tenant related to the most recent thirty six (36) months performance under this lease agreement. Tenant shall retain all records associated with transactions at the Killeen-Fort Hood Regional Airport within the Leased Premises or at another a mutually acceptable location in Killeen, Texas for the longer of the most recent thirty six (36) months or until completion of any pending audit or litigation action between the parties.
3. If the audit reveals that additional fees are due the Airport, Tenant shall, upon written notice by the Airport pay such additional fees, plus interest and penalties, within thirty (30) days of written notice. Interest will be calculated at one and one-half percent (1 ½%) per month for each month after the day the additional amount should have originally been paid. The penalty will be twenty percent (20%) of the total of the additional fees due (not including interest). If the audit reveals that the Tenant has overpaid the fees due the Airport, such overpayment shall be credited to the Tenant's account, or refunded if the term of the lease agreement has expired and all other obligations by the Tenant have been satisfied. If the audit reveals an underpayment of more than five percent (5%), the cost of the audit shall be borne by the Tenant.
4. In addition to the interest and penalty payments as stated in paragraph 3 above, any deliberate attempts to misrepresent gross receipt amounts, attempts to divert airport earned revenue to an off-airport site will be cause for default of the lease agreement.

ARTICLE VIII
Non-Discrimination Covenants

1. The Tenant for itself, its personal and legal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agrees as a covenant running with the land that:
 - A. No persons on the grounds of race, color, religion, sex, age, disability, or national origin shall be unlawfully excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities and the privileges provided herein.
 - B. That in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, religion, sex, age, disability, or national origin shall be unlawfully excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.
 - C. That the Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Department of Transportation, Subtitle A, Office of the Secretary, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.
2. Tenant assures it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, disability, or sex be unlawfully excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Tenant assures that no person shall be unlawfully excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by the subpart. The Tenant assures that it will require that its covered sub-organizations provide assurances to the Airport that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required, by 14 CFR Part 152, Subpart E, to the same effect.
3. That in the event of breach of any of the preceding nondiscrimination covenants, the Airport shall have the right to terminate this lease and the privileges herein, and hold the same as if said lease had never been made or issued.
4. Tenant in the conduct of its authorized business activities on said Leased Premises and on said Airport shall furnish good, prompt, and efficient service adequate to meet the demands for its services at the airport and shall furnish such services on a fair, equal, and non-discriminatory price for each service.
5. This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The Tenant agrees that it will not

discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, purchase or lease agreement, or other agreement covered by CFR Part 23.

6. Tenant agrees to include the statement in Paragraph 5 above in any subsequent concession agreement or contract covered by 49 CFR Part 23, that it enters and cause those business to similarly include the statements in further agreements.

ARTICLE IX

Indemnification and Insurance

1. Without limiting Tenant's obligation to indemnify the Airport, Tenant shall provide, pay for, and maintain in full force at all times during the term of the agreement insurance coverage from an insurance carrier admitted to do business in the State of Texas that has at least an "A" rating with AM Best Company in the types and amounts as listed below:

TYPE	MINIMUM AMOUNTS
WORKERS COMPENSATION	Statutory
COMMERCIAL GENERAL LIABILITY	
Each Occurrence	\$1,000,000
Damage to rented premises	\$300,000
Personal & Advertising Injury	\$1,000,000
General Aggregate	\$1,000,000
Products-Comp/Op Agg	\$1,000,000
LIQUOR LIABILITY	\$300,000

The "City of Killeen" shall be named as additional insured and shall be furnished with Certificate of Insurance coverage in the above minimum amounts with the signed lease and at any time during the lease period that the Tenant may change or extend coverage. Current period proof of coverage must be on file with the Airport at all times.

The Airport reserves the right to increase the minimum required insurance in an amount and type not to exceed coverage required at comparable airports to be effective thirty (30) days after notice is sent to the address provided herein.

The Airport and the Tenant shall be liable for their own acts of negligence, and each agrees to indemnify the other to the fullest extent allowed by law for any losses, damages, costs or expenses, including attorney fees and litigation expenses, paid or sustained by reason of the sole negligence of the indemnifying party.

2. The Tenant shall hold the Executive Director of Aviation and all other Department of Aviation personnel, and the officers, elected officials and employees of the city harmless from and against all suits, claims, demands, damages, actions, and/or causes of action of any kind or nature in any way arising out of, or resulting from its tenancy and activities, and shall pay all expenses in defending any such claims against the City. Similarly, the City shall hold Tenant harmless from and against all suits, claims, demands, damages, actions, and/or causes of action of any kind or nature in any way arising out of the City's activities under this lease, and shall pay all expenses in defending any such claims against the Tenant. The indemnification provided for in this agreement shall not apply to the extent of the indemnified party's gross negligence or willful misconduct.
3. The Tenant shall be solely liable and responsible for civil penalties imposed upon the Airport as a result of negligent acts and/or violations of Federal, State or Local Regulations or laws by the Tenant, especially when the Airport has made good faith efforts to establish rules and procedures for compliance with such regulations. Similarly, the City shall be solely liable and responsible for civil penalties imposed upon the Tenant as a result of negligent acts and/or violations of Federal, State or Local Regulations or laws by the City which do not result from any violation of said regulations by the Tenant.

ARTICLE X

General Provisions

1. Neither the failure of the Airport to strictly enforce all of the terms of this lease nor the acceptance of rent by the Airport after any breach by the Tenant nor any delay on the part of the City to strictly enforce the provisions hereof shall operate or be deemed a waiver of any rights or remedies accruing to the Airport by reasons of any subsequent breach. In any legal proceedings under this lease, the successful party shall be reimbursed by the other party for costs, expenses and reasonable attorney's fees, which shall be incurred in such proceedings.
2. NOTICES. Any notice, demand, certificate or other communication under this Agreement shall be given in writing and deemed effective: a) when personally delivered; or b) if sent by registered mail, postage paid, addressed by name and to the party or person intended as follows:

To the City: Executive Director of Aviation
Killeen Fort Hood Regional Airport
8101 S. Clear Creek Rd, Box C
Killeen, Texas 76549

To the Concessionaire: CCL Ventures, LLC
1609 Grand Falls Dr.
Cedar Park, Texas 78613

The parties may designate other addresses from time-to-time in writing. Tenant must provide a valid new address for notices to Tenant within ten (10) days if the above address becomes invalid.

3. The Airport reserves the right to further develop or improve the airport as it sees fit, regardless of the desires or views of Tenant and without interference or hindrance by Tenant; however, all developments and improvements of the airport will be coordinated with Tenant.
4. This lease agreement shall be subordinate to the current or future reasonable airport rules, regulations and standards, and City Ordinances, as well as all applicable State and Federal regulations and laws. It is herein agreed between the Airport and the Tenant that the Airport Rules and Regulations now in effect and hereafter adopted or amended by the City of Killeen shall not be altered or impaired in any respect by this lease agreement, but said rules and regulations shall remain in effect and be applicable to the Tenant during the term of this lease.

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

7. The Tenant, its successors, and assigns will not make or permit any use of the property which would interfere with landing or taking off of aircraft at the airport, or otherwise constitute an airport hazard. This includes such items as electrical or electronic equipment, creation of smoke or dust, or glaring or misleading lights.
8. Airport warrants and represents that it has the right to Lease the Premises, and covenants and agrees that while performing its obligations hereunder, Tenant shall enjoy, and Airport will defend and uphold its right to quiet and peaceful possession of the Premises, and all rights and privileges granted herein.
9. Tenant may establish and utilize other d/b/a (doing business as) names as appropriate as long as those names are provided in writing to the Executive Director of Aviation prior to the use of such names in signage or advertising applicable to this business location.

10. Tenant hereby verifies that it does not boycott Israel and will not boycott Israel during the term of this lease agreement. Boycotting Israel is defined in Texas Government Code section 808.001 to mean refusing to deal with, terminating business activities with, or taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.
11. This agreement is governed by the laws of the State of Texas, and venue shall be in Bell County.

Article XI **Cancellation**

1. Cancellation by Tenant. Tenant may cancel this Agreement and terminate all its obligations hereunder upon or after the happening of one or more of the following events and provided that Tenant is not in default in the payment of any fees or charges to City:
 - A. The abandonment of the Airport as an airline terminal or the removal of all certificated passenger airline service from the Airport for a period of no less than thirty (30) consecutive days;
 - B. The inability of Tenant to use the Airport for a period of longer than ninety (90) days, because of the issuance of any order, rule, or regulation by any competent governmental authority or court having jurisdiction over Tenant or City, preventing Tenant from operating its business; provided, however, that such inability or such order, rule, or regulation is not primarily due to any fault of Tenant;
 - C. The material breach by City in the performance of any covenant or agreement herein required to be performed by City and the failure of City to remedy such breach for a period of sixty (60) days after receipt from Tenant of written notice to remedy the same;
 - D. If, within thirty-six (36) months of full concession operations, Tenant fails to attain a threshold of \$30,000 in monthly concession sales for any consecutive four (4) month period. Full concession operations shall mean operation of the food court area with concessions that fully occupy the area. For example, that would include the sandwich concession, a coffee concession, and an alcohol sales venue.
2. Cancellation by City. City may cancel this Agreement and terminate all of its obligations hereunder at any time, upon or after the happening of any of the following events:
 - A. Tenant shall file a voluntary petition in bankruptcy; or

- B. Proceedings in bankruptcy shall be instituted against Tenant and Tenant is thereafter adjudicated bankrupt pursuant to such proceedings; or
 - C. A court shall take jurisdiction of Tenant and its assets pursuant to proceedings brought under the provisions of any federal reorganization act; or
 - D. A receiver of Tenant's assets shall be appointed; or
 - E. Tenant voluntarily abandons its conduct of its business at the Airport for a period of thirty (30) days, except if such is due to a labor strike or labor dispute in which Tenant is involved; or
 - F. Any assignment is made by Tenant for the benefit of its creditors; or
 - G. The material breach by Tenant of any of the covenants or agreements hereincontained and the failure of Tenant to remedy such breach as hereinafter provided. In this regard it is understood that nonpayment of fees or charges hereunder is a material breach. In the event of such material breach, City shall give to Tenant notice in writing to correct such breach and if such breach shall continue for fifteen (15) days after the receipt of such notice by Tenant, City may, after the lapse of said fifteen (15) day period, cancel this Agreement, without forfeiture, waiver, or release of City's rights to any sum of money due or to become due under the provisions of this Agreement.
 - H. The lawful assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport and facilities, or any substantial part or parts thereof, in such manner as to substantially restrict Tenant, for a period of at least thirty (30) days, from its Airport operation.
3. Remedies. Should an early termination of this Agreement occur pursuant to the terms of Article XI, Par. 2 hereof, then Airport may, at its option, exercise any one or more of the following remedies:
- A. Airport may terminate, cancel or rescind this agreement;
 - B. Airport may exercise any other right, remedy or privilege which may be available to Airport under applicable law or, by appropriate court action at law or in equity, Airport may enforce any of Tenant's obligations under this agreement;
 - C. Airport may require Tenant to pay (and Tenant agrees that it shall pay) all out-of-pocket costs and expenses incurred by Airport as a result (directly or indirectly) of the Event of Default and/or of Tenant's actions under this section, including, without limitation, any attorney fees and expenses and any costs related to the repossession, repair, reconditioning or disposition of the leased premises and any equipment associated with such agreement;

D. Airport may re-enter the Leased Premises to remove the Tenant and all persons holding over it and to terminate this lease and repossess the premises. Such repossession shall not constitute a waiver by the Airport for any other rights it may have to enforce collection of rents for the balance of the term or to recover damages from the Tenant for default in payment of rents.

None of the above remedies is exclusive, but each is cumulative and in addition to any other remedy available to Airport. Airport's exercise of one or more remedies shall not preclude its exercise of any other remedy. No delay or failure on the part of Airport to exercise any remedy under any agreement shall operate as a waiver thereof, nor as acquiescence in any default, nor shall any single or partial exercise of any remedy preclude any other exercise thereof or the exercise of any other remedy.

4. Notice of Termination. If any of the events enumerated in Article XI Paragraphs 1 or 2 shall occur and after due notice the defaulting party has failed to cure or correct same, the complaining party may, at any time thereafter during the continuance of said default, terminate this Agreement by notice in writing, such cancellation and termination to be effective upon the date specified in such notice.

IN WITNESS WHEREOF, the parties have executed this lease on this _____ day of _____ 2019.

ATTEST:

CITY OF KILLEEN:

Lucy C. Aldrich
City Secretary

Ronald L. Olson
City Manager

ATTEST:

CCL VENTURES, LLC

Cindy Allen
Owner

EXHIBIT "A"

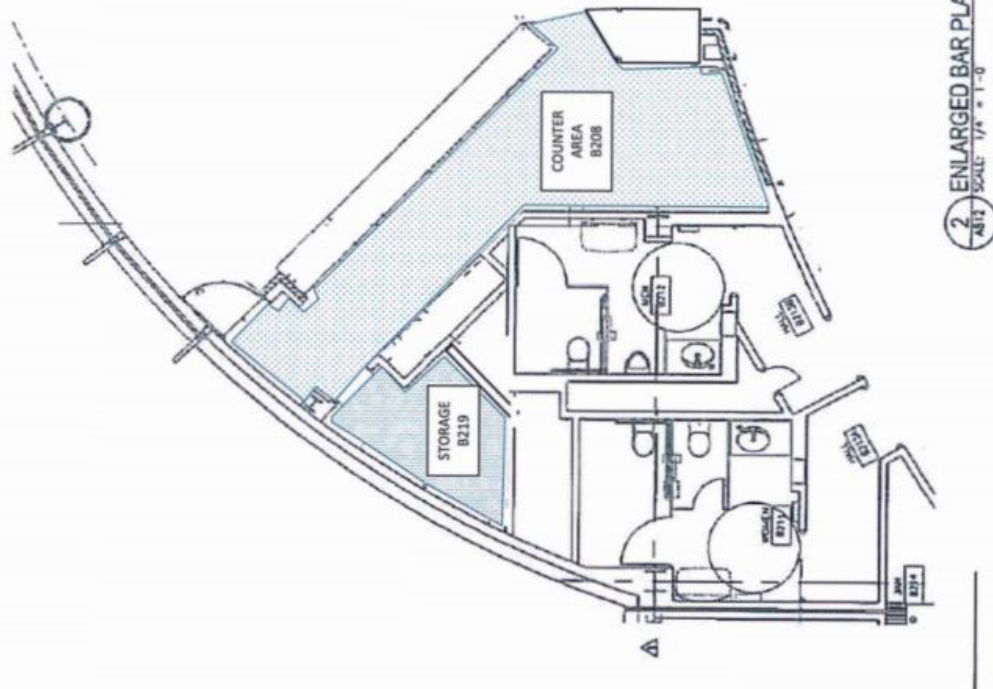


EXHIBIT "B"

City of Killeen and _____, Inc.

Rents and Fees Schedule

Basic Rent and Fees

Minimum Concession Fee \$500 per month

Utility Fee \$500 per month

Percentage Concession Fees 8% of monthly gross receipts over \$30,000
 10% of monthly gross receipts over \$40,000

TOTAL RENT AND FEES \$_____ per month

Sundry Charges

Employee credentials \$7.00 per month per employee

Replacement of lost credentials or keys \$40.00 each

Light bulb replacement \$10.00 each

Hourly overtime rate \$55.00 per hour
(To keep terminal building open beyond
published hours)

Telephone Service

Local Service \$23.50 per line per month *

Voice mail \$ 4.25 per line per month

Phone rental \$ 6.00 per phone per month

Maintenance fee \$ 15.50 per line per month

Internet access via T-1 \$ 64.00 per connection per month *

* Plus applicable federal / state taxes and surcharges

EXHIBIT "C"

City of Killeen

Airport Provided Appliances and Fixtures

Rooms B208 & 219

Dry storage shelving
Back bar draft beer refrigerator
Draft beer arm with drainer
Four compartment bar sink
Cocktail station
Glass rack stand
Back counter
Drop-in Sink with faucet
Ice Machine
Back bar
Reach in Freezer

Room B217

Walk-in Cooler
Bag-n-box syrup rack
Pot & Pan sink
Walk-in Freezer
Reach in Freezer
Fryer
Griddle Range
Hand sink
Chip rack
Dry storage shelving
Exhaust Ventilator w/Fire Suppression

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:
2019-436945

Date Filed:
01/01/2019

Date Acknowledged:

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

CCL Ventures, LLC
Cedar Park, 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.

15 January 2019
Fast Food Service

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.



6 UNSWORN DECLARATION

My name is David S. Allen, and my date of birth is 12/12/1964

My address is 1609 Grand Falls Dr. Cedar Park TX 78613 Texas
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in TRAVIS County, State of TX, on the 1 day of January, 20 19.
(month) (year)



Signature of authorized agent of contracting business entity
(Declarant)



FOOD / BEVERAGE AGREEMENT WITH KILLEEN FORT HOOD REGIONAL AIRPORT

RS-19-002

January 8, 2019

Food / Beverage Agreement

2

❑ KFHRA Concessions

- ▣ Subway - 2004
- ▣ Jesters Lounge - 2004
- ▣ Green Beans Coffee - 2010
- ▣ Automatic Chef - 2010

❑ KFHRA Concession Departures

- ▣ Jesters Lounge - 2010
- ▣ Subway - 2016
- ▣ Green Beans Coffee - 2017

Food / Beverage Agreement

3

□ RFP 18-05

- ▣ Food, beverage, and alcohol (bar) services
- ▣ Released in November 2017
 - Pre-proposal December 12
 - No attendees
- ▣ Responses due December 19
 - No responders

□ Airport Outreach

- ▣ Local businesses
- ▣ Chambers
- ▣ Army / Air Force Exchange Services

Food / Beverage Agreement

4

- CCL Ventures, LLC
 - ▣ Initial meeting June 2018
 - ▣ Single vendor for all venues
 - Maximize vendor success
 - ▣ Blimpie sandwiches, Kahala Coffee, bar service
 - Mobile cart available for service to holdrooms

- Agreement
 - ▣ Five (5) years; option to negotiate for additional term
 - ▣ \$20,000 in rents and fees (annual CPI increase)

Alternatives

5

- ❑ Do not approve the agreement
 - ▣ Airport continue without concessions
 - ▣ Loss of potential revenue to the Airport

- ❑ Approve the agreement
 - ▣ Provides excellent service to customers
 - ▣ Provides a consistent line of business revenue for KFHRA
 - ▣ Opens other opportunities to Airport and concessionaire

Recommendation

6

- Approve the Food / Beverage Agreement with CCL Ventures, LLC and authorize the City Manager or designee to execute same as well as any and all amendments as allowed per federal, state, or local law.



City of Killeen

Legislation Details

File #:	RS-19-003	Version:	1	Name:	Hangar Lease - Diamond Star Aviation
Type:	Resolution	Status:		Status:	Resolutions
File created:	12/17/2018	In control:		In control:	City Council Workshop
On agenda:	1/8/2019	Final action:		Final action:	
Title:	Consider a memorandum/resolution approving Addendum No. 1 to the David Gosnell dba Diamond Star Aviation hangar lease at Skylark Field.				
Sponsors:	Aviation Department				
Indexes:					
Code sections:					
Attachments:	Staff Report Addendum No 1 Agreement Certificate of Interested Parties Presentation				

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: January 8, 2019

TO: Ronald L. Olson, City Manager

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

SUBJECT: APPROVAL OF LEASE ADDENDUM FOR DAVID GOSNELL DBA DIAMOND STAR AVIATION AT SKYLARK FIELD

BACKGROUND AND FINDINGS:

On September 26, 2017 City Council approved a lease agreement with David Gosnell dba Diamond Star Aviation for a commercial hangar located on Skylark Field at 1505 Stone Tree Drive for the purpose of engaging in activities of a Limited Fixed Based Operator, i.e., providing customer aircraft storage. The terms of the lease were three (3) years at a monthly rate of \$850 with an option of two (2) additional one (1) year terms with a rate increase for each additional term based on the Consumer Price Index (CPI) percentage of change. The approved lease also provided the Tenant a \$4,800 capital improvement benefit by conveyance of a \$200 per month rent reduction until the \$4,800 limit was met. As of this time, improvements to the hangar include remodel of the existing office (new air conditioner, new hot water heater, painting, new carpet, and ceiling tiles) and the rest room, addition of LED hangar lighting, and addition of a CCTV system; these costs total in excess of \$8,000.

Addendum No. 1 extends the lease term an additional seven (7) years (total lease term of ten (10) years), increases the monthly rent amount to \$900 starting at year four (4), and includes an annual rent increase in years five (5) through ten (10) based on the CPI. It also allows for any additional terms to be set at the current market value at the time. Additionally, the addendum increases the capital improvement benefit to \$14,400 over the first 72 months of the agreement, and allows for the operation of a full Fixed Base Operator, which provides additional customer services such as aircraft maintenance, repair, rental, and flight instruction, including testing and examinations. Capital improvements planned for the hangar include addition of a new second floor office to accommodate his growing business, epoxy coating of the hangar floor, insulate and sheetrock the hangar walls, and treating of structural steel beams; these improvements have an estimated cost of more than \$26,000. This addendum also provides the Executive Director of Aviation approval authority for sub-leases or assignments to this lease.

THE ALTERNATIVES CONSIDERED:

Alternatives considered: (1) approve the addendum or (2) do not approve the addendum.

Which alternative is recommended? Why?

Staff recommends alternative 1. This Addendum provides (1) a long-term financial benefit to the Aviation fund, (2) a source of capital improvement to Airport facilities in excess of \$34,000, (3) increases the value and maintainability of the hangar, and (4) provides an opportunity for long-term growth and development of Skylark Field.

CONFORMITY TO CITY POLICY:

Yes

FINANCIAL IMPACT:

Total annual revenue to the Skylark Airport Enterprise Fund represented by these lease agreements is approximately \$7,800 annually through 2020, \$8,400 annually through 2024, and \$10,800 annually for the remainder of the agreement term. These amounts do not take the CPI increase into consideration nor potential income for fuel sales from the expanded business.

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

None

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:

Council approve the agreement with David Gosnell dba Diamond Star Aviation and authorize the City Manager or designee to execute same as well as any and all amendments as allowed per federal, state, or local law.

DEPARTMENTAL CLEARANCES:

Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Addendum No. 1
Agreement
Certificate of Interested Parties

STATE OF TEXAS

COUNTY OF BELL

ADDENDUM NO. 1

The City of Killeen, a municipal corporation of Bell County, Texas, hereinafter referred to as "Airport"; and David Gosnell, d/b/a Diamond Star Aviation, hereinafter referred to as "Tenant", hereby agree that the terms and conditions of the Lease Agreement dated September 26, 2017 between the City of Killeen and David Gosnell, d/b/a Diamond Star Aviation will remain in full force and effect, with the exception of the changes made and incorporated in Addendum No. 1 herein.

ARTICLE II
Description of Concession Granted

1. The Airport grants Tenant the right to engage in the activities of a Fixed Based Operator providing customer aircraft storage, maintenance, repairs, rentals, and flight instruction, including testing and examinations. These activities are defined by the Skylark Field Rules and Regulations approved and signed by the City Manager on October 30, 2018 (Exhibit D).
2. No change

ARTICLE IV
Obligations of the Tenant

1. No change
2. Except as may be otherwise authorized herein, Tenant agrees it will not assign this lease or sublet the leased premises or any part thereof, without the prior written consent of the Executive Director of Aviation. It is further agreed consent will not be unreasonably withheld.
- 3-17. No change

ARTICLE V
Terms of Agreement

1. The airport hereby grants unto Tenant, for a period of ten (10) years beginning October 1, 2017 and ending September 30, 2027, the right to operate commercial aeronautical activities of a Fixed Base Operator, as previously described, at Skylark Field.

2-4. No change

ARTICLE VI
Rentals, Fees, and Accounting Records

1. Beginning October 1, 2017, Tenant shall pay the Airport, \$850 per month for the leased premises each and every month through September 30, 2020. Beginning October 1, 2020, Tenant shall pay the Airport \$900 each and every month through September 30, 2021. Beginning October 1, 2021 through September 30, 2027, the monthly rental rate will be adjusted annually based on the percentage of change in the Consumer Price Index (CPI) for ALL Urban Consumers as published by the United States Department of Labor, Bureau of Labor Statistics up to 2.5% and not less than 2%, per 12 month period (see Fee Schedule described in Exhibit C).
 2. In consideration of capital improvements to be made to the leased premises by Tenant per Article IV, paragraph 10, Airport will allow up to \$14,400 over the first seventy-two (72) months of this agreement. To claim such consideration, Tenant must first comply with conditions set forth in Article IV, paragraph 10, then provide Airport with receipts verifying the value of materials and labor (to include related professional services), and allow the Executive Director of Aviation or designated staff to inspect said materials or labor (improvements) to receive the credit for any improvements performed on the leased premises. Once the qualification requirements are satisfied, Tenant may reduce the monthly lease payment by \$200 per month. The \$200 per month reduction will commence the month following the first qualified expenditure of \$200 or more and will end seventy two (72) months from that date.
- 3-5. No change
6. The Airport will review the base rental rates prior to the approval of each subsequent term extension and reserves the right to adjust the base rental rate for each subsequent term extension based the current market value at that time.

EXHIBIT C
Rents and Fees Schedule

Replace Exhibit C with new Exhibit C (Addendum No. 1)

EXHIBIT D
Skylark Field Rules and Regulations

Add Exhibit D; updated Skylark Field Rules and Regulations

The effective date of this addendum is 30 days from the date of approval of the Killeen City Council on the ____ day of January, 2019.

IN WITNESS WHEREOF, the parties have executed this lease on this ____ day of _____, 2019.

ATTEST:

CITY OF KILLEEN:

Lucy Aldrich
City Secretary

Ronald L. Olson
City Manager

ATTEST:

TENANT
David Gosnell d/b/a Diamond Star Aviation

David Gosnell
Owner/President

City of Killeen and David Gosnell d/b/a Diamond Star Aviation

Rents and Fees Schedule

BASIC RENT

Hangar (1505 Stonetree Dr) [through September 30, 2020]	\$850.00 per month
Commencing 1 October 2020	\$900.00 per month
From 1 October 2021 – 2027	Hangar rental shall increase per the CPI from preceding year

SUNDRY CHARGES

Key replacement **	\$15.00
Additional Aircraft Tie-down spaces **	\$30.00 per month

LATE PAYMENT PENALTY

Late payment penalties shall be assessed on the total monthly payment:

5% of total monthly fees if paid after the first day of the month

** Subject to annual review

E X H I B I T C (Addendum No. 1)

STATE OF TEXAS

COUNTY OF BELL

LEASE AGREEMENT

This lease agreement ("Lease") is made and entered into by and between the City of Killeen, a municipal corporation of Bell County, Texas, hereinafter referred to as "Airport"; and David Gosnell, d/b/a Diamond Star Aviation, hereinafter referred to as "Tenant".

ARTICLE I

Description of Leased Premises

The Airport, in consideration of the rents and covenants herein to be performed by the Tenant, does hereby lease and let unto Tenant the following described property, hereinafter referred to as "Leased Premises", located on Skylark Field at 1505 Stonetree Drive, Killeen, Texas, 76543: A 6,400 sq. ft. hangar complete with internal office space, break room and related work areas as shown on Exhibit "A" attached hereto and incorporated herein.

ARTICLE II

Description of Concession Granted

1. The Airport grants Tenant the right to engage in the activities of a Limited Fixed Base Operator, providing customer aircraft storage. These activities are defined by the *Minimum Standards for Commercial Aeronautical Activities at Killeen Municipal Airport (Resolution #91-37)*. (Exhibit "B")
2. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right for any aeronautical activities that is forbidden by Section 308 (A) of the Federal Aviation Act of 1958, as amended.

ARTICLE III

Obligations of the Airport

1. The Airport shall maintain and repair the non-leased portion of the areas surrounding the Leased Premises depicted on Exhibit "A".
2. The Airport shall provide adequate access to the Leased Premises so long as Airport, Transportation Security Administration, and pertinent Federal Aviation Regulation security practices are not violated.

3. Parking will be provided for Tenant's employees and customers in a designated parking lot or lots adjacent to or nearby the Leased Premises as depicted on Exhibit "A". Tenant understands and agrees that such parking is provided for the direct support of the aviation business activities authorized in Article II, Par. 1. herein and will not be utilized for the long term storages of vehicles or other items owned by employees or customers of the Tenant.
4. If the Leased Premises are destroyed or damaged by any means which are not fully the fault of the Tenant, to the extent that the Tenant will be unable to conduct any substantial portion/s of the business contemplated by this Lease, either party may cancel this Lease in writing and the Tenant will stand charged only with the rent specified in ARTICLE VI up to the time of such damage or destruction.
5. The Airport shall furnish keys, at no initial cost to Tenant, to the Tenant's designated Manager who shall be responsible for safekeeping of such keys. Lost key replacement will be charged to Tenant in accordance with the Rents and Fees Schedule depicted on Exhibit "C".
6. The Airport shall maintain and keep in repair the landing area of the airport. The Airport retains the right to reasonably direct and reasonably control all activities of the Tenant in this regard. The Airport shall make all reasonable efforts not to hinder the Tenant's efforts in the performance of Tenant's business functions or services.
7. After reasonable notice to Tenant (when practical), the Airport reserves the right to temporarily close the airport or any other facilities thereon for maintenance, improvements, or for the safety of the public. The Airport will abate rent for affected tenant areas for periods in which closure for these reasons prevents the tenant from operating its facilities, if reasonable temporary facilities and/or arrangements cannot be made by the airport.
8. The Airport will provide, at no additional charge to the Tenant, the use of two (2) aircraft parking spots near the building specified in Article I for storage of aircraft owned, consigned, operated, or otherwise controlled by the Tenant (see Exhibit "A"). The exact location will be made by mutual agreement of the Airport's Executive Director of Aviation or his/her designated representative and Tenant's designated local manager prior to the effective date of this lease agreement. It is acknowledged and understood that it may be required for the Airport to change these locations from time to time during the term of this Lease to accommodate pavement maintenance, construction, or other airport operational requirements. If reasonably feasible, Airport agrees to provide at least five business days' notice of such changes. If a proposed change in location is unacceptable to the Tenant, in its reasonable discretion, then Airport and Tenant agree to find a suitable and mutually acceptable location within five business days of the Tenant's notice to the Airport that the proposed relocation is unacceptable.

9. Except as indicated in Article IV, Par 1, the Airport is responsible for the maintenance and repair of the exterior of the Leased Premises, the steel frame structure of the building, and all plumbing located underground or under the floor of the building. The Tenant is responsible for sewer clean outs that are not the result of a damaged sewer line.

ARTICLE IV **Obligations of the Tenant**

1. Tenant accepts the Leased Premises identified in Article I of this Lease in "as is" condition, and assumes all responsibility and expense of maintaining the interior of the building in a safe, neat, attractive, and good physical condition. Tenant is responsible for the maintenance of exterior signage and any other item the Executive Director of Aviation may have authorized the Tenant to install on the exterior of the building. Tenant will promptly repair all damages at the Tenant's expense. Any damage caused by the Tenant's failure to repair the building or notify Airport in a timely manner is the sole responsibility of the Tenant. Appropriate representatives of the Airport and the Tenant will perform and document a joint facility inventory and condition inspection before Tenant occupies the Leased Premises. A record of this inspection will be maintained by both parties for the duration of the Tenant's occupancy of the facility.
2. Except as may be otherwise authorized herein, Tenant agrees it will not assign this Lease or sublet the Leased Premises or any part thereof, without the prior written consent of the Killeen City Manager. It is further agreed consent will not be unreasonably withheld.
3. Tenant agrees to keep the Leased Premises clean and shall provide its own janitorial services and will be responsible for the removal of any exposed litter or unsafe materials which may accumulate in or about the building or properties.
4. Tenant shall be responsible for disposal of its own trash accumulations at its own expense.
5. Tenant agrees that it shall not engage in any business or activity within the confines of Skylark Field other than those expressly authorized by this Lease agreement.
6. Tenant shall operate the Leased Premises without cost to the Airport, and will maintain all equipment, appliances and furnishings therein.
7. Tenant agrees that its employees, while performing the duties associated with the concession granted in ARTICLE II, will be neatly groomed and attired and conduct themselves in a courteous, professional, and businesslike manner.

8. Tenant and its staff shall conduct activities on the Leased Premises in accordance with all applicable laws and regulations.
9. Upon vacating, Tenant shall leave the Leased Premises in as good condition and substantially as they were before removal, ordinary wear and tear excepted.
10. Tenant shall make no structural changes, additions or improvements to the Leased Premises without prior written consent of the Executive Director of Aviation, and appropriate building permits obtained from the City of Killeen Building and Inspections Department. Airport agrees to allow Capital Improvement Credits for improvements that Tenant intends to make to the Leased Premises under the conditions outlined in Article VI, Paragraph 2. Any such structural changes, additions or improvements must be performed in a professional manner and become property of the Airport, unless otherwise agreed upon in writing before such work begins
11. Tenant shall, no later than ten (10) days after the beginning of the term of this Lease, provide the Airport with a report listing all aircraft operated or consigned by the tenant by aircraft model and FAA registration number that are based at Skylark Field. Tenant shall provide subsequent reports updating this information within thirty (30) days of any change of based aircraft.
12. Tenant shall be responsible for procuring its own utility services and shall be responsible for all utility charges.
13. Tenant agrees it will not store any equipment or supplies on the ramp area or any other area outside of the Leased Premises. Properly escorted vehicles and equipment may access the ramp area when necessary for maintenance support of customer aircraft within the Leased Premises.
14. Tenant must, under a separate agreement with the Airport, rent an appropriate number of additional aircraft tie-down spaces for any aircraft owned, leased, operated, or otherwise consigned to the Tenant, that are not being stored within the leased premises, or the two aircraft parking spaces that are provided as part of this lease agreement as specified in Article III, Section 8.
15. Tenant shall provide the service described in Article II for its subscribed customers each and every day during the term of this lease agreement. Normal hours of occupancy and information concerning after hours points of contact and phone numbers to obtain services will be posted on or near the land side entrance door of the leased premises.
16. Tenant will provide appropriate signage on at least the east side of the Leased Premises that clearly identifies the nature and availability of Tenant's commercial business. Such signage, to include the method of attachment to the hangar must be approved by the Airport's Executive Director of Aviation before installation.

17. Tenant alone is responsible for any loss or damage to, or damage caused by, Tenant-owned or operated property stored on the grounds of the Airport and agrees to indemnify and hold Airport and all of its officers, agents, servants, and employees harmless to the extent allowed by law from any loss, damage, liability or expense, including costs of court, reasonable attorneys' fees, expert witnesses' and consultants' fees, on account of damage to or loss of property and injuries, including death, to all persons, defend Airport in any suits or other proceedings brought against Airport and its officers, agents, servants and employees, or any of them on account thereof, and pay all expenses and satisfy all judgments which may be incurred by or rendered against them, or any of them in connection herewithin.

ARTICLE V

Terms of Agreement

1. The Airport hereby grants unto the said Tenant, for a period of three (3) years beginning October 1, 2017 and ending September 30, 2020, the right to operate commercial aeronautical activities of a Limited Fixed Base Operator, as previously described, at Skylark Field.
2. Any holding over by the Tenant on the expiration of the initial or any successive term of this Lease shall not constitute a renewal thereof but shall constitute only a tenancy on a month-to-month basis. Any such holding over may be allowed by the Executive Director of Aviation, if such holding over is in the best interest of the Airport and if the Tenant is otherwise in good standing with the Airport. The Tenant must request holding over in writing at least sixty (60) days prior to the expiration of the initial or any successive term of this Lease, as applicable, and must have received written authorization to hold over from the Executive Director of Aviation, prior to the expiration of the initial or any successive term of this Lease, as applicable. Hold over monthly lease rates will be as specified Article VI, Par 4. All other terms of this Lease shall continue to be binding upon the Tenant in holdover status.
3. As consideration for this Lease, Tenant promises to pay to the Airport, at the office of the City of Killeen Finance Department in Killeen, Bell County, Texas, the sum/s prescribed in ARTICLE VI, said sum/s payable without demand in monthly installments in advance on or before the first day of each month and every month during the term of this Lease. During the term of the lease agreement, the Airport's Executive Director of Aviation or his/her designated representative may notify Tenant in writing of other methods of payment and other locations to which required payments may be made.
4. If Tenant is not in default of the terms hereunder, Tenant will have the option to extend the term of the lease agreement for up to two (2) years under the terms and fees as set by Airport, providing Tenant gives notice of its option at least ninety (90) days prior to the termination date hereof.

ARTICLE VI
Rentals, Fees, and Accounting Records

1. Beginning, October 1, 2017, Tenant shall pay to the Airport, \$850.00 per month for the Leased Premises in accordance with the fee schedule described in Exhibit "C" each and every month for the duration of the term of the lease agreement.
2. In consideration of capital improvements to be made to the office/administrative space and to the hangar door by Tenant per Article IV, paragraph 10, Airport will allow up to \$4,800.00 in capital improvement credits over the full initial term of the lease agreement. Tenant must provide Airport with receipts verifying the value of materials and labor (to include related professional services) of \$4,800.00 or more for the specific improvements approved by the Executive Director of Aviation to receive the maximum \$4,800.00 credit. Assuming the qualification requirements are satisfied, Tenant may reduce the monthly lease payment by \$200.00 per month to a total of \$650.00 per month. The \$200.00 per month reduction will commence the month following Tenant's submission of the first qualified expenditure of \$200.00 or more and will end after receipt of the January 2020 rental payment or after the amount actually spent is reached, if less than \$4,800.00.
3. A late fee of five percent (5%) of the total amount due will be assessed to the Tenant if payments prescribed in Paragraph 1 above are not received in the administrative offices of the Executive Director of Aviation, or the Skylark Field office, by the first day of each month. An additional five percent (5%) of the outstanding amount will be assessed each month that all or a portion of the Tenant's obligations remain unpaid. Obligations unpaid more than sixty days after the prescribed due dates will be cause of considering the payment(s) in default of this Lease.
4. If the Tenant holds over beyond the term of this Lease on a month-to-month basis, all basic rents, as listed in Exhibit "C", as modified by paragraph 1 above in respect to subsequent terms, if applicable, will increase by 15%. Beginning with the fourth month in a hold over status, basic rents will increase by 20%. Beginning with the seventh month in a hold over status, basic rents will increase by 25%. Sundry charges will be at the current rates in effect for that month.
5. Tenant shall maintain a security bond, deposit, or other financial assurance acceptable to the Airport in the amount of \$1,700.00 for the term of this Lease. Tenant shall forfeit said assurance if it is determined to be in default as described in Article X of this Lease; provided that Airport shall provide a written report to Tenant of the events giving rise to such default and the costs incurred or to be incurred by Airport to remedy such default.

6. Airport will review the base rental rates prior to the approval of each subsequent term extension and reserves the right to adjust the base rental rate for each subsequent term up to the percentage of change in the Consumer Price Index (CPI) for All Urban Consumers as published by the United States Department of Labor, Bureau of Labor Statistics (Non Seasonally Adjusted, All Items, Base Period 1982-84 = 100) for the most recently published three year period, as applicable. The reference month for this purpose is June 2017 with an index number of 244.955. (Example: If the CPI index number for June 2020 is 252.427, beginning September 1, 2020, the basic rent may be adjusted from the initial \$850.00 per month to \$875.93 per month. $(252.427 - 244.955 = 7.472 \div 244.524 = .0305 \times \$850.00 = \$25.93 + \$850.00 = \$875.93)$). In the event that the Federal Government ends the calculation and publication of the Consumer Price Index, a replacement federally recognized index for the purpose of tracking inflation will be used.

ARTICLE VII

Rights of Inspection

The Airport reserves the right to inspect the Leased Premises, equipment, and services at any reasonable time for the purpose of assuring compliance with this Lease, public safety or welfare, or the Airport's general rights and duties as lessor.

ARTICLE VIII

Non-Discrimination Covenants

1. The Tenant for itself, its personal and legal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agrees as a covenant running with the land that:
 - a. No persons on the grounds of race, color, religion, sex, age, disability, or national origin shall be unlawfully excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities and the privileges provided herein.
 - b. That in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, religion, sex, age, disability, or national origin shall be unlawfully excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.
 - c. That the Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Department of Transportation, Subtitle A, Office of the Secretary, Nondiscrimination in Federally Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

2. Tenant assures that if applicable by the provisions of the regulation, it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, disability, or sex be unlawfully excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Tenant assures that no person shall be unlawfully excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by the subpart. The Tenant assures that if applicable by the provisions of the regulation, it will require that its covered sub organizations provide assurances to the Airport that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required, by 14 CFR Part 152, Subpart E, to the same effect.
3. In the event of breach of any of the preceding nondiscrimination covenants, the Airport shall have the right to terminate this Lease and the privileges herein, and hold the same as if said Lease had never been made or issued.

ARTICLE IX

Indemnification and Insurance

1. Without limiting Tenant's obligation to indemnify the Airport, Tenant shall provide, pay for, and maintain in full force at all times during the term of the agreement insurance coverage from an insurance carrier admitted to do business in the State of Texas that has at least an "A" rating with AM Best Company or its equivalent in the types and amounts as listed below.

TYPE	MINIMUM LIMITS
Workers Compensation	Statutory
Premises Liability	
Bodily Injury	\$ 300,000 per occurrence \$1,000,000 aggregate
Property Damage	\$ 300,000 per occurrence \$1,000,000 aggregate
Hangar Keepers Liability	\$ 100,000 per aircraft \$ 300,000 per occurrence

To the extent of the risks, liabilities and indemnities assumed by Tenant under this Lease, The "City of Killeen" (a) shall be included as additional insured; (b) shall be furnished with Certificate of Insurance coverage in the above minimum amounts with this signed Lease and at any time during the lease period that the Tenant may change or extend coverage; and (c) Tenant's insurers shall waive all rights of subrogation in respect to the City on the General Liability and Workers Compensation policies. Current period proof of coverage for all other types of insurance must be on file with the Airport at all times.

The Airport reserves the right to increase the minimum required insurance in an amount and type not to exceed coverage required at comparable airports to be

effective thirty (30) days after notice is sent to the address provided herein.

2. The Airport and the Tenant shall be liable for their own acts of negligence, and each agrees to indemnify the other for any losses, damages, costs or expenses, including attorney fees and litigation expenses, paid or sustained by reason of the sole negligence of the indemnifying party.
3. The Tenant shall hold the Executive Director of Aviation and all other Department of Aviation personnel, and the officers, elected officials and employees of the City of Killeen harmless from and against all suits, claims, demands, damages, actions, and/or causes of action of any kind or nature in any way arising out of, or resulting from its negligence during its tenancy and activities, and shall pay all reasonable expenses in defending any claims against the city. Similarly, Airport shall hold Tenant harmless from and against all suits, claims, demands, damages, actions, and/or causes of action of any kind or nature in any way arising out of Airport's negligence related to the Airport's activities under this Lease, and shall pay all expenses in defending any such claims against the Tenant.
4. The Tenant shall be solely liable and responsible for civil penalties imposed upon the Airport as a result of the Tenant's negligent acts and/or violations of Federal, State, or Local Regulations or laws by the Tenant, especially when the Airport has made good faith efforts to establish rules and procedures for compliance with such regulations. Similarly, the Airport shall be solely liable and responsible for civil penalties imposed upon the Tenant as a result of negligent acts and/or violations of Federal, State or Local Regulations or laws by Airport which do not result from any violation of said regulations by the Tenant.
5. Special Environmental Indemnity:
 - a. Definitions. The term "Environmental Laws" means any one or all the following as the same are amended from time to time: (i) the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C., Section 9601, et seq.; (ii) the Toxic Substance Control Act, 15 U.S.C., Section 2601, et seq.; (iii) the Safe Drinking Water Act, 42 U.S.C., Section 300h, et seq.; (iv) the Clean Water Act, 33 U.S.C., Section 1251, et seq.; (v) the Clean Air Act, 42 U.S.C., Section 7401, et seq.; and (vi) the regulations promulgated thereunder and any other laws, regulations and ordinances (whether enacted by the local, state or federal government) now in effect or hereinafter enacted in connection with the regulation or protection of the environment, including the ambient air, ground water, surface water, and land use, including substrata land.

The term "Hazardous Material" includes: (i) those substances included within the definitions of hazardous substance, hazardous material, toxic substance, or solid waste in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C., Section 9601, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C., Section 6901, et seq.; and the Hazardous Materials Transportation Act, 49 U.S.C., Section

1801, et seq. And the regulations promulgated thereto: (ii) these substances listed in the United States Department of Transportation Table (49 C.F.R., Section 172.101 and amendments thereto) or by the Environmental Agency as hazardous substances (40 C.F.R., part 302, and amendments thereto; and, (iii) all substances, materials and wastes that are, or that become, regulated under, or that are classified as hazardous or toxic under any local, state or federal environmental law.

The term "release" shall mean any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, or dumping.

b. Compliance.

- (1) Tenant shall not cause or permit any Hazardous Material to be used, generated, manufactured, produced, stored, brought upon, or released on, under or about the Leased Premises, or transported to and from the Leased Premises, by Tenant, its agents, employees, contractors or invitees that enters the Leased Premises in violation of any Environmental Laws.
- (2) Tenant shall indemnify, defend and hold harmless Airport, its successors and assigns, its employees, agents and attorneys from and against any and all liability, loss, damage, expense, penalties and legal and investigation fees or costs (collectively, "Liability"), arising from or related to any claim or action for injury, liability, breach of warranty of representation, or damage to persons or property and any and all claims or actions brought by any person, entity or government body alleging or arising on connection with contamination of, or rule, regulation, judgment or order of any government or judicial entity, to the extent incurred or assessed as a result of any activity or operation on or discharge by, through or under Tenant from the Leased Premises during the term of this lease agreement. Notwithstanding the foregoing, Tenant shall not be responsible for, or indemnify Airport or any other person or entity for, any liability arising from (i) the presence, generation, use, manufacture or release of Hazardous Materials, or (ii) violation of any Environmental Laws, occurring or existing prior to the Effective Date or after this Lease agreement has terminated, provided Tenant's activities and operations were not the cause or source of the release of any Hazardous Materials or any contamination or violation of Environmental Laws. Airport shall indemnify, defend and hold harmless Tenant, its successors and assigns, its employees, agents and attorneys from and against any and all Liability arising from or related to any claim or action for injury, liability, breach of warranty of representation, or damage to persons or property and any and all claims or actions brought by any person, entity or governmental body, alleging or arising in connection with contamination of, or adverse affects on, the environment or violation of any Environmental Laws or other statute, ordinance, rule, regulation, judgment or order of any

government or judicial entity, to the extent incurred or assessed as a result of any activity or operation on or discharge from the Leased Premises occurring or existing prior to the Effective Date or after this Lease has terminated, provided Tenant's activities and operations were not the cause or source of the release of any Hazardous Material or any contamination or violation of Environmental Laws.

ARTICLE X

Events of Default and Remedies Upon Default

1. "Event of Default" means the occurrence of any one or more of the following events as they may relate to this Lease: (a) Tenant fails to make any Rent payment (or any other payment) as it becomes due in accordance with the terms of this agreement, and any such failure continues for thirty (30) days after written notice by the Airport to the Tenant to pay; (b) Tenant or Airport fails to perform or observe any of its obligations under this Lease, and such failure is not cured within thirty (30) days after receipt of written notice by Tenant or Airport; (c) any statement, representation or warranty made by Tenant in this Lease or in any writing delivered by Tenant pursuant thereto or in connection therewith proves at any time to be false, misleading or erroneous in any material respect as of the time when made; (d) Tenant applies for or consents to the appointment of a receiver, trustee, conservator or liquidator of Tenant or of all or a substantial part of its assets, or a petition for relief is filed by Tenant under any federal or state bankruptcy, insolvency or similar law, or a petition in a proceeding under any federal or state bankruptcy, insolvency or similar law is filed against Lessee and is not dismissed within sixty (60) days thereafter.
2. If any Event of Default occurs, then Airport or Tenant may, at its option, exercise any one or more of the following remedies:
 - a. Terminate, cancel or rescind this Lease;
 - b. Exercise any other right, remedy or privilege which may be available to Airport under applicable law or, by appropriate court action at law or in equity, Airport or Tenant may enforce any of Tenant's obligations under this Lease;
 - c. Airport may require Tenant to pay (and Tenant agrees that it shall pay) all out-of-pocket costs and expenses incurred by Airport as a result (directly or indirectly) of the Event of Default and/or of Tenant's actions under this section, including, without limitation, any attorney fees and expenses and any costs related to the repossession, repair, reconditioning or disposition of the Leased Premises and any equipment associated with such agreement;
 - d. Airport may re-enter the Leased Premises to remove the Tenant and all persons holding over it and to terminate this Lease and repossess the Leased Premises. Such repossession shall not constitute a waiver by the

Airport for any other rights it may have to enforce collection of rents for the balance of the term or to recover damages from the Tenant for default in payment of rents. If Airport re-enters the Leased Premises, Airport shall allow Tenant to recover any and all perishable or time-sensitive items (including log books) within a reasonable time period as to not allow any item to perish, expire or hinder Tenant's ability to perform necessary functions related to its aircraft of business.

None of the above remedies is exclusive, but each is cumulative and in addition to any other remedy available to Airport. Airport's exercise of one or more remedies shall not preclude its exercise of any other remedy. No delay or failure on the part of Airport to exercise any remedy under any agreement shall operate as a waiver thereof, nor as an acquiescence in any default, nor shall any single or partial exercise of any remedy preclude any other exercise thereof or the exercise of any other remedy.

ARTICLE XI

General Provisions

1. Neither the failure of the Airport to strictly enforce all of the terms of this Lease nor the acceptance of rent by the Airport after any breach by the Tenant nor any delay on the part of the Airport to strictly enforce the provisions hereof shall operate or be deemed a waiver of any rights or remedies accruing to the Airport by reasons of any subsequent breach. In any legal proceedings under this Lease, the successful party shall be reimbursed by the other party for costs, expenses and reasonable attorney's fees which shall be incurred in such proceedings.
2. Notices to the Airport shall be sufficient if sent by registered mail, postage paid, addressed to the Executive Director of Aviation, Killeen-Fort Hood Regional Airport, 8101 South Clear Creek Dr, Box C, Killeen, Texas 76549, and notices to the Tenant shall be sufficient if sent by registered mail, postage paid, addressed to David Gosnell, 678 Whispering Ave, Copperas Cove, TX 76522. The parties may designate other addresses from time-to-time in writing. Tenant must provide a valid new address for notices to Tenant within ten (10) days if the above address becomes invalid.
3. In the event of the appointment of a Trustee due to a voluntary or involuntary bankruptcy on the part of Tenant, or the appointment of a receiver for the Tenant, or a voluntary assignment for creditors by the Tenant (or if this Lease shall, by operation of law or otherwise, devolve upon or pass to a person or corporation other than the Tenant), then in no case shall the Leased Premises be used for any purpose other than those contained in ARTICLE II, herein.
4. The Airport reserves the right to further develop or improve the Airport as it sees fit, regardless of the desires or views of Tenant and without interference or hindrance by Tenant; however, all developments and improvements affecting the Tenant will be coordinated with Tenant.


5. Airport reserves the right to take action it considers necessary to protect the aerial approaches of the airport against obstructions, together with the right to prevent Tenant from erecting or permitting to be erected any building or other structure, or the conduct of any activity, on the airport which, in the opinion of the Airport, would interfere with the operations of the airport or constitute a hazard to aircraft.
6. This Lease shall be subordinate to the current or future Airport rules, regulations and minimum standards, and City Ordinances, as well as all applicable State and Federal regulations and laws, as amended. It is herein agreed between the Airport and the Tenant that the Airport Rules and Regulations now in effect and hereafter adopted or amended by the City shall not be altered or impaired in any respect by this Lease, but said rules and regulations shall remain in effect and be applicable to the Tenant during the term of this Lease.

It is expressly understood and agreed that this Lease is subject to and subordinate to and controlled by provisions, stipulations, covenants, and agreements contained in those certain contracts, agreements, resolutions, and actions of the City of Killeen, Texas, constituting agreements between the City and the United States of America and its agents including, but not limited to, the Federal Aviation Administration (FAA), the Transportation Security Administration (TSA) and all regulations now and hereafter imposed upon the City and that the Airport shall not be liable to Tenant on account of any of the foregoing matters and all of such contracts, agreements, resolutions, laws, and regulations are incorporated herein by reference, and if any provision of this Lease is determined to be at variance with same, such contracts, agreements, resolutions, laws, and regulations control.


7. The Tenant, its successors, and assigns will not make or permit any use of the property which would interfere with landing or taking off of aircraft at the airport, or otherwise constitute an airport hazard. This includes such items as electrical or electronic equipment, creation of smoke or dust, or glaring or misleading lights.
8. Tenant may establish and utilize other d/b/a (doing business as) names as appropriate as long as those names are provided in writing to the Executive Director of Aviation prior to the use of such names in signage or advertising applicable to this business location.
9. Tenant hereby verifies that it does not boycott Israel and will not boycott Israel during the term of this lease agreement. Boycotting Israel is defined in Texas Government Code section 808.001 to mean refusing to deal with, terminating business activities with, or taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

IN WITNESS WHEREOF, the parties have executed this Lease on this 26 day
of September, 2017.

ATTEST:

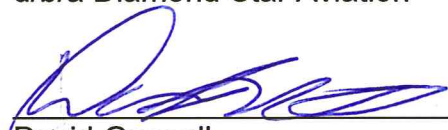

Dianna Barker
City Secretary

CITY OF KILLEEN:


Ronald L. Olson
City Manager

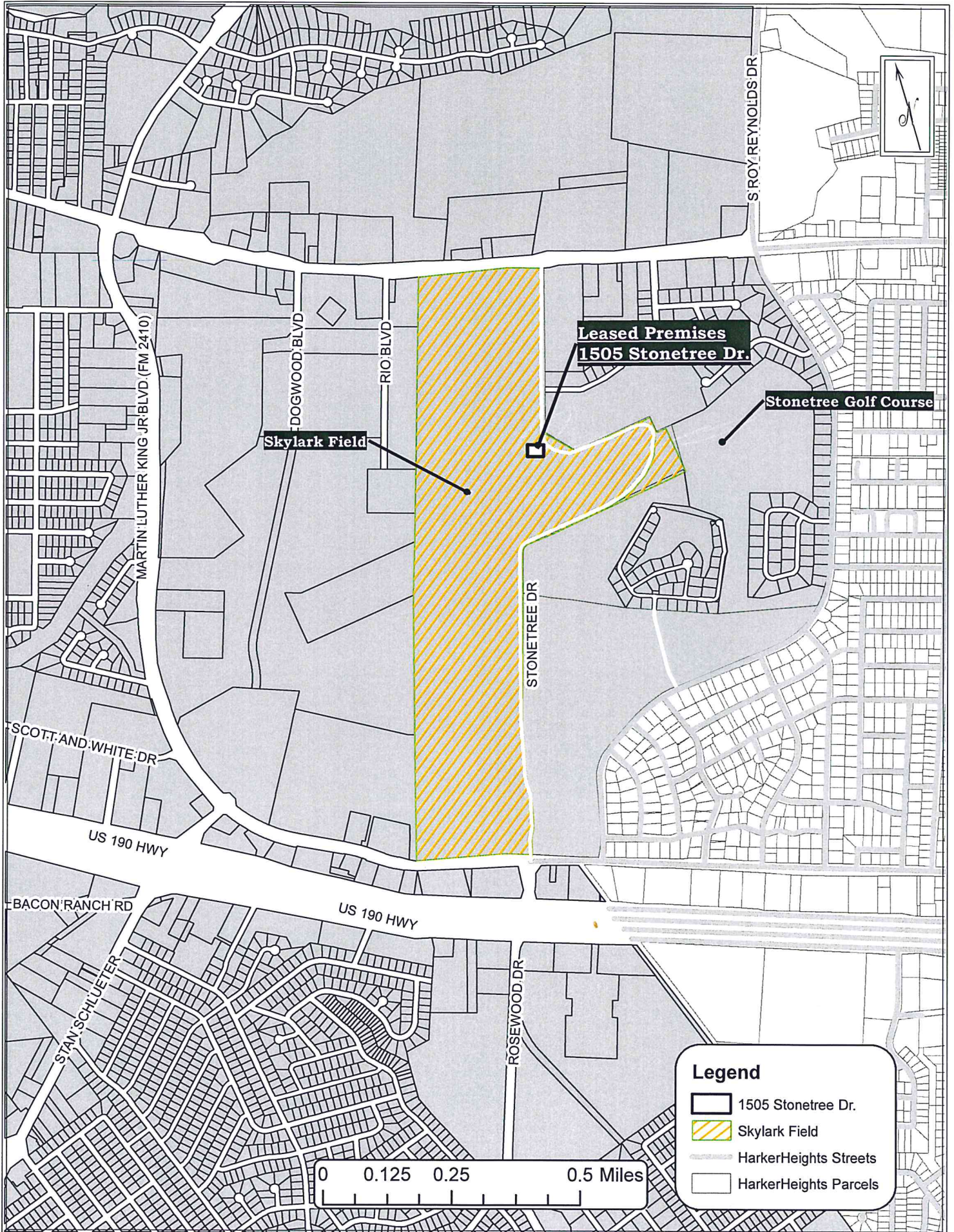
ATTEST:

DAVID GOSNELL
d/b/a Diamond Star Aviation


David Gosnell
Owner

Gosnell1505f

SITE PLAN



SITE PLAN



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

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

Diamond Star Aviation
Killeen, TX United States

Certificate Number:
2018-435699

Date Filed:
12/20/2018

Date Acknowledged:

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 Airport

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.

2019 Hanger Keeper Services
Hanger Keeper Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.



6 UNSWORN DECLARATION

My name is David W. A. Gosnell, and my date of birth is 05-22-1968

My address is 1505 Stonetree Drive Killeen TX 76543 Bell
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Bell County, State of Texas, on the 20 day of December, 20 18
(month) (year)



Signature of authorized agent of contracting business entity
(Declarant)



LEASE ADDENDUM – GOSNELL / DIAMOND STAR AVIATION AT SKYLARK AIRPORT

RS-19-003

January 8, 2019

Gosnell Lease Addendum

2

- Initial lease
 - ▣ September 2017
 - ▣ Three (3) year term / two one (1) year options
 - ▣ \$850 per month
 - ▣ \$4,800 capital improvement limit
 - \$200/month until limit reached
- Capital improvements to hangar to date
 - ▣ Remodel of existing office
 - ▣ Air conditioning, hot water heater
 - ▣ LED hangar lighting and CCTV security system
 - ▣ >\$8,000

Gosnell Lease Addendum

3

□ Addendum 1

- ▣ Extends lease seven (7) additional years
 - Increases monthly rent to \$900 in year 4
 - Adds CPI increase for years 5-10
- ▣ Increases capital improvement limit
 - \$14,400
 - Initial 72 months of agreement

□ Capital improvements to hangar planned

- ▣ Additional office space
- ▣ Epoxy flooring / treating structural steel
- ▣ Insulate / sheetrock interior hangar walls
- ▣ >\$ 25,000

Alternatives

4

- Do not approve the addendum
 - ▣ Restricts business expansion
 - ▣ No improvements to hangar
 - ▣ Limits revenue potential for tenant and Airport

- Approve the addendum
 - ▣ Provides a source of capital improvement
 - ▣ Provides a consistent revenue source for Skylark Field
 - ▣ Increases value and durability of hangar

Recommendation

5

- Approve Lease Addendum 1 with David Gosnell dba Diamond Star Aviation and authorize the City Manager or designee to execute same as well as any and all amendments as allowed per federal, state, or local law.



City of Killeen

Legislation Details

File #: RS-19-004 **Version:** 1 **Name:** Taxiway B Design Professional Services Agreement
Type: Resolution **Status:** Resolutions
File created: 12/17/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: Consider a memorandum/resolution approving a professional services agreement with Garver, LLC, for design of the rehabilitation of Taxiway B and all associated improvements on Robert Gray Army Airfield.
Sponsors: Aviation Department
Indexes:
Code sections:
Attachments: [Staff Report](#)
[Agreement](#)
[Certificate of Interested Parties](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: January 8, 2019

TO: Ronald L. Olson, City Manager

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

SUBJECT: PROFESSIONAL SERVICES AGREEMENT WITH GARVER, LLC

BACKGROUND AND FINDINGS:

In October 2018, staff applied for a supplementary discretionary Airport Improvement Program (AIP) grant for the rehabilitation of Taxiway B at Robert Gray Army Airfield (RGAAF). The project includes rehabilitation for full length of taxiway B (approximately 10,500 feet), the addition of shoulders to the taxiway to provide primary surface stabilization, electrical upgrades to the lighting, drainage improvements, and the rehabilitation of taxiway B3.

The Killeen Fort Hood Regional Airport (KFHRA) has been offered the opportunity by the Federal Aviation Administration (FAA) to compete for funding through the FAA supplemental discretionary grant program. KFHRA was selected as an airport with a need for development and limited funds to accomplish the development. This project was chosen following a meeting with the FAA that determined it was a priority safety and infrastructure project that would compete well for the funding. However, to be competitive and meet FAA timelines, it is imperative the project is designed as soon as possible.

Staff has negotiated a professional services agreement with Garver, LLC, our engineer of record chosen via a competitive process, in the amount of \$701,400 for this design.

THE ALTERNATIVES CONSIDERED:

Alternatives considered: (1) Approve the agreement, or, (2) disapprove the agreement.

Which alternative is recommended? Why?

Alternative 1 is recommended. Completing the design is a prudent course of action and provides the Airport the opportunity to compete for the supplementary discretionary funding and be ready to construct if awarded a grant. This choice also offers an experienced team fully cognizant of Department of Defense requirements of a project on RGAAF.

CONFORMITY TO CITY POLICY:

Yes

FINANCIAL IMPACT:

Funding is from an interdepartmental loan between the City and the Department of Aviation in the amount of \$701,400.

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

\$701,400 is budgeted in account number 524-0515-521-6901.

Is this a one-time or recurring expenditure?

One-time

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:

City Council approve the professional services agreement with Garver, LLC and authorize the City Manager or designee to execute same as well as any and all change orders or supplemental agreements within the amounts set by State and local law.

DEPARTMENTAL CLEARANCES:

Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Agreement
Certificate of Interested Parties



AGREEMENT FOR PROFESSIONAL SERVICES

**City of Killeen
Killeen, Texas
Project No. 18181083**

THIS AGREEMENT FOR PROFESSIONAL SERVICES is made by and between the City of Killeen of Killeen, Texas hereinafter referred to as "Owner," and **GARVER, LLC**, hereinafter referred to as the "GARVER".

The Owner intends to make the following improvements:

Generally, the scope of the proposed project includes rehabilitation of Taxiway B at the Killeen-Fort Hood Regional Airport and all associated improvements. See attached Appendix C for a project layout plan indicating the proposed Taxiway B improvements.

GARVER will provide professional services related to these improvements as described herein. Project improvements shall be in accordance with planning for the project.

The Owner and GARVER in consideration of the mutual covenants in this contract agree in respect of the performance of professional services by GARVER and the payment for those services by the Owner as set forth below. GARVER will begin the work under the Agreement within ten (10) days of a Notice to Proceed and will complete the work on a mutually agreeable schedule.

SECTION 1 - EMPLOYMENT OF GARVER

The Owner agrees to engage GARVER, and GARVER agrees to perform professional services in connection with the proposed improvements as stated in the sections to follow. These services will conform to the requirements and standards of the Owner and the Federal Aviation Administration, in accordance with regulations and procedures established for Federal Aid Projects. GARVER's services will be coordinated with the Owner, the FAA, and others required in the accomplishment of the work, and conform to the standards of practice ordinarily used by members of GARVER's profession practicing under similar conditions. For having rendered such services, the Owner agrees to pay GARVER compensation as stated in the sections to follow.

SECTION 2 - SCOPE OF SERVICES

GARVER's scope of services is described in attached Appendix A.

SECTION 3 - PAYMENT

For the work described under SECTION 2 - SCOPE OF SERVICES, the Owner will pay GARVER on a lump sum basis. The Owner represents that funding sources are in place with the available funds necessary to pay GARVER.

If any payment due GARVER under this agreement is not received within 60 days from date of invoice, GARVER may elect to suspend services under this agreement without penalty or liquidated damages assessed from the Owner.



The table below presents a summary of the fee amounts and fee types for this contract.

WORK DESCRIPTION	FEE AMOUNT	FEE TYPE
Preliminary Engineering Report	\$147,700.00	LUMP SUM
Surveys	\$64,100.00	LUMP SUM
Geotechnical Investigation	\$64,300.00	LUMP SUM
60% Design Design	\$229,000.00	LUMP SUM
90% Design	\$139,900.00	LUMP SUM
Bidding Documents	\$39,500.00	LUMP SUM
Bidding Services	\$16,900.00	LUMP SUM
TOTAL FEE	\$701,400.00	

The lump sum amount to be paid under this agreement is **\$701,400**. For informational purposes, a breakdown of GARVER's estimated costs is included in Appendix B.

The Owner will pay GARVER the lump sum fee on a monthly basis, based upon statements submitted by GARVER to the Owner indicating the estimated proportion of the work accomplished. Payments not received within 60 days of invoice date will be subject to a one percent monthly simple interest charge. Any unused portion of the fee, due to delays beyond GARVER's control, will be increased 6% annually with the first increase effective on or about July 1, 2019.

As directed by the Owner, some billable work may have been performed by GARVER prior to execution of this agreement. Payment for this work will be made in accordance with the fee arrangement established herein, as approved by the Owner.

Additional Services (Extra Work). For work not described or included in Section 2 – Scope of Services but requested by the Owner in writing, the Owner will pay GARVER, for time spent on the project for each classification of GARVER's personnel (may include contract staff classified at Garver's discretion) plus reimbursable expenses including but not limited to printing, courier service, reproduction, and travel. The rates shown in Appendix B will be increased annually with the first increase effective on or about July 1, 2019.

SECTION 4 - OWNER'S RESPONSIBILITIES

In connection with the project, the Owner's responsibilities shall include, but not be limited to, the following:

1. Giving thorough consideration to all documents presented by GARVER and informing GARVER of all decisions within a reasonable time so as not to delay the work of GARVER.
2. Making provision for the employees of GARVER to enter public and private lands as required for GARVER to perform necessary preliminary surveys and other investigations.
3. Furnishing GARVER such plans and records of construction and operation of existing facilities, available aerial photography, reports, surveys, or copies of the same, related to or bearing on the



proposed work as may be in the possession of the Owner. Such documents or data will be returned upon completion of the work or at the request of the Owner.

4. Providing legal, accounting, and insurance counseling services necessary for the project and such auditing services as the Owner may require.
5. Furnishing permits, permit fees, and approvals from all governmental authorities having jurisdiction over the project and others as may be necessary for completion of the project.
6. Giving prompt written notice to GARVER whenever the Owner observes or otherwise becomes aware of any defect in the project or other events which may substantially alter GARVER's performance under this Agreement.

SECTION 5 – MISCELLANEOUS

5.1 Instruments of Service

GARVER's instruments of service provided by this agreement consist of the printed hard copy reports, drawings, and specifications issued for the Assignment or Project; whereas electronic media, including CADD files, are tools for their preparation. As a convenience to the Owner, GARVER will furnish to the Owner both printed hard copies and electronic media. In the event of a conflict in their content, however, the printed hard copies shall take precedence over the electronic media.

GARVER's electronic media are furnished without guarantee of compatibility with the Owner's software or hardware, and GARVER's sole responsibility for the electronic media is to furnish a replacement for defective disks within thirty (30) days after delivery to the Owner.

GARVER retains ownership of the printed hard copy drawings and specifications and the electronic media. The Owner is granted a license for their use, but only in the operation and maintenance of the Project or Assignment for which they were provided. Use of these materials for modification, extension, or expansion of this Project or on any other project, unless under the direction of GARVER, shall be without liability to GARVER and GARVER's consultants. The Owner shall indemnify, to the extent allowed by law, defend, save harmless GARVER, GARVER's consultants, and the officers and employees of any of them from and against any and all claims, liabilities, damages, losses, and costs, including but not limited to costs of defense, arising out of the Owner's use of these materials for modification, extension, or expansion of this Project or on any other project not under the direction of GARVER.

Because data stored in electronic media form can be altered, either intentionally or unintentionally, by transcription, machine error, environmental factors, or by operators, it is agreed that the Owner shall indemnify, to the extent allowed by law, defend, save harmless GARVER, GARVER's consultants, and the officers and employees of any of them from and against any and all claims, liabilities, damages, losses, and costs, including but not limited to costs of defense, arising out of changes or modifications to the data in electronic media form in the Owner's possession or released to others by the Owner and for any use of the electronic media and printed hard copy drawings and specifications outside the license granted by this provision.



5.2 Opinions of Cost

Since GARVER has no control over the cost of labor, materials, equipment, or services furnished by others, or over the Contractor(s)' methods of determining prices, or over competitive bidding or market conditions, GARVER's Estimates of Project Costs and Construction Costs provided for herein are to be made on the basis of GARVER's experience and qualifications and represent GARVER's best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but GARVER cannot and does not guarantee that proposals, bids or actual Total Project or Construction Costs will not vary from estimates prepared by GARVER.

The Owner understands that the construction cost estimates developed by GARVER do not establish a limit for the construction contract amount. If the actual amount of the low construction bid exceeds the construction budget established by the Owner, GARVER will not be required to re-design the project without additional compensation.

5.3 Underground Utilities

GARVER will not provide research regarding utilities and survey utilities located and marked by their owners as provided for in this agreement. Additionally, since many utility companies typically will not locate and mark their underground facilities prior to notice of excavation, GARVER is not responsible for knowing whether underground utilities are present or knowing the exact location of utilities for design and cost estimating purposes. Additionally, GARVER is not responsible for damage to underground utilities, unmarked or improperly marked, caused by geotechnical, potholing, construction, or other subconsultants working under a subcontract to this agreement.

5.4 Insurance

GARVER currently has in force, and agrees to maintain in force for the life of this Contract, the following minimum schedule of insurance:

Worker's Compensation	Statutory Limit
Automobile Liability (Combined Property Damage and Bodily Injury)	\$500,000.00
General Liability (Combined Property Damage and Bodily Injury)	\$1,000,000.00
Professional Liability	\$2,000,000.00

5.5 Records

FAA, Owner, Comptroller General of the United States or any of their duly authorized representatives shall have access to any books, documents, papers and records of GARVER, which are directly pertinent to a specific grant program for the purpose of making audit, examination, excerpts, and transcription. GARVER shall maintain all required records for 3 years after completion of each work assignment the Owner makes final payment and all other pending matters are closed.

After completion of the Project, and prior to final payment, GARVER shall deliver to the Owner submittals as indicated in Appendix A.



5.6 Indemnity Provision

Subject to the limitation on liability set forth in Section 5.8, GARVER agrees, to the extent allowed by law, to indemnify the Owner for damages, liabilities, or costs (including reasonable attorney's fees) to the extent the damages and costs are caused by negligent acts, errors, or omissions of GARVER, its sub consultants, or any other party for whom GARVER is legally liable, in the performance of their professional services under this contract.

The Owner agrees, to the extent allowable by law, to indemnify GARVER for damages, liabilities, or costs (including reasonable attorneys' fees recoverable under applicable law) to the extent the damages and costs are found to be caused by the negligent acts, errors, or omissions of the Owner, its agents, or any other party for whom the Owner is legally liable, in the performance of their professional services under this contract.

In the event claims, losses, damages, or expenses are found to be caused by the joint or concurrent negligence of GARVER and the Owner, they shall be borne by each party in proportion to its own negligence.

Owner agrees that any claim or suit for damages made or filed against GARVER by Owner will be made or filed solely against GARVER or its successors or assigns and that no member or employee of GARVER shall be personally liable to Owner for damages under any circumstances.

5.7 Design without Construction Phase Services

In the event GARVER's Scope of Services under this agreement is not amended to include project observation or review of the Contractor's performance or any other construction phase services, the Owner assumes all responsibility for interpretation of the Construction Contract Documents and for construction observation and supervision and waives any claims against GARVER that may be in any way connected thereto.

In addition, the Owner agrees, to the fullest extent permitted by law, to indemnify and hold GARVER harmless from any loss, claim or cost, including reasonable attorneys' fees and costs of defense, arising or resulting from the performance of such services by other persons or entities and from any and all claims arising from modifications, clarifications, interpretations, adjustments or changes made to the Construction Contract Documents to reflect changed field or other conditions, except for claims arising from the sole negligence or willful misconduct of GARVER.

If the Owner requests in writing that GARVER provide any specific construction phase services and if GARVER agrees in writing to provide such services, then they shall be compensated for the work as Additional Services.

5.8 Limitation of Liability

In recognition of the relative risks and benefits of the project to both the Owner and GARVER, the risks have been allocated such that the Owner agrees, to the fullest extent permitted by law, to limit the liability of GARVER and its sub consultants to the Owner and to all construction contractors and subcontractors on the project for any and all claims, losses, costs, damages of any nature whatsoever or claims for expenses from any cause or causes, so that the total aggregate liability of GARVER and its sub consultants to all those named shall not exceed GARVER's collectable insurance proceeds on



this project. Such claims and causes include, but are not limited to negligence, professional errors or omissions, strict liability, breach of contractor warranty, and indemnity obligations.

Notwithstanding any other provision to the contrary in this Agreement or a Work Authorization and to the fullest extent permitted by law, neither Owner nor Garver shall be liable, whether based on contract, tort, negligence, strict liability, warranty, indemnity, error and omission, or any other cause whatsoever, for any consequential, special, incidental, indirect, punitive, or exemplary damages, or damages arising from or in connection with loss of power, loss of use, loss of revenue or profit (actual or anticipated), loss by reason of shutdown or non-operation, increased cost of construction, cost of capital, cost of replacement power or customer claims, and Owner hereby releases Garver, and Garver releases Owner, from any such liability.

5.8.1 Hazardous Materials

Nothing in this agreement shall be construed or interpreted as requiring GARVER to assume any role in the identification, evaluation, treatment, storage, disposal, or transportation of any hazardous substance or waste. Notwithstanding any other provision to the contrary in this Agreement or a Work Authorization and to the fullest extent permitted by law, Owner shall indemnify, defend and save GARVER and its affiliates, sub consultants, agents, suppliers, and any and all employees, officers, directors of any of the foregoing, if any, from and against any and all losses which arise out of the performance of the Services and relating to the regulation and/or protection of the environment, including, without limitation, losses incurred in connection with characterization, handling, transportation, storage, removal, remediation, disturbance, or disposal of hazardous material, whether above or below ground.

5.9 Mediation

Deleted.

5.10 Litigation Assistance

This Agreement does not include costs of GARVER for required or requested assistance to support, prepare, document, bring, defend, or assist in litigation undertaken or defended by the Owner, unless Litigation Assistance has been expressly included as part of the work defined in Section 2 - Scope of Services. In the event the Owner requests such services of GARVER, this Agreement shall be amended in writing by both the Owner and GARVER or a separate written agreement will be negotiated between the parties.

SECTION 6 - CONTROL OF SERVICES

This is a Texas Contract and in the event of a dispute concerning a question of fact in connection with the provisions of this contract which cannot be disposed of by mutual agreement between the Owner and GARVER, the matter shall be resolved in accordance with the Laws of the State of Texas, and the venue shall be in Bell County.

This Agreement may be terminated by either party by seven (7) days written notice in the event of substantial failure to perform in accordance with the terms hereof by the one (1) party through no fault to the other party or for the convenience of the Owner upon delivery of written notice to GARVER. If this Agreement is so terminated, GARVER shall be paid for the time and materials expended to accomplish the services performed to date, as provided in SECTION 3 - PAYMENT; however, GARVER may be required to furnish an accounting of all costs.



SECTION 7 - SUCCESSORS AND ASSIGNS

The Owner and GARVER each bind themselves and their successors, executors, administrators, and assigns of such other party, in respect to all covenants of this Agreement; neither the Owner nor GARVER shall assign, sublet, or transfer their interest in this agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body, which may be a party hereto.

SECTION 8 – OTHER

Independent Contractor. Contractor shall act as an Independent Contractor. Under no circumstances shall Contractor be deemed as an employee or partner of Owner or County.

Standard of Care. The standard of care for all professional engineering and related services performed or furnished by Contractor under this Agreement will be the care and skill ordinarily used by members of the Contractor's profession practicing under similar circumstances at the same time and in the same locality.

Severability. If any provision of this Agreement shall, for any reason, be held to violate any applicable law, then the invalidity of such a specific provision in this Agreement shall not be held to invalidate the remaining provisions of the Agreement.

Survival. Any provision of this Agreement providing for indemnity, insurance or a duty that necessarily will not be completed until after the expiration or termination of this Agreement shall continue in full force and effect until such a time as all duties have been fully performed.

Non-waiver. Failure to enforce any provision of this Agreement by either party shall not constitute a waiver of that provision for purposes of the subsequent enforcement of that provision or the remainder of this Agreement.

Israel. By signing this contract, Vendor (or whatever term is used in the specific contract) hereby verifies that it does not boycott Israel and will not boycott Israel during the term of this contract. Boycotting Israel is defined in Texas Government Code section 808.001 to mean refusing to deal with, terminating business activities with, or taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

SECTION 9 – APPENDICES AND EXHIBITS

9.1 The following Appendices and/or Exhibits are attached to and made a part of this Agreement:

9.1.1 Appendix A – Scope of Services

9.1.2 Appendix B – Lump Sum Fee Summary and Details

9.1.5 Appendix C, Project Layout Plan

9.2 This Agreement (consisting of pages 1 to 9, inclusive) together with the appendices and exhibits identified above constitute the entire agreement between the Owner and GARVER and supersede all prior written or oral understandings. This Agreement and said appendices and exhibits may only be amended, supplemented, modified or canceled by a duly executed written



instrument.

Acceptance of this proposed Agreement is indicated by an authorized agent of the Owner signing in the space provided below. Please return one signed original of this Agreement to GARVER for our records.



IN WITNESS WHEREOF, Owner and GARVER have executed this Agreement effective as of the date last written below.

City of Killeen, Texas

GARVER, LLC

By: _____
Signature

By: 
Signature

Name: Ronald L. Olson
Printed Name

Name: Frank McIlwain
Printed Name

Title: City Manager

Title: Vice President

Date: _____

Date: December 14, 2018

Attest: _____

Attest: 



APPENDIX A

SCOPE OF SERVICES CITY OF KILLEEN KILLEEN, TEXAS

2.1 General

Generally, the scope of services includes surveying, design, and bidding for improvements to the Killeen-Fort Hood Regional Airport located in Killeen, Texas. Improvements will consist primarily of the following:

Rehabilitation of Taxiway B and associated improvements. See Appendix C for a project layout plan.

2.2 Surveys

2.2.1 Design Surveys

Garver will provide field survey data from field work for designing the project, and this survey will be tied to the Client's control network.

Garver will conduct field surveys, utilizing radial topography methods, at intervals and for distances at and/or along the project site as appropriate for modeling the existing ground, including locations of pertinent features or improvements. Buildings and other structures, streets, drainage features, trees over eight inches in diameter, visible utilities as well as those underground utilities marked by their owners and/or representatives, and any other pertinent topographic features that may be present at and/or along the project site, will be located. Control points will be established for use during construction.

2.2.2 Property Surveys

Property surveys will not be part of this scope of services.

2.3 Geotechnical Services

Garver will be responsible for obtaining, interpreting, and evaluating geotechnical data necessary for the design of this project. Services include non-destructive falling weight deflectometer (FWD) testing/analysis including back-calculated in-situ strengths, geotechnical field investigations of up to 18 cores and borings on Taxiway B, laboratory testing of field samples, and preparation of a geotechnical report.

2.4 Preliminary Coordination

Garver will serve as the Client's representative in the preliminary phase of the project and furnish consultation and advice to the Client during the performance of this service. Garver will attend preliminary conferences alone or with Client's representatives, local officials, state and federal agencies, utility companies and others regarding the proposed project, its general design, functions, and impact. Garver will assist the Client in ordering and directing the accomplishment of such special services as soil borings and material tests as may be necessary. Garver will prepare a preliminary engineering report, supported by preliminary plans, and submit copies for review and approval to the Client and FAA in the number required. Garver will attend conferences for review



and conduct coordination conference of interested agencies and utilities, if required.

2.5 Utility Coordination

Garver will furnish plans to all known utility owners potentially affected by the project at each stage of development. Garver shall conduct coordination meetings among all known affected utility owners to enable them to coordinate efforts for any necessary utility relocations. Garver will include the surveyed locations of the observable and marked utilities in the construction plans. Garver will also include proposed and/or relocated utility information in the construction plans as provided by the utility companies.

2.6 Environmental Services

No environmental services will be performed as part of this project.

2.7 Drainage Study

There may be increases to impervious area because of this project. Drainage analysis and if required, drainage improvements will be designed. All proposed drainage analysis and improvements will be done to the extent required by local requirements and FAA advisory circulars.

2.8 Preliminary Engineering Report (PER)

The Preliminary Engineering phase submittal will include a Preliminary Engineering Report (PER) which will include an evaluation of existing conditions, design criteria and approach, and an opinion of probable construction cost. This submittal will be for the purpose of coordinating the proposed improvements with the Client and developing an order of magnitude cost estimate for the project. Garver will not begin preliminary design until the conceptual design is approved by the Client in writing.

2.9 Preliminary & Final Design

Garver will plan and direct the balance of soil borings and tests required for final design of the project.

Garver will prepare detailed construction drawings, specifications, instructions to bidders, general provisions and special provisions, all based on guides furnished to Garver by the Client and FAA. Contract Documents (Plans, Specifications, and Estimates) will be prepared for award of one (1) construction contract. These designs shall conform to the standards of practice ordinarily used by members of GARVER's profession practicing under similar conditions and shall be submitted to the FAA office from which approval must be obtained. Detailed specifications shall be developed using FAA "Standards for Specifying Construction for Airports" AC 150/5370-10 (latest edition) or other appropriate standards approved for use by the FAA. A specimen copy of the General Provisions and applicable prevailing wage rates will be obtained by Garver from the FAA or Department of Labor as appropriate for incorporation into the specifications for the proposed project.

Garver will submit to the FAA Airport's Regional Office advance copies of the plans and specifications and cost estimates for review. Garver will make any additions to respond to comments by the FAA, and when the documents have been approved, Garver will furnish plans to the FAA and to the Client for bidding and coordination purposes.

Garver will also prepare documentation for a Stormwater Pollution Prevention Plan (SWPPP), but the



Contractor will be responsible for obtaining the appropriate permit from TCEQ.

2.10 Property Acquisition Documents

Garver will not provide property acquisition services.

2.11 Bidding Services

Garver will assist the Client in advertising for and obtaining bids or negotiating proposals for each separate prime contract for construction, materials, equipment and services, attend pre-bid conferences. The Client will pay advertising costs outside of this contract. Garver will issue addenda as appropriate to interpret, clarify or expand the Bidding Documents. Garver will consult with and advise the Client as to the acceptability of subcontractors, suppliers and other persons and organizations proposed by the prime contractor(s) (herein called "Contractor(s)") for those portions of the work as to which such acceptability is required by the Bidding Documents. Garver will consult with the Client concerning and determine the acceptability of substitute materials and equipment proposed by Contractor(s) when substitution prior to the award of contracts is allowed by the Bidding Documents. Garver will attend the bid opening, prepare bid tabulation sheets and assist the Client in evaluating bids or proposals and in assembling and awarding contracts for construction, materials, equipment and services. Garver will assist the Client in the execution of all contract documents and furnish a sufficient number of executed documents for the Client, Contractor and FAA.

2.12 Construction Phase Services

Construction phase services are not included as part of this scope of work. It is anticipated that Construction Phase Services will be negotiated and contracted prior to construction.

2.13 Project Deliverables

The following will be submitted to the Client, or others as indicated, by Garver:

Agency Receiving Deliverables	Submittal Milestone	Submittal Document	Quantity
City of Killeen Dept. of Aviation	60%	Half Size Drawings (11" x 17")	2
Fort Hood Dir. of Public Works	60%	Half Size Drawings (PDF)	n/a
Fort Hood Dir. Of Aviation	60%	Half Size Drawings (11" x 17")	2
City of Killeen Dept. of Aviation	60%	Contract Documents and Specifications (8.5" x 11")	2
Fort Hood Dir. of Public Works	60%	Contract Documents and Specifications (PDF Copy)	n/a
Fort Hood Dir. Of Aviation	60%	Contract Documents and Specifications (8.5" x 11")	2
City of Killeen Dept. of Aviation	90%	Half Size Drawings (11" x 17")	2
Fort Hood Dir. of Public Works	90%	Half Size Drawings (PDF Copy)	n/a
Fort Hood Dir. Of Aviation	90%	Half Size Drawings (11" x 17")	2
City of Killeen Dept. of Aviation	90%	Contract Documents and Specifications (8.5" x 11")	2



Fort Hood Dir. of Public Works	90%	Contract Documents and Specifications (PDF Copy)	n/a
Fort Hood Dir. Of Aviation	90%	Contract Documents and Specifications (8.5" x 11")	2
City of Killeen Dept. of Aviation	100%	Half Size Drawings (11" x 17" & PDF Copy)	2
Fort Hood Dir. of Public Works	100%	Half Size Drawings (11" x 17" & PDF Copy)	6
Fort Hood Dir. Of Aviation	100%	Half Size Drawings (11" x 17" & PDF Copy)	2
City of Killeen Dept. of Aviation	100%	Contract Documents and Specifications (8.5" x 11" & PDF Copy)	2
Fort Hood Dir. of Public Works	100%	Contract Documents and Specifications (8.5" x 11" & PDF Copy)	6
Fort Hood Dir. Of Aviation	100%	Contract Documents and Specifications (8.5" x 11" & PDF Copy)	2
Utility Companies	60%	Digital files only	n/a
Utility Companies	100%	Digital files only	n/a
Contractor	100%	Contract Documents and Specifications (8.5" x 11")	3
Contractor	100%	Half Size Drawings (11" x 17")	3
City of Killeen Dept. of Aviation	Record	Half Size Drawings (11" x 17" & PDF Copy)	1
Fort Hood Dir. of Public Works	Record	Half Size Drawings (11" x 17" & PDF Copy)	3
Fort Hood Dir. Of Aviation	Record	Half Size Drawings (11" x 17" & PDF Copy)	1

2.14 Extra Work

The following items are not included under this agreement but will be considered as extra work:

1. Property Survey: Locate existing monuments representing right of way and/or easements based on record data which will be provided by the City.
2. Redesign for the Client's convenience or due to changed conditions after previous alternate direction and/or approval.
3. Submittals or deliverables in addition to those listed herein.
4. Design of any utilities relocations.
5. Retaining walls or other significant structural design beyond that required for a similar Taxiway Improvement project.
6. Preparing and obtaining appropriate permit from TCEQ. The construction contract documents will require the Contractor to prepare, maintain, and submit a SWPPP to TCEQ.
7. Construction materials testing.
8. Environmental Handling and Documentation, including wetlands identification or mitigation plans or other work related to environmentally or historically (culturally) significant items.
9. Coordination with FEMA and preparation/submittal of a CLOMR and/or LOMR.

Extra Work will be as directed by the Client in writing for an additional fee as agreed upon by the Client and Garver.



2.15 Schedule

Garver shall begin work under this Agreement within ten (10) days of a Notice to Proceed and shall complete the work in accordance with the schedule below:

<u>Phase Description</u>	<u>Calendar Days</u>
Preliminary Engineering Report (PER)	8 weeks from receipt of NTP
Preliminary Design (60%)	7 weeks from receipt of comments after review meeting
Final Design (90%)	5 weeks from receipt of comments after review meeting
Final Documents (100%)	3 weeks from receipt of comments after review meeting

Bidding To be determined on mutually agreeable schedule

Note: This does not include time for review by Client and FAA

APPENDIX B

KILLEEN-FORT HOOD REGIONAL AIRPORT TAXIWAY B REHABILITATION

FEE SUMMARY

Title I Services	Estimated Fees
Preliminary Engineering Report (PER)	\$147,700.00
<i>Surveys</i>	\$64,100.00
<i>Geotechnical Investigation</i>	\$64,300.00
Preliminary Design (60%)	\$229,000.00
Final Design (90%)	\$139,900.00
Bidding Documents	\$39,500.00
Bidding Services	\$16,900.00
Subtotal for Title I Services	\$701,400.00

APPENDIX B

KILLEEN-FORT HOOD REGIONAL AIRPORT TAXIWAY B REHABILITATION

Preliminary Engineering Report (PER)

WORK TASK DESCRIPTION	E-5	E-4	E-3	E-1	T-2	X-2
	hr	hr	hr	hr	hr	hr
1. Civil Engineering						
Project Management and oversight/administration	6	2	4			2
Coordination with Airport/City	2		2			
Coordination with FAA	2		2			
Coordination with Geotechnical Engineer	1		2			
Pre-design Conference						
Prepare for and Conduct pre-design conference, site visit	6	8	8	6		
Documentation of existing conditions, including photographs						
Perform Field Surveys						
Coordination with Surveyor	1		2			
Analyze Survey data and prepare CAD base maps			4	24	32	
Geotechnical Report Review	1	4	2			
Prepare Preliminary Engineering Report						
Prepare Quality Control Plan	1	2	6	2		
Prepare for and conduct internal design kickoff meeting	2	2	3	2	2	
Records Review		2	6			
Document Existing Pavement Distresses for Rehabilitation		2	6	4		
Pavement Design	1	2	8	6		
Construction Safety & Phasing Plan (CSPP)	2	4	8	8	16	
Prepare for and attend Phasing Plan Stakeholder meeting	4	4	8	4		1
Project Layout Plan		2	4	8	8	
Analyze Existing Geometry to for Standardized Geometry			4	8		
Taxiway Typical Sections and Pavement Alternatives	2	4	8	16	24	
Connector Taxiways and Runway Intersection Analysis			2	16	8	
Drainage analysis for additional impervious area		8	24	8	4	
Pavement Marking Layout			1	6	12	
Quantities		4	8	24	8	
Develop Engineer's Opinion of Probable Cost	2	8	12	12		
Benefit Cost Analysis HMA/PCC		4	6	12		
Evaluation of modifications to standards	1	4	8			
Draft Preliminary Engineering Report	2	12	32	4	4	
Draft Report Internal QC Review	4	4	2	1		
Reproduction and delivery of draft report			2			4
PER Review Meeting, Prepare, Conduct, Report	4	6	6			
Contractor coordination for Constructibility		4	6	6		
Request for CATEX	2	8	16	8		
Submit CSPP to OE/AAA	1	2	4	10	8	
Revise and Finalize Report		4	8	4	4	
Final Report QC Review	2	1	1			
Reproduction and delivery of final report		2				4
Subtotal - Civil Engineering	49	109	225	199	130	11
4. Electrical Engineering						
Prepare for and attendance to pre-design conference (teleconference only)		3				2
Access electrical impacts and needs for signage and lighting		4	8			4
Edge light adjustment analysis and impact		4	4			1
Engineer's opinion of probable cost		2	4			2
Draft Preliminary Engineering Report		8	12			2
Draft Report QC Review		4	4			
Review Meeting: Prepare for and present Preliminary Engineering Report to Airport (teleconference only)		6	4			2
Revise and Finalize Report		4	8			4
Final Report QC Review		4	4			
Subtotal - Electrical Engineering	0	39	48	0	0	17

Hours	49	148	273	199	130	28
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SUBTOTAL - SALARIES: **\$145,682.00**

DIRECT NON-LABOR EXPENSES

Document Printing/Reproduction/Assembly	\$840.00
Postage/Freight/Courier	\$200.00
Office Supplies/Equipment	\$100.00
Computer Modeling/Software Use	\$50.00
Travel Costs	\$828.00

SUBTOTAL - DIRECT NON-LABOR EXPENSES: **\$2,018.00**

SUBTOTAL: **\$147,700.00**

SUBCONSULTANTS FEE: **\$0.00**

TOTAL FEE: **\$147,700.00**

APPENDIX B

KILLEEN-FORT HOOD REGIONAL AIRPORT TAXIWAY B REHABILITATION

Preliminary Design (60%)

WORK TASK DESCRIPTION	E-5	E-4	E-3	E-1	T-2	X-2	- Select Category -
	hr	hr	hr	hr	hr	hr	hr
1. Civil Engineering							
Project Management and oversight/administration	6	8	4			2	
General Coordination with Airport/FAA to obtain info, resolve design matters	2		8				
Prepare and Conduct Design Review Meeting (Near Completion of Preliminary Design)	8	8		2			
Establish Scope of additional testing, surveys, if required and arrange to complete work	1	1	2				
Preliminary Design Documents (DWGS, Specs, EOPC)							
Drawings							
Cover Sheet				1	2		
Sheet Index			1	2	4		
Quantity Sheet			2	4	8		
Summary of Materials Testing			2	4	2		
General Notes		1	2	4	2		
Project Layout Plan		1	4	6	4		
Survey Layout Plan		1	2	2	2		
CSPP Sheets	2	4	8	24	6		
CSPP Notes	1	2	4	8	2		
CSPP Details			2	6	2		
TCEQ Notes			2	3	2		
Erosion Control Notes			2	6	2		
SWPPP Layouts			2	6	6		
SWPPP Details			2	6	6		
Existing Conditions Sheets		2	8	8	8		
Demolition and Surface Preparation Plans		8	12	20	24		
Pavement Reconstruction / Rehabilitation Layouts	2	20	32	80	60		
Drainage Plans		4	10	12	16		
Pavement Marking Plan		2	12	40	16		
Typical Sections	2	12	16	30	16		
Pavement Reconstruction / Rehabilitation Details		2	4	8	8		
Pavement Marking Details		2	4	6	4		
Miscellaneous Details		2	4	8	8		
Cross sections		4	6	16	36		
Drainage Analysis and Design		8	16	24			
Preliminary Specifications: Index and Boilerplate Specs		4	8	24		4	
Develop Bid Proposal Form with Alternatives	1	2	4	10			
Preparation for and conduct contractor workshop	4	4	6	8	8	1	
Internal QC Review	4	6	4	6	2		
Address QC Review Comments		4	6	12	8		
Reproduction of preliminary design submittal and delivery		2	4		2	8	
Update submittal based on Review Meeting Comments		6	8	18	16		
Submit CSPP to OE/AAA	1	2	4	10	8		
Revised Engineer's Opinion of Probable Cost (EOPC)							
Quantity Takeoff		2	4	8	20		
Develop Engineers Estimate for Unit Prices		2	8				
Subtotal - Civil Engineering	34	126	229	432	310	15	0
4. Electrical Engineering							
Preliminary Design Documents (DWGS, Specs, EOPC)							
Lighting Notes		2	4		2	2	
Lighting Demolition		12	32		30	6	
Lighting Installation Plans		12	32		30	6	
Lighting Details		2	4		4	2	
Preliminary Specifications: Index and Boilerplate Specifications		16	4				
Revised Opinion of Probable Cost		2	4		16		
Internal QC and Revisions	2	4	4		8		
Attend Review Meeting (Phone)		4					
Subtotal - Electrical Engineering	2	54	84	0	90	16	0

Hours 36 180 313 432 400 31 0

SUBTOTAL - SALARIES: \$226,852.00

DIRECT NON-LABOR EXPENSES

Document Printing/Reproduction/Assembly	\$1,200.00
Postage/Freight/Courier	\$200.00
Office Supplies/Equipment	\$100.00
Computer Modeling/Software Use	\$50.00
Travel Costs	\$598.00

SUBTOTAL - DIRECT NON-LABOR EXPENSES: \$2,148.00

SUBTOTAL: \$229,000.00

SUBCONSULTANTS FEE: \$0.00

TOTAL FEE: \$229,000.00

APPENDIX B

KILLEEN-FORT HOOD REGIONAL AIRPORT TAXIWAY B REHABILITATION

Final Design (90%)

WORK TASK DESCRIPTION	E-5	E-4	E-3	E-1	T-2	X-2
	hr	hr	hr	hr	hr	hr
1. Civil Engineering						
Project Management and oversight/administration	4	4	2			2
General Coordination with Airport/FAA to obtain info, resolve design matters	2	8				
Final Design Documents (DWGS, Specs, EOPC)						
Drawings						
Cover Sheet				1	1	
Sheet Index			1	2	2	
Quantity Sheet			1	2	4	
Summary of Materials Testing			1	2	1	
General Notes		1	1	2	1	
Project Layout Plan		1	2	4	2	
Survey Layout Plan		1	1	2	1	
CSPP Sheets	2	4	8	16	3	
CSPP Notes	1	2	4	4	1	
CSPP Details			2	4	1	
TCEQ Notes			2	2	1	
Erosion Control Notes			2	4	1	
SWPPP Layouts			2	4	3	
SWPPP Details			2	4	3	
Existing Conditions Sheets		1	2	4	4	
Demolition and Surface Preparation Plans		4	8	10	12	
Pavement Reconstruction / Rehabilitation Layouts	2	12	20	40	30	
Drainage Improvements Plan		2	6	6	8	
Pavement Marking Plan		1	4	20	8	
Typical Sections	2	4	8	16	8	
Pavement Reconstruction / Rehabilitation Details		1	2	6	4	
Pavement Marking Details		1	4	4	2	
Miscellaneous Details		1	4	6	4	
Cross sections		2	4	12	18	
Specifications: Full Specifications		4	8	16		4
Develop Bid Proposal Form with Alternatives	1	2	4	8		
Contractor Coordination for Constructability Input	1	4		6		
Internal QC Review	4	6	4	4	1	
Address QC Review Comments		4	6	8	4	
Reproduction of preliminary design submittal and delivery		2	4		1	8
Update submittal based on Review Meeting Comments		6	8	10	8	
Submit CSPP to OE/AAA		1		2		
Revised Engineer's Opinion of Probable Cost (EOPC)						
Quantity Takeoff		2	4	6	4	
Develop Engineers Estimate for Unit Prices	1	2	4			
Prepare and Conduct Design Review Meeting	8	10		4	1	
Subtotal - Civil Engineering	28	93	135	241	142	14
4. Electrical Engineering						
Preliminary Design Documents (DWGS, Specs, EOPC)						
Lighting Notes		2	4		2	2
Lighting Demolition		6	16		24	4
Lighting Installation Plans		6	16		24	4
Lighting Details		2	4		4	2
Preliminary Specifications: Index and Boilerplate Specifications		8	2			
Revised Opinion of Probable Cost		4	6		12	
Internal QC and Revisions	2	4	4		8	
Attend Review Meeting (Phone)		4				
Subtotal - Electrical Engineering	2	36	52	0	74	12
Hours	30	129	187	241	216	26
Salary Costs	\$8,190.00	\$28,638.00	\$35,156.00	\$32,535.00	\$30,672.00	\$2,600.00

DIRECT NON-LABOR EXPENSES

Document Printing/Reproduction/Assembly	\$1,200.00
Postage/Freight/Courier	\$200.00
Office Supplies/Equipment	\$100.00
Computer Modeling/Software Use	\$50.00
Travel Costs	\$559.00
SUBTOTAL - DIRECT NON-LABOR EXPENSES:	\$2,109.00
SUBTOTAL:	\$139,900.00
SUBCONSULTANTS FEE:	\$0.00
TOTAL FEE:	\$139,900.00

KILLEEN-FORT HOOD REGIONAL AIRPORT TAXIWAY B REHABILITATION

WORK TASK DESCRIPTION	E-5	E-4	E-3	E-1	T-2	X-2
	hr	hr	hr	hr	hr	hr
Civil Engineering						
Project Management and oversight/administration	2	1	2			1
Respond to 100% Comments, Finalize Documents		4	6	14	12	
Final Sealed, Signed, and Dated Drawings			2	2	2	
Final Specifications		2	4	4		4
Finalize OPC and Bid Proposal Form with Alternatives		1	4			
Internal QC Review and Revise	2	2	2	2	4	4
Develop a Construction Management Plan (CMP)		2	8	30		
Meetings and Coordination with Airport and TxDOT						
General Coordination with Airport/TxDOT to obtain info, resolve design matters	2		4			
Revise PER as necessary	2	4	10	12		
Submit CAD dwgs of Geometry to TxDOT		1		2	2	
Notice of Intent to TCEQ if Applicable			4	6		
Subtotal - Civil Engineering	8	17	46	72	20	9
Electrical Engineering						
Respond to Review Meeting Comments		4	6		12	
Final QC and Revisions	2	4	6		12	
Revise EOPC		4	6			
Coordination to Provide Deliverables		2				1
Subtotal - Electrical Engineering	2	14	18	0	24	1

SUBTOTAL - SALARIES:	\$38,612.00
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Document Printing/Reproduction/Assembly	\$500.00
Postage/Freight/Courier	\$200.00
Office Supplies/Equipment	\$50.00
Computer Modeling/Software Use	\$50.00
Travel Costs	\$88.00

SUBTOTAL:	\$39,500.00
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TOTAL FEE:	\$39,500.00
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APPENDIX B

KILLEEN-FORT HOOD REGIONAL AIRPORT TAXIWAY B REHABILITATION

Bidding Services

WORK TASK DESCRIPTION	E-5	E-4	E-3	E-1	T-2	X-2
	hr	hr	hr	hr	hr	hr
1. Civil Engineering						
Project Management	2	1				
Dispense plans and specs to prospective bidders		1				2
Bidder's Inquiries		8		12		
Addendums		8		12		
Prepare for and Attend Pre-Bid Meeting		6				
Bid Opening		5				
Prepare Bid Tabulation		1				1
Evaluate Bids and Recommend Award		2				
Coordinate with Contractor for Securities, Insurance, and Contracts						1
Prepare Construction Contracts		2				
Issue Notice of Award		1				
Subtotal - Civil Engineering	2	35	0	24	0	4
4. Electrical Engineering						
Bidder's Inquiries		6	4			
Addendums		6	4			1
Subtotal - Electrical Engineering	0	12	8	0	0	1

Hours	2	47	8	24	0	5
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SUBTOTAL - SALARIES:	\$16,224.00
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DIRECT NON-LABOR EXPENSES

Document Printing/Reproduction/Assembly	\$126.00
Postage/Freight/Courier	\$50.00
Office Supplies/Equipment	\$50.00
Computer Modeling/Software Use	\$50.00
Traffic Counting Equipment	\$0.00
Locator/Tracer/Thermal Imager Equipment	\$0.00
Travel Costs	\$400.00

SUBTOTAL - DIRECT NON-LABOR EXPENSES:	\$676.00
---------------------------------------	----------

SUBTOTAL:	\$16,900.00
-----------	-------------

SUBCONSULTANTS FEE:	\$0.00
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TOTAL FEE:	\$16,900.00
------------	-------------



8701 John Carpenter Freeway, Suite 250
Dallas, Texas 75247-4640
214.678.0227 Ph
214.678.0228 Fax
www.hvj.com

October 11, 2018 (**Revised October 12, 2018**)

Derek Mayo, PE, PMP
GARVER, LLC
3765 S. Capital of Texas Highway, Suite 325
Austin, Texas 78704

Re: Geotechnical Investigation
Killeen-Fort Hood Regional Airport Taxiway B Rehabilitation
Killeen, Texas
Owner: City of Killeen
HVJ Associates® Project No. DG-15-17541.3 – **Revision 1**

Dear Mr. Mayo:

HVJ Associates® is pleased to submit this letter for providing a geotechnical study for the above referenced project. This letter outlines our understanding of the scope of the project and presents our approach and our fees for providing the study. This scope and fee were revised at the request of the client for 18 borings and reduce the testing program.

Project Background

The Killeen-Fort Hood Regional Airport is located at 8101 South Clear Creek Road, Killeen, Texas. We understand that the project involves pavement rehabilitation of Taxiway B. As part of the rehabilitation, geotechnical investigation is required to support the pavement design. The geotechnical services requested include: pavement borings, and laboratory testing results.

Scope of Work

As requested by GARVER, subsurface conditions will be evaluated by drilling Eighteen (18) 10 foot deep borings along the taxi apron as shown in the boring location plan provided by GARVER and attached to this proposal. We anticipate that truck mounted drill rig is required to access the boring locations.

Sampling will be performed continuously to a depth 10 feet with a SPT test below the pavement. The pavement surface will be cored prior to drilling at all boring locations and patched to match the existing thickness upon completion. The borings will be used to determine site stratigraphy and to obtain samples for laboratory testing. Shelby tube sampling will be performed in cohesive soils and split spoon sampling will be performed in cohesionless soils.

In addition, bulk samples will be collected from five locations within the upper 5 feet in addition to borings drilled off the shoulder of the taxiway paved surfaces for modified proctor and CBR testing. A total of four modified proctors and CBR testing will be conducted on bulk samples collected.

Mr. Derek Mayo, PE, PMP
DG-15-17541.3 – Revision 1
October 12, 2018

Selected laboratory testing will be conducted on samples that are representative of the materials obtained during the field exploration. The tests will be used to evaluate and classify the soils, identify subsurface site characteristics, and provide data for analysis. All the field and laboratory tests will be performed according to ASTM standards, where applicable, or with other established procedures.

A geotechnical report of our study will be prepared by an engineer specializing in soil mechanics and foundation engineering after reviewing available structural, geological, boring, and laboratory data. In general, the following items will be included in our report:

- Plan of borings,
- Boring logs,
- Pavement Core Pictures
- Generalized subsurface conditions,
- Groundwater level observations,
- Table of laboratory results,
- Modified Proctor and CBR test results,
- Resilient Modulus test results,
- Lime Series test results, and
- Estimate Potential Vertical Rise.

Schedule

HVJ Associates® expects to complete this assignment in approximately 6 to 8 weeks following receipt of a written notice to proceed and all the right of entries required to complete the field work, as per the following estimated schedule:

- Field Work (Marking boring locations, clearing utilities, obtaining permits if necessary, coordinating and completing drilling): 2-3 weeks
- Laboratory Testing: 2-3 week
- Engineering & Report Preparation: 2 week

HVJ Associates® assumes that right of entry for the properties will be obtained by GARVER. If requested, verbal recommendations can be provided throughout the progress of the investigation as testing is completed.

A draft report will be submitted for review by GARVER. After approval of HVJ Associates® draft report, a final report of the study will be submitted. Additional revisions and/or supplements to the report following approval may be considered additional services.

Fee and Conditions

Based on the scope of work outlined, the lump sum fee for our services is **\$55,868.26**. Our accounting procedures call for the submittal of invoices on a month-end basis or at the conclusion of the project should its duration last less than a month. Our credit terms are net 30 days. Our total invoiced amount versus completed work can be expected as follows:

- Completion of Field Work: 60% Fees
- Completion of Lab Work: 80% Fees
- Submitted Draft Report: 95% Fees
- Submitted Final Report: 100% Fees

Mr. Derek Mayo, PE, PMP
DG-15-17541.3 – Revision 1
October 12, 2018

The following assumptions were made in preparing this letter:

- Boring locations are accessible to truck mounted drill rig.
- Field survey of the borings locations and elevations is not part of our scope.
- The exact boring locations will be determined by HVJ.
- Right of Entry to the properties, if any will be obtained by GARVER.
- Permits and coordination for drilling at the airport will be obtained by GARVER.
- and the City of Killeen will locate any other known utilities near boring locations not provided by the Texas One Call System.
- Traffic control will not be required and cones and signs will be all that is required during drilling (not flaggers).
- Site specific training for drilling at the airport is not required.
- Field work will be work between 8 AM and 6 PM.
- While the airport is in operation, the maximum standby time per day will be less than 2 hour to accommodate air traffic.
- Pavement will be patched to match the existing pavement thickness with 5,000 psi high strength Quikcrete or equivalent.
- Laboratory samples will be held for no more than a period of 60 days following completion of the final report or 120 days following completion of the draft report, whichever is less.

The scope of services described is appropriate for the project configuration presented to us. If anomalous conditions are encountered, or if the project configuration changes significantly, a change in work scope may be required. HVJ Associates® will recommend such changes when and if it is deemed necessary. No changes will be implemented without prior authorization GARVER.

HVJ Associates® will contact the Texas One Call System, to locate buried utilities. We will take care to minimize damage to existing facilities; however, our activities may result in some damage to vegetation or unidentified existing utilities. This letter specifically excludes any costs associated with restoration of vegetation or repair of utilities damaged by our operations that were not previously identified by Texas One Call.

If this letter meets with your approval, please sign and complete the indicated spaces below and forward a copy of the letter to us. HVJ Associates® is pleased to be of service on this project. Please call us if you have any questions or require additional information.

Sincerely,

HVJ NORTH TEXAS - CHELLIAH CONSULTANTS, INC.



Sandip Tamrakar, P.E.
Project Manager

Mr. Derek Mayo, PE, PMP
DG-15-17541.3 – Revision 1
October 12, 2018

Agreed to this _____ day of _____, 20_____

By: _____

Title: _____

Firm: _____

Phone No. _____

Date to Start Work: _____

Estimate for Geotechnical Investigation

Killen-Fort Hood Regional Airport Taxiway B Rehabilitation

Owner: City of Killeen

Garver, LLC

HVJ Project No.: DG-15-17541.3 - Revision 1

October 11, 2018 (Revised October 12, 2018)

Geotechnical Fee Estimate Breakdown**Geotechnical Field Work:****- Eighteen (18) 10-foot Borings**

Mob/Demob of Drill Rig	1	@	\$1,500.00	LS	\$1,500.00
Drill Rig Support Truck	3	@	\$125.00	per day	\$375.00
Drilling and Sampling Soil (0 to 10' with a SPT)	180	ft @	\$25.00	per ft	\$4,500.00
Bulk Sample Collection (upper 5-ft from multiple borings at 5 locations)	5	@	\$100.00	each	\$500.00
Grouting Borings	205	ft @	\$18.00	per ft	\$3,690.00
Traffic Control (assumed cones and signs only)	0	@	\$1,000.00	per day	\$0.00
Pavement Coring/Patching (5000 psi concrete)	18	@	\$350.00	per ft	\$6,300.00
Stand By Time	6	@	\$250.00	per ft	\$1,500.00
Staff Engineer/Geologist (Field Coordination and Logging)	40	hr @	\$110.22	per hour	\$4,408.80
Per Diem (3 people)	3	days @	\$400.00	per day	\$1,200.00
Vehicle Trips	2	@	\$175.00	per trip	\$350.00
Subtotal					\$24,323.80

Laboratory Testing:**Soil**

Moisture Content	90	ea @	\$15.00	each	\$1,350.00
Atterberg Limits	36	ea @	\$80.00	each	\$2,880.00
Percent Passing No. 200 Sieve	36	ea @	\$75.00	each	\$2,700.00
Sieve Analysis and Hydrometer	8	ea @	\$150.00	each	\$1,200.00
California Bearing Ratio (3 Point)	4	ea @	\$550.00	each	\$2,200.00
Modified Proctor	4	ea @	\$225.00	each	\$900.00
Resilient Modulus	3	ea @	\$1,500.00	each	\$4,500.00
Lime Series	10	ea @	\$200.00	each	\$2,000.00
Chemical Analysis (Sulfates, Chlorides & pH)	10	ea @	\$250.00	each	\$2,500.00
Swell Tests	12	ea @	\$250.00	each	\$3,000.00
Unconfined Compressive Strength - Soil	18	ea @	\$60.00	each	\$1,080.00
Unconfined Compressive Strength - Rock	0	ea @	\$70.00	each	\$0.00
Subtotal					\$24,310.00

Geotechnical Engineering:

Senior Engineer, P.E.	4	hr @	\$210.80	per hour	\$843.20
Project Manager, P.E.	12	hr @	\$130.10	per hour	\$1,561.20
Staff Engineer	40	hr @	\$110.22	per hour	\$4,408.80
Clerk/Typist	6	hr @	\$70.21	per hour	\$421.26
Subtotal					\$7,234.46

Total **\$55,868.26**



5700 W. Plano Pkwy. Suite 1000
Plano, TX 75093
214.440.3600

October 12, 2018

Garver Engineers
Attn: Derek Mayo

RE: Killeen Fort Hood Regional Airport – Taxiway B Rehabilitation

Dear Mr. Mayo

Per your request, Lamb-Star Engineering, L.P. is pleased to submit a letter proposal for professional survey services to provide a topographic survey of Taxiway B at Killeen Fort Hood Airport for the area shown on the attached Exhibit and defined in the attached scope of work.

The lump sum fee for this scope of services, as defined on the attached Survey Scope is **\$55,735.50**

All fees are in addition to sales tax, if applicable, and reimbursable expenses. Services and products not specifically included in this proposal shall be considered additional services and are not included in the lump sum fee. Additional services will be negotiated and contracted as an addendum to or separately from this agreement, as agreed upon by Garver, LLC. and Lamb-Star Engineering, LP.

Please provide a Task Order as defined in the Master Services Agreement between Garver, LLC and Lamb-Star Engineering, LP dated November 9, 2012. Work will begin upon receipt of a fully executed Task Order and notice to proceed (NTP). All deliverables will be provided within 30 calendar days from written NTP. This proposal is valid for 6 months from the date above in heading.

Thank you for the opportunity to submit this letter proposal. Lamb-Star looks forward to working with you in the future. Please call me at (214) 440-3600 if you have any questions or comments.

Sincerely,

Robert Davis, R.P.L.S.



Survey Scope of Work

- 1) Establish horizontal & vertical control. All coordinates shall be in Texas Coordinate System of 1983 (NAD83). Utilize existing PACS and SACS, if available.
- 2) The accuracy of survey data shall be industry standard for design surveying. The proposed project will use existing ground data to analyze the existing surface in accordance with FAA standard pavement grades, for designing transition paving from proposed model to existing surface, and to develop quantities of construction materials
- 3) Provide runway end coordinates and elevations for Runway 15-33 at each end of the runway threshold, on the centerline. Collect data on the existing runway monument, if one exists and take and provide pictures
- 4) Project limits are shown in the attached sketch.
 - a. Topographic Surveys
 - i. Areas outside of pavement: Provide data within 50 feet outside of pavement within the project limits. Collect at a maximum of 50 ft stations
 - ii. Feature data collection: Provide survey of features, within 50' of pavement edges, that include, but are not limited to, pavement edges, existing utilities, existing structures, drainage flow patterns, ditch top of banks and toe of slopes, and other items identified within the project limits.
 - iii. On concrete pavements within project area, collect data at each panel corner.
 - iv. For asphalt taxiways, collect data at 50 foot stations, and 9 shots across asphalt and natural ground, unless there are noticeable low-points or grade breaks, collect additional shots as necessary to develop a representative existing ground model. All cross-section shots will be taken as noted in attached sketch
 - v. Electrical structures, cable and duct marker, including description of existing electrical features.
 - vi. Utilities within project limits (within 50' pavement edges). Any other data that may be useful to the design should also be collected



5700 W. Plano Pkwy. Suite 1000
Plano, TX 75093
214.440.3600

5) Product Submittal

- a. Collect and process the survey data and provide Garver with the following:
 - i. Topographic file (contours and existing features) provided in an AutoCAD format. Include an existing ground Civil 3D surface model. The topographic file shall be inclusive of the contours, features, property line and monuments, in one file.
 - ii. Digital survey points (not blocks) provided in an AutoCAD Civil 3D format. If requested, surveyor shall also provide a point file of collected data in ASCII or csv format.
 - iii. Electronic submittal is preferred, either through email, thumb drive, dropbox, or ftp submittal. All previously mentioned submittals, raw data files for ASCII files of the survey, and drawing files. The XYZ files shall be formatted as Point Number; Northing; Easting; Elevation; and Description.
 - iv. PDF of the entire survey itemized into sheets at 1" = 50' scale to be utilized within the construction drawings, signed and sealed by a Professional Surveyor licensed in the State of Texas. The pdf should include a legend, all control information, and datums used.

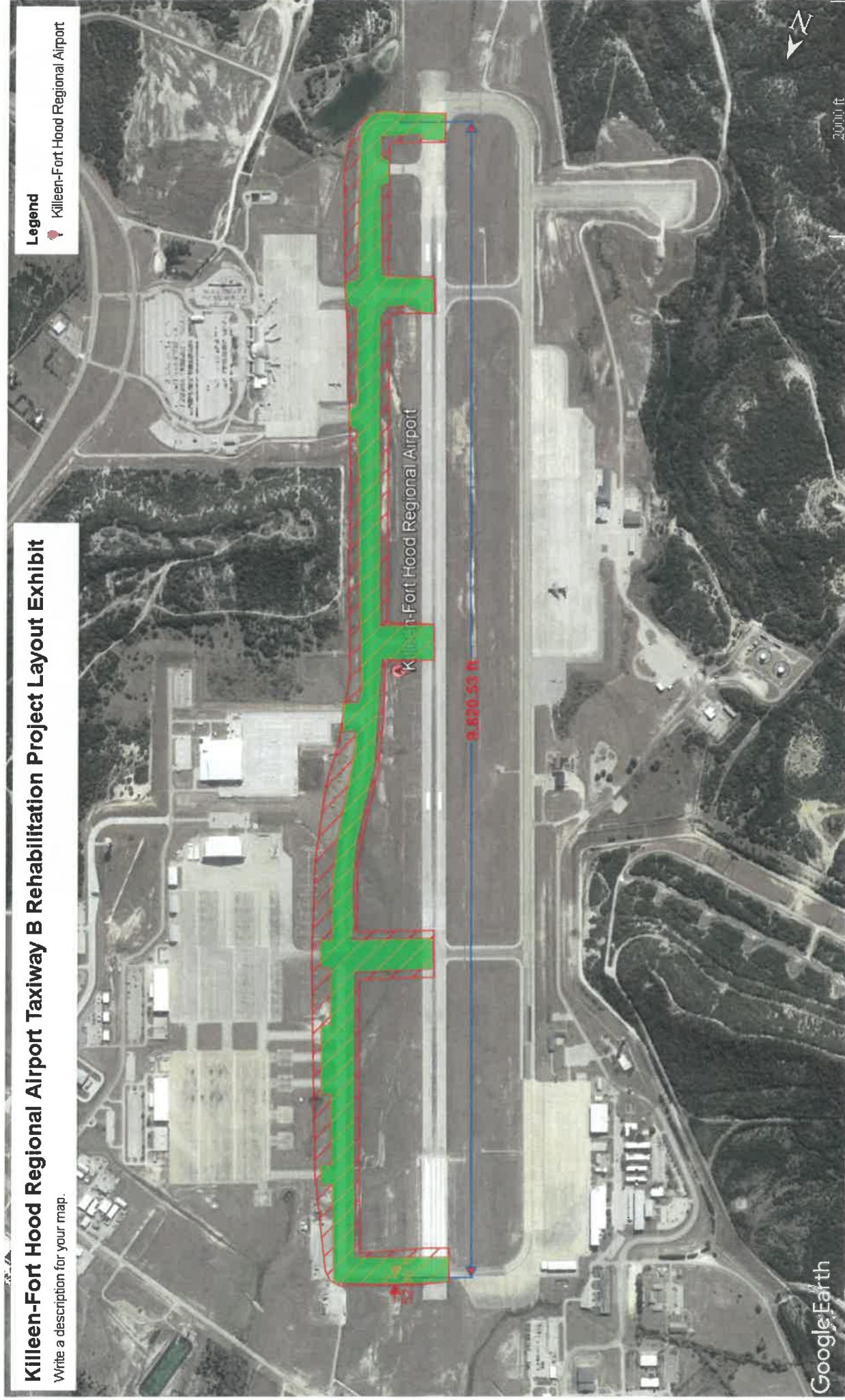
— Limits

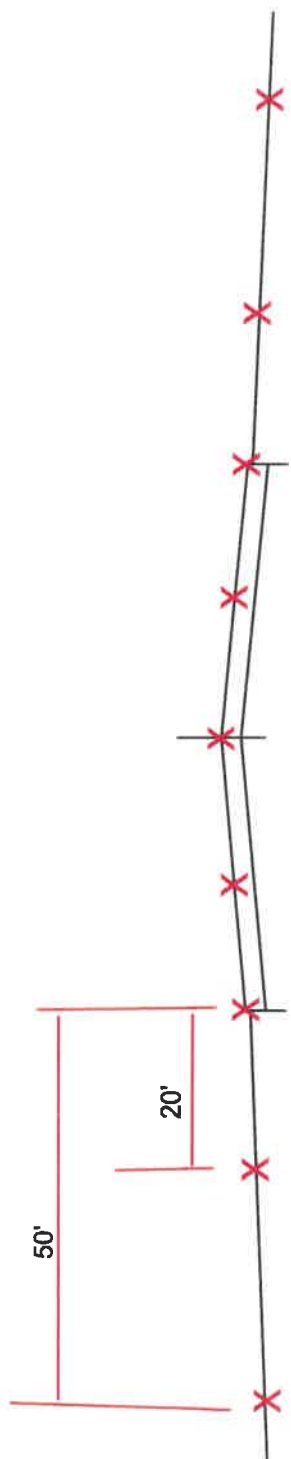
Killeen-Fort Hood Regional Airport Taxiway B Rehabilitation Project Layout Exhibit

Write a description for your map.

Legend

 Killeen-Fort Hood Regional Airport






Killeen-Fort Hood Regional Airport Taxiway B Rehabilitation Project Layout Exhibit

Write a description for your map.

Legend

 Killeen-Fort Hood Regional Airport



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

Garver, LLC
Austin, TX United States

Certificate Number:
2018-434136

Date Filed:
12/14/2018

Date Acknowledged:

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.

18181083
Rehabilitation of Taxiway B at the Killeen-Fort Hood Regional Airport and all associated improvements.

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	GRIFFIN, MICHAEL	AUSTIN, TX United States	X	
	JONES, STEVEN	AUSTIN, TX United States	X	
	HOSKINS, BROCK	AUSTIN, TX United States	X	
	PARKER, HERBERT	AUSTIN, TX United States	X	
	HOLDER, JR., JERRY	AUSTIN, TX United States	X	
	WILLIAMS, DANIEL	AUSTIN, TX United States	X	
	MCILLWAIN, FRANK	AUSTIN, TX United States	X	

5 Check only if there is NO Interested Party.

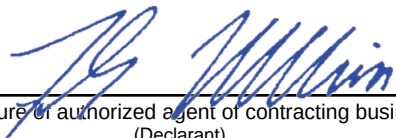
☐**6 UNSWORN DECLARATION**

My name is Frank McIlwain, and my date of birth is 4/7/1975.

My address is 3755 S. Capital of Texas Hwy., Austin, TX, 78704, USA.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Travis County, State of Texas, on the 14th day of December, 2018.
(month) (year)



Signature of authorized agent of contracting business entity
(Declarant)



PROFESSIONAL SERVICES AGREEMENT WITH GARVER, LLC

RS-19-004

January 8, 2019

Professional Services Agreement

2

- Federal government provided the Federal Aviation Administration (FAA) \$ 1 billion for small and nonhub airports
 - ▣ Killeen Fort Hood Regional Airport (KFHRA) is on the list
- Provides that airports with eligible projects can apply for grants
 - ▣ Projects need to designed as soon as practicable to be ready for the grant award
 - ▣ Initial award anticipated February 28, 2019
 - ▣ KFHRA has eligible project in Taxiway B rehabilitation

Professional Services Agreement

3

- FAA recommends projects be designed as soon as practicable to be ready for the grant award
- Staff has negotiated for design services with Garver, LLC
 - ▣ Design cost for project is \$701,400
- Funding mechanism for design is interdepartmental loan from City to Department of Aviation

Alternatives

4

- ❑ Do not approve the agreement
 - ▣ Project will not be designed
 - ▣ Impacts [potential for supplementary grant revenue]

- ❑ Approve the agreement
 - ▣ Provides opportunity for Airport to secure development funds that will not draw down future entitlement funds
 - ▣ Enhances Airport future development plans
 - ▣ Provides a “shovel-ready” project for construction

Recommendation

5

- Council approve the Agreement with Garver, LLC and authorize the City Manager or designee to execute same as well as any and all amendments as allowed per federal, state, or local law.



City of Killeen

Legislation Details

File #: RS-19-005 **Version:** 1 **Name:** Laserfiche Upgrade
Type: Resolution **Status:** Resolutions
File created: 12/17/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: Consider a memorandum/resolution to upgrade the Laserfiche electronic content management software.
Sponsors: Information Technology Department
Indexes:
Code sections:
Attachments: [Staff Report](#)
[Proposal](#)
[Certificate of Interested Parties](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: January 8, 2019

TO: Ronald L. Olson, City Manager

FROM: Colen Wilson, Director of Information Technology Services (Interim)

SUBJECT: Laserfiche Electronic Content Management Software Upgrade

BACKGROUND AND FINDINGS:

An Electronic Content Management (ECM) System is a software system used by the public and private sectors to better organize an entity's records and streamline business processes. An ECM system provides faster access to documents, improved collaboration on projects through version control, reduced risk of loss of documents, and improved security of documents in the event of natural disaster.

In 2002, the City purchased Laserfiche ECM to begin fully digitizing all records in each department, catalogue each document by the information contained in the file, and improve cross-department work on documents and projects and as a result streamline the City's internal processes.

The current software version's functionality supports document scanning, archival, retrieval, indexing, and templates. The current software version in use at the City is outdated and needs to be upgraded. The upgraded software version includes automated document workflows, records management for retention, form creation and management, as well as all previous version functionality. The extra features provided in the software upgrade enable the City to move closer to a paperless business process goal.

THE ALTERNATIVES CONSIDERED:

Which alternative is recommended? Why?

Two alternatives were considered. Option 1 was to not do the upgrade. This option would result in discontinued support from vendor and the city would remain in the outdated version. Additionally, as other softwares migrate to newer versions they will not be compatible with the older version of Laserfiche therefore limiting user access and productivity.

Option 2 is to approve the upgrade. This option increases software functionality, increases user access, and productivity. Additionally, the upgrade will provide technical support and online training.

Staff recommends Option 2, as it brings the best value to the City through improved functionality, access, and productivity.

CONFORMITY TO CITY POLICY:

According to the City of Killeen's Purchasing Manual Appendix I, a state cooperative purchasing exception is authorized for a product or service through the State Cooperatives. Laserfiche is available on BuyBoard #544-17 and is included on the supporting documentation for review. Laserfiche software is only available for purchase from a vendor authorized reseller (VAR). The City's Laserfiche VAR is MCCi.

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

The cost for the Laserfiche software licensing, maintenance, and customer support totals for the one-time software upgrade is \$98,213.52. The cost is allocated in account 349-2705-419.61-40 (Information Technology Capital Outlay Funds).

After the initial Laserfiche software upgrade, in FY20 and subsequent years the City will pay annual maintenance and support fees for as long as the software maintenance agreement is renewed. For FY20 the cost could potentially increase by 5% as is industry standard for software support agreements, making the estimated FY20 cost \$42,775.48.

Is this a one-time or recurring expenditure?

The Laserfiche software upgrade is a one-time expense paid from Capital Improvement Project funds.

The annual maintenance and support agreement will be a recurring expenditure each year the software is renewed.

Is this expenditure budgeted?

The Laserfiche software maintenance and support agreement is budgeted in each fiscal year, along with the industry standard of 3-5% cost increases.

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 the City Council authorize the City Manager or designee to execute a software agreement with MCCi for the upgrade of the Laserfiche ECM in the amount of \$98,213.52, and the City Manager, or designee, is authorized to execute any and all change orders within the amounts set by state law and city policy.

DEPARTMENTAL CLEARANCES:

Finance

Legal

ATTACHED SUPPORTING DOCUMENTS:

Proposal

Certificate of Interested Parties

Prepared For:

Killeen, TX

Presented By:

Lawrence Steed

ECM SOLUTION

Issued: December 27, 2018





CORPORATE OFFICE

Sales Department
1958A Commonwealth Lane • Tallahassee, FL 32303
Phone (800) 342-2633 • Fax (850) 564-7496

LAWRENCE STEED

Account Manager
(850) 701-0725
lsteed@mccinnovations.com

December 27, 2018

Ms. Mandy Cline
City of Killeen
PO Box 1329
Killeen, TX 76540

Dear Ms. Cline:

I enjoyed speaking with you regarding MCCi's Laserfiche software and services. While reviewing the enclosed Professional Services Proposal, please keep in mind the following advantages of being a MCCi client:

Leading Provider - MCCi is the leading provider of Laserfiche in the world and a Laserfiche Platinum VAR.

Professionals - All MCCi's professional services team members acquire and maintain Laserfiche Gold Certification. In addition, they have undergone a thorough background check and security awareness training.

Public Sector Focus - MCCi was created by Municipal Code Corporation to focus on innovative technologies for the public sector. MCCi provides Laserfiche software and services to entities including Cities, Counties, State Agencies, Special Districts, School Districts, Law Enforcement, and more.

Specialization in Enterprise Solutions - MCCi Project Managers provide implementation and training services to help deploy your Laserfiche solution across the Enterprise. We work with you on your initial project plan, knowing that one-day Laserfiche will be used across the entire organization. This methodology helps you meet this goal within your desired time frame, whether it be an immediate objective or part of a multi-year plan.

Superior Support - MCCi utilizes a multi-layered support team geared towards offering each client multiple contacts to enhance the usage of every product implemented. We offer support through our help desk, email, and toll-free number, and we also have an online support center that gives end users access to training manuals, "how to" checklists, training videos, a knowledge base, and software updates.

Robust Resources - Whether it is integration, scanning and indexing services, an electronic forms solution, etc., MCCi has additional solutions that are complementary to Laserfiche, while allowing you to work through one vendor for best of breed solutions.

If you have any questions concerning our proposal or desire additional information, please do not hesitate to contact me. We appreciate your interest and hope that we will have the pleasure of working with you.

Sincerely,

Lawrence Steed
Account Manager

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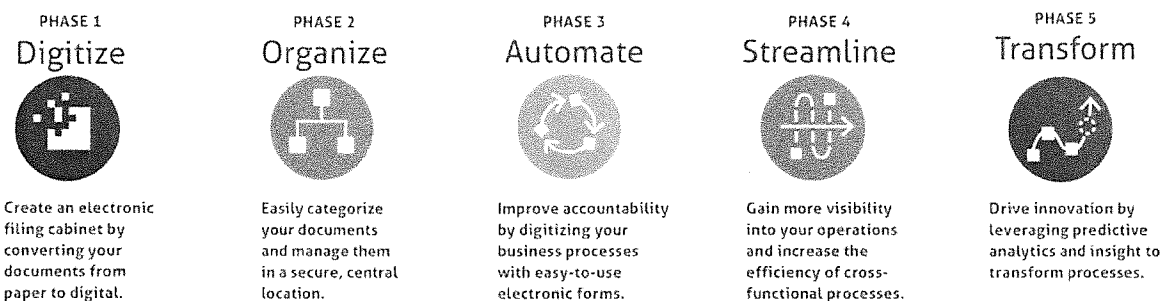
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EXECUTIVE SUMMARY

What once was a simple document imaging solution has evolved into a complete Content Services platform to serve the enterprise. In addition to native and core document/records management functionality, Content Services platforms continue to mature and address increasingly complex business processes and problems.

Where to start. MCCi leverages and recommends the Digital Transformation Model; an industry accepted five-phased approach to transform your office into a digital workplace. This model provides a structured framework for content services, process automation, analytics, and more. Often, technology is implemented in one department, and the interest of other departments quickly grows. The Digital Transformation Model provides guidance whether you are one department or looking to go enterprise-wide.



Selecting a solution. In 1999, we searched for a solution with company stability, growth, and service commitment to the clients. In our search for the best overall Content Services platform, Laserfiche made the decision easy as they are focused on the development of a solution that meets the demands of clients while being economical, scalable and usable.

Laserfiche is a unified solution that manages all documents and records, regardless of location or media type. Since 1987, Laserfiche has been a trusted solution of more than 35,000 organizations worldwide. As a privately-held company, Laserfiche is a platform for automating business processes from start to finish with the flexibility to integrate with your existing solutions. We strive to protect your current investments and create seamless integrations for the organization to maximize efficiencies and return on investment.

Laserfiche is unique in the market in that every product created is done so from the ground up with an internal development team. This makes all solutions seamless and integrated, unlike other companies that tend to purchase other products and merge them into their platform resulting in cumbersome solutions that are not user-friendly.

Selecting the right service provider is equally important. The solution can be the best fit for your organization, but if you select the wrong service provider, you will be faced with unexpected challenges that result in a delayed or failed project. Your provider should be the best in the industry with in-depth expertise, resources and a steadfast commitment to client success. Gartner, Inc. cites this as the most important decision when embarking on a transformation project. Expertise does not come overnight; it comes with time, projects, and learning best practices over a wide range of clients. Part of evaluating the provider's stability should include how long the provider has been in business, their reputation in the industry, their knowledge about your business model, and the strength and size of their team members in support and client relations. A trusted partner is more than just another set of hands; it is a fresh set of eyes, ideas, and innovation they bring to the table. Partnering involves trust and commitment from both parties to achieve successful project implementation.

ABOUT MCCi

Our story goes back to the 1950s. MCCi originated from Municode, who manages the code, ordinances, and websites of more than 4,500 municipalities. In 2003, the company's growth led to MCCi becoming a separate company and expanding its services to all types of government agencies, as well as commercial businesses.

Fast forward and look at us now! MCCi is committed to leading the industry, staying abreast of technology, and focusing on the needs of our clients so that everyone – our clients and our employees – flourish. **MCCi has grown to more than 85 employees nationwide.**

We pride ourselves in the fact that many of our clients' successes are widely recognized as **Laserfiche Run Smarter winners**, industry-specific award winners, and frequently published as leaders in their fields. Most recently, Inc. Magazine recognized MCCi as an **Inc. 5000** fastest-growing private company in the United States. Additional noteworthy recognition includes **Best Companies to Work**, Microsoft Gold Certified Partner, and the only **Laserfiche Platinum Certified VAR**, to name a few.



WHY OUR CLIENTS LOVE US?

It is no secret. The answer is in the numbers. **MCCi serves more than 1,100 clients nationwide in 46 states.** We are focused on providing top-notch service to fit the needs of our clients in the best way. We are more than their service provider; we are their partner. Our culture is to put the client's needs first.

OUR CULTURE

We are fanatical about client success. Success starts with our eagerness to understand our client's goals.

We don't just want to date our clients. We demand every member of our team understands and practices the foundation of a long-term relationship: communication, caring, and commitment.

We innovate and evolve. Our growth initiatives are based on what our clients need and where they are headed.

We understand that we must continuously evolve and improve to support our clients.

We are unreasonably picky about our teammates. We believe the execution of team goals requires excellence at every level. Each team member must enjoy hard work and excel at doing their part. We expect and empower our team to grow, professionally and personally.



OUR TEAM

MCCi is a leading Laserfiche provider, focusing on customer service in every aspect of your project. As a client, you will receive access to our highly trained staff and support services, such as:

PROFESSIONAL SERVICES

Our Project Services team is made up of Laserfiche Gold Certified, highly-trained professionals in the areas of implementation, workflow processes, integrations, and more to help you implement a well-thought-out enterprise system based on your organization's needs and business processes.

TRAINING SERVICES

Before, during, and after your project, we focus on ensuring the users are trained on the software and stay up-to-date on the features available. In addition to our online Training Center for Laserfiche resources, remote and onsite training options are available.

TECHNICAL SUPPORT

Once your project is complete, you will have access to our technical support team for troubleshooting and for support your Laserfiche solution. Our team can be easily reached by email, phone, or our online support center.

The **Laserfiche Software Assurance Plan (LSAP)** helps preserve and extend the benefits of your original solution investment by providing you access to the assistance needed to ensure that you maximize system uptime. When you subscribe to an LSAP, you receive the following benefits:

- First-tier support from MCCi to resolve Laserfiche software errors
- 100% upgrade credit for your existing software (in the event of a platform upgrade)
- 24-hour FTP and Laserfiche support website for downloading free Laserfiche software updates
- Technical bulletins, newsletters, and educational webinars

CLIENT RELATIONS

You will have a dedicated team of an account executive and account manager that you can directly contact. We believe in a proactive support methodology, which begins with client education, excellent service, and communication.

- Identify any needs that could easily be addressed by the current system
- Available as a resource for questions and answers, best practices, how other clients are using the system with the use of documented case studies, support center, etc.
- Available for continued education for existing and new users within the organization with webinars, seminars, workshops, user groups, and more
- Dedicated sales support team for pricing inquiries and budgetary information
- Annual support renewal notifications to ensure your renewal process is timely and accurate

PROPOSED SOLUTION

MARKET LEADER

Since 1987, Laserfiche ECM has been trusted by more than 35,000 organizations worldwide. Over 5 million users use Laserfiche on a day to day basis. Laserfiche is unique in the market in that every product created is done so from the ground up with internal development staff. This makes all solutions seamless and integrated unlike other companies that tend to purchase other products and merge them to their platform resulting in cumbersome solutions that are not user friendly.

MCCi is proposing the enclosed Laserfiche software and MCCi's Professional Services for your organization. With capabilities ranging from electronic records management to document routing, electronic forms, and integrations, Laserfiche ECM is a powerful solution that enables the entire enterprise. Please keep in mind some of the features of Laserfiche:

USER FRIENDLY

Laserfiche is very easy to learn, navigate, and use. With a folder structure similar to Windows Explorer, Laserfiche will seem familiar to your staff, giving them the confidence to begin scanning and retrieving documents almost immediately after installation.

COMPREHENSIVE SECURITY

Laserfiche Comprehensive Security allows you to control and administer the security of your documents. You determine what functions, such as scanning and printing, each staff member may use.

INTELLIGENT SEARCH

The Laserfiche Search Engine is a powerful tool to help users find the documents they need during their day-to-day processes, including full-text search, index search, and document and folder name. The Laserfiche full-text search unlocks the contents of your documents; if you need to find a word or phrase within a document, Laserfiche retrieves it immediately. An easy Google-style toolbar is available for searching as well.

INTEGRATION

Laserfiche is the central repository for records in your organization and allows you to integrate other main line-of-business solutions easily. Whether you are looking for a way to integrate with a departmental solution, ERP solution, Microsoft Office application or SharePoint, etc., Laserfiche has options available to reduce duplicate data entry and provides seamless access to your records.

E-FORMS & BUSINESS PROCESS AUTOMATION

Laserfiche allows users to capture information while automating and transforming business processes. Users are finding efficiencies by reducing the time processes take and giving users access to information instantaneously through the implementation of Laserfiche Forms and Laserfiche Workflow, resulting in cost savings for the organization.

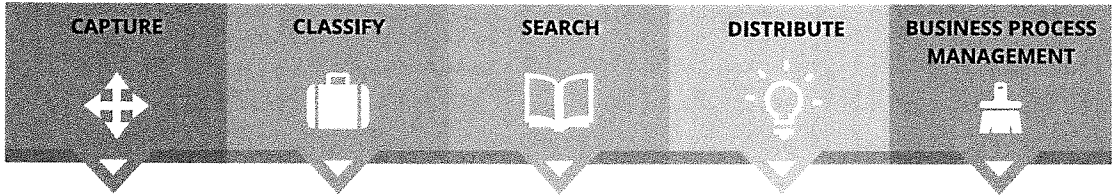
MOBILITY & WEB TOOLS

Mobile devices are now used in organizations for day-to-day operations. Laserfiche has options available to ensure you can access Laserfiche from these devices and perform related actions quickly on the go. There are also options to give your outside citizens/customers access to records through the web to promote transparency and decrease records requests.

LASERFICHE RIO

MCCi is recommending the Rio Enterprise platform for your organization. Laserfiche Rio seamlessly combines traditional enterprise content management (ECM) functionality with powerful business process management, auditing tools, and security. This platform is designed for clients like you, who **innovate and evolve** with changing technologies, **digitally transforming** their organization and expanding business processes across the enterprise.

By providing unlimited document repositories and servers, Laserfiche Rio supports development, testing, staging and production, putting you in complete control of your business processes and system design. With capabilities ranging from records management to document routing, electronic forms, and digital signatures, Laserfiche Rio provides an easy-to-use, cost effective platform for automating day-to-day business processes.



PRICING

Upgrade
to Rio

<i>Product Description:</i>	<i>Qty.</i>	<i>Cost</i>	<i>BuyBoard #544-17</i>	<i>Total</i>
<u>EXISTING LASERFICHE SOFTWARE SYSTEM CONFIGURATION</u>				
<input checked="" type="checkbox"/> United Standard Server Software <i>*requires MS SQL</i>	-1	\$6,000.00	N/A	(\$6,000.00)
<input checked="" type="checkbox"/> LF Full User	-23	\$434.78	N/A	(\$9,999.94)
<input checked="" type="checkbox"/> LF Retrieval User	-30	\$200.00	N/A	(\$6,000.00)
<input checked="" type="checkbox"/> Snapshot Plug In	-18	\$100.00	N/A	(\$1,800.00)
<input checked="" type="checkbox"/> Email Plug In	-30	\$80.00	N/A	(\$2,400.00)
<input checked="" type="checkbox"/> LF Plus Plug In Software <i>*per station</i>	-1	\$3,825.00	N/A	(\$3,825.00)
<input checked="" type="checkbox"/> LF Scanconnect 5-pack	-1	\$660.00	N/A	(\$660.00)
<input checked="" type="checkbox"/> LF Scanconnect 10-pack	-1	\$916.67	N/A	(\$916.67)
<input checked="" type="checkbox"/> Web Access	-1	\$7,995.00	N/A	(\$7,995.00)
<input checked="" type="checkbox"/> Weblink	-1	\$7,991.67	N/A	(\$7,991.67)
<input checked="" type="checkbox"/> Workflow for Laserfiche	-1	\$25,000.00	N/A	(\$25,000.00)
<input checked="" type="checkbox"/> Integrator's Toolkit	-1	\$2,500.00	N/A	(\$2,500.00)
<input checked="" type="checkbox"/> Integration Express-HTE	-1	\$2,500.00	N/A	(\$2,500.00)
<i>Existing Software Credit Total</i>				<i>(\$77,588.28)</i>
<u>ECM SOFTWARE LICENSING FOR RIO</u>				
<input checked="" type="checkbox"/> Rio Records Management 100 - 199 Users <i>Includes Unlimited Laserfiche Servers, Records Management Edition, Workflow, WebAccess (including the SharePoint integration web parts and WebAccess Light), Advanced Audit Trail, Snapshot, and Email</i>	100	\$770.00	\$716.10	\$71,610.00
<input checked="" type="checkbox"/> Plus for Publishing <i>Royalty-free distribution of published media</i>	1	\$3,800.00	\$3,534.00	\$3,534.00
<input checked="" type="checkbox"/> Import Agent for Rio	1	\$1,500.00	\$1,395.00	\$1,395.00
<input checked="" type="checkbox"/> OCR Scheduler for Laserfiche - <i>Requires one dedicated Laserfiche User License</i>	1	\$1,500.00	\$1,395.00	\$1,395.00
<input checked="" type="checkbox"/> LF Scanconnect for Rio 10-pack	2	\$915.00	\$850.95	\$1,701.90
<input checked="" type="checkbox"/> LF Forms Professional 100-199 Users (10% Add-on to all Named Users)	100	\$70.00	\$65.10	\$6,510.00

<input checked="" type="checkbox"/>	Rio LF Forms Portal <i>*Allows Forms Portal to be activated on a Forms server. Multiple licenses are needed if multiple activations are required. Allows form submission only, from unlicensed (public) and non-authenticated users.</i>	1	\$7,995.00	\$7,435.35	\$7,435.35
<input checked="" type="checkbox"/>	Pilot Public Portal <i>Includes Weblink software and 25 Weblink-only retrieval connections.</i>	1	\$25,000.00	\$23,250.00	\$23,250.00
<input checked="" type="checkbox"/>	Laserfiche SDK for Rio	1	\$2,500.00	\$2,325.00	\$2,325.00
<input checked="" type="checkbox"/>	Laserfiche Connector 100-199 Users (5% Add-on to all Named Users)	100	\$35.00	\$32.55	\$3,255.00
<input checked="" type="checkbox"/>	Integration Express- HTE	1	\$2,500.00	\$2,325.00	\$2,325.00
Document Management Software and Licenses Total					\$124,736.25

ANNUAL SOFTWARE SUPPORT/SUBSCRIPTION - BASIC**LSAP**

<input checked="" type="checkbox"/>	Rio Records Management 100 - 199 Users <i>Includes Unlimited Laserfiche Servers, Records Management Edition, Workflow, WebAccess (including the SharePoint integration web parts and WebAccess Light), Advanced Audit Trail, Snapshot, and Email</i>	100	\$154.00	\$138.60	\$13,860.00
<input checked="" type="checkbox"/>	Plus for Publishing <i>Royalty-free distribution of published media</i>	1	\$1,600.00	\$1,440.00	\$1,440.00
<input checked="" type="checkbox"/>	Import Agent for Rio	1	\$300.00	\$270.00	\$270.00
<input checked="" type="checkbox"/>	OCR Scheduler for Laserfiche - <i>Requires one dedicated Laserfiche User License</i>	1	\$330.00	\$297.00	\$297.00
<input checked="" type="checkbox"/>	LF Scanconnect for Rio 10-pack	2	\$184.00	\$165.60	\$331.20
<input checked="" type="checkbox"/>	Pilot Public Portal <i>Includes Weblink software and 25 Weblink-only retrieval connections.</i>	1	\$5,000.00	\$4,500.00	\$4,500.00
<input checked="" type="checkbox"/>	LF Forms Professional 100-199 Users (10% Add-on to all Named Users)	100	\$14.00	\$12.60	\$1,260.00
<input checked="" type="checkbox"/>	Rio LF Forms Portal <i>*Allows Forms Portal to be activated on a Forms server. Multiple licenses are needed if multiple activations are required. Allows form submission only, from unlicensed (public) and non-authenticated users.</i>	1	\$1,599.00	\$1,439.10	\$1,439.10
<input checked="" type="checkbox"/>	Laserfiche SDK for Rio	1	\$750.00	\$675.00	\$675.00
<input checked="" type="checkbox"/>	Laserfiche Connector 100-199 Users (5% Add-on to all Named Users)	100	\$7.00	\$6.30	\$630.00
<input checked="" type="checkbox"/>	Integration Express-HTE	1	\$500.00	\$450.00	\$450.00
<input checked="" type="checkbox"/>	Laserfiche Administration Services, Level 1 <i>Laserfiche Administration Services needs are estimated based on the current software components provided herein: up to 22.5 hours.</i>	1	\$3,341.25	\$3,341.25	\$3,341.25
<input checked="" type="checkbox"/>	Training Center 100-199 Users	1	\$5,180.00	\$5,180.00	\$5,180.00
<input checked="" type="checkbox"/>	MCCi SLA 125-249 Laserfiche Users	1	\$7,850.00	\$7,065.00	\$7,065.00

Receive front of the que support and up to 10% off
future professional service engagements – full SLA
document available upon request
Annual Support Total

\$40,738.55

For budgetary purposes, the Client should include
\$40,738.55 in annual budget for renewal of the
items quoted above. Please note that if you
subscribe to MCCi's SLA or Training Center,
additional user licenses may increase the cost of
these items at the time of your next annual
renewal.

MCCi PROFESSIONAL SERVICES

<input checked="" type="checkbox"/>	Basic Onsite Training of software, per day Workflow training and installation excluded. Travel expenses included.	3	\$2,200.00	\$2,024.00	\$6,072.00
<input checked="" type="checkbox"/>	MCCi Project Management Services *Includes up to 25 remote hours • Installation and configuration of Rio • Planning for onsite training • Does not include implementing any automation tools	1	\$4,625.00	\$4,255.00	\$4,255.00
Professional Services Total					\$10,327.00

Total Project Cost **\$98,213.52**

All Quotes Expire in 30 Days

PAYMENT & BILLING TERMS

MCCi will invoice one hundred percent (100%) of the software and support upon delivery of software. If services are included, the balance of the total project will be invoiced upon completion of the proposed professional services, which may be broken up based on the completion date of specific services. Sales tax will be included where applicable. Payment will be due upon receipt of an invoice.

Laserfiche software and help files are provided electronically. Hard copy manuals or software are available upon request, for a \$50 additional charge.

Note: MCCi will prorate the support of this additional software to be congruent with your current Laserfiche system's annual support (LSAP) dates, the purpose of which is to align all software with one support date so maintenance of your account is simple. MCCi will bill for the actual amount of support, which may be higher or lower than quoted. To ensure you are budgeting correctly for future renewals, please add the amount listed in the budgetary note above to your current budgeted renewal amount.

MCCI PROJECT-BASED SERVICES

To determine which services are included with your project, please refer to the Pricing Section.

MCCI PROJECT MANAGEMENT SERVICES

MCCI's Laserfiche certified Team Member administer these services and concentrate on defining business requirements and the deliverables that follow. The MCCI Team Member will work with the Client's point of contact to put together a project plan that clearly defines the scope of the Project Management services, ensuring the Client is prepared for the final project implementation. The total number of service hours is limited to the total fee quoted, divided by MCCI's current Project Management rate.

CLIENT CONSULTATION

The assigned MCCI Project Manager will perform a consultation including a review of current document organization and retrieval practices to determine desired indexing methods, security rules, and other basic system set up needs. Once this information has been gathered and provided to the MCCI Project Manager, the basic folder structure, document naming conventions, and template set-up will be configured prior to onsite training.

REMOTE INSTALLATION AND CONFIGURATION

Software installation and configuration may occur remotely as part of the Project Management services to ensure the onsite time purchased is focused on the direct objectives. Please refer to the Pricing Section to determine if the onsite time will include installation and configuration.

REMOTE TRAINING

Project Management services may be utilized for training administrators or users remotely if onsite training is not included. Please refer to the Pricing Section to determine if training was quoted.

LASERFICHE FILING WORKFLOW CONFIGURATION

MCCI's Laserfiche Filing Workflow Configuration Services are designed to be highly collaborative. The goal is to provide a customized process that allows your organization to archive specified records in a proper format and location that is consistent with your organization's standards. To execute, MCCI's team of expert Project Managers and System Engineers will work with the Client's Project Manager to build a Business Process in the Client's Laserfiche environment.

MCCI DELIVERABLES

- ▣ Configure a Laserfiche Workflow including (Up To 15 Documents) for archival
 - ▣ Includes renaming of documents
 - ▣ Routing to appropriate folder structure
- ▣ Consultation with a MCCI Project Manager

CLIENT DELIVERABLES

- ▣ Provide MCCI with a mapped out narrative and flowchart of the specified business process
- ▣ Thoroughly define each resource and activity in the business process, including any exceptions
- ▣ Respond in a timely fashion to questions posed by MCCI's Business Process Configuration team
- ▣ Appointment of Client Project Manager
- ▣ Availability of IT resources as needed and end users for interviews and Business Process testing
- ▣ Required Laserfiche software licensing

BUSINESS PROCESS CONFIGURATION SERVICES

Business Process Configuration Services are designed as an option for organizations that require advanced system configuration but may lack the time or expertise necessary to configure Workflow, Quick Fields, or any of Laserfiche's other advanced modules. MCCi's team of expert Project Managers and System Engineers will work in concert with the Client's Project Manager to build a Business Process in the Client's Laserfiche environment.

CLIENT DELIVERABLES

- Provide MCCi with a mapped out narrative and flowchart of the specified business process
- Thoroughly define each resource and activity in the business process, including any exceptions
- Respond in a timely fashion to questions posed by the Business Process Configuration team
- Appointment of Client Project Manager
- Availability of IT resources as needed
- Availability of end users for interviews and Business Process testing
- Required Laserfiche software licensing

MCCI DELIVERABLES

- Install and configure Laserfiche modules that are relevant to the implementation
 - Consultation with a Laserfiche Project Manager
 - Business Process Configuration Managed Services post implementation
 - The scope of Managed Services will be limited to supporting the process(es) implemented through this contract.
 - Roll-out Assistance is an optional service if included in the scope of services.
 - The scope of Managed Services will be limited to supporting the process(es) implemented through this contract.
- Note: This service will be billed separately and is billed upon completion.

LASERFICHE FORMS SERVICES

MCCi's Laserfiche Forms Services are designed to be highly collaborative. The goal is to provide a customized package for your organization. Whether you need direct assistance implementing Laserfiche Forms, or hands-on training to empower your organization to create and maintain electronic forms, or both, MCCi has options available. Please see your Pricing Section for the specific Laserfiche Forms Services quoted.

Forms Configuration Services Per Form	Level 1	Level 2	Level 3
Forms Design Services Create/modify form from the Business Process Library 10.1+	Up to 15 Fields	Up to 30 Fields	Up to 50 Fields
Form Field and Data Look-up Rules*	Up to 10 Rules	Up to 20 Rules	Up to 40 Rules
Process Modeler Configuration	Up to 5 Steps	Up to 10 Steps	Up to 20 Steps
Workflow Configuration for Forms Process Modeler Integration, Filing Only	No	Yes	Yes
Custom Scripting (JScript or CSS) *	Call for Quote	Call for Quote	Call for Quote

- Users submitting through the Forms Portal are limited to forms submission. Users cannot participate in the workflow/routing process within Laserfiche Forms Process Modeler or Laserfiche Workflow, unless they have a Laserfiche Named User License.
- All Forms Configuration Services are conducted remotely due to multiple decision points throughout the configuration, which may cause delays.
- Field Look-ups: Database Views and Queries must exist or be created by the Client prior to MCCi database lookup configuration.
- Java Script and CSS Scripting (if needed) are not included, unless otherwise notated in the Pricing Section.

LASERFICHE CONNECTOR INTEGRATION CONFIGURATION & TRAINING

INCLUDES

- Configuration of integration for up to one application screen with 3 standard actions on one machine
- Standard Actions Included: Scan, Import, Search Client, Search Weblink, and/or Search Web Access, launching from the desired application to Laserfiche

- Remote “Train the Trainer” training for up to half a business day to empower the Client to configure other integrations
- All data used for configuration must be available from the Application Screens
- All services are conducted remotely, unless a MCCi representative is onsite for other implementation needs and onsite time permits

CLIENT DELIVERABLES

- Application to be integrated with and user’s machine must meet Laserfiche Connector requirements set forth in the hardware requirements
- Testing – A test utility to ensure that the application screen is viable is available prior to purchase. Client is responsible for ensuring compatibility of applications prior to purchase
- IT resources – Appointment of Laserfiche Connector Administrator
- Laserfiche metadata requirements

MCCI DELIVERABLES

- Install and integrate Laserfiche connector within current Laserfiche system environment pursuant to the Laserfiche Connector requirements
- Assistance in configuring integration for one application screen with 3 standard action Connector Profiles on one machine
- Define Laserfiche metadata structure to support the specified integration
- Define Laserfiche security to support the integration
- Project Management services
- Remote Laserfiche Connector Administrator Training

RATCHET-X CONFIGURATION SERVICES

INCLUDES

- Configuration of integration for one application with up to three screen configurations identified during initial implementation
- Configuration pricing is based upon one application and up to three screens being configured at one time. Additional charges may apply if configurations of screens need to be broken up at different time frames.
- Base installation and configuration for actions that jump from the Application to Laserfiche
- Standard Actions Included: Scan, Import, Search Client, Search Weblink, and/or Search Web Access, launching from the desired application to Laserfiche
- All data used for configuration must be available from the Application Screens
- All services are conducted remotely, unless a MCCi representative is onsite for other implementation needs and onsite time permits
- For web-based solutions, screen configuration will be done based on Microsoft’s Internet Explorer Browser only. If other and/or multiple browser configurations are required, it must be stated in the Pricing Section.

*Client is responsible for testing to make sure needs are met prior to purchase.

RATCHETX PER CUSTOM ACTIVITY DEVELOPMENT/CONFIGURATION:

Includes any “Action” that is not listed as a Standard Action above, or any configuration that is required to have the integration points launch from Laserfiche back to the desired application, rather than from the application back to Laserfiche – Contact MCCi for Pricing Proposal.

LASERFICHE – SHAREPOINT INTEGRATION ASSISTANCE

MCCi’s Laserfiche SharePoint 2013 Integration Assistance service is designed to be highly collaborative. The goal is to provide the Client with a fully functional Laserfiche SharePoint Integration for the Client’s existing SharePoint 2013 implementation, along with the necessary knowledge to support the integration once the installation and configuration engagement is complete.

CLIENT DELIVERABLES

- Existing and stable on-premise on SharePoint 2013 or SharePoint 2010 solution. SharePoint Foundation is acceptable but does not include Search functionality.

- Provide a dedicated point of contact with sufficient server and directory services administrative rights to facilitate the required configuration tasks.
- Existing and stable Laserfiche Server and Web Access (9.1 or later) installation on Windows Server 2008 R2 or Windows Server 2012.
- Identify existing or configure new SharePoint site where the Laserfiche SharePoint Integration for SharePoint Repository and/or Search Web Parts will be installed and configured. Note: If the Laserfiche SharePoint Search integration is to be configured, SharePoint federated search feature must be configured and working properly.
- Troubleshoot and resolve server operating system, Internet Information Services, network or Kerberos related issues affecting the installation, configuration or functionality of any component of the Laserfiche SharePoint Integration for SharePoint. Note: If the client does not have the necessary skill set available to address these types of issues, the client should be prepared to engage a third-party support provider to assist.

MCCI DELIVERABLES (REMOTE DELIVERY)

- Installation of Laserfiche SharePoint Integration for SharePoint
- Configuration of Laserfiche SharePoint Repository and Search Web Parts
- Remote training on the use and configuration of Laserfiche SharePoint Repository and Search Web Parts
- In the event MCCi and the Client are unable to determine or agree on the root cause of an issue affecting the installation, configuration, or functionality of the Laserfiche SharePoint Integration for SharePoint and/or the Laserfiche SharePoint Repository and Search Web Parts, MCCi is responsible for opening the escalation case with Laserfiche Support.
 - In the event Laserfiche Support determines the root cause of an issue affecting the installation, configuration, or functionality of the Laserfiche SharePoint Integration for SharePoint and/or the Laserfiche SharePoint Repository and Search Web Parts to be related to the server operating system, Internet Information Services, network or Kerberos, MCCi will remain available as necessary to assist the Client (if Client has expertise in these areas) or the Client's third-party support provider to resolve the Laserfiche related components of the problem.

LASERFICHE ENERGOV INTEGRATION CONFIGURATION & TRAINING

INCLUDES

- Configuration services for up to 3 EnerGov Entity Types (EnerGov Plan, EnerGov Permit, etc.)
- Remote "Train the Trainer" training for up to half a business day to empower the Client to configure other available EnerGov Entity Types.
- All services are conducted remotely, unless a MCCi representative is onsite for other implementation needs and onsite time permits

CLIENT DELIVERABLES

- Desired EnerGov Fields for mapping metadata to Laserfiche
- IT resources – Appointment of a resource to work with MCCi for configuration and training
- Laserfiche metadata requirements
- Access to EnerGov technical staff and resources as needed
- If EnerGov "Intelligent Object" configuration is desired, it is the Client's responsibility to configure the appropriate settings in EnerGov, or to work with EnerGov to do so. Intelligent Objects is the EnerGov feature that allows for creating letters and other documents and having them attached to EnerGov records. EnerGov configuration is needed to set this up and to have these documents treated as attachments to be stored in Laserfiche.

MCCI DELIVERABLES

- List of EnerGov fields available for mapping to Laserfiche
- Install integration (may require EnerGov technical resources for installation)
- Assistance in configuring up to 3 EnerGov Entity Types (EnerGov Plan, EnerGov Permit, etc.)
- Define Laserfiche metadata structure to support the specified integration
- Remote Configuration Training

LASERFICHE NEOGOV INTEGRATION IMPLEMENTATION SERVICES

MCCi's Integration Implementation Services include the following tasks:

- Installation of NEOGOV Integration Utility.
- Configuration of Integration Utility to pair core NEOGOV metadata fields to Laserfiche metadata fields.
- Configure of NEOGOV Integration properties in the NEOGOV module, to enable "Send to Laserfiche" buttons in appropriate NEOGOV module(s).

If Client requires assistance setting up Laserfiche metadata, filing workflows, retention schedules, and naming conventions specific to Human Resources records as part of this implementation, Client is encouraged to also utilize MCCi's Filing Workflow Configuration or Transparent Records Management implementation services as part of this project. Configuration of metadata, filing workflows, retention schedules, and naming conventions would not otherwise be included in the scope of this implementation without those additional services. Current clients using Laserfiche in HR may also need a cleanup of their metadata prior to implementation. Please review your pricing proposal for details on what has been included.

DOCS ON THE CLOUD SERVER INSTANCES

MCCi offers Docs On The Cloud server instances to clients that would rather not acquire the physical or virtual infrastructure themselves. MCCi offers this service through a partner (Gordon Flesch Company, Inc.). They are the leading provider of hosted Laserfiche server instances. Unless noted otherwise, Docs On The Cloud server instances are hosted in AWS and include the creation, maintenance, and upgrades of purchased virtual machines, maintenance of operating system software, and daily backup snapshots of the hosted infrastructure. In addition, MCCi and the client have the following responsibilities:

MCCI RESPONSIBILITIES

Initial installation of Laserfiche software components and ongoing application of Laserfiche upgrades if client subscribes to MCCi's Managed Services or Laserfiche Administration Services package. MCCi also serves as first tier for support issues and handles all billing related to the service.

CLIENT RESPONSIBILITIES

Serves as server and database administrator; maintains all non-Laserfiche and non-operating system applications, to include required database software acquisition, installation, maintenance, upgrades, and database maintenance routines.

MCCI CONSULTING SERVICES

To determine which services are included with your project, please refer to the Pricing Section.

BUSINESS PROCESS REQUIREMENTS GATHERING

The MCCi Business Process Requirement Gathering includes analysis by a senior project manager. MCCi staff will interview stakeholders regarding a defined department and/or business process that the organization desires to be automated through Laserfiche ECM. The deliverable of this on-site engagement will be a Statement of Work documenting cost, hours, and desired configuration of the defined business process.

BUSINESS PROCESS ANALYSIS

MCCi will work with the Client to document a current business process. By interviewing stakeholders and documenting facts and feedback, MCCi will deliver a comprehensive report. This engagement is typically done as a needs analysis exercise prior to automating an existing business process.

MCCI DELIVERABLES

Assignment of a project manager who will be responsible for:

- Acting as the main point of contact for MCCi
- Identifying and providing contact information for process stake holders
- Coordinating and scheduling site visits so stakeholders are aware and set aside the appropriate amount of time to focus on working with MCCi
- Coordinating and scheduling conference calls/web meetings between process stakeholders and MCCi as part of the document review process
- Facilitating access to any/all resources needed for a thorough analysis
- Full participation by all process stakeholders in the interview, review, and finalizations stages

CLIENT DELIVERABLES

Coordinating Introductory Call: Share contact information and review scope of project

Stakeholder Interviews: Up to two days onsite with a business analyst

- Conducting workshops and interviews with clients
- Document business processes on whiteboard during workshops and interviews
- Business Process Report Drafting & Review: Up to 30 hours
- Draft a business process/requirements document
- Review document with Client and make revisions where necessary.
- Business Process Report Delivery: Up to one day on-site with Business Analyst
- Onsite review and presentation of finalized report
- Editable copy of Business Process Report for future use

GAP ANALYSIS

The MCCi Gap Analysis is the study of the differences between two information systems or applications, often for determining how to bridge the space between where we are and where we want to be.

New Clients may be new to ECM or could be transitioning from another system. Existing Clients may consider Gap Analysis when looking to expand their system into other departments or enterprise-wide. It is also an opportunity to investigate and report on how Laserfiche is being used versus how it was intended to be used. Either way, Gap Analysis not only serves the consulting needs, but can also mitigate inherent risks in a new project. Risks such as scope creep, unforeseen needs (people, conversions, integrations, equipment), and unknown stakeholders can be identified and cleared up at the very beginning of the project.

MCCI DELIVERABLES

The Gap Analysis process involves determining, documenting, and approving the variance between business requirements and current capabilities. MCCi takes it a step further by providing recommendations and an action plan. The final deliverable is a report that is delivered to the Client in a format that can be edited. Any future changes to the report are the responsibility of the Client. The report will detail the following:

- A summary of the current document flow path with recommended changes/requirements
- Equipment, software, and staffing recommendations
- Storage needs for each department
- Recommendations on the timing of phasing in departments (based on needs/complexity)
- Implementation recommendations

The amount of time/cost of the Gap Analysis is dependent upon the system size and number of departments to be involved.

LASERFICHE CONSULTING SERVICES

MCCi's Laserfiche Consulting Services are designed to leverage MCCi Laserfiche Certified Professionals on an annual basis. We consider ourselves an extension of your project team and assist in accomplishing your organization's Laserfiche goals. Your organization is assigned a project manager to assist with designated projects, for up to an annual dollar amount each year. Rates charged are based on the type of resources required. Consulting services can be used for, but are not limited to:

- Business Process Requirements Gathering and SOW Drafting
- Status and Strategy Meetings (Required)
- Configuration of Client-Owned Laserfiche Components
- Training on Laserfiche Components and/or Configured Laserfiche Business Processes
- Laserfiche Integration/Developer Assistance

RECORDS MANAGEMENT CONSULTING

When implementing an enterprise-wide Electronic Records Management system, it is important for a Records Program and Records Policies to be in place beforehand. MCCi's Records Management Consulting service focuses on revision and/or creation of such programs and policies. If needed, the service should be completed prior to implementing MCCi's Laserfiche Records Management module. Pricing is dependent on the level of service needed and can be determined by setting up a meeting with MCCi and the appropriate Records Consultant. Services cover a broad spectrum including designing records management plans, designing systems, identifying records eligible for destruction, assisting with legal compliance, providing training and any other records and information related service requirement.

ENTERPRISE SYSTEM REVIEW OF LASERFICHE

AREAS OF REVIEW INCLUDE:

- Review of data structure (folder structure, metadata, etc.)
- Security review and configuration
- Current paper/electronic Forms review
- Current Workflow/Capture review
- Assess current training needs
- Interviews with departments not using Laserfiche
- Utilization of Laserfiche Records Management Module
- Integration/Mobile Access Needs

MCCI DELIVERABLES:

- Verbal report of findings while onsite
- Up to 5 hours of consulting for up to 30 days after onsite consultation

CLIENT REQUIREMENTS:

Attendance by CIO/IT Director, Application administrators, departmental managers, and any other leadership members

MCCI TRAINING SERVICES

The scope of all onsite or remote training services to be performed is notated in the Pricing Section.

LASERFICHE TRAINING SERVICES

The Client is provided with instructor-led Laserfiche training, hands-on or train-the-trainer.

SYSTEM ADMINISTRATION TRAINING

- | | |
|--|---------------------------------------|
| ▪ Client and Server Installation Procedure | ▪ Users and Groups – Active Directory |
| ▪ Security | ▪ Templates |
| ▪ Tags | ▪ Document Relationships |
| ▪ Records Management | ▪ Volumes |
| ▪ System Settings | ▪ Back Up Procedures |
| ▪ Troubleshooting Procedures | ▪ Technical Support Overview |

FULL USER TRAINING

- | | |
|------------------------------|----------------------------------|
| ▪ Introduction to Laserfiche | ▪ Folders and the Folder Browser |
| ▪ OCR and Full Text Indexing | ▪ Document Display |
| ▪ Searching & Annotations | ▪ Security |
| ▪ Briefcases and Migrating | ▪ Customize Laserfiche |
| ▪ Scanning and Importing | ▪ Index Card/Templates |
| ▪ Extracting a Document | ▪ Volumes |

RECORDS MANAGEMENT MODULE TRAINING

The Client should have full knowledge of internal records management policies and have prior experience in records management. This training will be quoted for clients with the Records Management functionality of Laserfiche.

BASIC OVERVIEW TRAINING FOR RECORDS MANAGEMENT

- | | | |
|----------------------|-----------------------|------------------------|
| ▪ Records Series | ▪ Records Folders | ▪ Document Links |
| ▪ Versioning | ▪ Security Tags | ▪ Vital Records |
| ▪ Cutoff Criteria | ▪ Cutoff Eligibility | ▪ Retention Period |
| ▪ Hold Period | ▪ Disposition Actions | ▪ Time Dispositions |
| ▪ Event Dispositions | ▪ Interim Transfers | ▪ Final Disposition |
| ▪ Destruction | ▪ Permanent Records | ▪ Accession / Freezing |

ADMIN CONSOLE SETUP FOR RECORDS MANAGEMENT

- | | |
|-----------------------------|-----------------------------|
| ▪ Cycle Definitions Setup | ▪ Locations Setup |
| ▪ Retention Schedules Setup | ▪ Cutoff Instructions Setup |

BUSINESS PROCESS AUTOMATION TRAINING

Our Business Process Automation Training is designed to be highly collaborative. The goal is for the client to have a trained Business Process Automation Configuration Administrator specifically in Laserfiche Forms and Workflow. As a prerequisite, the clients Business Process Automation Configuration Administrator should be a business process savvy individual with good technical skills. This is the person tasked with handling future workflow and forms configurations, including any modifications needed to the configuration focused on during training.

CLIENT DELIVERABLES

- Provide MCCi with a mapped out/narrative of specified business process including metadata requirements and sample reports from functional activities involved. This will be used as an example for the training process, in an effort to leave the client with a start of a workflow configuration.
- Appointment of Business Process Automation Configuration Administrator who has been through Laserfiche Administrator training
- IT resources

MCCI DELIVERABLES

- Install and configure Laserfiche Workflow and Laserfiche Forms with current Laserfiche system
- Onsite Workflow Configuration Administrator Training
- Onsite Forms Designer and Process Modeler Training
- Workflow and Forms Managed Services post onsite training
- Configuration assistance for a period of time immediately following onsite training
- Developer Training (Applicable to Level 2 training package)

Services Provided	Level 1	Level 2
Remote Installation	Included	Included
Onsite Training Days	4	5
Workflow and Forms Configuration Assistance Post Onsite Training	Remote 30 Days	Remote 45 Days
Developer Training	None	Remote 1/2 Day
Developer Assistance Post Developer Training	None	Remote 15 Days

LASERFICHE WORKFLOW CONFIGURATION TRAINING

MCCI's Laserfiche Workflow Configuration Training service is designed to be highly collaborative. The goal is for the Client to have a trained Workflow Configuration Administrator. As a prerequisite, the Client's Workflow Configuration Administrator should be a business process savvy individual with good technical skills. This is the person tasked with handling future workflow configurations.

CLIENT DELIVERABLES

- Provide MCCi with a mapped-out narrative of specified business process including metadata requirements and sample reports from functional activities involved. This will be used as an example for the training process, so the Client will be left with a start of a workflow configuration.
- Appointment of Workflow Configuration Administrator who has been through Laserfiche Administrator training / IT resources

MCCI DELIVERABLES

- Install and configure Laserfiche Workflow with current Laserfiche system
- Onsite Workflow Configuration Administrator Training
- Workflow Managed Services post onsite training
 - Configuration assistance for a remote period immediately following onsite training
- Developer Training (Applicable to Level 2 training package)

Services Provided	Filing Workflow	Level 1	Level 2
Remote Installation	Included	Included	Included
Onsite Training Days	1	2	3
Workflow Configuration Assistance Post Onsite Training	Remote 30 Days	Remote 30 Days	Remote 45 Days
Developer Training	None	None	Remote 1/2 Day
Developer Assistance Post Developer Training	None	None	Remote 15 Days

LASERFICHE FORMS TRAINING

MCCi's Laserfiche Forms Services are designed to be highly collaborative. The goal is to provide a customized package for your organization. Whether you need direct assistance implementing Laserfiche Forms, or hands-on training to empower your organization to create and maintain electronic forms, or both, MCCi has options available. Please see your Pricing Section for the specific Laserfiche Forms Services quoted.

Forms Training Services Provided	Essentials	Professional Overview	Professional Comprehensive
Training Duration	Up to 4 Hours Remote	Up to 1 Day Onsite	Up to 2 Days Onsite
Forms Designer	Yes	Yes	Yes
Process Modeler	Yes	Yes	Yes
Workflow Configuration (For Forms Process Modeler Integration, and Filing Only)	- No	No	Yes
Forms Configuration (Up to 1 - Level 1 Form)	0	0	1

PROFESSIONAL SERVICES & ANNUAL SUBSCRIPTION PACKAGES

Each Client's Laserfiche Renewal covers break/fix support (i.e. resolution of error codes, etc.). MCCi offers additional annual support packages to cover remote training, best practices consultation, basic configuration services, and maintenance of existing complex business processes.

MCCi Managed Services (MS) or MCCi Laserfiche Administration Services (LAS) are strongly encouraged to be included with every support renewal.

Description	MS*	LAS** Level 1	LAS** Level 2
Additional Training	X	X	X
Additional System Set Up Consultation	X	X	X
Remote Implementation of Software Updates	X	X	X
Annual Review of Administration Settings	X	X	X
Remote Access Support	X	X	X
Priority Offering of Laserfiche CPPs & Laserfiche Empower Registration Scholarships	X	X	X
Dedicated Laserfiche Certified Professional		X	X
Laserfiche Administration Configuration Services		X	X
Configuration and maintenance of BASIC business processes utilizing Laserfiche Forms and Laserfiche Workflow		X	X
Configuration of Quick Fields sessions using purchased features		X	X
Basic Records Management Module Overview Training		X	X
Scheduled recurring consultation call upon Client's request		X	X
Maintenance of existing middleware/configurable integrations		X	X
Maintenance of MCCi/Client configured COMPLEX business processes			X
Annual Review of business process configurations			X

***Workflow Managed Services** also includes ability to consult on best practices specific to workflow; additional remote training ideal for refresher training or new personnel; workflow security consultation and more.

****A Business Process** is a Workflow, Forms process or Quick Fields session that automates or streamlines an organization-specific process.

- **Basic:** A business process requiring minimal configuration and virtually no institutional knowledge, allowing a MCCi Application Support Analyst to assist with configuration, support, and maintenance of the process. **Examples:** Filing workflows, simple Forms or approval/notification workflows that have few routing steps, no integration, and little to no database lookups.
- **Complex:** A large business process with extensive configuration that is absolutely mission critical to the organization. **Examples:** Large accounts payable process with a high volume of transactions, approval steps, database lookups, etc. Complex business processes require MCCi's Application Support Analyst to have institutional/process knowledge to configure the process.
- **Hours:** MCCi allows clients to use their hours for a multitude of services, as long as a request will not start a service that cannot be completed. None of the packages listed above are intended to be utilized for configuration of a new COMPLEX business process. In those instances, a separate SOW is required.

MANAGED SERVICES (MS)

MCCi's Managed Services package provides additional training and assistance to a Client's Laserfiche administrator and users. Pricing for the advanced block of hours is based on MCCi's Support Technician hourly rate discounted by 10%. The number of hours included is based on active products and will expire on the same date as your annual renewal. Managed Services can be used for the following:

ADDITIONAL TRAINING

Additional web-based training is conducted to train new users or as refresher training for existing users.

ADDITIONAL SYSTEM SET UP CONSULTATION

MCCi offers additional best practices consultation that includes recommendations for adding additional departments, additional types of indexing, etc.

REMOTE IMPLEMENTATION OF SOFTWARE UPDATES

While your renewal covers free version updates for software, implementation of those updates is sometimes overlooked. With the addition of Managed Services, MCCi is at your service to directly assist with implementing software updates such as minor updates, quick fixes or point releases. Dependent on complexity and client specific configurations, major software upgrades may or may not be covered and should be discussed with your Account Management Team.

ANNUAL SYSTEM REVIEW & ANALYSIS

MCCi will access your system to review how your organization uses Laserfiche, to identify potential issues, and to make recommendations for better use of the system. This analysis may be performed annually and is an optional service that will be completed only if requested by the Client.

REMOTE ACCESS SUPPORT

If requested, our Support Technicians can access your Laserfiche system remotely to resolve issues, saving both time and money.

LASERFICHE CERTIFICATIONS

Priority offering of complimentary Laserfiche certifications, based on availability.

LASERFICHE CONFERENCE REGISTRATION

Priority offering of complimentary Laserfiche Empower registration, based on availability.

**Please see chart above for information on Workflow Managed Services.*

CLIENT RESPONSIBILITIES FOR MS

- Configuration/maintenance of backups and any general network, security, or operating system settings outside of Laserfiche
- Management and creation of retention policies related to Records Management Module
- Providing an IT contact (internal or third-party) for MCCi to work with as necessary
- Providing remote access capabilities as needed. If the Client requests MCCi to have unattended access, the Client assumes all responsibility for the related session(s). The Client will work with MCCi to set up user profiles, user tags, etc. to allow desired security rights/access.

LASERFICHE ADMINISTRATION SERVICES (LAS)

MCCi's Laserfiche Administration Services package is for Clients who need a Laserfiche administrator, or additional Laserfiche administration services. Pricing for the advanced block of hours is based on MCCi's Application Support Analyst hourly rate discounted by 10%. The number of hours included is based on active products and will expire on the same date as your annual renewal. Laserfiche Administration Services offers the following:

LASERFICHE ADMINISTRATION SERVICES: LEVEL 1

- Dedicated Laserfiche Certified Professional
- Laserfiche Administration configuration services – setting up users, metadata, security, etc.
- Configuration and maintenance of basic business processes utilizing Laserfiche Forms and Workflow

- ▣ Configuration of Quick Fields sessions using purchased features – excludes custom scripting, custom calculations, etc.
- ▣ Basic Records Management Module Overview Training
- ▣ Scheduled recurring consultation calls upon Client's request
- ▣ Maintenance of existing middleware/configurable integrations – does not include maintenance of custom built integrations.

LASERFICHE ADMINISTRATION SERVICES: LEVEL 2

Level 2 includes the benefits of Level 1, but additionally provides the ability for MCCi to maintain complex business processes, which requires knowledge transfer and maintenance of that knowledge.

- ▣ Maintenance of MCCi/Client configured complex business processes – The Application Support Analyst can maintain MCCi or Client configured complex business processes. For example: minor tweaks, updates due to upgrades, process improvements, etc.
- ▣ Annual Review of business process configurations

CLIENT RESPONSIBILITIES FOR LEVEL 1 & LEVEL 2

- ▣ Configuration/maintenance of backups and any general network, security, or operating system settings outside of Laserfiche
- ▣ Management and creation of retention policies related to Records Management Module
- ▣ Providing an IT contact (internal or third-party) for MCCi to work with as necessary
- ▣ Create/provide process diagrams (and any other necessary paperwork/examples)
- ▣ Providing remote access capabilities as needed. If the Client requests MCCi to have unattended access, the Client assumes all responsibility for the related session(s). The Client will work with MCCi to set up user profiles, user tags, etc. to allow desired security rights/access.

**For more complex Forms, Workflow, and Transparent Records Management configurations, please discuss a Business Process Configuration Service with your Account Executive.*

THE TRAINING CENTER FOR LASERFICHE

MCCi's Training Center for Laserfiche annual subscription provides an easy, cost-effective way for all users in your organization to access over 500 Laserfiche training videos.

BENEFITS

- ▣ 24/7 access to on-demand Laserfiche training videos and other resources
- ▣ Reduction in training expenses
- ▣ Caters to all skill levels from Basic Users to Advanced System Administrators
- ▣ Unlimited access for your entire organization
- ▣ User determined schedule and pacing
- ▣ Reduction in internal support and increased user productivity
- ▣ Increased efficiency through improved internal usage/adoption
- ▣ Instant/budgeted training available in the case of employee turnover
- ▣ Enhance your organization's internal Laserfiche training program

**The Training Center subscription gate is based on Laserfiche full, retrieval, and WebLink/public portal users.*

LASERFICHE LICENSING GUIDE

To determine which platform/license are applicable, please refer to the pricing section.

LASERFICHE PLATFORM ARCHITECTURE			
	Avante	Rio	Subscription
Application Servers	1	Unlimited	Unlimited
Repositories	1-15 (1 included)	Unlimited	Unlimited
Database Options	SQL Express, SQL, Oracle	SQL, Oracle	SQL
Web Admin Console	Included	Included (Directory Server)	Included (Directory Server)
FULL USE ACCESS LICENSES			
	Avante	Rio	Subscription
Full Named Users	Minimum of 1	Minimum of 25	Minimum of 10
Workflow	Included	Included	Included
Snapshot	Included	Included	Included
Email	Included	Included	Included
Web Access	Included	Included	Included
Mobile Access	Included	Included	Included
Digital Signatures	Add-on Option	Included	Included
Audit Trail	Add-on Option (Starter, Standard, Advanced)	Included (Advanced)	Included (Advanced)
Scan Connect	Add-on Option	Add-on Option	Add-on Option
Connector	Add-on Option	Add-on Option	Included
Forms Essentials *	Included with v10.2.1+	Included with v10.2.1+	Included with v10.2.1+
Forms Professional **	Add-on Option	Add-on Option	Included
LIMITED USE ACCESS LICENSES			
	Avante	Rio	Subscription
Retrieval Named Users	Not Available	Minimum of 200	Not Available
Forms Authenticated Participants ‡	Add-on Option	Add-on Option	Not Available
Participant Users (Subscription)	Not Available	Add-on Option	Add-on Option
Community Users (Subscription)	Not Available	Add-on Option	Add-on Option
Education Users (Subscription)	Not Available	Add-on Option	Add-on Option
Process Users (Subscription)	Not Available	Add-on Option	Add-on Option
MODULE BASED LICENSES			
	Avante	Rio	Subscription
Import Agent	Add-on Option	Add-on Option	Included
Public Portal (WebLink) †	Options: Web Distribution (5), Starter (10), Standard (25), Midsize (50), Unlimited	Options: Pilot (25), Unlimited (1, 2 or Unlimited Laserfiche Application Server(s))	Options: 25, 50, 100, Unlimited (Per Laserfiche Application Server)
Records Management	Add-on Option	Add-on Option	Included
Quick Fields ††	Add-on Option	Add-on Option	Included
Forms Portal	Add-on Option	Add-on Option	Add-on Option
Enterprise Forms Portal #	Add-on Option	Add-on Option	Not Available

† Public Portal is licensed per Laserfiche Application Server; Web Distribution version only comes with 1 security profile

†† Quick Fields is licensed per machine rather than per user. Multiple Quick Fields modules/options are available dependent upon platform.

Enterprise Forms Portal allows for Forms Portal to be activated on more than one Laserfiche Forms Application Server

LASERFICHE DEFINITIONS

LASERFICHE WORKFLOW

Automates business processes, such as approvals, routing based on conditions, or database integrations, improving consistency with how records are filed in Laserfiche.

LASERFICHE SNAPSHOT

Print directly into Laserfiche, capturing a “snapshot” of the electronic file at the time. These files are saved in TIFF format, an unalterable image.

LASERFICHE EMAIL PLUG-IN

Allows instant electronic document distribution via standard MAPI-compliant e-mail applications. This feature is included in every Full User and Retrieval User license.

LASERFICHE WEB ACCESS

A web-based thin client, offering virtually all document management capabilities of the standard Laserfiche interface. Web Access allows your IT staff to roll out high-volume Laserfiche access and version updates without increasing your organization’s application support burden. Web Access also includes access to Laserfiche Mobile and the Laserfiche SharePoint Integration resources.

LASERFICHE SHAREPOINT INTEGRATION

The SharePoint Integration (SPI) is built on the power of Laserfiche Web Access, a Section 508-compliant thin client that reduces installation, support, and maintenance requirements. The integration requires an on-premise installation of SharePoint.

LASERFICHE MOBILE/WEB ACCESS LIGHT

Let’s organizations access the features of the Laserfiche Client through a smartphone or tablet. They can remotely capture, edit, and search for documents, interact with Laserfiche Forms and start/participate in a business process. Mobile is available for iOS, Windows, and Android devices. Laserfiche Web Access or Laserfiche Forms is required for any/all mobile access options.

LASERFICHE DIGITAL SIGNATURES

A way of indicating that a document signature is authentic and has not been modified since the signature was applied. Allows users to automatically sign and validate documents directly in the Laserfiche Client or Laserfiche Web Access.

LASERFICHE AUDIT TRAIL MODULES

- **Starter Edition:** Tracks basic events that occur in the repository and that involve accessing, modifying, or exporting data. Basic events include creating, editing, printing, or deleting documents, creating annotations, and assigning metadata.
- **Standard Edition:** Builds on the Starter Edition by tracking additional security/access-related events, and unsuccessful attempts to perform actions, such as failed attempts to access or print documents.
- **Advanced Edition:** All the functionality of the other two editions, and tracks more events including password changes, creation or modification of users and groups, and changes to repository-wide settings. It can also track all searches users perform, require users to enter reasons for performing certain actions, and automatically add watermarks to printed documents.

LASERFICHE SCANCONNECT™

A collection of ISIS scanner drivers is included with Laserfiche ScanConnect. ScanConnect can be purchased as an add-on to both Laserfiche scanning and Quick Fields.

LASERFICHE FORMS

Laserfiche Forms allows organizations to create electronic fillable forms for collection and processing information. See the Laserfiche Licensing Guide for licensing options and descriptions.

Laserfiche Forms has flexible design options to meet your organization's needs. You can:

- Create custom forms from a library of field or selection elements.
- Utilize the Business process library includes (10.1+) a digital library of prebuilt form templates designed for easier process automation deployment
- Automate business processes for form data to follow, such as decision-making, emailing, or approvals (dynamic behaviors available with CSS and JavaScript).
- Role-based security is included to allow and restrict access to necessary functions for form submitters, reviewers, approvers, form creators, and system administrators.

Reporting tools allow different views of details on submitted forms such as:

- User view of details about all submitted forms.
- Approver "dashboard" of submissions awaiting approval.
- Administrator views of all submissions by form and approval status.
- Forms can be used internally or externally (with the appropriate licensing). Publication options include a login to forms system, public URL, secure URL, or embedded into a webpage.

Feature	Forms Essentials	Forms Professional
Business process and form creation functionality*	X	X
Operational Dashboard	X	X
View basic reports on process instances, tasks, and process data	X	X
Teams	X	X
Direct Approval through Email	X	X
Database Lookups		X
Performance Dashboard		X
Enhanced reporting with built-in data aggregation options such as count, sum, min, max, average, and median		X
Create advanced reports with data visualizations including charts and graphs		X
Payment Gateway (Compatible Payment Processor Account Required)		X

* Includes JavaScript/CSS, field rules, and form themes

LASERFICHE FORMS PORTAL MODULE

The Forms Portal license allows Form submission from unlicensed (public) users. Forms Portal is designed primarily for non-internal/public user submissions, therefore there is no Windows Authentication security validation provided. The users that access Forms through the Forms Portal can only submit forms (these users cannot participate in the business process after a form has been submitted). The Forms Portal is licensed to a specific Forms instance/server, rather than to the Laserfiche Application Server. Please note that if an organization desires to have a Forms Portal for internal users, as well as a Forms Portal for external users, and security protocol requires that these two Forms Portals reside on separate servers (one internal one external), Enterprise Forms Portal or multiple Forms Portal licenses are required.

LIMITED USE ACCESS LICENSES

Laserfiche offers limited use and more affordable licensing options for clients in need of only a subset of modules/features for a particular use case and/or group of users.

RETRIEVAL NAMED USERS

For users in need of read-only repository access. The Laserfiche email plug-in is included and access is available through the Laserfiche Client or Laserfiche Web Access.

LASERFICHE FORMS AUTHENTICATED PARTICIPANTS

For users who do not have the need/budget for a Full Named User License/Forms Professional license but do have the need for authenticated access to submit forms and participate in forms approval processes. Note: In the Avante platform, a Forms Authenticated Participant license is required for each Forms Server that the user needs to submit to, whereas with the RIO platform Laserfiche Directory Services authentication can be configured/utilized to avoid the need for additional licensing per user.

SUBSCRIPTION LASERFICHE PARTICIPANT USERS

For employees in need of read-only repository access and the ability to participate in forms processes.

SUBSCRIPTION LASERFICHE COMMUNITY USERS

For non-employees and non-contractors. Provides read-only repository access and ability to participate in forms processes (i.e. Vendor Management).

SUBSCRIPTION LASERFICHE EDUCATION USERS

For accredited educational institutions that meet the requirements listed. Licenses are reserved for the education community including faculty, students, alumni, and parents and guardians of students. Faculty includes professors (assistant, adjunct, associated, tenured), lecturers, and researchers. Provides read-only repository access and ability to participate in forms processes.

- Educational Institutions: Defined as an accredited school organized and operated exclusively for educational purposes. An accredited school must be:
 - A public or private K-12, vocational school, correspondence school, junior college, college, university, or scientific or technical institution accredited by associations recognized by the US Department of EDU and/or the State Board of EDU.
 - A preschool meeting all of the following:
 - is an early childhood program that serves a minimum of ten children ages two through five
 - has been in operation for at least one year provides educational services.
- Administrative Offices or Boards of Education:
 - A district, regional, or state administrative offices of public Educational Institutions.
 - Administrative entities organized and operated exclusively for the administration of private Educational Institutions
 - Other state or local government entities nearly all of whose activities consist of administrative support, of a nature that advances academic learning for public Educational Institutions
 - Administrative offices or boards of EDU of educational institutions: defined as district, regional, and state administrative offices of the foregoing educational institutions defined above
- Full and part-time faculty and staff of educational institutions:
 - Defined as all full and part time faculty and staff of educational institutions defined above
- Full and part-time matriculated students of higher education institutions:
 - Defined as full and part-time matriculated students of a higher education institution defined as a public or private vocational school, correspondence school, junior college, college, university, or scientific or technical institution accredited by associations recognized by the State Board of EDU and/or the U.S. Department of Education.

SUBSCRIPTION LASERFICHE PROCESS USERS

For employees in need of user authentication and read-only repository access. Deployment is handled by Laserfiche Directory Server (LFDS). Process Managers have all Laserfiche Forms functionality:

- Create forms and participate in forms processes
- Create, manage, edit, and administer workflow processes
- Create, edit, assign teams, members and, roles
- Create and view reports

LASERFICHE IMPORT AGENT

Automatically retrieves files stored in a Windows folder and imports them into a Laserfiche repository, performing OCR as part of the process.

LASERFICHE PUBLIC PORTAL - WEBLINK™

The WebLink module publishes select documents in a Laserfiche repository to an intranet or the Internet in read-only form. Built on ASP .NET, WebLink can be customized to match the look and feel of an organization's Internet or intranet site.

LASERFICHE RECORDS MANAGEMENT

The Records Management module allows for managing the complete life cycle of records in Laserfiche to include retention schedule management, legal holds/record freezes, disposition and vital record management, etc.

LASERFICHE "QUICK FIELDS" (QF) BATCH PROCESSING TOOLS

High volume capture software that automates document import, classification, and indexing. Quick Fields transforms data capture from a costly and labor-intensive operation into an efficient process, improving the speed and accuracy of data capture. QF is a prerequisite for the following:

- **QF Bar Code Validation Package:** The Bar Code add-on reads bar codes on a specified page, identifying pages, populating fields, determine document names, or determining file location. Bar Code is very powerful when combined with Real Time Lookup. Supported barcode formats: Codabar, CODE 39, CODE 128, EAN 8, EAN 13, Interleaved 2 of 5, UPCA, and UPCE.
- **QF Real-time Look up Validation Package:** Lookup populates template fields and validates metadata by retrieving data stored in third-party databases and other applications.
- **QF Zone OCR Validation Package:** The Zone OCR (Optical Character Recognition) add-on will scan a specific zone on an image for text. The data returned by this process can be used for identifying pages, populating fields, determine document names, or determining file location.
- **QF Forms Alignment:** Automatically repositions scanned documents to match a master form, correcting for scanning errors and improving data extraction.
- **QF Document Classification:** Designed for clients who handle multiple forms and document types.
- **QF Auto Stamp/Redaction/Bates Numbering:** A document auto-numbering annotation option.
- **QF Optical Mark Recognition:** Detects handwritten information, including marks on surveys.
- **QF Agent:** Enables administrators to schedule QF processing without operator intervention.
- **QF Forms Identification:** Automatically recognizes the document based on its overall structure, even in the absence of bar codes, form data or other distinguishing information.
- **QF Forms Extractor:** Removes form outlines to isolate data for more accurate capture.
- **QF Scripting Kit:** Offers a QF script editor, allowing developers to write C# and VB.Net Scripts.

LASERFICHE PLUS™

Allows information stored in Laserfiche to be portable. When published by Laserfiche Plus files can be viewed by anybody, regardless of whether they have Laserfiche installed. This software prepares a copy of the Laserfiche files (images, text, electronic files, annotations, templates, and field data) for burning directly to your removable media or to a temporary directory. Choosing to publish to a temporary directory allows you to write it to your removable media at your convenience.

MCCI'S OCR SCHEDULER FOR LASERFICHE

A simple, effective, and efficient way to mass OCR documents in Laserfiche. It allows administrators to configure multiple OCR sessions and ensure OCR is being completed, without end user interaction.

INTEGRATION DESCRIPTIONS

LASERFICHE CONNECTOR

Provides a streamlined experience for integrating Laserfiche with line of business applications such as CRM and ERP systems. Laserfiche Connector integrates easily through user-defined hotkeys and embedded icons.

Laserfiche Connector allows you to:

- Search results will automatically open in the Laserfiche Client, Web Access, or WebLink.
- Scan and automatically populate metadata with information from a third-party application.
- Import and automatically populate metadata with information from a third-party application.
- Connect two applications by allowing one of them to start the other (including the ability to pass parameters between them).
- Choose whether any of the above actions are activated from a keyboard shortcut, a button embedded in the application's title bar, or both.

LASERFICHE INTEGRATOR'S TOOLKIT (SDK)

Provides the tools and documentation necessary for customizing Laserfiche and integrating Laserfiche with other applications.

RATCHETX INTEGRATION

A configurable and robust middleware integration tool for Laserfiche. With a single click of a button, new documents can be added to Laserfiche from another application, and users can search Laserfiche directly from the applications they use most. The robust toolset it provides for accessing data from other applications (even the toughest proprietary systems), for use configuring the most common ECM integrations: Indexing, importing/scanning, and executing search queries. In addition, RatchetX provides the capability to create custom integration activities, such as populating a record in another system from the data extracted during the intake process in Laserfiche or looking up a record in another system from the Laserfiche interface itself (Bi-directional Integration).

LASERFICHE INTEGRATOR GP

Empowers Great Plains users to scan, search and link supporting documents in Laserfiche directly from the Great Plains menu bar.

LASERFICHE INTEGRATOR AUTOCAD

Allows you to store AutoCAD drawing files or associated documents in Laserfiche, including embedded cross reference files, directly from the AutoCAD menu. Launch Laserfiche scan or search modules using the drawing file for template or search criteria or create a Laserfiche document template using the fields from any AutoCAD drawing title block with a single click.

LASERFICHE ENERGОВ INTEGRATION BY MCCI

The Laserfiche EnerGov integration offloads the storage of documents from EnerGov to Laserfiche. This allows users to seamlessly store documents that would normally be saved in EnerGov, directly to their Laserfiche system. The integration makes use of the native EnerGov interface for attaching documents. The integration also allows meta-data associated with the EnerGov record to be tied to the entry in Laserfiche. Users wishing to view uploaded documents can do so through the existing EnerGov Interface. Please see "Client Deliverables" for other features available/dependent on EnerGov configuration settings. Each of the following areas are available in the integration configuration settings:

- | | |
|----------------------------|-------------------------------|
| ☒ EnerGov Application | ☒ EnerGov Invoice |
| ☒ EnerGov Business | ☒ EnerGov Inspection Case |
| ☒ EnerGov Business License | ☒ EnerGov Payment |
| ☒ EnerGov Citizen Request | ☒ EnerGov Plan |
| ☒ EnerGov Code Case | ☒ EnerGov Permit |
| ☒ EnerGov Inspections | ☒ EnerGov Permit Renewal case |

Platform and Licensing Requirements

The EnerGov integration can operate by using two different Laserfiche user licensing options.

- ☒ Recommended: Utilization of Laserfiche “Keyed Integrator’s License for EnerGov”, which allows for up to 25 (higher volume packages can be purchased) concurrent connections to Laserfiche. This is the Laserfiche licensing approach recommended. Note that the Keyed Integrator’s license is only available for the Laserfiche Avante or RIO platforms.
- ☒ Utilization of current Laserfiche licensing:
 - a. Laserfiche Avante or RIO platforms: A single named user can be used to connect to the Laserfiche server. This user is limited to four concurrent connections at a time, and is the max amount allowed with Laserfiche Avante and RIO platforms;
 - b. Laserfiche Classic (Team or United) platforms: A user account can be used to connect to the Laserfiche server, however it will potentially consume all available concurrent licenses and limit the use of Laserfiche outside of the EnerGov integration. It is recommended that the client upgrade to the Avante or RIO platform, rather than take the risk of utilizing the integration and not having control of license consumption within the Laserfiche Classic (Team or United) platform.

EnerGov Compatible Platforms: The Laserfiche EnerGov Integration is compatible with EnerGov On-Premise currently. A future release is planned for the EnerGov Cloud platform.

EnerGov Licensing Requirements: EnerGov clients must confirm with EnerGov, their ownership of the needed SDK, API, and/or general EnerGov licensing requirements related to this integration.

ESRI ARCGIS INEGRATION OPTIONS

GEODOCS

This is a robust GIS integration that is developed and maintained by a MCCi partner. It is a web-based software that seamlessly integrates ESRI ArcGIS Server and Laserfiche. Utilizing robust search capabilities, users of GeoDocs can access digital documents stored in a Laserfiche repository from within the web-based GIS program and vice versa, access spatial information stored in a GIS from within the Laserfiche web client.

ARCGIS® INTEGRATION FOR LASERFICHE

This is a basic ArcGIS (10.1 or higher) integration that is developed and maintained by a MCCi partner. It allows for easy interaction between the ArcGIS interface and a Laserfiche repository, by allowing users to upload documents to Laserfiche straight from the ArcGIS interface and view any related documents/folders via Laserfiche Weblink or Laserfiche Web Access (requires Laserfiche licensing for Laserfiche Weblink or Web Access). The dynamic ArcGIS map will auto-populate, indicating which features on the map have documents associated with them in Laserfiche.

LT SYSTEMS LASERFICHE INTEGRATION

LT Systems Laserfiche Integration allows users of the LT Systems Court solutions to archive court related documents into Laserfiche. Users can launch Laserfiche scan or searching windows from LT Systems and bring data and documents directly into Laserfiche while capturing metadata in LT Systems. Additionally, there is an

automated service that archives Warrants as single documents with the associated metadata, directly from LT systems to Laserfiche.

LASERFICHE INTEGRATION WITH DOCUSIGN

The Laserfiche Integration with DocuSign enables users to initiate a signing process from within Laserfiche Web Access. Users may select the type of signing process they are initiating and attach documents that need to be a part of that process. Also, once the signing process completes, documents are imported back into the Laserfiche Repository from DocuSign as new versions of the un-signed document. Information captured during the signing process may be mapped to Laserfiche metadata fields.

****Note- Client is responsible for providing their own DocuSign license.***

LASERFICHE NEOGOV INTEGRATION BY MCCi

The MCCi Integration between Laserfiche and NEOGOV is a powerful tool that enables Personnel Records created in NEOGOV to be transferred seamlessly to a Laserfiche repository. To transfer records from NEOGOV to Laserfiche, users select the Applications or Onboarding documents they want to transfer, then simply click a "Send to Laserfiche" button in the NEOGOV interface.

The integration utilizes Restful Web Service APIs to automatically "upload" your NEOGOV documents from your cloud-based NEOGOV implementation to your Laserfiche repository, regardless of where the repository is located. To facilitate this transfer, this integration includes a configuration utility and Restful Web Service Endpoint that must be installed near your Laserfiche environment. This endpoint must be able to reach your Laserfiche server to store the record, while also being accessible over the public internet for the NEOGOV service to send the records to your environment.

The Laserfiche NEOGOV integration currently works with the NEOGOV Insight and Onboard modules.

Client Requirements:

- Client must have the NEOGOV Insight and/or Onboarding module(s) to make use of this integration.
- Client must have a named-user license allocated for this integration to use for uploading records.
- Client must give MCCi access to your Laserfiche environment to install our Common Web Service Endpoint.
- The listener Endpoint must be on a server that can be accessed by the NEOGOV Document Management Service and is often deployed to your DMZ environment.
- This listener service must be able to transfer received documents to your Laserfiche server over port 80 or 443.
- Client must separately procure and install their own SSL certificates to bind to IIS HTTPS endpoints, enabling encrypted transmission of HR documents from NEOGOV to Laserfiche.

HARDWARE REQUIREMENTS

MCCi will provide necessary consultation upon request, as to the compatibility of current hardware with the Laserfiche System. Changes and recommendations will be made at the time of consultation. Please keep in mind that these are the minimum system requirements (see below) as recommended by MCCi and should be considered independently rather than collectively. Additionally, overhead for virtualization has not been factored in to these requirements. MCCi does not recommend any version of Windows that is approaching or is beyond the "End of Extended Support Date" specified by Microsoft.

Client/Scanning Station PC	OS	Windows 10, Windows 8 or 8.1 (32 or 64), Windows 7 (32 or 64), Windows Vista
	CPU	2.8 GHz processor or faster
	Memory	4 GB RAM or more
	Communications	TCP/IP
Batch Processing Quick Fields Machine	OS	Windows 10, Windows 8 or 8.1 (32 or 64), Windows 7 (32 or 64), Windows Vista
	CPU	2.8 GHz Processor or faster
	Memory	4 GB RAM or more
	Communications	TCP/IP
	High Volume Recommendation	Windows 7 x64 with 8 GB RAM, Intel Core 2 Duo Processors 3.33GHz
Laserfiche Application Server	OS	Windows Server 2016, Windows Server 2012 R2, Windows Server 2012, Windows 2008 R2, Server 2008 (Service Pack 2 or Higher) *64-Bit Edition Only
	CPU	Quad-Core Processor, 2.5 GHz Processor or better
	Memory	8 - 12 GB RAM
	Communications	TCP/IP
	Database Server	Microsoft SQL Server 2008 (Service Pack 3), Microsoft SQL Server 2008 R2 (Service Pack 2), Microsoft SQL Server 2012 (Service Pack 2), Microsoft SQL Server 2014, Microsoft SQL Server 2016. Oracle 10g (10.2.0.5+), Oracle 11g (11.1.0.7+), Oracle 11g R2 (11.2.0.1+), Oracle 12c. Note: Express editions of the above Microsoft SQL Server versions are supported but are only suitable for repositories of fewer than one million pages and five or fewer simultaneously-connected users. Larger or more frequently-accessed repositories will see significant performance issues when using Microsoft SQL Server Express.
Image/File Server Storage	Typical usage factoring is 18,000 black/white standard size images per GB. Clients typically use a Network Attached Storage (NAS), Storage Area Network (SAN), or a Local Storage Device.	
Laserfiche Workflow Server	OS	Windows Server 2016, Windows Server 2012 R2, Windows Server 2012, Windows 2008 R2, Server 2008, (Service Pack 2 or Higher)
	CPU	4 Core Processor, 2.5 GHz Processor or better
	Memory	4 GB RAM or higher
	Communications	TCP/IP
	Database Server	Microsoft SQL Server 2008 (Service Pack 1), Microsoft SQL Server 2008 R2, Microsoft SQL Server 2012, Microsoft SQL Server 2014, Microsoft SQL Server 2016, Oracle (11.1.0.7+), Oracle 11g R2 (11.2.0.1+), and Oracle 12c "Express" Editions of the above Microsoft SQL Server versions are supported
Laserfiche Audit Trail Server	OS & IIS	Internet Information Services (IIS): IIS 7 (Windows Server 2008), IIS 7.5 (Windows Server 2008 R2), IIS 8 (Windows Server 2012), IIS 8.5 (Windows Server 2012 R2), IIS 10 (Windows Server 2016)
	CPU	Dual Core Processor, 2.5 GHz Processor or better
	Memory	4 GB RAM
	Communications	TCP/IP
	Local Storage	C:\ Drive with 40GB or greater available
	Database Server	Microsoft SQL Server 2008 (Service Pack 1), Microsoft SQL Server 2008 R2, Microsoft SQL Server 2012, Microsoft SQL Server 2014, Microsoft SQL Server 2016, Oracle 11g (11.1.0.7+), Oracle 11g R2 (11.2.0.1+), and Oracle 12c

		Express Editions of the above Microsoft SQL Server versions are supported
Laserfiche Connector	OS	Windows Server 2008 (Service Pack 2 or Higher), or Windows Vista (SP2+) and Later
	CPU	2.93 GHz or Faster
	Memory	4 GB RAM
	Software Requirements	Laserfiche Server version 9.0 or later if using Laserfiche Connector with the Laserfiche Client Laserfiche Server version 8.3 or later if using Laserfiche Connector with Web Access Laserfiche Web Client version 10.2 or later to use the assign template and fields action, the import action, or the show search count option with Web Access.
Web Module Server(s)	Required if	Installing "Web Access/Client" or Public Portal - "Weblink"
	OS & IIS	Internet Information Services (IIS): IIS 7 (Windows Server 2008), IIS 7.5 (Windows Server 2008 R2), IIS 8 (Windows Server 2012), IIS 8.5 (Windows Server 2012 R2), IIS 10 (Windows Server 2016)
	CPU	Dual Core 2.8 GHz or faster processor
	Memory	2 GB RAM or more
	Viewer	Web Browser (minimum versions): Laserfiche Web products operate most efficiently when using Internet Explorer 11 or later. Other supported browsers are Microsoft Edge, Firefox, Safari and Chrome
	Clients are responsible for any additional security protocol setup/associated fees that are required to provide internal/external web access. An example would be setting up "Kerberos" for thin client active directory authentication or setting up VPN access to allow Laserfiche's iPad/iPhone applications to connect through the Web Access server.	Laserfiche Public Portal – Weblink Per Processor (Unlimited) licensing specifics: The Public Portal License allows unlimited connections per processor; however, a large number of connections may affect the Laserfiche application server performance (one processor can handle roughly 100 to 150 concurrent retrieval connections). The client must have one Public Portal License for each Laserfiche application server they desire to connect to, and the Public Portal license must be licensed by the appropriate number of processors, which is required to match or exceed the CPUs/processors on the Laserfiche application server that the Public Portal will connect to. For example, the client must have a dual-processor or multiprocessor Public Portal license in order to connect to a Laserfiche Application Server that has two or more processors. Public Portal View Only Licenses may only be used with Weblink; they are not available for other applications.
OCR Scheduler for Laserfiche	OS	Windows Operation Systems: 32 & 64 bit
	Requirements	Laserfiche Version 9 Server (runs as a service), Laserfiche Version 9 Client.
	Recommendation	1 dedicated Laserfiche Named User license
Scanners	Must use ISIS drivers to be compatible with Laserfiche ScanConnect software. Scanner compatibility should be confirmed by referencing the most up to date Laserfiche published supported scanner list at: http://laserfiche.com/static/Resources/scanlist.html	
Laserfiche Forms	Laserfiche Server	Version 9 or higher, Avante or Rio licensing model
	Web Server	Internet Information Services (IIS): IIS 7 (Windows Server 2008), IIS 7.5 (Windows Server 2008 R2), IIS 8 (Windows Server 2012), IIS 8.5 (Windows Server 2012 R2), IIS 10 (Windows Server 2016)
	CPU	4 Core or more
	Memory	8 GB RAM or more
	Note	Hardware requirements may fluctuate based on the number of users logged in to the server. If you expect to have many simultaneous connections to your Laserfiche Forms server, we encourage you to configure it with a faster CPU and/or add more RAM.
	Database Server	Microsoft SQL Server 2008, 2008 R2, 2012, 2012 R2, 2014, 2016 and 2017 *Express Editions of the above Microsoft SQL Server versions are supported
	Client	Users can fill out forms that start a process in Chrome (latest version), Safari (Mac only), Firefox (latest version), Internet Explorer 11 and later, Edge, Opera. The Laserfiche Forms inbox, Form Designer, Process Modeler, Administrative pages, etc. must be viewed in Internet Explorer 11, Edge, Firefox (latest version), or Chrome (latest version). Laserfiche Forms also supports mobile browsing (Chrome, Firefox, and Safari recommended).

Terms and Conditions

MCCI, a Limited Liability Company, which is duly organized and existing under the laws of the State of Florida, hereinafter referred to as MCCI, hereby offers the Laserfiche Software & Services according to the following terms and conditions:

1. LASERFICHE SOFTWARE PLATFORM UPGRADE

One year of LSAP must be purchased for new products when upgrading. LSAP of the original product will not be credited. However, remaining months of LSAP can be applied towards the new purchase of one year of LSAP for the new products. To receive any available software credit for prior platform software, the client must have an active LSAP (support/maintenance that has not expired). Credits are not available for moving to Laserfiche Subscription or Cloud licensing options from an alternative Laserfiche licensing model.

2. INTEGRATIONS

3rd party Laserfiche integrations or utilities may consume one or more Laserfiche user licenses depending on how the vendor designed and coded the integration. These additional licensing needs should be verified by the Client and considered in the user licensing purchased.

3. SOFTWARE ASSURANCE PLAN (SAP)

MCCI acts as 1st tier support and works with the manufacturer at a 2nd tier level when needed. MCCI's Software Assurance Packages include: access to software point release updates, telephone or email support for software related issues, 24-hour FTP and website access, technical bulletins, and newsletters. Adjustments in annual support rates may be made to coincide with current U.S. inflation rates; any increase will not exceed the cumulative increase in the Consumer Price Index (CPI) occurring since the last price increase. Annual support payment is due in advance of the renewal date. Reinstatement fees may apply if payment is received more than 30 days after the renewal date. Any updates requiring shipment of software require Client to pay shipping costs. For Laserfiche (all other software brand terms are based on manufacturer's policy) products:

- For net new systems, the support date is set 30 days after MCCI submits software order to Laserfiche.
- For platform upgrades, the support date is set immediately upon MCCI submitting software order to Laserfiche.
- For additional software, the support date is prorated to match the client's existing support date.
- All maintenance/subscriptions are prepaid and non-refundable.
- For Subscription Licensing (only applicable if Subscription licensing has been purchased)
 - Notice of non-renewal: 45-day written notice is required. If payment is not received prior to the expiration date, the Subscription software will no longer function.
 - Renewal of expired Subscription licensing: If a customer reactivates an expired Subscription account within the same calendar year, the customer will be charged a 1-month reinstatement penalty and the anniversary date will remain as the original anniversary date. If the reactivation of an expired account occurs a year or more after it has been expired, the customer will be charged a 1-month reinstatement penalty and will have a new anniversary date based on the date of purchase.

Clients may contact MCCI support via MCCI's Online Support Center, email (support@mccinnovations.com), or telephone 866-942-0464. Support is available Monday through Friday (excluding major holidays) from 8 a.m. to 8 p.m. Eastern Time.

4. SOFTWARE PURCHASES AND SUPPORT RENEWALS

As your current VAR of Record, Laserfiche policy dictates that MCCI, is the only VAR that can download software licenses and activations for you. Unless you decide to cancel your contract with MCCI or work with Laserfiche to formally change your Laserfiche VAR of Record, future software purchases, upgrades, and support renewals will be processed and provided solely by MCCI.

5. LASERFICHE RIO SHARED SERVICES PROVISIONS

The Host Entity is the owner of the Laserfiche licensing and is registered as such with MCCI and Laserfiche corporate. For Laserfiche corporate licensing rules, there can only be one licensed entity per Laserfiche Rio platform. Licensing is non-transferrable. Additionally, the Host Entity is responsible for cost allocation among the other entities that are utilizing its Laserfiche Rio Platform and for being the main point of contact for support provided through MCCI.

6. SERVICE LEVEL AGREEMENT (SLA)

MCCI's SLAs are offered as additional options to the Software Assurance Package. A SLA is required in some circumstances and offers the client escalated response times depending on the severity of the support issue, as well as extended support hours and many other additional benefits. The SLA documentation is readily available upon request. MCCI currently has two separate SLAs available:

- MCCI SLA: Level 2 – Infrastructure Hosting
- MCCI SLA: Level 3 – Application Support

7. MCCI SOFTWARE CUSTOMIZATIONS

The client may elect to contract with MCCI to customize the standard software. As standard software is upgraded, any customizations performed will require support and updates through our Integration Support Assurance Program (ISAP). ISAP must be current to receive updates to the integration at no additional charge. Otherwise, current hourly rates will apply. Upgrades to existing programs or the acquisition of new programs from vendors other than MCCI may affect customizations made to the software by MCCI. MCCI will not be held responsible if upgrades or changes made by the client or another vendor or application preclude the operation of MCCI's customizations.

8. MCCI SOFTWARE CONFIGURATION SERVICES

The client may elect to contract with MCCI to configure the software. The client is responsible for testing all software configurations completed by MCCI. By acknowledging this testing

requirement, the client waives any and all liability to MCCI for any fees, damages, etc. that could be related to software configurations.

9. TEST/EVALUATION SOFTWARE

Purchases/availability of test and/or evaluation software are dependent upon the manufacturer's current relative policies.

10. CLIENT SOFTWARE CUSTOMIZATIONS

The client may also choose to customize their software internally without MCCI's help. MCCI is not responsible for any damages caused by the client's customization of the software. MCCI will not be held responsible for correcting any problems that may occur from these customizations. Routine updates to the software may affect any customizations made by the client. If MCCI's help is required to correct/update any customizations made by the client, appropriate charges will apply.

11. CLIENT OWNED HARDWARE

With the exception of MCCI providing hosted infrastructure options for Laserfiche, MCCI does not support any client-owned hardware or any of the related services as part of this contract.

12. USE OF BASECAMP

Through the course of this project, MCCI may choose to utilize the third-party service Basecamp (<http://www.basecamp.com>) for project management and team collaboration. Documentation and correspondence exchanged between MCCI and The Client may be stored in Basecamp. The Client acknowledges that Basecamp is responsible for secure storage of this documentation, and agrees that Basecamp's security guidelines located at <https://basecamp.com/security> are acceptable for the storage of The Client's data and correspondence exchanged with MCCI.

13. CLIENT INFORMATION TECHNOLOGY ASSISTANCE

For MCCI to excel in customer service, the client must provide timely access to technical resources. The client must provide adequate technical support for all MCCI installation and support services. If the client does not have "in-house" technical support, it is the client's responsibility to make available the appropriate Information Technology resources/consultant when needed.

14. SOFTWARE INSTALLATION

MCCI will install all software outlined herein. If additional software is needed to bring the site up to specifications, client will be billed accordingly.

15. PROFESSIONAL SERVICES RESCHEDULING/CANCELLATIONS

Travel Expenses: If the client cancels or reschedules an installation after MCCI has made travel arrangements, travel expenses may be incurred due to circumstances such as non-refundable airline tickets, hotel reservations, rental cars, etc.

Site Preparation: The Client site should be ready for installation according to specifications outlined within the Hardware section. If site is not prepared and results in cancellation, delays, or rescheduling of an installation after MCCI has made travel arrangements, the client may incur expenses due to circumstances such as non-refundable airline tickets, training/install charges, hotel reservations, rental cars, etc.

Project Delays: Requests made by the client to cancel/reschedule delivery of services will cause a delay in delivery of the services and the overall project. The client understands that MCCI will have to respect the timelines of other scheduled projects when rescheduling services due to a request made by the client.

16. ADDITIONAL SERVICES

As an additional service/product under this contract, MCCI can provide the following:

- Electronic Agenda and Legislative Management (Legistar) – MCCI offers the Granicus Legislative Management Suite (Legistar) and related services, which provides electronic automation and creation of agendas and minutes. Legistar is also integrated with Laserfiche.
- Scanning and Digital Conversion Bureau – MCCI offers scanning, indexing, and integration of hard copy documents and microfilm/microfiche with Laserfiche Software to provide the Client with the most powerful index retrieval search engine available.
- Open Records Request Solution (JustFOIA) – MCCI offers its JustFOIA solution to help agencies track open records requests. JustFOIA is a hosted solution that is user-friendly, affordable, and integrated with Laserfiche ECM.

17. AGREEMENT EXTENDED TO OTHER GOVERNMENTAL UNITS

MCCI agrees to allow any other Government agency to purchase items at the same terms, conditions, and pricing as this contract during the contract period. Minor changes in terms and conditions may be negotiated by MCCI and participating Government agencies. Any orders issued against this agreement shall be the sole responsibility of the Government agency placing the order. It is understood that the Client shall incur no financial responsibility in connection with any purchase by another Government agency.

18. LIMITED LIABILITY

Notwithstanding anything in this Agreement to the contrary, MCCI's total liability to the client for any and all claims, damages, or liability arising out of or related in any way to this agreement or the products or services being provided by MCCI to Client shall be strictly limited to the project fees paid to MCCI by the Client for the preceding 12-month period immediately preceding the event giving rise to the claim by the Client, and shall also be limited to the fees paid to MCCI for the particular service/product that the Client's claim was caused by or arose out of. [For example, if the Client is paying MCCI for both Laserfiche Product and Infrastructure Hosting Services, and the claim arises from an Infrastructure Hosting Services problem, then the liability limitation would be the 12-months fees paid for Infrastructure Hosting Services and would not include the fees paid for Laserfiche products.]

19. INDEMNIFICATION

If MCCi or our affiliates (owners or partners), or any of our or their respective employees, agents, or suppliers (the "Indemnitees") is faced with a legal claim by a third-party arising out of your actual or alleged gross negligence, willful misconduct, violation of law, failure to meet the security obligations required by the Agreement, or violation of your agreement with your customers or end users, then you will pay the cost of defending the claim (including reasonable attorney fees) and any damages award, fine or other amount that is imposed on the Indemnitees as a result of the claim. Your obligations under this subsection include claims arising out of the acts or omissions of your employees or agents, any other person to whom you have given access to the Services, and any person who gains access to the Services as a result of your failure to use reasonable security precautions, even if the acts or omissions of such persons were not authorized by you. You must also pay reasonable attorney fees and other expenses we incur in connection with any dispute between persons having a conflicting claim to control your account with us or arising from an actual or alleged breach of your obligations to them.

20. FORCE MAJEURE

Neither party shall be liable for any delay or failure in performance due to causes beyond its reasonable control.

21. CLIENT FINANCIAL SOLVENCY/BANKRUPTCY

MCCi may require payment in advance for products and services in response to learning of financial solvency or bankruptcy issues.

22. NO HIRE CLAUSE

Client and MCCi agree that during the period that this agreement is in force, including extensions or modifications thereto, and for an additional 12 months following this period, neither Client nor MCCi will actively recruit or solicit employees, independent contractors of either company, or the employees of any of the other subcontractors who are on active payroll status and are currently participating in this program, without the prior written approval of the party whose employee or independent contractor is being considered for employment. This does not prohibit any employee from responding to or pursuing employment opportunities through normal media channels, (i.e. newspapers, professional journals, etc.) so long as it is not related to this particular program and that it is not an attempt to avoid the intent of the above restriction. If, during the term of, or within 12 months after the termination of the performance period of this agreement, client hires directly or indirectly contracts with any of MCCi's personnel for the performance of systems engineering and/or related services hereunder, client agrees to pay MCCi 125% of the fees paid to, or in favor of such personnel for one (1) year after such personnel separates from service with MCCi.

23. TERMINATION

The services provided in this agreement will be in full force and effect for a period of one (1) year from the execution date of the agreement, or from the initial software/maintenance subscription date (applicable only when such components are included). Thereafter, this agreement will be automatically renewed from year to year, provided that either party may alter or cancel the terms of this agreement upon 60 days written notice.

24. MARKETING & REFERENCES

Client agrees to allow MCCi to publicly announce the client's selection of MCCi for the specific solution(s), at the time of the client contracting with MCCi. Additionally, upon the client providing written consent, MCCi is authorized to publish and publicize testimonials and case study information pertaining to MCCi's work with the Client. This information, including the Client's organization name, logo, and contact information will be used in all media types.

25. MCCi TERMS & CONDITIONS FOR HOSTED INFRASTRUCTURE

These "Terms & Conditions for Hosted Infrastructure" are only applicable if Client contracts with MCCi to host infrastructure for its Laserfiche Solution.

In the event that Client contracts with MCCi for Hosted Infrastructure service, there are additional contract terms applicable to these services, which are contained in "MCCi SLA: Level 2 – Infrastructure Hosting" The MCCi SLA: Level 2 – Infrastructure Hosting terms are available upon request.

Subscription Term, Fees, Payment, and Termination of Services

Subscriptions for hosted infrastructure are for no less than a one (1) year period and can be prorated to match Laserfiche software/subscription renewal dates. The term starts when access is provided. For new implementations, the Laserfiche software/subscription order process and start date of renewal periods may be aligned to match the hosted infrastructure subscription start date. The one (1) year period automatically renews, unless the client provides written notice 90 days in advance. You may terminate this Agreement for convenience at any time upon 90 days advance written notice.

- * Fee increases:
 - * Adjustment to fees related to an increase in the level of service requested/authorized by the client will be made at the time of such changes in service becoming available to the client.
 - * Third-Party License Fees – In the event that a third-party license provider increases the fee they charge MCCi's hosting partner for your use of such license, we will

increase your fees by the same percentage amount, provided we notify you in writing at least 90 days before the effective date of the price increase. Adjustments in subscription rates may be made to coincide with current U.S. inflation rates; any increase will not exceed the cumulative increase in the Consumer Price Index (CPI) occurring since the last price increase. Note that for renewals of terms that are one (1) year or more in length, MCCi will not increase fees more than once over a 12-month period. In the event that the client has a renewal term of less than one (1) year (examples would be quarterly or monthly), fees can be increased at any time and by any amount, upon 90 days advance written notice.

- * Payment: Payments are due according to the terms specified on the invoice and always prior to the subscription expiration date. Late payments are subject to fees, as well as suspension of services.

Terms specific to different hosting options**A. Infrastructure Hosting with Managed Services**

MCCi offers server instances to clients that would rather not acquire the physical or virtual infrastructure themselves and who desire to have a fully managed solution. MCCi offers these services through its award-winning partner Rackspace. MCCi offers AWS, Azure, or Rackspace hosted infrastructure, as well as fully Managed Service options, all through its partnership with Rackspace.

The client acknowledges the following terms, conditions, and limitations (and accepts that MCCi's liability and responsibility is limited by the following):

- * Rackspace's Acceptable Use Policy found at: <http://www.rackspace.com/information/legal/global/auip>.
- * Client shall have no rights against Rackspace in connection with the Hosting Services sold by MCCi.
- * Prohibition of high-risk use: The client may not use the hosting service in any situation where failure or fault of the hosting services could lead to death or serious bodily injury of any person, or to physical or environmental damage. For example, you may not use or permit any other person to use the hosting services in connection with aircraft or other modes of human mass transportation, nuclear or chemical facilities, or medical life support devices.
- * Microsoft license terms, if applicable: <http://www.rackspace.co.uk/legal/microsoft-license>.
- * MCCi does not promise that the services will be uninterrupted, error-free, or completely secure. You acknowledge that there are risks inherent in internet connectivity that could result in the loss of your privacy, Client Data, Confidential Information, and property.
- * MCCi is not liable to you for lost data unless and to the extent you purchase data backup services, and we fail to provide the backup services as agreed. If you purchase backup services, you release MCCi from liability for loss of data to the extent the data has changed since the time that we were last required by the Agreement to perform a backup.

B. Infrastructure Hosting Only (No Full Managed Service Option)

MCCi offers "Docs On The Cloud" server instances to clients that would rather not acquire the physical or virtual infrastructure themselves. MCCi offers this service through a partner (Gordon Flesch Company, Inc.). They are the leading provider of hosted Laserfiche server instances. Unless noted otherwise, Docs On The Cloud server instances are hosted in "Amazon Web Services" (AWS) and include the creation, maintenance, and upgrades of purchased virtual machines, maintenance of operating system software, and daily backup snapshots of the hosted infrastructure. The client acknowledges the following terms, conditions, and limitations (and accepts that MCCi's liability and responsibility is limited by the following):

- * MCCi: Initial installation of Laserfiche software components and ongoing application of Laserfiche upgrades if client subscribes to MCCi's Managed Services or Laserfiche Administration Services package. MCCi also serves as 1st tier for support issues and handles all billing related to the service.
- * Client: Serves as server and database administrator and maintains all non-Laserfiche and non-operating system applications, including required database software acquisition, installation, maintenance, upgrades, and database maintenance routines.

The client acknowledges and accepts the published AWS Service Level Agreement, Customer Agreement, and Customer License Terms and acknowledges and accepts that MCCi extends the same terms to the client, which will always be limited to the most recent published AWS terms and conditions:

AWS EC2 SLA: <https://aws.amazon.com/ec2/sla/>

AWS Customer Agreement: <https://aws.amazon.com/agreement/>

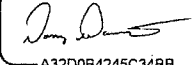
AWS Customer License Terms: https://www.gflesch.com/hubfs/Gordon-Flesch-Site/Terms_and_Services_Documents/AWSResellerCustomerLicenseTerms.pdf

- * MCCi does not promise that the Services will be uninterrupted, error-free, or completely secure. You acknowledge that there are risks inherent in internet connectivity that could result in the loss of your privacy, Client Data, Confidential Information, and property.
- * MCCi is not liable to you for lost data unless and to the extent you purchase data backup services, and we fail to provide the backup services as agreed. If you purchase backup services, you release MCCi from liability for loss of data to the extent the data has changed since the time that we were last required by the Agreement to perform a backup.

Submitted by: **MCCi, a Limited Liability Company**

Date: December 27, 2018

By:

DocuSigned by:

A32D0B4245C34BB...

(Signature)

Donny Barstow

President

(Printed Name & Title)

Noted Items Accepted by: **KILLEEN, TX**

Date:

By:

(Signature)

(Printed Name & Title)



ADDENDUM TO CONTRACT FOR GOODS OR SERVICES
(Change as needed to match the name or type of your contract)

This addendum supplements that certain Laserfiche Consulting Services dated December 14th made by and between the City of Killeen ("City") and MCCi, LLC ("Vendor" or whatever matches the contract).

1. **Verification by Vendor.** Vendor hereby verifies that it does not boycott Israel and will not boycott Israel during the term of this contract. Boycotting Israel is defined in Texas Government Code section 808.001 to mean refusing to deal with, terminating business activities with, or taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.
2. **Incorporation.** The provisions of this Addendum shall be incorporated into and are hereby made an essential part of the contract.
3. **Full Force and Effect.** Except as expressly modified herein, all other terms and provisions set for in the contract shall remain in full force and effect and shall not otherwise be affected by this Addendum.

The City and Vendor have duly executed this Addendum as of this 14th day of December 2018.

City of Killeen

Vendor

MCCi, LLC

By: _____

By: Victor D'Aurio

Title: _____

Chief Operating Officer

Victor D'Aurio

CERTIFICATE OF INTERESTED PARTIES**FORM 1295**

1 of 2

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**

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

MCCi, LLC.

TALLAHASSEE, FL United States

Certificate Number:

2018-434162

Date Filed:

12/14/2018

Date Acknowledged:

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

Killeen, TX

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.

20181214

Enterprise Content Management Software, Support and Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Grant, Rick	Tallahassee, FL United States	X	
	Grant, Eric	Tallahassee, FL United States	X	
	McCarley, Mac	Tallahassee, FL United States	X	
	Mincey, Karen	Tallahassee, FL United States	X	
	McKean, Steven	Tallahassee, FL United States	X	
	Watkins, Ben	Tallahassee, FL United States	X	
	Williams, Ash	Tallahassee, FL United States	X	
	Langford, Lawton	Tallahassee, FL United States	X	
	D'Aurio, Victor	Tallahassee, FL United States	X	
	Small, Traci	Tallahassee, FL United States	X	
	Barstow, Donny	Tallahassee, FL United States	X	

CERTIFICATE OF INTERESTED PARTIES**FORM 1295**

2 of 2

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:
2018-434162

Date Filed:
12/14/2018

Date Acknowledged:

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

MCCi, LLC.
TALLAHASSEE, FL 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, TX

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.

20181214
Enterprise Content Management Software, Support and Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party. ☐

6 UNSWORN DECLARATION

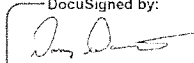
My name is Donny Barstow, and my date of birth is 5.2.1980.

My address is 1958 Commonwealth Lane, Tallahassee, FL, 32303, USA.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Leon County, State of FL, on the 14 day of 12, 2018.
(month) (year)

DocuSigned by:



Signature of authorized agent of contracting business entity
(Declarant)



LASERFICHE SOFTWARE UPGRADE

RS-19-005

January 8, 2019

What is Laserfiche

2

- ❑ Laserfiche is an Electronic Content Management System (ECM)
- ❑ Used to scan, archive, and retrieve documents
- ❑ Purchased by CoK in 2002
- ❑ Currently used by all 13 departments
- ❑ Annual maintenance cost is \$17,000

Laserfiche Upgrade Benefit

3

□ Laserfiche currently provides

- ▣ Document Management – (capture, storage, and retrieval)
- ▣ Current version is at end of life – no technical support

□ What Laserfiche Upgrade provides

- ▣ Document Management (capture, storage, and retrieval)
- ▣ Technical support
- ▣ Records Management (automated retention and disposal)
- ▣ Optical Character Recognition (use scans as word documents)
- ▣ Automated Workflows for Process Improvements (automate the Purchase Order process and document tracking)
- ▣ Online Training

Laserfiche Upgrade Cost

4

- Upgrade one time cost is \$98,213.52
- No additional Maintenance cost for 2019
- Maintenance & support starting 2020 is \$40,738 annually

Alternatives

5

- ❑ Option 1: Do Not Upgrade
 - ▣ No longer supported by vendor
 - ▣ Loss of productivity in departments with older version
 - ▣ Version outdated and will not integrate with other software
- ❑ Option 2: Upgrade Laserfiche
 - ▣ Added Software Functionality
 - ▣ Increased User Access and Productivity
 - ▣ Technical Support
 - ▣ Staff Training

Recommendation

6

- Staff recommends the City Council approve the Laserfiche upgrade and authorize the City Manager, or designee, to execute the terms and conditions of the agreement as allowed by state and local law.



City of Killeen

Legislation Details

File #: RS-19-006 **Version:** 1 **Name:** Assistant City Manager Selection
Type: Resolution **Status:** Resolutions
File created: 12/19/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: Consider a memorandum/resolution approving the appointment of an Assistant City Manager.
Sponsors: Human Resources Department
Indexes:
Code sections:
Attachments: [Staff Report](#)
[Ellison Résumé](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: January 8, 2019

TO: Ronald L. Olson, City Manager

FROM: Eva Bark, Executive Director of Human Resources

SUBJECT: Appointment of an Assistant City Manager

BACKGROUND AND FINDINGS:

October 1, 2018, Dennis Baldwin announced his retirement effective January 31, 2019, and due to availability and orientation of a new Assistant City Manager, Mr. Baldwin's retirement will be extended to February 28, 2019.

Human Resources sought three quotes from executive search firms and signed an agreement with Strategic Government Resources (SGR) on October 5, 2018, to conduct a search for candidates. SGR distributed a recruiting brochure nationwide resulting in one hundred and fifteen (115) candidates, and questionnaires were sent to nineteen (19) of those candidates.

On November 13, 2018, Mr. Olson and Human Resources met with Gary Holland from SGR and selected eleven (11) semi-finalists for a video interview. On November 29, 2018, Mr. Olson and Human Resources narrowed the selection to five finalists for an in-person interview.

On December 13, 2018, the finalists participated in a City tour. On December 14, 2018, the five finalists interviewed with the City Manager and a panel of department heads. After considering the feedback from the panel members, and conducting an extensive background check, Mr. Olson extended a conditional offer of employment to Mr. David Ellison. Mr. Ellison has been in city government for more than 20 years and has served as an assistant city manager in seven cities including San Antonio from 2011 to 2014. He is currently a project manager for the San Antonio Airport System. He earned a Bachelor of Science in Secondary Education from North Texas State University and a Master of Public Administration from the University of North Texas.

Mr. Ellison's offer of employment is conditioned upon the following:

- Selection confirmation by the Killeen City Council
- Commencing employment on February 4, 2019

THE ALTERNATIVES CONSIDERED:

Alternatives are: (1) to approve the appointment of David Ellison as the City of Killeen's Assistant City Manager; (2) to approve appointment of the second finalist; (3) to repost the vacancy and restart the recruitment process again.

Which alternative is recommended? Why?

Staff recommends the first alternative, to approve the appointment of David Ellison. Mr. Ellison brings over twenty (20) years of city government experience and has served as an assistant city manager in seven cities including San Antonio from 2011 to 2014.

CONFORMITY TO CITY POLICY:

This action conforms to city policy.

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

The annual base salary is \$140,473, plus benefits and car allowance.

The estimated total expenditure for FY 2019 is \$204,459. This includes \$89,598 for salary and benefits of the current Assistant City Manager and \$114,861 for salary and benefits of the proposed appointment. A \$3,000 per year car allowance is included with the estimated cost.

Is this a one-time or recurring expenditure?

This is a recurring expenditure.

Is this expenditure budgeted?

Yes, a total of \$210,443 was budgeted in the personnel services accounts in the Assistant City Manager Division in accounts 010-0201-413-40-05 thru 010-0201-413-40-89.

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 approve the City Manager's appointment of David Ellison as the City of Killeen's Assistant City Manager.

DEPARTMENTAL CLEARANCES:

Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Ellison Résumé

PROFESSIONAL EXPERIENCE

CITY OF SAN ANTONIO (AIRPORT SYSTEM)

2014-Present

Project Manager

Planning, project management and grant administration for Planning & Development Division of San Antonio Airport System. Focus on long, intermediate and short-term infrastructure, facility and customer service initiatives. Airport system liaison to community/ regional planning efforts. Divisional emergency preparedness activities.

CITY OF SAN ANTONIO

2011-2014

Assistant City Manager/Interim Director of Planning & Community Development

Vice-President equivalent role for 7th largest city (proper) in nation. Direct report to the city manager (CEO). Senior executive oversight responsibilities for the Departments of: Development Services; Planning & Community Development; Office of Historic Preservation and Office of Sustainability. Program responsibilities included neighborhood revitalization, responsible grant management, code enforcement, development review. Major policy development and legislative strategy actions with multiple policy boards/commissions/stakeholders. Vast interagency partnership networks. Thoughtful, constant, employee and community engagement.

- Led complex, high profile, creation of most comprehensive boarding home ordinance in nation
- Collaborated to create data-driven strategies and SMART metrics for better, proactive use of Federal housing dollars; justified increase in code enforcement officers through better accountability systems
- Strategically and successfully addressed complex organizational design, team relations, productivity and workplace culture challenges and opportunities

CITY OF SCOTTSDALE, ARIZONA *Assistant City Manager*

2007-2011

Invited to return for second stint as second-in-command of city organization. Executive oversight of: Human Resources; Planning & Development; Parks & Recreation; Library Services; Human Services; IT, Transportation; Citizen & Neighborhood Resources; Corporate Communications/Public Affairs; Tax Audit; Purchasing Services.

- Provided stabilizing leadership as acting CEO after the dismissal of two city managers in a two-year period
- Key member of strategy team that closed \$65 million general fund deficit with minimal community impacts
- Catalyst for creation of employee transition center that was platform for dignified treatment of over 100 laid-off colleagues. All conceivable outplacement/transitional services were provided on a regional basis. Within year, more than 97% of displaced team members were re-employed despite one of worst state economies in nation. Only one unfounded employment claim was filed as a result of reduction-in-force
- Negotiated changes to the wireless industry fee structure. Results are assured new revenues for many years

CITY OF HOUSTON, TEXAS *Bureau Chief of Public Health Preparedness*

2007-2007

Near one year stint as lead for public health emergency preparedness for the 4th largest city in the nation. Responsible for disaster planning resources, systems, products and services funded by multi-million dollar grants.

- Increased training and credibility of bureau within the department, city organization, region and state
- Better integrated department's preparedness efforts with those of overall City, Region and State
- Strengthened partnerships and increased level of supplies provided to community and first responders

CITY OF SUGAR LAND, TEXAS *Assistant City Manager*

2002-2007

Sr. Executive responsibility for Human Resources & Employee Relations, Police, Fire, Emergency Management, Finance/Budget Office, IT, Administrative Services and Sugar Land Regional Airport.

- Integrated homeland security efforts and improved emergency management operations soon after 9/11
- Partnered with CFO to create and implement a citywide three-year organizational business planning process; emphasized increased efficiencies and alignment strategic plan alignment in highly customer-centric environment
- Led politically sensitive Mayor's Advisory Council on Police & Community Relations. Results were a complete operational review of police department by credible consultant team, acceptance of findings by department, city manager, city council and community and implementation of recommendations
- Led city portion of multi-sector, community-driven, Fort Bend County Hurricane Katrina Resource Center

CITY OF SCOTTSDALE, ARIZONA *Assistant City Manager*

1997-2002

Sr. Executive responsibility for: Intergovernmental Relations; Planning & Development; Transportation; Historic/Land Preservation; Corporate Communications; external strategic partnerships and organizational redesign. Acting city manager/second-in-command.

- Led effort resulting in creation of new department with focused mission of enhancing services and connection to neighborhoods using existing resources.
- Key Leadership Team Advisor for creation of first corporate diversity office for Arizona municipality.

ADDITIONAL EXPERIENCE**CITY OF CARROLLTON, TEXAS***Assistant City Manager for Administration*

Department reports included Human Resources, Finance Administration, IT, Library Services, Indian Creek Municipal Golf Course (36 holes) and court administration for 100,000 resident community near Dallas.

- Outsourced IT functions to achieve better services at sustained lower costs. RFP and contract was structured in way resulting in almost all affected employees being absorbed by successful contractor
- Enhanced customer service and operational effectiveness at well-respected Indian Creek Golf Course
- Developed successor and provided career support to next generation/emerging leaders and professionals

CITY OF LUBBOCK, TEXAS*First Assistant City Manager*

- Led citywide initiative that transformed workplace into a more open, responsive, and diverse environment
- Built trust-based partnerships that helped increase the city government's credibility in historically underserved neighborhoods
- Executive oversight of Human Resources Department and several others. Revamped citywide organizational development systems and levels of resource commitments to achieve measurable successes

CITY OF MANKATO, MINNESOTA*Assistant City Manager*

Second-in-command responsible for economic development and city/county planning & development

- Executive Director of Blue Earth County Public Housing Authority and Minnesota Valley Regional Council of Governments
- Key member of public/private group that assessed venture capital requests and created and implemented a successful downtown revitalization strategy
- Systematically enhanced staff performance by surveying customers, developing the management team, upgrading business systems, and emphasizing commitment to quality service

CITY OF DENTON, TEXAS *Assistant to the City Manager/Various Community Development Achievements*

- City Manager's "chief trouble shooter" requiring effective relationships across organization and community
- Catalyst for improved trust relationships between the historically underserved and their city government
- Partnered with grass-roots neighborhood members, police chief, city manager, organization and policy-makers to implement community oriented policing and prototypical neighborhood enhancement systems
- Ended stalemate through leadership needed to garner stakeholder acceptance and policy approval of revised subdivision regulations in high growth period. Streamlined and improved development review process
- Monitored implementation of City Council's annual strategic plan and managed five-year CIP Process
- Managed current planning, long-range planning and community development block grant (CDBG) office
- Nine (9) years of distinguished service to this university community in the Dallas/Ft. Worth Region

EDUCATION

- **Master of Public Administration** - *University of North Texas (Denton, Texas)*
- **Bachelor of Science - Secondary Education** - *North Texas State University (Denton, Texas)*
- **Booker T. Washington High & High School for the Engineering Professions** (Houston, Texas)

PROFESSIONAL DEVELOPMENT/PUBLIC SPEAKING

- Intermediate Project Management (16 hours)
- Project Management Certification Exam Prep Course (40 hours)
- San Antonio Airport System (SAAS) University (Certificate of Completion)
- San Antonio Airport System (SAAS) Safety Management System Training
- Senior Executives in State & Local Government, John F. Kennedy School of Government, Harvard University
- National Forum for Black Public Administrators (NFBPA) Executive Leadership Institute (ELI)
- Leadership Lubbock; Metrocrest Leadership; Scottsdale Leadership; Fort Bend County Leadership Forum
- National Association of Public Housing & Redevelopment Officials (NAHRO) Executive Training
- Visionary Leadership & Leader Effectiveness Training
- National Forum for Black Public Administrators (NFBPA) National & Regional Conference Presenter
- National League of Cities (NLC) Conference Workshop Presenter
- Former Member, Board of Overseers, Texas Quality Award
- National Incident Management System Training: ICS 100, 200, 300, 400, 700 (City of Houston & TEEKS Training Centers)



APPOINTMENT OF ASSISTANT CITY MANAGER

RS-19-006

January 8, 2019

Background

2

- Assistant City Manager vacancy
- Timeline of Assistant City Manager recruitment

Alternatives

3

- ❑ City Council may confirm the City Manager's appointment of David Ellison as the City of Killeen's Assistant City Manager.
- ❑ City Council may not confirm the City Manager's appointment of David Ellison as the City of Killeen's Assistant City Manager.

Staff Recommendation

4



Staff recommends that the City Council confirm the City Manager's appointment of David Ellison as the City of Killeen's Assistant City Manager.



City of Killeen

Legislation Details

File #: PH-19-001 **Version:** 1 **Name:** FY 2018 Carry Forward Budget Amendment
Type: Ordinance/Public Hearing **Status:** Public Hearings
File created: 11/20/2018 **In control:** City Council Workshop
On agenda: 1/8/2019 **Final action:**
Title: HOLD a public hearing and consider an ordinance amending the FY 2019 Annual Budget and Plan of Municipal Services of the City of Killeen to authorize the carry forward of FY 2018 expenditure budgets to the FY 2019 budget.
Sponsors: Finance Department
Indexes:
Code sections:
Attachments: [Staff Report](#)
[Ordinance](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: January 8, 2019

TO: Ronald L. Olson, City Manager

FROM: Jonathan Locke, Executive Director of Finance

VIA: Miranda Drake, Director of Budget

SUBJECT: Carry Forward Budget Amendment

BACKGROUND AND FINDINGS:

City Charter (Article VII, Section 71) states that all appropriations shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered. During the course of a fiscal year, there are contracts and commitments that are entered into by the City that begin in the current fiscal year and are completed in the next fiscal year.

In addition, various projects are also funded through the Capital Improvement Program (CIP). The CIP is primarily funded through the issuance of revenue bonds, general obligation bonds, and certificates of obligation. These funds can only be used for purposes outlined in the bond covenant and, by their very nature, span multiple fiscal years.

A number of outstanding contracts and commitments for projects and/or services were not completed or received by the City prior to the close of the fiscal year ending September 30, 2018. In order to complete contracted projects and/or services, FY 2018 expenditure budgets need to be carried forward to the Annual Budget and Plan of Municipal Services for FY 2019 as a budget amendment.

The City of Killeen approves the CIP budget along with the Annual Budget and Plan of Municipal Services each year in September. Staff provides estimates based upon the best available information at that time, and the budget periodically needs to be amended as more accurate information becomes available. Changes in scope, schedules, or the project having remaining funds due to favorable bids or not enough funds due to unforeseen events require that a budget amendment be approved by the City Council.

FY 2018 Carry Forward Amounts	Revenue Budget
General Fund	\$ 127,350
Capital Improvement Funds	3,812,529
TOTAL	\$3,939,879

FY 2018 Carry Forward Amounts	Expenditure Budget
General Fund	\$ 1,123,348

Special Revenue Funds	175,539
Capital Improvement Funds	9,102,950
Aviation Funds	1,860,231
Water and Sewer Fund	250,460
Drainage Utility Fund	24,073
Internal Service Fund	3,214,741
TOTAL	\$15,751,342

THE ALTERNATIVES CONSIDERED:

(1) Approve the attached ordinance amending the Annual Budget and Plan of Municipal Services for FY 2019 to re-appropriate funds from the fiscal year ending September 30, 2018; (2) Do not approve the ordinance.

Which alternative is recommended? Why?

Staff recommends option 1 to approve the ordinance amending the Annual Budget and Plan of Municipal Services for FY 2019 to re-appropriate funds from the fiscal year ending September 30, 2018.

CONFORMITY TO CITY POLICY:

The City's Financial Governance Policies, Section V. Budget Administration (B)(1) states that City Council may amend or change the budget by ordinance.

FINANCIAL IMPACT:

Upon approval, accounts will be amended in the FY 2019 budget as follows:

An increase to General Fund revenue accounts by \$127,350.
 An increase to General Fund expenditure accounts by \$1,123,348.
 An increase to Special Revenue Funds' expenditure accounts by \$175,539.
 An increase to Capital Improvement Funds' revenue accounts by \$3,812,529.
 An increase to Capital Improvement Funds' expenditure accounts by \$9,102,950.
 An increase to Aviation expense accounts by \$1,860,231.
 An increase to Water and Sewer expense accounts by \$250,460.
 An increase to Drainage Utility expense accounts by \$24,073.
 An increase to Internal Service Fund expense accounts by \$3,214,741.

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

The carry forwards from the FY 2018 to FY 2019 budget for revenues total \$3,939,879 and for expenditures total \$15,751,342.

Is this a one-time or recurring expenditure?

This is a one-time expenditure.

Is this expenditure budgeted?

A budget amendment is required.

If not, where will the money come from?

The attached budget amendment recognizes the carry forward of FY 2018 expenditure budgets to the FY 2019 budget.

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

Upon approval of the budget amendment.

RECOMMENDATION:

Staff recommends that the City Council approve the ordinance amending the FY 2019 Annual Budget and Plan of Municipal Services.

DEPARTMENTAL CLEARANCES:

City Attorney
Finance

ATTACHED SUPPORTING DOCUMENTS:

Ordinance

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS, AMENDING THE FY 2019 ANNUAL BUDGET AND PLAN OF MUNICIPAL SERVICES OF THE CITY OF KILLEEN TO AUTHORIZE THE CARRY FORWARD OF FY 2018 EXPENDITURE BUDGETS TO THE FY 2019 BUDGET; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; PROVIDING A SAVING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, a budget for operating the municipal government of the City of Killeen for the Fiscal Year October 1, 2018 to September 30, 2019, has been adopted by City Council in accordance with the City Charter; and

WHEREAS, there are outstanding purchase orders and contracts that were not completed during the fiscal year that ended September 30, 2018 which need to be carried forward to the fiscal year ending September 30, 2019; and

WHEREAS, the need for additional funds requires a budget amendment;

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

SECTION 1. That Ordinance 18-032, adopting a budget for operating the municipal government of the City of Killeen for the Fiscal year October 1, 2018 to September 30, 2019, be amended as to the portion of said budget as follows:

Expenditures:

Account Number	Description	Original Budget	Budget Change	Amended Budget
010-0000-334-0101	CJD-Body Armor	\$ -	\$ 127,350	\$ 127,350
010-0405-414-4799	Special Services (Comm.)	-	68,403	68,403
010-1005-416-4711	Legal Services (City Attorney)	23,696	24,231	47,927
010-3215-423-4210	Building Maint. (Library)	15,000	15,394	30,394
010-3435-432-4711	Legal Services (PW Eng.)	-	453,909	453,909
010-3435-432-4720	Engineering Svcs (PW Eng.)	23,580	24,648	48,228
010-3445-434-4238	Pavement Marking (Streets)	92,311	109,413	201,724
010-6050-441-4120	Uniforms & Clothing (Police)	131,119	127,350	258,469
010-9595-492-9349	Transfer Out - Gov't CIP Fund	2,441,500	300,000	2,741,500
207-6000-441-4635	Eqpt & Mach.(Police – JAG15)	180,569	4,724	185,293
207-6000-441-4635	Eqpt & Mach.(Police – JAG16)	185,293	6	185,299
207-6000-441-4635	Eqpt & Mach.(Police)	185,299	106,653	291,952

Account Number	Description	Original Budget	Budget Change	Amended Budget
207-6000-441-6140	Computer Eqpt/Soft (Police)	194,000	57,181	251,181
214-2020-415-5543	Grants to the Arts (Finance)	185,167	4,975	190,142
214-9501-457-4730	Accounting Svcs (HOT Fund)	21,000	2,000	23,000
349-0000-391-0110	Transfer In from Fund 010	2,441,500	300,000	2,741,500
349-3258-426-6102	Buildings (Fire)	277,408	300,000	577,408
525-0515-521-9825	Airport Master Plan	\$ -	\$ 113,672	\$ 113,672
550-3435-432-4720	Engineering Svcs (PW Eng.)	142,865	250,460	393,325
575-3476-432-4720	Engineering Svcs (PW Eng.)	48,980	24,073	73,053
601-9595-492-9349	Transfer Out – Gov't CIP Fund	1,101,613	1,298,824	2,400,437
349-0000-391-0601	Transfer In from Fund 601	1,101,613	1,298,824	2,400,437
349-2705-419-6110	Motor Vehicles (Info. Tech)	-	30,000	30,000
349-3020-424-6110	Motor Vehicles (Golf Course)	-	31,200	31,200
349-3025-425-6110	Motor Vehicles (Parks)	67,500	28,750	96,250
349-3258-426-6110	Motor Vehicles (Building Svcs)	32,500	159,000	191,500
349-3259-426-6110	Motor Vehicles (Custodial Svc)	30,500	23,000	53,500
349-3445-434-6110	Motor Vehicles (Streets)	669,320	7,680	677,000
349-4053-450-6110	Motor Vehicles (Code Enf.)	-	25,500	25,500
349-6000-441-6110	Motor Vehicles (Police)	1,951,016	167,994	2,119,010
349-6070-441-6110	Motor Vehicles (Animal Svcs)	51,500	28,000	79,500
349-7070-442-6110	Motor Vehicles (Fire)	715,000	797,700	1,512,700
601-9595-492-9388	Transfer Out – SW CIP Fund	-	1,500,420	1,500,420
388-0000-391-0601	Transfer In from Fund 601	-	1,500,420	1,500,420
388-3460-439-6110	Motor Vehicles (SW Res.)	715,000	972,520	1,687,520
388-3465-439-6110	Motor Vehicles (SW Comm.)	821,400	407,900	1,229,300
388-3475-439-6135	Mach. & Eqpt (SW Trns Sta)	246,000	120,000	366,000
601-9595-492-9387	Transfer Out – W&S CIP Fund	121,650	310,327	431,977
387-0000-391-0601	Transfer In from Fund 601	121,650	310,327	431,977
387-2050-411-6110	Motor Vehicles (Utility Coll.)	78,000	98,000	176,000
387-3420-438-6110	Motor Vehicles (W&S Oper.)	245,350	178,327	423,677
387-3435-432-6110	Motor Vehicles (W&S Eng.)	102,000	34,000	136,000
601-9595-492-9375	Transfer Out – Drng CIP Fund	70,046	105,170	175,216
375-0000-391-0601	Transfer In from Fund 601	70,046	105,170	175,216
375-3448-434-6110	Motor Vehicles (Drng Maint.)	108,000	80,216	188,216
375-3448-434-6135	Mach. & Eqpt. (Drng Maint.)	70,046	24,954	95,000
341-3490-800-5823	US 190/Rosewood/2410	-	111,162	111,162
343-3490-800-5836	CO Bonds 2011 – Stagecoach	-	1,329,463	1,329,463
343-3490-800-5401	Other Projects Reserve	-	35,519	35,519
347-3490-492-9349	Transfer to Gov't CIP Fund	379,706	101,203	480,909
348-3490-800-5890	Family Aquatics Center	-	23,105	23,105
348-3490-492-9349	Transfer to Gov't CIP Fund	495,364	196,585	691,949
349-0000-391-0347	Transfer In from Fund 347	379,706	101,203	480,909
349-0000-391-0348	Transfer In from Fund 348	495,364	196,585	691,949
349-0405-414-6102	Buildings – Council Chambers	-	286,478	286,478

Account Number	Description	Original Budget	Budget Change	Amended Budget
349-0405-414-6135	Workshop Recording Project	169,185	89,258	258,443
349-3258-426-6102	Buildings – Council Chambers	577,408	(277,408)	300,000
349-3435-432-6903	Construction – Rosewood Dr	5,854,791	338,599	6,193,390
349-7070-442-6901	Design/Eng – Emer. Oper. Ctr	-	9,000	9,000
350-3490-800-4210	Building Maintenance	-	7,200	7,200
375-3448-434-6031	Drng – Cosper Ridge/Bermuda	\$ 466,548	\$ 159,772	\$ 626,320
375-3448-434-6905	Contingency – Other Projects	2,618,298	137,214	2,755,512
386-3495-800-5481	Water System Improvements	208,533	50,000	258,533
386-3495-800-5848	Sewer Line SSES Ph 5	350,000	59,313	409,313
386-3495-800-5401	Other Projects Reserve	-	1,539,453	1,539,453
387-3435-432-6905	Contingency – Other Projects	3,173,724	543,958	3,717,682
524-0515-521-4720	Eng – Pass. Boarding Bridges	-	258,359	258,359
524-0515-521-6903	Construction – PBB	4,988,575	554,286	5,542,861
526-0512-521-6701	CFC – Car Wash Fac. Imprv.	999,862	719,387	1,719,249
529-0510-521-6541	PFC–Term. Bldg Board. Brdgs	616,850	(554,286)	62,564
529-0510-521-6541	PFC – Terminal Furnishings	62,564	100,000	162,564
529-0510-521-6541	PFC –Rehab Term. Access Rd	162,564	291,000	453,564
529-0510-521-6541	PFC – Admin Fees Appl #8	453,564	6,859	460,423
529-0510-521-6541	PFC – Airport Master Plan	460,423	16,376	476,799
529-0510-521-6541	PFC – Admin Fees Appl #9	476,799	43,060	519,859
529-0510-521-6541	PFC – Pass. Boarding Bridge	519,859	28,707	548,566
529-0510-521-6541	PFC–Flight Info & Comm. Use	548,566	233,431	781,997
529-0510-521-6541	PFC–Rehab Airfield Lighting Vault	781,997	10,000	791,997
529-0510-521-6541	PFC – Admin Fees Appl #10	791,997	39,380	831,377
576-9591-495-5401	Other Projects Reserve	-	848,335	848,335
	Total	\$41,111,284	\$19,691,221	\$60,802,505

SECTION II: That the City Council finds that the public notice and public hearing requirements of Section 56 of the City Charter have been complied with prior to the enactment of this ordinance.

SECTION III: That should any section or part of any section or paragraph of this ordinance be 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 all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION V: That this ordinance shall be effective after its passage and publication according to law.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas, this 15th day of January, 2019, 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:

APPROVED AS TO FORM

Lucy Aldrich
City Secretary

Kathryn H. Davis
City Attorney



FY 2018 CARRY FORWARD BUDGET AMENDMENT TO FY 2019

PH-19-001

January 8, 2019

Carry Forward Budget Amendment

Background

2

- Purpose of budget amendment
 - ▣ Carry forward the unspent budget for projects, services, and purchases that began in FY 2018, were not completed by the end of the fiscal year, and dropped into fund balance.
 - ▣ The amendment will move the unspent FY 2018 budget for the identified projects, services, and purchases into FY 2019.
- Previous commitments already approved by City Council
 - ▣ One exception, the Fire Central Station dormitory renovation.
 - Fire Department saved \$300,000 in FY 2018 for the renovation.

Carry Forward Budget Amendment

Fleet Replacement Program

3

Fund	Revenue Budget Change	Fund Balance	Total Revenues	Expenditure Budget Change
Step 1: Move Funds to CIP Funds				
Fleet Services	\$0	\$3,214,741	\$3,214,741	\$3,214,741
Step 2: Budget Funds in CIP Funds for Purchase				
Solid Waste CIP	\$1,500,420	\$0	\$1,500,420	\$1,500,420
Governmental CIP	\$1,298,824	\$0	\$1,298,824	\$1,298,824
Water/Sewer CIP	\$310,327	\$0	\$310,327	\$310,327
Drainage CIP	<u>\$105,170</u>	<u>\$0</u>	<u>\$105,170</u>	<u>\$105,170</u>
Total	\$3,214,741	\$0	\$3,214,741	\$3,214,741

Carry Forward Budget Amendment

Operational Funds

4

Fund	Revenue Budget Change	Fund Balance	Total Revenues	Expenditure Budget Change
General	*\$127,350	\$995,998	\$1,123,348	\$1,123,348
Water/Sewer	\$0	\$250,460	\$250,460	\$250,460
Aviation	\$0	\$113,672	\$113,672	\$113,672
Drainage	<u>\$0</u>	<u>\$24,073</u>	<u>\$24,073</u>	<u>\$24,073</u>
Total	\$127,350	\$1,384,203	\$1,511,553	\$1,511,553

*Rifle-Resistant Body Armor Grant

Carry Forward Budget Amendment

Capital Improvement Funds

5

Fund	Revenue Budget Change	Fund Balance	Total Revenues	Expenditure Budget Change
Governmental CIP	*\$597,788	\$1,952,376	\$2,550,164	\$2,550,164
Water/Sewer CIP	\$0	\$2,192,724	\$2,192,724	\$2,192,724
Aviation CIP	\$0	\$1,746,559	\$1,746,559	\$1,746,559
Drainage CIP	<u>\$0</u>	<u>\$1,145,321</u>	<u>\$1,145,321</u>	<u>\$1,145,321</u>
Total	\$597,788	\$7,036,980	\$7,634,768	\$7,634,768

*Central Fire Station Dormitory -	\$300,000
Street bond funds -	101,203
Parks and Recreation bond funds -	<u>196,585</u>
Total Revenue	\$597,788

Carry Forward Budget Amendment

Special Revenue Funds

6

Fund	Revenue Budget Change	Fund Balance	Total Revenues	Expenditure Budget Change
Hotel Occupancy Tax	\$0	\$6,975	\$6,975	\$6,975
Law Enforcement Grant	<u>\$0</u>	<u>\$168,564</u>	<u>\$168,564</u>	<u>\$168,564</u>
Total	\$0	\$175,539	\$175,539	\$175,539

Carry Forward Budget Amendment Summary

7

Fund	Revenue Budget Change	Fund Balance	Total Revenues	Expenditure Budget Change
Step 1: Fleet Replacement Program	\$0	\$3,214,741	\$3,214,741	\$3,214,741
Step 2: Fleet Replacement Program	\$3,214,741	\$0	\$3,214,741	\$3,214,741
Operational Funds	\$127,350	\$1,384,203	\$1,511,553	\$1,511,553
CIP Funds	\$597,788	\$7,036,980	\$7,634,768	\$7,634,768
Special Revenue Funds	<u>\$0</u>	<u>\$175,539</u>	<u>\$175,539</u>	<u>\$175,539</u>
Total	\$3,939,879	\$11,811,463	\$15,751,342	\$15,751,342

Carry Forward Budget Amendment Recommendation

8

Staff recommends that City Council approve the ordinance amending the Annual Budget and Plan of Municipal Services for FY 2019.