

Bastrop, TX City Council Meeting Agenda
Bastrop City Hall City Council Chambers
1311 Chestnut Street
Bastrop, TX 78602
(512) 332-8800



August 22, 2017 at 6:30 P.M.

City of Bastrop City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at (512) 332-8800 or write 1311 Chestnut Street, 78602, or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas at 1-800-735-2989 at least 48 hours in advance of the meeting.

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purposes of seeking confidential legal advice from the City Attorney on any item on the agenda at any time during the meeting.

The City of Bastrop reserves the right to reconvene, recess, or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

1. CALL TO ORDER

- 2. PLEDGE OF ALLEGIANCE** – Ryan St. Clair and Felicity Clappison, Bastrop High School Theatre Club

TEXAS PLEDGE OF ALLEGIANCE

Honor the Texas Flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

- 3. INVOCATION** – Pastor Harold Welch, Primera Baptist Church

4. PRESENTATIONS

- 4A. Mayor's Report
- 4B. Councilmembers' Report
- 4C. City Manager's Report

5. WORK SESSION/BRIEFINGS

- 5A. Receive Presentation from and hold discussion with Texas State Park Representatives regarding history of Golf Course to present day and proposed plans with benefits to park visitors and community of Bastrop.

- 5B. Receive a presentation on the recommendation of the Bastrop City Parks Board supporting the Texas Parks & Wildlife plan for the 137 Acres in Bastrop State Park.
- 5C. Discuss need for an associate judge and request for qualifications process with timeline.

6. STAFF AND BOARD REPORTS

- 6A. Receive presentation on the Emergency Water Interconnect Agreement between the City of Bastrop and Aqua Water Supply Corporation.
- 6B. Receive presentation on the unaudited Monthly Financial Report for the period ending July 31, 2017.
- 6C. Receive report from Bastrop Economic Development Corporation.

7. CITIZEN COMMENTS

At this time, three (3) minute comments will be taken from the audience on any topic. To address the Council, please submit a fully completed request card to the City Secretary prior to the beginning of the Citizens' Comment portion of the Council meeting. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, City Council cannot discuss issues raised or make any decision at this time. Instead, City Council is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry. Issues may be referred to City Staff for research and possible future action.

To address the Council concerning any item on the agenda, please submit a fully completed request card to the City Secretary prior to the consideration of that item.

It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Council to allow a member of the public to slur the performance, honesty and/or integrity of the Council, as a body, or any member or members of the Council individually or collectively, or members of the City's staff. Accordingly, profane, insulting or threatening language directed toward the Council and/or any person in the Council's presence will not be tolerated.

8. CONSENT AGENDA

The following may be acted upon in one motion. A Councilmember or a citizen may request items be removed from the Consent Agenda for individual consideration.

- 8A. Consider action to approve minutes from the August 8, 2017 and August 10, 2017, meetings.
- 8B. Consider action to approve the second reading of Resolution No. R-2017-58 of the City Council of the City of Bastrop, Texas approving a project, using funds provided by the Bastrop Economic Development Corporation, in an amount exceeding \$10,000 (Downtown Trail Expansion Project); and providing an effective date.

- 8C. Consider action to approve the second reading of Resolution No. R-2017-59 of the City Council of the City of Bastrop, Texas, authorizing a project of the Bastrop Economic Development Corporation, in an amount exceeding \$10,000 (Granite & Stone Project)); and providing an effective date.
- 8D. Consider action to approve the second reading of Ordinance No. 2017-20 of the City Council of the City of Bastrop, Texas granting a conditional use permit for a 175-foot communications tower, being lot 3-A of the Bastrop Business & Industrial Park, Phase 1, Block B, located at 1501 Business Park Drive, within the City limits of Bastrop, Texas; setting out conditions; and establishing an effective date.
- 8E. Consider action to approve the second reading of Ordinance No. 2017-21 of the City Council of the City of Bastrop, Texas to rezone lots 2, 3, 4, 5, 6, and 7 of the North Main Addition Subdivision from NS, Neighborhood Service and O, Office to SF-7, Single-Family 7, located at the southwest corner of Main Street and Mesquite Street, within the City limits of Bastrop, Texas; and establishing an effective date.

9. ITEMS FOR INDIVIDUAL CONSIDERATION


- 9A. Conduct a public hearing (1st) on the proposed Ad Valorem Tax Rate for FY 2017-2018.
- 9B. Consider action to approve Resolution No. R-2017- 68 of the City Council of the City of Bastrop, Texas authorizing Bastrop Art in Public Places to acquire through purchase one (1) permanent sculpture, amounting to \$7,500 in accordance with the City's purchasing policy; and providing an effective date.

10. EXECUTIVE SESSION - NONE

11. TAKE ANY NECESSARY OR APPROPRIATE ACTION ON MATTERS POSTED FOR CONSIDERATION IN CLOSED/EXECUTIVE SESSION

12. ADJOURNMENT

I, the undersigned authority, do hereby certify that this Notice of Meeting as posted in accordance with the regulations of the Texas Open Meetings Act on the bulletin board located at the entrance to the City of Bastrop City Hall, a place of convenient and readily accessible to the general public, as well as to the City's website, www.cityofbastrop.org and said Notice was posted on the following date and time: Friday, August 18, 2017 at 3:00 p.m. and remained posted for at least two hours after said meeting was convened.



Ann Franklin, City Secretary



STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 4A

TITLE:

Mayor's Report

STAFF REPRESENTATIVE:

Lynda Humble, City Manager

ACTIVITIES OF MAYOR SCHROEDER SINCE THE LAST COUNCIL MEETING:

- First Joint Workshop between City Council and Boards held August 10th with Planning and Zoning. Looking forward to the next workshop – likely BAIPP Board
- Participated in the YMCA event on Friday, August 11th to raise money for project “SAFE” teaching kids how to swim. YMCA Board members came to swim!

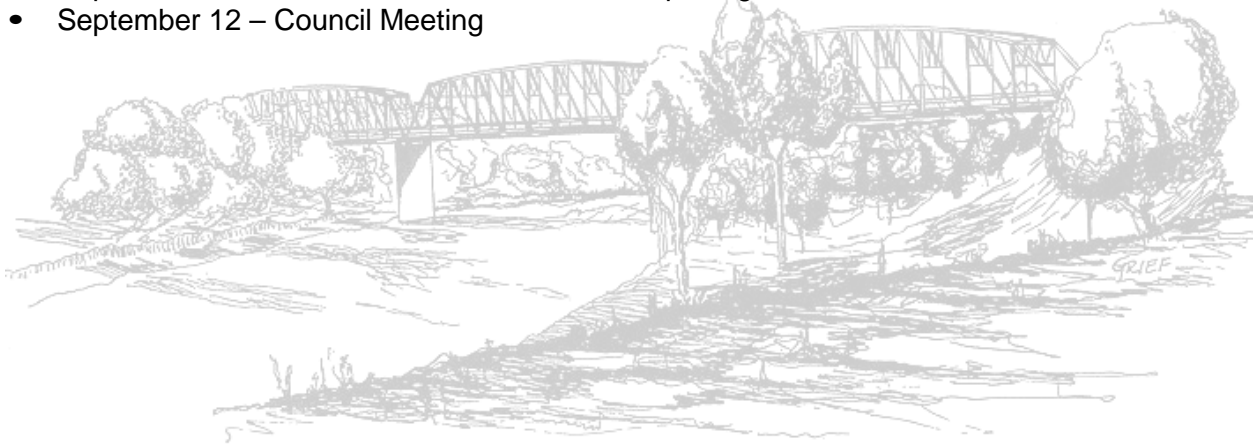


- Great visit to the Farmer's Market on Saturday, August 12th. If you haven't been lately you need to go.
- Participated in BISD's Convocation to kick off the school year on August 16. Special thanks to Dr. Kristi Lee for the invitation.
- Commissioner Beckett and I were honored to be recognized by the WTS-Heart of Texas Chapter on August 16th.

- Thank you to our outstanding parks folks. Ms. Audrey Prather sent a note thanking Adam, Terry, Levi, John and Joseph for going above and beyond to help her during homecoming
- Ms. Connie Clement, from Navasota, sent a note of thanks to Becki Womble (Chamber) and mentioned how wonderful the Visitor's Center Staff was to her and her daughter. Thank you to all the folks who make our visitor's want to come back!

Upcoming events:

- August 25 – Ribbon Cutting: Sertinos Coffee
 - BEST Breakfast
 - Boogie Back to Bastrop – Western Swing Festival
- September 1 – Ribbon Cutting; 5th Anniversary Lost Pines Art Bazaar
 - First Friday Art Walk
- September 4 – Labor Day
- September 6 – Chamber Luncheon
- September 7 - Farm Street Opry
- September 9 – Lost Pines Art Center Grand Opening
- September 12 – Council Meeting





STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 4B

TITLE:
Councilmembers' Report

STAFF REPRESENTATIVE:
Lynda Humble, City Manager





STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 4C

TITLE:

City Manager's Report

STAFF REPRESENTATIVE:

Lynda Humble, City Manager





STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 5A

TITLE:

Receive Presentation from and hold discussion with Texas State Park Representatives regarding history of Golf Course to present day and proposed plans with benefits to park visitors and community of Bastrop.

STAFF REPRESENTATIVE:

Lynda Humble, City Manager





STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 5B

TITLE:

Receive a presentation on the recommendation of the Bastrop City Parks Board supporting the Texas Parks & Wildlife plan for the 137 Acres in Bastrop State Park.

STAFF REPRESENTATIVE:

Trey Job, Managing Director of Public Works & Leisure Services

ATTACHMENT:

- Park Board Recommendation



A RECOMMENDATION BY THE BASTROP CITY PARKS BOARD TO THE BASTROP CITY COUNCIL OF BASTROP TEXAS SUPPORTING THE TEXAS PARKS AND WILDLIFE AUGUST 1, 2017 PLAN FOR THE 137 ACRES IN BASTROP STATE PARK.

In the past 10 years, the City of Bastrop has experienced unprecedented growth, resulting in numerous challenges for the City in appropriate provision of services, specifically those related to parks, trails, recreation and open spaces.

In response, the City Council authorized the Master Parks Plan Update in 2008 and 2015 to provide for and to continue park and recreation facilities, provide trail opportunities, preserve open spaces and update existing parks in the City of Bastrop.

The Bastrop Comprehensive Plan of 2016 states the quality of life measures embodied by a well-managed public parks system is a barometer of community health which can influence the City's competitiveness for private investment and growth. It recognized the need to strengthen connections between the City's active recreation parks and local natural resources (best represented by Bastrop State Park, the Colorado River and Lost Pines Nature Preserve).

The 2016 Plan (objective 7.1.2) supports increasing citywide bicycle and pedestrian accessibility through the development of a linear park system.

The Texas Parks and Wildlife Department (TPWD) Proposed Public Use Plan presented on August 1, 2017 used as a basis for their proposal the City of Bastrop Master Parks Plan 2015 citing 90% support from citizens for outdoor programming and 80% for outdoor education.

The TPWD Plan presented 18 acres for day use area with informal play fields, natural playscape stations and picnic sites, converting the historic pro-shop and starter house to an Interpretive Center, building a nature/education center and creation of an amphitheater.

Also, the TPWD Plan used as a basis again, the Bastrop Master Parks Plan 2015 citing 90% support from citizens for hiking/biking trails as the most requested facility type.

This plan creates almost five miles of new hike and bike trails within the State Park and connection to the City of Bastrop proposed trail.

The TPWD Plan, if adopted, expands a continuum of recreational opportunities for the citizens of the City of Bastrop with emphasis on outdoor programming, outdoor education and hiking and biking trails. This plan identifies existing and future partnerships with Bastrop State Park without further cost to the City of Bastrop.

The Bastrop City Parks Board recommends that the City Council of Bastrop endorse the Plan and that endorsement be shared with the State of Texas Parks and Wildlife Department. The Department has asked that input be given to them by September 1, 2017.

PASSED AND APPROVED THIS 10TH DAY OF AUGUST, 2017 BY THE BASTROP PARKS BOARD



Josh Gordon, Chairperson



Nancy Rabensburg, Secretary



STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 5C

TITLE:

Discuss need for an Associate Judge(s) and request for qualifications process with Timeline.

STAFF REPRESENTATIVE:

Lynda Humble, City Manager
Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:

The City of Bastrop has had the current presiding Municipal Judge since 2009. She works seven (7) days a week to fulfill the requirements of her position. With increased growth over the past several years, Associate Judges are needed to provide support for weekend responsibilities and to fill in when the Presiding Judge is off or at training.

POLICY EXPLANATION:

The City Charter states:

“The Judge(s) shall be nominated by the Mayor and appointed by the Council for a term that runs concurrently with the term of the office of the Mayor.”

The Charter also states that compensation for the Judge(s) is set by City Council.

RECOMMENDATION:

City staff recommends that City Council authorize the City Manager to publish a request for qualifications that follows the timeline set forth in the presentation.

ATTACHMENTS:

- Associate Judge PowerPoint Presentation

Municipal Court Judge

- Current Presiding Judge was first appointed Feb. 1, 2009
- Last salary adjustment Oct. 1, 2009 - \$45,000 (1/2 medical premium)



Need for an Associate Judge

Our current Presiding Judge covers all of the following duties that require her to possible work everyday of the week including weekends

- Jail arraignments – Daily
- Arraignments – Monday through Wednesday
- Jury Trials – as needed
- Pre-trials – 2nd & 4th Thursday of month
- Bench Trials – as needed
- Juveniles – Every Tuesday



Associate Judge Minimum Qualifications

- Juris Doctorate Degree from accredited institution
- Licensed with the State Bar of Texas
- Two years practicing law in Texas
- Three years practicing law with criminal and juvenile trial experience (preferred)
- Resident or office in the City of Bastrop or Bastrop County (preferred)
- Must have flexible work hours
- Clear grievance record



Associate Judge Compensation

- Paid per event \$150/each (ie. jail magistrate)
- Court (1/2 day) \$400
- Warrant issued overnight \$50/each
- FY2018 budget includes \$20,000



Award Schedule milestones

Date	Activity
August 23, 2017	Issue Request for Qualifications
September 11, 2017	Deadline for Questions
September 20, 2017	RFQ Submittal Deadline
October 10, 2017	Potential interviews
October 24, 2017	City Council approves contract and appoints an Associate Judge





STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 6A

TITLE:

Receive presentation on the Emergency Water Interconnect Agreement between the City of Bastrop and Aqua Water Supply Corporation.

STAFF REPRESENTATIVE:

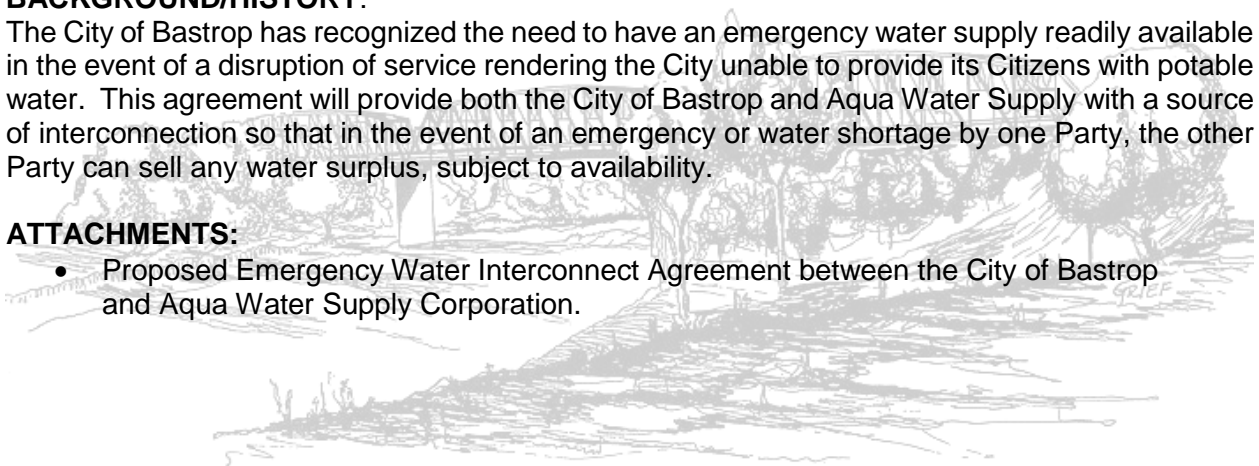
Trey Job, Director of Public Works

BACKGROUND/HISTORY:

The City of Bastrop has recognized the need to have an emergency water supply readily available in the event of a disruption of service rendering the City unable to provide its Citizens with potable water. This agreement will provide both the City of Bastrop and Aqua Water Supply with a source of interconnection so that in the event of an emergency or water shortage by one Party, the other Party can sell any water surplus, subject to availability.

ATTACHMENTS:

- Proposed Emergency Water Interconnect Agreement between the City of Bastrop and Aqua Water Supply Corporation.



**EMERGENCY WATER INTERCONNECT AGREEMENT BETWEEN THE CITY OF
BASTROP, TEXAS AND AQUA WATER SUPPLY CORPORATION**

THE STATE OF TEXAS §

COUNTY OF BASTROP §

This Emergency Water Interconnect Agreement is entered into as of August 31, 2017, (the "Effective Date"), by and between Aqua Water Supply Corporation ("Aqua"), a nonprofit water supply corporation acting pursuant to Chapter 67 of the Texas Water Code, and the City of Bastrop, Texas ("Bastrop") a home rule city and body politic of the State of Texas for the purpose of providing an emergency interconnection between the water systems of both Parties ("Parties").

RECITALS

WHEREAS, Aqua is the holder of retail water Certificate of Convenience and Necessity No. 10294 issued by the Texas Commission on Environmental Quality and the owner and operator of a public water supply system; and

WHEREAS, Bastrop is the holder of retail water Certificate of Convenience and Necessity No. 11198 issued by the Texas Commission on Environmental Quality and the owner and operator of a public water supply system; and

WHEREAS, Aqua and Bastrop each have and intend to continue operating their respective public water supply systems; and

WHEREAS, the Parties desire to develop an alternative source of potable water in the event of an emergency disrupting one's capability to provide potable water to its customers; and

WHEREAS, the Parties operate adjacent water systems and it would be to the advantage and benefit of the Parties to construct the required facilities to interconnect their water systems so that in the event of an emergency or water shortage by one Party, the other Party can sell any water surplus under and subject to the terms and conditions set forth in this Agreement; and

WHEREAS, the governing bodies of Aqua and Bastrop have determined it would serve the public interest for the Parties to provide such alternate water service to the other in the event of an emergency and in accordance with the terms and conditions set forth in the Agreement; and

WHEREAS, Aqua and Bastrop are desirous of setting forth in an agreement the terms and conditions for providing water service in the event of an emergency as more particularly defined below.

NOW, THEREFORE, in consideration of the foregoing promises and the mutual agreements, covenants, and conditions hereinafter set forth, Aqua and Bastrop agree as follows:

ARTICLE I.
Definitions

As utilized herein, the following terms shall have these meanings:

- A. Water: means potable water meeting applicable requirements of the Texas Commission on Environmental Quality or any successor agency of competent jurisdiction delivered at the normal operating pressure of the Providing Utility.
- B. Emergency: means an act of God or similar unforeseen and unpreventable catastrophic circumstance or disaster, or any other event that renders Aqua or Bastrop substantially unable to provide water to its customers to the degree that would threaten the health, safety and welfare of its customers.
- C. Points of Delivery: means the points of interconnection between the Parties' respective water systems as shown on Exhibit "A" at which the Providing Utility can deliver water to the Receiving Utility.
- D. Providing Utility: means Aqua when Aqua is providing emergency water service to Bastrop under this Agreement and shall mean Bastrop when Bastrop is providing emergency water service to Aqua.
- E. Receiving Utility: means Aqua when Aqua is receiving emergency water service from Bastrop under this Agreement and shall mean Bastrop when Bastrop is receiving emergency water service from Aqua.
- F. Appropriate Representative: means the General Manager for Aqua and the City Manager for Bastrop.

ARTICLE II.
General Conditions for Provision of Emergency Water Service

- A. Provision of Service During an Emergency. Subject to the terms and conditions stated herein, the Providing Utility Agrees to provide water service required for operation of the water system of the Receiving Utility in the event of an Emergency.
- B. Volume and Demand Limitations. The amount of water delivered to the Receiving Utility and the rate of flow thereof shall not exceed the rated capacity of the water facilities installed for delivery of emergency water service.
- C. Subject to Availability. Subject to the remaining conditions set forth herein, the Providing Utility will provide emergency water service to the Receiving Utility depending on availability of water in excess of that required to service the Providing Utility's customers as determined by the Appropriate Representative of the Providing Utility.

D. Duration of Service. The Providing Utility agrees to provide emergency water service to the Receiving Utility in accordance with this Agreement for the shortest of the following periods:

- (1) the reasonable duration of the Emergency giving rise to the request for emergency service; or
- (2) the reasonable duration needed to repair damage to the Receiving Utility's water system occasioned by the Emergency; or
- (3) the duration of the Providing Utility's ability to provide water service to the Receiving Utility after meeting the requirements of its own customers; or
- (4) thirty-six months.

In the event the Emergency exceeds the shorter of the foregoing periods, the Receiving Utility may make written request to the Appropriate Representative of the Providing Utility to continue or resume emergency water service beyond said period. The Appropriate Representative of the Providing Utility may continue or resume such service for an additional two-week period or such other and further period as the Appropriate Representative of the Providing Utility shall determine appropriate if:

(a) the disability caused by the Emergency has not abated and the Receiving Utility has exercised diligence in attempting to remove such disability; and

(b) the Providing Utility continues to have water available to service the Receiving Utility in excess of that required to service the Providing Utility's own customers.

E. Procedure for Commencement of Service. If, upon the occurrence of an Emergency, the Receiving Utility needs emergency water service from the Providing Utility, the following protocol shall be utilized to confirm the existence of an emergency and to commence Emergency water service to the Receiving Utility:

- (1) The following person(s) are authorized to make requests for emergency water service or to confirm the existence of an Emergency and authorize commencement of emergency water service;

Aqua Water Supply Corporation: The General Manager or designee

The City of Bastrop: The City Manager or designee

- (2) the designated contact person of the Receiving Utility shall notify the Providing Utility's dispatcher or designated contact person of the fact and nature of the Emergency and the reason why the Receiving Utility is unable to provide water service to its customers. Such notification, if given verbally, shall be confirmed in writing and addressed to the

Providing Utility's dispatcher or designated contact person within 24 hours of the verbal notification;

(3) the Providing Utility's dispatcher or contact person shall report the foregoing information to the Appropriate Representative of the Providing Utility and obtain confirmation from the general manager that an Emergency exists and for authorization to commence service to the Receiving Utility;

(4) following such confirmation and authorization, the Providing Utility and Receiving Utility will dispatch their crews to open the interconnection between the Providing Utility and the Receiving Utility to commence emergency water service.

(5) the Receiving Utility shall cooperate at all times with the Providing Utility to ensure the safe and efficient delivery of emergency water service.

- F. Ingress and Egress. The Parties agree to ensure the ingress and egress of each Party to the Points of Delivery and interconnection for all reasonable purposes incident to this Agreement including, without limitation, inspection, installation, operation, maintenance, repair or removal of the interconnection and all valves, meters and other equipment utilized therewith.
- G. Discontinuance of Emergency Service. The Receiving Utility shall promptly notify the Appropriate Representative of the Providing Utility or its designated contact person of the completion of repairs to its system or the abatement of the Emergency giving rise to the request for emergency service hereunder and the Providing Utility will then remove the interconnection within a reasonable time of such notice not to exceed twenty-four (24) hours.
- H. Rates. The Receiving Utility agrees to pay the Providing Utility for emergency water service delivered under this Agreement at the initial rate of \$3.50 per 1,000 gallons, with a charge of \$60.00 for each separate time that the interconnection is opened after hours. The initial charge of \$3.50 per 1,000 gallons for water delivered to the Receiving Utility remains in effect until December 31, 2022, after which either Party may adjust the price at any time. Notice of any price change shall be given at least sixty (60) days prior to the same going into effect. In executing this Agreement, the Receiving Utility acknowledges that the Providing Utility's rates are just, reasonable, and nondiscriminatory.
- I. Billing Protocol. The Providing Utility shall bill the Receiving Utility in a monthly itemized bill for water service based on the readings from the master meter at the interconnect point. Should the Receiving Utility request that the metering equipment be calibrated to determine any error in accuracy, the Providing Utility shall pay calibration cost if the inaccuracy is found to be in excess of plus or minus 3%. If inaccuracy is less than 3%, the Receiving Utility shall pay cost of calibration. If either Party is due a refund or entitled to additional payment, the same shall be invoiced by the Party claiming same as above, and failure to pay or refund same shall be subject to the same provisions as are applicable to the usual sale of water as provided above.

- J. Payment. Payment shall be made by the Receiving Utility no later than thirty (30) days following the date of the bill for water consumed by the Receiving Utility in the previous billing cycle. Payments not made within the period provided shall be subject to a service charge of 10%, and if the payment plus service charge is not made to the Providing Utility within the thirty (30) day period immediately following the month water is taken, the interconnection may be disconnected by the Providing Utility at the expense of the Receiving Utility and this Agreement shall be null and void. If suit is required to collect the amount due for the water taken, service charge and/or disconnection expenses, the Receiving Utility shall be liable for the reasonable attorney's fees of the Providing Utility and all court costs incurred.
- K. Receiving Utility Rates. The Receiving Utility may charge its individual water customers such uniform rate(s) as the Receiving Utility shall determine.
- L. Conservation Restrictions. The Receiving Utility agrees to impose on its customers all voluntary and mandatory conservation and use restrictions imposed by the Providing Utility on its customers in such instances provided, however, that the Receiving Utility shall not be required to impose more stringent controls than the Providing Utility imposes on its own customers in such instances.
- M. Water Quality. Each Party shall provide potable water through the interconnection of the same quality provided to its own customers. The Parties shall not be liable for delivering water of a standard less than the potable water standard of the State so long as they are providing the same quality of water provided their own customers. The Parties neither represent nor agree to furnish water at any particular pressure. Any water delivered pursuant to this Agreement shall be measured at the Points of Delivery, being at the meter installed to record the amount of water taken by the Receiving Utility and the proper conveyance and distribution of water taken shall be the sole responsibility of the Receiving Utility.
- N. Water Volume. The Parties neither represent nor agree to provide any particular volume of water at any specific time, and shall not be liable for the refusal or failure to provide water through the interconnection, or for any losses or damages resulting or alleged to be the result of any refusal or failure to provide water through the interconnection. TO THE EXTENT ALLOWED BY LAW, THE RECEIVING UTILITY AGREES TO INDEMNIFY THE PROVIDING UTILITY, ITS SUCCESSORS AND ASSIGNS, AND HOLD IT FREE AND HARMLESS FROM AND AGAINST ANY AND ALL LIENS, CLAIMS, DEBTS, CHARGES, DAMAGES, LOSS, PENALTIES, AND EXPENSES, LIQUIDATED OR UNLIQUIDATED, EXECUTED OR EXECUTORY, ORAL OR WRITTEN, EXPRESS OR IMPLIED, ACTUAL OR CONTINGENT, WHETHER OR NOT HEREBY EXPRESSLY LISTED OR DESCRIBED, BUT WHICH MAY BE ASSERTED NEVERTHELESS AGAINST THE PROVIDING UTILITY, ITS SUCCESSORS OR ASSIGNS, RESULTING from the delivery of water upon passing through a Point of Delivery occurring during or in connection with the provision of water to the Receiving Utility.

ARTICLE III.
Requirements for Interconnection

- A. Points of Delivery. Emergency water service provided shall be delivered from the Providing Utility to the Receiving Utility to the Points of Delivery described on Exhibit "A" attached hereto. The location of the Points of Delivery may be modified, at the sole expense of the party requesting the modification, by agreement between the Parties. A Party making request for an additional connection of its facilities to the other's water system shall accompany each such request with an engineering report and plans prepared by a registered professional engineer which detail the area to be served and include the quantity of water and characteristics of service to be provided to the additional point of delivery.
- B. Nature of Interconnection. A master meter shall be installed at each Point of Delivery between Aqua and Bastrop's System for measuring the flow of water from one system to the other.

ARTICLE IV.
Construction Responsibilities

- A. Construction Responsibilities. Aqua shall construct, at its sole expense, all approach and delivery facilities required for receipt of emergency water service from Bastrop hereunder, as well as a meter vault of suitable installation. Bastrop shall construct, at its sole expense, all approach and delivery facilities required for receipt of emergency water service from Aqua hereunder as well as a meter vault of suitable installation. Both Parties shall be responsible for obtaining all easements and rights of way necessary for construction of their respective approach and delivery facilities and the meter vault (interconnect area).
- B. Approval of Plans. Prior to commencement of construction of the water facilities, all plans and specifications must be approved in writing by both Aqua and Bastrop before actual construction begins.
- B. Inspection. In order to ensure compliance with the standards and specifications set forth herein, each Party shall have the right to inspect, at its expense, all phases of the construction of water facilities required to be constructed by the other Party in order to receive emergency water service hereunder.

ARTICLE V.
Operation and Maintenance Responsibilities

- A. System Operation and Maintenance. The Parties shall be solely responsible for the operation and maintenance of its own water distribution system in its entirety including:
 - (1) those facilities of a party located within its corporate limits or service area used to transport water to or from the Points of Delivery;

- (2) those facilities constructed by a party for the purpose of transporting water to or across the corporate limits or service area of the other; and
 - (3) the interconnection facilities constructed by the party.
- B. Maintenance Standard. The Parties agree that operation and maintenance of the facilities used to transport water shall be in accordance with the standards and procedures used by Aqua and Bastrop in the operation and maintenance of their other distribution facilities.
- C. Operation and Maintenance of Interconnection. Aqua shall be responsible for the installation, operation, maintenance and security of the interconnection to and the water meter used to serve Bastrop. Bastrop shall be responsible for the installation, operation, maintenance and security of the interconnection to and the water meter used to serve Aqua.
- D. Protective Measures. Except as specifically provided herein, the Receiving Utility shall be solely responsible for undertaking all measures to protect its system from damage or harm caused by the connection of its system to the other or otherwise from the receipt of emergency water service hereunder.
- E. Routine Maintenance. Both Parties agree that water lines should be flushed frequently to prevent the water from becoming stagnant, and the mechanical/electrical equipment should be exercised. To this end the appropriate water lines will be flushed as needed, as determined by mutual agreement of the Parties, but no less than twice per calendar year and without charge. At the time of these flushings, appropriate testing will be done on the mechanical/electrical equipment. These activities will be scheduled at a time agreeable to both Parties, and personnel from both will conduct the testing on their own equipment.

ARTICLE VI.
Remedies

- A. If any Party fails to comply with its obligations in accordance with the notice and opportunity to cure provisions set forth hereunder, the other Party shall have the right to request any court, agency, or other governmental authority of appropriate jurisdiction to grant any and all remedies which are appropriate to assure conformance to the provisions of this Agreement. The defaulting Party shall be liable to the other for all costs actually incurred in pursuing such remedies, including reasonable attorneys' fees, and for any penalties or fines as a result of the failure to comply with the terms.
- B. If either Party at any time disputes the amount to be paid by it to the other Party, the Party shall nevertheless promptly make the disputed payment or payments, but the disputing Party shall thereafter have the right to seek a determination whether the amount charged by the other Party is in accordance with the terms of this Agreement.
- C. Notwithstanding any provision in this Agreement to the contrary, if either party (referred to herein as the "Defaulting Party") fails to comply with its obligations under this

Agreement or is otherwise in breach or default under this Agreement (collectively, a "Default") then the other party (referred to herein as the "Non-Defaulting Party") shall not have any right to invoke any rights or remedies with respect to any Default until and unless: (i) the Non-Defaulting Party delivers to the Defaulting Party a written notice (the "Default Notice") which specifies all of the particulars of the Default and specifies the actions necessary to cure the Default; and (ii) the Defaulting Party fails to cure, within thirty (30) days after the Defaulting Party's receipt of the Default Notice, any matters specified in the Default Notice which may be cured solely by the payment of money or the Defaulting Party fails to commence, within a reasonable period of time after receipt of the Default Notice (to be determined according to the nature of the breach or default), the cure of any matters specified in the Default Notice which cannot be cured solely by the payment of money, or fails to thereafter pursue curative action with reasonable diligence to completion.

ARTICLE VII.
General Provisions

- A. Term. This Agreement shall continue in effect until December 31, 2022, with subsequent automatic renewals for a period of one year unless terminated by either party in accordance with Paragraph B below.
- B. Termination. Either party may terminate this Agreement upon ninety (90) days written notice to the other.
- C. No Effect on Customer Contracts. This Agreement shall not affect contracts between a party and its customers.
- D. Cooperation. The parties hereto agree to cooperate at all times in good faith to effectuate the purposes and intent of this Agreement.
- E. Entire Agreement. This Agreement contains the entire agreement of the parties and supersedes all prior or contemporaneous understandings or representations, whether oral or written, respecting the subject matter hereof.
- F. Amendments. Any amendment hereof must be in writing and signed by the authorized representative of each party hereto.
- G. No Amendment of Other Agreements. Unless otherwise expressly stipulated herein, this Agreement is separate from and shall not constitute an amendment or modification of any other agreement between the parties.
- H. No Third-Party Beneficiaries. This Agreement shall inure only to the benefit of the parties hereto and third persons not privy hereto shall not, in any form or manner, be considered a third-party beneficiary of this Agreement. Each party hereto shall be solely responsible for the fulfillment of its customer contracts or commitments and the Providing Utility shall not be construed to be responsible for same by virtue of this Agreement or any provision contained herein.

I. Applicable Law. This Agreement shall be construed under and in accordance with Texas law.

J. Venue. Venue for any action arising hereunder shall be in Bastrop County, Texas.

K. Effective Date. This Agreement shall be effective from and after the date of due execution hereof by all parties.

CITY OF BASTROP

By: _____

Name: _____

Title: _____

Date: _____

AQUA WATER SUPPLY CORPORATION

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT "A" – POINTS OF DELIVERY



STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 6B

TITLE:

Receive presentation on the unaudited Monthly Financial Report for the period ending July 31, 2017.

STAFF REPRESENTATIVE:

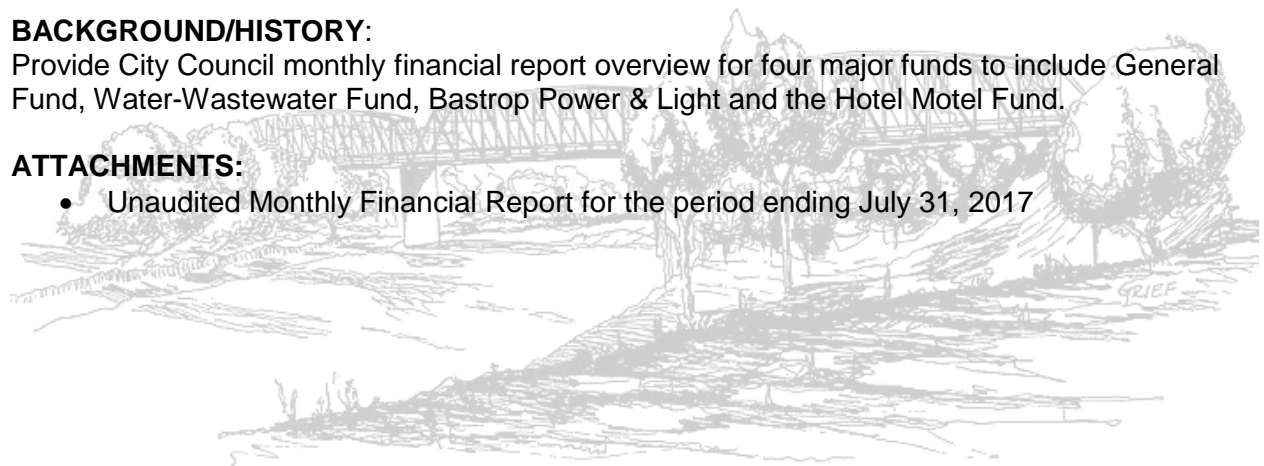
Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:

Provide City Council monthly financial report overview for four major funds to include General Fund, Water-Wastewater Fund, Bastrop Power & Light and the Hotel Motel Fund.

ATTACHMENTS:

- Unaudited Monthly Financial Report for the period ending July 31, 2017



CITY OF BASTROP, TEXAS

MONTHLY FINANCIAL REPORT FOR PERIOD ENDING July 31, 2017



Highlights for this reporting period as of July 31, 2017

General Fund:

- City Economic Development Incentives:

<u>Agreement with</u>	<u>Effective Date</u>	<u>Original Amount</u>	<u>Remaining Balance YTD</u>
Schulman Theaters	March 7, 2012	\$200,000 or 7 Years	\$46,139
Bastrop Retail Partners (Burleson Crossing)	August 30, 2007	\$7,370,694 or 15 Years	\$2,862,485

Legal fees by Attorney/Category

AS OF July 31, 2017

FIRM	CASE	FY14-15	FY15-16	FY16-17
JC BROWN				
	General Legal	\$ 335,518	\$ 279,242	\$ -
	Water permit	\$ 16,698	\$ 39,856	\$ -
	Vandiver	\$ 10,356	\$ 9,275	\$ -
BUNDREN				
	Pine Forest Interlocal	\$ 89,738	\$ 700,800	\$ 27,811
	Vandiver	\$ 3,393	\$ 79,951	\$ 2,343
	Aqua CCN	\$ 13,005	\$ 21,735	\$ 12,898
	Red Light Camera Sui	\$ 5,822	\$ 60,279	\$ -
TERRELL LAW FIRM				
	Water permit	\$ 61,015	\$ 482,815	\$ 37,405
Reimburse Council				
	General Legal	\$ -	\$ -	\$ 6,939
DAVID BRAGG, P.C.				
	General legal	\$ -	\$ 8,603	\$ 41,880
	Vandiver	\$ -	\$ -	\$ 9,080
	Water Permit	\$ -	\$ -	\$ 2,940
	Pine Forest Interlocal			\$ 3,560
TAYLOR, OLSON, ADKINS, SRALLA & ELAM, LLP				
	Red Light Camera Sui	\$ -	\$ 1,246	\$ 443
Total Legal		\$ 535,544	\$ 1,683,801	\$ 145,299

Row Labels	Sum of FY14-15	Sum of FY15-16	Sum of FY16-17
Aqua CCN	\$ 13,005	\$ 21,735	\$ 12,898
General Legal	\$ 335,518	\$ 287,845	\$ 48,819
Pine Forest Interlocal	\$ 89,738	\$ 700,800	\$ 31,371
Red Light Camera Suit	\$ 5,822	\$ 61,525	\$ 443
Vandiver	\$ 13,749	\$ 89,226	\$ 11,423
Water permit	\$ 77,713	\$ 522,671	\$ 40,110

CITY OF BASTROP
SUMMARY OF REVENUES AND EXPENDITURES
AS OF July 31, 2017

Fiscal year 2017 is 10 month or 83.3% completed

	FY 16-17 Budget*	FY 16-17 YTD Actual	% of Budget
Revenues			
General Fund	\$ 10,450,660	\$ 9,066,935	87%
W/WW Fund	\$ 4,539,243	\$ 4,123,941	91%
Electric Fund	\$ 6,999,250	\$ 5,668,929	81%
Hotel Motel Fund	\$ 2,882,000	\$ 2,235,913	78%
Expenditures			
General Fund	\$ 11,602,506	\$ 8,524,131	73%
W/WW Fund	\$ 5,874,335	\$ 3,708,638	63%
Electric Fund	\$ 7,696,181	\$ 5,438,139	71%
Hotel Motel Fund	\$ 2,563,759	\$ 1,654,547	65%

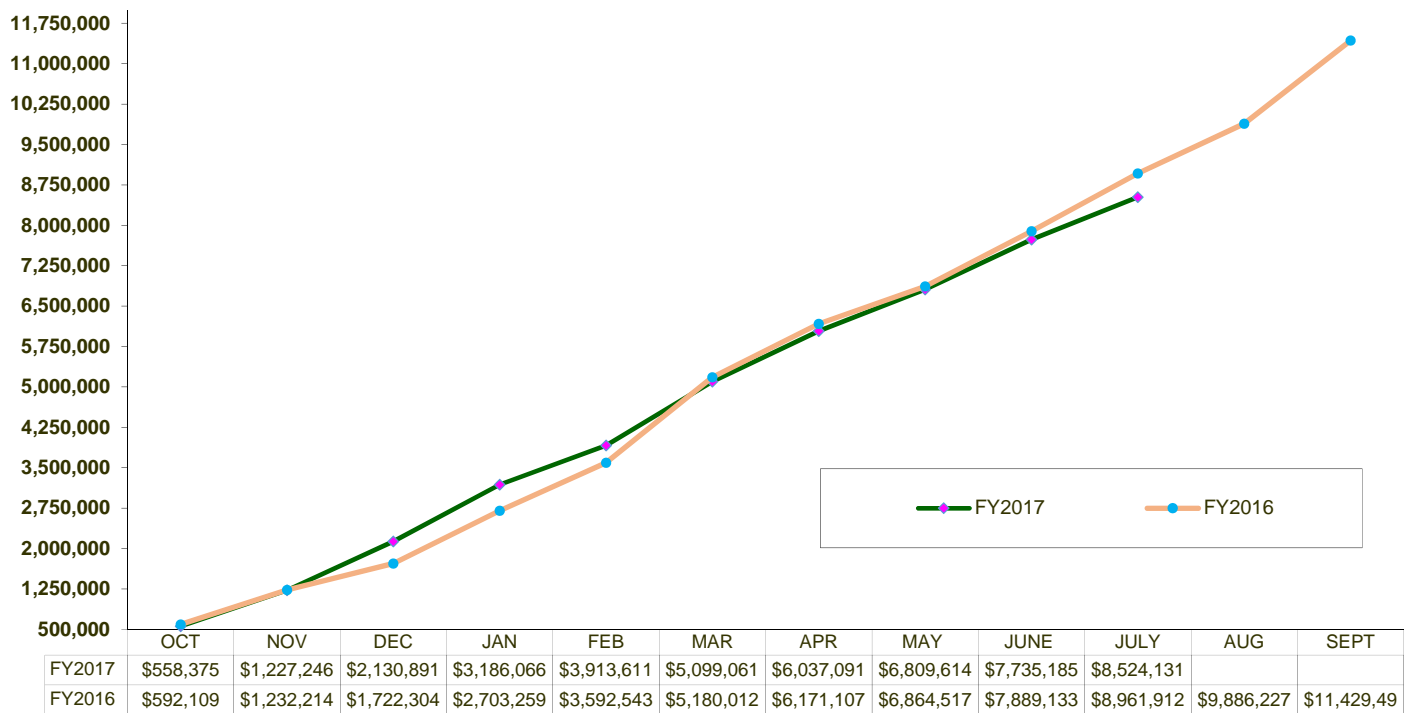
*Budget amounts reflect any budget **amendments** approved by Council during the Fiscal Year

GENERAL FUND REVENUE & EXPENDITURES AS OF July 31, 2017

FY 2016 & 2017 Revenues



FY 2016 & 2017 Expenditures

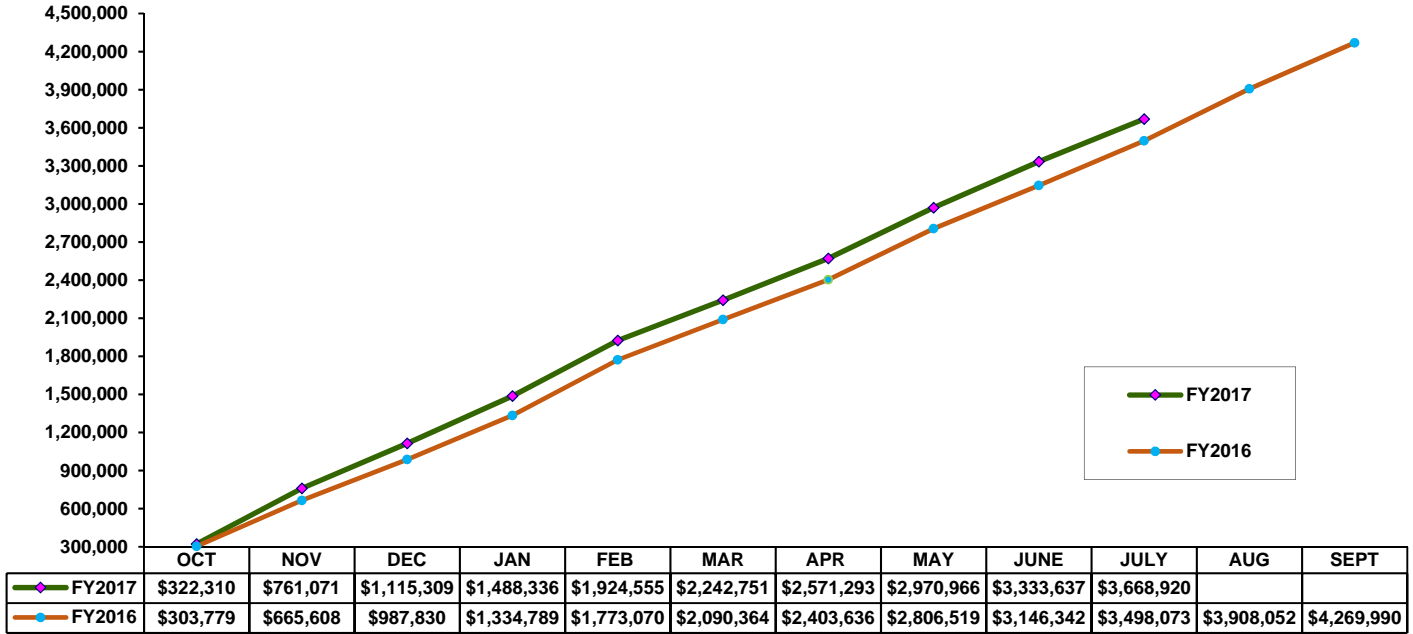


GENERAL FUND REVENUE

AS OF July 31, 2017

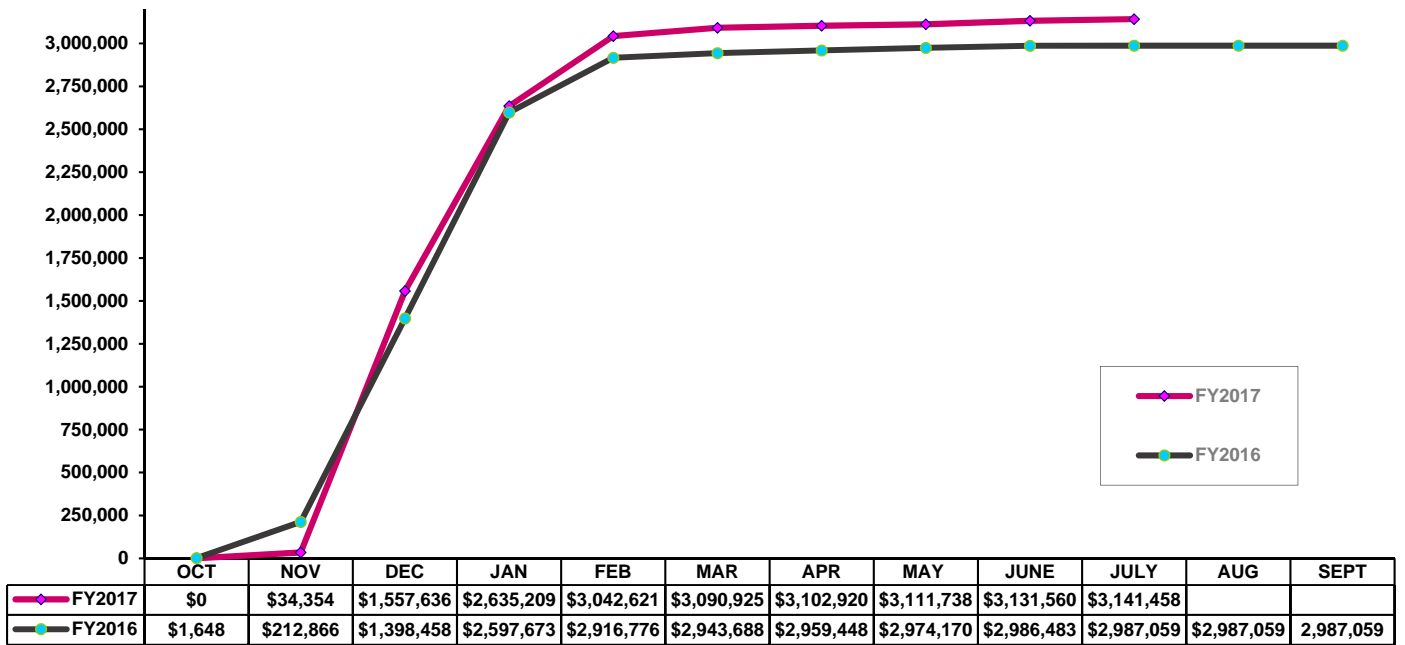
FY2017 Budgeted \$4,456,850

Sales Tax



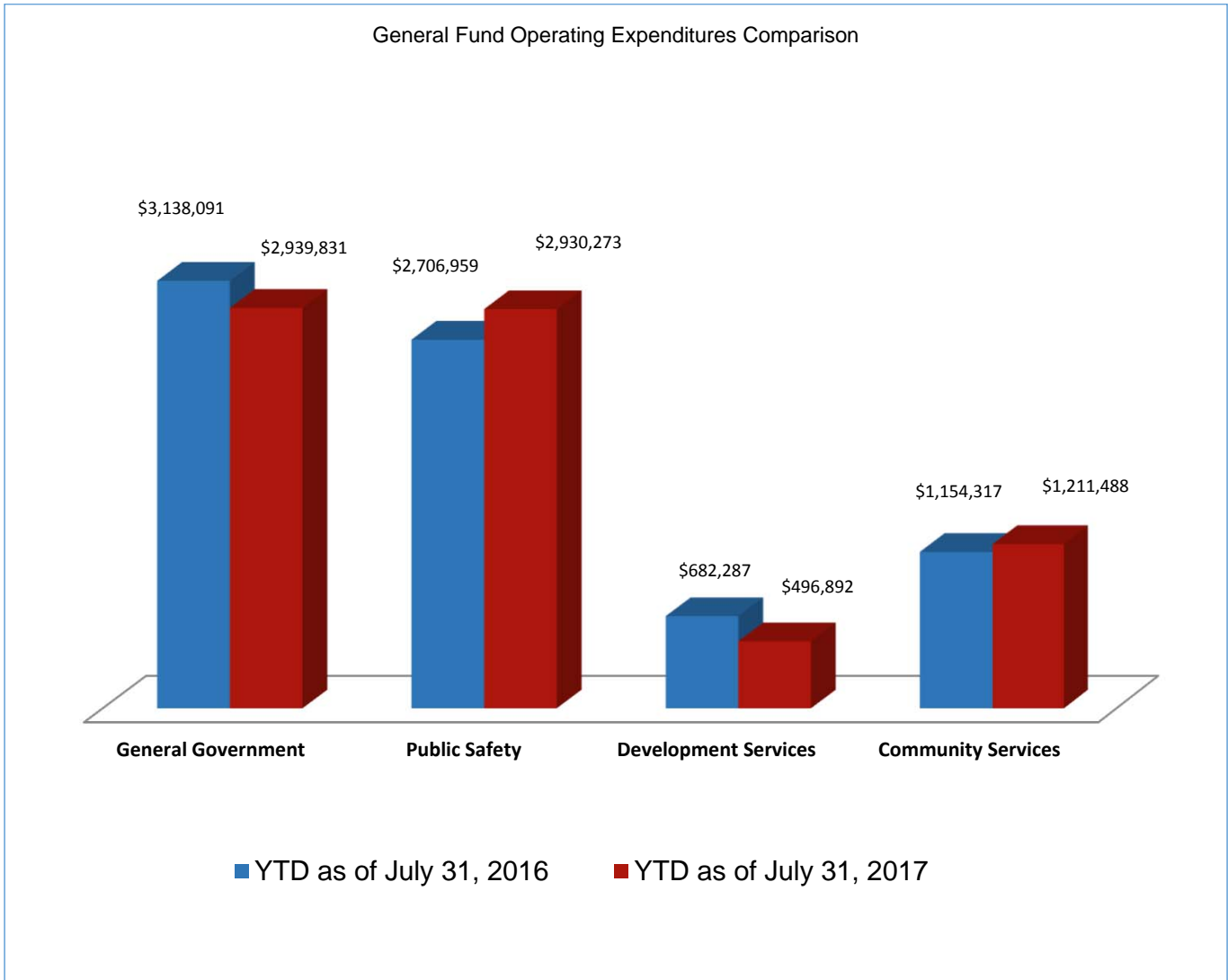
Ad Valorem Taxes

FY2017 Budget \$3,131,361



GENERAL FUND EXPENDITURES

AS OF July 31, 2017

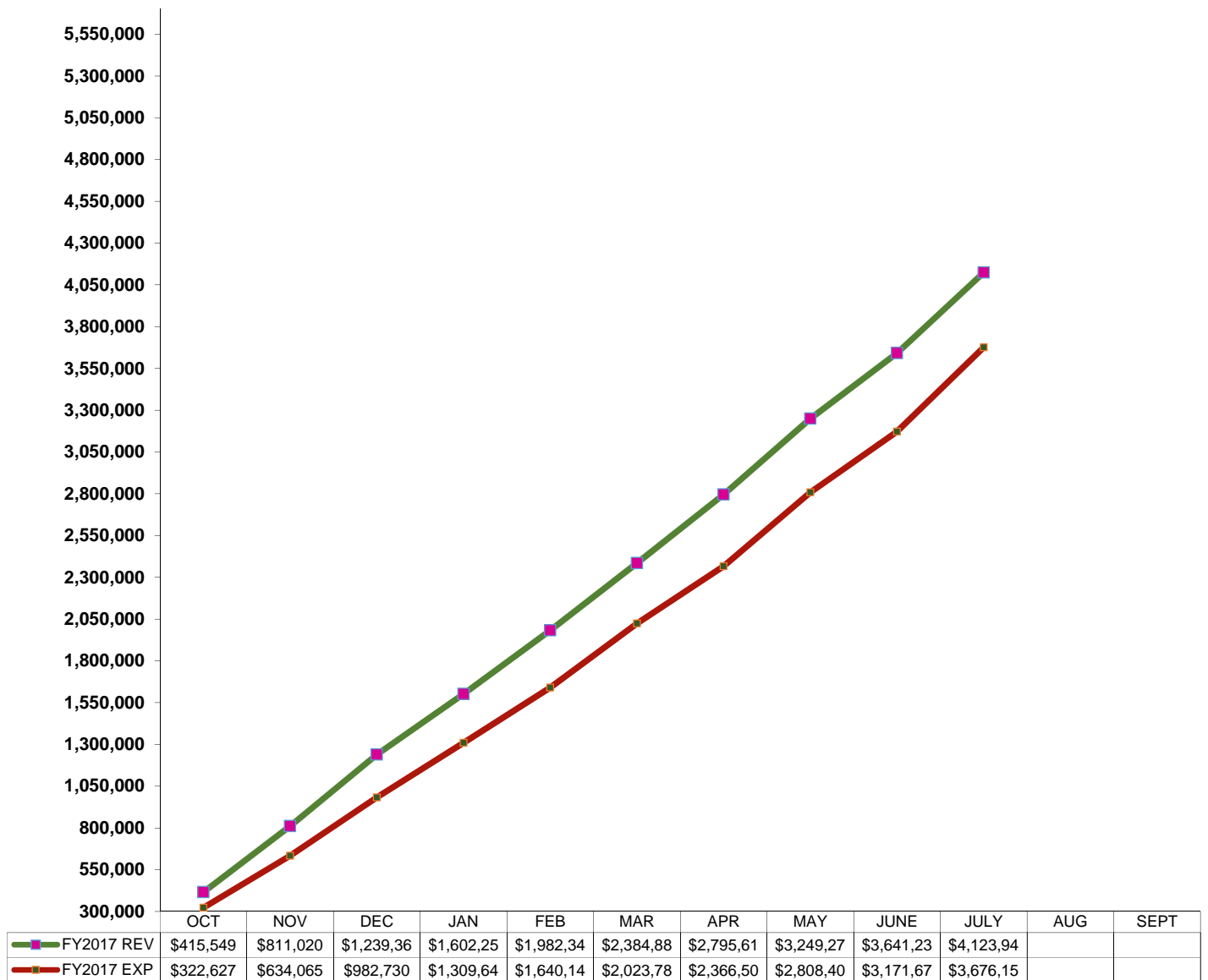


- General Government includes Legislative, Organizational, City Manager, City Secretary, Finance, Human Resources, Information Technology, Public Works, and Building Maintenance
- Public Safety includes Police Department, Fire Department, and Municipal Court
- Development Services includes the Planning Department
- Community Services includes Recreation, Parks, and Library

WATER WASTEWATER FUND REVENUE & EXPENDITURES

AS OF July 31, 2017

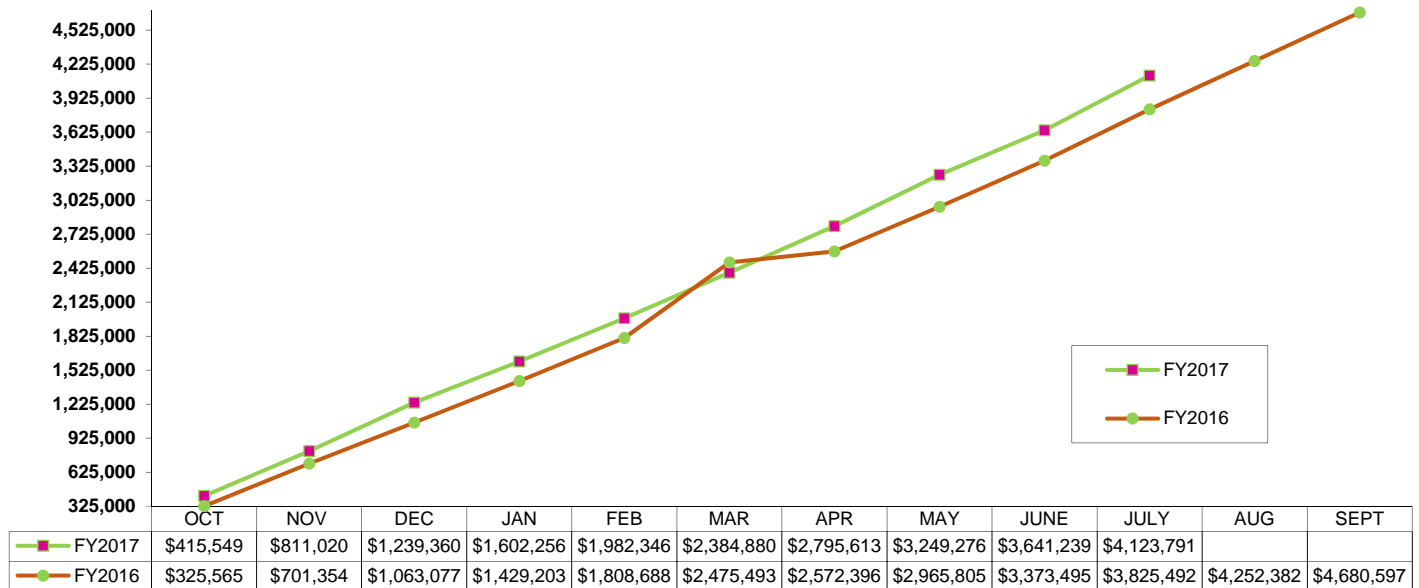
- ❖ Water/ Wastewater Fund Revenues Year-to-date (YTD) as of July 31, 2017 are \$4,123,941 or 91% of the budgeted amount



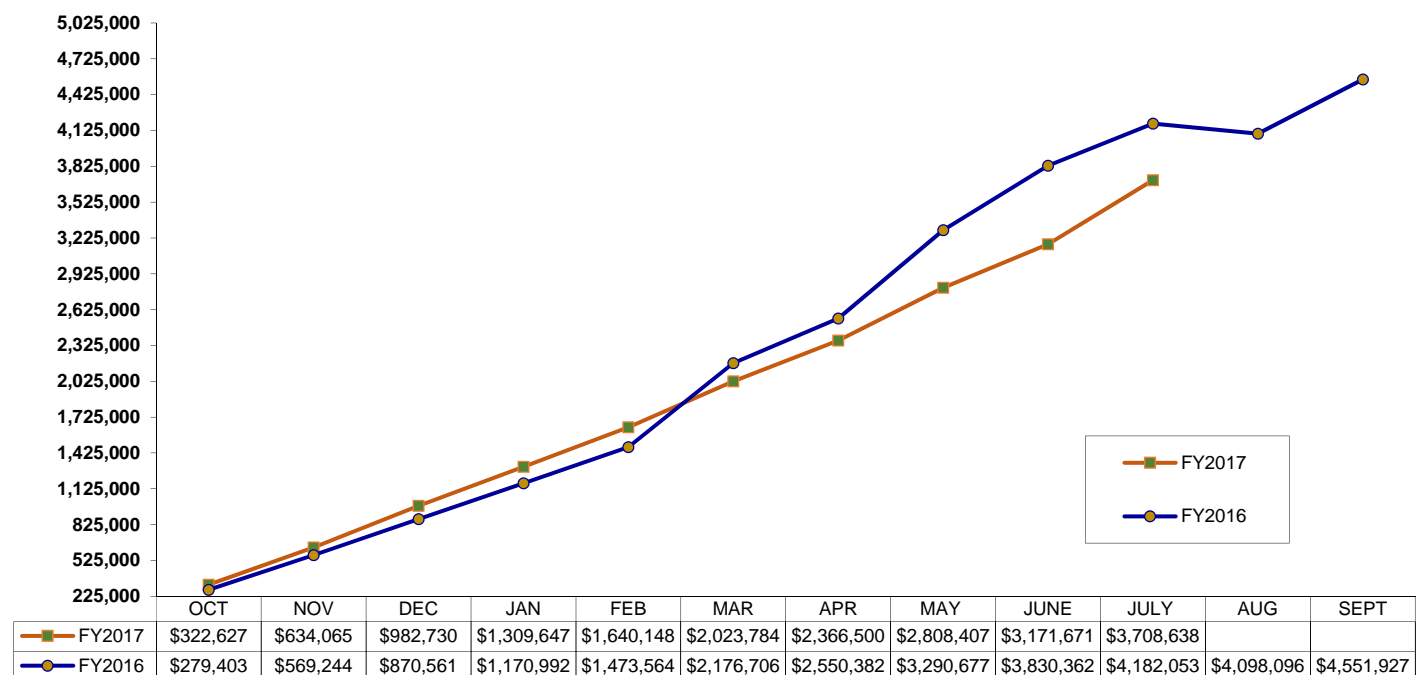
WATER WASTEWATER FUND REVENUE & EXPENDITURES

AS OF July 31, 2017

FY 2016 & 2017 Revenues



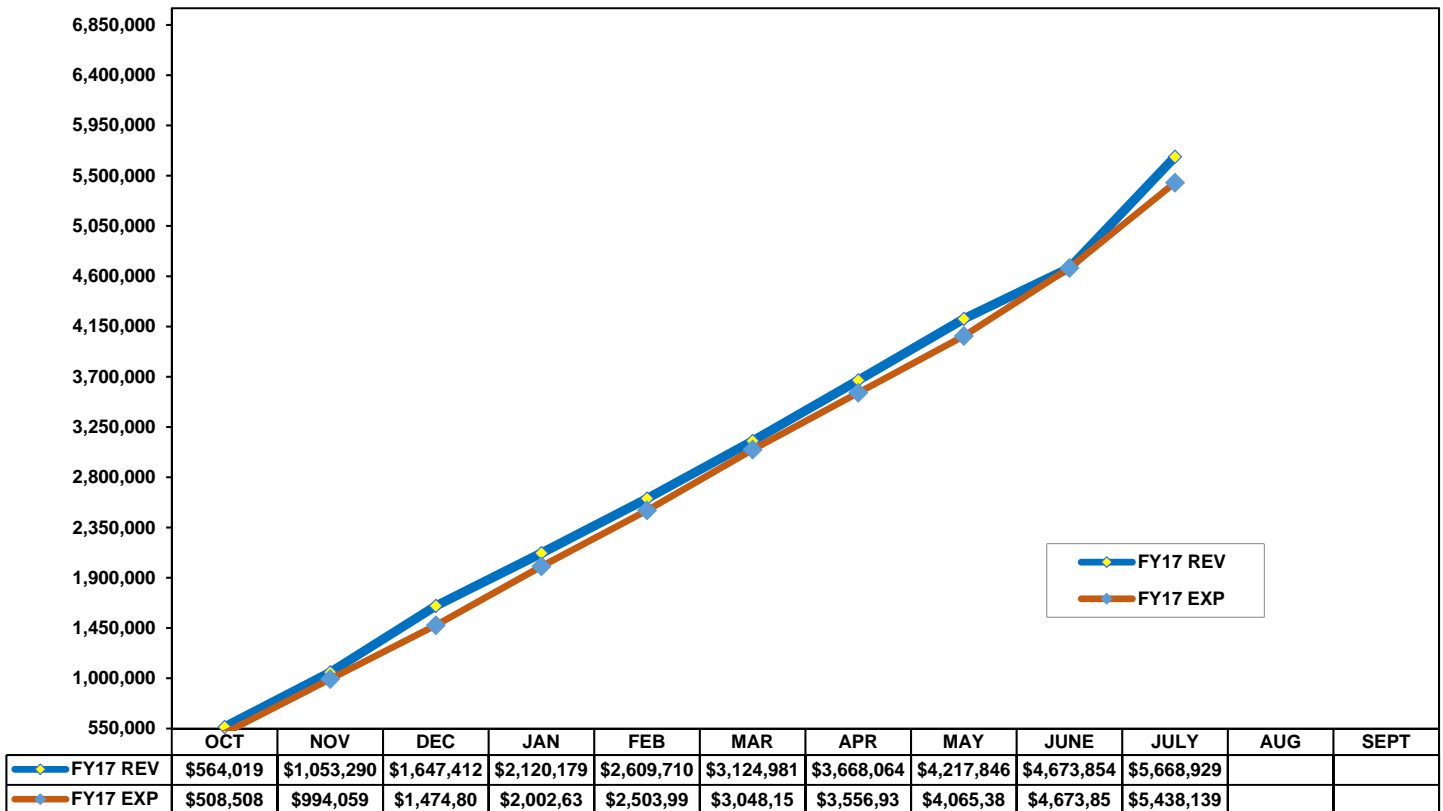
FY 2016 & 2017 Expenditures



BASTROP POWER AND LIGHT / ELECTRIC FUND REVENUE & EXPENDITURES

AS OF July 31, 2017

- ❖ Electric Fund Revenues Year-to-date (YTD) as of July 31, 2017 are \$5,668,929 or 81% of the FY2017 adopted budget.



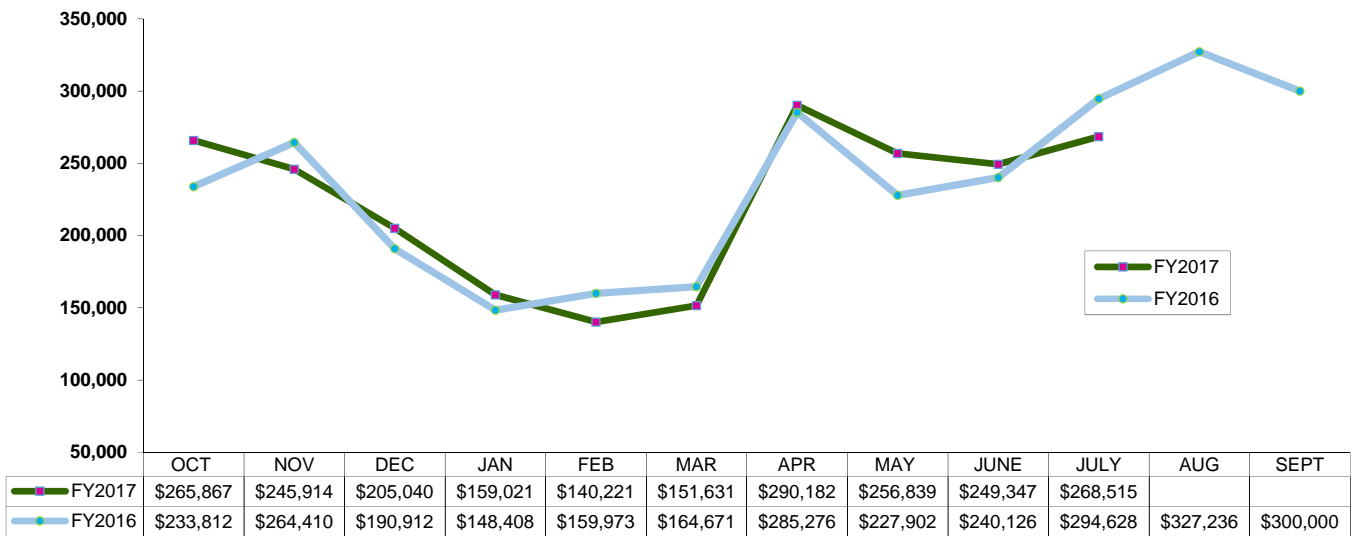
HOTEL MOTEL TAX REVENUE FUND

REVENUE AND EXPENDITURES

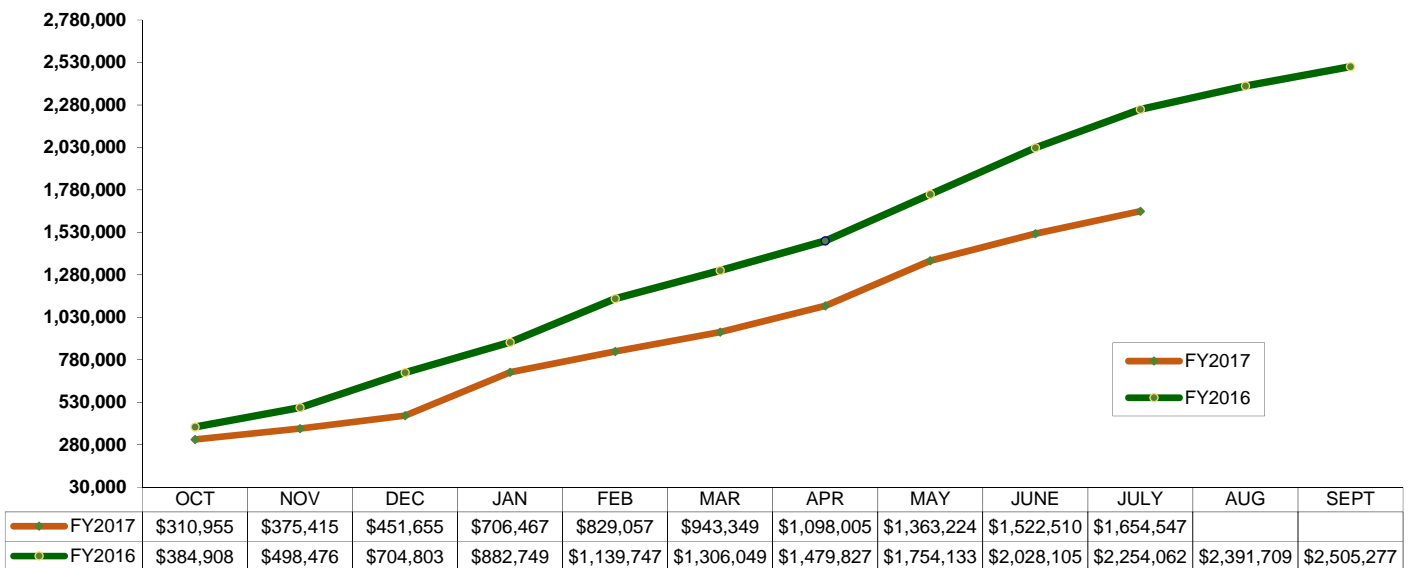
AS OF July 31, 2017

- ❖ Revenues as of July 31, 2017 represent YTD earned revenue of \$2,235,912 which is 78% of budgeted revenue.. Due to a timing issue the revenue earned in October is an estimate.
- ❖ Expenses in October are increased due to the one-time disbursement of funds to Hotel Motel funded organizations.

Revenue (Month to Month comparison)



Expenses (YTD comparison)





STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 6C

TITLE:

Receive report from Bastrop Economic Development Corporation.

STAFF REPRESENTATIVE:

Shawn Kirkpatrick, Executive Director
Bastrop Economic Development Corporation





STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 7

TITLE:

CITIZEN COMMENTS

At this time, three (3) minute comments will be taken from the audience on any topic. To address the Council, please submit a fully completed request card to the City Secretary prior to the beginning of the Citizens' Comment portion of the Council meeting. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, City Council cannot discuss issues raised or make any decision at this time. Instead, City Council is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry. Issues may be referred to City Staff for research and possible future action.

To address the Council concerning any item on the agenda, please submit a fully completed request card to the City Secretary prior to the consideration of that item.

It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Council to allow a member of the public to slur the performance, honesty and/or integrity of the Council, as a body, or any member or members of the Council individually or collectively, or members of the City's staff. Accordingly, profane, insulting or threatening language directed toward the Council and/or any person in the Council's presence will not be tolerated.



STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 8A

TITLE:

Consider action to approve minutes from the August 8, 2017, and August 10, 2017 meetings.

STAFF REPRESENTATIVE:

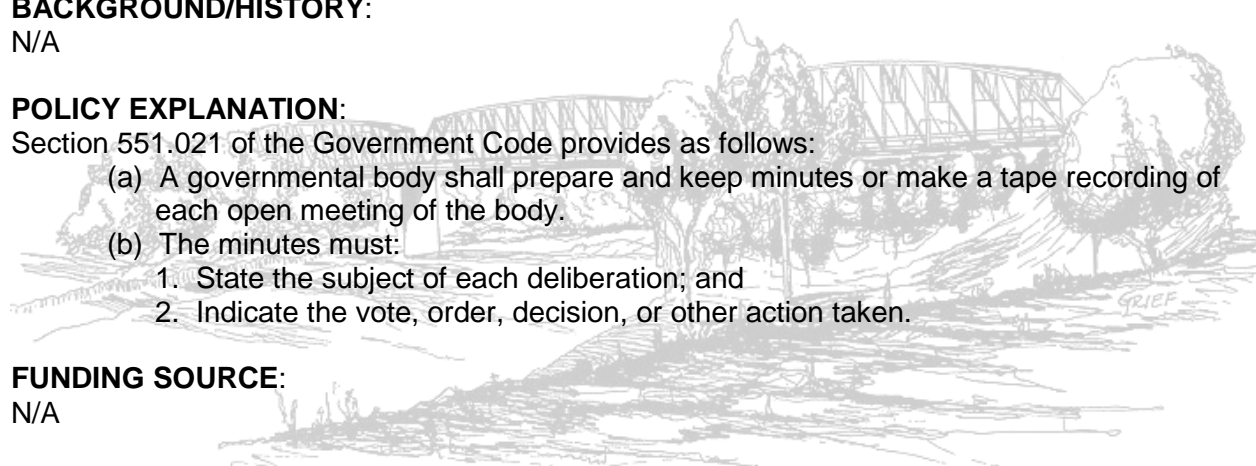
Lynda Humble, City Manager
Ann Franklin, City Secretary

BACKGROUND/HISTORY:

N/A

POLICY EXPLANATION:

Section 551.021 of the Government Code provides as follows:

- 
- (a) A governmental body shall prepare and keep minutes or make a tape recording of each open meeting of the body.
 - (b) The minutes must:
 1. State the subject of each deliberation; and
 2. Indicate the vote, order, decision, or other action taken.

FUNDING SOURCE:

N/A

RECOMMENDATION:

Consider action to approve minutes from the August 8, 2017, and August 10, 2017 meetings.

ATTACHMENTS:

- August 8, 2017 DRAFT Regular Council Meeting Minutes
- August 10, 2017 DRAFT Joint City Council and Planning & Zoning Commission Minutes

**MINUTES OF REGULAR COUNCIL MEETING
BASTROP CITY COUNCIL
August 8, 2017**

The Bastrop City Council met in a Regular Meeting on Tuesday, August 8, 2017 at 6:30 p.m. at the Bastrop City Hall Council Chambers, located at 1311 Chestnut Street, Bastrop, Texas. Members present were Mayor Schroeder, Mayor Pro Tem Schiff and Council Members Jones, Ennis, Nelson and Peterson. Officers present were City Manager Lynda Humble, City Secretary Ann Franklin and City Attorney David Bragg.

CALL TO ORDER

At 6:30 p.m. Mayor Schroeder called the meeting to order with a quorum being present.

PLEDGE OF ALLEGIANCE

Kendall Haase, President and Chloe Day, Vice President, City Creek High School Student Council led the Pledge of Allegiance.

TEXAS PLEDGE OF ALLEGIANCE

Honor the Texas Flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

INVOCATION

Pastor Johnny Bond, Bastrop Church of Christ gave the Invocation.

PRESENTATIONS

4A. Mayor's Report

A MINUTE WITH THE MAYOR - The sales tax rate is 8.25%, the State takes 6.25% of the sales tax, ½% goes to Bastrop County, 1% goes to the City's General Fund and ½% goes to the Economic Development Corporation (EDC). This is a little trivia on where the EDC get their money and how they are funded, it is ½% of sales tax from within the City Limits.

ANNOUNCEMENTS

- The Public Library has a 3D printer and will begin providing programs in September.
- Chief Wobus was accepted into the National Fire Academy.
- The Splash pad has been resurfaced with a non-slip surface.
- The drainage work has begun in Hunter's Crossing.

GATHERINGS ATTENDED BY THE MAYOR

- July 27th
 - Attended Riverside Grove Community meeting
- July 28th
 - Attended the Countywide Best Breakfast
 - Visited Friendship Bible Baptist Church Daycare
- August 1st

- **Attended the State Park Public Hearing**
- **August 2nd**
 - **Attended the Chamber Luncheon**
- **August 3rd – 4th**
 - **Attended the Newly Elected Official training by the Texas Municipal League (TML) in San Antonio, TX, along with Council Members Jones and Ennis.**
- **August 4th**
 - **Attended the First Friday Art Walk**
- **August 5th**
 - **Participated in the Homecoming Parade**

4B. Councilmembers' Report

Council Member Jones

- **Attended the Homecoming Rodeo**
- **Attended the State Park Public Hearing**

Council Member Ennis

- **Urged everyone to visit the Museum and see “Bastrop Then and Now” a student led project prepared by the Colorado River Collegiate Academy, Early College High School Program, BISD.**
- **September 23rd**
 - **The City of Bastrop, Bastrop County, Bastrop Independent School District and the Texas Historical Commission will commemorate the Mina Elementary School by dedicating the Texas Historical Marker at the school site. Immediately following, the City will unveil the new Delgado Park.**

Mayor Pro Tem Schiff

- **The ½% tax that the Mayor spoke of above regarding the EDC is specifically dedicated money towards Economic Development that includes some limited infrastructure and some quality of life issues, this is not monies that can go into the General Fund of the City. (The Mayor added that these are rules from the Legislature for all cities.)**

Council Member Peterson

- **Thanks to the City Staff for making the Homecoming Parade a success and thanks to Judge Duggan for serving as the announcer.**

4C. City Manager's Report
Nothing to report.

WORK SESSION/BRIEFINGS

- 5A. Receive briefing on the City Manager's submitted budget for FY 2018 as required by the City's Charter.
Presentation was made by City Manager, Lynda Humble.

- 5B. Review and discuss proposed Ethics Ordinance revisions using a “side-by-side” comparison of proposed changes as prepared by City Attorney Bragg.
A motion was made by Mayor Pro Tem Schiff to postpone this item to August 22, 2017, seconded by Council Member Jones, motion was approved on a 5-0 vote.

Mayor Schroeder recessed the Council Meeting at 8:05 p.m.

Mayor Schroeder called the meeting back to order at 8:13 p.m.

CITIZEN COMMENTS

Willie Ruth Peterson – Presented Mayor Schroeder with an appreciation plaque to the City of Bastrop for the City’s contributions to the Blue Flames Car Club.

CONSENT AGENDA

A motion was made by Council Member Nelson to approve Item 8A and 8B listed on the Consent Agenda after being read into the record by City Secretary Ann Franklin. Seconded by Council Member Ennis, motion was approved on a 5-0 vote.

- 8A. Consider action to approve minutes from the July 20, 2017, July 25, 2017 and August 1, 2017 meetings.
- 8B. Consider action to approve the second reading of Ordinance No. 2017-19 of the City Council of the City of Bastrop, Texas, amending the budget for the Fiscal Year 2017 in accordance with existing statutory requirements; appropriating the various amounts herein; repealing all prior ordinances and actions in conflict herewith; and providing an effective date.

ITEMS FOR INDIVIDUAL CONSIDERATION

- 9K. Consider action to approve Resolution No. R-2017-64 of the City Council of the City of Bastrop, Texas, approving reappointment of Charlotte G. Hinds as Presiding Judge, Bastrop Municipal Court, City of Bastrop; and naming the appointed Judge to a term of three years to run concurrently with the term of the Mayor as stipulated by the City of Bastrop Charter; and establishing an effective date.
A motion was made by Council Member Ennis to approve Resolution No. R-2017-64, seconded by Council Member Peterson, motion was approved on a 5-0 vote.
- 9A. Consider action to approve the first reading of Resolution No. R-2017-58 of the City Council of the City of Bastrop, Texas approving a project, using funds provided by the Bastrop Economic Development Corporation, in an amount exceeding \$10,000 (Downtown Trail Expansion Project); and providing an effective date; and move to include on the August 22, 2017 agenda for a second reading.
Presentation was made by Bastrop Economic Development Corporation Director, Shawn Kirkpatrick.

A motion was made by Council Member Ennis to approve the first reading of Resolution No. R-2017-58, seconded by Council Member Jones, motion was approved on a 5-0 vote.

- 9B. Consider action to approve the first reading of Resolution No. R-2017-59 of the City Council of the City of Bastrop, Texas, authorizing a project of the Bastrop Economic Development Corporation, in an amount exceeding \$10,000 (Granite & Stone Project)); and providing an effective date; and move to include on the August 22, 2017 agenda for a second reading.
Presentation was made by Bastrop Economic Development Corporation Director, Shawn Kirkpatrick.

A motion was made by Council Member Jones to approve the first reading of Resolution No. R-2017-59, seconded by Mayor Pro Tem Schiff, motion was approved on a 5-0 vote.

- 9C. Consider action to approve Resolution No. R-2017-60 of the City Council of the City of Bastrop, Texas authorizing the City Manager to enter a Property Use agreement with the Bastrop 1832 Farmer's Market for the property located at 1302 Chestnut; and establishing an effective date.
Presentation was made by Main Street Program Director, Sarah O'Brien.

A motion was made by Mayor Pro Tem Schiff to approve Resolution No. R-2017-60, seconded by Council Member Ennis, motion was approved on a 5-0 vote.

- 9D. Hold public hearing and consider action to approve Resolution No. R-2017-61 of the City Council of the City of Bastrop, Texas, approval of the Second Amendment to Consent Agreement for the Colony Municipal Utility District No. 1 and Successor Districts being 1,516.768 acres out of the Jose Manuel Bangs survey, abstract A5, located west of F.M. 969 and east of F.M. 1209, within the City limits of Bastrop, Texas, repealing all conflicting resolutions; and providing an effective date.
The public hearing was opened.

Presentation was made by Engineering and Planning Director, Wesley Brandon.

The public hearing was closed.

A motion was made by Mayor Pro Tem Schiff to approve Resolution No. R-2017-61, seconded by Council Member Jones, motion was approved on a 5-0 vote.

- 9E. Consider action to approve Resolution No. R-2017-62 of the City Council of the City of Bastrop, Texas, approving the preliminary plat known as Bastrop Grove being 52.684 acres out of the Nancy Blakey survey, located east of Highway 304 and south of west State Highway 71, within the City limits of Bastrop, Texas, repealing all conflicting resolutions; and providing an effective date.
Presentation was made by Engineering and Planning Director, Wesley Brandon.

A motion was made by Mayor Pro Tem Schiff to approve Resolution No. R-2017-62, seconded by Council Member Ennis, motion was approved on a 5-0 vote.

- 9F. Hold public hearing and consider action to approve the first reading of Ordinance No. 2017-20 of the City Council of the City of Bastrop, Texas granting a conditional use permit for a 175-foot communications tower, being lot 3-A of the Bastrop Business & Industrial Park, Phase 1, Block B, located at 1501 Business Park Drive, within the City limits of Bastrop, Texas; setting out conditions; and establishing an effective date; and move to include on the August 22, 2017 agenda for a second reading.
The public hearing was opened.

Presentation was made by Assistant Planning Director, Jennifer Bills.

The public hearing was closed.

A motion was made by Mayor Pro Tem Schiff to approve Resolution No. R-2017-20, seconded by Council Member Nelson, motion was approved on a 5-0 vote.

- 9G. Hold public hearing and consider action to approve the first reading of Ordinance No. 2017-21 of the City Council of the City of Bastrop, Texas to rezone lots 2, 3, 4, 5, 6, and 7 of the North Main Addition Subdivision from NS, Neighborhood Service and O, Office to SF-7, Single-Family 7, located at the southwest corner of Main Street and Mesquite Street, within the City limits of Bastrop, Texas; and establishing an effective date; and move to include on the August 22, 2017 agenda for a second reading.
The public hearing was opened.

Presentation was made by Assistant Planning Director, Jennifer Bills.

The public hearing was closed.

A motion was made by Council Member Ennis to approve Resolution No. R-2017-21, seconded by Council Member Peterson, motion was approved on a 5-0 vote.

- 9H. Consider action to approve Resolution No. R-2017-63 of the City Council of the City of Bastrop, Texas, approving the Vacation of Pine Vista Commercial Subdivision, being 8.858 acres of the Bastrop Town Tract Abstract A-11, located at 2401 Loop 150, within the city limits of Bastrop, Texas, repealing all conflicting resolutions and providing an effective date.
Presentation was made by Assistant Planning Director, Jennifer Bills.

A motion was made by Council Member Jones to approve Resolution No. R-2017-63, seconded by Council Member Nelson, motion was approved on a 5-0 vote.

- 9I. **No item**

- 9J. Consider action to approve Resolution No. R-2017-67 of the City Council of the City of Bastrop, Texas confirming board appointments of the Mayor, as required in Section 3.08 of the City's Charter, as outlined in Exhibit A; and establishing an effective date.

A motion was made by Council Member Nelson to approve Resolution No. R-2017-67, seconded by Council Member Ennis, motion was approved on a 5-0 vote.

- 9L. Consider action to approve Resolution No. R-2017-65 of the City Council of the City of Bastrop, Texas awarding a contract for engineering services associated with the water plant and transmission main improvements project to provide potable water from Well Site "J" in the amount of \$455,500 to BEFCO Engineering, Inc.; authorizing the City Manager to execute all necessary documents for the water plant/line improvements project; and establishing an effective date.

Presentation was made by Managing Director of Public Works & Leisure Services, Trey Job.

A motion was made by Council Member Jones to approve Resolution No. R-2017-65, seconded by Council Member Ennis, motion was approved on a 5-0 vote.

- 9M. Consider action to approve Resolution No. R-2017-66 of the City Council of Bastrop, Texas to fund the purchase and installation of park improvements in Delgado Park, Water Street, Bastrop, Texas, at a cost of \$143,479.00, and authorizing the City Manager to execute all necessary documents, and establishing an effective date.

Presentation was made by Managing Director of Public Works & Leisure Services, Trey Job.

A motion was made by Council Member Jones to approve Resolution No. R-2017-66, seconded by Mayor Pro Tem Schiff, motion was approved on a 5-0 vote.

ADJOURNMENT

Adjourned at 9:17 p.m. without objection.

APPROVED:

ATTEST:

Mayor Connie B. Schroeder

City Secretary Ann Franklin

**MINUTES OF JOINT WORKSHOP WITH BASTROP, TX CITY
COUNCIL AND PLANNING AND ZONING COMMISSION
AUGUST 10, 2017**

The Bastrop City Council and the Planning and Zoning Commission met in a Joint Workshop Meeting on Thursday, August 10, 2017, at 6:30 p.m. at the Bastrop City Hall Council Chambers, located at 1311 Chestnut Street, Bastrop, Texas. Members present for the Bastrop City Council were: Mayor Schroeder, Mayor Pro Tem Schiff, and Council Members Jones, Ennis, Nelson and Peterson. Officers present were: City Manager Lynda Humble and City Secretary Ann Franklin. Members present for the Planning and Zoning Commission were: Chair Lisa Patterson and Board Members Fruge, Gartman, Lassen, Moore, and Halle-Schramm.

CALL TO ORDER

- a. Mayor Schroeder called the meeting of the Bastrop City Council to order with a quorum being present at 6:30 p.m.
- b. Chair Lisa Patterson called the meeting of the Planning and Zoning Commission to order with a quorum being present at 6:30 p.m. Board Members Patrick Connell and Cynthia Meyer were absent.

WORK SESSION

- 2A. Receive and participate in training on Planning & Zoning fundamentals by Joe Gorfida, Partner with Nichols, Jackson, Dillard, Hager & Smith.
Training was provided by Joe Gorfida, Partner with Nichols, Jackson, Dillard, Hager & Smith.
- 2B. Discuss Council's Identified Focus Areas and List of Priorities as it relates to future policy recommendations from the Planning & Zoning Commission.
Presentation was made by City Manager, Lynda Humble.
- 2C. Discuss commitment for future joint workshops and possible agenda items between City Council and Planning & Zoning Commission.
The next joint workshop with Bastrop, Texas City Council and Planning and Zoning Commission was set for January 30, 2018 at 6:30 p.m.

ADJOURNMENT

Mayor Schroeder adjourned the Bastrop City Council meeting at 8:45 p.m. without objection.

Chair Patterson adjourned the Planning & Zoning Commission meeting at 8:45 p.m. without objection.

APPROVED:

ATTEST:

Mayor Connie B. Schroeder

City Secretary Ann Franklin



STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 8B

TITLE:

Consider action to approve the second reading of Resolution No. R-2017-58 of the City Council of the City of Bastrop, Texas approving a project, using funds provided by the Bastrop Economic Development Corporation, in an amount exceeding \$10,000 (Downtown Trail Expansion Project); and providing an effective date.

STAFF REPRESENTATIVE:

Shawn Kirkpatrick, Bastrop EDC Executive Director

BACKGROUND/HISTORY:

Downtown Trail Expansion Project

Increasing the walkability of the downtown area has been suggested by numerous studies performed in Bastrop. As such, the Bastrop EDC has proposed funding a multi-modal sidewalk from Perkins Street (near Sonic) to the existing sidewalk at Eskew and Loop 150, near the Texas Department of Public Safety office.

Completion of the entire project will create 1.8-mile loop from downtown to Hwy 71 and back, increasing the connectivity for those who enjoy outdoor recreational activities in the area, including walking, running, and cycling. It will also establish an existing trail that TxDOT will tie into once work starts on the new frontage roads across the Colorado River.

The total cost of the project is estimated to be \$680,000 (FY2017 - \$180,000; FY2018 - \$250,000, FY2019 - \$250,000), which includes design, engineering, and construction of the trail along Loop 150, Hwy 71 West, Hwy 71 East, Water Street, and Main Street.

The Bastrop EDC Board of Directors approved funding the Downtown Trail Expansion Project at their Board meeting on July 17, 2017, after holding a Public Hearing on the project. Section 505.158(b) of the Local Government Code mandates that prior to the BEDC funding a project involving an expenditure of more than \$10,000, the City Council shall adopt a Resolution authorizing the project, which Resolution shall be read by the City Council on two separate occasions.

RECOMMENDATION:

Consider action to approve the second reading of Resolution No. R-2017-58 approving the expenditure of BEDC funds for the Downtown Trail Expansion Project.

ATTACHMENTS:

- Draft Resolution
- Trail Map

RESOLUTION NO. R-2017-58

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, APPROVING A PROJECT, USING FUNDS PROVIDED BY THE BASTROP ECONOMIC DEVELOPMENT CORPORATION, IN AN AMOUNT EXCEEDING \$10,000.

WHEREAS, the Board of the Bastrop Economic Development Corporation (“BEDC”) met on July 17, 2017, and took formal action to support and provide funds for various 4B projects; and,

WHEREAS, Section 505.158(b) of the Local Government Code, a/k/a the Texas Economic Development Act, mandates that prior to the BEDC funding a project involving an expenditure by the BEDC of more than \$10,000, per project, the City Council shall adopt a Resolution authorizing the project, which Resolution shall be read by the City Council, on two separate occasions; and,

WHEREAS, the City of Bastrop’s Comprehensive Plan encourages subdivisions where there is residential, parks and green space, and compatible commercial development in a cohesive pattern, and the Comprehensive Plan and Parks Master Plan identify the importance of trails to recreation; and,

WHEREAS, Bastrop is a destination for tourists, and as such, trail connectivity to lodging and visitor amenities is an important component, and trail connectivity of residential and commercial centers encourages commerce; and,

WHEREAS, the Texas Local Government Code Chapter Section 505.152 authorizes the expenditure of Corporation funds for a project that the board of directors determines to be required or suitable for use for tourist and public parks purposes, including parks and park facilities, open space improvements, and related roads, streets, and water and sewer facilities, and other related improvements that enhance any of the items described by this section; and,

WHEREAS, the Texas Local Government Code Chapter Section 505.158 authorizes a Corporation created by a municipality of 20,000 or less to fund a project that includes the land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the corporation's board of directors to promote new or expanded business development; and,

WHEREAS, the City has reviewed the July 17, 2017, actions of the Bastrop EDC related to the project noted herein, has considered and evaluated that project, and has found it meritorious of the Council’s approval.

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

SECTION 1. Findings and Determination

The City Council hereby finds and determines that it is in the best interest of the Corporation to fund the Downtown Trail Expansion Project in an amount not to exceed \$680,000 (FY2017 – \$180,000; FY2018 – \$250,000, FY2019 – \$250,000), for design, engineering, and construction of a trail along Loop 150, Hwy 71 West, Hwy 71 East, Water Street, and Main Street, as authorized by LGC Sections 505.152 and 505.158.

SECTION 2. Authorization of Expenditure

The City Council of the City of Bastrop, Texas, hereby authorizes the funding of the Downtown Trail Expansion Project in an amount not to exceed \$680,000, as requested by the BEDC.

SECTION 3. Open Meeting

The City Council hereby finds and determines that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose at which it was read was given in accordance with Chapter 551, Texas Government Code.

SECTION 4. Two Readings Required

This Resolution is effective upon passage after having been read on at least two separate occasions.

READ and ACKNOWLEDGED on First Reading on the 8th day of August 2017.

READ and APPROVED on the Second Reading on the 22nd day of August 2017.

CITY OF BASTROP, TEXAS

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

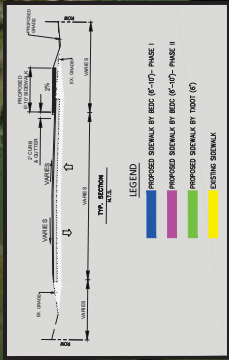
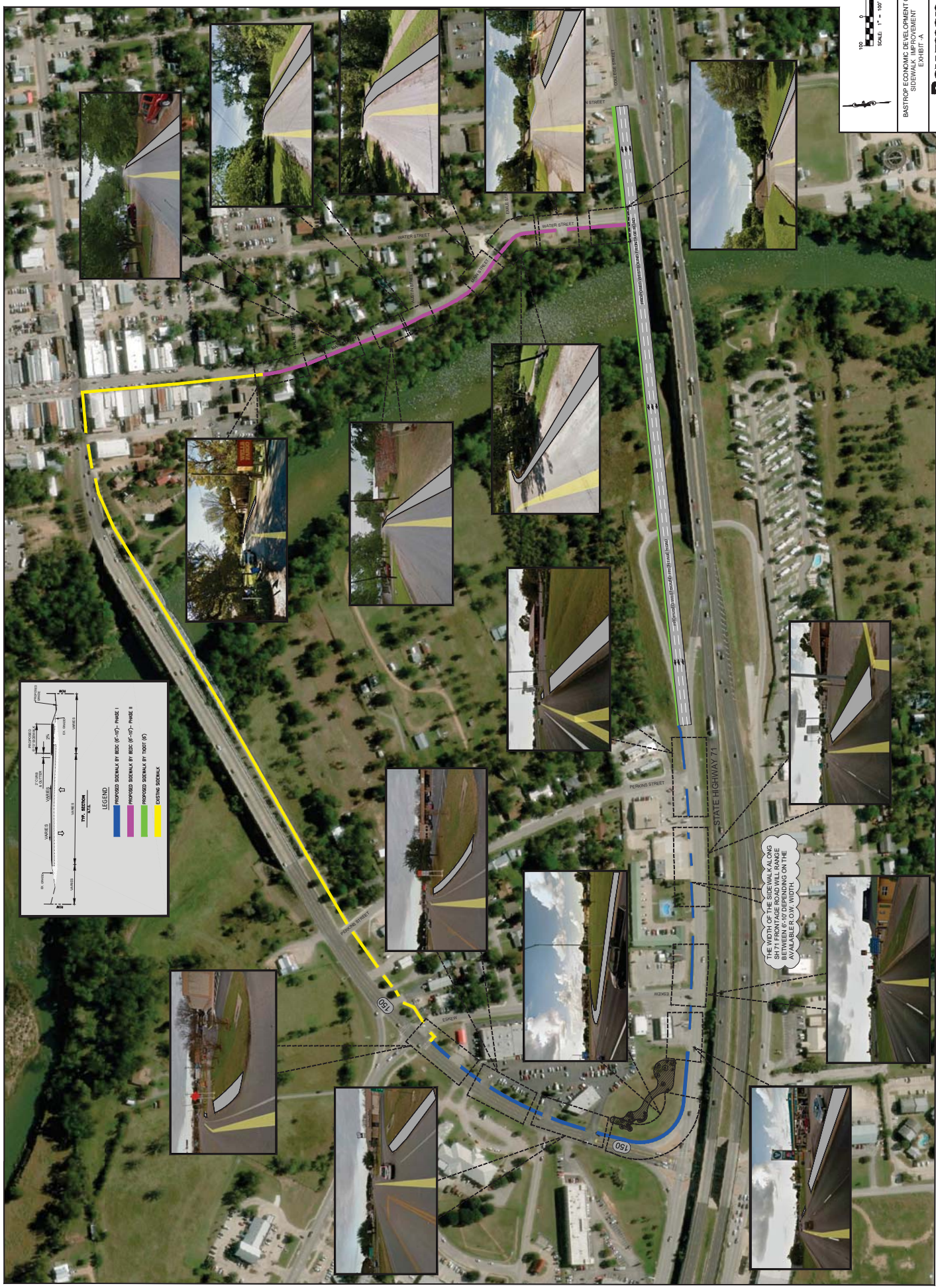
Joe Gorfida, Interim City Attorney



BASTROP ECONOMIC DEVELOPMENT CORP
 SIDEWALK IMPROVEMENT
 EXHIBIT A

Bowman
 1120 E. Capitol Avenue, Suite 200, Austin, Texas 78704
 Phone: (512) 241-1111 Fax: (512) 241-1112
 www.bowmanadvisors.com

NOTES:
 1. SIDEWALK WIDTH SHALL VARY FROM 8'-0" TO 12'-0" DEPENDING ON AVAILABLE R.O.W. WIDTH.
 2. SIDEWALK SHALL BE CONCRETE OR ASPHALT.



THE WIDTH OF THE SIDEWALK ALONG SH 71 FROM FACE ROAD WILL RANGE FROM 8'-0" TO 12'-0" DEPENDING ON THE AVAILABLE R.O.W. WIDTH.



STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 8C

TITLE:

Consider action to approve the second reading of Resolution No. R-2017-59 of the City Council of the City of Bastrop, Texas, authorizing a project of the Bastrop Economic Development Corporation, in an amount exceeding \$10,000 (Granite & Stone Project)); and providing an effective date.

STAFF REPRESENTATIVE:

Shawn Kirkpatrick, Bastrop EDC Executive Director

BACKGROUND/HISTORY:



Granite & Stone Project

Granite & Stone, LLC, (aka Project Minerals) is an importer, wholesaler, and fabricator of granite and stone materials. They are in the process of purchasing 5.5 +/- acres in the Bastrop Business and Industrial Park to build a 50,000-square foot facility. They plan to invest approximately \$9 million in the project and hire up to 150 employees.

The Bastrop EDC Board of Directors approved entering into a Performance Agreement with Granite & Stone, LLC, at their Board meeting on July 17, 2017. Because the project creates primary jobs, a Public Hearing is not required. Section 505.158(b) of the Local Government Code mandates that prior to the BEDC funding a project involving an expenditure of more than \$10,000, the City Council shall adopt a Resolution authorizing the project, which Resolution shall be read by the City Council on two separate occasions.

RECOMMENDATION:

Consider action to approve the second reading of Resolution No. R-2017-59 approving the expenditure of BEDC funds for the Granite & Stone Project.

ATTACHMENTS:

- Draft Resolution
- Project Summary
- Bastrop EDC Board Resolutions
- Performance Agreement

RESOLUTION NO. R-2017-59

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, AUTHORIZING A PROJECT OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION, IN AN AMOUNT EXCEEDING \$10,000.

WHEREAS, the Bastrop Economic Development Corporation (“BEDC”) is a public instrumentality and non-profit industrial development corporation duly established and operating under Local Government Code, Chapters 501 and 505, *et seq.*, as amended, known as the Development Corporation Act of 1979 (the “Act”), and acts with the approval of the governing body of the City of Bastrop, Texas; and,

WHEREAS, on July 17, 2017, the BEDC approved the terms of the negotiated contract of sale of the Land to Granite & Stone, LLC, which Land shall be used solely for developing and operating the proposed Granite & Stone, LLC, Project, as set forth and conditioned upon the terms of the Economic Development Agreement, to be finalized between Granite & Stone, LLC, and the BEDC; and,

WHEREAS, on July 17, 2017, the BEDC approved the terms of the negotiated Agreement between BEDC and Granite & Stone, LLC, and determined that the manufacturing project proposed by Granite & Stone, LLC, will create or retain primary jobs and is an authorized project pursuant to Section 501.101 of the Texas Local Government Code; and,

WHEREAS, Texas Local Government Code Section 505.158 states that a Type B corporation may not undertake a project authorized by this section that requires an expenditure of more than \$10,000 until the governing body of the corporation's authorizing municipality adopts a resolution authorizing the project after giving the resolution at least two separate readings.

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

SECTION 1. The City Council has reviewed the terms and conditions of the proposed Agreement by and between the BEDC and Granite & Stone, LLC, and determined that it fully complies with the statutory requirements that govern the BEDC and is in the best interest of the BEDC to enter into such Agreement.

SECTION 2. The City Council hereby authorizes the Project as set forth in the proposed Agreement by and between the BEDC and Granite & Stone, LLC.

SECTION 3. This Resolution is effective upon passage after having been read on at least two separate occasions.

READ and ACKNOWLEDGED on First Reading on the 8th day of August 2017.

READ and APPROVED on the Second Reading on the ____ day of _____ 2017.

CITY OF BASTROP, TEXAS

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Joe Gorfida, Interim City Attorney

Granite & Stone, LLC

About the company

Granite & Stone, LLC, is an importer, wholesaler, and fabricator of granite and stone materials. This facility will be receiving granite and stone blocks from around the world to be fabricated into slabs. The company intends to hire up to 150 employees by year five.

Project details

Granite & Stone is purchasing approximately 5.5 acres in the northwest portion of the Bastrop Business and Industrial Park to construct a 50,000-square foot facility, at a price of \$215,622. The new facility will be home to their fabrication, stone yard, administrative offices, and retail showroom. The Company intends to invest up to \$9 million in real property, personal property, and working capital in the facility.

Deal points

Upon successful completion of the facility, Granite & Stone will receive a rebate of \$96,000. After hiring 50 employees and their first anniversary, they will receive a second rebate of \$96,000. The EDC is providing a job creation incentive in the maximum amount of \$112,500 over five years. The EDC has agreed to rebate 0.25% of the EDC sales tax collected from the company's retail sales, above the initial \$5 million. This amount has been estimated at \$86,625 over the life of the agreement. The total economic incentive package to the company is estimated at \$391,125, based on the terms of the agreement.

Community benefits

By their fifth year in Bastrop, Granite & Stone will have 150 employees with a five year average wage of \$19.47/hour, which includes burden and benefits. A portion of the company's sales will generate local sales and use tax; by year five the company expects to generate \$20 million in local taxable sales. The company expects to add \$9 million to the tax rolls. The 10-year net benefits are estimated at \$3.3 million for the City and \$5.5 million for all taxing entities.

RESOLUTION NO. R-2017-0010

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING THE TERMS OF AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT WITH GRANITE & STONE, LLC; AUTHORIZING ALL NECESSARY ACTIONS, INCLUDING EXECUTION OF NECESSARY DOCUMENTATION; AND, PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Bastrop Economic Development Corporation ("BEDC") is a public instrumentality and non-profit industrial development corporation duly established and operating under Local Government Code, Chapters 501 and 505, *et seq.*, as amended, known as the Development Corporation Act of 1979 (the "Act"), and is acting with the approval of the governing body of the City of Bastrop, Texas (the "City"); and,

WHEREAS, the BEDC Board has provided the BEDC staff with full authority to take reasonable and necessary actions to incentivize economic development in the BEDC's Business and Industrial Park; and,

WHEREAS, after careful evaluation and consideration by the Board, it has determined that a manufacturing project proposed by Granite & Stone, LLC, ("Project") will create or retain primary jobs and is hereby determined by the BEDC Board to be an authorized project pursuant to Section 501.101 of the Texas Local Government Code; and,

WHEREAS, the Board has reviewed the terms and conditions of the proposed Economic Development Performance Agreement ("Agreement") by and between the BEDC and Granite & Stone, LLC, and determined that it fully complies with the statutory requirements that govern the BEDC and is in the best interest of the BEDC to enter into such Agreement.


NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. On this date, the 17th day of July 2017, the BEDC approved the terms of the negotiated Agreement between BEDC and Granite & Stone, LLC, attached hereto as Exhibit "A."

SECTION 2. The Board authorizes Chair Camilo Chavez and/or Executive Director Shawn Kirkpatrick to take all necessary actions including the execution of all necessary and related documentation to finalize the Agreement.

SECTION 3. This Resolution is effective upon passage.

DULY RESOLVED AND ADOPTED by the Board of Directors of the Bastrop Economic Development Corporation, this 17th day of July 2017.

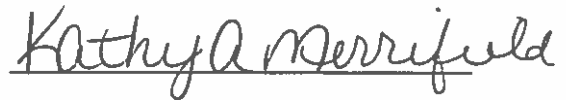

Camilo Chavez, Board Chair

STATE OF TEXAS COUNTY OF BASTROP

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This instrument was attested before me on the 17th day of July, 2017, by Camilo Chavez, Bastrop County, Texas, on behalf of the Board of Directors of the Bastrop Economic Development Corporation, of Bastrop, Texas.




Notary Public, State of Texas

RESOLUTION NO. R-2017-0011

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING THE TERMS OF A SALES/PURCHASE CONTRACT FOR THE SALE OF A TRACT OF LAND LOCATED IN THE BASTROP BUSINESS & INDUSTRIAL PARK; SOLD BY THE CORPORATION TO GRANITE & STONE, LLC, CONTINGENT ON EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE PARTIES; AUTHORIZING ALL NECESSARY ACTIONS, INCLUDING EXECUTION OF NECESSARY DOCUMENTATION; AND, PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Bastrop Economic Development Corporation ("BEDC") is a public instrumentality and non-profit industrial development corporation duly established and operating under Local Government Code, Chapters 501 and 505, *et seq.*, as amended, known as the Development Corporation Act of 1979 (the "Act"), and is acting with the approval of the governing body of the City of Bastrop, Texas (the "City"); and,

WHEREAS, the BEDC Board has provided the BEDC staff with full authority to take reasonable and necessary actions to incentivize economic development in the BEDC's Business and Industrial Park, including, when appropriate, by offering the incentivized or other sale of real property located therein to qualifying prospective entities; and,

WHEREAS, after careful evaluation and consideration by the Board, it has determined that a project proposed by Granite & Stone, LLC, ("Project"), has qualified for such incentivized sale, specifically under the terms and conditions of an Economic Development Agreement by and between the BEDC and Granite & Stone, LLC, which was/will be finally executed by the Parties on _____, 2017 ("Agreement"); and,

WHEREAS, the proposed manufacturing project will create or retain primary jobs and is hereby determined by the BEDC Board to be an authorized project pursuant to Section 501.101 of the Texas Local Government Code; and,

WHEREAS, pursuant to the terms of the Agreement, the BEDC has approved incentivizing the proposed Granite & Stone, LLC, Project by conveying approximately 5.5 acres of land located in the Business and Industrial Park ("Land") to Granite & Stone, LLC, at a cost of \$215,622.


NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. On this date, the 17th day of July 2017, the BEDC approved the terms of the negotiated contract of sale of the Land to Granite & Stone, LLC, which Land shall be used solely for developing and operating the proposed Granite & Stone, LLC, Project, as set forth and conditioned upon the terms of the Economic Development Agreement, to be finalized between Granite & Stone, LLC, and the BEDC. The contract, and related documentation related to the sale of the Land, are attached hereto as Exhibit "A."

SECTION 2. The Board authorizes Chair Camilo Chavez and/or Executive Director Shawn Kirkpatrick to take all necessary actions including the execution of all necessary contracts and related documentation to finalize the conveyance of the Land to Granite & Stone, LLC, for the Project, pursuant to the terms of the Agreement, and strictly contingent upon Granite & Stone, LLC's final execution of the Agreement of the terms approved by the BEDC.

SECTION 3. This Resolution is effective upon passage.

DULY RESOLVED AND ADOPTED by the Board of Directors of the Bastrop Economic Development Corporation, this 17th day of July 2017.

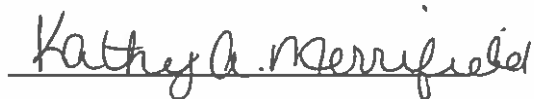


Camilo Chavez, Board Chair

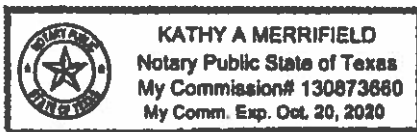
STATE OF TEXAS COUNTY OF BASTROP

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This instrument was attested before me on the 17th day of July, 2017, by Camilo Chavez, Bastrop County, Texas, on behalf of the Board of Directors of the Bastrop Economic Development Corporation, of Bastrop, Texas.



Notary Public, State of Texas



ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT

This Performance Agreement (“Agreement”) is entered into to be effective as of the Effective Date (as defined in Article III below), by and between the Bastrop Economic Development Corporation, located in Bastrop County, Texas (hereinafter called “Corporation”), a Texas non-profit industrial development corporation under the Development Corporation Act and governed by TEX. LOC. GOV. CODE chapters 501, 502 and 505 and the Texas Non-Profit Corporation Act and Granite & Stone, LLC, a Texas corporation (hereinafter called “Company”), otherwise known as the “Parties” to this Agreement.

RECITALS

WHEREAS, the Development Corporation Act of 1979, as amended (Section 501.001 et seq., Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”) authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Section 501.158 of the Act requires a performance agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained and capital investment to be made as consideration for any direct incentives provided or expenditures made by the corporation under the agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, Company desires to construct a Facility to locate and expand its manufacturing, distribution, wholesale and retail sales operations in Bastrop, Texas; and

WHEREAS, the location of the Company, as proposed, will contribute to the economic development of the City of Bastrop by creating new jobs and increased employment, promoting and developing expanded business enterprises, increased development, increased real property value and tax revenue for the City of Bastrop, and will have both a direct and indirect positive overall improvement/stimulus in the local and state economy; and

WHEREAS, the Corporation desires to offer an incentive to Company to enable Company to locate and expand its operations pursuant to this Agreement in substantial conformity with the Act; and

WHEREAS, the Parties are executing and entering into this Agreement to set forth certain terms and obligations of the Parties with respect to such matters; and

WHEREAS, the Parties recognize that all agreements of the Parties hereto and all terms and provisions hereof are subject to the laws of the State of Texas and all rules, regulations and interpretations of any agency or subdivision thereof at any time governing the subject matters hereof; and

WHEREAS, the Parties agree that all conditions precedent for this Agreement to become a binding agreement have occurred and been complied with, including all requirements pursuant to the Texas Open Meetings Act and all public notices and hearings, if any, have been conducted in accordance with Texas law; and

WHEREAS, on the Effective Date, the commitments contained in this Agreement shall become legally binding obligations of the Parties.

NOW, THEREFORE, in consideration of the mutual covenants, benefits and agreements described and contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and further described herein, the Parties agree as follows:

ARTICLE I RECITALS

1. Recitals. The recitals set forth above are declared true and correct by the Parties and are hereby incorporated as part of this Agreement.

ARTICLE II AUTHORITY AND TERM

1. Authority. The Corporation's execution of this Agreement is authorized by the Act and constitutes a valid and binding obligation of the Corporation. The Corporation acknowledges that Company is acting in reliance upon the Corporation's performance of its obligations under this Agreement in making the decision to commit substantial resources and money to the establishment of the Project, hereinafter established.

2. Term. This Agreement shall become enforceable upon the Effective Date, hereinafter established, and shall continue until the Expiration Date, hereinafter established, unless terminated sooner or extended by mutual agreement of the Parties in the manner provided for herein.

3. Purpose. The purpose of this Agreement is to formalize the agreements between the Company and the Corporation for the granting of funds to cover certain costs associated with the Project and specifically state the covenants, representations of the Parties, and the incentives associated with Company's commitment to abide by the provisions of the Act and to abide by the terms of this Agreement which has been approved by the Corporation and the Company as complying with the specific requirements of the Act. It is expressly agreed that this Agreement constitutes a single transaction. A failure to perform any obligation by the Company may constitute a breach of the entire Agreement and terminate any further commitments (if any) by the Corporation unless an alternative penalty or remedy is provided for herein.

4. Administration of Agreement. Upon the Effective Date, the Corporation delegates the administration and oversight of this Agreement to the Executive Director of the Corporation. Any proposed amendments to the Agreement shall require the approval of the Board of Directors of the Corporation.

ARTICLE III DEFINITIONS

As used in this Agreement, the following terms shall have the meanings ascribed below. All undefined terms shall retain their usual and customary meaning as ascribed by common and ordinary usage.

“Annual Payroll” shall mean the total wages paid, exclusive of employee benefits, to Full-time Employees at the Facility.

“Bankruptcy” shall mean the dissolution or termination of a Party’s existence as a going business, insolvency, appointment of receiver for any part of such Party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Year” - Performance and incentive calculations based upon years as used in this Agreement shall be calculated with the year zero beginning on the date the Company receives a Certificate of Occupancy for the Facility and ending twelve (12) months from that date; and continuing thereafter as year one, year two, etc., of the Agreement.

“Certificate of Occupancy” shall mean the signed certificate issued by the City of Bastrop Planning & Development Department granting the Company the right to occupy the Facility and confirming that the entire work covered by the permit and plans are in place.

“Corporate Headquarters” means buildings proposed for construction or occupancy as the principal office, for a business enterprise’s administrative and management services.

“Default”, unless otherwise specifically defined or limited by this Agreement, shall mean failure by any Party to timely and substantially comply with any performance requirement, duty, or covenant.

“Effective Date” shall be the date of the last signing by a party to the agreement.

“Expiration Date” shall mean the earlier of:

1. The fifth anniversary of the date upon which the Company received a certificate of occupancy; or
2. The date of termination, provided for under Article VII of this Agreement.

“Facility” shall mean the approximate 50,000 square foot facility to be constructed at Bastrop Business and Industrial Park, Technology Drive, Bastrop, Texas 78602, Phase, Lot 1-A, Block D, the southern 5.5 +/- acres of a 10.52-acre tract, where Company’s Corporate Headquarters and manufacturing and distribution operations shall occur, and shall represent a

minimum TWO MILLION SEVEN HUNDRED THOUSAND DOLLAR AND NO CENT (\$2,700,000.00) capital investment.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party, including, without limitation, acts of God or the public enemy, war riot, civil commotion, insurrection, government or de facto governmental action (unless caused by the intentionally wrongful acts or omissions of a party), fires, explosions or floods, strikes, slowdowns or work stoppages.

“Full-time Employee” shall mean: (1) an employee with a regular work schedule of at least 36 hours per week as reported on the Texas Employers Quarterly Wage Report from the Texas Workforce Commission, and (2) are entitled to at least the customary employer-sponsored employee benefits package afforded by the Company to its similarly situated employees at other locations.

“Inventory” shall mean the imported granite blocks the Company utilizes to manufacture and distribute finished products for commercial and residential construction projects that are produced at the Facility.

“Job Creation Incentive” means that sum paid in arrears to the Company as an incentive for the creation and retention of full time equivalent jobs.

“Project” shall mean the construction and location of Company’s Corporate Headquarters and manufacturing operations to the Facility.

“Real Property” shall mean the land, building and all improvements thereto and added to the Project subsequent to the execution of this Agreement and is accounted on the tax rolls by the Bastrop Central Appraisal District.

“State of Texas” shall mean the Office of the Texas Comptroller, or its successor.

“Tangible Personal Property” shall mean tangible personal property, equipment, machinery, fixtures and inventory owned or leased by Company that is added to the Project subsequent to the execution of this Agreement and is accounted on the tax rolls by the Central Appraisal District.

ARTICLE IV CORPORATION OBLIGATION

1. Capital Investment.

(a) Pursuant to the terms of the Earnest Money Contract attached hereto as Exhibit “A”, Corporation shall sell to Company a tract of Land within the Bastrop Business and Industrial Park valued at TWO HUNDRED FIFTEEN THOUSAND SIX HUNDRED TWENTY-TWO DOLLARS AND NO CENTS (\$215,622.00) and more specifically described in the Escrow Money Agreement.

(b) Corporation shall rebate NINETY-SIX THOUSAND DOLLARS AND NO CENTS (\$96,000.00) to Company upon the Company's receipt of a Certificate of Occupancy from the City of Bastrop for the Facility, representing a minimum TWO MILLION SEVEN HUNDRED THOUSAND DOLLARS AND NO CENT (\$2,700,000.00) capital investment.

(c) Corporation shall rebate NINETY-SIX THOUSAND DOLLARS AND NO CENTS (\$96,000.00) to Company on the first anniversary of the date the Company received a Certificate of Occupancy from the City of Bastrop for the Facility, provided that the Company has by that time created FIFTY (50) FTE's and ONE MILLION DOLLARS AND NO CENTS (\$1,000,000.00) of inventory.

2. Job Creation Incentive

(a) Corporation shall pay to Company as a Job Creation Incentive an amount not to exceed EIGHTEEN THOUSAND SEVEN HUNDRED FIFTY DOLLARS AND NO CENTS (\$18,750.00) on the second anniversary of the date the Company received a Certificate of Occupancy from the City of Bastrop for the Facility if Company has met the Performance Obligations of Company set forth in Article V.

(b) Corporation shall pay to Company as a Job Creation Incentive an amount not to exceed TWENTY-FIVE THOUSAND DOLLARS AND NO CENTS (\$25,000.00) on the third anniversary of the date the Company received a Certificate of Occupancy from the City of Bastrop for the Facility if Company has met the Performance Obligations of Company set forth in Article V.

(c) Corporation shall pay to Company as a Job Creation Incentive an amount not to exceed THIRTY-ONE THOUSAND TWO HUNDRED FIFTY DOLLARS AND NO CENTS (\$31,250.00) on the fourth anniversary of the date the Company received a Certificate of Occupancy from the City of Bastrop for the Facility if Company has met the Performance Obligations of Company set forth in Article V.

(d) Corporation shall pay to Company as a Job Creation Incentive an amount not to exceed THIRTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$37,500.00) on the fifth anniversary of the date the Company received a Certificate of Occupancy from the City of Bastrop for the Facility if Company has met the Performance Obligations of Company set forth in Article V.

3. Sales Tax Rebate

Corporation shall rebate .25% of all EDC sales tax collected on sales of inventory exceeding FIVE MILLION DOLLARS (\$5,000,000.00) for each year of the Agreement.

4. Confidentiality. The Corporation agrees to the extent allowed by law to keep all tax information and documentation received, pursuant to this Agreement hereof, confidential. In the event a request is made for such information, Corporation will not disclose the information unless required to do so by the Attorney General of Texas.

5. Current Revenue. The funds distributed hereunder shall be paid solely from lawfully available funds of the Corporation. Under no circumstances shall the obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. None of the obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

ARTICLE V PERFORMANCE OBLIGATIONS OF COMPANY

The obligation of the Corporation to pay funds in the form of a Capital Investment Rebate or Job Creation Incentive shall be conditioned upon Company's continued compliance with and satisfaction of each of the performance obligations set forth in this Agreement.

1. Commencing Operations.

(a) Within 90 days of the effective date of the Agreement Company must: (i) secure all necessary financing to purchase the Land and complete construction of the Facility; and (ii) close on the purchase of the Land in accordance with the terms of the Earnest Money Contract. In the event Company fails to timely complete either Obligation (a)(i) or (a)(ii) herein this Agreement shall immediately be void and the Corporation shall have no obligation to perform under this Agreement.

(b) Company must obtain a Certificate of Occupancy for its Corporate Headquarters and manufacturing operations at the Facility on or before the last day of the 18th month of this Agreement and maintain said operations throughout the term of this Agreement. The Facility shall represent a minimum TWO MILLION SEVEN HUNDRED THOUSAND DOLLARS AND NO CENT (\$2,700,000.00) capital investment.

2. Job Creation. Company must create and maintain the Full-time Employees and average wage benchmarks according to the following schedule:

(a) A minimum of FIFTY (50) Full-time Employees for the year ending on the first anniversary of the date the Company received a Certificate of Occupancy.

(b) A minimum of FIFTY (50) Full-time Employees for the year ending on the second anniversary of the date the Company received a Certificate of Occupancy with an average hourly wage of not less than SIXTEEN DOLLARS AND FIFTY CENTS (\$16.50) per hour and an average annual wage of not less than THIRTY-FOUR THOUSAND THREE HUNDRED TWENTY DOLLARS AND NO CENTS (\$34,320.00) inclusive of burden and benefit.

(c) A minimum of SEVENTY-FIVE (75) Full-time Employees for the year ending on the third anniversary of the date the Company received a Certificate of Occupancy with an average hourly wage of not less than SEVENTEEN DOLLARS AND FIFTY CENTS (\$17.50) per hour and an average annual wage of not less than THIRTY-SIX THOUSAND FOUR HUNDRED DOLLARS AND NO CENTS (\$36,400.00) inclusive of burden and benefit.

- (d) A minimum of ONE HUNDRED (100) Full-time Employees for the year ending on the fourth anniversary of the date the Company received a Certificate of Occupancy with an average hourly wage of not less than EIGHTEEN DOLLARS AND FIFTY CENTS (\$18.50) per hour and an average annual wage of not less than THIRTY-EIGHT THOUSAND FOUR HUNDRED EIGHTY DOLLARS AND NO CENTS (\$38,480.00) inclusive of burden and benefit.
- (e) A minimum of ONE HUNDRED (100) Full-time Employees for the year ending on the fifth anniversary of the date the Company received a Certificate of Occupancy with an average hourly wage of not less than NINETEEN DOLLARS AND FIFTY CENTS (\$19.50) per hour and an average annual wage of not less than FORTY THOUSAND FIVE HUNDRED SIXTY DOLLARS AND NO CENTS (\$40,560.00) inclusive of burden and benefit.

3. Real Property Creation. Commencing upon the receipt of a certificate of occupancy and continuing throughout the term of the Agreement, Company must maintain a minimum real property value of TWO MILLION SEVEN HUNDRED THOUSAND DOLLARS AND NO CENTS (\$2,700,000.00). Corporation will accept financing documentation or construction contract documentation as evidence of the capital investment and real property value.

4. Inventories. Company must create inventory with a minimum taxable value in conformance with the following schedule.

- (a) During the year ending on the date of the first anniversary the Company received a certificate of occupancy for the Facility, the Company must have created inventory with a minimum taxable value of ONE MILLION DOLLARS AND NO CENTS (\$1,000,000.00) as identified on the Bastrop County tax roll.
- (b) During the year ending on the date of the second anniversary the Company received a certificate of occupancy for the Facility, the Company must have created inventory with a minimum taxable value of ONE MILLION FIVE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$1,500,000.00) as identified on the Bastrop County tax roll.
- (c) During the year ending on the date of the third anniversary the Company received a certificate of occupancy for the Facility, the Company must have created inventory with a minimum taxable value of TWO MILLION DOLLARS AND NO CENTS (\$2,000,000.00) as identified on the Bastrop County tax roll.
- (d) During the year ending on the date of the fourth anniversary the Company received a certificate of occupancy for the Facility, the Company must have created inventory with a minimum taxable value of TWO MILLION FIVE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$2,500,000.00) as identified on the Bastrop County tax roll.
- (f) During the year ending on the date of the fifth anniversary the Company received a certificate of occupancy for the Facility, the Company must have created inventory with a minimum taxable value of TWO MILLION FIVE HUNDRED

THOUSAND DOLLARS AND NO CENTS (\$2,500,000.00) as identified on the Bastrop County tax roll.

5. Annual Report. The Company shall submit an Annual Certification Report (an “Annual Report”) for the preceding Year to the Executive Director of the Corporation each year not later than the 15th day of the second month following the end of the Year. The Annual Report should substantially conform to the Annual Report Form attached as Exhibit “B” to this Agreement. The first Annual Report will be due on the 15th day of the second month following the first anniversary of the date the Company received a certificate of occupancy.

6. Payment of Legal Fees. Company commits to reimburse the Corporation for the necessary legal fees in the preparation of any amendment to this Agreement requested by Company. Timely payment shall be made within 60 days of submittal of invoice to Company by the Corporation or its assigns. Each Party shall bear its own legal fees in connection with the negotiation of this Agreement.

7. Extension beyond Term. In recognition of the fact that the verification of Company’s compliance hereunder is, by necessity, verified in the calendar year following the Company’s obligations herein, the Expiration Date of this Agreement will be extended until any and all verification of Performance Obligations and covenants have been satisfied. The Parties hereto agree that the Corporation’s right to the Recapture Amount shall survive the Expiration Date of this Agreement.

ARTICLE VI COVENANTS AND DUTIES

1. Company’s Covenants and Duties. Company makes the following covenants and warranties to the Corporation, and agrees to timely and fully perform the obligations and duties contained in Article V of this Agreement. Any false or substantially misleading statements contained herein or failure to timely and fully perform those obligations and duties within this Agreement shall be an act of Default by the Company.

(a) Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas and the United States of America during any term of this Agreement.

(b) The execution of this Agreement has been duly authorized by Company’s authorized agent, and the individual signing this Agreement is empowered to execute such Agreement and bind the entity. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of Company’s by-laws, or of any agreement or instrument to which Company is a party to or by which it may be bound.

(c) Company is not a party to any Bankruptcy proceedings currently pending or contemplated, and Company has not been informed of any potential involuntary Bankruptcy proceedings.

(d) To its current, actual knowledge, and subject to the Certificate of Occupancy (or other approvals and permits to be obtained under subpart (f) immediately below), Company has acquired and maintained all necessary rights,

licenses, permits, and authority to carry on its business in the City of Bastrop and will continue to use its best efforts to maintain all necessary rights, licenses, permits, and authority.

(e) Company shall timely and fully comply with all of the terms and conditions of this Agreement.

(f) Company agrees to obtain, or cause to be obtained, all necessary permits and approvals from the City of Bastrop and/or all other governmental agencies having jurisdiction over the construction of any improvements to the Facility.

(g) Company shall be responsible for paying, or causing to be paid, to the City of Bastrop and all other governmental agencies the cost of all applicable permit fees and licenses required for construction of the Project. Company agrees to develop the Project in accordance with the ordinances, rules, and regulations of the City of Bastrop in effect on the date the Project was designated, unless specified otherwise in this Agreement. Company, in its sole discretion, may choose to comply with any or all City of Bastrop rules promulgated after the Effective Date of this Agreement.

(h) Company agrees to commence and complete the Project in strict accordance with the Agreement.

(i) Company shall cooperate with the Corporation in providing all necessary information to assist them in complying with this Agreement.

(j) During the term of this Agreement, Company agrees to not knowingly employ any undocumented workers as part of the Project, and, if convicted of a violation under 8 U.S.C. Section 1324a(1), Company shall be in Default (subject to the remedies in Article V above). Company is not liable for an unknown violation of this Section by a subsidiary, affiliate, or franchisee of Company or by a person with whom Company contracts; provided, however, that identical federal law requirements provided for herein shall be included as part of any agreement or contract which Company enters into with any subsidiary, assignee, affiliate, or franchisee for which funds provided herein will be used.

(k) Company shall not be in arrears and shall be current in the payment of all City taxes and fees.

(l) Corporation has the right to periodically (and with reasonable advance notice) verify the terms and conditions of this Agreement including, but not limited to, the number of persons employed by Company as a result of the assistance provided hereunder, the addresses of those persons, the number of hours each employee worked during the previous twelve (12) months, the total expenses attributable to training and employing those employees, and the cumulative payroll for Company's Bastrop operation.

(m) Company shall, upon written request from Corporation, provide to Corporation a copy of the Texas Workforce Commission Texas Employers Quarterly Wage Report for the requested quarter.

2. Corporation's Covenants and Duties.

(a) Corporation agrees to timely and fully perform the obligations and duties contained in Article IV of this Agreement. Any false or substantially misleading statements contained herein or failure to timely and fully perform those obligations and duties within this Agreement shall be an act of Default by the Corporation.

3. Compliance and Default. Failure by Company to timely comply with any performance requirement, duty, or covenant shall be considered an act of Default and shall give the Corporation the right to terminate this Agreement and collect the Recapture Amount, as determined by the Board of Directors of the Corporation.

ARTICLE VII TERMINATION

1. Termination. This Agreement shall terminate upon the earliest occurrence of any one or more of the following:

- (a) The written agreement of the Parties;
- (b) The Agreement's Expiration Date;
- (c) Default by Company (at the option of the Corporation).

ARTICLE VIII DEFAULT

1. Company Events of Default

- (a) Failure of Company to perform any term, covenant or agreement contained in this Agreement, or in any related document(s); or
- (b) Corporation determines that any representation or warranty contained herein or in any financial statement, certificate, report or opinion submitted to Corporation in connection with or pursuant to the requirements of this Agreement was incorrect or misleading in any material respect when made; or
- (c) Any judgment is assessed against Company or any attachment or other levy against the property of Company with respect to a claim remains unpaid, unstayed on appeal, undischarged, not bonded or not dismissed for a period of thirty (30) days; or
- (d) Company makes an assignment for the benefit of creditors; admits in writing its inability to pay its debts generally as they become due; files a petition in bankruptcy; is adjudicated insolvent or bankrupt; petitions or applies to any tribunal for any receiver or any trustee of Company or any substantial part of its property, commences any action relating to Company under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or hereafter in effect; or if there is commenced against Company any such action and such action remains undismissed or unanswered for a period of sixty (60) days from such filing, or Company by any act indicates its consent to or approval of any trustee of Company or any substantial part of its

property; or suffers any such receivership or trustee to and such appointment remains unvacated for a period of sixty (60) days; or

(e) Company substantially changes its present ownership without written notification to Corporation within thirty (30) days of such change; or

(f) Company changes the general character of business as conducted at the date hereof, or engages in any type of business not reasonably related to its business as presently and normally conducted.

2. Corporation Events of Default

(a) Corporation materially fails to fulfill an obligation set forth within the terms and conditions of the Agreement.

3. Remedies for Default

(a) Company's sole remedy under this Agreement is specific performance for Corporation's Default of its obligation under Section IV of this Agreement.

(b) In the event of Default by the Company, the Corporation shall, as its sole and exclusive remedy for Default hereunder, have the right to terminate this Agreement and to recapture one hundred percent (100%) of the Capital Investment Rebate and Job Creation Incentive (the "Recapture Amount") if the Default occurs on or prior to the termination date. The Recaptured Amount shall be paid by the Company within one hundred twenty (120) days after the date Company is notified by the Corporation of such Default (the "Payment Date"). In the event the Recaptured Amount is not repaid by the applicable Payment Date, the unpaid portion thereof shall accrue interest at the rate of two percent (2.00%) per annum from the Effective Date until paid in full.

4. Limitation on Use of Funds in the Event of Default

(a) Under no circumstances will the funds received under this Agreement be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding regarding this Agreement against the City of Bastrop or the Corporation.

**ARTICLE IX
MISCELLANEOUS**

1. Binding Agreement. The terms and conditions of this Agreement shall be binding on and inure to the benefit of the Parties, and their respective successors and assigns. The Executive Director of the Corporation shall be responsible for the administration of this Agreement and shall have the authority to execute any instruments, duly approved by the Corporation, on behalf of the Parties related thereto. Notwithstanding any other provision of this Agreement to the contrary, performance of either Party under this Agreement is specifically contingent on Company obtaining a Certificate of Occupancy from the City of Bastrop at the Facility under the terms of this Agreement.

2. Mutual Assistance. The Parties will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

3. Representations and Warranties. The Corporation represents and warrants to Company that this Agreement is within their authority, and that they are duly authorized and empowered to enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction. Company represents and warrants to the Corporation that it has the requisite authority to enter into this Agreement.

4. Assignment. Company shall have the right to assign all of its rights, duties, and obligations under this Agreement to a duly qualified third party with prior written approval of the Corporation. Any assignment provided for herein shall not serve to enlarge or diminish the obligations and requirements of this Agreement, nor shall they relieve Company of any liability to the Corporation including any required indemnity in the event that any Assignee hereof shall at any time be in Default of the terms of this Agreement. The Corporation may demand and receive adequate assurance of performance including the deposit or provision of financial security by any proposed Assignee prior to its approval of an assignment.

5. Independent Contractors.

(a) It is expressly understood and agreed by all Parties hereto that in performing their services hereunder, Company at no time will be acting as an agent of the Corporation and that all consultants or contractors engaged by Company respectively will be independent contractors of Company; and nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between the Parties and any implication to the contrary is hereby expressly disavowed. The Parties hereto understand and agree that the Corporation will not be liable for any claims that may be asserted by any third party occurring in connection with services performed by Company respectively under this Agreement, unless any such claims are due to the fault of the Corporation.

(b) By entering into this Agreement, except as specifically set forth herein, the Parties do not waive, and shall not be deemed to have waived, any rights, immunities, or defenses either may have, including the defense of parties, and nothing contained herein shall ever be construed as a waiver of sovereign or official immunity by the Corporation with such rights being expressly reserved to the fullest extent authorized by law and to the same extent which existed prior to the execution hereof.

(c) No employee of the Corporation, or any board member, or agent of the Corporation, shall be personally responsible for any liability arising under or growing out of this Agreement.

6. Notice. Any notice required or permitted to be delivered hereunder shall be deemed delivered by actual delivery, or on the first business day after depositing the same in the hands of a reputable overnight courier (such as United States Postal Service, FedEx or UPS) and addressed to the Party at the address set forth below:

If intended for BEDC:

City of Bastrop Economic Development Corporation
Attention: Executive Director
301 Highway 71 W, Suite 214
Bastrop, TX 78602

With a copy to:

Denton, Navarro, Rocha, & Bernal, PC
Attention: Charles E. Zech
2517 North Main Avenue
San Antonio, TX 78212

If to the Company:

Granite & Stone, LLC.
Attention: David J. Alarid
8004 Two Coves Drive
Austin, TX 78730

Any Party may designate a different address at any time upon written notice to the other Parties.

7. Governmental Records. All invoices, records and other documents required for submission to the City pursuant to the terms of this Agreement are Governmental Records for the purposes of Texas Penal Code Section 37.10.

8. Governing Law. The Agreement shall be governed by the laws of the State of Texas, and the venue for any action concerning this Agreement (subject to the dispute resolution mechanisms of Article VIII above) shall be in the Courts of Bastrop County. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

9. Amendment. This Agreement may be amended by mutual written agreement of the Parties, as approved by the Board of Directors of the Corporation.

10. Legal Construction. In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions of this Agreement, and it is the intention of the Parties to this Agreement that, in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

11. Interpretation. Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which Party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, whatever its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.

12. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the Parties that, in any manner, relates to the subject matter of this Agreement, except as provided for in any Exhibits attached hereto or duly approved amendments to this Agreement, as approved by the Board of Directors of the Corporation.

13. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

14. Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

15. Exhibits. Any Exhibits attached hereto are incorporated by reference for all purposes.

16. Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

17. Indemnification.

COMPANY AGREES TO DEFEND, INDEMNIFY AND HOLD THE CORPORATION AND THE CITY OF BASTROP (“CITY”), AND THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES, HARMLESS FROM AND AGAINST ANY AND ALL REASONABLE LIABILITIES, DAMAGES, CLAIMS, LAWSUITS, JUDGMENTS, ATTORNEY FEES, COSTS, EXPENSES AND ANY CAUSE OF ACTION THAT DIRECTLY RELATES TO ANY OF THE FOLLOWING: ANY CLAIMS OR DEMANDS BY THE STATE OF TEXAS THAT THE CORPORATION HAS BEEN ERRONEOUSLY OR OVER-PAID SALES AND USE TAX FOR ANY PERIOD DURING THE TERM OF THIS AGREEMENT AS A RESULT OF THE FAILURE OF COMPANY TO MAINTAIN A PLACE OF BUSINESS AT THE PROPERTY OR IN THE CITY OF BASTROP, OR AS A RESULT OF ANY ACT OR OMISSION OR BREACH OR NON-PERFORMANCE BY COMPANY UNDER THIS AGREEMENT EXCEPT THAT THE INDEMNITY PROVIDED HEREIN SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE ACTION OR OMISSIONS OF THE CORPORATION OR CITY. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY, IT BEING THE INTENTION OF THE PARTIES THAT COMPANY SHALL BE RESPONSIBLE FOR THE REPAYMENT OF ANY SMALL BUSINESS GRANT PAID TO COMPANY HEREIN THAT INCLUDES CITY SALES TAX RECEIPTS THAT THE STATE OF TEXAS HAS DETERMINED WAS ERRONEOUSLY PAID, DISTRIBUTED OR ALLOCATED TO THE CORPORATION.

18. Additional Instruments. The Parties agree and covenant to cooperate, negotiate in good faith, and to execute such other and further instruments and documents as may be reasonably required to fulfill the public purposes provided for and included within this Agreement.

19. Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Company, the Company shall not be liable or responsible for, and there shall be

excluded from the computation of any such period of time, any delays due to causes of any kind whatsoever which are caused by Force Majeure.

DRAFT

[SIGNATURE PAGE FOLLOWS]

Executed on this _____ day of _____, 20____.

COMPANY

Granite & Stone, LLC, a Texas corporation

By: _____

Name: David J. Alarid

Title: President

STATE OF TEXAS X
COUNTY OF _____ X

This information was acknowledged before me on this _____ day of _____, _____,
by _____ for _____, a Texas corporation, on behalf of
said agency.

Notary Public, State of Texas

Notary's typed or printed name

My commission expires

Performance Agreement
Exhibit A

EARNEST MONEY CONTRACT

[SEE ATTACHED]

DRAFT

Seller expressly reserves for itself all oil, gas and other non-surface mineral rights and interests, provided that such reservation shall provide for the protection of the surface and waiving the right of ingress and egress for exploration and development or for any other purpose that would interfere with the use and enjoyment of the surface estate by or on behalf of Grantor, but not otherwise. The Special Warranty Deed shall restrict against using the Property for any purpose not allowed by the Bastrop EDC's Sixth Amended Protective Covenants for the Bastrop Business and Industrial Park or any sexually oriented business. Additionally, the Special Warranty shall provide covenants and conditions requiring Buyer to open and operate the "facility" as required in the Performance Agreement.

4. Purchase Price.

4.1. The Cash Payment. At Closing, Buyer shall pay to Seller as consideration TWO HUNDRED FIFTEEN THOUSAND SIX HUNDRED TWENTY-TWO DOLLARS AND NO CENTS (\$215,622.00), less the credited Earnest Money as provided in the section immediately below.

(a) The purchase price shall not be adjusted based on the latest survey obtained.

4.2. The Right of First Refusal. At Closing, Buyer shall provide to Seller as additional consideration a fully executed "Right of First Refusal" in substantially the same form as EXHIBIT "A".

4.3. The Commitment Letter. Whereas the sale of the Property constitutes an incentive Seller is providing to Buyer in reliance on Buyer's commitment to satisfactorily complete its obligations under the terms of the Performance Agreement, including, but not limited to, Buyer's obligation to timely receive a Certificate of Occupancy from the City of Bastrop for the Facility described in the Performance Agreement, Seller and Buyer agree that an essential part of the consideration for this transaction is Buyer's performance of its obligations under the Performance Agreement. In order to close on this transaction, Buyer shall provide to Corporation a Commitment Letter issued by a lending institution authorized to make commercial construction loans in Texas. The letter must commit the lending institution to provide financing for the construction of the Facility in an amount of at least \$2.7 million. The Commitment Letter shall be in such form that meets the reasonable satisfaction of Seller.

5. Earnest Money. Within five (5) days after the Effective Date of this Contract, Buyer will deposit in cash the sum of FIVE THOUSAND DOLLARS and NO CENTS (\$5,000.00) as an earnest money deposit and a fully executed original of the Contract with Independence Title, 301 Hwy 71 W, Suite 106, Bastrop, TX 78602, (the "Escrow Agent"), the deposit being hereafter referred to as (the "Earnest Money"). The parties hereto hereby agree that pending the Closing hereunder or the termination of this Contract, the Earnest Money, if deposited in cash, shall be deposited in an interest-bearing account in the full amount of the Earnest Money. The full amount of the Earnest Money, and any accumulated interest, shall be applied by the Title Company as a credit to the Purchase Price.

Initials ___ Seller ___ Buyer

condition on the Property or that unreasonably disturbs, interrupts, or interferes with any persons, including, without limitation, tenants or other occupants of the Property, or their employees, customers or invitees. Buyer shall give Seller written notice not less than two (2) business days prior to conducting any test or inspection that physically affects the Property such as soil borings, if any. Buyer shall not perform any test or inspection which will permanently alter or damage the Property, and at the end of the Feasibility Period, Buyer shall at Buyer's sole cost and expense, restore and replace any part of the Property altered or damaged as a result of the Property Inspection. Buyer shall timely pay all fees charged by Buyer's experts and shall not permit any claims to be made against Seller or permit any liens to be created against the Property by Buyer's experts.

- (c) Waiver; Allocation of Risk; Indemnity. The entry upon the Property by Buyer, Buyer's personnel and Buyer's experts shall be at their respective risks. SELLER SHALL NOT BE LIABLE TO BUYER, OR ANY OF BUYER'S PERSONNEL OR BUYER'S EXPERTS FOR, AND BUYER AGREES TO RELEASE, INDEMNIFY, DEFEND AND HOLD SELLER HARMLESS FROM, ANY CLAIMS BY ANY PERSON FOR INJURY, DAMAGES OR LOSS TO PERSONAL PROPERTY RESULTING FROM, INCIDENTAL TO, OR ARISING OUT OF THE CONDUCT OF THE PROPERTY INSPECTION OR THE ENTRY UPON THE PROPERTY BY BUYER, BUYER'S PERSONNEL AND BUYER'S EXPERTS, AND FROM ALL OUT-OF-POCKET COSTS INCURRED BY SELLER TO DEFEND AGAINST ANY SUCH CLAIMS, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEY'S FEES, EVEN IF THE NEGLIGENCE OR STRICT LIABILITY OF SELLER IS ALLEGED OR PROVED TO BE A CAUSE THEREOF; PROVIDED HOWEVER, THIS INDEMNITY SHALL NOT APPLY IF AND TO THE EXTENT THAT SELLER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IS A CAUSE THEREOF. This indemnification by Buyer shall survive the Closing or the termination of this Contract as applicable. All non-public information provided by Seller to Buyer or obtained by Buyer relating to the Property in the course of Buyer's review, including, without limitation, any environmental assessment or audit, shall be treated as confidential information by Buyer and Buyer shall instruct all of its employees, agents, representatives and contractors as to the confidentiality of all such information.

7.2.2. Property Information.

- (a) Information. Seller acknowledges and agrees that the Inspection Items are the proprietary information belonging to Buyer.
- (b) Confidentiality. Prior to Closing, or if Closing shall not occur, then for five (5) years after the Effective Date, Buyer shall not disclose, without the prior written consent of the Seller, which consent shall not be unreasonably withheld,

delayed or conditioned, any of the Inspection Items or the information that is the product of the Property Inspection (collectively the "Property Information") to any person other than (i) Buyer's personnel, (ii) Buyer's experts, attorneys, accountants, consultants, lenders and equity investors (who in each case shall also be advised in writing of this confidentiality covenant), (iii) any governmental agency to which Buyer has an obligation to disclose such Property Information or if any governmental agency requires or requests disclosure of such Property Information, provided Buyer provides to Seller written notice prior to such disclosure, and (iv) other persons who Buyer reasonably believes needs to know such information for one or more of the purposes stated in this Contract, and who, in each case, shall be informed by Buyer about the confidential nature of the Property Information. Buyer shall not be responsible for the disclosure of any of the Property Information by any person described above who has been informed by Buyer about the confidential nature of the Property Information.

(c) **Delivery of Inspection Items.** In the event this Contract does not close for any reason, then, on or before ten (10) business days after the termination of this Contract, Buyer shall deliver to Seller copies of the Inspection Items in the possession of or under the control of any of Buyer's personnel or Buyer's experts and a copy of any Phase I or other environmental study secured by Buyer. The return of all Inspection Items in the possession of Buyer and a copy of any new environmental study to Seller shall be a condition of the return of the Earnest Money to Buyer upon the termination of this Contract.

7.2.3. Survival. The covenants of Buyer regarding confidentiality and nondisclosure shall survive Closing or the earlier termination of this Contract, except in the event of the acquisition at Closing of the Property by Buyer as contemplated herein.

7.3. Future Operations. From the date of this Contract until the Closing or earlier termination of this Contract, Seller will:

- (a) Promptly advise Buyer of any litigation, arbitration or administrative hearing concerning the Property arising or threatened to which Seller has notice and any breach of any representation or warranty of Seller;
- (b) Not transfer or encumber or permit any lien to be placed against all or a portion of the Property; and
- (c) Not enter into or acquiesce in the filing of any easement, license, plat or zoning change affecting the Property.

8. Feasibility Period.

Initials ___ Seller ___ Buyer

- (d) Buyer's attorneys' fees;
- (e) One-half of the escrow fee, if any; and
- (f) The Survey deletion fee or other specific endorsement fee for Title Insurance purposes.

12. **Proration.** All real estate taxes and other assessments for the year of Closing shall be prorated as of the date of Closing. If Closing shall occur before the tax rate is fixed for the then current year, proration of the taxes shall be upon the basis of the tax rate for the preceding year and the same shall be adjusted when the rate for the current year is fixed. Buyer shall be responsible for paying any subsequent assessments for prior years due to change in land usage.

13. **Casualty; Condemnation.**

13.1. **Casualty.** The risk of loss or damage to the Property by any casualty (a "Casualty") shall, until Closing, be borne by Buyer as leaseholder.

13.2. **Condemnation.** In the event any part of the Property is condemned before Closing (a "Condemnation"), Buyer shall have the option of notifying Seller in writing after learning of such Condemnation action of its desire to terminate this Contract, in which event Buyer shall receive a return of all of its Earnest Money, less \$250.00 out of such Earnest Money to be paid to Seller as independent option consideration. If (i) the Contract is not terminated pursuant to the preceding sentence, and (ii) the Condemnation occurs prior to Buyer's purchase of the Property, then in either of such events, the Purchase Price of the Property shall not be affected, it being agreed that if the award is paid prior to Closing of this transaction, such amount shall be held in escrow and delivered to Buyer at the Closing; and if the award has not been paid before the Closing, that, at the Closing, Seller shall assign to Buyer all of its right, title and interest with respect to such award and shall further execute any other instruments requested by Buyer to assure that such award is paid to Buyer. If Buyer elects to purchase the Property, it shall have the right to contest the Condemnation of the Property and/or the award resulting therefrom in conjunction with Seller.

14. **Assignment.** Buyer shall not have any right to assign this Contract without the prior written consent of Seller.

15. **Disclosures.**

15.1. **Disclaimer regarding Representations and Warranties of Seller.** BUYER ACKNOWLEDGES AND AGREES THAT BUYER IS EXPERIENCED IN THE OWNERSHIP AND OPERATION OF PROPERTIES SIMILAR TO THE PROPERTY AND THAT BUYER PRIOR TO THE CLOSING DATE HAS INSPECTED THE PROPERTY TO ITS SATISFACTION AND IS QUALIFIED TO MAKE SUCH INSPECTION. BUYER ACKNOWLEDGES THAT IT IS FULLY RELYING ON BUYER'S (OR BUYER'S REPRESENTATIVES')

Initials ___ Seller ___ Buyer

EXECUTED to be effective as of the Effective Date provided herein.

**SELLER: BASTROP ECONOMIC
DEVELOPMENT CORPORATION**

By: _____

Name: _____

Title: _____

BUYER: GRANITE & STONE, LLC.

By: _____

David J. Alarid, President

[TITLE COMPANY SIGNATURES ON NEXT PAGE]

Initials ___ Seller

___ Buyer

Receipt of this Earnest Money Contract is acknowledged this ____ day of July, 2017.

TITLE COMPANY

INDEPENDENCE TITLE

301 Hwy 71 W, Suite 106, Bastrop, TX 78602

By: _____
Printed Name: _____
Title: _____

Receipt of Earnest Money in the amount of \$5,000.00 is hereby acknowledged this ____ day of July, 2017.

TITLE COMPANY

By: _____
Printed Name: _____
Title: _____

NOTICE TO TITLE COMPANY. Upon receipt, please deliver dated and executed copies of this Earnest Money Contract to:

Attorney for City of Laredo:
Habib H. Erkan Jr.
Denton, Navarro, Rocha & Bernal, P.C.
2517 North Main
San Antonio, Texas 78212
Phone: (210) 227-3243
Fax: (210) 227-3243

Seller's Attorney

Initials ___ Seller ___ Buyer

**EXHIBIT "A" TO EARNEST MONEY CONTRACT
RIGHT OF FIRST REFUSAL**

DRAFT

Initials ___ Seller

___ Buyer

A.4. If Grantee does not affirmatively exercise its right within the thirty-day period, Grantor may transfer the Property to the party and on the terms described in Grantor's notice to Grantee within the 120-day period following the expiration of the thirty-day period. If a transfer is not consummated within the 120-day period, Grantor may not transfer the Property without again complying with the provisions of this Agreement. If Grantor wishes to effect a transfer on terms that are less favorable to Grantor than those described in Grantor's notice, Grantor must repeat the process set forth in this Agreement by giving a new notice to Grantee setting forth the new terms. If Grantor timely consummates a transfer, this Agreement will automatically terminate when the Property is conveyed to the party named in Grantor's notice to Grantee.

A.5. If an offer received by Grantor calls for delivery of a promissory note or other deferred payment obligation, the promissory note or other deferred payment obligation of Grantee will be deemed equivalent to those offered.

A.6. If any offer provides for noncash consideration, Grantee disputes Grantor's determination of the value of the noncash consideration set forth in Grantor's notice, and Grantor and Grantee cannot resolve the dispute within five (5) business days after Grantee gives notice of the dispute to Grantor, the matter will be submitted to binding arbitration in Bastrop, Texas, under the Commercial Arbitration Rules of the American Arbitration Association by a single arbitrator, and the determination of such arbitrator shall be binding on both parties. The thirty-day period for exercise of Grantee's rights will be tolled during the period the arbitration proceeding is pending.

A.7. The rights granted in this Agreement expire at the end of the Term.

B. Transfers by Gift, Devise, Descent, or Otherwise without Consideration

If the Property is transferred by gift, devise, descent, or another transaction that does not involve the payment of consideration in any form, the provisions of this Agreement will be fully binding on the person acquiring title to the Property in that transaction.

C. Recordation

Grantee may record this Agreement or a memorandum of this Agreement in the real property records of Bastrop County, Texas. Grantee will, on request, execute and record a release of this Agreement following its expiration or termination.

D. Assignment

Grantee may not assign its rights under this Agreement.

E. Notices

Any notice required or permitted under this Agreement must be in writing. Any notice required by this Agreement will be deemed to be delivered (whether actually received or not) when deposited in the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Agreement. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Notice may

Initials ___ Seller ___ Buyer

**EXHIBIT "A" TO RIGHT OF FIRST REFUSAL
LEGAL DESCRIPTION OF THE PROPERTY**

{INSERT REPLAT WHEN RECORDED}

DRAFT

Initials ___ Seller

___ Buyer

**EXHIBIT "B" TO EARNEST MONEY CONTRACT
INSPECTION ITEMS**

DRAFT

Initials ___ Seller

___ Buyer

Seller's Records

To the extent that Seller has possession or control of the following items pertaining to the Property, Seller will deliver or make the items or copies of them available to Buyer by the deadline stated in paragraph 7.1.:

Governmental

- Governmental licenses, certificates, permits, and approvals
- Tax statements for the current year and the last three years
- Notices of appraised value for the current year and the last three years
- Records of any tax exemption, special use, or other valuation or exemption applicable to the Property
- Records of regulatory proceedings or violations (for example, condemnation, environmental)

Land

- Soil reports
- Environmental reports and other information regarding the environmental condition of the Property
- Water rights
- Engineering reports
- Prior surveys
- Site plans

Licenses, Agreements, and Encumbrances

All licenses, agreements, and encumbrances (including all amendments and exhibits) affecting title to or use of the Property that have not been recorded in the real property records of the county or counties in which the Property is located.

EXHIBIT "C"
TO EARNEST MONEY CONTRACT
SPECIAL WARRANTY DEED

DRAFT

Initials ___ Seller

___ Buyer

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

The remainder of this page intentionally blank. Signature page to follow.

PREPARED IN THE LAW OFFICE OF:

Denton, Navarro, Rocha, Bernal, Hyde & Zech, P.C.
2517 N. Main Avenue
San Antonio, Texas 78212

**AFTER RECORDING
RETURN TO:**

Granite & Stone, LLC
8004 Two Coves Drive
Austin, Texas, 78730

DRAFT

Initials ___ Seller

___ Buyer

**EXHIBIT "A" TO SPECIAL WARRANTY DEED
LEGAL DESCRIPTION OF PROPERTY**

{COPY OF REPLAT TO BE INSERTED ONCE RECORDED}

DRAFT

Initials ___ Seller

___ Buyer

Performance Agreement
Exhibit B

SAMPLE ANNUAL CERTIFICATION REPORT FORM

[SEE ATTACHED]

DRAFT

Annual Certification Report

Reporting Period: _____ to _____ 20__

The Annual Certification Report for the Economic Development Performance Agreement between the Bastrop Economic Development Corporation and _____, is due on _____ 15, 20___. Please sign and return the Annual Certification Report form with accompanying narrative.

I. PROJECT INFORMATION

Project Information:

Company's legal name: _____

Project address subject to incentive: _____

Company primary contact: _____ Title: _____

Phone number: _____ E-mail address: _____

II. REPORTING INFORMATION

Employment and Wage Information:

Has the Company employed undocumented workers? Yes No

What is the total number of Full-time Employees located at the Bastrop facility during the calendar year? _____

What is the total Annual Payroll for the Bastrop facility during the calendar year? _____

Investment Information:

What taxable ad valorem value for Real Property for the reporting period? _____

What is the taxable ad valorem value for Tangible Personal Property for the reporting period? _____

Narrative:

Please attach a **brief narrative explaining the current year's activities and/or** comments relating to any potential defaults.

III. ADDITIONAL INFORMATION (VOLUNTARY)

Employment:

Total full-time employees: _____

Total annual payroll: _____

Number of full-time jobs added in past year: _____

Number of employees that live in Bastrop, Texas: _____

Interested in being contacted about workforce training opportunities? Yes No

Interested in being contacted for assistance with City permits? Yes No

IV. CERTIFICATION

I certify that, to the best of my knowledge and belief, the information and attachments provided herein are true and accurate and in compliance with the terms of Economic Development Performance Agreement.

I further certify that the representations and warranties contained within the Agreement remain true and correct as of the date of this Certification, and _____remakes those representations and warranties as of the date hereof.

I further certify that the employment and wage information provided is true and accurate to the best of my knowledge and I can provide documentation from the Texas Workforce Commission to support my claim if so requested.

I understand that this Certificate is being relied upon by the BEDC in connection with the expenditure of public funds.

I have the legal and express authority to sign this Certificate on behalf of _____.

Name of Certifying Officer

Certifying Officer's Title

Phone Number

E-Mail Address

Signature of Certifying Officer

Date

STATE OF TEXAS X
COUNTY OF _____X

This information was acknowledged before me on this _____ day of _____, _____ by _____,
_____ for _____, a Texas corporation, on behalf of said agency.

Notary Public, State of Texas

Notary's typed or printed name

My commission expires

The Annual Certification Report is to be completed, signed and returned on or before _____ 15, 20___. Please send an original to the following address:

Attention: Executive Director
City of Bastrop Economic Development Corporation
301 Hwy 71 W., Suite 214
Bastrop, TX 78602



STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 8D

TITLE:

Consider action to approve the second reading of Ordinance No. 2017-20 of the City Council of the City of Bastrop, Texas granting a conditional use permit for a 175-foot communications tower, being lot 3-A of the Bastrop Business & Industrial Park, Phase 1, Block B, located at 1501 Business Park Drive, within the City limits of Bastrop, Texas; setting out conditions; and establishing an effective date.

STAFF REPRESENTATIVE:

Wesley Brandon, P.E., Director of Planning and Engineering

BACKGROUND/HISTORY:

Bastrop County is requesting a Conditional Use Permit (CUP) for a 175-foot communications tower to be located at the future Bastrop County Office of Emergency Operations, Information Technology and 911 Communications and Dispatch. The building is currently vacant and was previously a manufacturing and office warehouse.

The main structure of the tower is 150-feet in height, with the antennas extending another 25-feet. The tower will be publicly owned and used for emergency services communication across the county. The attached P&Z report includes additional information for review.

The Bastrop County Economic Development Corporation (BEDC) Board met on June 19, 2017 and voted unanimously to recommend the approval of this CUP (Attachment 5).

PUBLIC COMMENTS:

Six (6) adjacent property owner notifications were mailed on July 12, 2017. At the time of this report, one (1) responses was received in favor. No verbal comments were made during the P&Z public hearing.

POLICY EXPLANATION:

A Conditional Use Permit is adopted by Ordinance, similar to the process that a zoning request, with public hearings at Planning & Zoning Commission and City Council and two ordinance readings at separate City Council meetings.

Within the Zoning Ordinance Section 43.5, there are specific criteria that must be met for communications antenna and support structures/tower. These criteria and conditions are detailed in the attached Planning & Zoning Commission staff report.

The Planning & Zoning Commission held a public hearing and recommended approval of the CUP at their July 27, 2017 meeting by a vote of 7-0, with the following conditions.

1. Construction shall be in conformance with the City of Bastrop regulations.
2. All necessary permits for the proposed development shall be acquired prior to occupying the building.

3. A Building Permit shall be applied for and secured within one year from the date the Conditional Use Permit is granted (second reading of the ordinance).
4. Antenna towers shall be secured to protect against trespass or unauthorized use of the property, antenna tower, or related buildings and structures on site. At minimum, antenna towers shall be equipped with an anti-climbing device and enclosed by security fencing and a locking gate not less than six (6) feet in height. If the tower will have guy wires, they must be fenced as well.
5. No amateur or commercial antenna, antenna support structure, microwave reflector/antenna, or associated foundations or support wires or appurtenances shall be located within any required setback area for the front, side or rear yards.
6. Antennae (amateur or commercial) shall not interfere with radio or television reception of adjoining property owners, and shall comply with all regulations of the Federal Communications Commission (FCC). In no manner shall the use of such equipment infringe upon adjoining property owners.
7. All commercial signs, flags, lights and attachments other than those required for communications operations, structural stability, or as required for flight visibility by the Federal Aviation Administration (FAA) and FCC shall be prohibited on any antenna or antenna support structure.

The City Council approved the first reading of the CUP, with the above conditions, by a vote of 5-0 at the August 8, 2017 meeting.

RECOMMENDATION:

Consider action to approve the second reading of Ordinance 2017-20 of the City Council of the City of Bastrop, Texas granting a conditional use permit for a 175-foot communications tower, being lot 3-A of the Bastrop Business & Industrial Park, Phase 1, Block B, located at 1501 Business Park Drive, within the City limits of Bastrop, Texas; setting out conditions; and establishing an effective date.

ATTACHMENTS:

Ordinance with Exhibits

ORDINANCE 2017- 20

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS GRANTING A CONDITIONAL USE PERMIT FOR A 175-FOOT COMMUNICATIONS TOWER, BEING LOT 3-A OF THE BASTROP BUSINESS & INDUSTRIAL PARK, PHASE 1, BLOCK B, LOCATED AT 1501 BUSINESS PARK DRIVE, WITHIN THE CITY LIMITS OF BASTROP, TEXAS; SETTING OUT CONDITIONS; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Judge Pape, representing Bastrop County (hereinafter referred to as “Applicant”) submitted a request for a Conditional Use Permit (CUP) for Lot 3-A of the Bastrop Business & Industrial Park, Phase 1, Block B, within the City limits of Bastrop, Texas, hereinafter referred to as “the Property”; and

WHEREAS, a location map is attached hereto as Exhibit “A” (the “Property”); and

WHEREAS, the Property is currently zoned as IP, Industrial Park, and LI, Light Industrial; and

WHEREAS, pursuant to Section 10.4 of the City’s Zoning Ordinance, notice of the CUP was given to all property owners located within two hundred (200) feet of the Property, and the Planning and Zoning Commission of the City of Bastrop held a public hearing on the CUP request on July 27, 2017; and

WHEREAS, after notice and hearing, the Planning and Zoning Commission, by a unanimous vote, recommended approval of the proposed request, subject to certain conditions set forth herein; and

WHEREAS, after consideration of public input received at the hearing, the information provided by the Applicant, and all other information presented, City Council finds by a majority vote of all members that it is in the public interest to approve the CUP.

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

Section 1: The Property, situated in Lot 3-A of the Bastrop Business & Industrial Park, Phase 1, Block B located at 1501 Business Park Drive, within the city limits of Bastrop, Texas as more particularly shown and described on Exhibit “A”, shall be and is hereby approved with the following conditions to:

- a. Construction shall be in conformance with the City of Bastrop regulations.
- b. All necessary permits for the proposed development shall be acquired prior to occupying the building.

- c. A Building Permit shall be applied for and secured within one year from the date the Conditional Use Permit is granted (second reading of the ordinance).
- d. Antenna towers shall be secured to protect against trespass or unauthorized use of the property, antenna tower, or related buildings and structures on site. At minimum, antenna towers shall be equipped with an anti-climbing device and enclosed by security fencing and a locking gate not less than six (6) feet in height. If the tower will have guy wires, they must be fenced as well.
- e. No amateur or commercial antenna, antenna support structure, microwave reflector/antenna, or associated foundations or support wires or appurtenances shall be located within any required setback area for the front, side or rear yards.
- f. Antennae (amateur or commercial) shall not interfere with radio or television reception of adjoining property owners, and shall comply with all regulations of the Federal Communications Commission (FCC). In no manner shall the use of such equipment infringe upon adjoining property owners.
- g. All commercial signs, flags, lights and attachments other than those required for communications operations, structural stability, or as required for flight visibility by the Federal Aviation Administration (FAA) and FCC shall be prohibited on any antenna or antenna support structure.

Section 2: This ordinance shall take effect upon passage and in accordance with the laws of the State of Texas.

Section 3: If any provision of this ordinance or application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions, or application thereof, of this ordinance, which can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are hereby declared to be severable.

Section 4: This ordinance shall take effect upon the date of final passage noted below, or when all applicable publication requirements, if any, are satisfied in accordance with the City's Charter, Code of Ordinances, and the laws of the State of Texas.

READ and ACKNOWLEDGED on First Reading on the 8th day of August 2017.

READ and APPROVED on the Second Reading on the 22nd day of August 2017.

APPROVED:

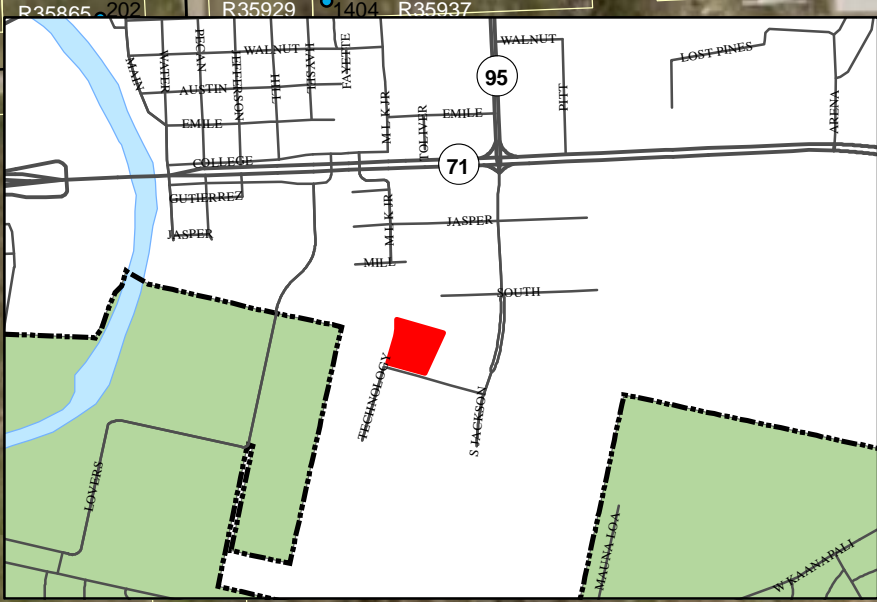
Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Joe Gorfida, Interim City Attorney



Location Map
 Communications Tower CUP
 1501 Business Park Drive

1 inch = 166.67 feet

Date: 7/12/2017
 The accuracy and precision of this cartographic data is limited and should be used for information/planning purposes only. This data does not replace surveys conducted by registered Texas land surveyors nor does it constitute an "official" verification of zoning, land use classification, or other classification set forth in local, state, or federal regulatory processes. The City of Bastrop, nor any of its employees, do not make any warranty of merchantability and fitness for particular purpose, or assumes any legal liability or responsibility for the accuracy, completeness or usefulness of any such information, nor does it represent that its use would not infringe upon privately owned rights.



STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 8E

TITLE:

Consider action to approve the second reading of Ordinance No. 2017-21 of the City Council of the City of Bastrop, Texas to rezone lots 2, 3, 4, 5, 6, and 7 of the North Main Addition Subdivision from NS, Neighborhood Service and O, Office to SF-7, Single-Family 7, located at the southwest corner of Main Street and Mesquite Street, within the City limits of Bastrop, Texas; and establishing an effective date.

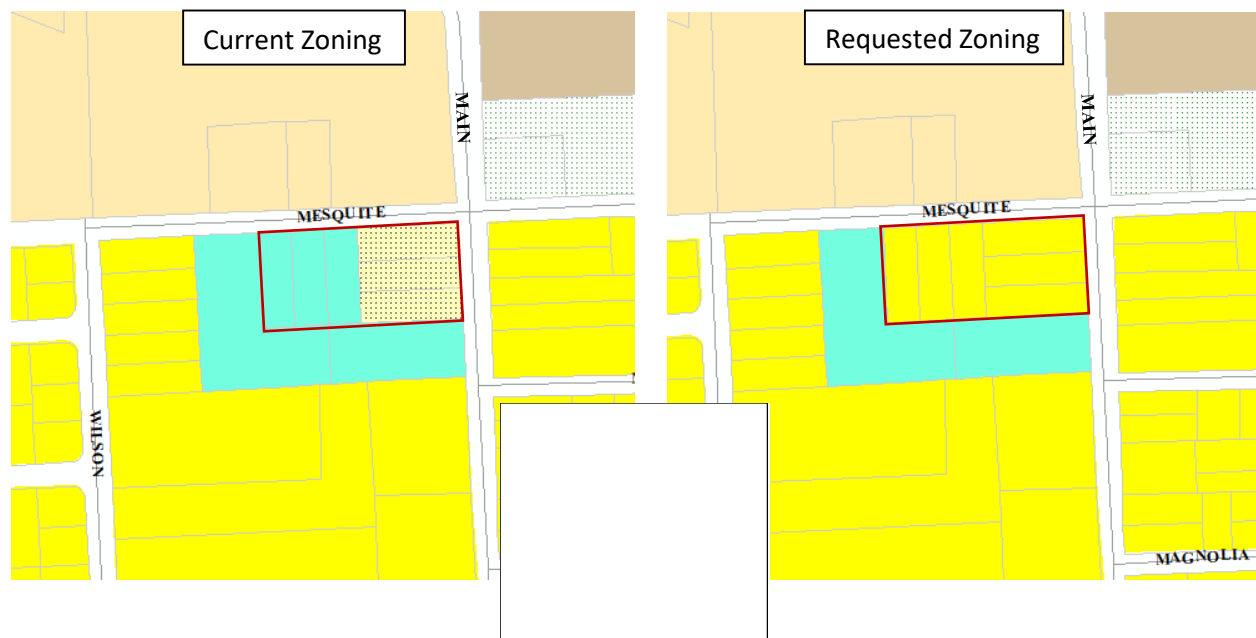
STAFF REPRESENTATIVE:

Wesley Brandon, P.E., Director of Planning and Engineering

BACKGROUND/HISTORY:

On June 27, 2017, the property owner met with staff for a pre-application meeting, after which they applied to change the zoning for six lots within the North Main Addition. The property is currently vacant.

The immediate surrounding properties are zoned SF-7, SF-9, and Office. The office property is being used as offices and educational facility for a childhood education company. Homes are located across Mesquite and Main streets, along with an LCRA electric substation. The area zoned Ag/Open Space on the opposite corner is also used as residential. The neighborhood as a whole is residential.



PUBLIC COMMENTS:

Thirty-seven (37) adjacent property owner notifications were mailed on July 12, 2017. At the time of this report, no responses were received.

POLICY EXPLANATION:

Amendments to the official zoning map go through the rezoning process, with public hearings at Planning & Zoning Commission and City Council and two ordinance readings at separate City Council meetings. Further policy explanation is included in the attached Planning & Zoning Staff Report.

The Planning and Zoning Commission discussed the request and held a public hearing at their July 27, 2017 meeting and voted 7 to 0 to recommend approval of the requested rezoning of North Main Street Addition, Lots 2-7 from NS, Neighborhood Service and O, Office to SF-7, Single-Family 7.

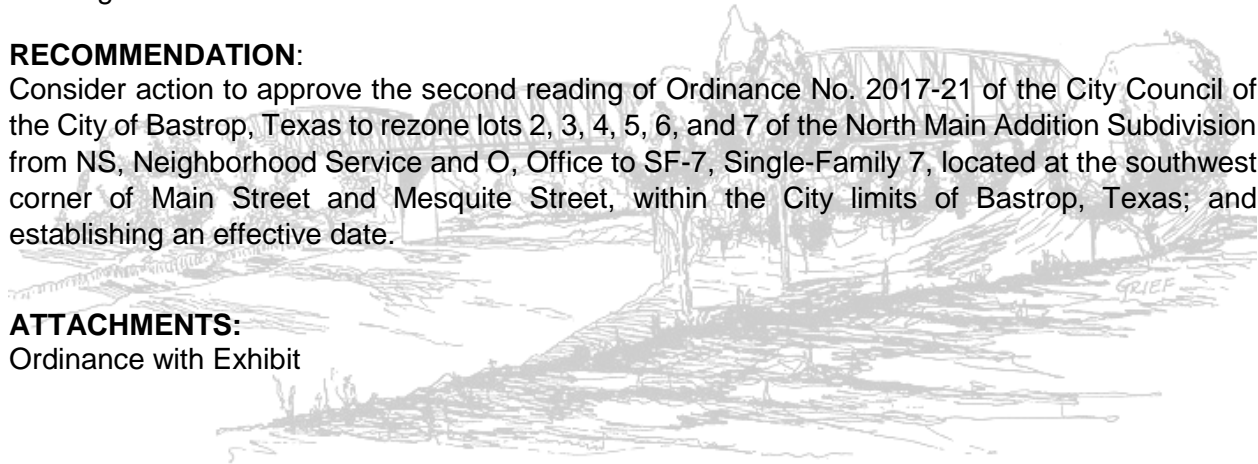
The City Council approved the first reading of the CUP, by a vote of 5-0 at the August 8, 2017 meeting.

RECOMMENDATION:

Consider action to approve the second reading of Ordinance No. 2017-21 of the City Council of the City of Bastrop, Texas to rezone lots 2, 3, 4, 5, 6, and 7 of the North Main Addition Subdivision from NS, Neighborhood Service and O, Office to SF-7, Single-Family 7, located at the southwest corner of Main Street and Mesquite Street, within the City limits of Bastrop, Texas; and establishing an effective date.

ATTACHMENTS:

Ordinance with Exhibit



ORDINANCE 2017- 21

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS TO REZONE LOTS 2, 3, 4, 5, 6, AND 7 OF THE NORTH MAIN ADDITION SUBDIVISION FROM NS, NEIGHBORHOOD SERVICE AND O, OFFICE TO SF-7, SINGLE-FAMILY 7, LOCATED AT THE SOUTHWEST CORNER OF MAIN STREET AND MESQUITE STREET, WITHIN THE CITY LIMITS OF BASTROP, TEXAS; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Nick Chesser (hereinafter referred to as “Applicant”) submitted a request for rezone Lots 2, 3, 4, 5, 6, and 7 of the North Main Addition Subdivision from NS, Neighborhood Service and O, Office to SF-7, Single-Family 7, within the City limits of Bastrop, Texas, hereinafter referred to as “the Property”; and

WHEREAS, a location map is attached hereto as Exhibit “A” (the “Property”); and

WHEREAS, the Property is currently zoned as NS, Neighborhood Service and O, Office; and

WHEREAS, pursuant to Section 10.4 of the City’s Zoning Ordinance, notice of the rezoning was given to all property owners located within two hundred (200) feet of the Property, and the Planning and Zoning Commission of the City of Bastrop held a public hearing on the rezoning request on July 27, 2017; and

WHEREAS, after notice and hearing, the Planning and Zoning Commission has recommended approval of the proposed request; and

WHEREAS, pursuant to Section 10.4 of the City’s Zoning Ordinance, notice of the rezoning request was given as required by the Ordinance, and the City Council of the City of Bastrop held a public hearing on August 8, 2017 to consider the Applicant’s request; and

WHEREAS, after consideration of public input received at the hearing, the information provided by the Applicant, and all other information presented, City Council finds by a majority vote of all members that it is in the public interest to approve the rezoning.

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

Section 1: The Property, situated in Lots 2, 3, 4, 5, 6, and 7 of the North Main Addition Subdivision located at the southwest corner of Main Street and Mesquite Street, within the city limits of Bastrop, Texas as more particularly shown and described on attachments Exhibit “A”, shall be rezoned to district SF-7, Single Family 7.

Section 2: This ordinance shall take effect upon passage and in accordance with the laws of the State of Texas.

Section 3: If any provision of this ordinance or application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions, or application thereof, of this ordinance, which can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are hereby declared to be severable.

Section 4: This ordinance shall take effect upon the date of final passage noted below, or when all applicable publication requirements, if any, are satisfied in accordance with the City's Charter, Code of Ordinances, and the laws of the State of Texas.

READ and ACKNOWLEDGED on First Reading on the 8th day of August 2017.

READ and APPROVED on the Second Reading on the 22nd day of August 2017.

APPROVED:

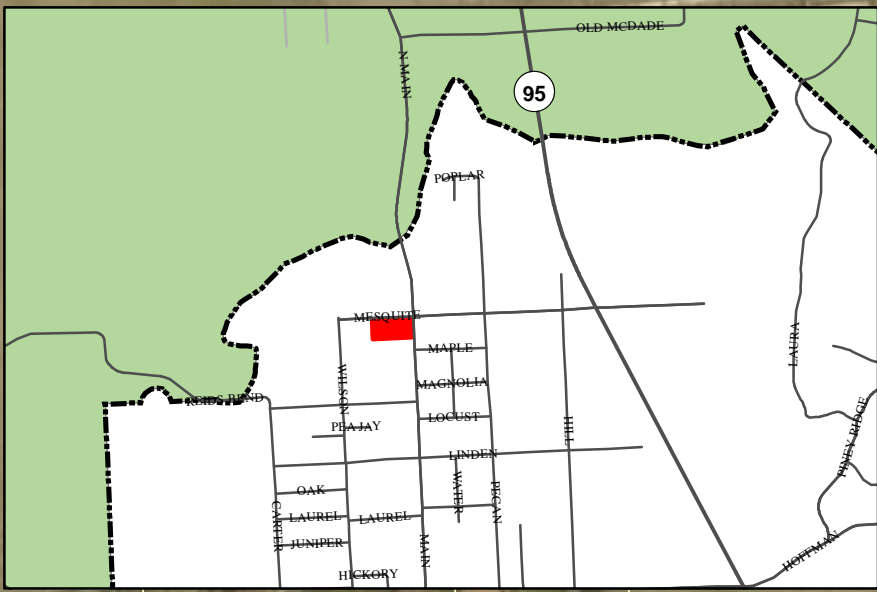
Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Joe Gorfida, Interim City Attorney



Location Map
Rezone North Main Addition Lots 2-7
Neighborhood Service and Office to Neighborhood
Northeast Corner of Main and Mesquite



1 inch = 100 feet

Date: 7/12/2017
 The accuracy and precision of this cartographic data is limited and should be used for information /planning purposes only. This data does not replace surveys conducted by registered Texas land surveyors nor does it constitute an "official" verification of zoning, land use classification, or other classification set forth in local, state, or federal regulatory processes. The City of Bastrop, nor any of its employees, do not make any warranty of merchantability and fitness for particular purpose, or assumes any legal liability or responsibility for the accuracy, completeness or usefulness of any such information, nor does it represent that its use would not infringe upon privately owned rights.



STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 9A

TITLE:

Conduct a public hearing (1st) on the proposed Ad Valorem Tax Rate for FY 2017-2018.

STAFF REPRESENTATIVE:

Lynda Humble, City Manager
 Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:

The City Manager presented the proposed budget for FY 2017-2018 on August 8, 2017 that includes a proposed tax rate of \$0.564 per \$100 assessed value.

Truth-in-taxation is a concept embodied in the Texas Constitution and the Tax Code that requires local taxing units to make taxpayers aware of tax rate proposals. When a proposed tax rate exceeds the rollback rate or the effective rate, whichever is lower, the taxing unit's government body must hold two public hearings to allow the public the opportunity to express their views on the proposed tax rate.

POLICY EXPLANATION:

City staff is considering a tax rate up to \$0.5640 including an operations and maintenance (O&M) tax rate of \$0.3643 and a debt service (I&S) tax rate of \$0.1997 per \$100 in taxable value.

The effective tax rate, which shows the relation between prior year's revenue and the current year's value, has been calculated by City staff and certified by the Bastrop Central Appraisal District to be \$0.5383. The rollback rate, which is the maximum rate that can be applied and not be subject to a rollback petition, has been calculated by staff and certified by the Bastrop Central Appraisal District to be \$0.5733. These rates will be published in the local newspaper, the City's website, and the government access cable channel as required by State law.

TAX RATES		
Tax Rates	FY 2016-2017	FY 2017-2018
Effective Rate	\$0.5577	\$0.5383
Rollback Rate	\$0.5674	\$0.5733
O & M Rate	\$0.3640	\$0.3643
Debt (I&S) Rate	\$0.2000	\$0.1997
Proposed Tax Rate	\$0.5640	\$0.5640

There will be a second public hearing on Tuesday, September 12, 2017 at 6:30pm. The public hearing will be held in the City Council Chambers, located in City Hall at 1311 Chestnut St. Bastrop, TX 78602.

RECOMMENDATION:

City staff recommends the City Council conduct a public hearing to allow the public the opportunity to express their views on the proposed tax rate. No official action is required after the public hearing.

AT EACH HEARING, THE GOVERNING BODY MUST ANNOUNCE THE DATE, TIME AND PLACE OF THE MEETING AT WHICH IT WILL VOTE ON THE TAX RATE. THE CITY OF BASTROP WILL VOTE ON THE TAX RATE ON SEPTEMBER 26, 2017 AT 6:30 PM AT CITY HALL, 1311 CHESTNUT STREET, BASTROP, TX 78602.





STAFF REPORT

MEETING DATE: August 22, 2017

AGENDA ITEM: 9B

TITLE:

Consider action to approve Resolution No. R-2017- 68 of the City Council of the City of Bastrop, Texas authorizing Bastrop Art in Public Places to acquire through purchase one (1) permanent sculpture, amounting to \$7,500 in accordance with the City's purchasing policy; and providing an effective date.

STAFF REPRESENTATIVE:

Sarah O'Brien, Main Street Program Director

BACKGROUND/HISTORY:

On August 2nd, Bastrop Art in Public Places approved recommending the purchase of the following sculpture utilizing additional remaining budget monies:

1. "Warrior Spirit" by Dan Pogue- \$7,500

POLICY EXPLANATION:

Bastrop Art in Public Place's bylaws state:

Article 1.3: The purpose of Bastrop Art in Public Places is to expand the enjoyment, access, and appreciation of art in Bastrop, Texas. This includes assisting the Bastrop City Council in developing guidelines and standards for the selection, display, and maintenance of in the City and to acquire by purchase or donation, works of art for display.

Article 4.1 Art Ownership:

Article 4.1a Works of art acquired in whole or in part by the City of Bastrop with the assistance of the BAIPP shall be acquired in the name and under the ownership of the City of Bastrop.

FUNDING SOURCE:

Bastrop Art in Public Places budgeted \$55,000 during FY 17 for the purchase of permanent art to be added to the City's collection, this purchase will allocate all of those monies

RECOMMENDATION:

Consider action to approve Resolution No. R-2017- 68 of the City Council of the City of Bastrop, Texas authorizing Bastrop Art in Public Places to acquire through purchase one (1) permanent sculpture, amounting to \$7,500 in accordance with the City's purchasing policy; and providing an effective date.

ATTACHMENTS:

- Sculpture Images
- Resolution

RESOLUTION NO. R-2017 - 68

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TX AUTHORIZING BASTROP ART IN PUBLIC PLACES TO ACQUIRE THROUGH PURCHASE ONE SCULPTURE TOTALING \$7,500 ON BEHALF OF THE CITY OF BASTROP; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, The City Council has formed Bastrop Art in Public Places to expand the enjoyment, access, and appreciation of art in Bastrop, Texas; and

WHEREAS, Bastrop Art in Public Places is to assist the City Council in making recommendations to acquire by purchase works of art for the enjoyment of Bastrop residents and visitors; and

WHEREAS, Bastrop Art in Public Places voted unanimously to recommend the purchase of "Warrior Spirit" by Dan Pogue, "at their August 2nd , 2017 meeting; and

WHEREAS, Bastrop Art in Public Places has \$55,000 in their Fiscal Year 2017 budget to acquire such works of art; and

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

Section 1: Bastrop Art in Public places is authorized to make the purchase of the above-mentioned pieces of art in accordance with the City's purchasing policy.

Section 2: That this Resolution shall take effect immediately upon its passage, and it is so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 22nd Day of July, 2017.

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Joe Gorfida, Interim City Attorney



