



Sherry Garrison, Council Position 1
TJ Haight, Council Position 2
Tommy Ginn, Council Position 3

Bill Patterson, Council Position 4
Ron Martin, Council Position 5
Rae A. Sinor, Council Position 6

James Stokes, City Manager
Gary Jackson, Assistant City Manager

Jerry Mouton Jr., Mayor

Shannon Bennett, City Secretary
Jim Fox, City Attorney

In order to help prevent the spread of the virus that causes COVID-19, the City of Deer Park is asking members of the public attending the meeting to:

- 1. Maintain at least 6 feet separation from other individuals.*
- 2. Self-screen before going into the meeting for any of the following new or worsening signs or symptoms of possible COVID-19: (Cough, Shortness of breath or difficulty breathing, Chills, Repeated shaking with chills, Muscle pain, Headache, Sore throat, Loss of taste or smell, Diarrhea, Feeling feverish or a measured temperature greater than or equal to 100.0 degrees Fahrenheit, Known close contact with a person who is lab confirmed to have COVID-19, Wash or disinfect hands upon entering the building and after any interaction with others in the building.*
- 3. Consider wearing cloth face coverings (over the nose and mouth) when entering the building, or when within 6 feet of another person who is not a member of the individual's household.*

The City of Deer Park will be limiting attendance in the Council Chambers to seventy five percent (75%) of the total listed occupancy of room capacity during this meeting.

Ordinance #4212

Resolution #2021-01

CALL TO ORDER

The 1772nd meeting of the Deer Park City Council.

INVOCATION

PLEDGE OF ALLEGIANCE

COMMENTS FROM AUDIENCE

The Mayor shall call upon those who have registered to address Council in the order registered. There is a five minute time limit . A registration form is available in the Council Chambers and citizens must register by 7:25 p.m.

PUBLIC HEARINGS

The Mission of the City of Deer Park is to deliver exemplary municipal services that provide the community a high quality of life consistent with our history, culture and unique character.

1. Public Hearing on an ordinance reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

[PH 21-005](#)**Recommended Action:**

After the conclusion of the public hearing the City Council will later in the January 5, 2021 Regular Council Meeting consider and take possible action on an ordinance involving the reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

Attachments:[Tax Abatement newspaper adv](#)

CONSENT CALENDAR

2. Approval of minutes of workshop meeting on December 15, 2020.

[MIN 21-005](#)**Recommended Action:**

Approval

Attachments:[CC MW 121520](#)

3. Approval of minutes of regular meeting on December 15, 2020.

[MIN 21-006](#)**Recommended Action:**

Approval

Attachments:[CC MR 121520](#)

4. Acceptance of completion for the purchase and installation of electronic marquee signs for the Jimmy Burke Activity Center and Deer Park Soccer Complex by Daktronics, Inc.

[ACT 20-038](#)**Recommended Action:**

Recommendation is to approve the acceptance the completion for the purchase and installation of electronic marquee signs for the Jimmy Burke Activity Center and Deer Park Soccer Complex by Daktronics, Inc.

Attachments:[Daktronics JBAC](#)[Daktronics Soccer Sign](#)

NEW BUSINESS

5. Consideration of and action on the authorization to purchase from SKE, Inc. through the Buy Board Cooperative Purchasing Program to perform the 2021 Annual Concrete Maintenance Program.

[PUR 20-032](#)**Recommended Action:**

Approval

Department:

Public Works

The Mission of the City of Deer Park is to deliver exemplary municipal services that provide the community a high quality of life consistent with our history, culture and unique character.

6. Consideration of and action on the results of the public hearing and an ordinance reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030. [ORD 21-005](#)

Recommended Action: Approve the ordinance reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

Attachments: [Reaffirm and Amend Ord 4030-Tax Abatement and Reinvestment Zone-Jan. 20](#)

7. Consideration of and action on an ordinance amending the Fiscal Year 2020-2021 Capital Improvements Fund Budget for the purchase of real property. [ORD 21-002](#)

Recommended Action: Approve the ordinance to amend the Fiscal Year 2020-2021 Budget for the Capital Improvements Fund for the purchase of real property.

Attachments: [POH - Purchaser's Statement](#)
[Ord - Amend Budget FY21 Land from POH](#)
[contract](#)

8. Consideration of and action on an ordinance amending Ordinance No. 3648 granting a pipeline franchise to NuStar Logistics for a twelve-inch (12") Propane Pipeline. (First reading) [ORD 21-001](#)

Recommended Action: Amend ordinance

Attachments: [NuStar City Deer Park Ltr 201216 \(003\)](#)
[NuStar](#)
[Nustar map](#)
[NuStar Logistics Pipeline 2](#)

ADJOURN

/s/Shannon Bennett, TRMC
City Secretary

Posted on Bulletin Board
December 31, 2020

City Hall is wheelchair accessible and accessible parking spaces are available. Hearing assistance devices are available. Requests for accommodation services must be made 72 hours prior to any meeting. Please contact the City Secretary's office at 281-478-7248 for further information.

The Mission of the City of Deer Park is to deliver exemplary municipal services that provide the community a high quality of life consistent with our history, culture and unique character.



Legislation Details (With Text)

File #: PH 21-005 **Version:** 1 **Name:**
Type: Public Hearing(s) **Status:** Agenda Ready
File created: 12/29/2020 **In control:** City Council
On agenda: 1/5/2021 **Final action:**
Title: Public Hearing on an ordinance reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

Sponsors:

Indexes:

Code sections:

Attachments: [Tax Abatement newspaper adv](#)

Date	Ver.	Action By	Action	Result
1/5/2021	1	City Council		

Public Hearing on an ordinance reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

Summary:

The notice below was posted at City hall and published in a newspaper of general circulation in the City:

Notice is hereby given that the City Council of the City of Deer Park, Texas, will hold a Public Hearing at City Hall, 710 East San Augustine Street, at 7:30 p.m. on January 5, 2021 at which time and place they will hear all persons desiring to be heard on or in connection with any matter or question involving the reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

Fiscal/Budgetary Impact:

N/A

After the conclusion of the public hearing the City Council will later in the January 5, 2021 Regular Council Meeting consider and take possible action on an ordinance involving the reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

NOTICE OF PUBLIC HEARING

Notice is hereby given that the City Council of the City of Deer Park, Texas, will hold a Public Hearing at City Hall, 710 East San Augustine Street, at 7:30 p.m. on January 5, 2021 at which time and place they will hear all persons desiring to be heard on or in connection with any matter or question involving the reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

Shannon Bennett, TRMC

City Secretary

Dated this 2nd day of December 2020.



Legislation Details (With Text)

File #: MIN 21-005 **Version:** 1 **Name:**
Type: Minutes **Status:** Agenda Ready
File created: 12/28/2020 **In control:** City Council
On agenda: 1/5/2021 **Final action:**
Title: Approval of minutes of workshop meeting on December 15, 2020.
Sponsors:
Indexes:
Code sections:
Attachments: [CC_MW_121520](#)

Date	Ver.	Action By	Action	Result
1/5/2021	1	City Council		

Approval of minutes of workshop meeting on December 15, 2020.

Summary:

Fiscal/Budgetary Impact:

None

Approval

710 EAST SAN AUGUSTINE STREET

DEER PARK, TEXAS 77536

Minutes

of

A WORKSHOP MEETING OF THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS HELD AT CITY HALL, 710 EAST SAN AUGUSTINE STREET, DEER PARK, TEXAS ON DECEMBER 15, 2020 BEGINNING AT 6:15 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON, JR.
SHERRY GARRISON
TJ HAIGHT
TOMMY GINN
BILL PATTERSON
RAE SINOR

MAYOR
COUNCILWOMAN
COUNCILMAN
COUNCILMAN
COUNCILMAN
COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

JAMES STOKES
GARY JACKSON
SHANNON BENNETT
JIM FOX

CITY MANAGER
ASSISTANT CITY MANAGER
CITY SECRETARY
CITY ATTORNEY

1. MEETING CALLED TO ORDER – Mayor Mouton called the workshop to order at 6:15 p.m.
2. COMMENTS FROM AUDIENCE – No comments received.
3. 2020 STRATEGIC PLAN UPDATE – Assistant City Manager Gary Jackson gave an overview of the Strategic Plan update that includes six (6) areas of emphasis, which are Leadership/Governance, Quality of Life/Image, Comprehensive Planning, Economic Development, Public Safety and Organizational Excellence. The “Team Facilitators” presented an update on the Strategic Plan to Council that highlighted the most significant strategy of choice that represented the goals met and ranked from within each area of emphasis selected by Council. Director serving as a Team Facilitator as follows:

Area of Emphasis 1: Leadership and Governance – Facilitator: Shannon Bennett, City Secretary

Area of Emphasis 2: Quality of Life/Image - Facilitator: Charlie Sandberg, Director of Parks and Recreation

Area of Emphasis 3: Comprehensive Planning - Facilitator: Bill Pedersen, Director of Public Works

Area of Emphasis 4: Economic Development - Facilitator: Gary Jackson, Assistant City Manager

Area of Emphasis 5: Public Safety - Facilitator: Robert Hemminger, Director of Emergency Services

Area of Emphasis 6: Organizational Excellence - Facilitator: Bill Philibert, Director of Human Resources

Councilwoman Garrison commented, "This was very interesting. I know a lot of hard work went into this. I want to thank all of you all for doing this and putting it all together. I really appreciate it and I really appreciate you all."

Councilman Patterson and Councilman Ginn also expressed their gratitude to Staff.

4. DISCUSSION OF ISSUES RELATING TO THE RAW WATER APPLICATION WITH THE CITY OF HOUSTON – City Manager James Stokes advised Council of the current contract with the City of Houston for raw water expiring on December 31, 2020 and that the City's contract must be renewed. The City of Houston recently opened an application process for their raw water customers to seek a new contract.

Water Plant Supervisor Nicholas Cook gave an overview of the application process and the recommendations to apply for a maximum of 7 million gallons per day. Currently, the water rates will stay in place until a new contract is finalized. Mr. Cook advised Council that earlier this fall the City of Houston opened a comment period for their raw water customers to submit questions regarding the new water contract. The City of Deer Park submitted several questions in timely fashion, but to date, have not received any response from the City of Houston.

5. DISCUSSION OF ISSUES RELATING TO THE QUARTERLY FINANCIAL REPORT FOR THE FISCAL YEAR 2019-2020 FOURTH QUARTER ENDED SEPTEMBER 30, 2020 – Finance Director Donna Todd gave an overview of the preliminary and unaudited results for the fiscal year (October 2019 – September 2020) and highlighted the expenditures and revenues of each fund. The revenue and expenditure accounts for all funds do not yet include final entries for year-end accruals, interfund transfers, or final audit adjustments. The auditors plan to begin the final audit work in late January 2021 and the final results of the FY 2018-2019 audit will be presented to City Council no later than the March 31, 2021 meeting. (Exhibit A1-A12)

6. DISCUSSION OF ISSUES RELATING TO THE CITY OF DEER PARK ACCOMPLISHMENTS DURING 2020 – City Manager James Stokes gave an overview of the accomplishments that Staff and the City as a whole have made in 2020. There were challenges that this year presented, but Staff took the opportunity to learn to adapt by offering programs and services to our residents in need in a new and health-conscious way. Mr. Stokes advised Council of the many accomplishments and recognized the individual/groups pertaining to leadership on a regional, state and national level as well as a number of other significant achievements for the City as a whole. The accomplishments include:

- Mayor Jerry Mouton received the "Public Official of the Year" award from the Master of Public Administration (MPA) Program at the University of Houston in March.

- The City Council was selected as the City Council of the Year for 2020 by the Texas City Management Association (TCMA).
- For the first time in the organization's history, a Municipal Excellence Award from the Texas Municipal League was received. The award, given in the category of Management Innovations, recognizes our efforts in creating a Public Information Officer/Emergency Management Coordinators Network in partnership with the City of La Porte, Texas.
- The Parks & Recreation Department received national acclaim in earning its Commission for Accreditation of Park and Recreation Agencies (CAPRA) accreditation from the National Recreation and Park Association. This recognition, held by only 20 entities in Texas, reflects the culmination of years of effort on the part of Parks & Recreation Staff and partnership with several City Departments.
- The Parks & Recreation Department won two (2) photography awards from the Texas Recreation & Parks Society (TRAPS) – East Region. Additionally, employee Emma Long won the TRAP – East Region “Part-timer of the Year” award.
- Chief of Police Greg Grigg was elected President of the Houston Area Police Chiefs Association (HAPCA) and the Deer Park Rotary Club.
- Human Resources Director Bill Philibert was reappointed to the Texas Municipal Retirement System (TMRS) Board, and remained its Chair until the end of 2020.
- Standard and Poor's Global Ratings re-affirmed the City's “AAA” bond rating with a “stable outlook.” According to the report, the AAA rating reflects the City's strong financial management, strong budgetary performance and strong budgetary flexibility.
- Under the direction of Director of Finance Donna Todd, the City received a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) from the Government Finance Officers Association (GFOA). This was the 32nd consecutive year that the City has received this prestigious award.
- Public Works Operations Supervisor Kathy Holcomb was appointed to the Texas General Land Office (TGLO) CDBG MIT Citizens Advisory Committee.
- City Manager James Stokes was elected Vice President of The Texas City Management Association (TCMA) after completing the term as President of TCMA Region 6.
- The Deer Park Public Library received another Achievement in Excellence Award from the Texas Municipal Library Directors Association. This is the 6th time the Library has won this award.
- The City received over \$24,000 in CARES funding to assist with unemployment costs. This reflects 50% of our unemployment insurance costs.
- The berms at the Police Department's Gun Range, which were damaged during Hurricane Harvey and were reconstructed this year.
- Grant Funding for multiple projects/reimbursements (CARES ACT, FEMA, Harris County Flood Control District).
- Interlocal Agreements with Harris County/Harris County Flood Control District (HCFCD) pertaining to flood control.

City Manager James Stokes commented, “This has been a very blessed year for us.”

7. DISCUSSION OF ISSUES RELATING TO SEEKING OF FISCAL YEAR 2022 STEP COMMERCIAL MOTOR VEHICLE (CMV) TRAFFIC ENFORCEMENT GRANT –

Chief Grigg gave an overview of the grant totaling \$15,798.78 that will provide approximately 261 hours of enforcement and/or education on commercial motor vehicles with the explicit goal of reducing crashes involving these vehicles. The area covered is designated as the north end of the City covering Highway 225 south to Pasadena Boulevard.

8. DISCUSSION OF ISSUES RELATING TO THE SEEKING OF FISCAL YEAR 2022 STEP COMPREHENSIVE TRAFFIC ENFORCEMENT GRANT – Chief Grigg gave an overview of the grant totaling \$68,656.68 that will be focused on reducing the number of accidents, injuries, and fatalities in Deer Park through the overtime enforcement of traffic statutes and public awareness efforts. This will take place during the period of time from October 1, 2021, through September 30, 2022, with a special emphasis on Christmas/New Year's, Spring Break, Memorial Day, Independence Day and Labor Day. The grant will provide for approximately 1,017 hours of enforcement in selected enforcement zones.
9. ADJOURN – Mayor Mouton adjourned the workshop meeting at 7:22 p.m.

ATTEST:

APPROVED:

Shannon Bennett, TRMC
City Secretary

Jerry Mouton, Jr.
Mayor



City of Deer Park

710 E SAN AUGUSTINE
DEER PARK, TX 77536

Legislation Details (With Text)

File #: MIN 21-006 **Version:** 1 **Name:**
Type: Minutes **Status:** Agenda Ready
File created: 12/28/2020 **In control:** City Council
On agenda: 1/5/2021 **Final action:**
Title: Approval of minutes of regular meeting on December 15, 2020.
Sponsors:
Indexes:
Code sections:
Attachments: [CC_MR_121520](#)

Date	Ver.	Action By	Action	Result
1/5/2021	1	City Council		

Approval of minutes of regular meeting on December 15, 2020.

Summary:

Fiscal/Budgetary Impact:

None

Approval

CITY OF DEER PARK

CC 81-

710 EAST SAN AUGUSTINE STREET

DEER PARK, TEXAS 77536

Minutes of

THE 1771ST REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF DEER PARK, TEXAS HELD IN CITY HALL, 710 EAST SAN AUGUSTINE STREET, DEER PARK, TEXAS ON DECEMBER 15, 2020 AT 7:30 P.M., WITH THE FOLLOWING MEMBERS PRESENT:

JERRY MOUTON, JR.
SHERRY GARRISON
TJ HAIGHT
TOMMY GINN
BILL PATTERSON
RAE SINOR

MAYOR
COUNCILWOMAN
COUNCILMAN
COUNCILMAN
COUNCILMAN
COUNCILWOMAN

OTHER CITY OFFICIALS PRESENT:

JAY STOKES
GARY JACKSON
SHANNON BENNETT
JIM FOX

CITY MANAGER
ASSISTANT CITY MANAGER
CITY SECRETARY
CITY ATTORNEY

1. MEETING CALLED TO ORDER – Mayor Mouton called the meeting to order at 7:30 p.m.
2. INVOCATION – The invocation was given by Councilman Patterson.
3. PLEDGE OF ALLEGIANCE – Councilman Haight led the Pledge of Allegiance to the United States Flag and led the Texas Flag Pledge.
4. COMMENTS FROM THE AUDIENCE – No comments received.
5. CONSENT CALENDAR – Motion was made by Councilman Ginn and seconded by Councilman Haight to approve the consent calendar as follows:
 - a. Approval of minutes of workshop meeting on December 1, 2020.
 - b. Approval of minutes of regular meeting on December 1, 2020.
 - c. Acceptance of the Quarterly Financial Report for the Fiscal Year 2019-2020 fourth quarter ended September 30, 2020.
 - d. Authorization to submit application for Raw Water from the City of Houston.

Motion carried 6 to 0.

6. CONSIDERATION OF AND ACTION ON AN AGREEMENT WITH TEXAS COMMISSION OF ENVIRONMENTAL QUALITY FOR AIR MONITORING SITE AGREEMENT 58-220-11908 – Motion was made by Councilwoman Garrison and seconded by Councilwoman Sinor to approve entering into an agreement with Texas Commission of Environmental Quality for Air Monitoring Site Agreement 582-20-11908. Motion carried 6 to 0.
7. CONSIDERATION OF AND ACTION ON AN AGREEMENT WITH CENTERPOINT ENERGY FOR A MASTER LICENSE AGREEMENT ALLOWING FOR AN EASEMENT FOR THE HIKE AND BIKE TRAILS – Motion was made by Councilman Ginn and seconded by Councilman Haight to approve entering into an agreement with CenterPoint Energy for a Master License Agreement allowing for an easement for the Hike and Bike Trails. Motion carried 6 to 0.
8. CONSIDERATION OF AND ACTION ON A RESOLUTION TO SEEK A FISCAL YEAR 2022 STEP COMMERCIAL MOTOR VEHICLE (CMV) TRAFFIC ENFORCEMENT GRANT – After a proposed resolution was read by caption, motion was made by Councilman Ginn and seconded by Councilman Patterson to adopt Resolution No. 2020-08, captioned as follows:

A RESOLUTION AUTHORIZING AND APPROVING A GRANT APPLICATION AND AGREEMENT BETWEEN THE CITY OF DEER PARK, TEXAS, AND THE STATE OF TEXAS DEPARTMENT OF HIGHWAYS AND PUBLIC TRANSPORTATION IN THE AMOUNT OF FIFTEEN THOUSAND SEVEN HUNDRED NINETY-EIGHT DOLLARS AND SEVENTY-EIGHT CENTS (\$15,798.78) TO CONDUCT A S.T.E.P. PROGRAM DIRECTED AT COMMERCIAL VEHICLE TRAFFIC ENFORCEMENT TO BE ADMINISTERED BY THE POLICE DEPARTMENT.

Motion carried 6 to 0.

9. CONSIDERATION OF AND ACTION ON A RESOLUTION TO SEEK A FISCAL YEAR 2022 STEP COMPREHENSIVE TRAFFIC ENFORCEMENT GRANT – After a proposed resolution was read by caption, motion was made by Councilman Haight and seconded by Councilwoman Sinor to adopt Resolution No. 2020-09, captioned as follows:

A RESOLUTION AUTHORIZING AND APPROVING A GRANT APPLICATION AND AGREEMENT BETWEEN THE CITY OF DEER PARK, TEXAS, AND THE STATE OF TEXAS DEPARTMENT OF HIGHWAYS AND PUBLIC TRANSPORTATION IN THE AMOUNT OF SIXTY-EIGHT THOUSAND SIX HUNDRED FIFTY-SIX DOLLARS AND SIXTY-EIGHT CENTS (\$68,656.68) TO CONDUCT A S.T.E.P. PROGRAM DIRECTED AT COMPREHENSIVE TRAFFIC ENFORCEMENT TO BE ADMINISTERED BY THE POLICE DEPARTMENT.

Motion carried 6 to 0.

10. CONSIDERATION OF AND ACTION ON A RECOMMENDATION FROM THE PLANNING AND ZONING COMMISSION AND A PROPOSED ORDINANCE FROM THE REQUEST OF HECTOR BENAVIDES (LION OF JUDAH INTERNATIONAL MINISTRIES, INC.) FOR A SPECIFIC USE PERMIT TO OPERATE A CHURCH AT 4317 RED BLUFF ROAD – After a proposed ordinance was read by caption, motion was made by Councilman Ginn and seconded by Councilman Patterson to adopt on first reading Ordinance 4210, captioned as follows:

AN ORDINANCE GRANTING A SPECIFIC USE PERMIT TO LION OF JUDAH INTERNATIONAL MINISTRIES INC., TO HOLD WORSHIP SERVICES AND CONDUCT BIBLE STUDIES ON A SITE LOCATED AT 4317 RED BLUFF ROAD.

Motion carried 6 to 0.

11. CONSIDERATION OF AND ACTION ON AN ORDINANCE APPOINTING FOUR MEMBERS TO THE LIBRARY BOARD OF TRUSTEES – After a proposed ordinance was read by caption, motion was made by Councilwoman Sinor and seconded by Councilman Patterson to adopt on first reading Ordinance 4211, captioned as follows:

AN ORDINANCE APPOINTING FOUR (4) MEMBERS OF THE BOARD OF TRUSTEES OF THE DEER PARK PUBLIC LIBRARY OF THE CITY OF DEER PARK, TEXAS; FIXING THEIR TERMS; RESERVING CERTAIN RIGHTS OF THE CITY COUNCIL.

Motion carried 6 to 0.

City Council gave reflections on the past year and thanked all the Department Directors and Staff on a job well done and wished everyone a Merry Christmas and a Happy New Year.

12. ADJOURN – Mayor Mouton adjourned the meeting at 7:53 p.m.

ATTEST:

APPROVED:

Shannon Bennett, TRMC
City Secretary

Jerry Mouton, Jr.
Mayor



Legislation Details (With Text)

File #: ACT 20-038 **Version:** 1 **Name:**
Type: Acceptance **Status:** Agenda Ready
File created: 11/13/2020 **In control:** City Council
On agenda: 1/5/2021 **Final action:**
Title: Acceptance of completion for the purchase and installation of electronic marquee signs for the Jimmy Burke Activity Center and Deer Park Soccer Complex by Daktronics, Inc.
Sponsors:
Indexes:
Code sections:
Attachments: [Daktronics JBAC](#)
[Daktronics Soccer Sign](#)

Date	Ver.	Action By	Action	Result
1/5/2021	1	City Council		

Acceptance of completion for the purchase and installation of electronic marquee signs for the Jimmy Burke Activity Center and Deer Park Soccer Complex by Daktronics, Inc.

Summary:

Daktronics, Inc. has completed the installation of a monument sign with LED display at the Deer Park Soccer Complex and an electronic marquee at the Jimmy Burke Activity Center and is now ready for Council acceptance and release of final payment and retainage. The project was completed in the amount of \$80,000.

The final payment for this project is \$55,000 for the Jimmy Burke Activity Center Marquee and \$25,000 for the Deer Park Soccer Complex Marquee which will complete the \$80,000 project total.

The project is completed and is ready to be closed out and final payment issued.

Attached is a copy for the final payment application for both the Jimmy Burke Activity Center and the Deer Park Soccer Complex marquees.

Fiscal/Budgetary Impact:

\$ 95,000 FY 20-21 Capital Improvements Fund (Account 090-430-49030)
\$ (55,000) Jimmy Burke Activity Center Marquee
\$ (25,000) Deer Park Soccer Complex Marquee

\$15,000 Amount remaining in FY 20-21 Capital Improvements Fund (Account 090-430-49030)

Recommendation is to approve the acceptance the completion for the purchase and installation of electronic marquee signs for the Jimmy Burke Activity Center and Deer Park Soccer Complex by Daktronics, Inc.

CheckVoucher

Vendor # 108084



PAYABLE TO:

Company / Name: Daktronics, Inc

Address 1:

Address 2:

City / State / Zip Code:

City of Deer Park
710 E. San Augustine
Deer Park, Texas
77536

Phone: 281.478.7299
Fax: 281.478.4029
www.deerparktx.org

Invoice Number	G / L Account Number	Project Number	Amount
691-1906	090-430-49030		\$55,000.00

Total: \$55,000.00

EXPLANATION:

Electronic Marquee for JBAC (original p.o. # 20-1994)
approved by council on July 7, 2020 / 1295 acknowledged 7/9/20 / buy board # 592-19

Return to Department: Yes ☐ No ☒

Prepared by: Jazmin Hernandez

Date: 12/15/20

Department Supervisor: _____

Department Director: _____

Funds Available for Disbursement: _____

Expenditure Authorized by City Manager: _____

For Department Use Only:

Requisition #: _____ Check #: _____ Date Mailed: _____

DAKTRONICS INVOICE

Remit To:
DAKTRONICS, INC.
SDS-12-2222
PO BOX 86
MINNEAPOLIS, MN 55486 (USA)

Invoice No: 6911906
Invoice Date: 11/30/20
Payment Due Date: 12/20/20
Customer No: 202345-001
Purchase Order No: 20-1994

DAKTRONICS, INC.
EIN # 46-0306862
201 DAKTRONICS DRIVE
PO BOX 5110
BROOKINGS, SD 57006 (USA)
Phone: 800-325-8766
Fax: 605-697-4700
www.daktronics.com

Sold To: ACCOUNTS PAYABLE
Accounts Payable
City of Deer Park
710 E San Augustine
DEER PARK, TX 77536 (USA)

Page 1 of 1

End User:		Ship To:			
Jimmy Burke Activity Center 500 West 13th Street DEER PARK, TX 77536 (USA)		NATIONAL SIGNS 2611 EL CAMINO ST HOUSTON, TX 77054			
Order Number 308043	Delivery Terms FOB DESTINATION	Payment Terms NET 30 DAYS			
Line	Item Description	Unit Of Measure	Quantity	Unit Price	Amount
1	BILLED PER PAYMENT SCHEDULE		1.0000	55,000.00	55,000.00
Items Subtotal					55,000.00
For questions regarding this invoice please contact Daktronics, Inc. Customer Service at: 800-325-8766 or Fax: 605-697-4444.					
			Invoice Total	55,000.00	
			Payments Received	0.00	
			Amount Due ➔	55,000.00	
			Currency USD		



No return goods accepted without prior authorization.
For invoice inquiry, contact us at acctsrc@daktronics.com.

****For Overnight Packages, please use this address: Daktronics, U.S. Bank Lockbox, SDS-12-2222, 1200 Energy Park Dr., St Paul, MN 55108**
Payments can be made in U.S. Dollars at this link: www.daktronics.com/payonline.

**CITY OF DEER PARK**

710 East San Augustine
PO Box 700
Deer Park, TX 77536
Telephone: (281) 478-7228
Fax: (281) 478-4029

PURCHASE ORDER**PO Number:** 21-0480**Date:** 10/08/2020**Requisition #:** 21-0480**Vendor #:** 0108084

ISSUED TO: DAKTRONICS, INC.
201 DAKTRONICS DRIVE
BROOKINGS, SD 57006-

SHIP TO: Parks & Recreation
610 E. San Augustine
Deer Park, TX 77536

ITEM	UNITS	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0	Marquee sign for new soccer complex	090-430-49030		0.00	40,000.00

Purchasing approval form approved on 7/13/20

Original P.O. # 20-1834

Rolled over from 2019/20 FY

25,000.00

12

Approved for Payment

Date Processed

12/28/2020

Supervisor Signature / Date

Director Signature / Date

Ordered By:

JAZMIN HERNANDEZ

TOTAL25,000.00
40,000.00

Approval:

Purchasing Coordinator:

Nancy Peterson

Date: 10/08/2020

1. Original invoice plus one copy must be sent to:
City of Deer Park, Accounts Payable Dept, 710 East San Augustine, PO Box 700, Deer Park, TX 77536.
2. Purchase Order numbers must appear on all packages, packing slips and invoices.
3. The City is exempt from all federal excise and state tax - ID# 74-6000660

House Bill 89, effective September 1, 2017, amended the Texas Government Code to add Chapter 2270, Prohibition on Contracts with Companies Boycotting Israel. Effective September 1, 2017, the City of Deer Park may not enter into a contract or agreement with a company for goods or services unless the contract contains a written verification from the company that it (i) does not boycott Israel, and (ii) will not boycott Israel during the term of the contract or agreement.

By accepting this purchase order, the Vendor (professional or other applicable term defining the contracting party) verifies that it does not boycott Israel, and agrees that during the term of this agreement (contract as applicable) it will not boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended.

DAKTRONICS INVOICE

Remit To:
DAKTRONICS, INC.
SDS-12-2222
PO BOX 86
MINNEAPOLIS, MN 55486 (USA)

Invoice No: 6912231
Invoice Date: 12/03/20
Payment Due Date: 01/02/21
Customer No: 202345-001
Purchase Order No: 20-1834

DAKTRONICS, INC.
EIN # 46-0306862
201 DAKTRONICS DRIVE
PO BOX 5110
BROOKINGS, SD 57006 (USA)
Phone: 800-325-8766
Fax: 605-697-4700
www.daktronics.com

Sold To: ACCOUNTS PAYABLE
Accounts Payable
City of Deer Park
710 E San Augustine
DEER PARK, TX 77536 (USA)

Page 1 of 1

End User: Deer Park Soccer Complex 727 E Boulevard DEER PARK, TX 77536 (USA)			Ship To: NATIONAL SIGNS 2611 EL CAMINO ST HOUSTON, TX 77054		
Order Number 307882		Delivery Terms FOB DESTINATION		Payment Terms NET 30 DAYS	
Line	Item Description	Unit Of Measure	Quantity	Unit Price	Amount
1	BILLED PER PAYMENT SCHEDULE		1.0000	25,000.00	25,000.00
Items Subtotal					25,000.00
For questions regarding this invoice please contact Daktronics, Inc. Customer Service at: 800-325-8766 or Fax: 605-697-4444.					
				Invoice Total	25,000.00
				Payments Received	0.00
				Amount Due ➡	25,000.00
				Currency USD	



No return goods accepted without prior authorization.
For invoice inquiry, contact us at acctsrec@daktronics.com.

****For Overnight Packages, please use this address: Daktronics, U.S. Bank Lockbox, SDS-12-2222, 1200 Energy Park Dr., St Paul, MN 55108**
Payments can be made in U.S. Dollars at this link: www.daktronics.com/payonline.



Legislation Details (With Text)

File #: PUR 20-032 **Version:** 1 **Name:**

Type: Purchase **Status:** Agenda Ready

File created: 12/11/2020 **In control:** City Council

On agenda: 1/5/2021 **Final action:**

Title: Consideration of and action on the authorization to purchase from SKE, Inc. through the Buy Board Cooperative Purchasing Program to perform the 2021 Annual Concrete Maintenance Program.

Sponsors: Public Works

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
1/5/2021	1	City Council		

Consideration of and action on the authorization to purchase from SKE, Inc. through the Buy Board Cooperative Purchasing Program to perform the 2021 Annual Concrete Maintenance Program.

Summary:

The project will consist of repairing or replacing concrete pavement, sidewalk, curb, and gutter. This is work order based program and will be used for emergency and maintenance issues. The project will be constructed by SKE, Inc. and purchased through the Buy Board Cooperative Purchasing Program. The cost of the project totals \$398,616.24.

Fiscal/Budgetary Impact:

This project is funded through the Street Budget fiscal year 2020/2021.

Approval



Legislation Details (With Text)

File #: ORD 21-005 **Version:** 1 **Name:**
Type: Ordinance **Status:** Agenda Ready
File created: 12/29/2020 **In control:** City Council
On agenda: 1/5/2021 **Final action:**
Title: Consideration of and action on the results of the public hearing and an ordinance reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

Sponsors:

Indexes:

Code sections:

Attachments: [Reaffirm and Amend Ord 4030-Tax Abatement and Reinvestment Zone-Jan. 2021](#)

Date	Ver.	Action By	Action	Result
1/5/2021	1	City Council		

Consideration of and action on the results of the public hearing and an ordinance reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

Summary:

Chapter 312 (Property Redevelopment and Tax Abatement Act) of the Texas Tax Code provides authority for cities to establish guidelines and criteria for property tax abatement. Tax abatement guidelines are effective for a period of two (2) years. Also, during the 2 year period after approval or reaffirmation, the guidelines and criteria may only be amended or repealed by a 3/4th vote of the members of the governing body.

The City last reaffirmed the Tax Abatement guidelines and criteria in December 2018. Staff has reviewed the existing guidelines and criteria contained in Ordinance 4030 and recommends that the “formally announced” verbiage in Section 102-123(e) needs to be better defined. This section states:

“(e) The City shall not enter into an abatement agreement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installations of improvements related to a proposed modernization, expansion or new facility. An applicant is ineligible for abatement if a decision to commence a modernization, expansion or new facility in the City has been formally announced on or before an application for abatement has been filed with the City.”

During the December 1, 2020 Council Workshop, City staff proposed that the aforementioned section be amended by adding the verbiage highlighted below:

“(e) The City shall not enter into an abatement agreement if it finds that the request for the abatement was filed after the application for City Permit, commencement of construction, alteration, or installations of improvements related to a proposed modernization, expansion or new facility. An applicant is ineligible for abatement if a decision to commence a modernization, expansion or new facility in the City has been formally decided or announced on or before an application for abatement

has been filed with the City. A formal announcement is constituted by way of any public proclamation or statement, either in writing or verbally.

The added language would clarify what constitutes a formal announcement. The remainder of the existing guidelines and criteria are recommended to be reaffirmed.

Section 312.002(c-1) of the Tax Code provides that before the governing body of a taxing unit may adopt, amend, repeal, or reauthorize guidelines and criteria, the body must hold a public hearing regarding the proposed adoption, amendment, repeal, or reauthorization at which members of the public are given the opportunity to be heard. At the December 1, 2020 Regular Council Meeting, the City Council called a public hearing on January 5, 2021 to reaffirm and amend the Tax Abatement Ordinance.

Fiscal/Budgetary Impact:

N/A

Approve the ordinance reaffirming and amending the Reinvestment and Tax Abatement guidelines and criteria passed by Ordinance 4030.

ORDINANCE NO. _____

REAFFIRMING AND AMENDING THE REINVESTMENT ZONES AND TAX ABATEMENT PROGRAM PASSED BY ORDINANCE 4030 OF THE CODE OF ORDINANCES OF THE CITY OF DEER PARK.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEER PARK:

I.

Reaffirming Ordinance 4030 regarding the Reinvestment Zones and Tax Abatement Program of the Code Of Ordinances of the City of Deer Park are hereby reaffirmed as follows:

Section 102-121: Reinvestment zones.

- (a) Tax abatement shall only be allowed in a reinvestment zone.
- (b) Reinvestment zones in the City for this purpose will be considered for designation by City Council upon the recommendation of the City Manager. The City Council may approve the creation of these reinvestment zones on a zone-by-zone basis after a public hearing before the City Council. Following the public hearing the City Council may consider the ordinance creating a new reinvestment zone in the proposed area.
- (c) The City Council may not adopt an ordinance designating a reinvestment zone until it has held a public hearing at which interested persons are entitled to speak and present evidence for or against the designation. Notice of the hearing shall be given at least seven days prior to the hearing. The presiding officers of eligible jurisdictions shall be notified in writing at least seven days prior to the hearing. A notice of the public hearing shall be given to other affected taxing jurisdictions published in the legal classified section of the official city newspaper and posted in other places as deemed appropriate, at least seven days prior to the hearing. The notice shall contain the location, time and place of the public hearing and a description of the proposed boundaries of the reinvestment zone.
- (d) The designation of such a zone by ordinance shall constitute an affirmative finding by the City Council that the improvements sought to be constructed or repairs to be made within the

zone are feasible and practical and would be of benefit to the land to be included within a zone and to the City.

(e) In determining whether an area qualifies as a reinvestment zone for the property tax abatement program, the City Council shall use any one or more of the following criteria as guidelines:

- (1) The area substantially impairs or arrests the sound growth of the City; retards the provision of housing accommodations, or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present conditions and use by reasons of the presence of substantial number of substandard, slum, deteriorated, or deteriorating structures, predominance of defective or inadequate sidewalks or street layout; faulty lot layout in relation to size, accessibility, or usefulness, unsanitary or unsafe conditions;
- (2) deterioration of site or other improvements; tax or special assessment delinquency exceeds the fair value of the land; defective or unusual conditions of title; the existence of conditions that endanger life or property by fire or other cause; or any combination of these factors or conditions.
- (3) The area is predominantly open and, because of obsolete platting or deterioration of structures or site improvements or other factors, substantially impairs or arrests the sound growth of the City.
- (4) The area has been designated a local or state-federal enterprise zone under the Texas Enterprise Zone Act.
- (5) The area is located wholly within an eligible blighted area, as identified from time to time by City Council.
- (6) There has been a demonstration of community interest and there is evidence that substantial number of owners of taxable real property in the reinvestment zone will participate in such a program.

- (7) Be reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City.
- (f) The goals and objectives expressed above and the standards and restrictions expressed in V.T.C.A., Tax Code § 312.001 et seq., are not exhaustive and shall be supplemented by such further and additional goals, objectives, rules, standards and restrictions as the City Council may from time to time impose.
- (g) The designation of a reinvestment zone hereunder shall expire five years after the date of its designation and may be renewed for periods not to exceed five years.

Section 102-122: Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Abatement means the full or partial exemption from ad valorem taxes of certain real and/or personal property in a reinvestment zone designated for economic development purposes.

Agreement means a contractual agreement between a property owner and/or lessee and an eligible jurisdiction for the purpose of tax abatement.

Base year value means the assessed value of eligible property January 1, preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1, but before the execution of the agreement.

Competitively-sited project means a project where the applicant has studied competing locations for expansion, relocation, or new operations to evaluate operating cost differentials and incentives available.

Contract employee means a person who is not an employee of the abatement recipient, but who works for the abatement recipient in the reinvestment zone on a contract basis, either on a full-or part-time basis.

Deferred maintenance means improvements necessary for continued operations which do not improve productivity or alter the process technology.

Economic life means the number of years a property improvement is expected to be in service in a facility.

Eligible jurisdiction means any county, municipality, school district or college district, that levies ad valorem taxes upon and provides services to property located within the proposed or existing reinvestment zone.

Expansion means the addition of buildings, structures, fixed machinery or equipment for purposes of increasing production capacity.

Facility means property improvements completed or in the process of construction which together comprise an integral whole.

Full-time equivalent job means a job that is equal to 1,750 hours of work annually performed in the reinvestment zone by contract employees or part-time employees.

Manufacturing facility means buildings and structures, including fixed machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.

Modernization means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration, or installation of buildings, structures, or fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing, or repairing to meet local, state, or federal regulations.

New facility means improvements on a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.

Other basic industry facility means buildings and structures, including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services which

primarily serve a market outside the Houston Consolidated Metropolitan Statistical Area and resulting in the creation of new permanent jobs and additional investment.

Part-time employee means a person, who works for, and is an employee of, the abatement recipient in the reinvestment zone, but is not a permanent employee. Permanent employee means a person who works for, and is an employee of, the abatement recipient and works a minimum of 35 hours in a seven-day period, and reports to work in the reinvestment zone. A permanent employee does not include a contract employee, seasonal employee, or part-time employee.

Regional distribution center facility means buildings or structures, including fixed machinery and equipment, used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility operator where a majority of the goods or services are distributed to points at least 100 miles from any part of the county, unless there is no facility in the county that receives, services, or distributes such goods and services to businesses and residents of the county.

Regional entertainment facility means buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment through the admission of the general public where the majority of users reside at least 100 miles from any part of the county, unless there is no facility providing the same or similar entertainment in the county.

Regional service facility means buildings and structures, including fixed machinery and equipment, used or to be used to service goods where a majority of the goods being serviced originate at least 100 miles from any part of the county, unless there is no facility in the county where businesses and residents of the county can obtain such service.

Research and development facility means buildings and structures, including machinery and equipment, used or to be used primarily for research or experimentation to improve or develop current technology in bio-medicine, electronics or pre-commercial emerging industries.

Research facility means buildings and structures, including fixed machinery and equipment, used or to be used primarily for research or experimentation to improve or develop the production processes thereto.

Restaurant facility means a business establishment that primarily (defined as 51% or greater) in total food sales.

Retail facility means buildings and structures used or to be used for the conducting and management of business, including the storing and selling of goods directly to the customer.

Section 102-123: Application.

- (a) Any present or potential owner of taxable property in the City may request tax abatement by filing a written request with the City Manager or the City Manager's designee.
- (b) The application shall consist of a completed application form accompanied by: a general description of the new improvements to be undertaken; a descriptive list of the improvements for which abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and legal description of the property; a time schedule for undertaking and completing the proposed improvements. The application shall also include a certification of the current number of permanent, part-time and contract employees of the applicant, by category, at the time of the application, and information regarding the project's competitive siting. In the event the project is to be located in a leased facility, the applicant shall provide with the application the name and address of the lessor and, if executed, a copy of the lease. In the case of modernization, the application shall include a statement of the assessed value of the existing facility for the tax year immediately proceeding the application year, separately stated for real and personal property. The application form may require such financial and other information as the City deems appropriate for evaluating the financial capacity and other factors of the applicant.
- (c) Upon receipt of the completed application, the City Manager shall notify in writing and provide a copy of the application to the presiding officer of the governing body of each eligible jurisdiction.
- (d) After receipt of an application for abatement, the City shall prepare a cost/benefit impact analysis setting out the impact of the proposed tax abatement. The cost/benefit impact shall

include but not be limited to an estimate of the economic effect of the abatement of taxes and the benefit to the City and the property to be included in the zone, and any other pertinent measures of the project's overall impact on the City's revenue stream both during and after the abatement period.

- (e) The City shall not enter into an abatement agreement if it finds that the request for the abatement was filed after the application for City Permit, commencement of construction, alteration, or installations of improvements related to a proposed modernization, expansion or new facility. An applicant is ineligible for abatement if a decision to commence a modernization, expansion or new facility in the City has been formally decided or announced on or before an application for abatement has been filed with the City. A formal announcement is constituted by way of any public proclamation or statement, either in writing or verbally.
- (f) Variance. Requests for a variance from the provision of subsections 102-125(a), (b), (e), (g) and (h) shall be made in writing to the City Manager; provided however, the total duration of an abatement authorized shall in no instance exceed five years. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance and how the grant of abatement will lead to the creation or retention of job opportunities and new investment in the zone. Approval of a request for variance requires a majority vote of the City Council Members present.

Section 102-124: Public hearing and approval.

- (a) Prior to entering into a tax abatement agreement the City Council may, at its option, hold a public hearing at which interested persons shall be entitled to speak and present written materials for or against the approval of the tax abatement agreement. Notice of the public hearing shall be published in the official city newspaper not later than the seventh day before the date of the hearing. Notice of the public hearing may be given, posted or published in other places or by other means as the director deems appropriate.

(b) In order to enter into a tax abatement agreement, the City Council must find that the terms of the proposed agreement meet these guidelines and criteria and that:

- (1) There will be no substantial potential adverse impact on the provision of city services or tax base; and
- (2) The planned use of the property will not constitute a hazard to public safety, health or morals.

Section 102-125: Economic development abatement authorized.

- (a) *Authorized facility.* A facility may be eligible for economic development abatement if it is a manufacturing facility, regional distribution facility, regional service facility, research facility, research and development facility or other basic industry facility, a regional entertainment facility, retail facility or restaurant facility.
- (b) *Creation of new value.* Abatement may only be granted for the additional value of eligible property improvements made subsequent to and listed in an abatement agreement between the City and the property owner and lessee (if required), subject to such limitations as the City Council may require.
- (c) *New and existing facilities.* Abatement may be granted for new facilities or the expansion of existing facilities. Improvements to existing facilities for purposes of modernization may receive abatement if proven to be essential to the entity's economic survival.
- (d) *Eligible property.* Abatement may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements, plus that office space and related fixed improvements necessary to the operation and administration of the facility, or tangible personal property when in conjunction with leased facilities.
- (e) *Ineligible property.* The following types of property shall be ineligible for abatement land; inventory; supplies; tools; vehicles; vessels; aircraft; housing; hotel accommodations; tangible personal property when not in conjunction with leased facilities; deferred maintenance investments; property to be rented or leased except as provided in subsection (f)

of this section; improvements for the generation or transmission of electrical energy not wholly consumed by a new facility or expansion; any improvements, including those to produce, store or distribute natural gas, fluids or gases, that are not integral to the operation of the facility; property owned or used by the state or its political subdivisions or by an organization owned, operated or directed by a political subdivision of the state; and property that is owned or leased by a member of City Council or by a member of the City Planning Commission.

(f) *Owned and leased facilities.* If an authorized facility located on leased real property is granted abatement, the abatement agreement shall be executed by the City, the lessor and the lessee. If the real property is leased from a municipal corporation, the municipality shall not be required to execute the agreement in its capacity as a lessor.

(g) *Value and term of the abatement.* Abatement shall be granted effective upon the January 1 valuation date immediately following the effective date of the agreement. Projects (other than modernizations) which meet these guidelines and criteria are eligible for abatement on the value of the new properties on a sliding scale as follows:

Basic Industry

New Value Minimum: \$5,000,000

Job Creation Minimum: 50 Employees

FACILITY TYPE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Manufacturing, Regional Distribution, Regional Service, Research, Research & Development, Other Basic Industry	100%	100%	50%	25%	25%	0%	0%	0%	0%	0%

Retail/Entertainment

New Value Minimum: \$5,000,000

Job Creation Minimum: To be determined by City Council based on the economic impact of proposed project

FACILITY TYPE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Retail and Regional Entertainment SIZE: 80,000 square feet or larger	TBD%*	TBD%*	TBD%*	TBD%*	TBD%*	TBD%*	TBD%*	TBD%*	TBD%*	TBD%*

*abatement to be determined by City Council based on the economic impact of proposed project

Retail/Entertainment

New Value Minimum: \$5,000,000

Job Creation Minimum: 20 Employees

FACILITY TYPE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Retail and Regional Entertainment SIZE: 50,000 sf – 80,000 sf	50%	35%	30%	25%	20%	0%	0%	0%	0%	0%

Retail/Entertainment

New Value Minimum: \$5,000,000

Job Creation Minimum: 20 Employees

FACILITY TYPE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Retail and Regional Entertainment SIZE: 5,000 sf – 50,000 sf	25%	20%	15%	10%	5%	0%	0%	0%	0%	0%

Restaurants Only

New Value Minimum: \$2,000,000 Job Creation Minimum: 20 Employees

FACILITY TYPE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Restaurants SIZE: 5,000 sf – 50,000 sf	20%	20%	15%	10%	5%	0%	0%	0%	0%	0%

Provided, however that no abatement shall be given in the year when the facility fails to meet the employment minimum set forth in subsection 102-125(h)(4), except where the jurisdiction has determined that employment falls below minimum due to accident, casualty, fire, explosion, or natural disaster.

(1) If the period of construction exceeds two years, the facility shall be considered complete for purposes of abatement and in no case shall the period of abatement inclusive of construction and completion exceed five years.

(2) If a modernization project includes facility replacement, the value upon which abatement shall be determined shall be the value of the new unit less the value of the old unit. Modernization projects are eligible for abatement according to the above formula with the exception that abatement shall not exceed 80 percent in any year.

(h) *Economic qualifications.* To be eligible for tax abatement, the planned improvement:

(1) Should provide an economic benefit to the City, taking all relevant factors into consideration, including (i) size of the abatement, (ii) income from sales tax and franchise fees generated by the planned improvement, and (iii) any additional expense to the City in providing city services as a result of the improvement; and

(2) Must be necessary because capacity cannot be provided efficiently utilizing existing improved property when reasonable allowance is made for necessary improvements; and

(3) Must be reasonably expected to increase the value of the property in the amount of \$5,000,000.00 upon completion of construction for manufacturing, regional distribution,

regional service, research, research and development, other basic industry, retail, and regional entertainment facilities; or \$2,000,000.00 for restaurants.

- (4) Must be expected to create permanent employment for at least 50 people on a permanent basis in the designated zone for manufacturing, regional distribution, regional service, research, research and development and other basic industry. Retail and regional entertainment facilities 80,000 square feet or larger will have their minimum job creation thresholds determined by City Council based on the economic impact of the proposed project. Retail, regional entertainment and restaurant facilities under 80,000 square feet are expected to create permanent employment for at least 20 people on a permanent basis in the designated zone. This employment qualification shall take effect three years after the effective date of abatement and continue through the remaining term of the agreement; or
 - (5) An abatement may be granted for a maximum investment of \$500,000.00 per job created or retained.
- (i) *Taxability.* From the date of execution of the abatement agreement to the end of the abatement period, taxes shall be payable as follows:
- (1) The value of ineligible property as provided in section 102-125(e) of this section shall be fully taxable;
 - (2) The base year value of existing eligible property as determined each year shall be fully taxable; and
 - (3) The additional value of new eligible property shall be taxable in the manner described in subsection 102-125(g) of this section, except as provided in subsection 102-125(h)(5) of this section.

Section 102-126: Agreement for economic development abatement.

After approval, the City shall enter into an agreement with the owner of the facility and lessee (as required), which agreement shall include:

- (1) Estimated value to be abated and the base year value;
- (2) Percent of value to be abated each year as provided in this article;
- (3) The commencement date and the termination date of abatement;
- (4) The proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provided in this article;
- (5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration, and assignment as provided in this article and other provisions that may be required for uniformity or by state law;
- (6) Amount of investment and total permanent employees to be retained or created and total full-time equivalent jobs to be retained or created;
- (7) A requirement that the company, on or before February 1 of each year the tax abatement agreement is in effect, provide the City Manager a sworn statement that includes a delineation of the number of permanent employees, contract employees and part-time employees of the applicant company as of the immediately preceding January 1, who report to work in the reinvestment zone at each site covered by the agreement;
- (8) A requirement that the company annually file the form 11.28 with the appropriate county appraisal district to qualify for the abatement;
- (9) A provision that contract employees and part-time employees may be used to comply with the company's contractual obligation to create/retain jobs on a full-time equivalency basis for any number of jobs; provided that full-time equivalents shall only be used to satisfy the company's contractual obligation if the company maintains a minimum of 25 permanent employees who work on the project within the reinvestment zone; restaurant facilities must maintain a minimum of 15 permanent employees who work on the project within the reinvestment zone.

- (10) A requirement that property in a reinvestment zone that is owned or leased by a member of the City Council or by a member of the City Planning Commission is excluded from tax abatement.

Section 102-127: Recapture.

- (a) If the facility is completed and begins producing the product or service delineated in the agreement, but subsequently discontinues producing the product or service for any reason excepting fire, explosion, or other casualty or accident or natural disaster for a period of one year during the abatement period, then the agreement shall be terminated and the abatement of taxes for the calendar year during which the facility no longer produces the product or service also shall be terminated. The taxes otherwise abated for the calendar year in which the facility discontinued production or services specified in the agreement shall be paid to the City within 60 days from the date of the termination of the agreement.
- (b) Should the City determine that the company or individual is in default according to the terms and conditions of the agreement, the City shall notify the company or individual in writing at the address stated in the agreement, and if such condition of default is not cured within the 60 days from the date of such notice (“cure period”), then the agreement may be terminated.
- (c) The company or individual shall be in default of the agreement in the event the company or individual:
- (1) Allows its ad valorem taxes owed the City to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or
 - (2) Violates any of the terms and conditions of the abatement agreement and fails to cure during the cure period.

In the event of default, the agreement may be terminated and upon the termination all or a pro rata portion of the taxes previously abated by virtue of the agreement shall be recaptured and paid within 60 days of the termination. The pro rata recapture of abated taxes shall be based on the number of years that the company was out of compliance and the degree to which the

company was out of compliance, with equal weight being given to job creation and investment.

- (d) If the company defaults on any of the terms and conditions of the agreement, the company shall notify the City within 90 days of such default.
- (e) Notwithstanding the foregoing, the City Manager and the City Attorney are hereby authorized to negotiate and recommend to the City Council amendments to tax abatement agreements subject to termination under this section in lieu of termination.

Section 102-128: Administration.

- (a) The chief appraiser of the county appraisal district shall annually determine the value of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the City with such additional information applicable to the tax abatement as may be necessary for the administration of the abatement. Once the value of the real and personal property has been established, the chief appraiser shall notify the affected jurisdiction which levies taxes of the amount of the assessment.
- (b) The agreement shall stipulate that employees and/or designated representatives of the City will have access to the reinvestment zone during the term of the abatement to inspect the facility and all company records related to the abatement agreement and the project to determine if the company is in compliance with the agreement. All inspections will be made only after the giving of 24 hours notice and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.
- (c) Upon completion of construction, the City shall annually evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations to the contract and agreement.

Section 102-129: Assignment.

The abatement agreements may be assigned to a new owner or lessee of the facility with the written consent of the City Council, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement. Any assignment of a tax abatement agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. No assignment shall be approved if the assignor or the assignee is indebted to the City for ad valorem taxes or other obligations.

II.

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

In accordance with Article VIII, Section 1 of the City Charter, this Ordinance was introduced before the City Council of the City of Deer Park, Texas, **passed, approved and adopted** on this the ____ day of _____, 2020 **by a vote of** _____ **“Ayes” and** _____ **“Noes”.**

MAYOR, City of Deer Park, Texas

ATTEST:

City Secretary

APPROVED:

City Attorney



Legislation Details (With Text)

File #: ORD 21-002 **Version:** 1 **Name:**
Type: Ordinance **Status:** Agenda Ready
File created: 12/22/2020 **In control:** City Council
On agenda: 1/5/2021 **Final action:**
Title: Consideration of and action on an ordinance amending the Fiscal Year 2020-2021 Capital Improvements Fund Budget for the purchase of real property.

Sponsors:

Indexes:

Code sections:

Attachments: [POH - Purchaser's Statement](#)
[Ord - Amend Budget FY21 Land from POH contract](#)

Date	Ver.	Action By	Action	Result
1/5/2021	1	City Council		

Consideration of and action on an ordinance amending the Fiscal Year 2020-2021 Capital Improvements Fund Budget for the purchase of real property.

Summary:

At the August 18, 2020 City Council Meeting, the City Council amended the Fiscal Year 2019-2020 Capital Improvements Fund budget and approved the purchase of real property from the Port of Houston Authority of Harris County for future use. This property, representing approximately 1.4538 acres of land and located in the 600 block of West 13th Street, adjoins multiple properties owned by the City, including the western entrance to the Jimmy Burke Activity Center, the Battleground Golf Course, and the Ella & Friends Dog Park. The Port of Houston Authority has owned the property for many years and agreed to sell it to the City for its appraised value of \$205,000.00.

Only recently has the Port of Houston Authority of Harris County returned the signed Unimproved Property Contract shifting the closing to the new fiscal year. Because this purchase is now being transacted in the new fiscal year, it is necessary to amend the Fiscal Year 2020-2021 Capital Improvements Fund budget to accommodate the purchase. The budget amendment will be in the amount of \$206,391.00 to include the \$205,000.00 purchase price plus related title charges of approximately \$1,391.00. The amount of \$206,391.00 will be funded by the current year's contingency of the Capital Improvements Fund, which is available for this purpose.

Fiscal/Budgetary Impact:

Increase the Fiscal Year 2020-2021 Capital Improvements Fund Budget for the amount of

\$206,391.00 for the purchase of real property for future use (Account 090-105-49010, Land and Land Rights) to be funded by the contingency of the Capital Improvements Fund, which is available for this purpose.

Approve the ordinance to amend the Fiscal Year 2020-2021 Budget for the Capital Improvements Fund for the purchase of real property.

American Title Company of Houston
7730 Spencer Hwy
Pasadena, TX, 77505
(281)479-1913
(281)479-9537

PURCHASER'S STATEMENT


Date : 12/23/2020 GF No. 3022920-01838
Sale From : Port of Houston Authority of Harris County, Texas
Purchaser : City of Deer Park, Texas
Property: Houston, TX 77029

A TRACT OF LAND OF VARIABLE WIDTH CONTAINING 1.4538 ACRES OF LAND, MORE OR LESS, LYING IN THE THOMAS EARLE SURVEY, ABST NO. 18, IN HARRIS COUNTY, TEXAS, SAID 1.4538 OF LAND CONVEYED BY BERT C. THOMPSON, TRUSTEE, TO LONNIE D. HARRISON BY GWD DATED JUNE 30, 1972, RECORDED ON FILM CODE NO 146-31-1069 OF THE DEED RECORDS OF HARRIS COUNTY, TEXAS.

CHARGES:

Description	Amount
Purchase Price	
Contract Sales Price	\$205,000.00
Title Charges	
Owner's Coverage (205000.00) (American Title Company of Houston, 45.00 %,\$623.25) (Jimmy Fox, Attorney, 55.00 %,\$761.75)	\$1,385.00
E-recording fee to Dover and Fox, P.C.	\$3.20
Texas Policy Guaranty Fee - Owner to ATCOH/F.B.O. PGF	\$2.00
TOTAL CHARGES	<u>\$206,390.20</u>

Purchaser understands the Closing or Escrow Agent has assembled this information representing the transaction from the best information available from other sources and cannot guarantee the accuracy thereof.
Purchaser understands that tax and insurance prorations and reserves were based on figures for preceding year or supplied by others, or estimated for current year, and in the event of any change for current year, all necessary adjustments must be made between Purchaser and Seller directly. The undersigned hereby authorizes American Title Company of Houston to make expenditures and disbursements as shown above and approves same for payment. The undersigned also acknowledges receipt of a copy of this statement.



City of Deer Park, Texas
By: ~~James Stokes~~, City Manager - *Acting*
Gary Jackson



Closing or Escrow Agent

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE 2020-2021 BUDGET FOR THE CITY OF DEER PARK, TEXAS, AND APPROPRIATING THE SUMS SET UP THEREIN TO THE OBJECTS AND PURPOSES THEREIN NAMED.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEER PARK:

I.

That the City of Deer Park's budget for the fiscal year ending September 30, 2020 was duly prepared and filed with the City Secretary, where it was available for inspection by any taxpayer.

II.

That during the fiscal year ending September 30, 2020, the City was offered the opportunity to purchase real property located in the 600 block of West 13th Street that adjoins multiple properties owned by the City, including the western entrance to the Jimmy Burke Activity Center, the Battleground Golf Course, and the Ella & Friends Dog Park, for future use.

III.

That the real property located in the 600 block of West 13th Street, owned by the Port of Houston Authority of Harris County, Texas, is described as a tract of land containing 1.4538 acres of land, more or less, lying in the Thomas Earle Survey, Abstract No. 18, in Harris County, Texas, said 1.4538 acre tract of land being part of that certain 11.8049 acre tract of land conveyed by Brad C. Thompson, Trustee to Lonnie D. Harrison by a General Warranty Deed dated June 30, 1972 and recorded on film code number 146-31-1069 of the Deed Records of Harris County, Texas.

IV.

That on August 18, 2020, the City Council of the City of Deer Park amended the budget for the fiscal year ending September 30, 2020 and approved the purchase of this real property located in the 600 block of West 13th Street and containing 1.4538 acres of land, more or less, from the Port of Houston Authority of Harris County, Texas.

V.

That the Port of Houston Authority of Harris County, Texas, did not return the signed Unimproved Property Contract for the purchase of this real property located in the 600 block of West 13th Street and containing 1.4538 acres of land, more or less, during the fiscal year ending September 30, 2020 thereby shifting the execution of the purchase transaction to the fiscal year ending September 30, 2021.

VI.

That the City of Deer Park's budget for the fiscal year ending September 30, 2021 was duly prepared and filed with the City Secretary, where it was available for inspection by any taxpayer.

VII.

That the City of Deer Park's budget for the fiscal year ending September 30, 2021 did not include the purchase of this real property located in the 600 block of West 13th Street and containing 1.4538 acres of land, more or less, from the Port of Houston Authority of Harris County, Texas.

VIII.

That it is necessary to amend the budget for the fiscal year ending September 30, 2021 to appropriate an additional \$206,391.00 for the purchase of this real property located in the 600 block of West 13th Street and containing 1.4538 acres of land, more or less, from the Port of Houston Authority of Harris County, Texas, representing the sales price of \$205,000.00 plus related title costs of approximately \$1,391.00.

IX.

That funding for the amendment to the expenditures of the adopted budget for the fiscal year ending September 30, 2021 will include the total amount of \$206,391.00 from the contingency of the Capital Improvements Fund, which is available for this purpose.

X.

That the regular budget of the City of Deer Park, Texas, for the fiscal year ending September 30, 2021, be, and the same is hereby, in all respects finally approved and amended as so described and shall be, and is hereby, filed with the City Secretary of said City.

XI.

That the amounts specified are for the purposes named in said budget, and they are hereby appropriated to and for such purposes.

XII.

That the City Secretary file copies of this Ordinance and of such budget with all public officers as required by the laws of the State of Texas.

XIII.

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

In accordance with Article VIII, Section 1 of the City Charter, this Ordinance was introduced before the City Council of the City of Deer Park, Texas, **passed, approved and adopted** on this the ____ day of _____, 2021 **by a vote of** _____ **“Ayes” and** _____ **“Noes”.**

MAYOR, City of Deer Park, Texas

ATTEST:

City Secretary

APPROVED:

City Attorney

UNIMPROVED PROPERTY CONTRACT

1. **PARTIES:** The parties to this contract are the Port of Houston Authority of Harris County, Texas, a political subdivision of the State of Texas (Seller) and City of Deer Park, Texas (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.
2. **PROPERTY:** That certain real property located as described by metes and bounds on attached Exhibit "A" together with all rights, privileges and appurtenances pertaining thereto, including but not limited to: water rights, claims, permits, strips and gores, easements, and cooperative or association memberships (the Property). **RESERVATIONS:** Seller's reservation for oil, gas, and other minerals shall be provided for in Seller's form of Special Warranty Deed, which shall be acceptable to Buyer in its reasonable discretion.
3. **SALES PRICE:**
 - A. Cash portion of Sales Price payable by Buyer at closing \$ 205,000.00
 - B. Sum of all financing described in the attached: Not Applicable \$ 0
 - C. Sales Price (Sum of A and B) \$ 205,000.00
4. **LICENSE HOLDER DISCLOSURE:** Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: N/A
5. **EARNEST MONEY:** Within 3 days after the Effective Date, Buyer must deliver \$10 as earnest money. If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money. If the last day to deliver the earnest money falls on a Saturday, Sunday, or legal holiday, the time to deliver the earnest money is extended until the end of the next day that is not a Saturday, Sunday, or legal holiday. **Time is of the essence for this paragraph.**
6. **TITLE POLICY AND SURVEY:**
 - A. **TITLE POLICY:** Seller shall furnish to Buyer at Buyers expense an owner policy of title insurance (Title Policy) issued by American Title Company (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following

exceptions:

- (1) Restrictive covenants common to the platted subdivision in which the Property is located.
- (2) The standard printed exception for standby fees, taxes and assessments.
- (3) Liens created as part of the financing described in Paragraph 3.
- (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
- (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
- (6) The standard printed exception as to marital rights.
- (7) The standard printed exception as to waters, tidelands, beaches, streams and related matters.
- (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements: will be amended to read, "shortages in area" at the expense of Buyer.
- (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.

N/A
no
survey

- B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.
- C. SURVEY: Within 45 days after the Effective Date of this contract, Buyer may obtain a survey at Buyer's expense. In the event Buyer terminates this contract as provided herein, upon notice by Seller, Buyer shall within thirty days thereafter assign its rights to such survey to Seller, in consideration of Seller's reimbursement of Buyer's actual expense to obtain such survey.

D. **OBJECTIONS:** Buyer may object in writing to (i) defects, exceptions, or encumbrances to title disclosed in the Commitment other than items 6A(1) through (8) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity: N/A. Buyer must object the earlier of (i) the Closing Date or (ii) 15 days after Buyer receives the Commitment, and Exception Documents. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure the timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment or Exception Document(s) is delivered to Buyer.

E. **TITLE NOTICES:**

- (1) **ABSTRACT OR TITLE POLICY:** Buyer is advised to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) **MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S):** The Property is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instrument may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in**

enforcement of the association's lien on and the foreclosure of the Property.

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owner's Association should be used.

- (3) **STATUTORY TAX DISTRICTS:** If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (4) **TIDE WATERS:** If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (5) **ANNEXATION:** If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which

is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.

- (7) **PUBLIC IMPROVEMENT DISTRICTS:** If the Property is in a public improvement district, §5.014, Property Code, requires Seller to notify Buyer as follows: As a purchaser of this parcel of real property you are obligated to pay an assessment to a municipality or county for an improvement project undertaken by a public improvement district under Subchapter A, Chapter 372, Local Government Code, or Chapter 382. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the municipality or county levying the assessment. The amount of the assessments is subject to change. Your failure to pay the assessments could result in a lien on and the foreclosure of your property.
- (8) **TEXAS AGRICULTURAL DEVELOPMENT DISTRICT:** The property is not located in a Texas Agricultural District. For additional information, contact the Texas Department of Agriculture.
- (9) **TRANSFER FEES:** If the Property is subject to a private transfer fee obligation, §5.205, Property Code, requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (10) **PROPANE GAS SYSTEM SERVICE AREA:** If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.
- (11) **NOTICE OF WATER LEVEL FLUCTUATIONS:** If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water

adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."

7. PROPERTY CONDITION:

- A. **ACCESS, INSPECTIONS AND UTILITIES:** Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.

NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

- B. **ACCEPTANCE OF PROPERTY CONDITION:** "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B(1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A.

Buyer acknowledges that as of the Closing Date it will have independently and personally examined and inspected the Property and that Buyer will acquire the Property based upon such examination and inspection, and shall accept the Property in its present condition, AS IS, WITH ALL DEFECTS, IF ANY, AND WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED (other than the warranty of title set forth in the Special Warranty Deed); specifically (without limiting the generality of the foregoing) without any warranty of (a) the nature or quality of any improvements currently located at or constituting a portion of the Property, (b) the quality of the labor and materials included in any such improvements, (c) the soil, environmental, and similar conditions existing at the Property, and (d) the suitability of the Property for any particular purpose or use.

- C. Intentionally Omitted.
- D. **ENVIRONMENTAL MATTERS:** Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property.
- E. **SELLER'S DISCLOSURES:** Seller's current employees, without duty to investigate, have no actual knowledge of the following:

- (1) any flooding of the Property which has had a material adverse effect on the

use of the Property;

(2) any pending or threatened litigation, condemnation, or special assessment affecting the Property;

(3) any environmental hazards that materially and adversely affect the Property;

(4) any dumpsite, landfill, or underground tanks or containers now or previously located on the Property;

(5) any wetlands, as defined by federal or state law or regulation, affecting the Property; or

(6) any threatened or endangered species or their habitat affecting the Property.

Such disclosures are made without warranty.

8. **BROKERS' FEES:** Neither party is obligated to pay of brokers' fees in connection with this transaction.

9. **CLOSING:**

A. The closing of the sale will be on or before December 4, 2020 or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close this sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

(1) Seller shall execute and deliver a special warranty deed in Seller's form conveying title to the Property to Buyer and showing no additional exceptions to those permitted herein.

(2) Buyer shall pay the Sales price in good funds acceptable to the Seller.

(3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.

(4) There will be no monetary liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.

10. POSSESSION:

- A. Buyer's Possession: Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.
- B. Leases:
- (1) After the Effective Date, Seller may not execute any lease (including but not limited to mineral leases) or convey any interest in the Property without Buyer's written consent.
- (2) If the Property is subject to any lease to which Seller is a party, Seller shall deliver to Buyer copies of the lease(s) and any move-in condition form signed by the tenant within 7 days after the Effective Date of the contract.

11. SPECIAL PROVISIONS: City Attorney Jim G. Fox is also the Fee attorney for American Title- Deer Park.

12. SETTLEMENT AND OTHER EXPENSES:

- A. The following expenses must be paid at or prior to closing:
- (1) Expenses payable by Seller (Seller's Expenses):
- (a) Releases of existing monetary liens, including prepayment penalties; release of Seller's loan liability, if any; preparation of deed; and other expenses payable by Seller under this contract.
- (b) Seller shall also pay an amount not to exceed \$0 to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veterans Land Board or other governmental loan programs, and then to Buyer's Expenses as allowed by the lender.
- (2) Expenses payable by Buyer (Buyer's Expenses): Recording fees for closing; appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance

Premium (MIP) as required by the lender; and other expenses payable by Buyer under this contract.

- B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veteran's Land Board or other governmental loan program regulations.

13. PRORATIONS AND ROLLBACK TAXES:

- A. **PRORATIONS:** Any proratable amounts or fees shall be prorated through the Closing Date.
- B. **ROLLBACK TAXES:** If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Assessments are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

- 14. CASUALTY LOSS:** If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer, (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary, or (c) accept the Property in its damaged condition.

- 15. DEFAULT:** If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract for any other reason, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

- 16. MEDIATION:** It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

- 17. ATTORNEY'S FEES:** A party who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:

- A. **ESCROW:** The escrow agent, if any is designated by the parties, is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent.
- B. **EXPENSES:** At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, escrow agent may (i) require a written release of liability of the escrow agent from all parties, (ii) require payment of unpaid expenses incurred on behalf of a party, and (iii) only deduct from the earnest money the amount of unpaid expenses incurred on behalf of the party receiving the earnest money.
- C. **DEMAND:** Upon termination of this contract, either party or the escrow agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the escrow agent. If either party fails to execute the release, either party may make a written demand to the escrow agent for the earnest money. If only one party makes written demand for the earnest money, escrow agent shall promptly provide a copy of the demand to the other party. If escrow agent does not receive written objection to the demand from the other party within 15 days, escrow agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors. If escrow agent complies with the provisions of this paragraph, each party hereby releases escrow agent from all adverse claims related to the disbursement of the earnest money.
- D. **DAMAGES:** Any party who wrongfully fails or refuses to sign a release acceptable to the escrow agent within 7 days of receipt of the request will be liable to the other party for liquidated damages in an amount equal to the sum of: (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- E. **NOTICES:** Escrow agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.

19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

20. FEDERAL TAX REQUIREMENTS: If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a

certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

21. **NOTICES:** All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by fax as follows:

To Buyer at:

City of Deer Park, Texas
713 E San Augustine
Deer Park, Tx. 77536
Phone: (281) 479-2394
Fax: (281) 478-7217
E-mail: cityhall@deerparktx.org

To Seller at:

Port of Houston Authority
111 East Loop North
Post Office Box 2562
Houston, Texas 77252-2562
Attention: Senior Director – Real Estate
E-mail: rdtanner@porthouston.com

with a copy to (which alone shall not constitute notice):

Port of Houston Authority
111 East Loop North
Post Office Box 2562
Houston, Texas 77252-2562
Attention: Legal Department
E-mail: eeriksson@porthouston.com

22. **AGREEMENT OF PARTIES:** This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are: None.
23. **TERMINATION OPTION:** None
24. **CONSULT AN ATTORNEY BEFORE SIGNING:** TREC rules prohibit real estate license holders from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's

Initialed for identification by Buyer JM and Seller JM

Attorney is:

Jim G. Fox

P.O. Box 1005

Deer Park, Texas 77536

Phone: (281) 479-5253

Fax: (281) 479-9537

E-mail: JIM@DOVERFOX.COM

Seller's

Attorney is:

Erik A. Eriksson

Post Office Box 2562

Houston, Texas 77252-2562

Phone: (713) 670-2614

Fax: (713) 670-1006


E-mail: eeriksson@porthouston.com

[SIGNATURE PAGE FOLLOWS]

EXECUTED the ____ day of _____, 2020. (Effective Date). (TITLE COMPANY SHALL FILL IN THE DATE OF FINAL ACCEPTANCE.)

BUYER


City of Deer Park, Texas, a Texas corporation,

By: 
Jerry Mouton, Mayor

713 E San Augustine
Deer Park, Tx. 77536
Phone: (281) 479-2394

SELLER

Port of Houston Authority of Harris County,


By: 
John A. Moseley, Chief Commercial Officer

111 East Loop North
Houston, Texas 77029
Phone: (713) 670-2583

APPROVED AS TO FORM:

By: 
Port Authority Counsel

REVIEWED:

By: 
Controller

CONTRACT RECEIPT

Receipt of the Contract is acknowledged.

Escrow Agent: [* ____*]

Received by: _____

[* ____*]

[* ____*], Texas [* ____*]

Date: _____

E-mail Address: [* ____*]

Phone: [* ____*]

Fax: [* ____*]

PREPARED IN THE OFFICE OF:

DOVER & FOX, PC
7760 Spencer Hwy, Ste 200
Pasadena , Tx 77505
Fax: (281) 479-9537

Initialed for identification by Buyer JM and Seller _____

EXHIBIT "A"
Metes & Bounds

COMMENCING at an iron pipe marking the northeast corner of the Washington County R.R. Company Survey, Abstract No. 929, same being the southeast corner of the Thomas Earle Survey, Abstract No. 18, same lying in the west line of the H. W. Raglin Survey, Abstract No. 677, thence west a distance of 1,317.75 feet along and with the south survey line of the Thomas Earle Survey, Abstract No. 18, same being the north survey line of the Washington County R.R. Company Survey, Abstract No. 929, to the POINT OF BEGINNING of the tract of land herein described;

THENCE N. $0^{\circ}20'17''$ W. a distance of 165.41 feet to a point for corner, said point being a point on a curve;

THENCE in a southeasterly direction along a curve to the right, a tangent at the beginning of said curve bearing S. $89^{\circ}59'32''$ E., said curve having a central angle of $28^{\circ}09'11''$, a radius of 1,046.72 feet, and an arc distance of 514.32 feet to a point of tangency;

THENCE S. $61^{\circ}50'21''$ E. a distance of 87.94 feet to a point for corner, said point lying in the south survey line of the Thomas Earle Survey, Abstract No. 18, same lying in the north survey line of the Washington County R.R. Company Survey, Abstract No. 929;

THENCE west along and with the south survey line of the Thomas Earle Survey, Abstract No. 18, same being the north survey line of the Washington County R.R. Company Survey, Abstract No. 929, a distance of 570.46 feet to the POINT OF BEGINNING of the tract of land herein described containing 1.4538 acres, more or less, of land.



Legislation Details (With Text)

File #: ORD 21-001 **Version:** 1 **Name:**

Type: Ordinance **Status:** Agenda Ready

File created: 12/21/2020 **In control:** City Council

On agenda: 1/5/2021 **Final action:**

Title: Consideration of and action on an ordinance amending Ordinance No. 3648 granting a pipeline franchise to NuStar Logistics for a twelve-inch (12") Propane Pipeline. (First reading)

Sponsors:

Indexes:

Code sections:

Attachments: [NuStar City Deer Park Ltr 201216 \(003\)](#)
[NuStar](#)
[Nustar map](#)
[NuStar Logistics Pipeline 2](#)

Date	Ver.	Action By	Action	Result
1/5/2021	1	City Council		

Consideration of and action on an ordinance amending Ordinance No. 3648 granting a pipeline franchise to NuStar Logistics for a twelve-inch (12") Propane Pipeline. (First reading)

Summary:

In 2014, NuStar Logistics was granted approval to build a 12" propane pipeline. NuStar would like to modify the contents of the pipeline to refined petroleum products (See Attachment). The request to modify the pipeline has been reviewed by Engineering Coordinator Fred Beck who has reviewed the contents with the Fire Marshal.

The process for granting a pipeline franchise requires the reading of the proposed ordinance at three meetings with the final reading being no less than forty-two (42) days after the first reading. The ordinance will be read on the January 5th, January 19th with adoption on February 16th.

Fiscal/Budgetary Impact:

None

Amend ordinance



December 16, 2020

Shannon Bennett, City Secretary
P.O. Box 700
Deer Park, TX
77536

Regard: Amendment of Ordinance 3648

City of Deer Park,

NuStar Logistics, L.P. was granted ordinance number 3648 on June 17, 2014, to build a 12-inch propane pipeline. The company now wants to change the contents conveyed by the pipeline to refined petroleum products. This letter is submitted as a request to make that change.

- Purpose for modification is to change conveyed product from LPG (propane) to refined petroleum products;
- Pipeline Maximum Allowable Operating Pressure will remain at: MAOP = 1,050 psi;
- Pipeline Pipe Specs will remain as 12.75" Diameter, 0.375" WT, API 5L X52 w/14-16 mils FBE + 20-40 mils ARO (ARO for bores).

Attached is the amendment application payment in the amount of \$ 2,500.00.

If you have any questions, please contact me at 210-918-2178.

Sincerely,

A handwritten signature in blue ink, appearing to read "Clay T. Goar", with a stylized flourish at the end.

Clay T. Goar
Sr. Manager – Real Estate and Survey
NuStar Energy
19003 IH 10 West
San Antonio, TX 78257
210-918-2178
210-394-9198 (Mobile)

CITY OF DEER PARK

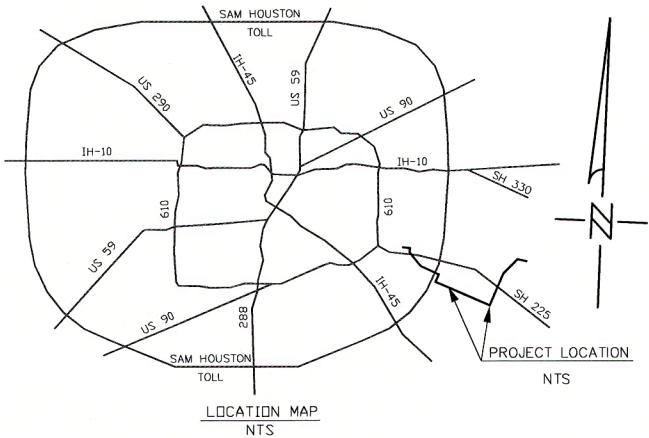
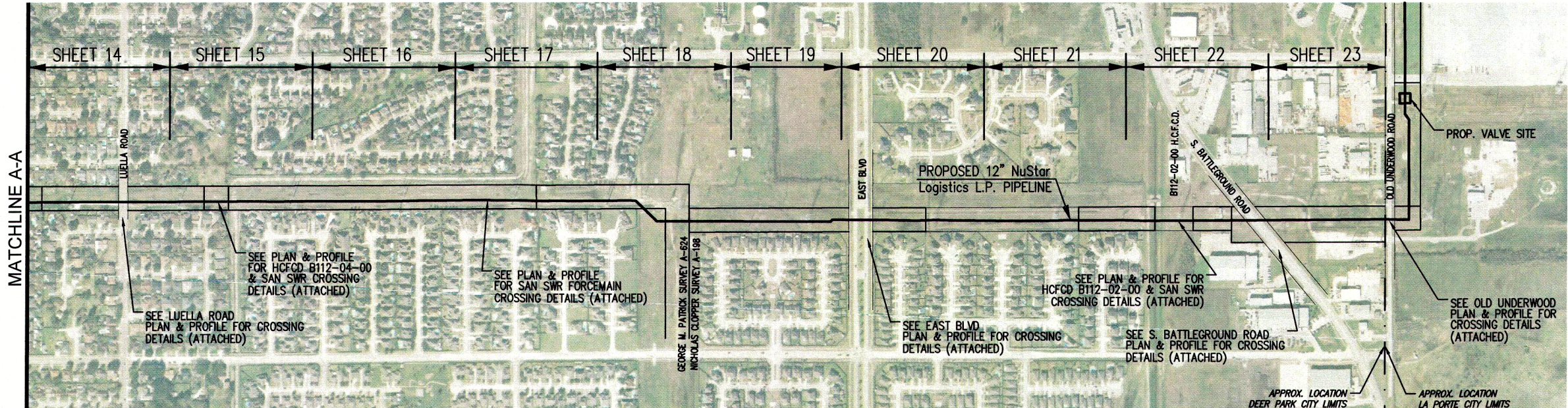
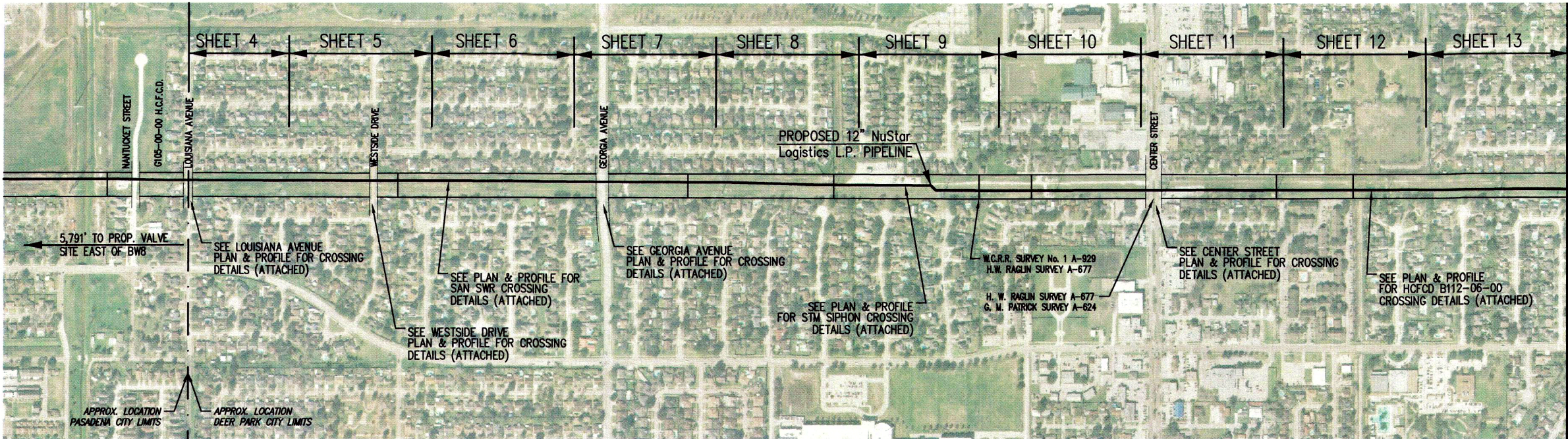
REC#: 01579405 12/28/2020 1:20 PM
OPER: AC TERM: 001
REF#: 60461639
PAID BY:

TRAN: 266.0000 FRANCHISE TAX REVENU
NUSTAR LOGISTICS
FRANCHISE TAX REVEN 2,500.00CR

TENDERED: 2,500.00 CHECK
APPLIED: 2,500.00-

CHANGE: 0.00

\\dc1\Projects\CV051\DWG\Survey\CNP\Permit Exhibits\CV051 - 02-CITY OF DEER PARK\CV051 - 03 COVER SHEET - ARIEL.dwg, COVER SHEET 01, 04/10/14 2:28.19PM



ABBREVIATIONS

P.O.C.	= POINT OF COMMENCEMENT
R.O.W.	= RIGHT OF WAY
TYP.	= TYPICAL
ST.	= STREET
RD	= ROAD
HWY	= HIGHWAY

PROPOSED 12" NuStar Logistics L.P.
PIPELINE CROSSING

THE CITY OF
DEER PARK

HARRIS COUNTY, TEXAS

© Copyright 2014 Weisser Engineering Company, Inc.

DRAWN BY:	W.E.C.	CALC'D. BY:	J.G.	SCALE:	1" = 800'
		CHECKED BY:	J.M./K.J.	SHEET	3 OF 23
CREW CHIEF:		DATE:	04/08/2014	JOB No.:	CV051

1. BEARING AND GRID COORDINATES ARE BASED ON THE STATE PLANE COORDINATE SYSTEM, TEXAS SOUTH CENTRAL ZONE 4204, NAD83 (2011 adj.) WITH A COMBINED SCALE FACTOR = 0.999885809. ALL DISTANCES ARE SURFACE DISTANCES.
2. SEE ACCOMPANYING LEGAL DESCRIPTION OF HEREIN DESCRIBED CENTERLINE.

"EXHIBIT"



WEISSER
Engineering &
Surveying Co.

19500 Park Row, Suite 100
Houston, Texas 77084
(281) 579 - 7300
T.B.P.E.R. #F-68 T.B.P.L.S. #100518-00



ORDINANCE NO. _____

AN ORDINANCE GRANTING NUSTAR LOGISTICS, ITS SUCCESSORS AND ASSIGNS, THE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, LAY, MAINTAIN, OPERATE AND USE A PIPELINE IN, UNDER AND ACROSS STREETS, AVENUES, PARKWAYS AND BOULEVARDS IN THE CITY OF DEER PARK, HARRIS COUNTY, TEXAS, FOR THE PURPOSE OF TRANSPORTING REFINED PETROLEUM PRODUCTS; PROVIDING FOR A FEE; PROVIDING AN INDEMNITY CLAUSE; PROVIDING THAT THIS FRANCHISE SHALL NOT BE EXCLUSIVE; RESERVING ALL POWERS OF REGULATION; PROVIDING FOR AND ACCEPTANCE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY BY FINE OF UP TO \$2,000.00 FOR EACH DAY'S VIOLATION.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEER PARK:

Section 1. Subject to compliance with the terms, conditions and provisions of this Ordinance, the City of Deer Park, Texas, herein called "Grantor", does hereby grant unto **NUSTAR LOGISTICS**, its successors and assigns, herein called "Grantee", the right, privilege and franchise to construct, lay, maintain, operate and use, in, under, across and along any and all of the present and future streets, as described in Grantee's proposal, heretofore filed with the City Secretary, a twelve inch (12") pipeline for the purpose of transporting refined petroleum products.

Section 2. Grantee's facilities shall be so constructed and maintained as not to interfere unreasonably with any existing water line, sanitary sewer line, storm sewer line, telephone line, telegraph line, gas line or any appurtenance to any of the same, or with ordinary travel over the public streets, sidewalks, thoroughfares and ways of Grantor or the flow of water in any gutter or drain. Within the streets or other public ways of the Grantor, the location and route of all facilities heretofore or hereafter placed and constructed and to be placed and constructed by Grantee in the construction and maintenance of its pipeline within the corporate boundaries of Grantor shall be subject to the reasonable and proper regulation, control and direction of the Grantor, or of any official of Grantor to whom such duties have been or may be duly delegated, which regulation and control shall include, but not by way of limitation, the right to require, in the relocation of Grantee's facilities, exclusive of facilities installed for service exclusively to the Grantor, at

Grantee's cost within the present, proposed or future proposed streets, both public and private, and places whenever such shall be reasonably necessary on account of the installation, relocation, change removal or addition of Grantor's water, sanitary sewer or storm sewer line or appurtenances or the widening, paving, repaving, change of grade, relocation or other construction by Grantor within such present, proposed or future proposed public or private streets, places or ways. The surface of any public road, highway, streets, lanes, alleys or other public place disturbed by Grantee in erecting, constructing, maintaining, operating, using, extending, removing, replacing or repairing its pipelines shall be restored immediately after the completion of the work to as good a condition as before the commencement of the work and maintained to the satisfaction of the Grantor, or of any official of Grantor to whom such duties have been or may be duly delegated, for one year from the date the surface of said public road, highway, street, lane, alley or other public place is broken for such construction, maintenance or removal work. Grantee shall, as soon as reasonably possible, notify City's Fire and Police Departments of the commencement of any of the aforesaid work giving its location and extent. No public road, highway, street, lane, alley or other public place shall be encumbered by construction, maintenance or removal work by Grantee for a longer period than shall be necessary to execute such work.

Section 3. Grantee agrees to pay an initial fee of Two Thousand Five Hundred Dollars (\$2500.00) for this franchise and an annual fee thereafter in the sum of Five Hundred Dollars (\$500.00), payable annually in advance, on or before the anniversary date of the final passage of this Ordinance.

Section 4. Grantee agrees by accepting the franchise, to save the City of Deer Park harmless from all liability for injury or damage to any person or persons, or property, caused by the construction, maintenance, operation, repair or removal of any part or all of such pipeline, and to pay to the City of Deer Park all damages caused to the City by reason of any such matters, including, without limitation thereby, the cost of repaving any cut in any pavement with materials approved by the City Manager and of repairing all excavations made by the Grantee in any street, alley, or public place.

Section 5. Nothing herein contained shall ever be held or considered as conferring upon Grantee and its successors and assigns any exclusive rights or privileges of any nature whatsoever.

Section 6. The Grantor by the granting of this franchise does not surrender or to any extent lose, waive, impair or lessen the lawful powers and rights, now or hereafter vested in the Grantor to regulate the operation of this pipeline, and Grantee by its acceptance of this franchise agrees that all such lawful regulatory powers and rights as the same may be from time to time vested in the Grantor shall be in full force and effect and subject to the exercise thereof by the Grantor at any time and from time to time. In granting this franchise, it is understood that the lawful power vested by law in the Grantor to regulate all public utilities within Grantor and to regulate the local rates of public utilities within the Grantor within the limits of the Constitution and laws, and to require all persons or corporations to discharge the duties and undertakings, for the performance of which this franchise is made, is reserved; and this grant is made subject to all lawful rights, powers and authorities, either of regulation or otherwise, reserved to the Grantor by law.

Section 7. The terms and conditions hereof shall be equally binding upon the successors and assigns of Grantee and upon any person or firm or company which may succeed to or acquire the properties of Grantee within Grantor City. The continued operation of Grantee's pipeline shall be deemed agreement to all of the terms hereof.

Section 8. City shall have the right to inspect any part of Grantee's pipeline or facilities within Grantor City at any reasonable time and from time to time.

Section 9. The Grantee shall, within thirty (30) days from the date this Ordinance is finally passed, file with the Grantor a written statement signed in its name and behalf in the following form:

"To the City of Deer Park:

"The Grantee, for itself, its successors and assigns, hereby accepts the above and foregoing

Ordinance and agrees to be bound by all of its terms and provisions."

NUSTAR LOGISTICS

By: _____

Dated the _____ day of _____, 2021."

Subject to compliance by Grantee with the terms hereof, this franchise, if so accepted, shall take effect on the date of acceptance.

Section 10. If any provision, section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional, void or invalid (or for any reason unenforceable), the validity of the remaining portions of this Ordinance shall not be affected thereby, it being the intent of the Grantor in adopting this Ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality or invalidity of any other portion, provision or regulation, and to this end, all provisions of this Ordinance are declared to be severable.

Section 11. Any person, firm or corporation who shall violate any of the provisions or terms of this Ordinance shall be guilty of a misdemeanor, and upon conviction shall be fined in any sum not exceeding Two Thousand Dollars (\$2,000.00) and each day's violation shall constitute a separate offense.

Section 12. It is officially found and determined that the meeting at which this Ordinance was adopted was open to the public and that public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551 of the Government Code of the State of Texas.

Section 13. This Ordinance or the caption thereof shall be read at three (3) regular meetings of the City Council of the City of Deer Park, Texas, and shall not be finally acted upon until at least forty-two (42) days after the first reading hereof. It shall take effect if passed on that date.

In accordance with Article VIII, Section 1 of the City Charter, this Ordinance was introduced before the City Council of the City of Deer Park, Texas, **passed and approved** on the first reading on this the ____ day of _____, 2021 **by a vote of** _____ **“Ayes” and** **“Noes”**.

MAYOR, City of Deer Park, Texas

ATTEST:

City Secretary

In accordance with Article VIII, Section 1 of the City Charter, this Ordinance was introduced before the City Council of the City of Deer Park, Texas, **passed and approved** on the second reading on this the ____ day of _____, 2021 **by a vote of** _____ **“Ayes” and** **“Noes”**.

MAYOR, City of Deer Park, Texas

ATTEST:

City Secretary

In accordance with Article VIII, Section 1 of the City Charter, this Ordinance was introduced before the City Council of the City of Deer Park, Texas, **passed, approved and adopted** on the third and final reading on this the ____ day of _____, 2021 **by a vote of** **“Ayes”** **and** **“Noes”**.

MAYOR, City of Deer Park, Texas

ATTEST:

City Secretary

APPROVED:

City Attorney