



CITY COUNCIL AGENDA

NOTICE IS GIVEN THAT THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS, WILL MEET IN A REGULAR SCHEDULED MEETING AT 5:30 P.M. ON TUESDAY, OCTOBER 20, 2015, 601 SOUTH FIRST STREET, FOR THE PURPOSE OF CONSIDERING AND TAKING OFFICIAL ACTION ON THE FOLLOWING ITEMS:

1. **CALL TO ORDER:**
2. **INVOCATION:**
3. **PRESENTATION OF STATE FLAG AND CERTIFICATE IN HONOR OF FRANK "MO" HERRIDGE IN APPRECIATION FOR HIS 28 YEARS OF SERVICE IN LAW ENFORCEMENT**
4. **CONSENT AGENDA:** All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda. Information concerning consent agenda items is available for public review.
 - (a) **APPROVAL OF THE MINUTES:** Approval of the minutes of the council meetings held on September 15, 2015 and September 29, 2015.
 - (b) **BILLS FOR SEPTEMBER 2015:** Approval of the bills paid by the City of Lamesa for the months of September, 2015.
5. **INTERLOCAL AGREEMENT - COMMUNICATIONS AND JAIL SERVICE AGREEMENT WITH DAWSON COUNTY:** Consider passing a resolution approving the execution of a Communications and Jail Service Agreement with Dawson County, Texas, and authorizing the Mayor of the City of Lamesa to execute such Communications and Jail Service Agreement on behalf of the City.
6. **INTERLOCAL AGREEMENT - SOLID WASTE LANDFILL ACCESS AGREEMENT WITH DAWSON COUNTY:** Consider passing a resolution approving the execution of a Solid Waste Landfill Access Agreement with Dawson County, Texas, and authorizing the Mayor of the City of Lamesa to execute such Solid Waste Landfill Access Agreement on behalf of the City.
7. **INTERLOCAL AGREEMENT - FIRE SERVICE AGREEMENT WITH DAWSON COUNTY:** Consider passing a resolution approving the execution of a Fire Service Agreement with Dawson County, Texas for fire protection services to the residents of the unincorporated areas of Dawson County for a period specified and authorizing the Mayor of the City of Lamesa to execute such Fire Service Agreement on behalf of the City.
8. **BNB SOLAR LEASE AGREEMENT WITH LAMESA ECONOMIC DEVELOPMENT CORPORATION AND CITY OF LAMESA:** Consider passing a resolution approving the execution of a solar lease agreement by the Lamesa Economic Development Corporation and authorizing the Mayor of the City of Lamesa to execute such solar lease agreement and all documents on behalf of the city necessary to effect such solar lease.
9. **AMENDING TAX ABATEMENT WITH BNB LAMESA SOLAR LLC:** Consider passing a resolution approving an amended Tax Abatement Agreement with BNB Lamesa Solar LLC for tax abatement for property in the Lamesa Solar Reinvestment Zone and authorizing the Mayor of the City of Lamesa to execute the agreement on behalf of the City.

10. **RATIFICATION OF TMRS CONTRIBUTION CORRECTIONS FOR EMPLOYEES HIRED AFTER AUGUST 2012.** Consider passing a resolution ratifying the TMRS Contribution Corrections for employees hired after August 2012.
11. **PROFESSIONAL SERVICE AGREEMENT WITH HENRY NORRIS INSURANCE:** Consider approving Henry Norris Insurance Professional Service Agreement with respect to consultation on the City's Health Insurance.
12. **PUBLIC HEARING ON REQUEST FOR ZONE CHANGE - 301-311 SE 1st & 302-312 SE 2nd STREETS:** Public hearing to consider the petition of Leonard Hernandez, Matthew Hernandez and Angelica Vargas, 301-311 SE 1st Street and 302-312 SE 2nd Street to change the zoning district from I-2 Heavy Industrial to zoning district I-1 Light Industry for placement of manufactured homes, building of residential housing and commercial use for the following property: All of Lots 1, 2, 3, 4, 5 and 6, Block 6 of the McSpadden and All of Lots 1, 2, 3, 4, 5 and 6, Block 3 of the SA Jackson Addition, All to the Town of Lamesa, Dawson County, Texas.
13. **REQUEST FOR ZONE CHANGE – 301-311 SE 1st & 302-312 SE 2nd:** Consider passing an Ordinance on first reading changing the zoning of 301-311 SE 1st Street and 302-312 SE 2nd Street from I-2 Heavy Industry to zoning district I-1 Light Industry for placement of manufactured homes, building of residential housing and commercial use for the following property: All of Lots 1, 2, 3, 4, 5 and 6, Block 6 of the McSpadden and All of Lots 1, 2, 3, 4, 5 and 6, Block 3 of the SA Jackson Addition, All to the Town of Lamesa, Dawson County, Texas.
14. **REQUEST FOR VARIANCE– 1211 NORTH 7TH STREET:** Consider passing on Ordinance on second reading granting a zoning variance for 1211 North 7th Street allowing placement of a manufactured home (2004 Clayton Pinehurst manufactured home – 52' x32') on the following property: Lots 1-3 and West 40 of Lot 4 Block 2 of the JH Barron Addition to the City of Lamesa, Dawson County, Texas.
15. **PUBLIC HEARING ON REQUEST FOR ZONE CHANGE – 308 SOUTH HOUSTON:** Public hearing to consider the petition of Craig Woodward, 308 South Houston to change the zoning district from: R-1 Single Family Residential to zoning district C-1 Local Retail for rental property for commercial use of the following property: North ½ of Lots 10, 11 & 12, Block 37 of Original Town of Lamesa, Dawson County, Texas.
16. **REQUEST FOR ZONE CHANGE – 308 SOUTH HOUSTON:** Consider passing an Ordinance on first reading changing the zoning of 308 South Houston from: R-1 Single Family Residential to zoning district C-1 Local Retail for rental property for commercial use of the following property: North ½ of Lots 10, 11 & 12, Block 37 of Original Town of Lamesa, Dawson County, Texas.
17. **ADOPT FINANCIAL POLICY:** Consider passing a resolution approving updates to the City's Financial Policy.
18. **INVESTMENT REPORT:** Finance Director to report on the city's investments.
19. **FINANCIAL REPORT:** Finance Director to report on the city's finances.
20. **CITY MANAGER REPORT:** City Manager to report on current activities and answer questions from the City Council.
 - CRMWA Refund
21. **EXECUTIVE SESSION:** Council to consider convening into closed executive session regarding personnel matters and review of City Secretary applications in accordance with the provisions of the Texas Open Meetings Act (Chapter 551.71 Texas Government Code) and consultation with Attorney regarding pending litigation (Chapter 551.074 Texas Government Code. No action will

be taken in closed session. The Council will reconvene into open session after the completion of the executive session.

- Pending Litigation – Appeal of Board of Adjustments decision to grant a variance.
- Interview/Selection Process of City Secretary position.

22. **APPOINTMENT OF CITY SECRETARY:** City Council to consider taking action regarding the appointment of a City Secretary.


23. **ADJOURNMENT:**

● ● Open Meetings Information ● ●

CLOSED MEETINGS

The City Council reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

PUBLIC PARTICIPATION

 The meeting will be held pursuant to the provisions of the Texas Open Meetings Act (Govt. Code, Chapter 551). Discussion and actions are limited to the agenda items listed above. Persons desiring to address the City Council or express their opinion about a particular item on this agenda should notify the City Secretary before the meeting. Persons desiring to present other business or discuss matters not on this agenda should submit a request in writing to the City Secretary/City Manager by the end of business hours on the Wednesday before the next meeting in order to be considered for inclusion on that agenda.

MEETING ACCESSIBILITY

Upon request, auxiliary aids and services will be provided to an individual with a disability in order to allow them to effectively participate in the city council meeting. Those requesting auxiliary aids or services should notify the contact person listed below at least twenty-four hours prior to the meeting by mail, telephone or RELAY Texas (1-800-735-2989)

Contact: Shawna Burkhart at 806-872-4321

✉ 601 South First Street, Lamesa, Texas 79331

☎ **Telephone** - (806) 872-4321

☎ **Fax** - (806) 872-4338

CERTIFICATION OF NOTICE

I certify this agenda was posted at the City Hall, 601 South First Street, Lamesa, Texas at **4:45 p.m., October 16th, 2015** in accordance with Chapter 551.041 of the Government Code.

Shawna D. Burkhart, City Manager



City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEMS: 1 & 2

1. **CALL TO ORDER:** *Announcement by the Mayor.* "This meeting is being held in accordance with the provisions of the Texas Open Meetings Act (Govt. Code, Chapter 551). Discussion and actions are limited to the agenda items as posted. Persons desiring to address the City Council or express their opinion about a particular item on this agenda should complete a request at this time. Persons desiring to present other business or discuss matters not on this agenda should submit a request in writing to the City Secretary in order to be considered for inclusion on the agenda of the next meeting. A quorum being present as evidenced by the presence of ____ members of the City Council, this meeting is hereby called to order."

The following members are present:

DAVE NIX	Mayor
JOSH STEVENS	Council Member – District 1
MARIE A. BRISENO	Mayor Pro-tem/Council Member – District 2
FABIAN RUBIO	Council Member – District 3
BOBBY G. GONZALES	Council Member - District 4
FRED VERA	Council Member – District 5
CHANCE BRITT	Council Member – District 6

City Staff members present at the meeting:

SHAWNA D. BURKHART	City Manager
VACANT	City Secretary
RUSSELL CASSELBERRY	Attorney

Members of the press present at the meeting:

Members of the public present at the meeting:

2. **INVOCATION:**
AND PLEDGE OF ALLEGIANCE.



City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 3

**SUBJECT: PRESENTATION OF STATE FLAG AND CERTIFICATE IN
HONOR OF FRANK "MO" HERRIDGE IN APPRECIATION FOR
HIS 28 YEARS OF SERVICE IN LAW ENFORCEMENT**

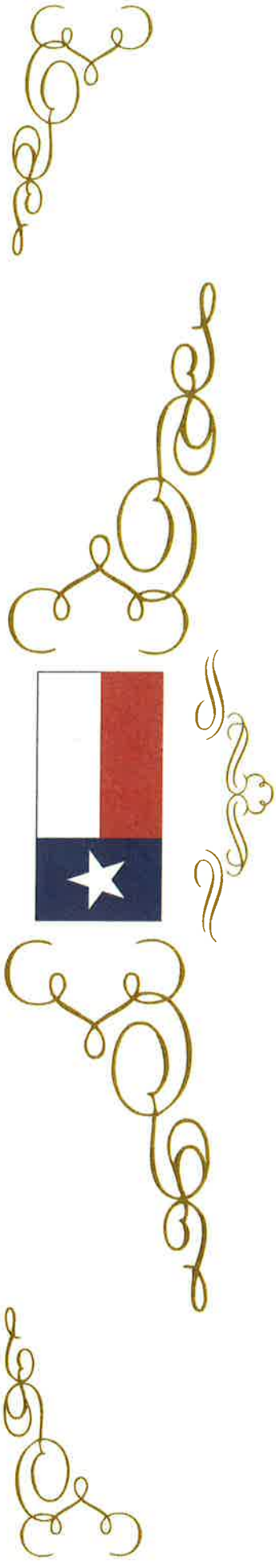
SUBMITTED BY: City Staff

SUMMARY STATEMENT

The presentation of the State Flag and Certificate is in honor of Frank "Mo" Herridge in appreciation for his 28 years of service in law enforcement. The flag was flown over the State Capitol on September 11, 2015.

COUNCIL ACTION

No City Council action required.



The State of Texas ★ House of Representatives

This Certifies that the Texas Flag herewith presented to

FRANK MAURICE "MO" HERRIDGE

By

CITY OF LAMESA

was flown at the Capitol of the Sovereign State of Texas
**SEPTEMBER 11, 2015 IN APPRECIATION FOR HIS 28
YEARS OF SERVICE IN LAW ENFORCEMENT**

*In witness thereof and pursuant to the authority vested in me,
I have hereunto set my hand and seal of office at Austin, Texas,*

this the **12TH** day of **SEPTEMBER** A.D., **2015**.



Red Wrenth

*Attest: Sergeant-at-Arms
Texas House of Representatives*



City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 4

SUBJECT: **CONSENT AGENDA ITEMS**
PROCEEDING: Approval
SUBMITTED BY: City Staff

SUMMARY STATEMENT

All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda. Information concerning consent agenda items is available for public review.

- a. **APPROVAL OF THE MINUTES:** Approval of the minutes of the council meeting held on September 15, 2015 and September 29, 2015.
- b. **BILL FOR SEPTEMBER 2015:** Approval of the bills paid by the City of Lamesa for the month of September, 2015.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to approve Item 4a & b. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

These items are considered non-controversial but do require formal council approval. If a council member objects to a consent item, it is removed from the list and separate action is taken on the item(s). If a council member questions a consent item, but not so strongly as to require that it be removed from the list, his/her "no" vote or abstention can be entered in the minutes when the consent vote is taken. Recommend approval.

THE STATE OF TEXAS X
COUNTY OF DAWSON X
CITY OF LAMESA X

**MINUTES OF THE CITY COUNCIL REGULARLY CALLED MEETING:
SEPTEMBER 15, 2015**

On this the 15th day of September, 2015, at 5:30 P.M. there came on and was held a regularly called meeting of the City Council of the City of Lamesa, Dawson County, Texas. Notice of such meeting having been posted at the City Hall at 601 South First Street in the City of Lamesa, Texas in accordance with the provisions of the Texas Open Meetings Act (Texas Govt. Code, Chapter 551). The following items were listed on the notice and the following proceedings were had, viz.:

CALL TO ORDER: Mayor Nix announced that the meeting was being held in accordance with the provisions of the Texas Open Meetings Act (Texas Govt. Code, Chapter 551), and that discussion and actions are limited to the agenda items as posted. A quorum being present as evidenced by the presence 7 the Council Members were present:

DAVE NIX	MAYOR
MARIE BRISENO	COUNCIL MEMBER – DISTRICT 2
JOSH STEVENS	MAYOR PRO-TEM /COUNCIL MEMBER – DISTRICT 1
FABIAN RUBIO	COUNCIL MEMBER – DISTRICT 3
BOBBY G. GONZALES	COUNCIL MEMBER – DISTRICT 4
FRED VERA	COUNCIL MEMBER – DISTRICT 5
CHANCE BRITT	COUNCIL MEMBER – DISTRICT 6

City staff members present at the meeting:

SHAWNA D. BURKHART	CITY MANAGER
VACANT	CITY SECRETARY
RUSSELL CASSELBERRY	CITY ATTORNEY

Members of the public present at the meeting:

Herrel Hallmark	Tommy Arguijo	Victor Dimas	Sylvia Dimas
Wayne Smith	Dionicio Garza	Wayne Chapman	Leticia Dimas
Irma Ramirez	Robert Ramirez	Sandy Trevino	Scott Leonard
Terri Stahl	Larry Duyck	Corina Salazar	Jesse Salazar
J. Ortiz	Betty Ortiz	Gloria Garcia	Juan Garcia
Jessica Salazar	Ernestina Salazar	Jim Clements	Willis Gresham
Charlie King	Willie Ortiz	Laura Ortiz	Rosa Delgado
Sandra Longoria	Lisa Amaro	Sylvia Hernandez	Hilaria Flores
Esperanza Lugo	Brandon Garza	Joey Rivas	Richard Ortiz
Johnny Ortiz			

Invocation was given by City Manager Shawna D. Burkhardt

CONSENT AGENDA: All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda. Information concerning consent agenda items is available for public review.

(a) **APPROVAL OF THE MINUTES:** Approval of the minutes of the council meeting held on September 1, 2015.

(b) **BILLS FOR AUGUST 2015:** Approval of the bills paid by the City of Lamesa for the months of August, 2015.

Motion by Council Member Vera to approve items 3 a & b. Motion seconded by Council Member Briseno and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

CONSIDER APPROVAL OF 2015 - 2016 LEDC & LEAP BUDGETS: Consider approval of the LEDC and LEAP proposed Annual Budgets for Fiscal Year 2015 - 2016 beginning on October 1, 2015.

Scott Leonard, President of the LEDC and Leap Boards presented the 2015-2016 LEDC and LEAP Budgets to the City Council. Mr. Leonard informed the Council that both budgets had been approved by the LEDC and LEAP Boards.

Motion by Council Member Vera to approve the 2015-2016 LEDC and LEAP Budgets. Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

PUBLIC HEARING - FISCAL YEAR 2015-2016 BUDGET: Convene a 2nd public hearing, in accordance with State Law (Government Code, Chapter 102), to hear a report from the City Manager and to hear comments from the public regarding the proposed Annual Budget for Fiscal Year 2015-2016 beginning on October 1, 2015. ***THE PROPOSED BUDGET WILL RAISE MORE REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$91,715 WHICH IS A 4.95615 PERCENT INCREASE FROM LAST YEAR'S BUDGET.***

Mayor Nix announced the opening of the 2nd Public Hearing on the Proposed Budget for Fiscal Year 2015-2016. No one spoke. There being no person wishing to speak, the public hearing was closed.

FISCAL YEAR OCTOBER 2015-2016 BUDGET - ADOPTION: Consider passing an ordinance on second reading providing funds for the Fiscal Year beginning October 1, 2015, and ending September 30, 2016, by approving the budget for said period and appropriating and setting aside the necessary funds out of the General Fund, Water/Wastewater and Solid Waste funds for the maintenance and operation of the various departments and for various activities and improvements to the City. ***THE PROPOSED BUDGET WILL RAISE MORE REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF \$91,715 WHICH IS A 4.95615 PERCENT INCREASE FROM LAST YEAR'S BUDGET.***

Motion by Council Member Stevens to pass an ordinance on second reading adopting the Proposed Annual Budget for Fiscal Year 2015-2016 beginning on October 1, 2015. Motion seconded by Council Member Rubio and upon being put to a vote the motion passed.

RECORD VOTE REQUIRED: VOTE BY SHOW OF HANDS

VOTING	"AYE"	"NAY"	"ABSTAIN"
Dave Nix	<u>X</u>	<u> </u>	<u> </u>
Josh Stevens	<u>X</u>	<u> </u>	<u> </u>
Marie A. Briseno	<u> </u>	<u>X</u>	<u> </u>
Fabian Rubio	<u>X</u>	<u> </u>	<u> </u>
Bobby Gonzales	<u> </u>	<u>X</u>	<u> </u>
Fred Vera	<u> </u>	<u>X</u>	<u> </u>
Chance Britt	<u>X</u>	<u> </u>	<u> </u>

Ord. No. O-14-15

Ord. Book No. 11

Pages 343

AD VALOREM TAX RATE – 2015 (DEBT SERVICE TAX RATE): Consider establishing an ad valorem tax rate for Fiscal Year 2015-2016 by passing on second reading an ordinance establishing the ad valorem tax rate which will raise the amount of revenue required to pay Debt Service at a rate of **\$.031522** per hundred dollar assessed valuation for Fiscal Year beginning October 1, 2015 and ending September 30, 2016. ***THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 2.17 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$15.70 {(Section 26.05(b)1(A&B) OF THE PROPERTY TAX CODE}.***

Motion by Council Member Stevens; ***"I MOVE THAT THE CITY ESTABLISH THE AD VALOREM TAX RATE WHICH WILL RAISE THE AMOUNT OF REVENUE REQUIRED TO PAY DEBT SERVICE AT A RATE OF \$.031522 PER HUNDRED DOLLAR ASSESSED VALUATION FOR FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND ENDING SEPTEMBER 30, 2016.***

Motion seconded by Council Member Britt and upon being put to a vote the motion passed.

RECORD VOTE REQUIRED: VOTE BY SHOW OF HANDS

VOTING	"AYE"	"NAY"	"ABSTAIN"
Dave Nix	<u>X</u>	<u> </u>	<u> </u>
Josh Stevens	<u>X</u>	<u> </u>	<u> </u>
Marie A. Briseno	<u> </u>	<u>X</u>	<u> </u>
Fabian Rubio	<u>X</u>	<u> </u>	<u> </u>
Bobby Gonzales	<u> </u>	<u>X</u>	<u> </u>
Fred Vera	<u> </u>	<u>X</u>	<u> </u>
Chance Britt	<u>X</u>	<u> </u>	<u> </u>

Ord. No. O-15-15

Ord. Book No. 11

Page 345

AD VALOREM TAX RATE – 2015 (MAINTENANCE AND OPERATION TAX RATE): Consider establishing an ad valorem tax rate for Fiscal Year 2015-2016 by passing on second reading an ordinance establishing the ad valorem tax rate which will raise the amount of revenue needed to fund Maintenance and Operation expenditures at a rate of \$**.708478** for Fiscal Year beginning October 1, 2015 and ending September 30, 2016. **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 2.17 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$15.70 {(Section 26.05(b)1(A&B) OF THE PROPERTY TAX CODE}.**

Motion by Council Member Rubio; **“I MOVE THAT THE CITY ESTABLISH THE AD VALOREM TAX RATE WHICH WILL RAISE THE AMOUNT OF REVENUE REQUIRED TO FUND MAINTENANCE AND OPERATION EXPENDITURES AT A RATE OF \$**.708478** PER HUNDRED DOLLAR ASSESSED VALUATION FOR FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND ENDING SEPTEMBER 30, 2016.**

Motion seconded by Council Member Britt and upon being put to a vote the motion passed.

RECORD VOTE REQUIRED: VOTE BY SHOW OF HANDS

VOTING	“AYE”	“NAY”	“ABSTAIN”
Dave Nix	<u> X </u>	<u> </u>	<u> </u>
Josh Stevens	<u> X </u>	<u> </u>	<u> </u>
Marie A. Briseno	<u> </u>	<u> X </u>	<u> </u>
Fabian Rubio	<u> X </u>	<u> </u>	<u> </u>
Bobby Gonzales	<u> </u>	<u> X </u>	<u> </u>
Fred Vera	<u> </u>	<u> X </u>	<u> </u>
Chance Britt	<u> X </u>	<u> </u>	<u> </u>

AD VALOREM TAX RATE – 2015: Consider establishing an ad valorem tax rate for Fiscal Year 2015-2016 by passing on second reading an ordinance establishing the ad valorem tax rate of \$**.740000** per hundred dollar assessed valuation for the Fiscal Year beginning October 1, 2015 and ending September 30, 2016, and adopting the provisions of Section 31.05 of the State Property Tax Code to provide for discounts under certain conditions. **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 2.17 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$15.70 {(Section 26.05(b)1(A&B) OF THE PROPERTY TAX CODE}.**

Motion by Council Member Britt; **“I MOVE THAT THE PROPERTY TAX RATE BE INCREASED BY THE ADOPTION OF A TAX RATE OF \$0.740000, WHICH IS EFFECTIVELY A 4.939 PERCENT INCREASE IN THE TAX RATE.”**

Motion seconded by Council Member Rubio and upon being put to a vote the motion passed.

RECORD VOTE REQUIRED: VOTE BY SHOW OF HANDS

VOTING	"AYE"	"NAY"	"ABSTAIN"
Dave Nix	<u>X</u>	<u> </u>	<u> </u>
Josh Stevens	<u>X</u>	<u> </u>	<u> </u>
Marie A. Briseno	<u> </u>	<u>X</u>	<u> </u>
Fabian Rubio	<u>X</u>	<u> </u>	<u> </u>
Bobby Gonzales	<u> </u>	<u>X</u>	<u> </u>
Fred Vera	<u> </u>	<u>X</u>	<u> </u>
Chance Britt	<u>X</u>	<u> </u>	<u> </u>

Ord. No. O-17-15**Ord. Book No. 11****Pages 349**

AUTHORIZE WARRANTS - GENERAL OPERATIONS: Consider passing resolution authorizing the issuance of interest bearing warrants, payable from the anticipated collections of the current fiscal year, not to exceed five hundred thousand dollars (\$500,000.00), to be used where funds are necessary and needed to meet current expenses of the city for the current fiscal year.

Motion by Council Member Britt to pass a resolution authorizing the issuance of interest bearing warrants, payable from the anticipated collections of the current fiscal year, not to exceed five hundred thousand dollars (\$500,000.00), to be used where funds are necessary and needed to meet current expenses of the city for the current fiscal year.

Motion seconded by Council Member Stevens and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

Res. No. R-21-15**Ord. Book No. 11****Pages 351**

PROCLAMATION – LAMESA HIGH SCHOOL "CLASS OF 1984 DAY": City Council proclaimed that October 3rd, 2015 is Lamesa High School "Class of 1984 Day" honoring the alumni contributions and service to Lamesa and all the other communities where they may live. No action required by City Council.

FINANCIAL REPORT: Director of Finance Wayne Chapman reported on the city's finances. No action required by City Council.

ISO RATING FOR BUILDING INSPECTIONS DEPARTMENT: The City Manager and the Building Inspector discussed with City Council that the Insurance Services Office, Inc. (ISO) is an insurer-supported organization with the primary mission of providing advisory insurance underwriting and rating information to insurers. The ISO rating program provides rating credits to individual property insurance policies in recognition of community efforts to mitigate property damage due to natural disasters. The ISO program has notified the City of Lamesa that it will apply credits to new construction within Lamesa that has been issued a Certificate of Occupancy in the year 2015 and forward. The lower the City's ISO score the better the insurance rates for new construction within Lamesa. Prior to 2015, the City's ISO score was 99, which reflected no definitive Building Inspection program within the City of Lamesa. As reflected in the attached letter dated August 27, 2015, the City of Lamesa Building Inspections Department has earned a Building Code Effectiveness Grading Classification of 6 for 1 and 2 family residential property and a 5 for commercial and industrial property. No action required by City Council.

ONCOR STREET LIGHT AUDIT OF THE NUMBER OF STREET LIGHTS AND TYPE OF STREET LIGHTS AND RELATED SETTLEMENT AND RELEASE AGREEMENT – Consider passing a resolution accepting and authorizing the Mayor to sign the Settlement and Release Agreement with Oncor regarding a one-time credit of \$34,667.80 based on the results of the Oncor Street Light Audit 2015.

Motion by Council Member Vera to pass a resolution accepting and authorizing the Mayor to sign the Settlement and Release Agreement with Oncor regarding a one-time credit of \$34,667.80 based on the results of the Oncor Street Light Audit 2015. Motion seconded by Council Member Stevens and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

Res. No. R-22-15 **Ord. Book No. 11** **Page 353**

APPOINTMENT – LAMESA MUNICIPAL AIRPORT BOARD MEMBER TO FILL EXPIRED TERM OF DON CHILES: Consider appointing one (1) member to the Lamesa Municipal Airport Board, to fill the expired term of Don Chiles, for a one (1) year term ending on December 2016.

Motion by Council Member Britt to approve the appointment of Don Chiles to fill the expired term of Don Chiles (term ending December 2016). Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

APPOINTMENT – LAMESA MUNICIPAL AIRPORT BOARD MEMBER TO FILL EXPIRED TERM OF MIKE HUGHES: Consider appointing one (1) member to the Lamesa Municipal Airport Board, to fill the expired term of Mike Hughes, for a two (2) year term ending on December 2017.

Motion by Council Member Britt to approve the appointment of Mike Hughes to fill the expired term of Mike Hughes (term ending December 2017). Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

VOTING: “AYE” 7 “NAY” 0 “ABSTAIN” 0

APPOINTMENT – LAMESA MUNICIPAL AIRPORT BOARD MEMBER TO FILL EXPIRED TERM OF HAROLD HOLLADAY: Consider appointing one (1) member to the Lamesa Municipal Airport Board, to fill the expired term of Harold Holladay, for a three (3) year term ending on December 2018.

Motion by Council Member Britt to approve the appointment of Harold Holladay to fill the expired term of Harold Holladay (term ending December 2018). Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

APPROVAL OF APPLICATION FOR FISCAL YEAR 2016 TxDOT AIRPORT RAMP GRANT:
Consider passing a resolution approving the 2016 TxDOT Airport Ramp Grant (\$50,000) providing State financial assistance exclusively for annual routine maintenance projects authorizing the Mayor to act as the City's Chief Executive Officer and authorizing City Manager Shawna D. Burkhart as the authorized representative in all matters pertaining to said grant application (State portion - \$25,000, City portion - \$12,500 and County portion - \$12,500).

Motion by Council Member Stevens to pass a resolution to submit an application for FY 2016 TxDOT Routine Airport Maintenance Grant with a 50% grant match to be equally funded by the City of Lamesa and Dawson County. Motion seconded by Council Member Rubio and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

Res. No. R-23-15

Ord. Book No. 11

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BUDGET AMENDMENT II: Consider amending Ordinance No.O-18-14 on second reading with respect to October 1, 2014 fiscal year budget.

Motion by Council Member Vera to amend Ordinance No.O-18-14 on second reading with respect to October 1, 2014 fiscal year budget. Motion seconded by Council Member Briseno and upon being put to a vote the motion passed

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

Ord. No. O-13-15

Ord. Book No. 11

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PUBLIC HEARING ON REQUEST FOR ZONE CHANGE – 308 SOUTH HOUSTON: Public hearing to consider the petition of Craig Woodward, 308 South Houston to change the zoning district from: R-1 Single Family Residential to zoning district C-1 Local Retail for rental property for commercial use of the following property: North ½ of Lots 10, 11 & 12, Block 37 of Original Town of Lamesa, Dawson County, Texas.

Mayor Nix announced the opening of the request for zone change at 308 South Houston. Wayne Smith, Building Inspector, gave a brief overview of the request for zoning change and stated that the Planning and Zoning Board had voted to approve the request. Councilman Stevens requested that this item be directed back to the Planning and Zoning Board for further consideration. This request was in light of two (2) letters being received after the Planning and Zoning Board meeting opposing the zone request. There being no other person wishing to speak, the public hearing was closed.

REQUEST FOR ZONE CHANGE – 308 SOUTH HOUSTON: Consider passing an Ordinance on first reading changing the zoning of 308 South Houston from: R-1 Single Family Residential to zoning district C-1 Local Retail for rental property for commercial use of the following property: North ½ of Lots 10, 11 & 12, Block 37 of Original Town of Lamesa, Dawson County, Texas.

City Council passed on this agenda item.

PUBLIC HEARING ON REQUEST FOR ZONE CHANGE – 306 to 312 NE 2nd STREET: Public hearing to consider the petition of King Gin Co. Charlie King, 306 to 312 NE 2nd Street to change the zoning district from R-1 Single Family Residential to zoning district I-1 Light Industry for truck parking for the following property: Lots 3, 4, 5, 6 of the Tidwell Addition to the City of Lamesa, Dawson County, Texas.

Mayor Nix announced the opening of the request for zone change at 306 to 312 NE 2nd Street. Wayne Smith, Building Inspector, gave a brief overview of the request for zoning change and stated that the Planning and Zoning Board had voted to approve the request. Charlie King and Willis Gresham spoke in favor of the zone change. Jesse Salazar, Betty Ortiz, Corina Salazar, Laura Carbajal Ortiz, Jessica Salazar and Willie Ortiz spoke against the zone change requested by Charlie King stating concern of safety, heavy traffic on Headstart bus route and health issues to the children and residents that are living in that area. There being no other person wishing to speak, the public hearing was closed.

REQUEST FOR ZONE CHANGE – 306 to 312 NE 2nd STREET: Consider passing an Ordinance on first reading changing the zoning of 306 to 312 NE 2nd Street from R-1 Single Family Residential to zoning district I-1 Light Industry for truck parking for the following property: Lots 3, 4, 5, 6 of the Tidwell Addition to the City of Lamesa, Dawson County, Texas.

Motion by Council Member Briseno to deny the zone change of 306 to 312 NE 2nd Street from R-1 Single Family Residential to zoning district I-1 Light Industry for truck parking. Motion seconded by Council Member Rubio and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

PUBLIC HEARING ON REQUEST FOR VARIANCE – 1211 NORTH 7TH STREET: Public hearing to consider the petition of Pam Koehler, 1211 North 7th Street for a variance to the zoning ordinances allowing the placement of a manufactured home (2004 Clayton Pinehurst manufactured home – 52' x32') on the following property currently zoned R-1: Lots 1-3 and West 40 of Lot 4 Block 2 of the JH Barron Addition to the City of Lamesa, Dawson County, Texas.

Mayor Nix announced the opening of the request for variance at 1211 North 7th Street. Wayne Smith, Building Inspector, gave a brief overview of the request for variance and stated that the Planning and Zoning Board had voted to approve the request. There being no person wishing to speak, the public hearing was closed.

REQUEST FOR VARIANCE – 1211 NORTH 7TH STREET: Consider passing on Ordinance on first reading granting a zoning variance for 1211 North 7th Street allowing placement of a manufactured home (2004 Clayton Pinehurst manufactured home – 52' x32') on the following property: Lots 1-3 and West 40 of Lot 4 Block 2 of the JH Barron Addition to the City of Lamesa, Dawson County, Texas.

Motion by Council Member Britt to approve an Ordinance on first reading granting a variance to the zoning ordinances for 1211 North 7th Street allowing for 1211 North 7th Street allowing the placement of a manufactured home (2004 Clayton Pinehurst manufactured home – 52' x 32'). Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

TAX ABATEMENT WITH BNB LAMESA SOLAR LLC: Consider passing a resolution entering into a Tax Abatement Agreement with BNB Lamesa Solar LLC.

Motion by Council Member Vera to pass a resolution entering into a Tax Abatement Agreement with BNB Lamesa Solar LLC. Motion seconded by Council Member Gonzales and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

Res. No. R-24-15

Ord. Book No. 11

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DISCUSSION OF TEXAS MUNICIPAL RETIREMENT SYSTEM DEPOSIT ADJUSTMENTS FOR EMPLOYEES HIRED BETWEEN THE DATES OF APRIL 2012 TO CURRENT. TMRS deductions were not made for the first three months after an employee new hire since April 2012. After review of the City's original TMRS documents, City's Personnel Policy Manual and individual employee payroll registers, required retirement funds should have been deposited. Corrective action will be reviewed by Davis Kinard & Co. PC. No action required by City Council.

DISCUSSION OF BY-PASS OF ELEVATED WATER TOWER AT THE TDCJ PRISON FACILITY. Dionicio Garza Jr., Utilities Director, provided an update to City Council of recent by-pass of Elevated Water Tower at the TDCJ Prison facility. No action required by City Council.

EXECUTIVE SESSION: Council to convene in closed executive session regarding review of City Secretary applications in accordance with the provisions of the Texas Open Meetings Act (Chapter 551.074 Government Code) to consider personnel matters. No action was taken by City Council after reconvening in open session.

ADJOURNMENT: Mayor Nix announced that the next regular meeting of the City Council of the City of Lamesa, Texas would be held on October 20, 2015. Persons desiring to present business to the City Council at that meeting are directed to submit a request in writing to the City Secretary by Wednesday, October 14, 2015 in order to be included on the agenda. There being no other business, the meeting was adjourned.

Pursuant to the provisions of the Texas Open Meetings Act, the City Council certifies that the items above are a full record of the subject matter of each deliberation and indicates each vote, order, decision or other action taken by the City Council of the City of Lamesa, Texas at the meeting held on the date indicated above. Ratified and approved at the special called meeting of the City Council of the City of Lamesa, Texas held on October 20, 2015.

ATTEST:

APPROVED:

Shawna D. Burkhart
City Manager

Dave Nix
Mayor

THE STATE OF TEXAS }
COUNTY OF DAWSON }
CITY OF LAMESA }

**MINUTES OF THE CITY COUNCIL SPECIAL CALLED MEETING:
SEPTEMBER 29, 2015**

On this the 29th day of September, 2015, at 5:45 P.M. there came on and was held a Special Called meeting of the City Council of the City of Lamesa, Dawson County, Texas. Notice of such meeting having been posted at the City Hall at 601 South First Street in the City of Lamesa, Texas in accordance with the provisions of the Texas Open Meetings Act (Texas Govt. Code, Chapter 551). The following items were listed on the notice and the following proceedings were had, viz.:

CALL TO ORDER: Mayor Nix announced that the meeting was being held in accordance with the provisions of the Texas Open Meetings Act (Texas Govt. Code, Chapter 551), and that discussion and actions are limited to the agenda items as posted. A quorum being present as evidenced by the presence 7 the Council Members were present:

DAVE NIX	MAYOR
MARIE BRISENO	COUNCIL MEMBER – DISTRICT 2
JOSH STEVENS	MAYOR PRO-TEM /COUNCIL MEMBER – DISTRICT 1
FABIAN RUBIO	COUNCIL MEMBER – DISTRICT 3
BOBBY G. GONZALES	COUNCIL MEMBER – DISTRICT 4
FRED VERA	COUNCIL MEMBER – DISTRICT 5
CHANCE BRITT	COUNCIL MEMBER – DISTRICT 6

City staff members present at the meeting:

SHAWNA D. BURKHART	CITY MANAGER
IRMA RAMIREZ	CITY PERSONNEL DIRECTOR

Members of the public present at the meeting:

Herrel Hallmark

EXECUTIVE SESSION: Council to convene in closed executive session regarding review of City Secretary applications in accordance with the provisions of the Texas Open Meetings Act (Chapter 551.074 Government Code) to consider personnel matters.

Motion by Council Chance Britt to go into Executive Session. Motion seconded by Council Member Josh Stevens and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

APPOINTMENT OF CITY SECRETARY: City Council to consider taking action regarding the appointment of City Secretary.

Motion by Council Bobby Gonzales to make an offer of employment to Ms. Nora Ortiz Juarez for the City Secretary position at \$38,000 per year. Motion seconded by Council Member Marie Briseno and upon being put to a vote the motion passed.

VOTING: "AYE" 7 "NAY" 0 "ABSTAIN" 0

ADJOURNMENT: Mayor Nix announced that the next regular meeting of the City Council of the City of Lamesa, Texas would be held on October 20, 2015. Persons desiring to present business to the City Council at that meeting are directed to submit a request in writing to the City Secretary by Wednesday, October 14, 2015 in order to be included on the agenda. There being no other business, the meeting was adjourned.

Pursuant to the provisions of the Texas Open Meetings Act, the City Council certifies that the items above are a full record of the subject matter of each deliberation and indicates each vote, order, decision or other action taken by the City Council of the City of Lamesa, Texas at the meeting held on the date indicated above. Ratified and approved at the regularly scheduled meeting of the City Council of the City of Lamesa, Texas held on October 20, 2015.

ATTEST:

APPROVED:

Shawna D. Burkhart
City Manager

Dave Nix
Mayor

10-15-2015 4:50 PM		D E T A I L L I S T I N G				PAGE: 1	
FUND : 01 -GENERAL FUND						PERIOD TO USE: Sep-2015 THRU Sep-2015	
DEPT : N/A						ACCOUNTS: 1001 THRU 1001	
POST	DATE	TRAN #	REFERENCE	PACKET=====DESCRIPTION=====	VEND	INV/JE #	NOTE =====AMOUNT===== ==BALANCE=====
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1001		CASH IN BANK					
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B E G I N N I N G B A L A N C E							
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9/01/15	9/01	A88615	CHK: 186482	10924 DAWSON CO. LIBRARY	1611		630.00CR 630.00CR
9/01/15	9/01	A88616	CHK: 186483	10924 HENRY NORRIS AGENCY	3190		920.00CR 1,550.00CR
9/01/15	9/01	A88617	CHK: 186484	10924 SOUTH PLAINS PUBLIC HEAL	3730		2,455.22CR 4,005.22CR
9/01/15	9/01	A88618	CHK: 186485	10924 VOLUNTEER FIRE DEPARTMEN	4090		400.00CR 4,405.22CR
9/01/15	9/01	A88619	CHK: 186486	10924 DUYCK LARRY	5777		200.00CR 4,605.22CR
9/01/15	9/01	A88620	CHK: 186487	10924 HERNANDEZ, PATRICIO F	5804		200.00CR 4,805.22CR
9/01/15	9/01	A88621	CHK: 186488	10924 DALE ALWAN	5983		200.00CR 5,005.22CR
9/01/15	9/01	A88622	CHK: 186489	10924 BOB THOMAS	5984		200.00CR 5,205.22CR
9/01/15	9/01	A88626	CHK: 186490	10926 LYNN ROSS GANNAWAY & CRA	6194		893.75CR 6,098.97CR
9/01/15	9/01	A88627	CHK: 186491	10926 MIGUEL GARCIA	6212		110.00CR 6,208.97CR
9/01/15	9/01	A88633	CHK: 186492	10928 STANDARD INSURANCE CO	3782		896.30CR 7,105.27CR
9/01/15	9/01	A88634	CHK: 186493	10928 WINDSTREAM COMMUNICATION	4460		1,685.11CR 8,790.38CR
9/01/15	9/01	A88636	CHK: 186495	10928 SALAZAR JANITORIAL SERVI	4610		900.00CR 9,690.38CR
9/01/15	9/01	A88637	CHK: 186496	10928 ANGEL ACOSTA'S CONCRETE	5640		1,794.00CR 11,484.38CR
9/01/15	9/01	A88638	CHK: 186497	10928 CITY OF ABILENE, TEXAS	5953		185.00CR 11,669.38CR
9/02/15	9/02	A88837	CHK: 000000	10929 INTERNAL REVENUE SERVICE	5832		342.45CR 12,011.83CR
9/02/15	9/02	A88838	CHK: 186498	10929 PAYROLL FUND	3270		1,519.58CR 13,531.41CR
9/03/15	9/03	A88883	CHK: 186499	10935 ADVANCED ANALYSIS & LAB	1022		716.00CR 14,247.41CR
9/03/15	9/03	A88884	CHK: 186500	10935 B & J WELDING SUPPLY	1180		145.25CR 14,392.66CR
9/03/15	9/03	A88885	CHK: 186501	10935 BROCK VETERINARY CLINIC	1302		898.93CR 15,291.59CR
9/03/15	9/03	A88886	CHK: 186502	10935 CANADIAN RIVER MUNICIPAL	1385		61,785.68CR 77,077.27CR
9/03/15	9/03	A88887	CHK: 186503	10935 THE COUNTRY STORE	1540		94.50CR 77,171.77CR
9/03/15	9/03	A88888	CHK: 186504	10935 GIBBS PRINTING	2030		210.12CR 77,381.89CR
9/03/15	9/03	A88889	CHK: 186505	10935 FULBRIGHT & CASSELBERRY	2090		80.00CR 77,461.89CR
9/03/15	9/03	A88890	CHK: 186506	10935 TYLER TECHNOLOGIES	2310		2,158.08CR 79,619.97CR
9/03/15	9/03	A88891	CHK: 186507	10935 LAMESA BEARING, INC.	2480		599.47CR 80,219.44CR
9/03/15	9/03	A88892	CHK: 186508	10935 LAMESA MAILING & PACKING	2588		36.16CR 80,255.60CR
9/03/15	9/03	A88893	CHK: 186509	10935 LAMESA PRESS REPORTER	2590		430.30CR 80,685.90CR
9/03/15	9/03	A88894	CHK: 186510	10935 LYNTEGAR ELECTRIC COOP	2728		543.76CR 81,229.66CR
9/03/15	9/03	A88895	CHK: 186511	10935 SOUTH PLAINS COMMUNICATI	3729		1,221.75CR 82,451.41CR
9/03/15	9/03	A88896	CHK: 186512	10935 WINDSTREAM COMMUNICATION	4460		98.97CR 82,550.38CR
9/03/15	9/03	A88897	CHK: 186513	10935 R CERVANTES BODY SHOP	5040		50.00CR 82,600.38CR
9/03/15	9/03	A88898	CHK: 186514	10935 EQUIPMENT SUPPLY CO. INC	5225		382.01CR 82,982.39CR
9/03/15	9/03	A88899	CHK: 186515	10935 THYSSENKRUPP ELEVATOR CO	5638		812.77CR 83,795.16CR
9/03/15	9/03	A88900	CHK: 186516	10935 SPIKE DYKES	5651		64.80CR 83,859.96CR
9/03/15	9/03	A88901	CHK: 186517	10935 GREAT AMERICA FINANCIAL	5734		384.30CR 84,244.26CR
9/03/15	9/03	A88902	CHK: 186518	10935 BIO-AQUATIC TESTING, INC	5770		1,020.00CR 85,264.26CR
9/03/15	9/03	A88903	CHK: 186519	10935 NORTHLAND COMMUNICATIONS	5800		80.12CR 85,344.38CR
9/03/15	9/03	A88904	CHK: 186520	10935 JOHN DEERE FINANCIAL	5861		80.95CR 85,425.33CR
9/03/15	9/03	A88905	CHK: 186521	10935 TMCEC	5863		28.95CR 85,454.28CR
9/03/15	9/03	A88906	CHK: 186522	10935 GDF SUEZ ENERGY RESOURCE	5905		4,312.76CR 89,767.04CR
9/03/15	9/03	A88908	CHK: 186524	10935 JASON'S PAINT & BODY	5936		4,800.00CR 94,567.04CR
9/03/15	9/03	A88909	CHK: 186525	10935 PNC EQUIPMENT FINANCE,LL	5960		1,389.99CR 95,957.03CR

10-15-2015 4:50 PM
FUND : 01 -GENERAL FUND
DEPT : N/A

DETAIL LISTING

PAGE: 2

PERIOD TO USE: Sep-2015 THRU Sep-2015

ACCOUNTS: 1001 THRU 1001

POST DATE TRAN # REFERENCE PACKET=====DESCRIPTION===== VEND INV/JE # NOTE =====AMOUNT===== =====BALANCE=====

1001 CASH IN BANK

* { CONTINUED } *

9/03/15	9/03	A88910	CHK: 186526	10935	NORTH CEDAR OUTLET	5974		283.80CR	96,240.83CR
9/03/15	9/03	A88911	CHK: 186527	10935	TRUCK TOWN	6069		239.00CR	96,479.83CR
9/03/15	9/03	A88912	CHK: 186528	10935	UNITED LABORATORIES	6077		550.00CR	97,029.83CR
9/03/15	9/03	A88913	CHK: 186529	10935	MATRE ARMS AMMUNITION	6143		891.00CR	97,920.83CR
9/03/15	9/03	A88914	CHK: 186530	10935	CONTINENTAL AUTOMATIC DO	6223		142.00CR	98,062.83CR
9/04/15	9/22	B48838	Misc 000018	07954	METER POSTAGE		JE# 019593	500.00CR	98,562.83CR
9/08/15	9/08	A88920	CHK: 186531	10943	FACL, INC	6183		18,360.00CR	116,922.83CR
9/08/15	9/08	A88953	CHK: 186532	10948	CROP PRODUCTION SERVICES	1018		150.50CR	117,073.33CR
9/08/15	9/08	A88954	CHK: 186533	10948	ALL-AMERICAN PUMP & MACH	1048		12,139.28CR	129,212.61CR
9/08/15	9/08	A88955	CHK: 186534	10948	CAIN ELECTRICAL SUPPLY	1383		3,108.98CR	132,321.59CR
9/08/15	9/08	A88956	CHK: 186535	10948	JONES BROS.	2378		13,236.88CR	145,558.47CR
9/08/15	9/08	A88957	CHK: 186536	10948	LAMESA BUTANE COMPANY	2500		231.66CR	145,790.13CR
9/08/15	9/08	A88958	CHK: 186537	10948	LEATHERWOOD PLUMBING	2683		2,016.01CR	147,806.14CR
9/08/15	9/08	A88959	CHK: 186538	10948	LESLIE'S POOL SUPPLY INC	2701		57.93CR	147,864.07CR
9/08/15	9/08	A88960	CHK: 186539	10948	MIDLAND REPORTER-TELEGRA	3025		331.00CR	148,195.07CR
9/08/15	9/08	A88961	CHK: 186540	10948	PAYTON PLUMBING INC	3286		203.50CR	148,398.57CR
9/08/15	9/08	A88962	CHK: 186541	10948	PROFESSIONAL TURF PRODU	3413		235.34CR	148,633.91CR
9/08/15	9/08	A88963	CHK: 186542	10948	ROSE PLUMBING & SEPTIC	3560		221.09CR	148,855.00CR
9/08/15	9/08	A88964	CHK: 186543	10948	WALMART COMMUNITY/GEGRB	4110		1,270.60CR	150,125.60CR
9/08/15	9/08	A88967	CHK: 186546	10948	WHITE'S 7 TIL 11	4185		64.94CR	150,190.54CR
9/08/15	9/08	A88968	CHK: 186547	10948	AMERICAN EXPRESS	4880		11,448.10CR	161,638.64CR
9/08/15	9/08	A88972	CHK: 186551	10948	LUBBOCK TRUCK SALES, INC	5085		2,602.94CR	164,241.58CR
9/08/15	9/08	A88973	CHK: 186552	10948	MANDRY TECHNOLOGY SOLUTI	5160		350.00CR	164,591.58CR
9/08/15	9/08	A88974	CHK: 186553	10948	ROLL-OFFS USA	5612		9,791.00CR	174,382.58CR
9/08/15	9/08	A88975	CHK: 186554	10948	O'REILLY AUTOMOTIVE, INC	5618		137.19CR	174,519.77CR
9/08/15	9/08	A88976	CHK: 186555	10948	WEATHERMAN CONST. & OVER	5624		255.30CR	174,775.07CR
9/08/15	9/08	A88977	CHK: 186556	10948	GREAT AMERICA FINANCIAL	5734		167.00CR	174,942.07CR
9/08/15	9/08	A88978	CHK: 186557	10948	NAPA AUTO PARTS	5833		3,847.22CR	178,789.29CR
9/08/15	9/08	A88982	CHK: 186561	10948	MORRIS PUBLISHING GROUP	5890		645.00CR	179,434.29CR
9/08/15	9/08	A88983	CHK: 186562	10948	QA BALANCE SERVICES INC.	6089		487.00CR	179,921.29CR
9/08/15	9/08	A88984	CHK: 186563	10948	SIERRA SPRINGS	6114		68.98CR	179,990.27CR
9/08/15	9/08	A88985	CHK: 186564	10948	W-B SUPPLY COMPANY	6123		146.85CR	180,137.12CR
9/08/15	9/08	A88986	CHK: 186565	10948	UNIQUE PAVING MATERIALS	6211		6,147.90CR	186,285.02CR
9/08/15	9/08	A88987	CHK: 186566	10948	ARMADILLO CAMERA	6217		149.90CR	186,434.92CR
9/08/15	9/08	A88988	CHK: 186567	10948	IMPERATIVE INFORMATION G	6224		125.00CR	186,559.92CR
9/08/15	9/08	A88989	CHK: 000000	10946	INTERNAL REVENUE SERVICE	5832		30,241.69CR	216,801.61CR
9/08/15	9/08	A88990	CHK: 186568	10946	CAPROCK FEDERAL CREDIT U	1390		18,824.59CR	235,626.20CR
9/08/15	9/08	A88991	CHK: 186569	10946	PAYROLL FUND	3270		61,729.32CR	297,355.52CR
9/08/15	9/08	A88992	CHK: 186570	10946	RAMOS, ANGELA F.	4940		102.93CR	297,458.45CR
9/08/15	9/08	A88993	CHK: 186571	10946	TX CHILD SUPPORT SDU	5634		334.15CR	297,792.60CR
9/08/15	9/08	A88994	CHK: 186572	10946	TEXAS CHILD SUPPORT DISB	5811		184.62CR	297,977.22CR
9/08/15	9/08	A88995	CHK: 186573	10946	TX CHILD SUPPORT SDU	5829		115.38CR	298,092.60CR
9/08/15	9/08	A88996	CHK: 186574	10946	TEXAS CHILD SUPPORT DISB	5859		500.90CR	298,593.50CR
9/08/15	9/08	A88997	CHK: 186575	10946	TX CHILD SUPPORT SDU	5882		276.92CR	298,870.42CR
9/08/15	9/08	A88998	CHK: 186576	10946	AIRMEDCARE NETWORK	5975		33.00CR	298,903.42CR
9/08/15	9/08	A88999	CHK: 186577	10946	TX CHILD SUPPORT SDU	5982		113.08CR	299,016.50CR
9/08/15	9/08	A89000	CHK: 186578	10946	JAE FITNESS	6023		182.71CR	299,199.21CR

• 10-15-2015 4:50 PM		D E T A I L L I S T I N G		PAGE: 3				
FUND : 01 -GENERAL FUND				PERIOD TO USE: Sep-2015 THRU Sep-2015				
DEPT : N/A				ACCOUNTS: 1001 THRU 1001				
POST	DATE	TRAN #	REFERENCE	PACKET=====DESCRIPTION=====	VEND INV/JE #	NOTE	=====AMOUNT=====	=====BALANCE=====
1001 CASH IN BANK * (CONTINUED) *								
9/08/15	9/08	A89001	CHK: 186579	10946 TEXAS CHILD SUPPORT DISB	6036		230.77CR	299,429.98CR
9/08/15	9/08	A89002	CHK: 186580	10946 TX CHILD SUPPORT SDU	6059		46.15CR	299,476.13CR
9/08/15	9/08	A89003	CHK: 186581	10946 TX CHILD SUPPORT SDU	6061		76.15CR	299,552.28CR
9/08/15	9/08	A89004	CHK: 186582	10946 TEXAS CHILD SUPPORT SDU	6135		207.23CR	299,759.51CR
9/08/15	9/08	A89005	CHK: 186583	10946 TX CHILD SUPPORT SDU	6145		252.92CR	300,012.43CR
9/08/15	9/08	A89006	CHK: 186584	10946 TG	6222		113.12CR	300,125.55CR
9/09/15	9/09	A89007	CHK: 186585	10949 CITY OF LAMESA HEALTH IN	5790		50,000.00CR	350,125.55CR
9/09/15	9/09	A89008	CHK: 186586	10950 BOBBY GAITAN	1		234.00CR	350,359.55CR
9/09/15	9/09	A89009	CHK: 186587	10950 FARMERS MACHINE SHOP	1800		485.76CR	350,845.31CR
9/09/15	9/09	A89010	CHK: 186588	10950 PAYROLL FUND	3270		465.41CR	351,310.72CR
9/09/15	9/09	A89011	CHK: 186589	10950 RAMIREZ, IRMA	5830		71.30CR	351,382.02CR
9/09/15	9/09	A89012	CHK: 186590	10950 ERICA UBEDA	6140		680.00CR	352,062.02CR
9/10/15	9/10	A89033	CHK: 186591	10953 AUTOMATED CONTROLS	1140		132.19CR	352,194.21CR
9/10/15	9/10	A89034	CHK: 186592	10953 REID BETHEL TIRE CO	1224		2,423.00CR	354,617.21CR
9/10/15	9/10	A89035	CHK: 186593	10953 CANADIAN RIVER MUNICIPAL	1385		11,859.41CR	366,476.62CR
9/10/15	9/10	A89036	CHK: 186594	10953 CLAIBORNE'S THRIFTWAY	1480		455.44CR	366,932.06CR
9/10/15	9/10	A89037	CHK: 186595	10953 ATMOS ENERGY	1730		1,302.61CR	368,234.67CR
9/10/15	9/10	A89038	CHK: 186596	10953 HIGGINBOTHAM'S GENERAL O	2180		366.52CR	368,601.19CR
9/10/15	9/10	A89040	CHK: 186598	10953 LAMESA PRESS REPORTER	2590		1,073.33CR	369,674.52CR
9/10/15	9/10	A89041	CHK: 186599	10953 LAMESA TIRE & BATTERY	2645		1,271.71CR	370,946.23CR
9/10/15	9/10	A89042	CHK: 186600	10953 LUBBOCK FIRE EXTINGUISHE	2708		329.79CR	371,276.02CR
9/10/15	9/10	A89043	CHK: 186601	10953 MAYFIELD PAPER COMPANY	2957		829.96CR	372,105.98CR
9/10/15	9/10	A89044	CHK: 186602	10953 WARREN CAT	4122		320.52CR	372,426.50CR
9/10/15	9/10	A89045	CHK: 186603	10953 USABLUBOOK	5100		205.14CR	372,631.64CR
9/10/15	9/10	A89046	CHK: 186604	10953 TASCOSA OFFICE MACHINES	5115		1,703.91CR	374,335.55CR
9/10/15	9/10	A89048	CHK: 186606	10953 NORTHERN SAFETY CO., INC	5475		242.52CR	374,578.07CR
9/10/15	9/10	A89049	CHK: 186607	10953 TEXASDATAVAULT	5607		1,725.00CR	376,303.07CR
9/10/15	9/10	A89050	CHK: 186608	10953 NOBBY'S SEW & VAC	5680		28.95CR	376,332.02CR
9/10/15	9/10	A89065	CHK: 186609	10955 TEXAS HOUSE OF REPRESENT	1		52.35CR	376,384.37CR
9/10/15	9/10	A89066	CHK: 186610	10955 DPC INDUSTRIES INC	1570		1,533.36CR	377,917.73CR
9/10/15	9/10	A89067	CHK: 186611	10955 DAVIS FURNITURE COMPANY	1600		726.00CR	378,643.73CR
9/10/15	9/10	A89069	CHK: 186613	10955 GEBO'S DISTRIBUTING	2000		2,112.69CR	380,756.42CR
9/10/15	9/10	A89073	CHK: 186617	10955 LUBBOCK FIRE EXTINGUISHE	2708		3,463.10CR	384,219.52CR
9/10/15	9/10	A89074	CHK: 186618	10955 MANDRY TECHNOLOGY SOLUTI	5160		607.50CR	384,827.02CR
9/10/15	9/10	A89075	CHK: 186619	10955 ASSOCIATED SUPPLY COMPAN	5340		23,552.22CR	408,379.24CR
9/10/15	9/10	A89076	CHK: 186620	10955 AUSTIN TURF & TRACTOR	5685		150.62CR	408,529.86CR
9/10/15	9/10	A89077	CHK: 186621	10955 FIRST CLASS AWARDS	6000		176.25CR	408,706.11CR
9/10/15	9/10	A89078	CHK: 186622	10955 JEANETTE PARRISH	6213		150.00CR	408,856.11CR
9/10/15	9/10	A89079	CHK: 186623	10952 ADVANCED ANALYSIS & LAB	1022		873.00CR	409,729.11CR
9/10/15	9/10	A89080	CHK: 186624	10952 NATIONAL SAFETY COUNCIL	3127		450.00CR	410,179.11CR
9/10/15	9/10	A89081	CHK: 186625	10952 THOMPSON INFORMATION SER	5999		536.99CR	410,716.10CR
9/10/15	9/10	A89083	CHK: 186626	10957 DACO	1580		14,860.00CR	425,576.10CR
9/11/15	9/11	A89084	CHK: 186627	10958 PERMIAN BASIN REGIONAL P	1		96.00CR	425,672.10CR
9/15/15	9/15	A89092	CHK: 186628	10962 BALDEMAR R CERNA	1		75.00CR	425,747.10CR
9/15/15	9/15	A89093	CHK: 186629	10962 NORMA ORTIZ	1		200.00CR	425,947.10CR
9/15/15	9/15	A89094	CHK: 186630	10962 MARIE BRIENO	1296		744.45CR	426,691.55CR
9/15/15	9/15	A89095	CHK: 186631	10962 WEATHERMAN CONST. & OVER	5624		509.90CR	427,201.45CR

10-15-2015 4:50 PM		D E T A I L L I S T I N G					PAGE: 4			
FUND : 01 -GENERAL FUND							PERIOD TO USE:	Sep-2015 THRU Sep-2015		
DEPT : N/A							ACCOUNTS: 1001	THRU 1001		
POST	DATE	TRAN #	REFERENCE	PACKET=====	DESCRIPTION=====	VEND	INV/JE #	NOTE	=====AMOUNT=====	=====BALANCE=====
1001		CASH IN BANK		* (CONTINUED) *						
9/15/15	9/15	A89096	CHK: 186632	10962	RUBIO, FABIAN	5860			744.45CR	427,945.90CR
9/15/15	9/15	A89097	CHK: 186633	10962	SMITH, WAYNE	5912			305.00CR	428,250.90CR
9/15/15	9/15	A89098	CHK: 186634	10962	JASON WILEY	6025			200.00CR	428,450.90CR
9/15/15	9/15	A89099	CHK: 186635	10962	WELLTECH	6081			4,650.00CR	433,100.90CR
9/15/15	9/15	A89100	CHK: 186636	10962	ERICA UBEDA	6140			650.00CR	433,750.90CR
9/15/15	9/15	A89101	CHK: 186637	10962	SUSANA CARDONA	6174			36.04CR	433,786.94CR
9/15/15	9/15	A89102	CHK: 186638	10962	SHAWNA BURKHART	6184			394.45CR	434,181.39CR
9/15/15	9/15	A89103	CHK: 186639	10962	ABEL SAENZ	6187			36.04CR	434,217.43CR
9/15/15	9/15	A89104	CHK: 186640	10962	PV BUSINESS SOLUTIONS, I	6225			298.50CR	434,515.93CR
9/15/15	9/15	A89105	CHK: 186641	10965	LAMESA AIRPORT BOARD	1013			9,245.85CR	443,761.78CR
9/15/15	9/15	A89106	CHK: 186642	10965	PENGUIN MANAGEMENT, INC.	6226			1,147.00CR	444,908.78CR
9/15/15	9/15	A89107	CHK: 186643	10963	LAMESA CHAMBER OF COMMER	1457			3,270.00CR	448,178.78CR
9/15/15	9/15	A89109	CHK: 186644	10967	LAMESA AIRPORT BOARD	1013			2,000.00CR	450,178.78CR
9/15/15	9/15	A89110	CHK: 186645	10968	LAMESA AIRPORT BOARD	1013			7,245.85CR	457,424.63CR
9/15/15	9/15	A89114	CHK: 186646	10969	S & C OIL COMPANY, INC.	3575			250.12CR	457,674.75CR
9/15/15	9/15	A89115	CHK: 186647	10969	WTG FUELS, INC.	6220			13,022.10CR	470,696.85CR
9/17/15	9/17	A89120	CHK: 186652	10970	ELARTO GARZA	1			23.08CR	470,719.93CR
9/17/15	9/17	A89121	CHK: 186653	10970	MARVIN WELBORN	1			100.00CR	470,819.93CR
9/17/15	9/17	A89122	CHK: 186654	10970	ASSOCIATION OF HISPANIC	5060			75.00CR	470,894.93CR
9/17/15	9/17	A89123	CHK: 186655	10970	SEMOPHORE CORPORATION	5865			316.50CR	471,211.43CR
9/17/15	9/17	A89124	CHK: 186656	10970	TEXAS COMMISSION ON LAW	6070			35.00CR	471,246.43CR
9/17/15	9/17	A89125	CHK: 186657	10970	ERICA UBEDA	6140			775.00CR	472,021.43CR
9/17/15	9/17	A89126	CHK: 186658	10971	LNB - CASH	5656			1,150.00CR	473,171.43CR
9/18/15	9/18	A89128	CHK: 186659	10974	LNB - CASH	5656			200.00CR	473,371.43CR
9/18/15	9/18	A89129	CHK: 186660	10974	RUBIO, FABIAN	5860			674.45CR	474,045.88CR
9/18/15	9/18	A89130	CHK: 186661	10975	POSTMASTER	3390			1,500.00CR	475,545.88CR
9/18/15	9/21	U23877	CHECK 186662	14171	REFUND: BERNAL, ANDREW I				76.07CR	475,621.95CR
9/18/15	9/21	U23877	CHECK 186663	14171	REFUND: MONTEITH, CODY				9.18CR	475,631.13CR
9/18/15	9/21	U23877	CHECK 186664	14171	REFUND: MENDEZ, PORFIRIO J				29.77CR	475,660.90CR
9/18/15	9/21	U23877	CHECK 186665	14171	REFUND: LAMESA VILLA APARTMENT				1,293.68CR	476,954.58CR
9/18/15	9/21	U23878	CHECK 186666	14228	REFUND: HOGG, BILLY H				46.57CR	477,001.15CR
9/18/15	9/21	U23878	CHECK 186667	14228	REFUND: BEATTY, JIMMY				51.96CR	477,053.11CR
9/18/15	9/21	U23878	CHECK 186668	14228	REFUND: VO, HONG-LOAN THI				0.51CR	477,053.62CR
9/18/15	9/21	U23878	CHECK 186669	14228	REFUND: BROUMLEY, MARK				40.62CR	477,094.24CR
9/18/15	9/21	U23878	CHECK 186670	14228	REFUND: PAM STEWARD				76.07CR	477,170.31CR
9/18/15	9/21	U23878	CHECK 186671	14228	REFUND: BORDAYO, ROSE				22.62CR	477,192.93CR
9/18/15	9/21	U23878	CHECK 186672	14228	REFUND: BEE HIVE HOMES II				0.70CR	477,193.63CR
9/18/15	9/25	B48882	Misc 000004	07966	METER POSTAGE		JE# 019625		500.00CR	477,693.63CR
9/21/15	9/21	A89131	CHK: 186673	10978	CHEVRON AND TEXACO BUSIN	1462			79.52CR	477,773.15CR
9/21/15	9/21	A89132	CHK: 186674	10978	CITY OF LUBBOCK	1470			11,173.66CR	488,946.81CR
9/21/15	9/21	A89133	CHK: 186675	10978	LAMESA ECONOMIC DEVELOPM	2555			21,403.77CR	510,350.58CR
9/21/15	9/21	A89134	CHK: 186676	10978	NTS COMMUNICATIONS	3135			322.24CR	510,672.82CR
9/21/15	9/21	A89136	CHK: 186678	10978	WINDSTREAM COMMUNICATION	4460			126.61CR	510,799.43CR
9/21/15	9/21	A89137	CHK: 186679	10978	SHELL FLEET PLUS	5055			174.79CR	510,974.22CR
9/21/15	9/21	A89138	CHK: 186680	10978	RAMIREZ, IRMA	5830			73.60CR	511,047.82CR
9/21/15	9/21	A89139	CHK: 186681	10978	GDF SUEZ ENERGY RESOURCE	5905			40,841.05CR	551,888.87CR
9/21/15	9/21	A89142	CHK: 186684	10978	SMITH, WAYNE	5912			1,202.53CR	553,091.40CR

10-15-2015 4:50 PM		D E T A I L L I S T I N G				PAGE: 5				
FUND : 01 -GENERAL FUND						PERIOD TO USE: Sep-2015 THRU Sep-2015				
DEPT : N/A						ACCOUNTS: 1001 THRU 1001				
POST	DATE	TRAN #	REFERENCE	PACKET=====	DESCRIPTION=====	VEND	INV/JE #	NOTE	=====AMOUNT=====	=====BALANCE=====
1001		CASH IN BANK		* (CONTINUED) *						
9/21/15	9/21	A89143	CHK: 186685	10978	LAMESA ECONOMIC ALLIANCE	5942			21,403.77CR	574,495.17CR
9/21/15	9/21	A89144	CHK: 186686	10978	VERIZON WIRELESS	5969			1,380.79CR	575,875.96CR
9/21/15	9/21	A89146	CHK: 186688	10978	DAVID S YOUNG	6121			125.01CR	576,000.97CR
9/21/15	9/21	A89147	CHK: 186689	10978	UTA/ BUILDING PROFESSION	6227			360.00CR	576,360.97CR
9/21/15	9/21	A89148	CHK: 000000	10976	INTERNAL REVENUE SERVICE	5832			32,653.89CR	609,014.86CR
9/21/15	9/21	A89149	CHK: 186690	10976	CAPROCK FEDERAL CREDIT U	1390			21,491.51CR	630,506.37CR
9/21/15	9/21	A89150	CHK: 186691	10976	PAYROLL FUND	3270			63,286.32CR	693,792.69CR
9/21/15	9/21	A89151	CHK: 186692	10976	RAMOS, ANGELA F.	4940			102.93CR	693,895.62CR
9/21/15	9/21	A89152	CHK: 186693	10976	TX CHILD SUPPORT SDU	5634			334.15CR	694,229.77CR
9/21/15	9/21	A89153	CHK: 186694	10976	TEXAS CHILD SUPPORT DISB	5811			184.62CR	694,414.39CR
9/21/15	9/21	A89154	CHK: 186695	10976	TX CHILD SUPPORT SDU	5829			115.38CR	694,529.77CR
9/21/15	9/21	A89155	CHK: 186696	10976	TEXAS CHILD SUPPORT DISB	5859			500.90CR	695,030.67CR
9/21/15	9/21	A89156	CHK: 186697	10976	TX CHILD SUPPORT SDU	5882			276.92CR	695,307.59CR
9/21/15	9/21	A89157	CHK: 186698	10976	AIRMEDCARE NETWORK	5975			33.00CR	695,340.59CR
9/21/15	9/21	A89158	CHK: 186699	10976	TX CHILD SUPPORT SDU	5982			113.08CR	695,453.67CR
9/21/15	9/21	A89159	CHK: 186700	10976	JAE FITNESS	6023			182.71CR	695,636.38CR
9/21/15	9/21	A89160	CHK: 186701	10976	TEXAS CHILD SUPPORT DISB	6036			230.77CR	695,867.15CR
9/21/15	9/21	A89161	CHK: 186702	10976	TX CHILD SUPPORT SDU	6059			46.15CR	695,913.30CR
9/21/15	9/21	A89162	CHK: 186703	10976	TX CHILD SUPPORT SDU	6061			76.15CR	695,989.45CR
9/21/15	9/21	A89163	CHK: 186704	10976	TEXAS CHILD SUPPORT SDU	6135			207.23CR	696,196.68CR
9/21/15	9/21	A89164	CHK: 186705	10976	TX CHILD SUPPORT SDU	6145			252.92CR	696,449.60CR
9/21/15	9/21	A89165	CHK: 186706	10976	TG	6222			113.12CR	696,562.72CR
9/22/15	9/22	A89166	CHK: 186707	10979	KNIGHTS OF COLUMBUS	5285			13,194.96CR	709,757.68CR
9/22/15	9/22	A89167	CHK: 186708	10980	D & N TRANSPORTATION INC	6228			5,400.00CR	715,157.68CR
9/24/15	9/24	A89174	CHK: 186709	10983	ADRIANA V. ARAGON	1			50.00CR	715,207.68CR
9/24/15	9/24	A89175	CHK: 186710	10983	DIANE CORTEZ	1			50.00CR	715,257.68CR
9/24/15	9/24	A89176	CHK: 186711	10983	ALICIA VARGAS	1			50.00CR	715,307.68CR
9/24/15	9/24	A89177	CHK: 186712	10983	CITY OF LAMESA HEALTH IN	5790			50,000.00CR	765,307.68CR
9/29/15	9/29	A89180	CHK: 186713	10987	WINDSTREAM COMMUNICATION	4460			101.55CR	765,409.23CR
9/29/15	9/29	A89181	CHK: 186714	10987	TEEN COURT	5697			700.00CR	766,109.23CR
9/29/15	9/29	A89182	CHK: 186715	10987	CLARKE MOSQUITO CONTROL	5809			3,452.22CR	769,561.45CR
9/29/15	9/29	A89183	CHK: 186716	10987	AMOS SUPPLY	5899			191.20CR	769,752.65CR
9/29/15	9/29	A89184	CHK: 186717	10987	GDF SUEZ ENERGY RESOURCE	5905			12,080.73CR	781,833.38CR
9/29/15	9/29	A89186	CHK: 186719	10987	SMITH, WAYNE	5912			360.00CR	782,193.38CR
9/29/15	9/29	A89187	CHK: 186720	10987	CITY OF ABILENE, TEXAS	5953			185.00CR	782,378.38CR
9/29/15	9/29	A89188	CHK: 186721	10987	JEANETTE PARRISH	6213			150.00CR	782,528.38CR
9/30/15	9/30	A89189	CHK: 000000	10985	INTERNAL REVENUE SERVICE	5832			25.00CR	782,553.38CR
9/30/15	9/30	A89190	CHK: 186722	10988	FULBRIGHT & CASSELBERRY	2090			2,145.83CR	784,699.21CR
9/30/15	9/30	A89191	CHK: 186723	10988	PAYROLL FUND	3270			335.00CR	785,034.21CR
9/30/15	9/30	A89192	CHK: 186724	10988	SENIOR CITIZENS	3675			3,750.00CR	788,784.21CR
9/30/15	9/30	A89193	CHK: 186725	10989	DAWSON CO. LIBRARY	1611			630.00CR	789,414.21CR
9/30/15	9/30	A89194	CHK: 186726	10989	HENRY NORRIS AGENCY	3190			920.00CR	790,334.21CR
9/30/15	9/30	A89195	CHK: 186727	10989	SOUTH PLAINS PUBLIC HEAL	3730			2,455.22CR	792,789.43CR
9/30/15	9/30	A89196	CHK: 186728	10989	VOLUNTEER FIRE DEPARTMEN	4090			400.00CR	793,189.43CR
9/30/15	9/30	A89197	CHK: 186729	10989	DUYCK LARRY	5777			200.00CR	793,389.43CR
9/30/15	9/30	A89198	CHK: 186730	10989	HERNANDEZ, PATRICIO F	5804			200.00CR	793,589.43CR
9/30/15	9/30	A89199	CHK: 186731	10989	DALE ALWAN	5983			200.00CR	793,789.43CR

10-15-2015 4:50 PM
FUND : 01 -GENERAL FUND
DEPT : N/A

D E T A I L L I S T I N G

PAGE: 6

PERIOD TO USE: Sep-2015 THRU Sep-2015

ACCOUNTS: 1001 THRU 1001

POST DATE TRAN # REFERENCE PACKET=====DESCRIPTION===== VEND INV/JE # NOTE =====AMOUNT===== =====BALANCE=====

1001 CASH IN BANK

* { CONTINUED } *

9/30/15	9/30	A89200	CHK: 186732	10989	BOB THOMAS	5984				200.00CR	793,989.43CR
9/30/15	9/30	A89220	CHK: 186733	10991	AFLAC INSURANCE	1020				3,613.06CR	797,602.49CR
9/30/15	9/30	A89221	CHK: 186734	10991	CAPROCK FEDERAL CREDIT U	1390				275.00CR	797,877.49CR
9/30/15	9/30	A89222	CHK: 186735	10991	TEXAS MUNICIPAL RETIREME	3973				25,419.47CR	823,296.96CR
9/30/15	9/30	A89228	CHK: 186741	10991	MY BOOT STORE	5710				125.00CR	823,421.96CR
9/30/15	9/30	A89229	CHK: 186742	10991	LEGAL SHIELD	5900				388.50CR	823,810.46CR
9/30/15	9/30	A89230	CHK: 186743	10991	NEW YORK LIFE	5921				567.40CR	824,377.86CR
9/30/15	9/30	A89231	CHK: 186744	10991	GUARDIAN-APPLETON	6141				616.68CR	824,994.54CR
9/30/15	10/14	B48997	Misc 000009	07979	HEALTH INS. TSF. - G/F		JE# 019657			29,244.00CR	854,238.54CR
9/30/15	10/15	B49002	Misc 000012	07980	LIABILITY TSF G/F TO RISK MGMT		JE# 019662			5,938.75CR	860,177.29CR
9/30/15	10/15	B49007	Misc 000017	07981	WORKER COMP TSF TO RISK MGMT		JE# 019667			5,724.08CR	865,901.37CR
9/30/15	10/15	B49017	Misc 000021	07983	TRANSFER GOV TAX TO STATE AGCY		JE# 019673			4,883.54CR	870,784.91CR
			=====		SEPTEMBER ACTIVITY DB:	0.00	CR:		870,784.91CR		870,784.91CR

SELECTION CRITERIA

FISCAL YEAR: Oct-2014 / Sep-2015
FUND: Include: 01
PERIOD TO USE: Sep-2015 THRU Sep-2015
TRANSACTIONS: CREDIT

ACCOUNT SELECTION

ACCOUNT RANGE: 1001 THRU 1001
DEPARTMENT RANGE: - THRU -
ACTIVE FUNDS ONLY: NO
ACTIVE ACCOUNT ONLY: NO
INCLUDE RESTRICTED ACCOUNTS: NO
DIGIT SELECTION:

PRINT OPTIONS

DETAIL

OMIT ACCOUNTS WITH NO ACTIVITY: NO
PRINT ENCUMBRANCES: NO
PRINT VENDOR NAME: NO
PRINT PROJECTS: NO
PRINT MONTHLY TOTALS: YES
PRINT GRAND TOTALS: NO
PRINT: INVOICE #
PAGE BREAK BY: NONE

*** END OF REPORT ***

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 5

Subject: **INTERLOCAL AGREEMENT - COMMUNICATIONS AND JAIL SERVICE AGREEMENT WITH DAWSON COUNTY**

Proceeding: Resolution

Submitted by: City Manager

Exhibits: Agreement, Resolution

Authority: State Law; Chapter 791, Texas Governmental Code and Chapter 271.005(b), Texas Government Code

SUMMARY STATEMENT

Consider passing a resolution approving the execution of a Communications and Jail Service Agreement with Dawson County, Texas, and authorizing the Mayor of the City of Lamesa to execute such Communications and Jail Service Agreement on behalf of the City.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to _____ Motion
seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

The City Manager consulted with City Staff, the County Judge and the City Attorney regarding renewing the Communications and Jail Service Agreement. Dawson County will house all city arrests in exchange for the provision of communications services by the City. This is a one year agreement, however, this agreement shall be automatically renewed for successive one year terms and for no more than two additional terms. **Recommend approval.**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS, APPROVING THE EXECUTION OF A COMMUNICATIONS AND JAIL SERVICE AGREEMENT WITH DAWSON COUNTY, TEXAS, AND AUTHORIZING THE MAYOR OF THE CITY OF LAMESA TO EXECUTE SUCH COMMUNICATIONS AND JAIL SERVICE AGREEMENT ON BEHALF OF THE CITY.

On the 20th day of October, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following resolution was formally submitted by motion and duly seconded for the consideration and action of the meeting, to-wit:

WHEREAS, the City Council of the City of Lamesa deems it in the best interest of the City of Lamesa to enter into an agreement with Dawson County, Texas, to provide for communications and jail services pursuant to the Interlocal Cooperation Act of the State of Texas.

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

That the City of Lamesa, Texas, enter into that COMMUNICATIONS AND JAIL SERVICE AGREEMENT with Dawson County, Texas, a copy of which is attached to this resolution; and

That the Mayor of the City of Lamesa be, and he is hereby, authorized to execute such COMMUNICATIONS AND JAIL SERVICE AGREEMENT on behalf of the City of Lamesa, and such COMMUNICATIONS AND JAIL SERVICE AGREEMENT, when executed by the Mayor of the City, shall be, in all respects, valid and binding upon the City of Lamesa in accordance with all of the provisions of such agreement.

Upon being put to a vote, the resolution was Passed, Approved, and Adopted the 20th day of October, 2015, by a majority vote.

PASSED AND APPROVED the 20th day of October, 2015.

ATTESTED:

APPROVED:

Shawna D Burkhardt
City Manager

Dave Nix
Mayor

THE STATE OF TEXAS }
COUNTY OF DAWSON } COMMUNICATIONS AND JAIL
SERVICE AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

THAT THIS IS EVIDENCE IN WRITING of an agreement this day entered into by and between the CITY OF LAMESA, a municipal corporation organized and existing under and by virtue of the laws of the State of Texas, hereinafter called City and DAWSON COUNTY, a political subdivision of the State of Texas, hereinafter called County;

WITNESSETH:

WHEREAS, the County in cooperation with the City join together in this agreement to provide for the public safety of the residents of the City and County; and

WHEREAS, it is in the best interest of the public to avoid duplication of facilities, personnel, and equipment and generally improve coordination of law enforcement efforts in the community; and

WHEREAS, it is in the best interest of the public health and welfare of the people of the respective jurisdictions to have such services available in the community; and

WHEREAS, it is the intent of the parties hereto to comply with the provisions of the Interlocal Cooperation Act, further defined as Chapter 791 of the Local Government Code of the State of Texas which provides that the City and County may contract with other local governments to provide governmental functions and services, and such services include jail and communications services.

NOW THEREFORE, the City and County, acting herein through their respective governing bodies agree as follows:

1.

As used in this agreement:

- (a) "Police department" shall be the police department of the City of Lamesa, Texas.
- (b) "Chief of Police" shall be the chief of police of the City of Lamesa.
- (c) "Sheriff's office" shall be the sheriff's office of Dawson County, Texas.
- (d) "Sheriff" shall be the sheriff of Dawson County, Texas.
- (e) "Services" shall be jail services as provided by the County and communication services as provided by the City.
- (f) "Prisoner" shall mean any person that has been arrested or taken into custody by an officer or person executing a warrant of arrest, or a person arrested without a warrant and shall include all prisoners legally required

to be incarcerated in the County Jail as well as city prisoners as defined herein.

- (g) "City Prisoner" shall mean a person that has been arrested or taken into custody by an officer or person executing a warrant of arrest, or a person arrested without a warrant for a Class "C" misdemeanor offense within the jurisdiction of the municipal court and not otherwise required to be incarcerated in the County Jail.
- (h) "Interlocal cooperation act" shall mean the provisions of the Interlocal Cooperation Act, further defined as Chapter 791 of the Local Government Code of the State of Texas.

2.

The City agrees to furnish the following communications services to the Sheriff's Office and the Dawson County EMS (ambulance service):

- (a) a public safety answering point that:
 - (1) is operated continuously; and
 - (2) is assigned the responsibility to receive 9-1-1 calls, and as appropriate, to dispatch emergency response services directly to or to transfer or relay emergency 9-1-1 calls to other public safety agencies; and
 - (3) is the first point of reception by a public safety agency of a 9-1-1 call for a person seeking law enforcement, fire, medical rescue and other emergency services available in the county.
- (b) police radio communications and dispatch services to the Dawson County Sheriffs Office, including access to inquiries to the Texas Law Enforcement Telecommunications Service (TLETS) computer database and services Monday through Thursday after 5:00 P.M. until 8:00 A.M. of the following morning, and on week-ends from 5:00 P.M. on Friday until 8:00 A.M. the following Monday and on holidays beginning at 5:00 P.M. on the day before the holiday until 8:00 A.M. of the next working day following such holiday.
- (c) Radio communications and dispatch services to the Dawson County EMS (ambulance service).

3.

In consideration of such services, the Sheriff and County agree that henceforth Sheriff will:

- (a) house, support, maintain, and confine in the Dawson County jail all persons arrested by a city police officer and those charged by complaint with an offense within the jurisdiction of the municipal courts, and all persons committed to jail by a municipal judge, all of said persons being hereinafter called city prisoners, and

- (b) provide the City with copies of prisoners records upon completion of book-in, to include a book-in card, property record form, medical exam form, Miranda rights form, and a mug-shot photograph; and
- (c) provide a space to the municipal judge, or any other magistrate acting upon behalf of the municipal judge, a place for arraignment proceedings and other formal hearings as maybe required; and to make prisoners available to said judge or magistrate at said place for such arraignment or hearings as may be required by law.

4.

In addition to all prisoners legally required to be incarcerated in the County Jail; it is mutually agreed that upon presentation by a city police officer of a city prisoner and either a signed complaint sworn to before competent authority or a commitment or warrant signed by a municipal court judge, Sheriff will book the city prisoner in the Dawson County Jail and be responsible for the care and custody of the city prisoner and his property.

Sheriff further agrees:

- (1) not release from custody a city prisoner who has been booked into the Dawson County Jail until said prisoner's discharge is lawfully ordered by the Judge of the Municipal Court or an appropriate magistrate; and
- (2) to accept such bail bonds as may be authorized by the Judge of the Municipal Court or an appropriate magistrate and to transmit said bonds to the proper authority in a timely manner.

5.

City agrees to furnish all necessary medical treatment and hospitalization for all city prisoners whether they become injured or sick before or after being booked into the Dawson County Jail except for any medical attention required because of any act or omission on part of County. As to the city prisoners that are actually lodged in the Dawson County Jail, sheriff agrees that he will summon necessary medical help and transport said prisoners to a hospital when necessary, without undue delay.

6.

The term of this agreement shall be for one year, commencing October 1, 2015, and terminating at midnight on September 30, 2016; provided however, that agreement shall be automatically renewed for successive one year terms and for no more than two (2) additional terms unless and until either party terminates the agreement by giving thirty days written notice to the other party hereto.

The funding notwithstanding any provisions contained herein, this contract is expressly contingent upon the availability of funding for each item and obligation contained herein for the term of the agreement and any extension thereto. In the event that either no funds or insufficient funds are appropriated under this contract for the period covered by such budget or appropriation the contract shall terminate without penalty to either party.

7.

City agrees to save and hold harmless Sheriff and County, and Sheriff's successors in office, from any claims for damages for which Sheriff or County may be held liable to a city prisoner because of the acts or omissions of any City employees. County agrees to save and hold City harmless from any claims for damages for which City may be held liable to any city prisoner because of the acts or omissions of any County employee.

8.

It is specifically understood that any dispute over technical or policy issues relating to the terms of this agreement that may occur during the term of this agreement, may be resolved by mutual consent of the city manager of the City and the Sheriff. Any such resolution shall be committed to written form and distributed to the city council of the City and the commissioner's court of the County. If both the city and county governing bodies ratify said resolution, it shall be included as an attachment of this agreement.

9.

Notwithstanding any other provision herein regarding the term of this agreement, either party hereto shall have the right to terminate this agreement upon thirty days (30) written notice to the other party. In the event of such termination, neither party hereto shall have any further obligation hereunder.

10.

It is specifically understood that if either the County or City for any cause, fails to provide said services as provided for in this agreement and is unable to resume performance for a period of thirty days (30) consecutive days, the other party hereto, at its option and after sending written notice to the other party, may terminate this agreement and, shall have no further liability for payment of the charges or provisions of services agreed to herein.

11.

It is specifically understood that in the event that any section, subsection, sentence, clause or phrase of this agreement is, for any reason, held to be invalid, such holding shall not affect the validity of the remaining portions of this agreement.

12.

The provisions of this agreement are to be cumulative and all other contracts, agreements, or parts of contracts or agreements, whether written or oral, governing or regulating the same subject matter as that covered herein are hereby expressly repealed.

13.

This agreement contains the entire agreement of the parties. There are no other agreements, oral or written, and the terms of this agreement can be amended only by written signed and ratified by both parties or as otherwise provided herein.

EXECUTED on this the 20th day of October, 2015.

ATTEST:

THE CITY OF LAMESA, TEXAS

Shawna D. Burkhart
City Manager

Dave Nix
Mayor

ATTEST:

THE COUNTY OF DAWSON

Gloria Vera
County Clerk

Foy O'Brien
County Judge

Kent Parchman
Sheriff

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 6

Subject: **INTERLOCAL AGREEMENT - SOLID WASTE LANDFILL ACCESS AGREEMENT WITH DAWSON COUNTY**

Proceeding: Resolution

Submitted by: City Manager

Exhibits: Agreement, Resolution

Authority: State Law; Chapter 791, Texas Governmental Code and Chapter 271.005(b), Texas Government Code

SUMMARY STATEMENT

Consider passing a resolution approving the execution of a Solid Waste Landfill Access Agreement with Dawson County, Texas, and authorizing the Mayor of the City of Lamesa to execute such Solid Waste Landfill Access Agreement on behalf of the City.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to _____. Motion
seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

The City Manager consulted with City Staff, the County Judge and the City Attorney regarding renewing the Solid Waste Landfill Access Agreement. The City of Lamesa agrees to furnish solid waste landfill services to the residents of the unincorporated areas of Dawson County. Per Local Government Code 271.005(b), this agreement is a one year contract with automatic renewal for successive one year terms but no more than two additional terms. The payment will remain the same as the prior year contract (\$65,340.00 per year). **Recommend approval.**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS, APPROVING THE EXECUTION OF A SOLID WASTE LANDFILL ACCESS AGREEMENT WITH DAWSON COUNTY, TEXAS, AND AUTHORIZING THE MAYOR OF THE CITY OF LAMESA TO EXECUTE SUCH SOLID WASTE LANDFILL ACCESS AGREEMENT ON BEHALF OF THE CITY.

On the 20th day of October, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following resolution was formally submitted by motion and duly seconded for the consideration and action of the meeting, to-wit:

WHEREAS, the City Council of the City of Lamesa deems it in the best interest of the City of Lamesa to enter into an agreement with Dawson County, Texas, to furnish SOLID WASTE LANDFILL ACCESS to the residents of the unincorporated areas of Dawson County pursuant to the Interlocal Cooperation Act of the State of Texas.

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

That the City of Lamesa, Texas, enter into that SOLID WASTE LANDFILL ACCESS AGREEMENT with Dawson County, Texas, a copy of which is attached to this resolution; and

That the Mayor of the City of Lamesa be, and he is hereby, authorized to execute such SOLID WASTE LANDFILL ACCESS AGREEMENT on behalf of the City of Lamesa, and such SOLID WASTE LANDFILL ACCESS AGREEMENT, when executed by the Mayor of the City, shall be, in all respects, valid and binding upon the City of Lamesa in accordance with all of the provisions of such agreement.

Upon being put to a vote, the resolution was Passed, Approved, and Adopted the 20th day of October, 2015, by a majority vote.

PASSED AND APPROVED the 20th day of October, 2015.

ATTESTED:

APPROVED:

Shawna D Burkhardt
City Manager

Dave Nix
Mayor

THE STATE OF TEXAS }
COUNTY OF DAWSON }

SOLID WASTE LANDFILL
ACCESS AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

THAT THIS EVIDENCE IN WRITING of a contract this day entered into by and between the CITY OF LAMESA, a municipal corporation organized and existing under and by virtue of the laws of the State of Texas, hereinafter called City and the COUNTY OF DAWSON, a political subdivision of the State of Texas, hereinafter called County;

WITNESSETH:

The City and County, acting herein and through their respective governing bodies, agree as follows:

1.

It is the intent of the parties hereto to comply with the Interlocal Cooperation Act and Section 791 of the Government Code of the State of Texas, which provides that a local government may contract with other local governments to provide governmental functions and services, and such services, include waste disposal.

2.

As used in this contract:

(a) "Sanitation department" shall be the sanitation department of the City of Lamesa, Texas.

(b) "Solid waste landfill" shall be the state permitted Class I sanitary landfill owned and operated by the City of Lamesa, Texas.

(c) "County solid wastes" shall mean any solid wastes originating from a place outside the city limits of the City and within any unincorporated area of Dawson County, Texas under the terms and conditions of this contract.

(d) "Solid waste management ordinance" shall mean Chapter 71 of the Code of Ordinances of the City of Lamesa regulating the management of solid wastes within the city, including the disposal of wastes at the solid waste landfill.

(e) "Prohibited waste" shall mean material named by the Texas Commission on Environmental Quality, Texas Department of Health, the Federal Environmental Protection Agency or any other Federal, State, or local agency having jurisdiction which is prohibited to be placed in a permitted sanitary landfill as operated by the City.

(f) "Solid waste" shall mean any garbage, rubbish, refuse, sludge from a wastewater treatment plant, and any other discarded material, including solid, liquid, semisolid, or contained gaseous material resulting from industrial, municipal, commercial,

mining, and agricultural operations, and from community and institutional activities, but does not include:

- (1) solid or dissolved material in domestic sewage, or solid or dissolved material in irrigation return flows, or industrial discharges subject to regulation by permit issued pursuant to Chapter 26 of the Water Code;
- (2) soil, dirt, rock, sand, and other natural or man-made inert solid materials used to fill land if the object of the fill is to make the land suitable for the construction of surface improvements;
- (3) waste materials, which result from activities associated with the exploration, development, or production of oil or gas and are subject to control by the Railroad Commission of Texas.

(g) "Special wastes" shall mean any solid waste or combination of solid wastes that because of its quantity, concentration, physical or chemical characteristics or biological properties require special handling and disposal to protect human health or the environment. If improperly handled, transported, stored, processed, or disposed of or otherwise managed, it may pose a present or potential danger to the human health or the environment. Special wastes include, but are not limited to:

- (1) hazardous wastes from small generators that may be exempt from full controls under State solid waste regulations;
- (2) Class I industrial nonhazardous waste not routinely collected with municipal solid waste;
- (3) infectious and pathological wastes from health care facilities, veterinary hospitals, or laboratories;
- (4) municipal wastewater treatment plant sludges that have not been treated by one of the processes prescribed in federal regulations under 40 CFR Part 257, Appendix II;
- (5) septic tank pumpings;
- (6) grease trap wastes;
- (7) wastes from commercial or industrial wastewater treatment plants (except domestic sewage); air pollution control facilities; and tanks, drums, or containers used for shipping or storing any material that has not been listed as a commercial product in 40 CFR {261.33(e) or (f);
- (8) slaughterhouse wastes;
- (9) dead animals;
- (10) drugs, contaminated foods, or drink products, other than those contained in normal household wastes;

- (11) intact and unrinsed pesticide (insecticide, herbicide, fungicide, or rodenticide) containers; and
- (12) discarded materials containing asbestos.

(h) "Private hauler" shall mean a person or business, other than the City of Lamesa, that engages in the collection and transportation of solid wastes within or without Dawson County.

(i) "Industrial wastes" shall mean all wastes so designated by Section 325.5 of the Municipal Solid Waste Regulations as adopted by the Texas Commission on Environmental Quality.

(j) "Interlocal cooperation act" shall mean the Interlocal Cooperation Act, Section 791 of the Local Government Code of the State of Texas.

(k) "County resident" or "resident," shall mean any person residing in the unincorporated portions of Dawson County, Texas.

3.

The City owns a Class I Sanitary Landfill permitted by the Texas Commission on Environmental Quality, such being a governmental function for which the City is legally authorized to perform. The City agrees to make available to residents of the unincorporated portions of Dawson County, Texas not within the City Limits of the City, access to said landfill for the disposal of county solid wastes on the terms and conditions hereinafter set out. This agreement is authorized under the provisions of Section 71.058(f) of the Code of Ordinance of the City of Lamesa.

4.

The term of this agreement shall be for one year, commencing October 1, 2015, and terminating at midnight on September, 31, 2016; provided however, this agreement shall be automatically renewed for successive one year terms and for no more than two (2) additional terms unless and until either party terminates the agreement by giving thirty days written notice to the other party hereto.

5.

The County shall, in accordance with the provisions of the Interlocal Cooperation Act, pay to the City out of current revenues available to the County, the yearly total sum of \$65,340.00, with such sum being payable in advance at the rate of \$ 5,445.00 per month. The first \$ 5,445.00 payment is due and payable on October 1, 2015, and a like payment shall be due and payable on the first day of each succeeding month thereafter during the term of this agreement.

6.

In addition to the above consideration, the County shall reimburse the City for any additional expenses required to provide solid waste landfill services to the County. Said expenses shall include any costs incurred by the City to remediate any condition brought about as a consequence of the City providing such services to the County.

7.

It is further provided that should any person assert a claim, cause of action, or file any suit for damage to their person or property, caused by reason of the disposal of county waste in the City's sanitary landfill, then in such event, the County does hereby agree, at its own expense, to defend all such claims, causes of actions, or suits arising from such disposal of county waste, with counsel acceptable to the City, and if judgment be taken against the City as the result of such claims or suit, then the County does hereby agree to indemnify and hold the City harmless from all cost and expense in connection therewith.

8.

It is expressly understood and agreed by and between the parties hereto that the operation of the City's solid waste landfill, its equipment and personnel, the manner of operation and the volume, composition and character of the county solid wastes to be accepted at said landfill shall at all times be under the discretion and direction of the City. It is specifically agreed that if at any time it is determined by the city manager, director of public works or any designated employee of the Sanitation Department, that the acceptance of any county solid waste is detrimental to the interests of the city, then the disposal of said solid wastes may be refused. It is further provided that the City is not obligated to accept county solid wastes other than specified herein.

9.

It is provided that in respect to access to the solid waste landfill:

(a) County residents, subject to the terms of this agreement, may have the same rights of access to the landfill as city residents paying the monthly residential sanitation service fee. Such County residents may dispose of approved residential wastes at the landfill, at the rate of 2,000 pounds per month according to the City Code of Ordinances 71.058, at no charge, provided that they exhibit proof of residence in said county upon entering the landfill.

(b) That if the rules or access limits applicable to city residents changes or is further restricted in any way during the term of this agreement, then the same rules or access limits apply in all respects to county residents as well.

(c) As per City of Lamesa Code of Ordinances Chapter 71.031(i) "It shall be unlawful for any person to deposit or dispose of any solid wastes in a collection container if that person is not a current paying customer of the City's sanitation service." Therefore, any County resident who utilizes City collection containers other than those provided at

the City of Lamesa landfill, will be issued a citation and fined the appropriate amount set by the City Municipal Court.

10.

It is provided that the following restrictions on the disposal of county solid wastes shall apply in all respects to the terms of this agreement:

(a) The disposal of any and all county solid wastes in the solid waste landfill shall be at the discretion of the city and the city shall not be responsible for the acceptance of any wastes into said landfill for any reason whatsoever if the acceptance is not be deemed to be in the city's interest by the city manager, director of public works or any designated employee of the Sanitation Department; and if it is determined that said acceptance will cause problems in maintaining full and continuous compliance with city ordinances and any applicable federal or state statutes or regulations.

(b) All county solid wastes requiring special handling by federal, state, or local regulation, if accepted, shall be charged for on a basis of actual costs incurred by special handling. Said costs shall include all administrative, labor, equipment, engineering, and property costs associated with accepting said wastes.

(c) No petroleum product contaminated soils or associated materials shall be accepted under the provisions of this agreement which originate outside the city limits of the City of Lamesa except that such soils may be accepted under a separate agreement with the city manager at rates to be set by the city manager.

(d) No waste which may be designated as a prohibited waste by the Texas Commission on Environmental Quality, the Federal Environmental Protection Agency or any other Federal, State, or local agency having jurisdiction to declare certain materials as hazardous or injurious to man or the environment shall be accepted.

(e) No wastes which may be designated as special wastes by the Texas Commission on Environmental Quality and not allowed elsewhere herein shall be accepted.

(f) No industrial solid wastes originating outside of the city limits of the City of Lamesa shall be accepted; except by a special written contract approved by the city manager and accompanied by a fifty thousand dollar (\$50,000.00) bond to ensure environmental compliance for the permitted and post closure life of the landfill for any Class I or II wastes accepted. Industrial solid wastes originating within the County may be accepted only under the following conditions:

- (1) Class I industrial solid wastes are prohibited, except with prior written approval of the Texas Department of Health and/or Texas Resources Conservation Commission and a written contract approved by the city manager; provided the acceptance of such waste does not interfere with site operation and is accompanied by said bond to ensure environmental compliance for the permitted and post closure life of the landfill for any Class I wastes accepted.

- (2) Class II industrial solid wastes, except special wastes, may be accepted only with the expressed approval of the city manager; provided the acceptance of such waste does not interfere with site operation and is accompanied by said bond to ensure environmental compliance for the permitted and post closure life of the landfill for any Class II wastes accepted.
- (3) Class III industrial solid waste may be accepted only with the expressed approval of the director of public works, provided the acceptance of such waste does not interfere with the operation of the landfill.

(g) The following agricultural wastes shall not be accepted at or disposed of in the sanitary landfill:

- (1) chemically delinted cotton seed; and
- (2) pesticide (insecticide, herbicide, fungicide, or rodenticide) containers that have not been triple rinsed and punctured in accordance with state regulations; and
- (3) cotton burrs; and
- (4) any other agricultural chemical which may require special handling under state or federal laws or regulations.

11.

It is understood and agreed that should the City's sanitary landfill permit be jeopardized in any manner as a result of accepting county solid wastes, the City shall have the right to terminate this agreement upon immediate notice, either written or oral, to the County.

12.

This agreement does not confer any ownership rights to the County in the City's solid waste landfill or its equipment and shall in no way entitle the County to a voice in the manner of financing, equipping, maintaining or operating the City's solid waste landfill. It is further provided that the provisions of the Solid Waste Disposal Act and Section 361.001 of the Health and Safety Code of the State of Texas shall not apply to the terms of this agreement, to the provision of services by the City, or to the landfill facility owned and operated by said city.

13.

It is specifically understood that the terms of this agreement does not confer any responsibility or duties upon the city or any of its agents for the collection and transportation to said landfill of any county solid wastes as may be covered by this agreement or otherwise.

14.

It is specifically understood that this agreement does not provide for the disposal of county solid wastes by third party private haulers who may provide collection services within the jurisdiction of the county. Said disposal shall be covered by a separate contract between the City and said private hauler.

15.

It is further provided that:

(a) the acts of any person or persons disposing of county solid wastes shall be governed by the terms of Chapter 71 of the Code of Ordinances of the City or any subsequent solid waste management ordinance of the City; and

(b) that in accordance with the provisions of the Interlocal Cooperation Act, the City retains the authority to apply such rules, regulations, and ordinances to the provision of solid waste landfill services as may be covered in this agreement; and

(c) that the provisions of the Solid Waste Disposal Act, Chapter 361, Texas Health and Safety Code shall apply and the City of Lamesa shall exercise all authority granted under said statute in relation to county solid waste; and that when it appears that a violation of said statute, or any rule, regulation, permit, license, or other order of the Texas Department of Health granted in said statute occurs or is occurring within the jurisdiction or extraterritorial jurisdiction of the City of Lamesa; or is causing or will cause injury to or an adverse effect on the health, welfare or physical property of the city or its inhabitants; the terms of this agreement shall not in any way prohibit or restrict the City from causing a civil suit to be instituted in district court through its own attorney for the injunctive relief or civil penalties, or both, as authorized in said statute, against the person who committed, is committing, or is threatening to commit the violation.

16.

It is specifically understood that the County may not transfer or assign any interest in this agreement to a third party or contract with or allow any third party to use said solid waste landfill facilities as covered by the terms of this agreement.

17.

It is specifically understood that any dispute over technical or policy issues relating to the terms of this agreement, that may occur during the term of this agreement, shall be resolved by mutual consent of the city manager of the City and the county judge of the County. Any such resolution shall be committed to written form, distributed to the city council of the City and the commissioner's court of the County, and included as an attachment to this agreement. If an agreement cannot be reached, the issue shall be referred to the city council of the City for final resolution after notice is given to the commissioner's court of the County of a time and place for consideration of said matter.

18.

It is specifically understood that in the event that any section, subsection, sentence, clause or phrase of this agreement is, for any reason, held to be invalid, such holding shall not affect the validity of the remaining portions of this agreement.

19.

It is specifically understood that the City may terminate this agreement in the event the City chooses to close its landfill.

20.

The provisions of this agreement are to be cumulative and all other contracts, agreements, or parts of contracts or agreements, whether written or oral, governing or regulating the same subject matter as that covered herein are hereby expressly repealed.

21.

Either party shall have the right to terminate this agreement upon thirty (30) days written notices to the other party hereto.

22.

It is specifically understood that if the City for any cause, fails to dispose of solid waste as provided for in this agreement or fails to operate the facility as herein specified and is unable to resume performance at the end of thirty (30) consecutive days, the County, at its option and after sending written notice to the City, shall have no further liability for payment of the charges agreed to herein.

23.

This contract contains the entire agreement. There are no other agreements, oral or written, and the terms of this contract can be amended only by written agreement signed and ratified by both parties or as otherwise provided herein.

EXECUTED on this the 20st day of October, 2015.

ATTEST

THE CITY OF LAMESA

Shawna D. Burkhart, City Manager

By:

Dave Nix, Mayor

ATTEST

DAWSON COUNTY

Gloria Vera, County Clerk

By: _____
Foy O'Brien, County Judge

County Commissioner

County Commissioner

County Commissioner

County Commissioner

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 7

Subject: **INTERLOCAL AGREEMENT - FIRE SERVICE CONTRACT WITH DAWSON COUNTY**

Proceeding: Resolution

Submitted by: City Manager

Exhibits: Agreement, Resolution

Authority: State Law; Chapter 791, Texas Governmental Code and Chapter 271.005(b), Texas Government Code

SUMMARY STATEMENT

Consider passing a resolution approving the execution of a Fire Service Agreement with Dawson County, Texas for fire protection services to the residents of the unincorporated areas of Dawson County for a period specified and authorizing the Mayor of the City of Lamesa to execute such Fire Service Agreement on behalf of the City.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to _____ Motion
seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

The City Manager consulted with City Staff, the County Judge and the City Attorney regarding renewing the fire service contract. This is a one year contract with automatic renewal for successive one year terms but no more than 2 years. The current Dawson County contribution is 25% for the Fire Department budget. **Recommend approval.**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS, APPROVING THE EXECUTION OF A FIRE SERVICE AGREEMENT WITH DAWSON COUNTY, TEXAS, FOR THE FIRE PROTECTION SERVICES TO RESIDENTS OF THE UNINCORPORATED AREAS OF DAWSON COUNTY FOR A PERIOD SPECIFIED AND AUTHORIZING THE MAYOR OF THE CITY OF LAMESA TO EXECUTE SUCH FIRE SERVICE AGREEMENT ON BEHALF OF THE CITY.

On the 20th day of October, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following resolution was formally submitted by motion and duly seconded for the consideration and action of the meeting, to-wit:

WHEREAS, the City Council of the City of Lamesa deems it in the best interest of the City of Lamesa to enter into an agreement with Dawson County, Texas, to provide for fire protection services pursuant to the Interlocal Cooperation Act of the State of Texas.

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

That the City of Lamesa, Texas, enter into that COMMUNICATIONS AND JAIL SERVICE AGREEMENT with Dawson County, Texas, a copy of which is attached to this resolution; and

That the Mayor of the City of Lamesa be, and he is hereby, authorized to execute such FIRE SERVICES AGREEMENT on behalf of the City of Lamesa, and such FIRE SERVICES AGREEMENT, when executed by the Mayor of the City, shall be, in all respects, valid and binding upon the City of Lamesa in accordance with all of the provisions of such agreement.

Upon being put to a vote, the resolution was Passed, Approved, and Adopted the 20th day of October, 2015, by a majority vote.

PASSED AND APPROVED the 20th day of October, 2015.

ATTEST

APPROVED:

Shawna D. Burkhart
City Manager

Dave Nix
Mayor

THE STATE OF TEXAS } FIRE SERVICE CONTRACT

COUNTY OF DAWSON } KNOW ALL MEN BY THESE PRESENTS:

THAT THIS EVIDENCE IN WRITING of a contract this day entered into by and between the CITY OF LAMESA, a municipal corporation organized and existing under and by virtue of the laws of the State of Texas, hereinafter called "City" and the COUNTY OF DAWSON, a political subdivision of the State of Texas, hereinafter called "County,"

WITNESSETH:

The City and County, acting herein and through their respective governing bodies, agree as follows:

1.

It is the intent of the parties hereto to comply with the Acts of 1971, 62nd Texas Legislature, P. 1971, Ch 513, the Interlocal Cooperation Act, further defined as Art. 4413 [32c], Vernon's Texas Civil Statutes and Section 352.001 of the Local Government Code which provides that the City and County may contact with other local governments to provide services for the public health and welfare, which services include fire protection services.

2.

As used in this contract

- (1) "Fire Department" shall be the paid fire department of the City of Lamesa, Texas.
- (2) "Lamesa Volunteer Fire Department" shall be the chartered volunteer fire department acting as agents of the City of Lamesa, Texas.
- (3) "Fire fighting equipment and personnel" shall include such firefighting equipment owned and maintained by the City, its paid firefighters, and the members of the Lamesa Volunteer Fire Department.
- (4) "County fire call" shall mean any response to a request for fire services to which the City dispatches any equipment or personnel to a place outside the city limits of the City and within any unincorporated area of the County under the terms and conditions of the contract.
- (5) "Structural and vehicle fire" shall mean only a fire involving a structure, building, industrial apparatus or motor vehicle and shall not include a fire involving only grass, crops, cotton burs or other materials unless said fire endangers an adjacent structure, building or non-portable industrial apparatus or would otherwise endanger the public health and welfare.
- (6) "Jaws of Life" shall mean an apparatus designed for the rescue of victims entrapped in a vehicle or other apparatus.

- (7) "Adequate training" shall mean such training obtained by paid firefighters of the Lamesa Fire Department to meet the certification standards required by the State of Texas for firefighting personnel; and that by obtaining and maintaining said certification any paid firefighter shall be deemed as having "adequate training" under the terms of this contract. This term shall not apply in any manner to members of the Lamesa Volunteer Fire Department.

3.

The City owns certain firefighting equipment and employs certain fire fighting personnel used to combat fires and perform rescues of entrapped victims, which it agrees to make available, dispatch and respond to structural fires and vehicle fires and accidents occurring in those unincorporated portions of Dawson County, Texas not within the City Limits of the City of Lamesa, Texas (sometimes referred to herein as county fires) on the terms and conditions hereinafter set out.

4.

The term of this agreement shall be for one year, commencing October 1, 2015, and terminating at midnight on September 30, 2016; provided however, that agreement shall be automatically renewed for successive one year terms and for no more than two (2) additional terms unless and until either party terminates the agreement by giving thirty days written notice to the other party hereto.

5.

The County shall pay to the City as consideration for this contractual sum equal to twenty-five percent (25%) of the average amount expended and/or budgeted for operation of the Fire Department of the City of Lamesa for the current year and the two prior years, including all expenditures for personal services, supplies building and equipment maintenance, sundry and miscellaneous services, and capital purchases necessary for the operation of the department, including the Lamesa Volunteer Fire Department. Said sum shall be paid in quarterly installments and shall be based upon an average of three years including: (1) the amount allocated in the City budget in effect on the date the installment is due; and (2) the estimated or revised amount for the immediate previous year; and (3) the actual or audited amount for two years previous. The first installment is due and payable on October 1, 2015, and a like installment shall be due and payable on each succeeding Jan 1, April 1, and July 1 until the agreement expires.

6.

In addition to the above consideration, the County shall pay to the Lamesa Volunteer Fire Department for each county fire call to which volunteers respond a sum of money to be calculated by the following formula:

"Total mileage to the fire from the City's Fire Station on South Dallas Avenue in Lamesa, times total number of volunteer vehicles responding to the call, times the mileage fee paid by the County to its employees, times two. The consideration to be paid to the Lamesa Fire Department (mileage) shall be paid by the County to the Lamesa Volunteer Fire Department within thirty (30) days of the fire call."

6a.

In addition to the above consideration, the County shall reimburse the City for the cost of purchase of a new "Jaws of Life" rescue apparatus. The specifications for said apparatus shall be approved by the Chief of the Volunteer Fire Department and the City Manager of the City. The County further agrees to reimburse the City for all maintenance costs in excess of one hundred dollars (\$100.00) incurred by the City pursuant to the maintenance of said apparatus during the term of this agreement.

7.

It is further provided that in addition to the above consideration, the County shall reimburse the City for any additional expenses required to provide effective fire and emergency response services to the County. Said expenses shall include any costs incurred by the City to effectively meet any Federal or State mandates or requirements related to providing fire services to sites in the County containing hazardous chemicals or substance as detailed in the SARA Title III regulations. Said consideration shall be paid to the City by County simultaneously with an in addition to the next quarterly payment following the incurring of said expense by the City.

8.

It is specifically provided, in accordance with Section 352.004 of the Local Government Code, that the acts of any person or persons while fighting fires, traveling to and from fires or in any manner furnishing fire protection the citizens of the County outside the City Limits of the City shall be considered as the acts of agents of the County in all respects, notwithstanding such person or persons may be regular employees or firemen or volunteer firemen of the City. It is further provided that the County agrees to maintain insurance that will cover such persons to the maximum liability limits under the so-called Texas Tort Claims Act as it now exists and as it may be amended from time to time. It is also further provided that should any person assert a claim, cause of action, or file any suit

for damages to their person or property as the result of the acts or omissions of the City or its employees when performing their duties pursuant to this contract, then in such event, the County does hereby agree, at its own expense, to defend all such claims, causes of actions, or suits of any nature whatsoever, and to indemnify and hold the City harmless from any loss or expense as the result of any such claim or suit, for any loss due to negligence on the part of the City in failing to provide adequate training for the proper fulfillment of the firefighting task and not otherwise covered by the provisions of Section 352.004 of the Local Government Code.

9.

It is expressly understood and agreed by and between the parties hereto that the placement of the City's firefighting equipment and personnel and the manner of fighting fires shall at all times be under the discretion and direction of the City. It is specifically agreed that the firefighting equipment and personnel of the City shall give priority to calls within the city limits of the City of Lamesa, if at any time it is determined by the supervising officer of the City Fire Department, that an emergency condition exists within the city limits of the City, then any and all calls originating outside the city limits may be deferred or refused during the pendency of the emergency. Provided, however, that the City is obliged to exercise good faith in providing fire protection services outside the city limits but within the County at all times. In connection with the determination of an emergency under this paragraph, the decision of the supervising officer shall be final and shall not be subject to review by the governing bodies of the City or County. The equipment and personnel utilized by the City in performing its fire fighting obligations under the terms and conditions set out herein shall be stationed and maintained within the city limits of the City and at such places as may be designated by the City. It is further provided that the City is not obligated to maintain any stand by fire protection facilities at places within Dawson County other than specified herein.

10.

It is understood and agreed that should the City's fire insurance rate be jeopardized in any manner as a result of answering county fire calls, that the City shall have the right to terminate this agreement upon immediate notice, either written or oral, to the County.

11.

This contract does not confer any ownership rights to the County in the City's firefighting equipment and shall in no way entitle the County to a voice in the manner of financing, equipping, maintaining or operating the City's Fire Department.

12.

This contract contains the entire agreement. There are no other agreements, oral or written, and the terms of this contract can be amended only by written agreement signed and ratified by both parties.

EXECUTED on this the 20th day of October, 2015.

ATTEST

THE CITY OF LAMESA

Shawna D. Burkhart
City Manager`

By: _____
Dave Nix
Mayor

ATTEST

DAWSON COUNTY, TEXAS

Gloria Vera
County Clerk

By: _____
Foy O'Brien
County Judge

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 8

Subject: **BNB SOLAR LEASE AGREEMENT WITH LAMESA ECONOMIC DEVELOPMENT COOPERATION AND CITY OF LAMESA**

Proceeding: Resolution

Submitted by: City Attorney

Exhibits: Agreement, Resolution

Authority: Chapter 501, Texas Government Code

SUMMARY STATEMENT

Consider passing a resolution approving the execution of a solar lease agreement by the Lamesa Economic Development Corporation and authorizing the Mayor of the City of Lamesa to execute such solar lease agreement and all documents on behalf of the city necessary to effect such solar lease.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to _____ Motion
seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

In June of 2014, the City approved a solar lease by the LEDC of LEDC property. The approval was made as an action item, but the title company insuring the title to the project has asked for a resolution approving the lease and authorizing the Mayor to execute the agreement and all other documents required to effect the lease. **Recommend approval.**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS, APPROVING THE EXECUTION OF A SOLAR LEASE AGREEMENT BY THE LAMESA ECONOMIC DEVELOPMENT CORPORATION AND AUTHORIZING THE MAYOR OF THE CITY OF LAMESA TO EXECUTE SUCH SOLAR LEASE AGREEMENT AND ALL DOCUMENTS ON BEHALF OF THE CITY NECESSARY TO EFFECT SUCH SOLAR LEASE.

On the 20th day of October, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following resolution was formally submitted by motion and duly seconded for the consideration and action of the meeting, to-wit:

WHEREAS, the Lamesa Economic Development Corporation has deemed it in the best interest of the Lamesa Economic Development Corporation to enter into a Solar Lease Agreement with BNB Lamesa Solar LLC covering certain real property owned by the Lamesa Economic Development Corporation; and

WHEREAS, the City Council of the City of Lamesa deems it in the best interest of the City of Lamesa to approve such solar lease agreement.

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

That the City of Lamesa, Texas, hereby approves the execution of a solar lease agreement by the Lamesa Economic Development Corporation with BNB Lamesa Solar LLC covering property owned by the Lamesa Economic Development Corporation and described on Exhibit A attached hereto upon such terms as the Board of the Lamesa Economic Development Corporation deems appropriate; and

That the Mayor of the City of Lamesa be, and he is hereby, authorized to execute such solar lease agreement and such other documents on behalf of the City of Lamesa as may be required to effect such solar lease.

Upon being put to a vote, the resolution was Passed, Approved, and Adopted the 20th day of October, 2015, by a majority vote.

PASSED AND APPROVED the 20th day of October, 2015.

ATTEST

APPROVED:

Shawna D. Burkhart
City Manager

Dave Nix
Mayor

SCHEDULE "A"

BEING 118.370 ACRES OF LAND LYING IN AND BEING SITUATED OUT OF THE NORTHEAST QUARTER OF SECTION 8, BLOCK 35, TOWNSHIP 5 NORTH, ABSTRACT NO.937, T & P RR CO. SURVEY, IN DAWSON COUNTY, TEXAS, AND BEING A PORTION OF THAT CERTAIN TRACT CONVEYED TO LAMESA ECONOMIC DEVELOPMENT CORPORATION BY DEED RECORDED IN VOLUME 483, PAGE 663 OF THE DEED RECORDS OF DAWSON COUNTY, TEXAS; SAID 118.370 ACRES OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS AND AS SURVEYED UNDER THE SUPERVISION OF JOHN F. WATSON & COMPANY FROM NOVEMBER 2014 TO JULY 2015:

BEGINNING at an iron rod set in the common line of said Section 8 and Section 9 of said Block 35, T & P RR Co. Survey, for the northeast corner hereof and from which the northeast corner of said Section 8 bears North 12 degrees 50 minutes 12 seconds West a distance of 676.55 along said common line and from said northeast corner of Section 8 a railroad spike found bears North 07 degrees 58 minutes 16 seconds West a distance of 94.15 feet;

THENCE South 12 degrees 50 minutes 12 seconds East a distance of 1962.69 feet along said common line to a point for the northeast corner of that certain tract conveyed to Gary Cecil Jones by deed recorded in Volume 615, Page 101 of the Official Public Records of Dawson County, Texas and the southeast corner hereof and from which a 120D nail found for the southeast corner of said Section 8 bears South 12 degrees 50 minutes 12 seconds East a distance of 2639.24 feet and from said southeast corner hereof a ½ inch iron rod with cap found bears South 55 degrees 44 minutes 22 seconds West a distance of 23.84 feet;

THENCE South 77 degrees 18 minutes 17 seconds West a distance of 2624.62 feet along the north line of said Jones tract to a point for the northwest corner of said Jones tract, the northeast corner of that certain 99 acre tract conveyed as Tract 1 to Five Way, Ltd. by deed recorded in Volume 698, Page 317 of said official public records, the southeast corner of that certain tract conveyed to Hijinio and Maribel Olvera by deed recorded in Volume 489, Page 339 of said deed records and the southwest corner hereof and from which a 1/2 inch iron rod with cap found bears South 03 degrees 43 minutes 59 seconds East a distance of 9.16 feet;

THENCE North 12 degrees 56 minutes 41 seconds West a distance of 1963.68 feet along the east line of said Olvera tract to an iron rod set in for the northwest corner hereof;

THENCE North 77 degrees 19 minutes 34 seconds East a distance of 2628.32 to the **POINT OF BEGINNING** and containing 118.370 Acres of land, more or less.

COUNTY OF DAWSON

SOLAR ENERGY LEASE AGREEMENT

- 1. Effective Date:** November 5, 2014
- 2. Landowner(s):** Lamesa Economic Development Corporation
123 Main Street
Lamesa, Texas 79331

City of Lamesa, Texas
Lamesa City Hall
601 S. 1st Street
Lamesa, Texas 79331
- 3. Leased Property:** The real property located in Dawson County, totaling approximately 140.00 acres, described on Exhibit B. See §1.1.
- 4. Development Feasibility Term:** Commences on the Effective Date and ends on the earliest to occur of Groundbreaking or twenty-four (24) months following the Effective Date, subject to options to extend for up to an additional two (2) years. See §4.2.
- 5. Commercial Term:** Commences on the Commercialization Date and ends thirty (30) years thereafter, subject to options to extend. See §4.3.
- 6. Rent:**

Development Feasibility Term: \$71.00 per acre plus additional amounts for any extensions. See §5.1.

Commercial Term: \$400 per acre per year with escalation at 1.5% per year and possible use of proceeds to determine minimum rent beginning in 11th year. See §5.2.

The following Exhibits and Schedules are attached and incorporated herein by reference:

- Exhibit A** – Standard Terms and Conditions
- Exhibit B** – Description of Leased Property
- Exhibit C** – Location of Water Wells
- Exhibit D** – Base Rent Schedule
- Exhibit E** – Oil and Gas Tracts
- Exhibit F** – Protective Property


[Signature pages to follow]

COMPANY:

BNB Lamesa Solar LLC

BNB Renewable Energy Holdings LLC

By:

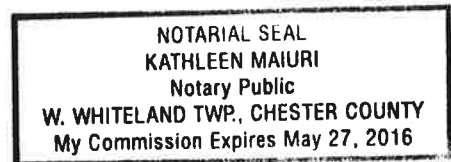

Jonathan Butcher
Managing Member

THE STATE OF PENNSYLVANIA

COUNTY OF CHESTER


This instrument was acknowledged before me on this 8th day of November 2014, by Jonathan Butcher of BNB Renewable Energy Holdings LLC, a Delaware limited liability company, on behalf of said limited liability company.


Notary Public in and for the State of
Pennsylvania



LANDOWNER:

LAMESA ECONOMIC DEVELOPMENT CORPORATION

By: 
Name: Scott Leonard
Title: President

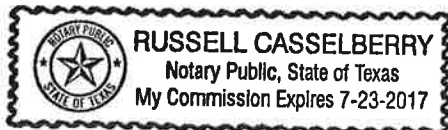
CITY OF LAMESA, TEXAS

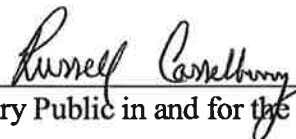
By: 
Name: Dave Nix
Title: Mayor

THE STATE OF TEXAS

COUNTY OF DAWSON

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME on this the 11th day of November, 2014, by Scott Leonard, President of the Lamesa Economic Development Corporation, a Texas non-profit corporation, on its behalf.

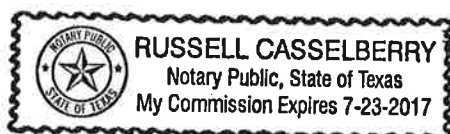
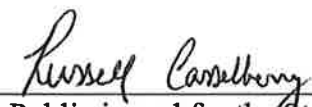



Notary Public in and for the State of Texas

THE STATE OF TEXAS

COUNTY OF DAWSON

This instrument was acknowledged before me on this the 11th day of November, 2014, by Dave Nix, Mayor of The City of Lamesa, on its behalf.

 
Notary Public in and for the State of Texas

**EXHIBIT A TO SOLAR LEASE AGREEMENT
– STANDARD TERMS AND CONDITIONS –**

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1. Grant of Lease.

1.1. General. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Landowner(s) identified on the Cover page hereto (generally, "**Landowner**") hereby leases to Company, and Company hereby leases from Landowner, the real property described in Exhibit "B" (the "**Leased Property**").

1.2. Development Feasibility Term. During the Development Feasibility Term, Company shall use the Leased Property to evaluate and determine the feasibility of development of an electrical generating facility for the conversion of solar energy into electrical energy (the "**Solar Facility**"). By way of example only, during the Development Feasibility Term, Company may install solar energy monitoring equipment on the Leased Property.

a. Landowner expressly reserves the right to use the Leased Property during the Development Feasibility Term for uses that do not and will not interfere with Company's

operations hereunder or enjoyment of the rights hereby granted, specifically including, but not limited to farming, provided, however, that:

b. Landowner may not use the Leased Property in a manner inconsistent with Company's use of any access roads;

c. any such use of the Leased Property by Landowner shall not include solar energy development or the installation or use of any facilities related to solar energy development or generation (which rights and uses are exclusively granted to Company in this Lease); and

d. any easements or leases entered into by Landowner with respect to the Leased Property after the date of this Lease shall expressly provide that they are subject and subordinate in all respects to this Lease and to the rights of Company and any assignee hereunder.

e. Company agrees that Landowner may conduct farming operations in the same manner that Landowner has conducted farming operations in the past without alteration to accommodate Company's rights under this Lease. During the remainder of the Development Feasibility Term, Company agrees to notify Landowner on or before March 15th of each year beginning in 2015 whether or not the Commercialization Date will occur that year. If Company notifies Landowner that the Commercialization Date will not occur that year and Company subsequently initiates development activity sufficient for the Commercialization Date in fact to occur, then for any crop losses suffered by Landowner in reliance on Company's notification, Company agrees to pay liquidated damages to Landowner for such losses calculated as set forth in the next sentence. In determining liquidated damages payable under this subsection, the Parties shall: (a) determine the number of irrigated and non-irrigated acres where farming has been disrupted as of the Commercialization Date; (b) determine the number of bales of cotton that would have been harvested but for the disruption assuming a crop yield of 1.5 500 pound bales/acre for non-irrigated and 3.5 500 pound bales/acre for irrigated land; (c) multiply the resulting number of pounds by the price of cotton on November 1st of the year in which the breach occurred. The resulting number (the "Maximum Loss") shall be used to determine the amount payable to Landowner by Company using the following chart:

<u>COMMERCIALIZATION DATE</u>	<u>PERCENTAGE OF MAXIMUM LOSS PAYABLE BY COMPANY</u>
March 16-April 15	12.5%
April 16-May 15	25%

June 16-July 15	37.5%
August 16-September 15	50%
September 16-October 15	62.5%
October 16-November 15	75%
November 16-December 15	87.5%
December 16-December 31	100%

f. The parties stipulate and agree that there will be no breach and no damages for any entry by Company onto the Leased Property that begins after December 31st of the year for which a no Commercialization Date representation was made by Company to Landowner. Any crops for which a liquidated damage has been paid to Landowner shall become the property of Company and any proceeds from sale of such crop shall belong to Company.

g. Company also agrees that without prior written notification to Landowner of Company's intention to bury Solar Facility Equipment at a depth shallower than Grade Level (defined as forty two inches (42")), anything buried underground on the Leased Property shall be buried below Grade Level.

h. Landowner reserves unto itself an easement twenty-five feet in width for access to the two existing water wells and up to two future water well drilling locations as shown on Exhibit C, as well as twenty-five feet around each such water well. The path of the easement shall be chosen by Company if and when Landowner notifies Company of its intention to access the well(s). The cost of any road construction or maintenance in and along this easement shall be born by Landowner and Landowner agrees that it will employ dust control practices with respect to any road constructed and maintained by Landowner.

1.3. Commercial Term. During the Commercial Term, Company shall use the Leased Property for the development, construction, ownership, operation, maintenance and repair of the Solar Facility. In connection with such use, Company shall have the exclusive right:

a. to construct, install and operate on the Leased Property multiple solar panels and inverters;

b. to erect, construct and use all the necessary and requisite devices, fixtures, appurtenances and facilities for the Solar Facility, as determined in the sole and absolute discretion of Company, including but not limited to: foundations, supports, concrete pads and footings; fences, and roads for ingress and egress of construction and maintenance vehicles; the physical preparation of the sites on which the Solar Facility will be installed and the preparation

of access routes thereto; power collection facilities, including underground or above ground distribution and collection lines between Solar Facility Equipment and from Solar Facility Equipment to one or more substations and points of interconnection with the power grid, wires and cables, conduit and above-ground transformers for the Solar Facility; substations or interconnection and switching facilities which Company may connect to a utility transmission system or the transmission system of another purchaser of electrical energy; underground or above ground control, communications and telecommunications equipment, including underground fiber, wires, cables and conduit; erosion control facilities; signs, gates and other safety and protection facilities; control and administration buildings; and other improvements, facilities, appliances, machinery and equipment in any way related to or associated with any of the foregoing (all of the foregoing, including the solar panels and inverters, collectively referred to herein as the "*Solar Facility Equipment*");

c. to maintain, clean, repair, replace and dispose of part or all of the Solar Facility Equipment;

d. to access the Leased Property with third parties for promotional purposes;

e. to trim or cut down trees, shrubs or any other landscaping and vegetation on the Leased Property as may be necessary for the exercise of rights granted to Company pursuant to this Lease; and

f. to gate or otherwise secure any access roads on or to the Leased Property, provided that Company shall work with Landowner to ensure Landowner's commercially reasonable access to same consistent with industry standard practices. Company shall also use any vendors suggested by Landowner to build any gates or fences so long as such vendors provide goods and services at competitive prices and with competitive quality.

1.4. General Powers of Company. The rights granted to Company in this Lease permit Company, without limitation, to undertake all activities that Company determines are necessary, useful, appropriate or convenient in connection with, or incidental to the development, construction and operation of the Solar Facility or for the benefit thereof, including conducting surveys and environmental, biological, cultural and other tests and studies and conducting site tours to demonstrate the generation of electricity from solar power for educational and commercial purposes.

1.5. Design and Placement of Solar Facility Equipment. Company shall have sole and absolute discretion as to the location of Solar Facility Equipment on the Leased Property and the extent of construction activity required in connection with such Solar Facility Equipment. Prior to Company's construction of the Solar Facility, however, Company shall consult with Landowner for informational purposes only. Landowner acknowledges that a portion of the Solar Facility Equipment to be constructed by Company on the Leased Property may include buried and/or above ground electrical and communications lines among Solar Facility Equipment, and from the Solar Facility to electrical substations and other points of interconnection on the power

grid serving the Solar Facility. Company agrees to provide Landowner with an “as built” drawing that shows the location of all Solar Facility Equipment that is buried on the Leased Property. Following construction and installation of Solar Facility Equipment, Company will plant ground cover or otherwise take reasonable steps to avoid blowing dust and soil erosion. Said steps shall meet with all USDA or other governmental body’s requirements.

1.6. Roads. Company shall have the right to use the existing roads on the Leased Property and to construct, from time to time and at any time, one or more additional roads over, across and through the Leased Property.

1.7 Repowering. The Parties recognize that (1) power generation technologies are improving at a rapid rate and that Company may (but shall not be obligated to) from time to time replace or repair Solar Facility Equipment on the Leased Property with newer (and potentially smaller or larger) models and types of Solar Facility Equipment, and (2) the activities contemplated by this Lease may be accomplished by Company or by one or more third parties authorized by Company.

1.8. Defined Terms. As used herein, the term “***Adjacent Property***” shall mean any and all property or properties owned at any time during the Term by Landowner, and/or the Affiliates of Landowner, that are contiguous with the Leased Property but which are not “***Protected Property***.” As used herein, “***Protected Property***” shall mean that tract of land described on Exhibit F. As used herein, the term “***Affiliate***” means any other person or entity that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the Landowner. The term “***control***” as used with respect to any person or entity, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person or entity, whether through the ownership of voting securities or partnership interests, by contract or otherwise.

2. Easements.

2.1. Grant. Without limiting the rights set forth elsewhere in this Lease, Landowner hereby grants to Company the following easements during the Term of this Lease (collectively, the “***Easements***”):

- a. an exclusive easement to use, convert, maintain and capture the free and unobstructed flow of solar energy resources over and across the Leased Property;
- b. the right to utilize, on a nonexclusive basis, any access, utility, water, communication, sewer, septic, transmission or other easements, rights of way or licenses already held by Landowner over the Leased Property, which Company determines could be used for the benefit of the Solar Facility, as permitted by the instruments evidencing such rights and other applicable laws. Landowner reserves all ground water rights and Company shall not have the right to sell any water obtained from the Leased Property to any third party. Nothing herein shall prevent Landowner from drilling water wells on the Adjacent Property for its own benefit so

long as any such drilling operations do not interfere with Company's operations in a manner prohibited by this Lease;

c. nonexclusive easements on, over, across, under and through the Leased Property to install and maintain power, water, communications, sewer, transmission and other such lines that Company determines could be used for the benefit of the Solar Facility;

d. nonexclusive easements for access to the Leased Property, over and across the Leased Property, including for vehicular and pedestrian ingress, egress and access to and from the Solar Facility Equipment, by means of roads and lanes previously existing on the Leased Property and by such route(s) as Company may construct from time to time;

e. an easement over the Leased Property, Adjacent Property and the Protected Property for audio, visual, view, light, flicker, noise, vibration and any other effects attributable to the Solar Facility; and

f. an easement that allows any Solar Facility Equipment installed on any property owned by a third party that adjoins the Leased Property to straddle, traverse or overhang the boundary between such property and the Leased Property.

2.2. Terms and Conditions. With respect to each Easement:

a. to the extent permitted by applicable federal, state and local laws, statutes, ordinances, orders, rules and regulations, such Easement shall be appurtenant to the Leased Property;

b. such Easement shall run with and benefit the Leased Property (and such other lands, as applicable) and inure to the benefit of and be binding upon Landowner and the holder of the Easement and their respective successors and assigns, and all persons claiming under them;

c. no act or failure to act on the part of Company or the holder of the Easement shall be deemed to constitute an abandonment, surrender or termination thereof, except (i) upon recordation by such holder of a quitclaim deed specifically conveying the Easement back to Landowner or (ii) the termination of this Lease pursuant to Sections 4.2(b), 4.3(b) and 12.1(b) hereof ;

d. non-use of the Easement shall not prevent the future use of the entire scope thereof; and

e. no use of or improvement to the Leased Property or any lands benefited by the Easement, and no assignment or sublease hereof or thereof, shall, separately or in the aggregate, constitute an overburdening of the Easement.

2.3. Stand-Alone Agreements. Upon Company's request from time to time, Landowner shall grant to Company (or a party designated by Company), in recordable form and containing such terms and provisions as may reasonably be requested by Company for no additional consideration:

- a. stand-alone easements for any of the Easements granted hereunder; or
- b. in the case of Easements already held by Landowner, subeasements, the term of which shall run concurrently with the Term (or for a shorter period of time as may be requested by Company) and shall terminate upon the expiration or termination of this Lease.

3. Survey. Prior to the Commercialization Date (as defined below), Company shall cause to be conducted, at Company's sole expense, a survey of the Leased Property and the Easements. Landowner shall cooperate therewith. Company shall provide five (5) copies of such survey to each Landowner. Upon the completion of the survey, the Parties shall amend this Lease to include a metes and bounds description of the Leased Property and the Easements.

4. Lease Term.

4.1. Commercialization Date. The "**Commercialization Date**" for the Solar Facility means the date on which Groundbreaking occurs. As used herein, "**Groundbreaking**" shall mean the earlier of (a) when earth is moved for the improvement of the Leased Property for the development of the Solar Facility, or (b) when the first Solar Facility support structure is installed below grade at the Leased Property. Movement of earth for evaluation of the Leased Property shall not be considered Groundbreaking and shall not cause the Commercialization Date to occur. Company shall notify Landowner promptly if and when the Commercialization Date occurs.

4.2. Development Feasibility Term.

a. The Development Feasibility Term of this Lease shall commence on the Effective Date and end on the earlier to occur of the Commercialization Date or twenty-four (24) months after the Effective Date (the "**Development Feasibility Term**"); provided that Company shall have the right to extend the Development Feasibility Term for up to two (2) additional one (1) year periods, by notice to Landowner before the expiration of the Development Feasibility Term or any extension of the Development Feasibility Term. The first additional one year extension shall begin the day that the initial twenty-four (24) month Development Feasibility Term would have ended and any additional one year extensions shall begin on the anniversaries of the previous extension

b. If the Commercialization Date does not occur prior to expiration of the Development Feasibility Term (as it may be extended), this Lease shall terminate. Company may terminate the Development Feasibility Term at any time for any reason, at which point any obligation to pay rent shall terminate but rent previously paid shall not be refunded.

c. Company, in its sole and absolute discretion, shall have the right to terminate this Lease, as to all or any portion of the Leased Property, at any time during the Development Feasibility Term, effective upon at least seven (7) days written notice to Landowner. If such termination is as to only part of the Leased Property, (i) this Lease shall remain in effect as to the remainder of the Leased Property, and (ii) Company will be obligated to satisfy the obligations set forth in Section 7 for that portion of the Leased Property with respect to which Company has exercised such termination right.

4.3. Commercial Term.

a. The Commercial Term shall commence on the Commercialization Date, and shall end thirty (30) years thereafter, provided that Company shall have the right to extend the Commercial Term for up to two (2) additional periods of ten (10) years each (each, an “**Extended Term**”), by notice to Landowner before the expiration of the Commercial Term or the Extended Term. Company may seek to exercise its option to extend the Term by giving Landowner written notice of such request not earlier than eighteen (18) months and not later than six (6) months prior to the expiration of the then-current term of this Lease. Upon satisfaction of the notice requirements to Landowner, this Lease shall be extended for such Extended Term upon the same terms, conditions and covenants as are contained in this Lease, with the exception of the rental amount, which shall be negotiated at the fair market value at the time of the exercise of the option. See Section 5.2(c) herein.

b. Company, in its sole and absolute discretion, shall have the right to terminate this Lease, as to all or any portion of the Leased Property, at any time during the Commercial Term, effective upon at least ninety (90) days written notice to Landowner. If such termination is as to only part of the Leased Property, (i) this Lease shall remain in effect as to the remainder of the Leased Property, and (ii) Company will be obligated to satisfy the obligations set forth in Section 7 for that portion of the Leased Property with respect to which Company has exercised such termination right.

4.4. Term. As used herein, the “**Term**” shall mean collectively the Development Feasibility Term (including any extension(s) thereof) and the Commercial Term.

5. Landowner Rent, Consideration and Other Terms.

5.1. Rent During the Development Feasibility Term. Rent for the Development Feasibility Term shall be \$71.00 per acre for the initial twenty-four (24) month term: \$50.00 per acre will be paid at signing of Lease by all parties, \$21.00 per acre will be paid within seven (7) business days following execution by 75% of the mineral owners who are not parties to this Lease of a surface use non-disturbance agreement that will bind such mineral owners to substantially similar terms and conditions to the terms and conditions of this Agreement with respect to the use and occupation of the surface during the Commercial Term. Rent following the initial twenty-four (24) month term shall be \$35.50 per acre for each and every one-year extension, payable regardless whether or not the required surface non-disturbance agreement(s)

have been executed as described in the previous sentence. Subsequent rent for any one-year extension pursuant to Section 4.2(a) above likewise shall be due within ten (10) days after the date that such extension term begins. Any rent payable for less than a full twelve (12) month period shall be prorated on the basis of a 365-day year. The prorated amount of rent applicable to any remaining portion of the year of the Development Feasibility Term in which the Commercialization Date occurs shall operate as a setoff against the amount of rent Company owes Landowner for the first year of the Commercial Term.

5.2. Rent During the Commercial Term.

a. During the first thirty (30) years of the Commercial Term, Company shall pay to Landowner, on an annual basis, rent payments equal to Four Hundred Dollars (\$400) per acre of Leased Property per year for the first year. For the 2nd and subsequent years, however, rent shall increase by 1.5% per year so, for example, rent in the 2nd year shall equal \$406.00 per acre and in the 3rd year \$412.09, all as shown on Exhibit "D." Such rent payments shall be referred to hereinafter as "**Base Rent**." For the 11th year and continuing until the end of the Commercial Term, rent payments shall equal the **higher** of the then-current amount owed for Base Rent or 3% of Gross Revenues (the "**Percentage Rent**"). The first "**Commercial Operation Year**" shall begin on the Commercialization Date, and shall expire twelve (12) months thereafter, and each subsequent Commercial Operation Year shall commence upon the expiration of the prior Commercial Operation Year and expire twelve (12) months thereafter.

b. Base Rent during the Commercial Term is due and payable within seven days of the First Day of each Commercial Operation Year and is non-refundable. To the extent that in the 11th year of the Commercial Term and beyond, Company owes Percentage Rent, Company shall account and pay Landowner any Percentage Rent owed by Company within sixty (60) days following the end of the Commercial Operation Year for which such Percentage Rent is owed.

c. Rent for each Extended Term (if any) shall be set to equal the fair market rental value for the Leased Property but under no circumstances shall the rental value ever decline from the preceding year. Additionally, the percentage of Gross Revenue payable herein shall be not less than four (4) percent for all Extended Terms.

d. Landowner shall have the right to conduct at its own expense an audit of Company's books and records to verify any rent payment based on a percentage of Gross Revenues. Any such audit shall be limited to the Gross Revenues generated and shall not include the right to audit any of Company's other financial data. Such audit shall take place at Company's offices upon at least seven (7) days advance written notice to Company. Landowner agrees to sign a confidentiality agreement protecting the disclosure of any information made available to Landowner in the audit. Any rent payment made based on a percentage of Gross Revenues shall be deemed correct for all purposes if, after two years, no audit of such payment has been conducted or following an audit no written objection to such payment has been received by Company that sets out the reasons why such payment is incorrect. Company agrees to

provide, within ninety (90) days after the end of Company's fiscal year, at no cost to Landowner, a copy of all internal audits or reviews which pertain to the Leased Property.

d. In the event Company is late in the payment of Rent (whether Base Rent, Percentage Rent or Minimum Rent), such delinquent Rent shall bear interest from the due date until paid at the lesser of ten percent (10%) per annum or the maximum lawful rate of interest; additionally, with respect to any payment not made within fifteen (15) days of the due date thereof, Landowner, in addition to all other rights and remedies available to it, may charge Company a late fee equal to five percent (5%) of the delinquent Rent amount to reimburse Landowner for its cost and inconvenience incurred as a consequence of Company's delinquency. In no event, however, shall the charges permitted under this Section 5.2(d), to the extent they are considered to be interest under applicable law, exceed the maximum lawfully permitted rate of interest.

e. As used in this Lease, the phrase "**Gross Revenues**" means the aggregate total revenue, including money and other consideration, actually received by Company or accruing to Company or any Affiliate, successor or assign of Company during the applicable period of time, from the sale of Electricity and Renewable Energy Credits generated and produced from any Solar Facility then located on the Leased Property. Notwithstanding anything to the contrary contained herein, under no circumstances shall Gross Revenues include money and other consideration received in a change in control or sale of the membership interests of or assignment (collateral or otherwise) of or transfer of some or all of the assets owned by the Company or its successors or assign to a third party during the Term hereunder.

f. Pursuant to Section 5.2(a) and beginning in the 11th year of the Commercial Term, when Electricity produced from Solar Facility Equipment located on both the Leased Property and on other property is delivered to a common sales meter used to determine Gross Revenues, then the number of kilowatt hours of electricity generated on the Leased Property shall be determined for each quarterly period in accordance with the following formula: $CM \times (P/PCM) = TKW$, wherein (a) CM is the total number of kilowatt hours available for sale at such common meter, (ii) P is the number of square feet of solar energy panels installed on the Leased Property, (iii) PCM is the number of square feet of solar energy panels installed on all properties (including both the Leased Property and other properties) comprising the Solar Facility that deliver electricity to such common meter, and (iv) TKW is the total number of kilowatt hours generated by Company on the Leased Property for use in determining the payments due to Landowner.

g. "**Renewable Energy Credits**" shall mean all Environmental Incentives received by Company from Environmental Attributes of the Solar Facility.

h. "**Environmental Attributes**" shall mean all environmental and other attributes that differentiate the Solar Facility or the energy output from the Solar Facility from energy generated by certain other generation units, fuels or resources, including those attributable to the avoidance of environmental impacts on air, soil or water, such as the emission

of any oxides of nitrogen, sulfur or carbon or of mercury, or other gas or chemical, soot, particulate matter or other substances attributable to the Solar Facility or the compliance of the Solar Facility and/or the energy output of the Solar Facility with the law, rules and standards of any governmental authority, the United Nations Framework Convention on Climate Change (the “UNFCCC”) or the Kyoto Protocol to the UNFCCC or crediting “early action” with a view thereto, the Clean Air Markets Division of the Environmental Protection Agency or successor administrator or any state or federal entity given jurisdiction over a program involving transferability of environmental attributes or the right of Company to report to any federal, state, or local agency, authority or other party that Company owns the environmental attributes associated with the energy output from the Solar Facility.

i. “**Environmental Incentives**” means all credits (including tax credits) rebates, benefits, reductions, offsets, and allowances and entitlements of any kind, howsoever entitled, resulting from the Environmental Attributes.

j. “**Electricity**” means electrical energy, measured in kilowatt hours (kWh), which is ultimately sold.

k. Renewable Energy Credits shall not include grants, production tax credits, investment tax credits, accelerated depreciation or other tax benefits and credits available under federal and state tax laws and regulations, or any proceeds from sale or reimbursement thereof (collectively, “**Tax Credits**”) even if they are otherwise included within the definition of Environmental Incentives.

5.3. Additional Consideration and Other Terms.

a. For each month it takes Company to accomplish the tasks listed in Sections 7.1(a)-(c) below, Company shall pay Landowner pro-rated rent in a manner and amount commensurate with the rent applicable to the Leased Property in the last year of the Commercial Term.

6. Property Taxes.

6.1. Company shall pay any personal property taxes assessed or levied against the Solar Facility Equipment. Company shall pay any increase in the real property taxes or rollbacks levied against the Leased Property directly attributable to the installation and existence of the Solar Facility on the Leased Property, including any reclassification of the Leased Property (such as a reclassification from agricultural to commercial) as a result of the Solar Facility or this Lease, to the extent that such increase is not separately assessed to Company and paid directly by Company to the taxing authorities.

6.2. Company shall not be liable for taxes attributable to facilities installed by Landowner or others on the Leased Property, or to the underlying value of the Leased Property itself, or for a reclassification that is unrelated to the presence of a Solar Facility on the Leased

Property or for any change in the rules and methods by which land values are assessed and/or property taxes are paid unrelated to the Solar Facility.

6.3. To ensure that the foregoing obligations are met, the parties agree that in the first year following the Commercialization Date and every five years thereafter until the end of the Term, they shall select a property in Dawson County that is near the Leased Property and that is substantially similar to the Leased Property only without any Solar Facility located thereon and compare the assessed valuation of that comparison property to the assessed value of the Leased Property. If the assessed value per acre is lower on the comparison property, then such value per acre shall presumptively be the value per acre of the Leased Property for purposes of determining Company's property tax payment obligation under this paragraph. If the assessed value is higher, then such value shall presumptively excuse Company from paying any of Landowner's property taxes under this paragraph. If the parties cannot agree on a suitable comparison property and thereafter on the amount of property taxes payable or not by Company under this Section 6, then they agree to submit their disagreement to binding arbitration before a single arbiter selected by the chief judge of the United States District Court for the Western District of Texas (Midland Division) to be conducted under AAA rules for commercial disputes and to be concluded with a written decision and statement of reasons by the arbiter, appealable only to the extent that arbitration decisions are appealable under the Federal Arbitration Act.

6.4. It is a condition to Landowner's right to payment or reimbursement of any such increased taxes hereunder that Landowner submit the real property tax bill to Company within twenty one (21) days after Landowner receives the bill from the taxing authority. Company shall have the right to pay its portion of the real property taxes directly to the taxing authority. Landowner shall pay its portion of the real property taxes, and if Landowner fails to do so, Company shall be entitled (but not obligated) to make payments in fulfillment of Landowner's obligations to the taxing authority and may offset the amount of such payments from amounts due Landowner under this Lease. Landowner shall reasonably cooperate in any effort that Company undertakes to cause the leasehold estate of Company to be separately assessed for property tax purposes.

7. Removal of Solar Equipment and Restoration of Property.

7.1. As soon as reasonably practicable but in no event later than six (6) months following the expiration or earlier termination of this Lease, Company shall, at Company's sole cost and expense:

a. Remove all Solar Facility Equipment installed above the surface and between the surface and Grade Level, and restore the soil surface of the Leased Property and any affected area of the Adjacent Property to a condition reasonably similar to its original condition.

b. As used in the preceding Subsection 7.1(a), "reasonably similar" shall mean that the land must be farmable in the same manner as it was being farmed by Landowner immediately prior to the Effective Date so that it can qualify for the same appraisal designation

(i.e. "farmland or "Agriculture Exempt") as it was designated at the time of execution of this Lease.

c. If Landowner is unable to farm the Leased Property following termination of the Lease because the Solar Facility has not been removed in time for Landowner to plant crops in the manner usually and customary for the area, then Company shall pay the Minimum Rent for the year in which such planting has been lost and for each additional year beyond that year until the foregoing removal obligations of Company have been satisfied.

d. In the event that Company terminates this Lease as to part, but not all of the Leased Premises, the portion terminated shall be restored to farmable condition as that term is defined in Section 7.1(b) herein within six months following termination as to that portion of the Lease Property.

e. In the event Company's activities during the Development Feasibility Term damage or destroy any crops in commercial cultivation on the Leased Property prior to the Commercialization Date, Company shall pay to Landowner, or Landowner's tenant as applicable, a one-time payment equaling the then current fair market value of any crops damaged by Company, provided that such value be in excess of Five Hundred Dollars (\$500). The foregoing paragraph shall not apply to crop loss or destruction for which Landowner is entitled to liquidated damages under Paragraph 1.2e above.

7.2. Within 180 days of the Commercialization Date, Company shall obtain and deliver to Landowner a bond, letter of credit or parent guaranty in form and substance reasonably satisfactory to Landowner in the amount of \$50,000.00 securing performance of Company's obligation to remove the Solar Facility located on the Leased Property (the "**Removal Security**"). Any bond provided by Company as Removal Security shall be from a financial institution or surety or Affiliate with an AM Best's Rating of not less than A that is authorized to do business in Texas. On the 5th anniversary of the Commercialization Date the initial amount of the Removal Security shall be revised upward or downward to be an amount equal to the estimated amount, if any, (the "**Net Removal Costs**"), by which the cost of removing the Solar Facility installed or planned to be installed on the Leased Property, together with the related surface restoration costs, exceed the salvage value of such Solar Facility Equipment. This amount shall be thereafter subject to review and adjustment upward at the beginning of the tenth (10th), fifteenth (15th), twentieth (20th) and twenty-fifth (25th) and on the anniversary date every five years thereafter. of the Commercial Term and Extended Terms. If the parties cannot agree on the initial or any adjusted amount of the Removal Security, Landowner shall select a disinterested unaffiliated third party civil engineer to determine the amount, which engineer shall be approved by Company in its reasonable discretion. If the Parties cannot agree upon an independent engineer within thirty (30) days, then such engineer shall be appointed by the chief judge of the federal court whose jurisdiction extends to Dawson County, Texas; and the decision of such an independent engineer (however selected) as to the Net Removal Costs shall be conclusive as between and binding upon, the Parties. If an independent engineer is selected then the party whose initial estimate of the Net Removal Costs is furthest from the estimate provided by the

independent engineer shall bear all of the costs associated with the independent engineer's determination of the Net Removal Cost.

7.3. Such Removal Security shall remain in effect until Company's removal obligations have been satisfied or the Removal Security has been fully drawn upon earlier by Landowner in accordance with its terms. The Removal Security shall remain in effect despite the bankruptcy or insolvency of Company and shall have a term that extends not less than two (2) years beyond the end of the Term and any Extended Terms. The Removal Security shall provide that it may be drawn upon by Landowner if the removal of the Solar Facility has not been completed within the time period required under this Agreement. Upon satisfaction of Company's removal obligations, Company and Landowner agree to execute such estoppels or releases as may be necessary or required by the issuer of the Removal Security to allow the Removal Security to be terminated. If the issuer of the Removal Security gives written notice to Landowner of its intent to cancel the Removal Security, including any substitute therefor, Landowner will give written notice of such event to Company and within thirty (30) days after Landowner provides such notice, Company will replace the Removal Security with a substitute bond that is (i) in the same amount as the Removal Security (including any substitute therefor) (ii) from an issuer that has the same or better credit or AM Best rating and (iii) in form and with content substantially similar to the original Removal Security. Failure of Company to provide or continue to fund such Removal Security shall be a condition of default.

8. Company's Representations, Warranties and Covenants.

8.1. Company's Authority. Company represents to Landowner that Company has the unrestricted right and authority to sign this Lease, and when signed by Company, this Lease constitutes a valid and binding agreement enforceable against Company in accordance with its terms.

8.2. Requirements and Governmental Agencies. Company shall comply in all material respects with valid laws applicable to the Solar Facility Equipment, but shall have the right, in its sole discretion and expense, in its name or Landowner's name, to contest the validity or applicability to the Leased Property and/or the Solar Facility Equipment of any law, ordinance, order, rule or regulation of any governmental agency or entity. Company shall control any such contest and Landowner shall cooperate with Company in every reasonable way in such contest, at no out-of-pocket expense to Landowner.

8.3. Mechanic's Liens. Company shall keep the Leased Property and the Adjacent Property free and clear of all liens and claims of liens for labor and services performed on, and materials, supplies or equipment furnished to, the Leased Property in connection with Company's use of the Leased Property pursuant to this Lease.

8.4. Hazardous Materials. Company shall indemnify and hold Landowner harmless against Company's alleged material violations on the Leased Property or Adjacent Property of any applicable law or regulation relating to the generation, manufacture, production, use, storage,

release or threatened release, discharge, disposal, transportation or presence of any substance, material or waste which is now or hereafter classified as hazardous or toxic, or which is regulated under current or future federal, state or local laws or regulations, on or under the Leased Property or the Adjacent Property. Company shall promptly notify Landowner by Certified Mail of any notices received from any federal, state or local entities alleging violation of any hazardous materials laws or regulations, as well as regular remediation progress reports as to remediation measures being taken by Company including all final remediation reports and Releases by authorities.

8.5. Safety Measures. Company shall take reasonable safety and security measures to reduce the risk of damage to the Solar Facility or the risk that the Solar Facility will cause damage, injury or death to people, livestock and other animals and property, as Company deems necessary or appropriate. Company agrees to hold Landowner harmless from any such damages as set forth in Section 13.1 below.

8.6. Damage to Fences and Gates. Company shall repair any damage caused by Company, at no cost to Landowner, to any fences, gates, buildings and other fixtures on the Leased Property or any Easements caused by the construction or operation of the Solar Facility.

8.7. Electric Lines. Company shall use commercially reasonable efforts to install any electrical lines so that, following installation of the electrical lines, the land surrounding such lines may be used by the Parties in accordance with the terms of this Lease.

8.8. Soil Samples and Environmental Reports. Landowner shall have the right to take soil samples on the Leased Property at any time following at least forty-eight (48) hours advance written notice. Company shall have the right to take concurrent samples. Company agrees to provide Landowner with any final reports prepared for Company relating to the environmental condition of the Leased Property.

8.9. Maintenance of Leased Property and Access Roads. Company shall maintain the Leased Property in a manner consistent with returning the same back to its original condition as required by Section 7 above, including, but not limited to erosion and weed control measures (to comply with USDA regulations), as and when reasonably deemed necessary by Company. Company shall maintain all access roads serving the Leased Property, including erosion and weed control measures, as and when reasonably deemed necessary by Company.

9. Landowner's Representations, Warranties and Covenants. Landowner hereby represents, warrants and covenants as follows:

9.1. Landowner's Authority. Landowner has good title to the Leased Property in fee simple absolute. When signed by Landowner, this Lease constitutes a valid and binding agreement enforceable against Landowner in accordance with its terms. No rights to convert the solar resources of the Leased Property or to otherwise use the Leased Property for solar energy purposes have been granted to or are held by any other party other than Company. To the best of

Landowner's knowledge, there are no covenants, restrictions, rights of way, easements or other encumbrances on the Leased Property that will prevent Company's use of the Leased Property as contemplated herein.

9.2. Ownership of Solar Facility; Not a Fixture. Company, or its nominee, is the exclusive owner and operator of the Solar Facility. Landowner shall have no ownership or other interest in any Solar Facility Equipment installed on the Leased Property or on the Adjacent Property, and Company shall at all times retain title to the Solar Facility Equipment, with the right, at any time and in its sole discretion, to remove, replace or repair one or more components of Solar Facility Equipment. The Solar Facility and the Solar Facility Equipment are not fixtures, and Landowner may not sell, lease, assign, mortgage, pledge or otherwise alienate or encumber (collectively, a "**Transfer**") the Solar Facility or any Solar Facility Equipment together with its fee interest or leasehold rights to the Leased Property. Landowner expressly waives any statutory or common law landlord's lien to which Landowner might be entitled.

9.3. Notice of Transfers. Landowner shall give Company at least thirty (30) days written notice prior to any Transfer of all or a portion of the Leased Property or the Adjacent Property identifying the transferee, the portion of Landowner's property to be transferred and the proposed date of Transfer. This Lease shall run with the Leased Property and survive any Transfer thereof.

9.4. No Interference. Company shall have the sole and exclusive right to convert all of the solar resources of the Leased Property. Landowner's activities and any grant of rights Landowner makes to any third party, whether located on the Leased Property, the Adjacent Property or elsewhere, shall not, now or in the future, interfere in any way with Company's use of the Leased Property, or the rights granted under this Lease or the Easements. In furtherance of the foregoing, Landowner shall not interfere with the solar resource or otherwise construct or permit to be constructed any structure that prevents, inhibits or impairs the solar resource over the Leased Property, or engage in any activity on the Leased Property or any Adjacent Property that might cause a decrease in the output or efficiency of the Solar Facility Equipment, as determined by Company in its sole and absolute discretion, including, without limitation, the construction of structures or planting of trees that would interfere with the free and unobstructed access to solar resources. Landowner shall not allow any activity to take place on the Adjacent Property that, in Company's reasonable determination, would adversely impact the development, construction and operation of the Solar Facility or the use of any easements across the Adjacent Property.

9.5. Oil and Gas Exploration and Production. Landowner and Company agree that the lands described on Exhibit "E" shall be referred to hereinafter as "**Oil and Gas Tracts.**" Company agrees that notwithstanding the restrictions set forth in Section 9.4 above, Landowner shall have the right to access the Oil and Gas Tracts for the purpose of exploring, drilling and producing oil, gas and other minerals located thereon or on the Leased Premises. Company agrees that drilling and workover rigs may be placed on Oil and Gas Tracts on a temporary basis to drill and complete or workover an oil and gas well or wells. Company also agrees that

conventional above ground pumping units and tank batteries may be installed on the Oil and Gas Tracts on a permanent basis so long as they do not cause a material adverse impact on the rights conveyed to the Company herein. Landowner agrees that it will not allow any seismic source or receiver to be placed on the Leased Property during the Commercial Term and Company agrees that any seismic source or receiver may be placed on the Adjacent Property at any time so long as the seismic data acquisition is conducted in a manner consistent with the then current IAGC standards for onshore data acquisition. It is agreed between the parties that Landowner may do any seismic work it wants prior to Commercial Term. Nothing herein shall be construed as prohibiting Landowner from drilling water wells from a surface location on the Adjacent Property bottoming on the Leased Property, so long as such drilling or operation thereof does not interfere with Company's ongoing operations.

9.6. Right of First Refusal on Adjacent Property. Prior to selling, leasing or granting any other interest in all or any portion of the Adjacent Property to any third party for the purpose of constructing, building, locating or facilitating any solar energy conversion system or any similar project, Landowner shall offer said Adjacent Property to Company upon the same terms and conditions as proposed to be offered to such third party. Landowner's offer shall identify the relevant third party and all entities that control the third party. Company shall have a period of thirty (30) days after receipt of Landowner's notice in which to accept the offer. If Company accepts the offer, Company and Landowner promptly shall execute an amendment to this Lease or other new agreement reflecting the terms and conditions of the offer. If Company does not accept Landowner's offer, (i) Landowner may consummate the transaction with the third party on said terms and conditions at any time within ninety (90) days following expiration of Company's 30-day acceptance period, and (ii) if Landowner does not so consummate the transaction within such 90-day period, Company's rights under this Section shall again apply.

9.7. Estoppel Certificates. From time to time, within fifteen (15) days after written request, Landowner and Company shall each execute and deliver an estoppel certificate certifying as to the status of this Lease and each Party's performance thereunder.

9.8. Requirements of Governmental Agencies. Landowner shall assist and fully cooperate with Company, at no out-of-pocket expense to Landowner, in applying for (including signing in Landowner's name (with Landowner's prior approval), if necessary), complying with, completing or obtaining, as applicable, any land use permits and approvals, building permits, zoning variances, subdivision requirements, environmental impact reviews or any other approvals required for the financing, construction, installation, replacement, relocation, maintenance, operation or removal of the Solar Facility Equipment. Landowner shall make available to Company copies of all field surveys, environmental, geological and other site assessments, surveys, plans and other such records of Landowner related to the Leased Property and the Adjacent Property.

9.9. Zoning and Other Land Use Restrictions. Landowner agrees to waive and release any deed restrictions, zoning or other property use regulations that might limit or prevent Company's right to place Solar Energy Facilities on, across or near any boundary of the Leased

Property or the Adjacent Property. Landowner shall cooperate, at no cost to Landowner, with Company in resisting or obtaining exemptions from such restrictions (whether in effect as of the Effective Date or at any time in the future) with respect to the Solar Energy Facilities.

9.10. Hazardous Materials. Landowner represents and warrants to Company that, to the best of Landowner's knowledge:

- a. there are no abandoned wells, solid waste disposal sites, hazardous wastes or substances, or underground storage tanks located on the Leased Property;
- b. the Leased Property does not contain levels of petroleum or hazardous substances which require remediation under applicable environmental laws or regulations;
- c. the Leased Property is not subject to any pending or threatened judicial or administrative action, investigation or order under any applicable environmental laws or regulations; and
- d. Landowner has not caused or contributed to a release or threatened release of hazardous substances or waste to, at, on, in or from the Leased Property, except in compliance with applicable environmental laws and regulations.

9.11. Landowner's Lenders.

- a. Landowner shall promptly notify its lenders or any other party holding a mortgage, deed of trust or other security interest in the Leased Property of this Lease and Company's rights herein, and shall request that such lender, trustee or security interest holder simultaneously send any notice of Landowner's default to Landowner and Company.
- b. Regardless, Landowner agrees to promptly provide Company with a copy of any default notices that Landowner receives from any of its lenders or other party holding a mortgage, deed of trust or security interest in the Leased Property.
- c. Company shall, at its own cost, procure a current abstract of title or preliminary title report for the Leased Property, showing all liens and other exceptions to title to the Leased Property and Landowner shall reasonably cooperate therewith. A copy of any such abstract shall be provided to Landowner at no cost to Landowner. Upon request by Company, Landowner shall obtain a non-disturbance and subordination agreement from each mortgagee of the Leased Property and the Easements, or any portion thereof, under which the relevant lienholders agree not to disturb Company's possession or rights under this Lease or terminate this Lease so long as Landowner is not entitled to terminate this Lease under its terms.
- d. If Landowner fails to pay any of its obligations secured by a mortgage, deed of trust or other security interest on the Leased Property when due, Company may, at its option, pay such amount and deduct it from the amount owed to Landowner under this Lease.

e. Landowner expressly acknowledges and agrees that any contractual, statutory or common law lien rights in favor of any mortgage or deed of trust granted by Landowner subsequent to the date of this Lease are and shall be expressly made subordinate and inferior to Company's right, title and interest in this Lease, any sublease permitted hereunder and/or the Easements granted by this Lease and to any liens and security interests granted by Company in favor of any Solar Facility Mortgagee (as defined below). Landowner agrees to execute or cause its mortgagee to execute any further documentation that may be requested by Company or a Solar Facility Mortgagee of any of the foregoing to evidence such subordination.

9.12. Quiet Enjoyment. Subject to rights of mineral owners (including oil and gas lessees) who have not signed, ratified or subordinated to this Lease (the "***Unjoined Mineral Owners***"), Landowner agrees that Company shall quietly and peaceably hold, possess and enjoy the Leased Property pursuant to the terms of this Lease, and for the Term of this Lease, and any extension thereof, without any hindrance or molestation caused by Landowner or any party claiming by, through or under Landowner. Landowner shall defend title to the Leased Property, and the use and occupancy of the same, against the claims of all persons, except those claiming by or through Company. Landowner shall not enter into or modify any documents, including any declarations, easements, restrictions, oil and gas leases or other similar instruments, which may materially affect the Leased Property, or the rights and/or obligations of Company hereunder, without first obtaining the prior written consent of Company, which consent shall not be unreasonably withheld. For clarity, Landowner and Company agree that Company's right of quiet enjoyment includes the right for the surface to remain undisturbed by any oil and gas or other mineral development, excepting development by Unjoined Mineral Owners, if any.

9.13. Landowner Consent. Except as otherwise expressly provided herein, where pursuant to the terms of this Lease or in connection with the administration of this Lease, the consent or approval of Landowner will be required, requested, or appropriate, Landowner covenants and agrees that its consent or approval will not be unreasonably or unduly withheld, delayed, or conditioned, and that Company will not be charged for such consent or approval. To the extent this Lease provides for the requirement of Landowner's consent, if within ten (10) days after Landowner's receipt of Company's written request for such consent, Landowner does not give notice of its reasons for not consenting to Company's request, Landowner shall conclusively be deemed to have given its consent. If within such ten (10) day period, Landowner gives notice of its reasons for not consenting to Company's request, then Landowner and Company shall promptly meet to discuss Landowner's comments and concerns, and Landowner and Company shall use their respective best efforts to address such comments and concerns in a reasonable manner. In the event a resolution is not reached, Company and Landowner shall be entitled to pursue all of their respective rights and remedies contained herein.

10. Solar Facility Financing.

10.1. Mortgage by Company. Company may, from time to time and at any time, without the consent of Landowner, hypothecate, mortgage, pledge or alienate the Solar Facility Equipment, the Solar Facility, Company's leasehold, the Easements and/or the rights granted to

Company under this Lease (collectively, the "***Solar Facility Estate***"). Each holder of any such instrument or lien, as to which Landowner has been notified of identity and address, is hereinafter referred to as a "***Solar Facility Mortgagee***." Nothing herein shall be deemed to permit a Solar Facility Mortgagee to take title to, or otherwise encumber, Landowner's fee title to the Leased Property.

10.2. Rights.

a. A Solar Facility Mortgagee or its assigns may enforce its lien and acquire title to the Solar Facility Estate in any lawful way. Pending foreclosure of such lien, any Solar Facility Mortgagee may take possession of and operate the Solar Facility Estate. Upon foreclosure of such lien by power of sale, judicial foreclosure or acquisition of the Solar Facility Estate by deed in lieu of foreclosure, a Solar Facility Mortgagee may, upon notice to Landowner, sell and assign the Solar Facility Estate. As long as there is a Solar Facility Mortgagee or a subtenant, tax credit investor and any other third party with an interest in the Solar Facility as to which Landowner has been notified of identity and address (each an "***Interested Party***"), neither the bankruptcy nor the insolvency of Company shall operate to terminate, nor permit Landowner to terminate, this Lease as long as all rent and other charges payable by Company continue to be paid in accordance with the terms of this Lease.

b. During the period that a Solar Facility Mortgagee or an Interested Party may be in possession of the Solar Facility Estate and/or during the pendency of any foreclosure proceedings instituted by a Solar Facility Mortgagee and an Interested Party, the Solar Facility Mortgagee or Interested Party shall pay or cause to be paid all rent and other charges payable by Company which have accrued and are unpaid during said period. Following the acquisition of the Solar Facility Estate by a Solar Facility Mortgagee, an Interested Party or their designee as set forth above, the Solar Facility Mortgagee, Interested Party or other person acquiring title to the Solar Facility Estate shall (i) cure all defaults by Company as to payment of rent, and (ii) assume and commence performance of all of Company's obligations under this Lease thereafter arising, whereon Landowner's right to terminate this Lease based upon the default in question shall be deemed waived.

10.3. Notice. When giving notice to Company of any default by Company under this Lease, Landowner shall also serve a copy of such notice upon (i) each Solar Facility Mortgagee, and (ii) each Interested Party. No such notice shall be effective against a Solar Facility Mortgagee or Interested Party unless and until served on such Solar Facility Mortgagee or Interested Party. If Company shall default in the performance of any of its obligations under this Lease following the giving of notice of such default to Company, then Landowner shall give each Solar Facility Mortgagee and Interested Party a second written notice of such default, specifying in detail the alleged default and required remedy. Company agrees to provide Landowner on an annual basis a list of all Interested Parties to be tendered at the same time that Base Rent is paid.

10.4. Right to Cure.

a. Each Solar Facility Mortgagee and Interested Party shall have the right to cure any default by Company (i) within thirty (30) days after receipt of the second notice referenced above, if the default is in the payment of rent or is otherwise reasonably curable within such 30-day period, or (ii) within such longer period (not to exceed 90 days in total) as may reasonably be necessary to cure such default, if such default is not reasonably curable within 30 days, provided that the cure is commenced within such 30-day period and thereafter diligently continued to completion. Landowner shall accept such cure and performance as though the same had been done or performed by Company. Any Solar Facility Mortgagee and Interested Party shall have the right to do any act or thing required to be performed by Company or any assignee under this Lease, and such act or thing performed by a Solar Facility Mortgagee or Interested Party shall be effective to prevent a default under this Lease as if done by Company or the assignee itself. No Solar Facility Mortgagee or Interested Party shall have liability for any act or omission by Company, other than acts involving gross negligence of such Solar Facility Mortgagee or Interested Party, under this Lease.

b. The time available to a Solar Facility Mortgagee or an Interested Party to cure any default by Company shall be extended by (i) such number of days as may be necessary for such Solar Facility Mortgagee or Interested Party to obtain a receiver, or to initiate and complete foreclosure proceedings, if possession of the Leased Property is necessary to cure such default, and (ii) the number of days of delay occasioned by bankruptcy stay or other judicial restriction against such remedies or occasioned by other circumstances beyond such Solar Facility Mortgagee's or Interested Party's reasonable control.

10.5. Modification of Lease. Upon the request of any Solar Facility Mortgagee, Landowner and Company shall amend this Lease to include any reasonable provision(s) requested by such Solar Facility Mortgagee to implement the protective provisions contained in this Lease for the benefit of such Solar Facility Mortgagee, or to allow such Solar Facility Mortgagee reasonable means to protect or preserve the Solar Facility Estate or the lien of its leasehold mortgage on the occurrence of a default under this Lease; *provided, however*, that Landowner shall not be required to amend this Lease in any way that would extend the Term, decrease the rent or otherwise in any material respect adversely affect any rights of Landowner.

10.6. New Lease to Solar Facility Mortgagee or Interested Party. If this Lease is terminated by Landowner on account of any default by Company, or terminates for any other reason prior to the originally scheduled expiration date hereof, then Landowner shall give prompt written notice thereof to each Solar Facility Mortgagee and Interested Party. Each Solar Facility Mortgagee and Interested Party, within sixty (60) days after receipt of written notice from Landowner, shall have the right to elect to enter into a new lease of the Leased Property as described below. Within thirty (30) days after receiving written request therefor from a Solar Facility Mortgagee or Interested Party, Landowner shall execute and deliver a new lease of the Leased Property to such Solar Facility Mortgagee, Interested Party, their nominee or to their purchaser, assignee or transferee, as the case may be, for the remainder of the Term of this Lease, containing the same covenants, agreements, terms, provisions and limitations as are contained in this Lease (other than those requirements which may have been satisfied or fulfilled

by Company prior to the termination of this Lease), provided that the relevant Solar Facility Mortgagee or Interested Party shall pay to Landowner, simultaneously with the delivery of such new lease, all unpaid rent due under this Lease up to and including the date of the commencement of the term of such new lease.

11. Assignment and Subletting.

11.1. By Company. Company and any assignee shall have the right, at any time, to assign or sublet all or any part of the Solar Facility Estate without obtaining the consent of Landowner. Without limiting the generality of the foregoing, a foreclosure and sale by a Solar Facility Mortgagee (defined below) shall be a permitted assignment not requiring the consent of Landowner and not constituting a default under this Lease. In the event of an assignment of Company's entire interest in this Lease, Company shall be released of all further liability under this Lease following assumption by an assignee of all obligations hereunder. Company also shall have the right to grant easements, licenses or similar rights (however denominated) in and to the Leased Property during the Term of this Lease to one or more persons or entities, without obtaining the consent of Landowner. Company shall provide Landowner with notice of an assignment or subletting within thirty (30) days of the date that such assignment or subletting was made.

11.2. By Landowner. Landowner may assign this Lease to any party in connection with any Transfer of the Leased Property by Landowner; *provided, however*, that any such Transfer shall be subject to this Lease.

12. Default and Remedies.

12.1. Company's Default.

a. Company shall be in default under this Lease if: (i) Company fails to perform any of Company's covenants under this Lease (other than the payment of rent or other charges) and such failure shall have continued for a period of thirty (30) days after written notice from Landowner (or if such failure is not reasonably capable of being cured within thirty (30) days, if Company shall not have commenced to cure the same within said 30-day period and/or shall not have thereafter diligently prosecuted the same to completion); or (ii) Company fails to pay rent or other charges herein required to be paid and such failure continues for a period of fifteen (15) business days after written notice from Landowner. Any default for failure to pay rent when due shall also be subject to Section 5.2(d).

b. If Company shall be in default after the expiration of the cure period set forth above, then Landowner shall be entitled, at its election, either (i) to terminate this Lease and take possession of the Solar Facility Estate (subject, however, to the rights of Interested Parties and Solar Facility Mortgagees pursuant to Section 10); or (ii) so long as Landowner does not terminate Company's right to possession of the Leased Property, to keep this Lease in full

force and effect and collect rent and other charges from Company as and when due under this Lease, with Landowner having the obligation to mitigate damages.

c. If Landowner shall elect to terminate this Lease, then all rights and obligations of the parties shall terminate, except that Landowner shall have the right to sue for and collect all rents and other amounts with respect to which Company shall then be in default, and all damages to Landowner by reason of such default, Landowner having the obligation to mitigate damages, and Company shall surrender the Leased Property to Landowner. It is expressly agreed between the parties that if Company terminates this Lease, no prior rents will be refunded to Company.

12.2. Landowner's Default. If Landowner shall at any time be in default of any of its covenants under this Lease and such default shall continue for a period of thirty (30) days after written notice to Landowner (or if such default is not reasonably capable of being cured within thirty (30) days, if Landowner has not commenced to cure the same within said 30-day period and/or has not diligently prosecuted the same to completion), then Company shall be entitled to exercise concurrently or successively any one or more of the following rights, in addition to all other remedies provided in this Lease or available at law or in equity: (a) to bring suit for the collection of any amounts for which Landowner may be in default, or for the specific performance of any other covenant or agreement of Landowner, without bond and without terminating this Lease; and/or (b) to terminate this Lease upon thirty (30) days' written notice to Landowner, without waiving Company's rights to damages for Landowner's failure to perform its obligations hereunder.

13. Indemnity and Insurance.

13.1. Company Indemnity. Company shall indemnify, defend and hold harmless Landowner, its agents and employees (the "**Landowner Indemnitees**") of and from any claim, demand, lawsuit, or action of any kind for injury to or death of persons, including, but not limited to, employees of Company or Landowner, and damage or destruction of property, including, but not limited to, property of Company or Landowner, or other loss or damage incurred by Landowner, arising out of (a) negligent acts or omissions or willful misconduct of Company, its agents, officers, directors, employees or contractors; (b) the breach by Company of any of its obligations under this Lease, or (c) any occurrence on the Leased Property during the Commercial Term arising out of Company's use and occupancy thereof. The obligation to indemnify shall extend to and encompass all costs incurred by Landowner and any Landowner Indemnitees in defending such claims, demands, lawsuits or actions, including, but not limited to, attorney, witness and expert witness fees, and any other litigation related expenses. Notwithstanding the foregoing, Company's obligations pursuant to this Section 13.1 shall not extend to claims, demands, lawsuits or actions for liability to the extent attributable to the negligence or willful misconduct of Landowner, Landowner Indemnitees, or their respective contractors, successors or assigns, or to the acts of third parties (excepting those that arise out of Company's use and occupancy of the Leased Property), nor any manner of claim arising from or

related to disqualification from or ineligibility for any governmental farm or conservation program.

13.2. Landowner Indemnity. Landowner shall indemnify, defend and hold harmless Company, its officers, agents and employees (the "*Company Indemnitees*") of and from any claim, demand, lawsuit, or action of any kind for injury to or death of persons, including, but not limited to, employees of Company or Landowner, and damage or destruction of property, including, but not limited to, property of either Company or Landowner, or other loss or damage incurred by Company, arising out of (a) negligent acts or omissions or willful misconduct of Landowner, its agents, officers, directors, employees or contractors; (b) the breach by Landowner of any of its obligations under this Lease; or (c) any release or presence of hazardous substances, waste or materials to, at, on, in or from the Leased Property to the extent not caused directly by Company. The obligation to indemnify shall extend to and encompass all costs incurred by Company and any Company Indemnitees in defending such claims, demands, lawsuits or actions, including, but not limited to, attorney, witness and expert witness fees, and any other litigation related expenses. Landowner's obligations pursuant to this Section 13.2 shall not extend to claims, demands, lawsuits or actions for liability to the extent attributable to the negligence or willful misconduct of Company, Company Indemnitees, or their respective contractors, successors or assigns, or the acts of third parties.

13.3. Company Insurance. Beginning on the Effective Date and continuing until this Lease is terminated, Company shall maintain liability and property insurance covering the Leased Property and its activities thereon in a manner and at levels consistent with industry standard practices. Company agrees that industry standard practice during the Commercial Term of the project for liability insurance is to carry at least \$1,000,000 in coverage, combined single limit. Company agrees to provide Landowner with certificates of insurance evidencing the required coverages annually or whenever the amount of insurance or issuer of any policy changes. To the extent of the liabilities assumed by Company in this Paragraph 13, the liability and property insurance policy shall name each Landowner as additional insureds thereunder at no cost or expense to Landowner.

14. Tax Credits and Environmental Attributes.

14.1. Tax Benefits. Company and its assigns shall be entitled to all depreciation, tax credits and other tax benefits arising out of the construction, ownership and operation of the Solar Facility and the production of solar energy therefrom. If under applicable law the holder of a lease becomes ineligible for any tax credit, benefit or incentive for alternative energy expenditure or production established by any local, state or federal government, then, at Company's option, Landowner and Company shall amend this Lease or replace it with a different instrument so as to convert (to the extent practicable) Company's interest in the Leased Property to a substantially similar interest that makes Company eligible for such tax credit, benefit or incentive, provided however, nothing herein shall require Landowner to sell or convey the Leased Property to Company.

14.2. Environmental Benefits. Landowner acknowledges that Company or its assignee is the exclusive owner of electricity (kWh) generated by the Solar Facility and owner of all renewable energy credits and other Environmental Attributes and Environmental Incentives of the Solar Facility. “*Environmental Attributes*” means all environmental and other attributes that differentiate the Solar Facility or the energy output from the Solar Facility from energy generated by certain other generation units, fuels or resources, including those attributable to the avoidance of environmental impacts on air, soil or water, such as the emission of any oxides of nitrogen, sulfur or carbon or of mercury, or other gas or chemical, soot, particulate matter or other substances attributable to the Solar Facility or the compliance of the Solar Facility and/or the energy output of the Solar Facility with the law, rules and standards of any governmental authority, the UNFCCC or the Kyoto Protocol to the UNFCCC or crediting “early action” with a view thereto, the Clean Air Markets Division of the Environmental Protection Agency or successor administrator or any state or federal entity given jurisdiction over a program involving transferability of environmental attributes or the right of Company to report to any federal, state, or local agency, authority or other party that Company owns the environmental attributes associated with the energy output from the Solar Facility. “*Environmental Incentives*” include, but are not limited to, all credits (including tax credits), rebates, benefits, reductions, offsets, and allowances and entitlements of any kind, howsoever entitled, resulting from the Environmental Attributes. Landowner shall not make or publish any public statement or notice regarding any Environmental Incentive, any Environmental Attribute, the energy output or the Gross Revenues from the Solar Facility.

15. Condemnation.

15.1. As used herein, the term “*Taking*” means the taking or damaging of the Leased Property, the Solar Facility Equipment, the rights granted to Company pursuant to this Lease, the Easements or any part thereof (including severance damage) by eminent domain, condemnation or for any public or quasi-public use. A Party who receives any notice of a Taking shall promptly give the other Party a copy of the notice, and each Party shall provide to the other Party copies of all subsequent notices or information received with respect to such Taking. If a Taking occurs, then the compensation payable therefor, whether pursuant to a judgment, by agreement or otherwise, including any damages and interest, shall be distributed proportionally to Company and Landowner based on the values of their respective interests and rights in this Lease, the Leased Property and the uses thereof, taking into account:

- a. with respect to Company, (i) the Taking of or injury to the rights granted to Company pursuant to this Lease, the Easements or the Solar Facility Equipment, (ii) any cost or loss that Company may sustain in the removal and/or relocation of the Solar Facility Equipment, or Company’s chattels and fixtures, and (iii) Company’s anticipated or lost profits, damages because of deterrent to Company’s business and any special damages of Company; and
- b. with respect to Landowner, the Taking of the fee title and cost to remove chattels and fixtures.

16. Dispute Resolution.

16.1. Dispute Resolution. The Parties agree to first attempt to settle any dispute arising out of or in connection with this Lease by good-faith negotiation. If the Parties are unable to resolve amicably any dispute arising out of or in connection with this Lease, such dispute shall be resolved by binding arbitration before three (3) arbitrators under the rules and auspices of the American Arbitration Association. The cure periods for any alleged default(s) under this Lease disputed in good faith by Company shall be tolled until arbitration of the dispute is completed and the period for any appeal has lapsed. The arbitration shall be conducted in Dawson County, Texas, under the laws of the State of Texas. Each party shall choose one arbitrator and the two so chosen shall choose the third arbitrator.

16.2. Governing Law. This Lease shall be governed by and interpreted in accordance with the laws of the state in which the Leased Property is located.

16.3. Specific Performance. Landowner recognizes that monetary damages for any breach of this Lease may not be sufficient to compensate Company fully for such breach. Accordingly, without derogation of Company's other rights under this Lease, in the event of any default by Landowner hereunder, Company shall be entitled to specific performance hereof, without bond, from any court of competent jurisdiction.

16.4. Expenses. The non-prevailing Party shall pay the costs of any arbitration or other legal proceedings related to this Lease, including the fees and costs of the arbitrator and the legal fees and other out-of-pocket costs of the prevailing Party.

17. Miscellaneous.

17.1. Brokerage Commissions. Each of Landowner and Company warrants and represents to the other that there are no brokers' commissions, finders' fees or any other charges due to any broker, agent or other party in connection with the negotiation or execution of this Lease, or on behalf of either of them. Each Party shall indemnify, defend, protect and hold the other Party harmless from and against all damages, losses, costs, expenses (including reasonable attorneys' fees), liabilities and claims with respect to any claims made by any broker or finder based upon such broker's or finder's representation or alleged representation of such indemnifying Party.

17.2. Waiver of Nuisance. Landowner has been informed by Company and understands that the presence and operations of the improvements on the Leased Property and the Adjacent Property will potentially result in some nuisance to Landowner, such as higher noise levels than currently occur at the Property and the surrounding area and visual impact. Landowner hereby accepts such nuisance and waives any right that Landowner may have to object to such nuisance (and Landowner releases Company from any claims Landowner may have with respect to any such nuisance).

17.3. Successors and Assigns. This Lease shall burden the Leased Property and shall run with the land. All of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns, subtenants, and licensees. Unless expressly provided herein, no third party, other than such heirs, legal representatives, successors, assigns, subtenants, and licensees will be entitled to enforce any or all of the provisions of this Lease or will have any rights hereunder whatsoever.

17.4. Memorandum of Lease. Landowner hereby agrees to execute and allow to be recorded a Memorandum of this Lease in form and substance satisfactory to Company, or an amendment to any such memorandum of this Lease. In the event of any inconsistency between the terms and provisions of this Lease and those contained in such Memorandum of Lease, the terms and provisions of this Lease shall control. Landowner further consents to the recordation of the interest of any Solar Facility Mortgagee, Interested Party or assignee of Company's interest in this Lease.

17.5. Notices. All notices pursuant to this Lease shall be in writing and shall be sent only by the following methods: (i) personal delivery, (ii) mail (first-class, certified, return-receipt requested, postage prepaid), or (iii) delivery by an overnight courier service which keeps records of deliveries (such as, by way of example but not limitation, Federal Express and United Parcel Service). For purposes of giving notice hereunder, the respective addresses of the parties are, until changed as hereinafter provided, the following:

To Landowner:

Lamesa Economic Development Corporation
123 Main Street
Lamesa, Texas 79331

City of Lamesa, Texas
Lamesa City Hall
601 S. 1st Street
Lamesa, Texas 79331

With Copy to:

Russell Casselberry
211 North Houston Avenue
Lamesa, Texas 79331

To Company:

BNB Renewable Energy Holdings LLC
371 Gordon Drive
Exton, PA 19341
Attn: Jonathan Butcher
Phone: (484) 875- 4110
Fax: (484) 875-4141

With Copy to:

Jonathan Nicholas
325 Hudson Street
9th Floor
New York, NY 10013

17.6. Change of Address. Any Party may change its address at any time by giving written notice of such change to the other Party in the manner provided herein. All notices shall be deemed given on the date of personal delivery or, if mailed by certified mail or overnight courier, on the delivery date or attempted delivery date shown on the return-receipt.

17.7. Entire Agreement/Amendments. This Lease and the attached Exhibits constitute the entire agreement between Landowner and Company regarding its subject matter, and replace and supersede any prior agreements and understandings between the Parties relating thereto whether written, verbal or otherwise. This Lease shall not be modified or amended except in a writing signed by both Parties or their lawful successors in interest.

17.8. Interpretation. The Parties agree that any rule of construction to the effect that ambiguities are to be resolved in favor of either Party shall not be employed in the interpretation of this Lease.

17.9. Partial Invalidity. Should any provision of this Lease be held, in a final and unappealable decision by a court of competent jurisdiction, to be invalid, void or unenforceable, the remaining provisions hereof shall remain in full force and effect, unimpaired by the holding. Notwithstanding any other provision of this Lease, in no event shall the Term be for longer periods than permitted by applicable law.

17.10. Time of Essence. Time is of the essence with regard to the terms and conditions of this Lease.

17.11. Waiver. No provision of the Lease will be deemed waived by either party unless expressly waived in writing signed by the waiving party. No waiver will be implied by delay or any other act or omission of either party. No waiver by either party of any provision of this Lease

will be deemed a waiver of such provision with respect to any subsequent matter relating to such provision.

17.12. Survival. Whether or not specifically noted within any section or provision of this Lease, any provision of this Lease which must survive termination of this Lease in order to be effective will so survive such termination.

17.13. Force Majeure. Notwithstanding any other provision of this Lease, if Lessee's performance of this Lease or of any obligation under the Lease is interfered with, delayed, restricted or prevented, in whole or in part, by reason of an event of Force Majeure, then Lessee, upon giving notice to Landowner, shall be excused from such performance (but not from its obligation to pay Rent) to the extent and for the duration of such interference, delay, restriction or prevention, and the term of this Lease and any other time periods set forth herein shall continue and be extended for a like period of time.

17.14. Counterparts. This Lease may be executed in counterparts, which taken together shall constitute one agreement, binding on all the parties hereto even though all the parties are not signatories to the original or the same counterpart.

* * * * *

EXHIBIT "B"

DESCRIPTION OF LEASED PROPERTY

All of that lot, parcel or tract of land comprised of the following two tracts:

TRACT ONE: All of the Northeast One-fourth (NE/4) of Section Eight (8), Block Thirty-five (35), T-5-N, T. & P. Ry. Co. Survey, in Dawson County, Texas;

SAVE AND EXCEPT a tract 210 feet by 210 feet out of the Northeast corner described by metes and bounds in Warranty Deed dated September 9, 1924, T. A. Miller to T. J. Farrow, recorded in Volume 34, Page 82, of the Deed Records of Dawson County, Texas; and

TRACT TWO: All of that 6.5 acre tract out of Section Five (5), Block Thirty-five (35), T-5-N, Certificate No. 2462, described by metes and bounds as follows:

BEGINNING at the Northeast corner of Section 8 and the Southeast corner of Section 5, for the Southeast corner of this tract;

THENCE N.14°45'W.34.5 varas to a point in the center of the Lamesa and Big Spring Road;

THENCE S.75°51'W.950 varas to a point in said road;

THENCE S.14°45'E.44.4 varas to a 1" iron pipe set in the center of the North line of said Section 8 and in the center of the South line of said Section 5;

THENCE N.75°15'E. 950 varas to the PLACE OF BEGINNING, containing 6.5 acres of land;

SAVE AND EXCEPT that 2.0504 acre tract described in that Right-of-way Deed from Annie Miller, et al, to the State of Texas dated August 16, 1949, recorded in Volume 101, Page 483, of the Deed Records of Dawson County, Texas;

SUBJECT TO that 210' X 210' tract conveyed to T. J. Farrow by Deed dated September 26, 1924, recorded in Volume 34, Page 82, of the Deed Records of Dawson County, Texas;

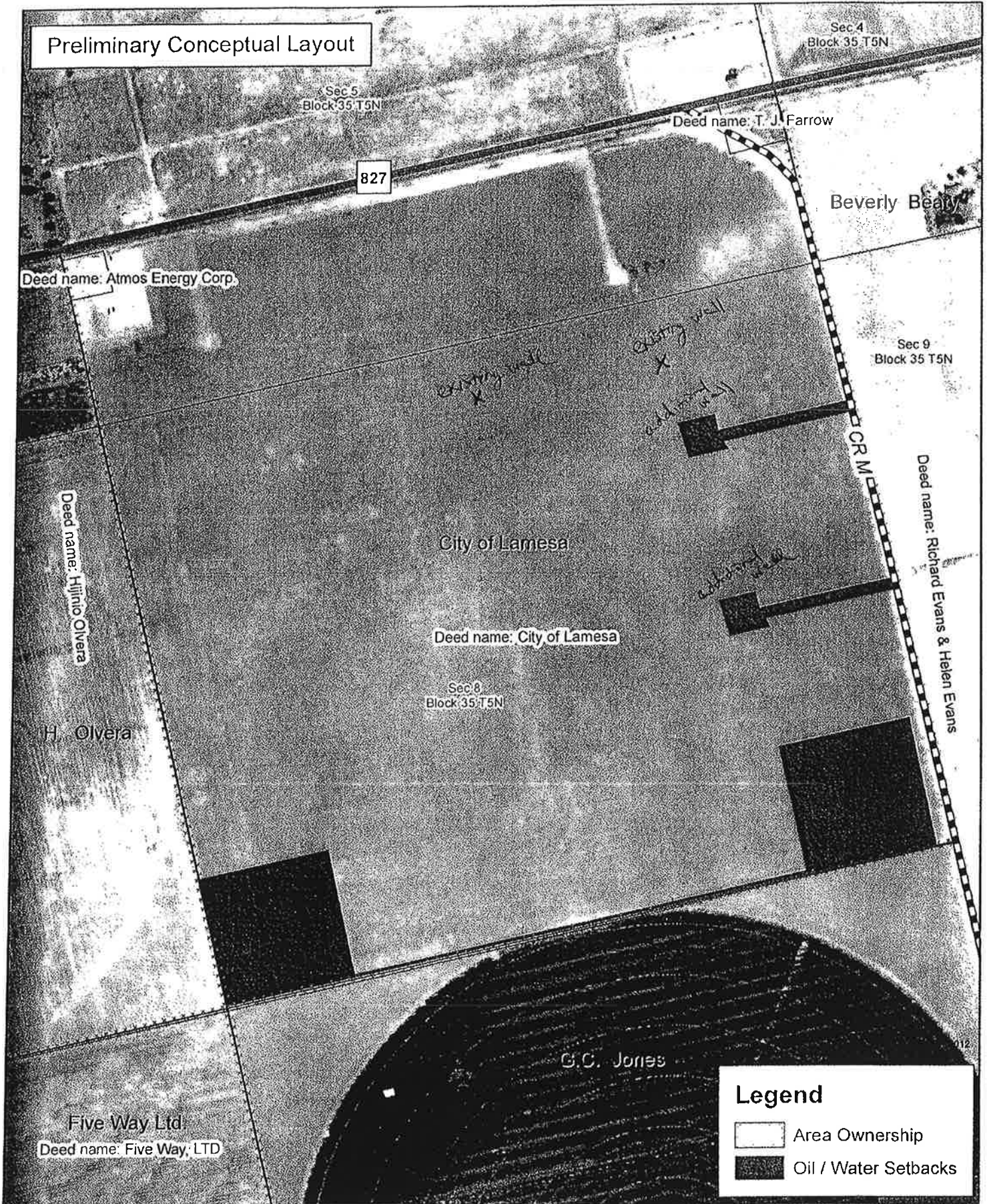
SAVE AND EXCEPT all of the North 300 feet of said tract of land.





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Experience Reliability Knowledge

EXHIBIT C TO SOLAR LEASE AGREEMENT
- LOCATION OF WATER WELLS -

Preliminary Conceptual Layout



Legend

-  Area Ownership
-  Oil / Water Setbacks

Lamesa Solar Project

Prepared by APS
July 31, 2014

ALEXANDER
PROJECT SERVICES

EXHIBIT D TO SOLAR LEASE AGREEMENT
- BASE RENT SCHEDULE -

Year	Per Acre	Year	Per Acre
1	\$400.00	26	\$580.38
2	\$406.00	27	\$589.08
3	\$412.09	28	\$597.92
4	\$418.27	29	\$606.89
5	\$424.55	30	\$615.99
6	\$430.91		
7	\$437.38		
8	\$443.94		
9	\$450.60		
10	\$457.36		
11	\$464.22		
12	\$471.18		
13	\$478.25		
14	\$485.42		
15	\$492.70		
16	\$500.09		
17	\$507.59		
18	\$515.21		
19	\$522.94		
20	\$530.78		
21	\$538.74		
22	\$546.82		
23	\$555.03		
24	\$563.35		
25	\$571.80		

EXHIBIT E TO SOLAR LEASE AGREEMENT

- OIL AND GAS TRACTS -

Two (2) quadrilaterals with sides of equal length, each five (5) acres in size, located in the Southeast and Southwest corners of the leased property.

0 250 500 1,000 Feet
0 0.25 0.5 Miles



Lamesa Solar

PHOTO: NAIP 2012
Prepared by GPS
Nov 5, 2014

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EXHIBIT F TO SOLAR LEASE AGREEMENT

- PROTECTED PROPERTY -

All of that portion of the North 300 feet of the property described in the following two Warranty Deeds which is now owned by Landowner:

TRACT ONE: All of the Northeast One-fourth (NE/4) of Section Eight (8), Block Thirty-five (35), T-5-N, T. & P. Ry. Co. Survey, in Dawson County, Texas;

SAVE AND EXCEPT a tract 210 feet by 210 feet out of the Northeast corner described by metes and bounds in Warranty Deed dated September 9, 1924, T. A. Miller to T. J. Farrow, recorded in Volume 34, Page 82, of the Deed Records of Dawson County, Texas; and

TRACT TWO: All of that 6.5 acre tract out of Section Five (5), Block Thirty-five (35), T-5-N, Certificate No. 2462, described by metes and bounds as follows:

BEGINNING at the Northeast corner of Section 8 and the Southeast corner of Section 5, for the Southeast corner of this tract;

THENCE N.14°45'W.34.5 varas to a point in the center of the Lamesa and Big Spring Road;

THENCE S.75°51'W.950 varas to a point in said road;

THENCE S.14°45'E.44.4 varas to a 1" iron pipe set in the center of the North line of said Section 8 and in the center of the South line of said Section 5;

THENCE N.75°15'E. 950 varas to the PLACE OF BEGINNING, containing 6.5 acres of land;

SAVE AND EXCEPT that 2.0504 acre tract described in that Right-of-way Deed from Annie Miller, et al, to the State of Texas dated August 16, 1949, recorded in Volume 101, Page 483, of the Deed Records of Dawson County, Texas;

SUBJECT TO that 210' X 210' tract conveyed to T. J. Farrow by Deed dated September 26, 1924, recorded in Volume 34, Page 82, of the Deed Records of Dawson County, Texas.

COPY

NOTICE OF CONFIDENTIALITY: PURSUANT TO TEXAS PROPERTY CODE SECTION 11.008, IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER, OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS §
 §
COUNTY OF DAWSON §

KNOW ALL MEN BY THESE PRESENTS:

FIRST AMENDMENT OF SOLAR ENERGY LEASE AGREEMENT

This First Amendment of Solar Energy Lease Agreement (hereinafter the "*Amendment*") is entered into by and between the Lamesa Economic Development Corporation and the City of Lamesa, Texas (hereinafter "*Landowner*" whether one or more) and BNB Lamesa Solar LLC, a Delaware limited liability company ("*Company*"), effective as of the Effective Date of the Lease.

RECITALS:

A. Landowner and Company (or Company's predecessor BNB Renewable Energy Holdings LLC, as applicable) mutually executed a Solar Energy Lease Agreement on or about the Effective Date (hereinafter referred to as the "*Lease*"), a Memorandum of which is recorded at Volume 758, Page 307, Official Public Records of Dawson County, Texas for the purpose of developing and operating a portion of a solar to electricity power generation project on the land described on Schedule A attached hereto.

B. Landowner and Company desire to amend certain portions of the Lease.

NOW, THEREFORE, for and in consideration of the aforementioned recitals, the mutual covenants of the Parties hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landowner and Company agree as follows:

1. Defined Terms. Capitalized terms used in this Amendment without definition shall have the meanings given such terms in the Lease.

2. Amendment to Description of Leased Property. Exhibit "B" as attached to the Lease, and referenced in Section 1.1 of the Lease, is hereby replaced and corrected by Schedule "A" attached to this Amendment. The Parties represent and agree that the lands described in the attached Schedule "A" is a more particular description of the Leased Property described on Exhibit "B" and on Exhibit "D" attached to the Lease and is included for the purpose of clarifying, confirming and ratifying the lease of the Leased Property described on Exhibit "B" attached to the Lease.

3. Amendment to Final Survey Requirement. Section 3 of the Lease is deleted in its entirety and replaced with the following:

“Within thirty (30) days after the Commercial Operations Date (as defined below), Company shall cause to be prepared, at Company’s sole expense, one or more surveys of the Leased Property and the Oil and Gas Tracts (defined in Section 9.5 below). Landowner shall cooperate therewith. Company shall provide five (5) copies of such survey(s) to Landowner. Upon completion of the survey(s), the Parties shall amend this Lease to include a metes and bounds description of the Leased Property and the Oil and Gas Tracts based on such survey(s). For the purpose of this Section 3, “*Commercial Operations Date*” means the date on which at least ninety percent (90%) of the solar arrays in the Solar Energy Project begin delivering electricity to the electric utility grid in commercial quantities”.

4. Amendment to Description of Oil and Gas Tracts. Exhibit “D” as attached to the Lease, and referenced in Section 9.5 of the Lease, is hereby replaced and corrected by Schedule “B” attached to this Amendment. The Parties represent and agree that the lands depicted in the attached Schedule “B” is a more particular description of the property described on Exhibit “D” attached to the Lease and is included for the purpose of clarifying, confirming and ratifying the location of the Oil and Gas Tracts.

5. Lender Protection Amendment. Section 10.2(a) of the Lease is deleted in its entirety and replaced with the following:

“A Solar Facility Mortgagee shall have the absolute right to do one, some or all of the following things: (i) assign its Solar Facility Mortgagee’s Lien; (ii) enforce its Solar Facility Mortgagee’s Lien; (iii) acquire title (whether by foreclosure, assignment in lieu of foreclosure or other means) to (A) the Solar Energy Estate or (B) any sublease, subeasement or co-easement or similar agreement created pursuant to Section 11; (iv) take possession of and operate the Property and the Project or any portion thereof and perform any obligations to be performed by Company or any assignee hereunder or under such assignee’s agreement with Company or Landowner, as may be applicable, or cause a receiver to be appointed to do so; (v) assign or transfer the Solar Energy Estate to a third party; or (vi) exercise any rights of Company or any assignee hereunder or under such assignee’s agreement with Company or Landowner, as may be applicable. Landowner’s consent shall not be required for any of the foregoing; and, upon acquisition of the Solar Energy Estate by a Solar Facility Mortgagee or any other third party who acquires the same from or on behalf of the Solar Facility Mortgagee, Landowner shall recognize the Solar Facility Mortgagee or such other party (as the case may be) as Company’s proper successor, and this Agreement or such Assignee’s agreement shall remain in full force and effect.

6. Assignment by Landowner Amendment. Section 11.1 of the Lease is modified by adding the following language to the end of the section:

"Notwithstanding the foregoing, Company shall have no obligation to recognize any assignment by Landowner of its rights to receive payments under this Lease or any other rights under this Lease until thirty (30) days following Company's receipt of written notice of such assignment along with a copy of the documents assigning such rights in a form reasonably satisfactory to Company."

7. Confidentiality Amendment. Section 17 of the Lease is modified by adding new subsection 17.15 that reads as follows:

"Confidentiality. Landowner shall maintain in the strictest confidence, for the sole benefit of Company, all information pertaining to the terms and conditions of this Lease, including, without limitation, the financial terms of, and payments under, this Lease, Company's site design and product design, methods of operation, methods of construction, power production or availability of the Solar Facility Equipment, and the like, whether disclosed by Company or discovered by Landowner, unless such information is in the public domain by reason of prior publication. Landowner shall not use such information for its own benefit, publish or otherwise disclose it to others, or permit its use by others. This provision shall survive the termination or expiration of this Lease."

8. Amendment to Confirm Nature of Estates Bound. Section 17 of the Lease is modified by adding new subsection 17.17 that reads as follows:

"Application of Lease to Surface and Mineral Estates. The rights, duties and obligations of the Parties in and to this Lease shall burden, attach and apply to Landowner's ownership interest in both the surface and mineral estates to the full extent that either or both are owned in whole or in part by Landowner."

9. Estoppel. The Parties represent and agree that with respect to each of them as of the Effective Date and continuing through to the date that this Amendment is executed by Landowner as acknowledged in the notary block (the "*Execution Date*"): (a) all money required to be paid under the Lease has been paid in full and on time, (b) all other duties and obligations required under the Lease have been fully met and performed, (c) no disputes, proceedings, claims, counterclaims, defenses, rights of offset or setoffs arising out of the Lease or the Property (including, without limitation, condemnation proceedings) exist in favor of or against either Party and, to the best of each Party's knowledge, no such claims or disputes have been made by any third party, (d) no event has occurred that either is an event of default or, with the passage of time (after notice, if any, required by the Lease), would become an event of default under the Lease, (e) the Lease has been duly executed by and delivered to all required persons and remains in full force and effect, and (f) both parties remain ready, willing and able to meet and deliver those things that are required of them under the Lease. Each Party makes the foregoing representations and, as of the Effective Date and the Execution Date, confirms and ratifies the representations and statements made in the Lease by each Party to the other with the knowledge and understanding that the other Party may rely upon them for all purposes.

10. Miscellaneous.

(a) Except as modified hereby, the Lease is valid and shall remain in full force and effect. The Lease as modified by this Amendment shall be binding upon Landowner and Company and their respective heirs, successors, personal representatives and assigns.

(b) If any inconsistency exists or arises between the terms of the Lease and the terms of this Amendment, the terms of this Amendment shall prevail.

(c) This Amendment shall be governed by the laws of the State of Texas and is performable in Dawson County, Texas.

(d) This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original.

(e) As modified by this Amendment, the original Lease is ratified, approved and confirmed, and this Amendment is deemed to be part of the original Lease. To the extent that all or any portion of the Lease has lapsed or terminated for any reason, Landowner by this Amendment grants, executes, issues and delivers a new Lease to Company effective at the same time and on the same terms as the Lease as modified by this Amendment as if all or any portion of the Lease had never lapsed or terminated.

(f) This Amendment is binding on the Parties, together with their heirs, successor and assigns.

(g) The Lease as modified by this Amendment constitutes the entire agreement between Landowner and the Company (including its affiliates) with respect to the subject matter contained herein and there are no other covenants, agreements, or understandings between Landowner and the Company (including its affiliates) other than as set forth in the Lease and this Amendment.

IN WITNESS WHEREOF, the Parties have placed their signatures below, effective as of the Effective Date.

(Signature Page to Follow)

Landowner:

Lamesa Economic Development Corporation

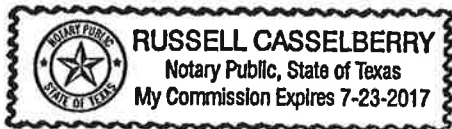
By: Scott Leonard
Scott Leonard, President

City of Lamesa, Texas

By: Dave Nix
Dave Nix, Mayor

THE STATE OF Texas §
§
COUNTY OF Dawson §

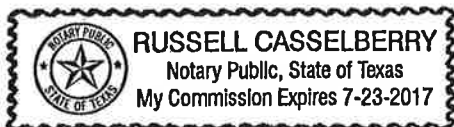
This instrument was acknowledged before me on the 13th day of September, 2015, by Scott Leonard, President of Lamesa Economic Development Corporation.



Russell Casselberry
Notary Public, State of Texas

THE STATE OF Texas §
§
COUNTY OF Dawson §

This instrument was acknowledged before me on the 13th day of September, 2015, by Dave Nix, Mayor of the City of Lamesa, Texas.



Russell Casselberry
Notary Public, State of Texas

Company:

BNB LAMESA SOLAR LLC

By: BNB Renewable Energy Holdings LLC
Its Sole Member

By: Jonathan Butcher
Jonathan Butcher, President,
Butcher Energy Corp,
a Managing Member of BNB Renewable Energy Holdings LLC

COMPANY ACKNOWLEDGEMENT:

THE STATE OF PENNSYLVANIA

§

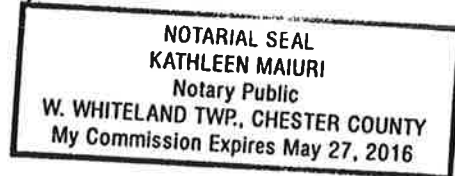
§

COUNTY OF CHESTER

§

This instrument was acknowledged before me on this 15th day of Sept, 2015, by Jonathan Butcher, President, Butcher Energy Corp, a managing member of BNB Renewable Energy Holdings LLC, a Delaware limited liability company, the sole member of BNB Lamesa Solar LLC, Delaware liability company.

Kathleen Maiuri
Notary Public in and for the State of PA



SCHEDULE "A"

BEING 118.370 ACRES OF LAND LYING IN AND BEING SITUATED OUT OF THE NORTHEAST QUARTER OF SECTION 8, BLOCK 35, TOWNSHIP 5 NORTH, ABSTRACT NO.937, T & P RR CO. SURVEY, IN DAWSON COUNTY, TEXAS, AND BEING A PORTION OF THAT CERTAIN TRACT CONVEYED TO LAMESA ECONOMIC DEVELOPMENT CORPORATION BY DEED RECORDED IN VOLUME 483, PAGE 663 OF THE DEED RECORDS OF DAWSON COUNTY, TEXAS; SAID 118.370 ACRES OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS AND AS SURVEYED UNDER THE SUPERVISION OF JOHN F. WATSON & COMPANY FROM NOVEMBER 2014 TO JULY 2015:

BEGINNING at an iron rod set in the common line of said Section 8 and Section 9 of said Block 35, T & P RR Co. Survey, for the northeast corner hereof and from which the northeast corner of said Section 8 bears North 12 degrees 50 minutes 12 seconds West a distance of 676.55 along said common line and from said northeast corner of Section 8 a railroad spike found bears North 07 degrees 58 minutes 16 seconds West a distance of 94.15 feet;

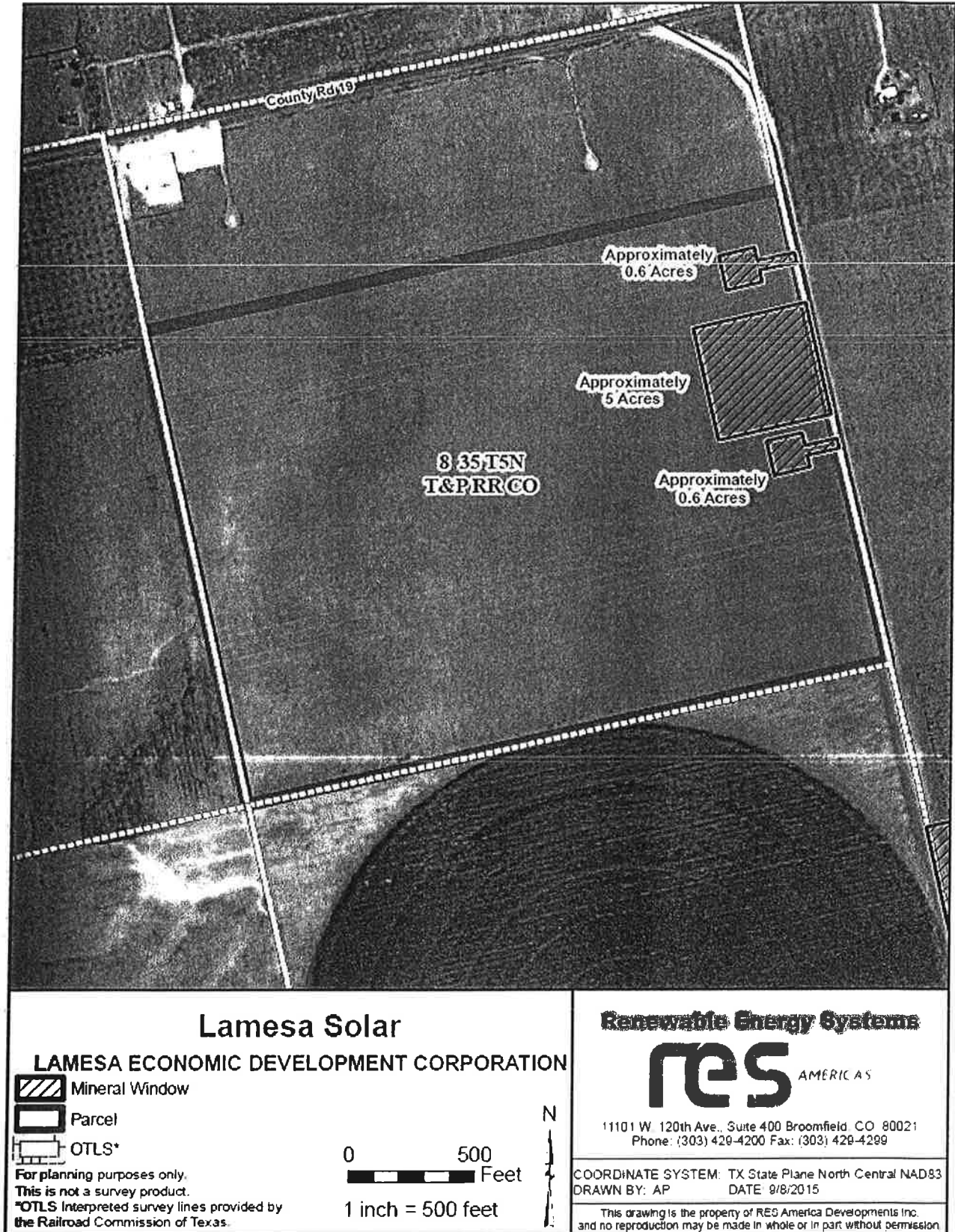
THENCE South 12 degrees 50 minutes 12 seconds East a distance of 1962.69 feet along said common line to a point for the northeast corner of that certain tract conveyed to Gary Cecil Jones by deed recorded in Volume 615, Page 101 of the Official Public Records of Dawson County, Texas and the southeast corner hereof and from which a 120D nail found for the southeast corner of said Section 8 bears South 12 degrees 50 minutes 12 seconds East a distance of 2639.24 feet and from said southeast corner hereof a ½ inch iron rod with cap found bears South 55 degrees 44 minutes 22 seconds West a distance of 23.84 feet;

THENCE South 77 degrees 18 minutes 17 seconds West a distance of 2624.62 feet along the north line of said Jones tract to a point for the northwest corner of said Jones tract, the northeast corner of that certain 99 acre tract conveyed as Tract 1 to Five Way, Ltd. by deed recorded in Volume 698, Page 317 of said official public records, the southeast corner of that certain tract conveyed to Hijinio and Maribel Olvera by deed recorded in Volume 489, Page 339 of said deed records and the southwest corner hereof and from which a 1/2 inch iron rod with cap found bears South 03 degrees 43 minutes 59 seconds East a distance of 9.16 feet;

THENCE North 12 degrees 56 minutes 41 seconds West a distance of 1963.68 feet along the east line of said Olvera tract to an iron rod set in for the northwest corner hereof;

THENCE North 77 degrees 19 minutes 34 seconds East a distance of 2628.32 to the **POINT OF BEGINNING** and containing 118.370 Acres of land, more or less.

SCHEDULE "B"



City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 9

Subject: **AMENDING TAX ABATEMENT WITH BNB LAMESA SOLAR LLC**
Proceeding: Resolution
Submitted by: City Attorney
Exhibits: Agreement, Resolution
Authority: Texas Tax Code, Chapter 312

SUMMARY STATEMENT

Consider passing a resolution approving an amended Tax Abatement Agreement with BNB Lamesa Solar LLC for tax abatement for property in the Lamesa Solar Reinvestment Zone and authorizing the Mayor of the City of Lamesa to execute the agreement on behalf of the City.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to _____ Motion
seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

BNB Lamesa Solar LLC has requested non-substantive changes to the Tax Abatement Agreement approved by the City Council at its meeting on September 15, 2015.
Recommend approval.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS, APPROVING AN AMENDED TAX ABATEMENT AGREEMENT WITH BNB LAMESA SOLAR LLC FOR TAX ABATEMENT FOR PROPERTY IN THE LAMESA SOLAR REINVESTMENT ZONE AND AUTHORIZING THE MAYOR OF THE CITY OF LAMESA TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY

On this the 20th day of October, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act; (Texas Government Code Chapter 551); there being a quorum present and acting throughout the meeting, the following resolution was formally submitted by motion and duly seconded for the consideration and action of the meeting to wit:

WHEREAS, the City of Lamesa has by resolution passed on September 15, 2015, authorized a tax abatement agreement with BNB Lamesa Solar LLC; and

WHEREAS, BNB Lamesa Solar LLC has requested non-substantive changes in the tax abatement agreement; and

WHEREAS, the City of Lamesa finds that it is in the best interest of the City and its citizens that the City of Lamesa to enter into such amended Tax Abatement Agreement.

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

That the City of Lamesa amend the Tax Abatement Agreement with BNB Lamesa Solar LLC for tax abatement for property located within the Lamesa Solar Reinvestment Zone by executing a Tax Abatement Agreement upon the terms set out in the copy of such tax abatement agreement attached to this resolution; and

That the Mayor of the City of Lamesa be, and he is hereby, authorized to execute such Tax Abatement Agreement on behalf of the City of Lamesa.

Upon being put to a vote, the resolution was Passed, Approved, and Adopted this 20th day of October, 2015 by a majority vote and ordered to be spread upon the minutes of the City Council of the City of Lamesa, Texas, and recorded in the resolution book thereafter.

ATTEST:

Shawna D. Burkhart, City Manager

APPROVED:

Dave Nix, Mayor

tangible items necessary to the operation and administration of the project or facility; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code and the Guidelines. Taxes on Real Property may be abated only to the extent the property's value for a given year exceeds its value for the year in which the Agreement is executed. Tangible personal property located on the Real Property at any time before the period covered by the Agreement is not eligible for Abatement. Tangible personal property eligible for Abatement shall not include inventory or supplies.

F. "Improvements" means Eligible Property meeting the definition for Improvements provided by Chapter 1 of the Texas Tax Code and includes, but is not limited to, any building, structure, or fixture erected or affixed to the land.

G. "Real Property" means Eligible Property meeting the description for real property provided by Chapter 1 of the Texas Tax Code.

H. "Reinvestment Zone" means the reinvestment zone, as that term is defined in Chapter 312 of the Texas Tax Code, created by the City Council of the City of Lamesa by Ordinance No. O-03-15 duly passed by the City Council of the City of Lamesa on January 20, 2015, and on February 17, 2015, and included as Exhibit B to this Agreement.

I. "Site" means all of or the portion of the Reinvestment Zone on which Owner makes the Improvements for which the Abatement is granted hereunder.

J. "Solar Module Nameplate Capacity" means the total generating capacity measured in Megawatts (AC) stated by the manufacturer for all solar modules to be constructed as Improvements by Owner hereunder.

III. Improvements in Reinvestment Zone

Conditioned upon Owner obtaining successful financing to purchase and operate the Improvements, Owner agrees to make the following Improvements in consideration for the Abatement set forth in Paragraph IV of this Agreement:

A. Owner intends to construct Improvements on the Site consisting of a solar powered electric generation facility consisting of PV panels producing approximately one hundred (100) megawatts AC to two hundred (200) megawatts AC of Solar Module Nameplate Capacity.

B. Improvements also shall include but not be limited to any and all other property in the Reinvestment Zone meeting the definition of Eligible Property that is used to produce solar-generated electricity and perform other functions related to the production, distribution and transmission of electric power. City agrees that the solar modules/panels, racking and mounting structures, inverter boxes, meteorological equipment, roads, electrical collection systems, operations and maintenance facilities, transmission lines, substations, and other related materials affixed to the land are fixtures that will constitute Improvements under this Agreement.

IV. Term and Portion of Tax Abatement; Taxability of Property

A. The City and Owner specifically agree and acknowledge that the property in the Reinvestment Zone shall be taxable in the following ways before and during the term of the Agreement:

1. Property not eligible for Abatement, if any, shall be fully taxable;
2. The Certified Appraised Value of property existing within the City's taxing jurisdiction and within the Reinvestment Zone prior to execution of this Agreement shall be fully taxable for the full term of this Agreement;
3. 100% of property taxes levied on the Certified Appraised Value of real and personal property located within the City's taxing jurisdiction and within the Reinvestment Zone are payable prior to commencement of the abatement periods designated in Paragraph IV(B) below;
4. 100% of City property taxes on the Certified Appraised Value of Eligible Property shall be abated as provided for by Paragraph IV(B) below; and
5. 100% of the Certified Appraised Value of Eligible Property existing within the City's taxing jurisdiction and within the Reinvestment Zone shall be fully taxable after expiration of the abatement period(s) applicable to that property as designated in Paragraph IV(B).

B. The City and Owner specifically agree and acknowledge that this Agreement shall provide for Abatement, under the conditions set forth herein, of all City ad valorem property taxes as follows:

1. Beginning on the Effective Date and ending upon the conclusion of ten full calendar years thereafter, Abatement is granted as of January 1 of each tax year as follows:
 - a. 100% of property taxes on the Certified Appraised Value of all Improvements described in the Certificate (and actually in place in the Reinvestment Zone) are abated; and
 - b. 100% of property taxes on the Certified Appraised Value of any and all otherwise taxable personal property owned by Owner and brought onto the Reinvestment Zone after this Agreement is executed are abated.
2. The base year value for the proposed Improvements is zero.

C. A portion or all of the Improvements may be eligible for complete or partial exemption from ad valorem taxes as a result of existing law or future legislation.

This Agreement is not to be construed as evidence that no such exemptions shall apply to the Improvements.

V. Representations

The City and Owner make the following representations:

A. Owner represents and agrees that (i) Owner will have a taxable interest with respect to Improvements to be placed on the property; (ii) consideration of the proposed Improvements will be performed by the Owner and/or their contractors or subcontractors, (iii) Owner's use of the property in the Reinvestment Zone is limited to that which is consistent with the general purpose of encouraging development or redevelopment of the area during the period of the Abatement, and (iv) all representations made in the Application for Abatement are true and correct to the best of Owner's knowledge.

B. The City represents that (i) the Reinvestment Zone and this Agreement have been created by the City and that the City is authorized to enter into this Agreement and to provide the tax abatement set forth in this Agreement; (iii) that the property within Reinvestment Zone is located within the legal boundaries of the City and (iv) the City has made and will continue to make all required filings with the Office of the Comptroller of Public Accounts and other governmental entities concerning the Reinvestment Zone and this Agreement.

VI. Access to and Inspection of the Property by District Employees

A. Owner shall allow the City's employees access to the Improvements for the purposes of inspecting any Improvements erected to ensure that the same are conforming to the minimum specifications of Paragraph III of this Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving Owner twenty-four (24) hours notice and shall be conducted in such a manner as to avoid any unreasonable interference with the construction and/or operation of the Improvements. All such inspections shall be made with one (1) or more representatives of Owner in accordance with all applicable safety standards.

B. Owner shall, within ninety (90) days preceding each April 15, also certify annually to the City its compliance with this Agreement by providing written testament to the same to the City Manager of the City of Lamesa.

VII. Default, Remedies and Limitation of Liability

A. The City may declare a default if Owner breaches any material term or condition of this Agreement. If the City declares a default of this Agreement, this Agreement shall terminate, after notice and opportunity to cure as provided for below, or

the City may modify the Agreement upon mutual agreement with Owner. If Owner believes that such termination was improper, Owner may file suit for injunctive relief in the proper court challenging such termination and no such termination shall occur until a final non-appealable order or judgment has been obtained confirming such termination. The City shall not declare a default, and no default will be deemed to have occurred, when the circumstances giving rise to such declaration are the result of "force majeure," "Force majeure" means any contingency or cause beyond the reasonable control of Owner including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, governmental or de facto governmental action (unless caused by acts or omissions of Owner), fires, explosions or floods, tornadoes, and strikes.

B. The City shall notify Owner of any default in writing in the manner prescribed herein. The notice shall specify the basis for the declaration of default, and Owner shall have sixty (60) days from the date of such notice to cure any default, except that where fulfillment of any obligation requires activity over a period of time, performance shall be commenced within sixty (60) days after the receipt of notice, and such performance shall be diligently continued until the default is cured. The City shall also provide the same default notice and opportunity to cure to any party providing financing of the Improvements for the benefit of Owner, provided that Owner first provides the City the identity of the party providing such financing, together with the address to which the default notice should be sent.

C. As required by Section 312.205 of the Texas Tax Code, if Owner fails to make the Improvements as provided for by this Agreement, the City shall be entitled to cancel or modify the Agreement and recapture property tax revenue lost as a result of the Agreement, subject to the above provisions regarding notice and right to cure.

D. By and provided that all conditions precedent set forth in this Agreement have been fulfilled, City and Owner have agreed under Chapter 312 of the Texas Tax Code that Owner will make the improvements and take other actions specified in this Agreement in exchange for Abatement from the City on those Improvements. Cancellation or modification of the Agreement and recapture of property taxes, as appropriate, along with any reasonably incurred costs and fees, shall be the City's sole remedy in the event Owner fails to make the specified Improvements or take other action required by this Agreement.

E. Any notice of default under this Agreement shall be sent to Owner in the manner provided for in this Agreement and shall prominently state the following at the top of the notice:

NOTICE OF DEFAULT UNDER TAX ABATEMENT AGREEMENT

YOU ARE HEREBY NOTIFIED OF THE FOLLOWING DEFAULT UNDER YOUR TAX ABATEMENT AGREEMENT WITH THE DISTRICT. FAILURE TO CURE THIS DEFAULT WITHIN SIXTY DAYS OF NOTICE OR OTHERWISE CURE THE DEFAULT AS PROVIDED BY THE AGREEMENT SHALL RESULT IN TERMINATION OF THE TAX ABATEMENT AGREEMENT AND, IF THE DEFAULT INVOLVES

To the City: City Manager
City of Lamesa
601 South 1st Street
Lamesa, TX 79331

Any party may designate a different address by giving the other party ten (10) days written notice in the manner prescribed above.

A notice of default under this Agreement shall not be considered to have been received unless the City has received written confirmation that the party to whom the notice was addressed or his agent received such notice, including a certificate of receipt from the Post Office or other form of written confirmation.

XI. Severability

In the event any section or other part of this Agreement is held invalid, illegal, factually insufficient, or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid section or other part. In the event that (i) the term of the Abatement with respect to any property is longer than allowed by law, or (ii) the Abatement applies to a broader classification of property than is allowed by law, then the Abatement shall be valid with respect to the classification of property not deemed overbroad, and for the portion of the term of the Abatement not deemed excessive. Any provision required by the Texas Tax Code to be contained herein that does not appear herein is incorporated herein by reference.

XII. Applicable Law

This Agreement shall be construed under the laws of the State of Texas.

XIII. Amendment

Except as otherwise provided, this Agreement may be modified by the parties hereto upon mutual consent to include other provisions which could have originally been included in this Agreement or to delete provisions that were not originally necessary to this Agreement pursuant to the procedures set forth in Chapter 312 of the Texas Tax Code.

XIV. Guidelines and Criteria

To the extent this Agreement modifies any requirement or procedure set forth in the Guidelines, the Guidelines are deemed amended for purposes of this Agreement only.

XV. Entire Agreement

This Agreement contains the entire and integrated Tax Abatement Agreement between the City and Owner, and supersedes any and all other negotiations and agreements, whether written or oral, between the parties. This Agreement has not been executed by either the Owner or the City in reliance upon any representation or promise except those contained herein.

XVI. Effective Date

This Agreement shall become effective on January 1st of the Calendar Year immediately following the Calendar Year in which the Owner provides the Certificate to the City. At Owner's option, however, this Agreement shall become effective on January 1st of the first Calendar Year following the Calendar Year in which installation of the Improvements at the Site commences (the "1st Abatement Year"). Exercise of said option by Owner shall only be effective if Owner delivers a written option exercise notice to the City before January 31st of the 1st Abatement Year. At any time after delivery of said notice, the City may inspect the property within the Reinvestment Zone to determine that the value of the Improvements that are in place and subject to abatement pursuant to this Agreement. Owner's obligation to make the first payment to the City as set forth in Section IV D above shall likewise accrue during the 1st Abatement Year.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the City as authorized by the City Council of the City of Lamesa, Texas, on the 20th day of October, 2015, and by the Owner on the _____ day of _____, 2015.

ATTEST/SEAL:

CITY OF LAMESA, TEXAS

By: _____
Dave Nix, Mayor

BNB LAMESA SOLAR LLC
a Delaware limited liability company

By: RES America Developments Inc.
its Manager

By: _____
Name: _____
Title: _____

Tax Abatement Agreement Between City of Lamesa, Texas, and BNB Lamesa Solar LLC

State of Texas)

)

County of Dawson)

This Tax Abatement Agreement (“the Agreement”) is made and entered into by and between the City of Lamesa, Texas, (“City”), acting through its duly authorized officers, and BNB Lamesa Solar LLC (“Owner”), owner of Eligible Property (as hereinafter defined) to be located on the tract of land comprising the Lamesa Solar Reinvestment Zone and specifically described in Exhibit A to this Agreement, and becomes effective as set forth in Section XVII hereof.

I. Authorization

This Agreement is authorized by the City Council of the City of Lamesa, Texas, acting generally under Chapter 312 of the Texas Tax Code ~~and Section 42.044 of the Texas Local Government Code~~, as amended and under the City of Lamesa Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones (the “Guidelines”).

II. Definitions

As used in this Agreement, the following terms shall have the meaning set forth below:

A. “Abatement” means the full or partial exemption from all City ad valorem taxes on property in a Reinvestment Zone.

B. “Calendar Year” means each year beginning on January 1 and ending on December 31.

C. “Certificate” means a letter, provided by Owner to the City, certifying that Owner has completed construction of the solar power project described herein, outlining the Improvements included in the project, and stating the overall Solar Module Nameplate Capacity of the project. Upon receipt of a Certificate, the City may inspect the property within the Reinvestment Zone in accordance with this Agreement to determine that the Improvements are in place as certified.

D. “Certified Appraised Value” means the appraised value, for property tax purposes, of the property within the Reinvestment Zone as certified by the Dawson County Appraisal District for each taxable year.

E. “Eligible Property” means property eligible for Abatement under the Guidelines, including: new, expanded or modernized buildings and structures; fixed machinery and equipment; Site improvements; related fixed improvements; other tangible items necessary to the operation and administration of the project or facility; and all other real and tangible personal property permitted by Chapter 312 of the Texas Tax Code and the Guidelines. Taxes on Real

Property may be abated only to the extent the property's value for a given year exceeds its value for the year in which the Agreement is executed. Tangible personal property located on the Real Property at any time before the period covered by the Agreement is not eligible for Abatement. Tangible personal property eligible for Abatement shall not include inventory or supplies.

F. "Improvements" means Eligible Property meeting the definition for Improvements provided by Chapter 1 of the Texas Tax Code and includes, but is not limited to, any building, structure, or fixture erected or affixed to the land.

G. "Real Property" means Eligible Property meeting the description for real property provided by Chapter 1 of the Texas Tax Code.

H. "Reinvestment Zone" means the reinvestment zone, as that term is defined in Chapter 312 of the Texas Tax Code, created by the City Council of the City of Lamesa by Ordinance No. O-03-15 duly passed by the City Council of the City of Lamesa on January 20, 2015, and on February 17, 2015, and included as Exhibit B to this Agreement.

I. "Site" means all of or the portion of the Reinvestment Zone on which Owner makes the Improvements for which the Abatement is granted hereunder.

J. "Solar Module Nameplate Capacity" means the total generating capacity measured in Megawatts (AC) stated by the manufacturer for all solar modules to be constructed as Improvements by Owner hereunder.

III. Improvements in Reinvestment Zone

Conditioned upon Owner obtaining successful financing to purchase and operate the Improvements, Owner agrees to make the following Improvements in consideration for the Abatement set forth in Paragraph IV of this Agreement:

A. Owner intends to construct Improvements on the Site consisting of a solar powered electric generation facility consisting of PV panels producing approximately one hundred ~~and fifty (150)~~ (100) megawatts AC to two hundred (200) megawatts AC of Solar Module Nameplate Capacity.

B. Improvements also shall include but not be limited to any and all other property in the Reinvestment Zone meeting the definition of Eligible Property that is used to produce solar-generated electricity and perform other functions related to the production, distribution and transmission of electric power. City agrees that the solar modules/panels, racking and mounting structures, inverter boxes, meteorological equipment, roads, electrical collection systems, operations and maintenance facilities, transmission lines, substations, and other related materials affixed to the land are fixtures that will constitute Improvements under this Agreement.

IV. Term and Portion of Tax Abatement; Taxability of Property

A. The City and Owner specifically agree and acknowledge that the property in the Reinvestment Zone shall be taxable in the following ways before and during the term of the Agreement:

1. Property not eligible for Abatement, if any, shall be fully taxable;
2. The Certified Appraised Value of property existing ~~in~~within the City's taxing jurisdiction and within the Reinvestment Zone prior to execution of this Agreement shall be fully taxable for the full term of this Agreement;
3. 100% of property taxes levied on the Certified Appraised Value of real and personal property located ~~in~~within the City's taxing jurisdiction and within the Reinvestment Zone are payable prior to commencement of the abatement periods designated in Paragraph IV(B) below;
4. 100% of City property taxes on the Certified Appraised Value of Eligible Property shall be abated as provided for by Paragraph IV(B) below; and
5. 100% of the Certified Appraised Value of Eligible Property existing ~~in~~within the City's taxing jurisdiction and within the Reinvestment Zone shall be fully taxable after expiration of the abatement period(s) applicable to that property as designated in Paragraph IV(B).

B. The City and Owner specifically agree and acknowledge that this Agreement shall provide for Abatement, under the conditions set forth herein, of all City ad valorem property taxes as follows:

1. Beginning on the Effective Date and ending upon the conclusion of ten full calendar years thereafter, Abatement is granted as of January 1 of each tax year as follows:
 - a. 100% of property taxes on the Certified Appraised Value of all Improvements described in the Certificate (and actually in place in the Reinvestment Zone) are abated; and
 - b. 100% of property taxes on the Certified Appraised Value of any and all otherwise taxable personal property owned by Owner and brought onto the Reinvestment Zone after this Agreement is executed are abated.
2. The base year value for the proposed Improvements is zero.

C. A portion or all of the Improvements may be eligible for complete or partial exemption from ad valorem taxes as a result of existing law or future legislation.

This Agreement is not to be construed as evidence that no such exemptions shall apply to the Improvements.

V. Representations

The City and Owner make the following representations:

A. Owner represents and agrees that (i) Owner will have a taxable interest with respect to Improvements to be placed on the property; (ii) consideration of the proposed Improvements will be performed by the Owner and/or their contractors or subcontractors, (iii) Owner's use of the property in the Reinvestment Zone is limited to that which is consistent with the general purpose of encouraging development or redevelopment of the area during the period of the Abatement, and (iv) all representations made in the Application for Abatement are true and correct to the best of Owner's knowledge.

B. The City represents that (i) the Reinvestment Zone and this Agreement have been created by the City and that the City is authorized to enter into this Agreement and to provide the tax abatement set forth in this Agreement; (iii) that the property within Reinvestment Zone is located within the legal boundaries of the City and (iv) the City has made and will continue to make all required filings with the Office of the Comptroller of Public Accounts and other governmental entities concerning the Reinvestment Zone and this Agreement.

VI. Access to and Inspection of the Property by District Employees

A. Owner shall allow the City's employees access to the Improvements for the purposes of inspecting any Improvements erected to ensure that the same are conforming to the minimum specifications of Paragraph III of this Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving Owner twenty-four (24) hours notice and shall be conducted in such a manner as to avoid any unreasonable interference with the construction and/or operation of the Improvements. All such inspections shall be made with one (1) or more representatives of Owner in accordance with all applicable safety standards.

B. Owner shall, within ninety (90) days preceding each April 15, also certify annually to the City its compliance with this Agreement by providing written testament to the same to the City Manager of the City of Lamesa.

VII. Default, Remedies and Limitation of Liability

A. The City may declare a default if Owner breaches any material term or condition of this Agreement. If the City declares a default of this Agreement, this Agreement shall terminate, after notice and opportunity to cure as provided for below, or the City may modify the Agreement upon mutual agreement with Owner. If Owner believes that such termination was improper, Owner may file suit for injunctive relief in the proper court challenging such termination and no such termination shall occur until a final non-appealable order or judgment has been obtained confirming such termination. The City shall not declare a default, and no default will be deemed to have occurred, when the circumstances giving rise to such declaration are the result of "force majeure," "Force majeure" means any contingency or cause beyond the reasonable control of Owner including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, governmental or de facto governmental action (unless caused by acts or omissions of Owner), fires, explosions or floods, tornadoes, and strikes.

B. The City shall notify Owner of any default in writing in the manner prescribed herein. The notice shall specify the basis for the declaration of default, and Owner shall have sixty (60) days from the date of such notice to cure any default, except that where fulfillment of any obligation requires activity over a period of time, performance shall be commenced within sixty (60) days after the receipt of notice, and such performance shall be diligently continued until the default is cured. The City shall also provide the same default notice and opportunity to cure to any party providing financing of the Improvements for the benefit of Owner, provided that Owner first provides the City the identity of the party providing such financing, together with the address to which the default notice should be sent.

C. As required by Section 312.205 of the Texas Tax Code, if Owner fails to make the Improvements as provided for by this Agreement, the City shall be entitled to cancel or modify the Agreement and recapture property tax revenue lost as a result of the Agreement, subject to the above provisions regarding notice and right to cure.

D. By and provided that all conditions precedent set forth in this Agreement have been fulfilled, City and Owner have agreed under Chapter 312 of the Texas Tax Code that Owner will make the improvements and take other actions specified in this Agreement in exchange for Abatement from the City on those Improvements. Cancellation or modification of the Agreement and recapture of property taxes, as appropriate, along with any reasonably incurred costs and fees, shall be the City's sole remedy in the event Owner fails to make the specified Improvements or take other action required by this Agreement.

E. Any notice of default under this Agreement shall be sent to Owner in the manner provided for in this Agreement and shall prominently state the following at the top of the notice:

NOTICE OF DEFAULT UNDER TAX ABATEMENT AGREEMENT

YOU ARE HEREBY NOTIFIED OF THE FOLLOWING DEFAULT UNDER YOUR TAX ABATEMENT AGREEMENT WITH THE DISTRICT. FAILURE TO CURE THIS DEFAULT WITHIN SIXTY DAYS OF NOTICE OR OTHERWISE CURE THE DEFAULT AS PROVIDED BY THE AGREEMENT SHALL RESULT IN TERMINATION OF THE TAX ABATEMENT AGREEMENT AND, IF THE DEFAULT INVOLVES FAILURE TO MAKE IMPROVEMENTS UNDER THE AGREEMENT, RECAPTURE OF TAXES ABATED PURSUANT TO THAT AGREEMENT.

VIII. Compliance with State and Local Regulations

Nothing in this Agreement shall be construed to alter or affect the obligations of Owner to comply with any order, rule, statute or regulation of the City or the State of Texas.

IX. Assignment of Agreement

This Agreement may be assigned, in whole or in part, by Owner, including but not limited to collateral assignments of the Agreement to any party providing financing to the Owner or an affiliate of Owner or to a new owner or new lessee provided that the Owner first shall provide written notice of such assignment to the City. Upon such assignment Owner shall remain liable to the City for all outstanding taxes and other obligations accrued under this Agreement prior to

the date of such assignment and the Owner's assignor shall be liable to the City for all outstanding taxes and other obligations accruing after the date of the assignment.

X. Notice

All notices shall be in writing and mailed by certified or registered mail. Any notice or other communication shall be deemed to be received three (3) days after the date of deposit in the United States mail. Unless otherwise provided in this Agreement, all notices shall be mailed to the following addresses:

To the Owner: BNB Lamesa Solar LLC

 One East Uwchlan Avenue

 Suite 403

 Exton, PA 19341

To the City: City Manager
 City of Lamesa
 601 South 1st Street
 Lamesa, TX 79331

Any party may designate a different address by giving the other party ten (10) days written notice in the manner prescribed above.

A notice of default under this Agreement shall not be considered to have been received unless the City has received written confirmation that the party to whom the notice was addressed or his agent received such notice, including a certificate of receipt from the Post Office or other form of written confirmation.

XI. Severability

In the event any section or other part of this Agreement is held invalid, illegal, factually insufficient, or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid section or other part. In the event that (i) the term of the Abatement with respect to any property is longer than allowed by law, or (ii) the Abatement applies to a broader classification of property than is allowed by law, then the Abatement shall be valid with respect to the classification of property not deemed overbroad, and for the portion of the term of the Abatement not deemed excessive. Any provision required by the Texas Tax Code to be contained herein that does not appear herein is incorporated herein by reference.

XII. Applicable Law

This Agreement shall be construed under the laws of the State of Texas.

XIII. Amendment

Except as otherwise provided, this Agreement may be modified by the parties hereto upon mutual consent to include other provisions which could have originally been included in this Agreement or to delete provisions that were not originally necessary to this Agreement pursuant to the procedures set forth in Chapter 312 of the Texas Tax Code.

XIV. Guidelines and Criteria

To the extent this Agreement modifies any requirement or procedure set forth in the Guidelines, the Guidelines are deemed amended for purposes of this Agreement only.

XV. Entire Agreement

This Agreement contains the entire and integrated Tax Abatement Agreement between the City and Owner, and supersedes any and all other negotiations and agreements, whether written or oral, between the parties. This Agreement has not been executed by either the Owner or the City in reliance upon any representation or promise except those contained herein.

XVI. Effective Date

This Agreement shall become effective on January 1st of the Calendar Year immediately following the Calendar Year in which the Owner provides the Certificate to the City. At Owner's option, however, this Agreement shall become effective on January 1st of the first Calendar Year following the Calendar Year in which installation of the Improvements at the Site commences (the "1st Abatement Year"). Exercise of said option by Owner shall only be effective if Owner delivers a written option exercise notice to the City before January 31st of the 1st Abatement Year. At any time after delivery of said notice, the City may inspect the property within the Reinvestment Zone to determine that the value of the Improvements that are in place and subject to abatement pursuant to this Agreement. Owner's obligation to make the first payment to the City as set forth in Section IV D above shall likewise accrue during the 1st Abatement Year.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the City as authorized by the City Council of the City of Lamesa, Texas, on the ____ day of _____, 2015, and by the Owner on the ____ day of _____, 2015.

ATTEST/SEAL:

CITY OF LAMESA, TEXAS

By: _____
Dave Nix, Mayor

BNB LAMESA SOLAR LLC

By: BNB Renewable Energy Holdings LLC

+-

By: _____

Name: Jonathan Butcher

Title: Managing Member

Document comparison by Workshare Compare on Tuesday, October 06, 2015
1:17:18 PM

Input:	
Document 1 ID	interwovenSite://IMANAGE/JWDOCS/14384406/3
Description	#14384406v3<JWDOCS> - Tax Abatement Lamesa City BNB - Draft - RC 07-30-15
Document 2 ID	interwovenSite://IMANAGE/JWDOCS/14384406/4
Description	#14384406v4<JWDOCS> - Tax Abatement Lamesa City BNB - Draft - RC 07-30-15
Rendering set	Standard

Legend:	
<u>Insertion</u>	
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Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:		
	Count	
Insertions		6
Deletions		6
Moved from		0
Moved to		0
Style change		0
Format changed		0
Total changes		12

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 10

Subject: **RATIFICATION OF TMRS CONTRIBUTION CORRECTIONS FOR EMPLOYEES HIRED AFTER AUGUST 2012**

Proceeding: Resolution

Submitted by: City Manager

Exhibits: Agreement, Resolution, Related Documents

Authority: City Personnel Policy, TMRS Contract and Related Documents

SUMMARY STATEMENT

Consider passing a resolution ratifying the TMRS Contribution Corrections for employees hired after August 2012.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to _____. Motion
seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

After notifying TMRS that the City needed to make corrections to employees' TMRS deposits, TMRS notified the City that it must make the corrections within 30 days from the date of notification. A check in the amount of \$35,616.00 was sent to TMRS on October 12, 2015. This resolution ratifies the TMRS payment made to correct errors in employee deposits. Employees will reimburse the City for the employee's portion during FY 2015/2016 through a lump sum payment or 22 bi-weekly deductions totaling \$23,192.46. **Recommend approval.**

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS,
RATIFYING THE CORRECTION OF TMRS CONTRIBUTIONS OF EMPLOYEES
HIRED AFTER AUGUST 2012.**

On the 20th day of October, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following resolution was formally submitted by motion and duly seconded for the consideration and action of the meeting, to-wit:

WHEREAS, the City Council of the City of Lamesa deems it in the best interest of the City of Lamesa to make a one-time correction to TMRS contributions of employees hired after the date of August 2012, to provide mandatory contributions for the first three months of service for each employee that did not receive TMRS deposits.

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

That the City of Lamesa, Texas, agrees to pay TMRS \$35,616.00 for the City's and employees' contributions, of which the \$23,192.46 will be reimbursed to the City for the employees' contribution by September 30, 2015, a copy of which is attached to this resolution; and

That the City Manager of the City of Lamesa be, and she is hereby, authorized to execute such payment is necessary to TMRS to correct employees' deposits, when executed by the City Manager of the City, shall be, in all respects, valid and binding upon the City of Lamesa in accordance with all of the provisions of such agreement. The City Council hereby ratifies this action dated October 12, 2015.

Upon being put to a vote, the resolution was Passed, Approved, and Adopted the 20th day of October, 2015, by a majority vote.

PASSED AND APPROVED the 20th day of October, 2015.

ATTEST

APPROVED:

Shawna D. Burkhart
City Manager

Dave Nix
Mayor

Summary of Monthly Payroll Report



☐ Regular ☐ Supplemental

Please Note: This form will no longer calculate percentages or contributions.

City Information		
City Number 722	City Name (required) LAMESA	Report for the Month/Year (required) /

City Certification

I certify this to be a true and complete report of the payroll information required by the Texas Municipal Retirement System for the above named city.


Signature of Authorized City Contact (required)

PERSONNEL DIRECTOR

Title

10/08/2015

Date (MM/DD/YYYY)

Remittance	Employee Deposit Rate	No. of Participants	Gross Earnings	Gross Earnings x Employee Deposit Rate	TMRS Use Only Employee Deposit Rate
1. EMPLOYEE: Totals from Employee Contributions Report (Form TMRS-2)			331,320.56	23,192.46	
2. MUNICIPALITY:			Municipal Contributions		
A. MUNICIPAL CONTRIBUTIONS: (Current Month) .0375 percentage of Employee Gross Earnings (Line 1)			+ 12,424.52		
B. Interest on late contributions (if postmarked after 15th)			+ 00.00		
C. ADD any remittance short for month of (explain below)**			+ 00.00		
D. SUBTRACT any remittance over for month of (explain below)**			- 00.00		
E. ANNUITY SUPPLEMENTS Account of Endowment Fund (if applicable)			+ 00.00		
F. MERGER TRUST Account of Endowment Fund (if applicable)			+ 00.00		
G. TOTAL MUNICIPAL CONTRIBUTIONS (Total of A, B, C, D, E, F)			12,424.52	23,192.46	
SUBTOTAL =					
3. TOTAL REMITTANCE SUBMITTED WITH THIS REPORT			TOTAL =	35,616.98	

** Explanation for adjustments (sections C or D):
CORRECTIONS FROM AUGUST 2012 thru SEPTEMBER 2015

For TMRS Use Only

Member Deposits Updated By

Date (MM/DD/YYYY)

Please read the instructions provided with this document.

TMRS • P.O. Box 149153 • Austin, Texas 78714-9153 • 800.924.8677 • 512.476.7577 • FAX 512.476.5576 • www.TMRS.com
TMRS - 0003 • Revised 7-2012 (instructions)



discretion of the City Manager. The City Manager may modify the circumstances or timing of the additional time off to accommodate shift workers.

7:03 Reserved

SECTION FOUR: RETIREMENT SYSTEM AND SOCIAL SECURITY

7:04.01. TEXAS MUNICIPAL RETIREMENT SYSTEM.

A. Membership.

Upon initial employment with the city , all full-time regular employees will automatically and mandatory become members, in the Texas Municipal Retirement System. Part-time, temporary, seasonal, and others exempted by State law are not eligible to enroll in the retirement system.
(Ref. State Law: Texas Municipal Retirement System)

B. Contributions.

- (1) **By the Employee.** Each employee member of the retirement system, will by payroll deduction, be required to contribute a set percentage, as set by city ordinance of their monthly salary to a retirement system account.
- (2) **By the City.** The City will also deposit an amount, equal to a set percentage of the employee's salary, to the employee's retirement system account.

C. Withdrawal of Deposits.

- (1) **Withdrawal of Employee's Contribution.** Any employee who leaves the service of the City will be eligible to withdraw any accumulated deposits from the employee's retirement account
- (2) **Withdrawal of the City's Contribution.** Any employee who leaves the service of the City and withdraws the accumulated deposits from the employee's retirement account will not be entitled to any deposits made by the City into said account.

7:04.02. SOCIAL SECURITY

All employees will make contributions by payroll deductions to the Social Security System as required by law. All employees upon commencement of employment with the City must possess a Social Security
(See 3:02.03.(C).(7). Verification of Information)

September 10, 2015



Ms. Irma Ramirez
Personnel Director
City of Lamesa
301 S 1st
Lamesa, TX 79331-6328

RE: Correction of Errors, Several Employees

Dear Ms. Ramirez :

In response to a recent request from you, this is to advise that Section 852.110 of the TMRS Act allows for a city to correct an error to a member's account. However, it only allows for retroactive correction of such an error for a period of four years from the date written application for correction is received in our office.

If the error occurred within the 4-year period, TMRS will need to receive the following:

- a signed statement from the City Manager indicating that an error has occurred, the circumstances for the error (reason), and that the City has agreed to correct the error; and,
 - One supplemental payroll report (TMRS-3) signed by the city with the words "Correction of Errors" written across the top. This additional supplemental report should be submitted along with the requested documentation as opposed to combining the supplemental report with the regular Monthly Payroll Report. This will assist us in properly and efficiently allocating any funds received to correct the error.
 - a detailed breakdown on excel spread sheet providing the member's name, social security number, month and year being corrected and the corresponding member deposit. (as discussed with Chris Gillis in our office).
 - payment from the city for the correction. To calculate the portion to be submitted on the member and city's behalf, multiply the gross earnings by the employee deposit rate to get the member's portion and to calculate the city's portion, divide the total member contributions by the member deposit rate and multiply the resulting number by the city's current employer contribution rate. All contributions should be calculated using current member and city deposit rates. As of the date of this letter, the City of Lamesa has a City Contribution Rate of 3.75% and a Member Contribution Rate of 7%.
- ⑥ The funds for the correction, the Supplemental Report (with the detailed breakdown), and the signed statement from the City Manager will need to be submitted together within 30 days from the date of this letter (October 10, 2015) in order to complete the correction request.

NOTE: TMRS cannot allow a member to directly contribute to TMRS for corrections of error. The employee's pre-tax mandatory salary reduction contributions picked up under Internal Revenue Code section 414(h) are considered employer contributions under that section and not employee contributions. Therefore, any amount the city failed to deduct from the employee's salary and contribute should still be contributed by the city along with the rest of the employer contributions.

If the items listed above are not received within 30 days of the date of this letter (October 10, 2015), TMRS will take no further action until we hear from either the member or the city. If you have any questions or need further information, please contact our office at 1-800-924-8677.

Sincerely,

A handwritten signature in dark ink, appearing to read "Debbie A. Davila".

Debbie A. Davila
Member Services Analyst

file TMRS

MEMORANDUM

TO: Member Cities of the Texas Municipal Retirement System
FROM: Jimmie L. Mormon, Director
DATE: July 13, 1989
SUBJECT: Summary of 1989 Amendments to TMRS Act

The Legislature at its recent regular session enacted House Bill 1885 (by Kuempel) effective September 1, 1989. The following is a brief description of this Bill's amendments to the law governing TMRS:

- I. Redefines the term "employee" so as to require that persons serving on a probationary basis after September 1, 1989 be enrolled as TMRS members**

The TMRS Act has always defined the term "employee" as a person who is "regularly engaged in the performance of duties of . . . an appointive (or elective) office or position that normally requires services from the person for not less than 1,000 hours a year . . ." In the past, some cities have not enrolled new employees who otherwise meet this definition until the completion of a probationary period of employment. This amendment to the TMRS Act requires that beginning September 1, 1989, individuals employed by the city that meet the definition of employee must be enrolled in TMRS on their date of employment, even if they are considered probationary employees for other purposes.

- II. Allows participating municipalities to grant "prior service credit" to employees for a period of probationary employment served prior to September 1, 1989 and before they were enrolled as TMRS members.**

Employees who were not enrolled in TMRS due to a "probationary employment policy" before September 1, 1989, did not make TMRS deposits during that period and consequently did not earn retirement credit during those months. The amendment will allow a city after September 1, 1989, to adopt an ordinance granting up to six (6) months of prior service credit to employees for such periods of probationary employment prior to September 1, 1989. An employee may apply for this credit by filing a detailed statement of such service within one year of the effective date of the ordinance allowing such credit.

- III. Amends provisions relating to military service credit by (a) eliminating present law requirements that military-service credit be based on service in armed conflicts, (b) allowing a municipality to fund its contributions incurred in granting credit for such service over its remaining amortization period, and (c) brings TMRS into compliance with changes in the federal law governing retirement credit for military service.**

The TMRS Act currently requires that military service which would enable an employee to establish TMRS credit must have been performed "... during a period in which the United States is or was involved in a state of conflict with foreign forces." As of September 1, 1989, this provision will be amended such that in certain circumstances, a member may receive credit in the retirement system for any active duty service in the armed forces or armed forces reserves of the United States or their auxiliaries.

The TMRS Act also currently requires that a member make application for military service credit, accompanied by the appropriate documentation and deposits, within one year of the authorizing ordinance's effective date, or the date on which the member becomes eligible to establish this credit, whichever is later. This Bill amends the Military Service Credit provision, removing this one (1) year requirement, which the actuary advises will have an insignificant financial impact to the city. Therefore, a member who becomes eligible to establish this credit after September 1, 1989, may do so at any time.

H.B. 1885 amends the TMRS Act, creating two categories of Military Service Credit, in order to comply with changes in federal law. These categories are, in summary, as follows:

A. Military Service by Member (Section 63.501): Applies to all member cities effective September 1, 1989:

1. Allows members who leave employment with the city, either on a voluntary basis or as the result of conscription to enter into active military or war-related service, but do not withdraw their deposits, to establish up to 60 months of credit in the retirement system for such service.
2. The member must apply for, and be re-employed by the city within 90 days of: a) release from service, b) discharge, or c) release from hospitalization continuing for not more than one year after discharge.
3. Credit is for months of service only, has no monetary value, and is not included in the calculation of Updated Service Credit.

B. Other Military Service Credit (Section 63.502): Requires adoption by ordinance.

1. Allows individuals who leave employment with the city, on a voluntary basis, to enter into active military service, but who terminate their membership in the retirement system, to establish up to 60 months of credit in the retirement system for such service.

In order to be eligible, the member must apply for, and be re-employed by the same city within 90 days of: a) release from service, b) discharge, or c) release from hospitalization continuing for not more than one year after discharge.

2. Also allows members who have active duty military service prior to employment with the city to establish up to 60 months credit in the retirement system for such service.

In order to be eligible for this benefit, the member must have been employed by a member city or cities for at least 10 years, and must have 10 years creditable service in the retirement system.

3. To establish this credit the member must make written application to the retirement system accompanied by: a) a certified copy of the member's DD-214 (military discharge papers) or its equivalent, and b) a deposit equal to \$15.00 for each month of active duty service (maximum of 60 months).

THE STATE OF TEXAS ON this the 3rd day of February A. D. 1953
COUNTY OF DAWSON there came on and was held a regular meeting
CITY OF LAMESA of the City Council of the City of Lamesa,
Texas, at the regular meeting place with
the following members present to-wit:

J. W. Bryant Mayor
Bob Bradbury Councilman
Tracy Campbell Councilman
J. M. Harrington Councilman
W. B. Crawley Councilman

Also present were:

C. A. Taylor City Manager
Stansell Clement Legal Advisor
Jack N. Goodloe City Secretary

A quorum being present and acting throughout the meeting the following among other proceedings were held:

There came on for consideration the matter of the City going into the Texas Municipal Retirement System. This had been discussed several times during the last few years but no action taken. After a full discussion Councilman Harrington introduced the following ordinance and moved that it be passed on first reading. Councilman Crawley seconded the motion of Councilman Harrington and the Mayor put same to vote. The vote was as follows:

Voting "Aye" Councilmen Bradbury, Campbell, Harrington and Crawley.

Voting "No" None.

The Mayor declared the ordinance passed on first reading and passed to second reading. The Ordinance is as follows:

TEXAS MUNICIPAL RETIREMENT SYSTEM

PARTICIPATION ORDINANCE

AN ORDINANCE PROVIDING FOR PARTICIPATION IN THE TEXAS MUNICIPAL RETIREMENT SYSTEM BY THE CITY OF LAMESA, TEXAS, PROVIDING FOR AND ELECTING TO HAVE ALL OF THE EMPLOYEES OF ALL DEPARTMENTS OF THE CITY GOVERNMENT, EXCEPT THE FIRE DEPARTMENT, PARTICIPATE IN SUCH SYSTEM; AND ACCEPTING ALL OF THE OBLIGATIONS AND BENEFITS OF SUCH SYSTEM.

Whereas, the Constitution of the State of Texas was amended on November 7, 1947, by the addition of Section 51-1, Article III, which authorized the Legislature to establish a State-wide retirement and disability pension system for city employees;

Whereas, Chapter 75, Acts 50th Legislature (1947) as amended by Chapter 24, Acts Regular Session 51st Legislature (Vernon's Civil Stats., Art. 6243h) established the Texas Municipal Retirement System, and authorizes the governing body of each city or town to elect, at its option, to have one or more of the city departments participate in such system; and

Whereas, Municipal employees are not covered by Federal Social Security, the governing body of the City of Lamesa, Texas, finds that it will be in the public interest for the city to have its employees participate in the Texas Municipal Retirement System, now therefore

BE IT ORDAINED BY THE (CITY COUNCIL OR BOARD OF COMMISSIONERS) of Lamesa, Texas:

Section 1. That, on behalf of the City of Lamesa, Texas, the City Council hereby exercises its option and elects to have the city and all of the employees of all departments, except the fire department participate in the Texas Municipal Retirement System as provided in Chapter 75, Acts of the 50th Legislature, as amended, being Article 6243h of Vernon's Annotated Civil Statutes; and all of the benefits and obligations of such system are hereby accepted.

Section 2. That the City Manager is hereby directed to notify the Board of Trustees of the Texas Municipal Retirement System that the City of Lamesa, Texas, has elected to participate and have the employees of the following city departments participate in such system: Administration, City Hall, Tax, Police, Water and Sewer, Street, Health and Sanitation and Park.

Section 3. Each person who becomes an employee of any participating department on or after the effective date of participation of such department shall be included within and subject to the provisions of the Texas Municipal Retirement System beginning upon the date such person becomes an "employee" as defined in sub-section 14, Section 2, of such system.

Section 4. That the City of Lamesa, Texas, may in the future refuse to add new departments or new employees to such system but shall never discontinue as to any participants.

Section 5. That the City Secretary or other proper official is hereby directed to remit to the Board of Trustees of the Texas Municipal Retirement System, at its office in Austin, Texas, the city's proper contributions to the system and the amounts which shall be deducted from the compensation or payroll of employees, all as required by said Board under the provisions of Chapter 75, Acts of the 50th Legislature of the State of Texas, as amended; and the said City Secretary is hereby authorized and directed to ascertain and certify officially on behalf of the City of Lamesa, Texas, the prior service rendered to the said municipality by each of the employees of the participating departments, and the average prior service compensation received by each, and to make and execute all other reports and certificates, which may be required by the City of Lamesa, Texas, under the provisions of Chapter 24, Acts Regular Session 51st Legislature or the rules and regulations of the Board of Trustees of the Texas Municipal Retirement System.

Passed and approved on first reading this 3rd day of Feb. 1951.

Passed and approved on second reading this 20th day of Feb. 1951.

ATTEST:

Jack N. Goodloe
City Secretary

(APPROVED)

Jack N. Goodloe
Mayor

I, Jack N. Goodloe, City Secretary in and for the City of
Lamesa, Texas, do hereby certify that the foregoing is a true
and correct copy of an Ordinance passed by the City Council
of the City of Lamesa, Texas, on the 3rd day of February A. D.
1953 and on the 20th day of February A. D. 1953 and as recorded
in minutes book of the City of Lamesa, Texas Volume VI page 259.

Given under my hand and seal of office this the 27th day
of February A. D. 1953.

CITY SEAL:

Jack N. Goodloe
Jack N. Goodloe
City Secretary
Lamesa, Texas

RECEIVED

MAR 3 1953

TEXAS MUNICIPAL RET. SYSTEM

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 11

Subject: **PROFESSIONAL SERVICE AGREEMENT WITH HENRY NORRIS INSURANCE**

Proceeding: Agreement

Submitted by: City Manager

Exhibits: Agreement, Resolution

Authority: Local Government Code, Chapter 252.022(a) (4)

SUMMARY STATEMENT

Consider approving Henry Norris Insurance Professional Services Agreement with respect to consultation on the City's Health Insurance.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to approve Professional Services Agreement with Henry Norris Insurance Agency regarding consulting services related City's Health Insurance Plan. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

In the last several years, Chris Norris, Henry Norris Insurance Agent, has assisted in planning the design of the city's self-funded health insurance. City staff believes it would be in the best interest of the City to continue to allow Henry Norris Insurance to request health insurance proposals on behalf of the City. **Recommend approval.**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS, AUTHORIZING THE CITY TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH HENRY NORRIS INSURANCE AGENCY FOR CONSULTING SERVICES REGARDING THE CITY'S HEALTH INSURANCE PLAN AND AUTHORIZING THE MAYOR TO EXECUTE SUCH AGREEMENT ON BEHALF OF THE CITY.

On the 20th day of October, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following resolution was formally submitted by motion and duly seconded for the consideration and action of the meeting, to-wit:

WHEREAS, the City Council of the City of Lamesa deems it in the best interest of the City of Lamesa to enter into an agreement with HENRY NORRIS INSURANCE AGENCY of Lamesa Texas, to provide professional consulting services with respect to the City's Health Insurance Plan.

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

That the City of Lamesa, Texas, enter into a professional services agreement with HENRY NORRIS INSURANCE AGENCY of Lamesa, Texas, to provide professional consulting services with respect to the City's Health Insurance Plan, a copy of which is attached to this resolution; and

That the Mayor of the City of Lamesa be, and he is hereby, authorized to execute such PROFESSIONAL SERVICES AGREEMENT on behalf of the City of Lamesa, and when executed by the Mayor of the City, shall be, in all respects, valid and binding upon the City of Lamesa in accordance with all of the provisions of such agreement.

Upon being put to a vote, the resolution was Passed, Approved, and Adopted the 20th day of October, 2015, by a majority vote.

PASSED AND APPROVED the 20th day of October, 2015.

ATTESTED:

APPROVED:

Shawna D Burkhart
City Manager

Dave Nix
Mayor

AGREEMENT FOR PROFESSIONAL SERVICES

THE STATE OF TEXAS {

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF DAWSON {

That this agreement is made and entered into this 20th day of October, 2015, by and between City of Lamesa , herein called "COL", whose mailing address is 601 South First, Lamesa, Texas 79331, and Henry Norris Agency, Inc., herein called "Consultant", whose mailing address is 520 South First Street, Lamesa, Texas 79331.

WITNESSETH:

COL is a governmental entity located in Dawson County, Texas, and has partially self-funded insurance programs for employee group health insurance. COL desires to engage the services of the consultant to assist in providing and operating such self-funded insurance programs and to render consulting services on the terms and conditions provided in this agreement.

Consultant is a Texas corporation having its principal place of business in Lamesa, Dawson County, Texas, possesses a Life Insurance Counselors License, and desires to render professional services for COL as provided herein.

THEREFORE, COL hereby engages the services of consultant, and in consideration of the mutual promises and covenants herein contained, the parties do hereby agree as follows:

1. TERM: This agreement shall be for a period of three (3) years commencing January 1st, 2016 and ending December 31st, 2018; provided however, either COL or Consultant may without cause cancel this agreement at any time after giving sixty (60) days' written notice to the other party.

2. SERVICES: Consultant is hereby engaged to render such consulting services to COL as may from time-to-time be agreed upon by the parties during the term of this agreement, but the consulting services to be provided by Consultant shall include, but not be limited to, the following:

- (a) Aid in the planning of the design of the self-funded insurance or fully insured programs for employee group health;
- (b) Request re-insurance proposals for specific and aggregate stop loss limits;
- (c) Request and obtain proposals for administration costs from COL's Third Party Administrator;

- (d) Monitor the performance of such self-funded insurance or fully funded programs on a monthly basis;
- (e) Provide status reports to COL and to the COL council as requested;
- (f) Conduct such meetings to hear and answer questions from employees of COL as requested by COL;
- (g) Provide consultation, as needed on all insurance programs for COL;
- (h) Act as liaison between the plan administrator or insurance carrier and COL regarding claim procedures and any problem claims; and
- (i) Review all plan documents, reports and all other printed materials regarding such self-funding insurance programs and provide written or oral summaries and reports of such reviews as requested by COL.

3. FEE: For services to be rendered under this agreement the Consultant shall be paid a fee of \$12,500.00 per year, with such amount being payable in equal monthly installments of \$1,041.66 each, in advance, or, alternatively, paid in such other manner as may be mutually agreed upon by the parties hereto.

4. TIME: The Consultant shall devote such time to the performance of his duties under this agreement as is reasonably necessary for a satisfactory performance of his duties under the agreement.

5. Compensation received for consulting services shall be limited to the consulting fees specified in Paragraph 3 above. All insurance purchased by COL under the supervision of the consultant will be net of any commissions. The Consultant will not accept any type of payment from the COL's Third Party Administrator.

6. Neither this agreement nor any duties or obligations hereunder shall be assignable by the Consultant without the prior written consent of COL.

7. Subject to the above provisions regarding assignment, this agreement shall be binding upon the parties hereto, and their respective successors and assigns.

8. This agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter of this agreement which is not contained herein shall be valid or binding.

EXECUTED at Lamesa, Texas, effective as of October 20, 2015.

City of Lamesa

By _____
City of Lamesa

By _____
James C. Norris

AGREEMENT FOR PROFESSIONAL SERVICES**THE STATE OF TEXAS {****KNOW ALL MEN BY THESE PRESENTS:****COUNTY OF DAWSON {**

That this agreement is made and entered into this 20th day of November, 2012, by and between City of Lamesa, herein called "COL", whose mailing address is 601 South First, Lamesa, Texas 79331, and Henry Norris Agency, Inc., herein called "Consultant", whose mailing address is 520 South First Street, Lamesa, Texas 79331.

WITNESSETH:

COL is a governmental entity located in Dawson County, Texas, and has partially self-funded insurance programs for employee group health insurance. COL desires to engage the services of the consultant to assist in providing and operating such self-funded insurance programs and to render consulting services on the terms and conditions provided in this agreement.

Consultant is a Texas corporation having its principal place of business in Lamesa, Dawson County, Texas, possesses a Life Insurance Counselors License, and desires to render professional services for COL as provided herein.

THEREFOR, COL hereby engages the services of consultant, and in consideration of the mutual promises and covenants herein contained, the parties do hereby agree as follows:

1. **TERM:** This agreement shall be for a period of three (3) years commencing December 01, 2012, and terminating December 31, 2015; provided however, either COL or Consultant may without cause cancel this agreement at anytime after giving sixty (60) days' written notice to the other party.

2. **SERVICES:** Consultant is hereby engaged to render such consulting services to COL as may from time-to-time be agreed upon by the parties during the term of this agreement, but the consulting services to be provided by Consultant shall include, but not be limited to, the following:

- (a) Aid in the planning of the design of the self-funded insurance programs for employee group health and occupational injuries;
- (b) Request re-insurance proposals for specific and aggregate stop loss limits;
- (c) Request and obtain proposals for administration costs from COL's Third Party Administrator;
- (d) Monitor the performance of such self-funded insurance programs on a monthly basis;
- (e) Provide status reports to COL and to the City Council as requested;
- (f) Conduct such meetings to hear and answer questions from employees of COL as requested by COL;

- (g) Act as liaison between the plan administrator and COL regarding claim procedures and any problem claims; and
- (h) Review all plan documents, reports and all other printed materials regarding such self-funding insurance programs and provide written or oral summaries and reports of such reviews as requested by COL.

3. **FEE:** For services to be rendered under this agreement the Consultant shall be paid a fee of \$11,040.00 per year, with such amount being payable in equal monthly installments of \$920.00 each, in advance, or, alternatively, paid in such other manner as may be mutually agreed upon by the parties hereto.

4. **TIME:** The Consultant shall devote such time to the performance of his duties under this agreement as is reasonably necessary for a satisfactory performance of his duties under the agreement.

5. Compensation received for consulting services shall be limited to the consulting fees specified in Paragraph 3 above. All insurance purchased by COL under the supervision of the consultant will be net of any commissions. The Consultant will not accept any type of payment from the COL's Third Party Administrator.

6. Neither this agreement nor any duties or obligations hereunder shall be assignable by the Consultant without the prior written consent of COL.

7. Subject to the above provisions regarding assignment, this agreement shall be binding upon the parties hereto, and their respective successors and assigns.

8. This agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter of this agreement which is not contained herein shall be valid or binding.

EXECUTED at Lamesa, Texas, effective as of November 20, 2012.

CITY OF LAMESA

By _____

HENRY NORRIS INSURANCE AGENCY, INC.

By _____

James C. Norris

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 12

**SUBJECT: PUBLIC HEARING ON REQUEST FOR ZONE CHANGE –
301-311 SE 1st & 302-312 SE 2nd Streets**

PROCEEDING: Public Hearing

SUBMITTED BY: Wayne Smith, Building Inspector

AUTHORITY: City Charter, City Code, Texas Government Code

SUMMARY STATEMENT

Public hearing to consider the petition of Leonard Hernandez, Matthew Hernandez and Angelica Vargas, 301-311 SE 1st Street and 302-312 SE 2nd Street to change the zoning district from: I-2 Heavy Industrial to zoning district I-1 Light Industrial for placement of manufactured homes, building of residential housing and commercial use for the following property:

All of Lots 1, 2, 3, 4, 5 and 6, Block 6 of the McSpadden and All of Lots 1, 2, 3, 4, 5 and 6 , Block 3 of the S A Jackson Addition, All to the Town of Lamesa, Dawson County, Texas.

PUBLIC HEARING

The Mayor will ask if anyone wishes to speak regarding said property located at 301-311 SE 1st Street and 302-312 SE 2nd Street:

The following persons spoke:

_____	_____
_____	_____
_____	_____

Following the public comments the Mayor will close the public hearing.

CITY MANAGER'S MEMORANDUM

See attached P&Z final report, P&Z public hearing was held on August 27th, 2015 and October 13, 2015.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 13

SUBJECT: REQUEST FOR ZONE CHANGE – 301-311 SE 1st STREET & 302-312 SE 2ND STREET

PROCEEDING: Ordinance

SUBMITTED BY: Wayne Smith

EXHIBITS: P&Z Minutes and Map of Location

AUTHORITY: City Charter, City Code and Texas Government Code

SUMMARY STATEMENT

Consider passing an Ordinance on first reading changing the zoning district from I-2 Heavy Industrial to zoning district I-1 Light Industrial for placement of manufactured homes, building of residential housing and commercial use for the following property:

All of Lots 1, 2, 3, 4, 5 and 6, Block 6 of the McSpadden and All of Lots 1, 2, 3, 4, 5 and 6, Block 3 of the SA Jackson Addition, All to the Town of Lamesa, Dawson County, Texas.

COUNCIL ACTION

Motion by Council Member _____ to approve an Ordinance on first reading changing the zoning of 301-311 SE 1st Street and 302-312 SE 2nd Street from I-2 Heavy Industrial to zoning district I-1 Light Industrial for placement of manufactured homes, building of residential housing and commercial use. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

The P & Z Commission met on August 27th, 2015 and October 13, 2015. All notices and publications have been posted to comply with city codes for holding this public hearing and possible action by City Council. **Recommend approval.**

ORDINANCE NO.: _____

AN ORDINANCE GRANTING A ZONE CHANGE FOR A TRACT OF LAND DESCRIBED AS LOTS 1, 2, 3, 4, 5 AND 6, BLOCK 6, OF THE MCSPADDEN ADDITION AND ALL OF LOTS 1, 2, 3, 4, 5 AND 6, BLOCK 3, OF THE S A JACKSON ADDITION, ALL TO THE TOWN OF LAMESA, DAWSON COUNTY, TEXAS, FROM DISTRICT I-2 (HEAVY INDUSTRY) TO DISTRICT I-1 (LIGHT INDUSTRY) UPON RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION.

On the this 15th day of September, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, to wit:

WHEREAS, the Code of Ordinances of the City of Lamesa provides that the zoning districts of said city may be changed upon application of the property owner and upon recommendation of the Planning and Zoning Commission of the City; and

WHEREAS, an application has been made to change the zoning of the following described property located at 301 through 311 Southeast 1st Street, Lamesa, Texas, and at 302 through 312 Southeast 2nd Street, Lamesa, Texas, from a District I-2 (Heavy Industry) to a District I-1 (Light Industry), to-wit:

All of Lots 1, 2, 3, 4, 5 and 6, Block 6, of the McSpadden Addition and All of Lots 1, 2, 3, 4, 5 and 6, Block 3, of the S A Jackson Addition, All to the Town of Lamesa, Dawson County, Texas; and

WHEREAS, said property is located within the city limits of the City of Lamesa, Texas, and is within a district zoned as I-2 (Heavy Industry); and

WHEREAS, the Planning and Zoning Commission of the City of Lamesa, Texas, after hearing such application and the arguments for and against the same, has voted to recommend to the City Council of the City of Lamesa, Texas, that such request for a change in the zoning of such property be granted; and

WHEREAS, a public hearing, where all interested persons were provided with an opportunity to be heard on the proposed zone change, was held at City Hall, 601 South First Street, in the City of Lamesa, Texas, on September 15, 2015, which date is not less than fifteen days prior to the publication of a notice of such hearing in the Lamesa Press-Reporter, a newspaper of general circulation in the City of Lamesa, Texas;

WHEREAS, after such hearing, the City Council of the City of Lamesa, Texas, finds that the recommendation of the Planning and Zoning Commission of the City of Lamesa, Texas, should be accepted and such zone change granted.

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

SECTION ONE: That the request to change the zoning of the following described property located at 301 through 311 Southeast 1st Street, Lamesa, Texas, and at 302 through 312 Southeast 2nd Street, Lamesa, Texas, from a District I-2 (Heavy Industry) to a District I-1 (Light Industry), to-wit:

All of Lots 1, 2, 3, 4, 5 and 6, Block 6, of the McSpadden Addition and All of Lots 1, 2, 3, 4, 5 and 6, Block 3, of the S A Jackson Addition, All to the Town of Lamesa, Dawson County, Texas;

be, and the same is hereby, Granted.

SECTION TWO: The provisions of this ordinance are to be cumulative and shall constitute an amendment to the zoning ordinance of the City of Lamesa, Texas, only as it applies to the hereinabove described property.

SECTION THREE: The descriptive caption of this ordinance shall be published in the manner and for the length of time prescribed by Article IV, Section 24 of the City Charter.

Upon being put to a vote, the foregoing ordinance was Passed, on First Reading on the 20th day of October, 2015, by a majority vote.

ATTEST:

APPROVED:

Shawna D. Burkhart, City Manager

Dave Nix, Mayor



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Imagery Date: 1/16/2014 32°44'01.11" N 101°56'46.24" W elev 2981 ft eye alt 4594

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**THE STATE OF TEXAS }}
COUNTY OF DAWSON }}
CITY OF LAMESA }}**

MINUTES

On October 13, 2015 there came on and was held a meeting of the Planning and Zoning Commission of the City of Lamesa, Texas, with the following members present:

ABSENT-----	John Hegi	Member
	Gary Culp	Member
	Bob Henderson	Member
	Ray Stephens	Member
ABSENT-----	Larry Allison	Member
ABSENT-----	Sam Adams	Member
	Richard Leonard	Member
	Jinkin Ortiz	Alternate Member
ABSENT-----	Barney Blount	Alternate Member

Also Meeting:

Wayne Smith	Chief Inspector
-------------	-----------------

A quorum being present and acting throughout the meeting, the following among other proceedings were held.

1. CALL TO ORDER:

2. CASE NO. PZ 15-9: To consider the petition of CRAIG WOODWARD 2310 CR U LAMESA, TEXAS 79331 to change the zone of the following property:

**NORTH 1/2 OF LOTS 10, 11, & 12 BLOCK 37 ORIGINAL
TOWN ADDITION TO the City of Lamesa, Dawson
County, Texas**

located at 304 SOUTH HOUSTON (TO BE CHANGED TO 308 SOUTH HOUSTON) from zoning district R-1 SINGLE FAMILY RESIDENTIAL to zoning district C-1 LOCAL RETAIL for RENTAL PROPERTY FOR COMMERCIAL USE.

Discussion: Mr. Woodward's application was returned to Planning and Zoning by City Council when two letters of opposition were received for the Council public hearing but none had been received at the Planning and Zoning public hearing. The application was published again and one letter in favor of was returned and none in opposition to. Mr. Woodward attended the meeting and stated the property has never been used for residential purposes and has been used for several years for commercial use. The board discussed the past use of the property and that all surrounding property except

for one house on the corner is either commercial or industrial zoning. Ray Stephens made a motion to recommend approval of the application to the council. Gary Culp seconded the motion.

VOTING: "AYE" 5 "NAY" 0 "ABSTAIN" 0

3. CASE NO. PZ 15-12: To consider the petition of LEONARD HERNANDEZ, MATTHEW HERNANDEZ, & ANGELICA VARGAS 302 SE 1ST LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 1-6 BLOCK 6 OF THE MCSPADDEN ADDITION &
LOTS 1-6 BLOCK 3 OF THE SA JACKSON ADDITION TO
the City of Lamesa, Dawson County, Texas**

located at 301-311 SE 1ST & 302-312 SE 2ND from zoning district I2 HEAVY INDUSTRY to zoning district I1 LIGHT INDUSTRY for PLACEMENT OF MANUFACTURED HOMES, BUILDING OF RESIDENTIAL HOUSING AND COMMERCIAL USE.

Discussion: Application 15-12 was returned to Planning and Zoning when it was discovered the legal description of the property was incorrect. A corrected notification was published and three letters in favor of the zone change were received, none were opposed. Gary Culp made a motion to recommend approval of the application to the Council. The motion was seconded by Richard Leonard.

VOTING: "AYE" 5 "NAY" 0 "ABSTAIN" 0

4. ADJOURNMENT: There being no other business the meeting was adjourned

ATTEST:

APPROVED:

Chief Inspector

Chairman

THE STATE OF TEXAS } {
COUNTY OF DAWSON } {
CITY OF LAMESA } {

MINUTES

On August 27, 2015 there came on and was held a meeting of the Planning and Zoning Commission of the City of Lamesa, Texas, with the following members present:

	John Hegi	Member
	Gary Culp	Member
ABSENT-----	Bob Henderson	Member
ABSENT-----	Ray Stephens	Member
	Larry Allison	Member
	Sam Adams	Member
	Richard Leonard	Member
ABSENT-----	Jinkin Ortiz	Alternate Member
	Barney Blount	Alternate Member

Also Meeting:

Wayne Smith	Chief Inspector
-------------	-----------------

A quorum being present and acting throughout the meeting, the following among other proceedings were held.

1. CALL TO ORDER:

2. A quorum being present and acting throughout the meeting, the following cases were considered:

APPROVAL OF THE MINUTES: Consider all matters incidental and related to ratify and approve the minutes of the Planning and Zoning commission concerning each of the matters listed on the agenda of the regular meeting of the Planning and Zoning Commission of the City of Lamesa, Texas held on **July 30, 2015**.

Larry Allison was noted as absent at the previous meeting and was present. A motion to approve the minutes as amended was made by GARY CULP and seconded by Richard Leonard.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

3. CASE NO. PZ 15-9: To consider the petition of CRAIG WOODWARD 2310 CR U LAMESA, TEXAS 79331 to change the zone of the following property:

**NORTH 1/2 OF LOTS 10, 11, & 12 BLOCK 37 ORIGINAL
TOWN ADDITION TO the City of Lamesa, Dawson
County, Texas**

located at 304 SOUTH HOUSTON (TO BE CHANGED TO 308 SOUTH HOUSTON)
from zoning district R-1 SINGLE FAMILY RESIDENTIAL to zoning district C-1 LOCAL
RETAIL for RENTAL PROPERTY FOR COMMERCIAL USE.

Discussion: The application of Craig Woodward was presented. The use of the property
is undetermined but will be a commercial use, possibly a pipe storage yard. Twelve
letters were sent to surrounding property owners, no response was returned. This
property is contiguous to other commercial and industrial zoned property. A motion to
recommend approval of the application was made by Gary Culp and seconded by
Richard Leonard. Upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

4. CASE NO. PZ 15-10: To consider the petition of KING GIN CO. CHARLIE KING, PO
BOX 1272 LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 3, 4, 5, 6 BLOCK 3 OF THE TIDWELL ADDITION TO
the City of Lamesa, Dawson County, Texas**

located at 306-312 NE 2ND from zoning district R-1 SINGLE FAMLY RESIDENTIAL to
zoning district I-1 LIGHT INDUSTRY for TRUCK PARKING.

Discussion: The application of Charlie King was presented. The property will be used for
oil field truck parking. Ten letters were sent to surrounding property owners, no
response was returned. This property is contiguous to another I-2 zoned property. A
motion to recommend approval of the application was made by Richard Leonard and
seconded by Larry Allison. Upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

5. CASE NO. PZ 15-11: To consider the petition of PAM KOEHLER 401 N 15TH
LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 1-3 AND WEST 40 OF LOT 4 BLOCK 2 OF THE JH
BARRON ADDITION TO the City of Lamesa, Dawson
County, Texas**

located at 1211 NORTH 7TH from zoning district R-1 SINGLE FAMILY RESIDENTIAL
to zoning district R-1 SINGLE FAMILY RESIDENTIAL WITH A ZONING VARIANCE
FOR PLACEMENT OF A MANUFACTURED HOME for PLACEMENT OF 2004
CLAYTON PINEHURST MANUFACTURED HOME (52' X 32').

Discussion: The application of Pam Koehler was presented. Mrs. Koehler requests a zoning variance for placement of a 2004 Clayton Pinehurst home on the property at 1211 N 7th. Fifteen letters were sent to surrounding property owners, two letters in favor of the variance were returned. This property has had a manufactured home on it in the past and has several other manufactured homes in the immediate area. A motion by Barney Blount to recommend approval of the application was made, Gary Culp seconded the motion and upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

6. CASE NO. PZ 15-12: To consider the petition of LEONARD HERNANDEZ, MATTHEW HERNANDEZ, & ANGELICA VARGAS 302 SE 1ST LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 1-6 BLOCK 3 & 6 OF THE MCSPADDEN ADDITION
TO the City of Lamesa, Dawson County, Texas**

located at 301-311 SE 1ST & 302-312 SE 2ND from zoning district I2 HEAVY INDUSTRY to zoning district I1 LIGHT INDUSTRY for PLACEMENT OF MANUFACTURED HOMES, BUILDING OF RESIDENTIAL HOUSING AND COMMERCIAL USE.

Discussion: Application of Leonard Hernandez, Matthew Hernandez, and Angelica Vargas was presented. Applicants request to change the zone of the property in order to use the property for residential and commercial use. Applicant states 2 manufactured homes to be placed on the property and a hair salon and possibly a tortilla factory. The current I-2 zoning prohibits residential use. This property is bordered by I-2 property on three sides and R-1 property to the North. Twelve letters were mailed to surrounding property owners, four letters were returned in favor of. A motion to recommend approval of the zone change was made by Sam Adams and seconded by Richard Leonard. Upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

7. CASE NO. PZ 15-13: To consider the petition of GERARDO MARES 507 NORTH 4TH LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 4, 5, & 6 BLOCK 6 OF THE SA JACKSON
ADDITION TO the City of Lamesa, Dawson County,
Texas**

located at 502-506 SE 3RD from zoning district I-2 HEAVY INDUSTRY to zoning district C-1 LOCAL RETAIL for MANUFACTURED HOME PARK.

Discussion: The application of Gerardo Mares was presented. Applicant requests a zone change for a manufactured home park at this location. Mr. Mares states he plans to have 3-4 manufactured homes on the property. the board asked if we have

ordinances to support the installation of a manufactured home park; the city has created a Manufactured home park zone but has not adopted ordinances pertaining to them. The board asked if an ordinance pertaining to manufactured home parks could be adopted before a recommendation is made for this application. Mr. Mares agreed to wait for this process. A motion to table the application was made by Richard Leonard and seconded by Larry Allison. Upon being put to a vote the motion passed. The Inspections Department will have a sample ordinance for review at the next meeting.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

8. ADJOURNMENT: There being no other business the meeting was adjourned

ATTEST:

APPROVED:

Chief Inspector

Chairman

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 14

SUBJECT: REQUEST FOR VARIANCE – 1211 NORTH 7TH STREET
PROCEEDING: Ordinance
SUBMITTED BY: Wayne Smith
EXHIBITS: P&Z Minutes and Map of Location
AUTHORITY: City Charter, Texas Government Code

SUMMARY STATEMENT

Consider passing an Ordinance on second reading granting a variance to the zoning ordinances for 1211 North 7th Street allowing the placement of a manufactured home (2004 Clayton Pinehurst manufactured home – 52' x 32') for the following property:

Lots 1-3 and West 40 of Lot 4 Block 2 of the JH Barron Addition to the City of Lamesa, Dawson County, Texas.

COUNCIL ACTION

Motion by Council Member _____ to approve an Ordinance on second reading granting a variance to the zoning ordinances for 1211 North 7th Street allowing the placement of a manufactured home (2004 Clayton Pinehurst manufactured home – 52' x 32'). Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

The P & Z Commission met on August 27th, 2015. All notices and publications have been posted to comply with city codes for holding this public hearing and possible action by City Council. **Recommend approval.**

ORDINANCE NO: O-18-15

AN ORDINANCE GRANTING A VARIANCE FOR A TRACT OF LAND DESCRIBED AS LOTS 1, 2 AND 3, AND THE WEST 40 FEET OF LOT 4, BLOCK 2, OF THE JH BARRON ADDITION TO TOWN OF LAMESA, DAWSON COUNTY, TEXAS, TO ALLOW PLACEMENT OF A MANUFACTURED HOME AT 1211 NORTH 7TH STREET, LAMESA, DAWSON COUNTY, TEXAS, UPON RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION.

On the this 15th day of September, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, to wit:

WHEREAS, the Code of Ordinances of the City of Lamesa provides that the zoning districts of said city may be changed or variances granted upon application of the property owner and upon recommendation of the Planning and Zoning Commission of the City; and

WHEREAS, an application has been made for a variance for the following described property located at 1211 North 7th Street, Lamesa, Texas, to allow the placement of a manufactured home in a District R-1 (Single-family Residential), to-wit:

All of Lots 1, 2, and 3, and the West 40 feet of Lot 4, Block 2, of the JH Barron Addition to the Town of Lamesa, Dawson County, Texas; and

WHEREAS, said property is located within the city limits of the City of Lamesa, Texas, and is within a district zoned as R-1 (Single-family residential); and

WHEREAS, the Planning and Zoning Commission of the City of Lamesa, Texas, after hearing such application and the arguments for and against the same, has voted to recommend to the City Council of the City of Lamesa, Texas, that such request for a variance to the zoning of such property be granted; and

WHEREAS, a public hearing, where all interested persons were provided with an opportunity to be heard on the proposed zone change, was held at City Hall, 601 South First Street, in the City of Lamesa, Texas, on September 15, 2015, which date is not less than fifteen days prior to the publication of a notice of such hearing in the Lamesa Press-Reporter, a newspaper of general circulation in the City of Lamesa, Texas;

WHEREAS, after such hearing, the City Council of the City of Lamesa, Texas, finds that the recommendation of the Planning and Zoning Commission of the City of Lamesa, Texas, should be accepted and such variance granted.

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

SECTION ONE: That the request for a variance to the zoning of the following described property located at 1211 North 7th Street, Lamesa, Texas, zoned as a District R-1 (Single-family Residential), to-wit:

All of Lots 1, 2, and 3, and the West 40 feet of Lot 4, Block 2, of the JH Barron Addition to the Town of Lamesa, Dawson County, Texas;

be, and the same is hereby, **Granted**.

SECTION TWO: The provisions of this ordinance are to be cumulative and shall constitute an amendment to the zoning ordinance of the City of Lamesa, Texas, only as it applies to the hereinabove described property.

SECTION THREE: The descriptive caption of this ordinance shall be published in the manner and for the length of time prescribed by Article IV, Section 24 of the City Charter.

Upon being put to a vote, the foregoing ordinance was Passed, on Second Reading on the 20th day of October, 2015, by a majority vote.

ATTEST:

APPROVED:

Shawna D. Burkhart
City Manager

Dave Nix
Mayor



N 8th St

First Assembly of God

N 7th St

Payton Plumbing

137

N 6th St

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Google

Imagery Date: 1/16/2014 32°44'13.19" N 101°57'47.07" W elev 2994 ft eye alt 4140

N Avenue L

N Avenue K

1211 N 7th

1991

THE STATE OF TEXAS } {
COUNTY OF DAWSON } {
CITY OF LAMESA } {

MINUTES

On August 27, 2015 there came on and was held a meeting of the Planning and Zoning Commission of the City of Lamesa, Texas, with the following members present:

	John Hegi	Member
	Gary Culp	Member
ABSENT-----	Bob Henderson	Member
ABSENT-----	Ray Stephens	Member
	Larry Allison	Member
	Sam Adams	Member
	Richard Leonard	Member
ABSENT-----	Jinkin Ortiz	Alternate Member
	Barney Blount	Alternate Member

Also Meeting:

Wayne Smith	Chief Inspector
-------------	-----------------

A quorum being present and acting throughout the meeting, the following among other proceedings were held.

1. CALL TO ORDER:

2. A quorum being present and acting throughout the meeting, the following cases were considered:

APPROVAL OF THE MINUTES: Consider all matters incidental and related to ratify and approve the minutes of the Planning and Zoning commission concerning each of the matters listed on the agenda of the regular meeting of the Planning and Zoning Commission of the City of Lamesa, Texas held on **July 30, 2015**.

Larry Allison was noted as absent at the previous meeting and was present. A motion to approve the minutes as amended was made by GARY CULP and seconded by Richard Leonard.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

3. CASE NO. PZ 15-9: To consider the petition of CRAIG WOODWARD 2310 CR U LAMESA, TEXAS 79331 to change the zone of the following property:

**NORTH 1/2 OF LOTS 10, 11, & 12 BLOCK 37 ORIGINAL
TOWN ADDITION TO the City of Lamesa, Dawson
County, Texas**

located at 304 SOUTH HOUSTON (TO BE CHANGED TO 308 SOUTH HOUSTON)
from zoning district R-1 SINGLE FAMILY RESIDENTIAL to zoning district C-1 LOCAL
RETAIL for RENTAL PROPERTY FOR COMMERCIAL USE.

Discussion: The application of Craig Woodward was presented. The use of the property
is undetermined but will be a commercial use, possibly a pipe storage yard. Twelve
letters were sent to surrounding property owners, no response was returned. This
property is contiguous to other commercial and industrial zoned property. A motion to
recommend approval of the application was made by Gary Culp and seconded by
Richard Leonard. Upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

4. CASE NO. PZ 15-10: To consider the petition of KING GIN CO. CHARLIE KING, PO
BOX 1272 LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 3, 4, 5, 6 BLOCK 3 OF THE TIDWELL ADDITION TO
the City of Lamesa, Dawson County, Texas**

located at 306-312 NE 2ND from zoning district R-1 SINGLE FAMLY RESIDENTIAL to
zoning district I-1 LIGHT INDUSTRY for TRUCK PARKING.

Discussion: The application of Charlie King was presented. The property will be used for
oil field truck parking. Ten letters were sent to surrounding property owners, no
response was returned. This property is contiguous to another I-2 zoned property. A
motion to recommend approval of the application was made by Richard Leonard and
seconded by Larry Allison. Upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

5. CASE NO. PZ 15-11: To consider the petition of PAM KOEHLER 401 N 15TH
LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 1-3 AND WEST 40 OF LOT 4 BLOCK 2 OF THE JH
BARRON ADDITION TO the City of Lamesa, Dawson
County, Texas**

located at 1211 NORTH 7TH from zoning district R-1 SINGLE FAMILY RESIDENTIAL
to zoning district R-1 SINGLE FAMILY RESIDENTIAL WITH A ZONING VARIANCE
FOR PLACEMENT OF A MANUFACTURED HOME for PLACEMENT OF 2004
CLAYTON PINEHURST MANUFACTURED HOME (52' X 32').

Discussion: The application of Pam Koehler was presented. Mrs. Koehler requests a zoning variance for placement of a 2004 Clayton Pinehurst home on the property at 1211 N 7th. Fifteen letters were sent to surrounding property owners, two letters in favor of the variance were returned. This property has had a manufactured home on it in the past and has several other manufactured homes in the immediate area. A motion by Barney Blount to recommend approval of the application was made, Gary Culp seconded the motion and upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

6. CASE NO. PZ 15-12: To consider the petition of LEONARD HERNANDEZ, MATTHEW HERNANDEZ, & ANGELICA VARGAS 302 SE 1ST LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 1-6 BLOCK 3 & 6 OF THE MCSPADDEN ADDITION
TO the City of Lamesa, Dawson County, Texas**

located at 301-311 SE 1ST & 302-312 SE 2ND from zoning district I2 HEAVY INDUSTRY to zoning district I1 LIGHT INDUSTRY for PLACEMENT OF MANUFACTURED HOMES, BUILDING OF RESIDENTIAL HOUSING AND COMMERCIAL USE.

Discussion: Application of Leonard Hernandez, Matthew Hernandez, and Angelica Vargas was presented. Applicants request to change the zone of the property in order to use the property for residential and commercial use. Applicant states 2 manufactured homes to be placed on the property and a hair salon and possibly a tortilla factory. The current I-2 zoning prohibits residential use. This property is bordered by I-2 property on three sides and R-1 property to the North. Twelve letters were mailed to surrounding property owners, four letters were returned in favor of. A motion to recommend approval of the zone change was made by Sam Adams and seconded by Richard Leonard. Upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

7. CASE NO. PZ 15-13: To consider the petition of GERARDO MARES 507 NORTH 4TH LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 4, 5, & 6 BLOCK 6 OF THE SA JACKSON
ADDITION TO the City of Lamesa, Dawson County,
Texas**

located at 502-506 SE 3RD from zoning district I-2 HEAVY INDUSTRY to zoning district C-1 LOCAL RETAIL for MANUFACTURED HOME PARK.

Discussion: The application of Gerardo Mares was presented. Applicant requests a zone change for a manufactured home park at this location. Mr. Mares states he plans to have 3-4 manufactured homes on the property. the board asked if we have

ordinances to support the installation of a manufactured home park; the city has created a Manufactured home park zone but has not adopted ordinances pertaining to them. The board asked if an ordinance pertaining to manufactured home parks could be adopted before a recommendation is made for this application. Mr. Mares agreed to wait for this process. A motion to table the application was made by Richard Leonard and seconded by Larry Allison. Upon being put to a vote the motion passed. The Inspections Department will have a sample ordinance for review at the next meeting.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

8. ADJOURNMENT: There being no other business the meeting was adjourned

ATTEST:

APPROVED:

Chief Inspector

Chairman

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 15

SUBJECT: PUBLIC HEARING ON REQUEST FOR ZONE CHANGE – 308 SOUTH HOUSTON

PROCEEDING: Public Hearing

SUBMITTED BY: Wayne Smith, Building Inspector

AUTHORITY: City Charter, City Code, Texas Government Code

SUMMARY STATEMENT

Public hearing to consider the petition of Craig Woodward, 308 South Houston to change the zoning district from: R-1 Single Family Residential to zoning district C-1 Local Retail for rental property for commercial use of the following property:

North ½ of Lots 10, 11 & 12, Block 37 of the Original Town of Lamesa, Dawson County, Texas.

PUBLIC HEARING

The Mayor will ask if anyone wishes to speak regarding said property located at 308 South Houston:

The following persons spoke:

_____	_____
_____	_____
_____	_____

Following the public comments the Mayor will close the public hearing.

CITY MANAGER'S MEMORANDUM

See attached P&Z final report, P&Z public hearing was held on August 27th, 2015 and October 13, 2015. Please see attachments on Item 16.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 16

SUBJECT: REQUEST FOR ZONE CHANGE – 308 SOUTH HOUSTON
PROCEEDING: Ordinance
SUBMITTED BY: Wayne Smith
EXHIBITS: P&Z Minutes and Map of Location
AUTHORITY: City Charter, City Code and Texas Government Code

SUMMARY STATEMENT

Consider passing an Ordinance on first reading changing the zoning of 308 South Houston from: R-1 Single Family Residential to zoning district C-1 Local Retail for rental property for commercial use of the following property:

North ½ of Lots 10, 11 & 12, Block 37 of Original Town of Lamesa, Dawson County, Texas.

COUNCIL ACTION

Motion by Council Member _____ to approve an Ordinance on first reading changing the zoning of 308 South Houston from R-1 Single Family Residential to zoning district C-1 Local Retail for rental property for commercial use. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

The P & Z Commission met on August 27th, 2015 and October 13, 2015. All notices and publications have been posted to comply with city codes for holding this public hearing and possible action by City Council. **Recommend approval.**

ORDINANCE NO.: _____

AN ORDINANCE GRANTING A ZONE CHANGE FOR A TRACT OF LAND DESCRIBED AS THE NORTH ONE-HALF OF LOTS 10, 11 AND 12, BLOCK 37, OF THE ORIGINAL TOWN OF LAMESA, DAWSON COUNTY, TEXAS, FROM DISTRICT R-1 (SINGLE-FAMILY RESIDENTIAL) TO DISTRICT C-1 (LOCAL RETAIL) UPON RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION.

On the this 15th day of September, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following ordinance was formally submitted by motion and duly seconded for the consideration and action of the meeting, to wit:

WHEREAS, the Code of Ordinances of the City of Lamesa provides that the zoning districts of said city may be changed upon application of the property owner and upon recommendation of the Planning and Zoning Commission of the City; and

WHEREAS, an application has been made to change the zoning of the following described property located at 308 South Houston Avenue, Lamesa, Texas, from a District R-1 (Single-family Residential) to a District C-1 (Local Retail), to-wit:

All of the North One-half of Lots 10, 11 and 12, Block 37, of the Original Town of Lamesa, Dawson County, Texas; and

WHEREAS, said property is located within the city limits of the City of Lamesa, Texas, and is within a district zoned as R-1 (Single-family residential); and

WHEREAS, the Planning and Zoning Commission of the City of Lamesa, Texas, after hearing such application and the arguments for and against the same, has voted to recommend to the City Council of the City of Lamesa, Texas, that such request for a change in the zoning of such property be granted; and

WHEREAS, a public hearing, where all interested persons were provided with an opportunity to be heard on the proposed zone change, was held at City Hall, 601 South First Street, in the City of Lamesa, Texas, on September 15, 2015, which date is not less than fifteen days prior to the publication of a notice of such hearing in the Lamesa Press-Reporter, a newspaper of general circulation in the City of Lamesa, Texas;

WHEREAS, after such hearing, the City Council of the City of Lamesa, Texas, finds that the recommendation of the Planning and Zoning Commission of the City of Lamesa, Texas, should be accepted and such zone change granted.

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

SECTION ONE: That the request to change the zoning of the following described property located at 308 South Houston Avenue, Lamesa, Texas, from a District R-1 (Single-family Residential) to a District C-1 (Local Retail), to-wit:

All of the North One-half of Lots 10, 11 and 12, Block 37, of the Original Town of Lamesa, Dawson County, Texas;

be, and the same is hereby, **Granted**.

SECTION TWO: The provisions of this ordinance are to be cumulative and shall constitute an amendment to the zoning ordinance of the City of Lamesa, Texas, only as it applies to the hereinabove described property.

SECTION THREE: The descriptive caption of this ordinance shall be published in the manner and for the length of time prescribed by Article IV, Section 24 of the City Charter.

Upon being put to a vote, the foregoing ordinance was Passed, on First Reading on the 20th day of October, 2015, by a majority vote.

ATTEST:

APPROVED:

Shawna D. Burkhart, City Manager

Dave Nix, Mayor

S-1st St

1st

Danny Weatherman

S-3rd St

1991

City Hall

S Avenue F

308 S Houston

S Houston Ave

Water Department

S Austin Ave

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Google ea

Imagery Date: 1/16/2014 32°43'49.46" N 101°57'14.08" W elev 2976 ft eye alt 4108

**THE STATE OF TEXAS }}
COUNTY OF DAWSON }}
CITY OF LAMESA }}**

MINUTES

On October 13, 2015 there came on and was held a meeting of the Planning and Zoning Commission of the City of Lamesa, Texas, with the following members present:

ABSENT-----	John Hegi	Member
	Gary Culp	Member
	Bob Henderson	Member
	Ray Stephens	Member
ABSENT-----	Larry Allison	Member
ABSENT-----	Sam Adams	Member
	Richard Leonard	Member
	Jinkin Ortiz	Alternate Member
ABSENT-----	Barney Blount	Alternate Member

Also Meeting:

Wayne Smith	Chief Inspector
-------------	-----------------

A quorum being present and acting throughout the meeting, the following among other proceedings were held.

1. CALL TO ORDER:

2. CASE NO. PZ 15-9: To consider the petition of CRAIG WOODWARD 2310 CR U LAMESA, TEXAS 79331 to change the zone of the following property:

**NORTH 1/2 OF LOTS 10, 11, & 12 BLOCK 37 ORIGINAL
TOWN ADDITION TO the City of Lamesa, Dawson
County, Texas**

located at 304 SOUTH HOUSTON (TO BE CHANGED TO 308 SOUTH HOUSTON) from zoning district R-1 SINGLE FAMILY RESIDENTIAL to zoning district C-1 LOCAL RETAIL for RENTAL PROPERTY FOR COMMERCIAL USE.

Discussion: Mr. Woodward's application was returned to Planning and Zoning by City Council when two letters of opposition were received for the Council public hearing but none had been received at the Planning and Zoning public hearing. The application was published again and one letter in favor of was returned and none in opposition to. Mr. Woodward attended the meeting and stated the property has never been used for residential purposes and has been used for several years for commercial use. The board discussed the past use of the property and that all surrounding property except

for one house on the corner is either commercial or industrial zoning. Ray Stephens made a motion to recommend approval of the application to the council. Gary Culp seconded the motion.

VOTING: "AYE" 5 "NAY" 0 "ABSTAIN" 0

3. CASE NO. PZ 15-12: To consider the petition of LEONARD HERNANDEZ, MATTHEW HERNANDEZ, & ANGELICA VARGAS 302 SE 1ST LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 1-6 BLOCK 6 OF THE MCSPADDEN ADDITION &
LOTS 1-6 BLOCK 3 OF THE SA JACKSON ADDITION TO
the City of Lamesa, Dawson County, Texas**

located at 301-311 SE 1ST & 302-312 SE 2ND from zoning district I2 HEAVY INDUSTRY to zoning district I1 LIGHT INDUSTRY for PLACEMENT OF MANUFACTURED HOMES, BUILDING OF RESIDENTIAL HOUSING AND COMMERCIAL USE.

Discussion: Application 15-12 was returned to Planning and Zoning when it was discovered the legal description of the property was incorrect. A corrected notification was published and three letters in favor of the zone change were received, none were opposed. Gary Culp made a motion to recommend approval of the application to the Council. The motion was seconded by Richard Leonard.

VOTING: "AYE" 5 "NAY" 0 "ABSTAIN" 0

4. ADJOURNMENT: There being no other business the meeting was adjourned

ATTEST:

APPROVED:

Chief Inspector

Chairman

THE STATE OF TEXAS }
COUNTY OF DAWSON }
CITY OF LAMESA }

MINUTES

On August 27, 2015 there came on and was held a meeting of the Planning and Zoning Commission of the City of Lamesa, Texas, with the following members present:

	John Hegi	Member
	Gary Culp	Member
ABSENT-----	Bob Henderson	Member
ABSENT-----	Ray Stephens	Member
	Larry Allison	Member
	Sam Adams	Member
	Richard Leonard	Member
ABSENT-----	Jinkin Ortiz	Alternate Member
	Barney Blount	Alternate Member

Also Meeting:

Wayne Smith	Chief Inspector
-------------	-----------------

A quorum being present and acting throughout the meeting, the following among other proceedings were held.

1. CALL TO ORDER:

2. A quorum being present and acting throughout the meeting, the following cases were considered:

APPROVAL OF THE MINUTES: Consider all matters incidental and related to ratify and approve the minutes of the Planning and Zoning commission concerning each of the matters listed on the agenda of the regular meeting of the Planning and Zoning Commission of the City of Lamesa, Texas held on **July 30, 2015**.

Larry Allison was noted as absent at the previous meeting and was present. A motion to approve the minutes as amended was made by GARY CULP and seconded by Richard Leonard.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

3. CASE NO. PZ 15-9: To consider the petition of CRAIG WOODWARD 2310 CR U LAMESA, TEXAS 79331 to change the zone of the following property:

**NORTH 1/2 OF LOTS 10, 11, & 12 BLOCK 37 ORIGINAL
TOWN ADDITION TO the City of Lamesa, Dawson
County, Texas**

located at 304 SOUTH HOUSTON (TO BE CHANGED TO 308 SOUTH HOUSTON)
from zoning district R-1 SINGLE FAMILY RESIDENTIAL to zoning district C-1 LOCAL
RETAIL for RENTAL PROPERTY FOR COMMERCIAL USE.

Discussion: The application of Craig Woodward was presented. The use of the property
is undetermined but will be a commercial use, possibly a pipe storage yard. Twelve
letters were sent to surrounding property owners, no response was returned. This
property is contiguous to other commercial and industrial zoned property. A motion to
recommend approval of the application was made by Gary Culp and seconded by
Richard Leonard. Upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

4. CASE NO. PZ 15-10: To consider the petition of KING GIN CO. CHARLIE KING, PO
BOX 1272 LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 3, 4, 5, 6 BLOCK 3 OF THE TIDWELL ADDITION TO
the City of Lamesa, Dawson County, Texas**

located at 306-312 NE 2ND from zoning district R-1 SINGLE FAMLY RESIDENTIAL to
zoning district I-1 LIGHT INDUSTRY for TRUCK PARKING.

Discussion: The application of Charlie King was presented. The property will be used for
oil field truck parking. Ten letters were sent to surrounding property owners, no
response was returned. This property is contiguous to another I-2 zoned property. A
motion to recommend approval of the application was made by Richard Leonard and
seconded by Larry Allison. Upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

5. CASE NO. PZ 15-11: To consider the petition of PAM KOEHLER 401 N 15TH
LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 1-3 AND WEST 40 OF LOT 4 BLOCK 2 OF THE JH
BARRON ADDITION TO the City of Lamesa, Dawson
County, Texas**

located at 1211 NORTH 7TH from zoning district R-1 SINGLE FAMILY RESIDENTIAL
to zoning district R-1 SINGLE FAMILY RESIDENTIALWITH A ZONING VARIANCE
FOR PLACEMENT OF A MANUFACTURED HOME for PLACEMENT OF 2004
CLAYTON PINEHURST MANUFACTURED HOME (52' X 32').

Discussion: The application of Pam Koehler was presented. Mrs. Koehler requests a zoning variance for placement of a 2004 Clayton Pinehurst home on the property at 1211 N 7th. Fifteen letters were sent to surrounding property owners, two letters in favor of the variance were returned. This property has had a manufactured home on it in the past and has several other manufactured homes in the immediate area. A motion by Barney Blount to recommend approval of the application was made, Gary Culp seconded the motion and upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

6. CASE NO. PZ 15-12: To consider the petition of LEONARD HERNANDEZ, MATTHEW HERNANDEZ, & ANGELICA VARGAS 302 SE 1ST LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 1-6 BLOCK 3 & 6 OF THE MCSPADDEN ADDITION
TO the City of Lamesa, Dawson County, Texas**

located at 301-311 SE 1ST & 302-312 SE 2ND from zoning district I2 HEAVY INDUSTRY to zoning district I1 LIGHT INDUSTRY for PLACEMENT OF MANUFACTURED HOMES, BUILDING OF RESIDENTIAL HOUSING AND COMMERCIAL USE.

Discussion: Application of Leonard Hernandez, Matthew Hernandez, and Angelica Vargas was presented. Applicants request to change the zone of the property in order to use the property for residential and commercial use. Applicant states 2 manufactured homes to be placed on the property and a hair salon and possibly a tortilla factory. The current I-2 zoning prohibits residential use. This property is bordered by I-2 property on three sides and R-1 property to the North. Twelve letters were mailed to surrounding property owners, four letters were returned in favor of. A motion to recommend approval of the zone change was made by Sam Adams and seconded by Richard Leonard. Upon being put to a vote the motion passed.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

7. CASE NO. PZ 15-13: To consider the petition of GERARDO MARES 507 NORTH 4TH LAMESA, TEXAS 79331 to change the zone of the following property:

**LOTS 4, 5, & 6 BLOCK 6 OF THE SA JACKSON
ADDITION TO the City of Lamesa, Dawson County,
Texas**

located at 502-506 SE 3RD from zoning district I-2 HEAVY INDUSTRY to zoning district C-1 LOCAL RETAIL for MANUFACTURED HOME PARK.

Discussion: The application of Gerardo Mares was presented. Applicant requests a zone change for a manufactured home park at this location. Mr. Mares states he plans to have 3-4 manufactured homes on the property. the board asked if we have

ordinances to support the installation of a manufactured home park; the city has created a Manufactured home park zone but has not adopted ordinances pertaining to them. The board asked if an ordinance pertaining to manufactured home parks could be adopted before a recommendation is made for this application. Mr. Mares agreed to wait for this process. A motion to table the application was made by Richard Leonard and seconded by Larry Allison. Upon being put to a vote the motion passed. The Inspections Department will have a sample ordinance for review at the next meeting.

VOTING: "AYE" 6 "NAY" 0 "ABSTAIN" 0

8. ADJOURNMENT: There being no other business the meeting was adjourned

ATTEST:

APPROVED:

Chief Inspector

Chairman

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 17

SUBJECT: **ADOPT FINANCIAL POLICY**
PROCEEDING: Resolution
SUBMITTED BY: Finance Director
EXHIBITS: Financial Policy, Resolution
AUTHORITY: City Charter, City Code and Texas Government Code

SUMMARY STATEMENT

Consider passing a resolution approving updates to the City's Financial Policy.

COUNCIL ACTION

DISCUSSION _____

Motion by Council Member _____ to approve a resolution adopting updates to City's Financial Policy. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

CITY MANAGER'S MEMORANDUM

The updates to the City's Financial Policy include increasing the limit for issuance of purchase orders to the same level as surrounding communities. Excessive purchase orders due to a very low threshold have had an adverse impact on Department Heads and the Finance Department. **Recommend approval.**

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS,
ADOPTING A FINANCIAL POLICY**

On the 20th day of October, 2015, there came on and was held at the regular meeting place, the City Hall, an open meeting of the City Council of the City of Lamesa, Texas, held pursuant to the provisions of the Texas Open Meetings Act, and there being a quorum present and acting throughout the meeting, the following resolution was formally submitted by motion and duly seconded for the consideration and action of the meeting, to-wit:

WHEREAS, the City Council of the City of Lamesa deems it in the best interest of the City of Lamesa to have a sound financial policy leading to better accountability, sustainability, and transparency in the financial management of the City

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

That the City of Lamesa, Texas, adopt a Financial Policy for the Fiscal Year 2015-2016 to provide better accountability, sustainability, and transparency in the financial management of the City.

Upon being put to a vote, the resolution was Passed, Approved, and Adopted the 20th day of October, 2015, by a majority vote.

PASSED AND APPROVED the 20th day of October, 2015.

ATTEST

APPROVED:

Shawna D. Burkhardt
City Manager

Dave Nix
Mayor

CITY OF LAMESA

FINANCIAL POLICY STATEMENT

FISCAL YEAR 2015 - 2016

Section	1.00.	In General
Section	2.00.	Budgets
Section	3.00.	Accounting
Section	4.00.	Financial Management
Section	5.00.	Fund Balance
Section	6.00.	Investments
Section	7.00.	Audit and Financial Reporting
Section	8.00.	Purchasing and Contracting

SECTION 1.00. In General.

- 1.1. Scope.
- 1.2. Purpose and Objectives.

References

State Law - General fiscal powers of a home rule municipality, Local Government Code, Sec 101.022.

Library Reference -Governmental Accounting, Auditing and Financial Reporting, G.F.O.A.; City Financing, Chapter 13, Municipal Law & Practice (Singer).

1.1. Scope.

- A. This Financial Policy Statement applies to the budgeting, accounting, financial management, investment, auditing and financial reporting aspects of all operating funds, departments, programs, and activities of the City of Lamesa for Fiscal Year 2015-2016 beginning on October 1, 2015 and ending on September 30, 2016.
- B. The financial assets of all other funds shall be administered in general accordance with the provisions of this policy, except when otherwise required by federal or state law, the city charter or ordinances, or by contractual obligation.

1.2 Purpose and Objectives.

- A. **Purpose.** This policy is intended to provide a framework for the efficient and effective allocation and management of the financial resources of the City of Lamesa.
- B. **Objectives.** In order to achieve this purpose, these policies have the following objectives:
 - (1) to ensure that important policy making decisions are handled in a consistent manner and not controlled by financial problems or emergencies;
 - (2) to provide sound principles to guide the decision making process of the city council and administration;
 - (3) to set forth operational guidelines which minimize the cost of the city government while ensuring an effective level of services; and
 - (4) to employ revenue policies which fairly distribute the cost of services and provides adequate funds to operate municipal services.

SECTION 2.00. Budgets.

- 2.1. General Policy.
- 2.2. Budget Formulation.
- 2.3. Budget Execution
- 2.4. Special Revenue Funds.

References

City Charter - Budget, Art. IV, Sec. 30.

State Law - Municipal Budget, Local Government Code, Chapter 102.

Library Reference - City Financing, Chapter 13, Municipal Law & Practice (Singer).

2.1. General Policy.

- A. Current operating revenue should be sufficient to support current operating expenditures.
- B. Debt or bond financing will not be used to finance current operating expenditures.
- C. The budget will be prepared in a format consistent with the requirements of state law and in a manner that clearly reflects the operational plans for the forthcoming year. In addition, the city may submit its budget document for consideration for the Award for Distinguished Budget Presentation from the Governmental Finance Officer's Association.

2.2. Budget Formulation.

- A. **Budget Preparation.** As set forth in the City Charter, the City Council shall on the first day of July of each year or as soon thereafter as practicable prepare a budget to cover all proposed expenditures of the city for the succeeding year. The budget shall be prepared in conformity with the provisions of State (Local Government Code, Chapter 102) which requires that the budget be prepared in such a form as to:
 - (1) Make clear a comparison between the proposed expenditures, the estimated expenditures for the current year, and the actual expenditures for the preceding year.
 - (2) Show each of the various programs and projects for which appropriations are set up on the proposed budget.
 - (3) Show a complete financial statement of the city, including:
 - (a) all outstanding obligations of the city;
 - (b) cash on hand to the credit of each fund;
 - (c) the funds received from all sources during the preceding year;
 - (d) the funds available from all sources during the ensuing year;
 - (e) the estimated revenue available to cover the proposed budget; and
 - (f) the estimated tax rate required to cover the proposed budget.

B. Budget Enactment

- (1) **Public Hearings.** At least 15 days prior to the time when the City Council enacts the budget for the fiscal year beginning October 1st, the city manager, as budget officer, shall file a proposed operating budget, including proposed expenditures and the means of financing them, with the city secretary. Such budget shall be available for the inspection of any taxpayer. Public hearings shall be conducted not less than 15 days subsequent to the time of filing.
- (2) **Budget Ordinance.** Prior to October 1st, the budget shall be legally enacted through passage of an ordinance.

2.3. Budget Execution.

A. Budget Control

- (1) **City Charter Provisions.** The City Charter provides that no public money shall ever be spent or appropriated, except in case of public calamity, unless funds are currently in the possession of the city to cover said expenditures or appropriations; and that no expenditure shall ever be made by the city except upon checks drawn upon the account for which a previous appropriation shall have been made, signed by the city treasurer, and countersigned by the city manager or mayor.
- (2) **City Officers.** The director of finance shall keep all books in a manner as will clearly show the financial condition of the city at all times, keep all moneys belonging to the city, give receipts therefore, and disburse the same upon checks or warrants. The treasurer shall sign all checks and warrants as prepared by the director of finance upon city funds and be countersigned by the city manager or mayor. The city manager shall monitor the financial condition of the city, including the expenditures of the various departments.

- B. Transfers of Allocations.** The city manager is authorized to transfer allocated amounts between classifications, departments, and unappropriated surpluses if such transfers do not significantly change the work program contemplated in the approved budget; however any expenditures that alter the total amounts must be approved by the City Council.

2.4. Special Revenue Funds.

The City does not fully budget for the individual Special Revenue Funds, since budgetary control is maintained on an individual grant or need basis. Since grant periods may differ from the City's fiscal year, a comparison of budgetary information for the Special Revenue Funds would not be meaningful; however, an estimate of revenues and expenditures is presented in the operating budget for informational purposes.

Section 3.00. Accounting

- 3.1. General Policy.
- 3.2. Basis of Accounting.
- 3.3. Fund Accounting Policy.
- 3.4. Account Groups: Fixed Assets and Long term Liabilities.

References

City Charter - Budget Art. IV, Sec. 30.

State Law - Municipal Budget, Local Government Code, Chapter 102.

Library Reference -Governmental Accounting, Auditing and Financial Reporting, G.F.O.A.

3.1. General Policy.

- A. The city will establish and maintain the accounting systems according to the generally accepted principles and standards of the Government Finance Officer's Association and the National Committee on Governmental Accounting.
- B. The city manager, through his appointee, the director of finance, will be responsible for maintaining an adequate and effective system of accounts and for adhering to an internal accounting control system that gives reasonable assurance that assets are being safeguarded against loss from unauthorized use and disposition, and that the financial records can be relied upon for preparing financial statements and maintaining accountability for assets.
- C. The annual audit will be performed by an independent public accounting firm which will issue an official opinion on the financial statements, with a management letter detailing areas that need improvement if required.
- D. Full disclosure will be provided in the financial statements and bond representations.
- E. Expenditures and revenues will be monitored on a monthly basis.
- F. All bills paid by the city will be presented to the city council for review on a monthly basis.
- G. The city may submit documentation to obtain the Certificate of Achievement in Financial Reporting from the Governmental Finance Officer's Association.

3.2. Basis of Accounting

- A. **Modified Accrual Basis of Accounting.** Basis of accounting refers to the timing of when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. All governmental funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Sanitation collection fees are recorded as revenue when billed, which is on a cycle billing basis. Major revenues that are determined to not be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable include paving assessments, hotel-motel occupancy taxes, licenses, permits, fines, and forfeitures.
- B. **Exceptions.** Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this rule include:
 - (a) accumulated unpaid sick pay, vacation, and other employee benefits which are not accrued; except in the Water and Wastewater Enterprise Fund.
 - (b) principal and interest on general long-term debt which is recognized when due; and

- C. **Accrual Basis of Accounting.** All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Unbilled Water and Wastewater Fund services are accrued at year-end.

3.3. Fund Accounting Policy

The accounts of the city are organized on the basis of funds or groups of accounts, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues, and expenditures. The resources available to the city are allocated to and accounted for in individual funds based upon the purposes for which they are intended and are the means by which spending activities are controlled. The various funds are grouped into three broad categories as follows:

A. Governmental Funds

These funds are grouped together because of their similarity in their source and disposition, expendability, or government-type nature. They account for the acquisition, use, and balances of expendable financial resources and the related current liabilities.

(1) General Fund (01)

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those to be accounted for in other specific funds. This fund includes all general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund. General operating expenditures, fixed charges, and capital improvement costs not paid through other funds are paid from this fund.

General Fund Capital Reserve Account

This restricted assets account holds funds accumulated and retained for future capital improvement needs or contingencies; or to be held for future bond reserve requirements.

(2) Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue resources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

(a) Hotel-Motel Occupancy Tax Fund (12)

Accounts for moneys collected from Hotel-Motel Occupancy Tax and distributed by the Hotel-Motel Tax Committee for purposes allowed by state law.

(b) Housing Assistance Program Fund (08)

Accounts for moneys received from the federal government for Section 8, housing assistance and distributed as rent subsidies.

(c) Community Development Grant Fund (15)

Accounts for moneys received from the state and spent on specified activities related to community development block grants.

B. Proprietary Funds

(1) Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to a private business and which provides services to the general public primarily on a user charge basis. They account for all

assets, liabilities, and equities and match revenues and expenses to determine net income.

(a) Water and Wastewater Enterprise Fund (02)

The Water and Wastewater Enterprise Fund accounts for the operations of the Water and Wastewater Systems, which provides services to the general public on a user charge basis.

Water & Wastewater Capital Reserve Account

This restricted assets account holds funds retained from the 1962 Series Water Improvement Bonds Debt Service Account that are to be retained for future capital improvement needs or contingencies; or to be held for future bond reserve requirements.

Water & Wastewater Construction Account

This restricted assets account is used to account for construction liabilities for projects funded by long-term debt obligations.

Water & Wastewater Debt Service Account

This restricted assets account is used to account for the accumulation of financial resources for, and the payment of principal and interest on long-term debt (Certificate of Obligations) to be paid from revenues generated by utility extensions.

Customer's Deposits Account

This restricted assets account holds the deposits posted by water & sewer customers, the earnings thereon, forfeited deposits, and the return of deposits upon termination of service.

Well Drilling Permit Fee Account

This restricted assets account holds the fees collected for well drilling permits, which fees are designated for the purposes of repayment of the City's CRMWA obligation.

(b) Solid Waste Management Enterprise Fund (03)

The Solid Waste Management Enterprise Fund accounts for the operation of the Solid Waste Collection and Disposal Systems, which provides services to the general public on a user charge basis.

Solid Waste Capital Reserve Account

This restricted assets account holds funds accumulated and retained for future capital improvement needs or contingencies; or to be held for future bond reserve requirements.

SWMF Post Closure

This restricted assets count holds funds accumulated and retained for future landfill closures.

Water Tower Reserved Account

This restricted assets account holds funds accumulated and retained for future water tower maintenance

(2) Internal Service Fund

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis.

(a) Risk Management Fund (21)

Accounts for moneys set aside to provide funds for future Worker's Compensation claims, fund safety programs, and for the self-funded employee medical benefits program.

Risk Management & Safety Account

This account holds funds accumulated and retained for future Liability Insurance, Worker's Compensation claims and to fund safety programs covering all departments. (Combines funds from old Worker's Compensation and Social Security Funds)

Self-Funded Employee Medical Benefits Account

This account holds funds accumulated and retained for the self-funded employee medical benefits program.

C. Trust and Agency Funds

Trust and Agency Funds account for assets held by the City in a trustee or agency capacity or as an agent for individuals, private organizations, or other governmental units.

(1) Expendable Trust Funds

Expendable Trust Funds account for assets that may only be expended for purposes designated by a trust agreement or by state law.

(a) Forfeited Property Expendable Trust Fund (24)

Accounts for all funds that are forfeited in accordance with Chapter 59 of the Code of Criminal Procedure (Article 59.06, C.C.P.) and the Texas Controlled Substances Act (Article 4476-15, Section 5:08 V.A.T.C.S.) and any other statute providing for the use of seized and/or forfeited property by the city or any of its agencies.

General Account

This account holds funds forfeited in accordance with the provisions of Chapter 59 of the Code of Criminal Procedure (Article 59.06, C.C.P.).

Special Account

This account holds funds forfeited in accordance with the provisions of the Texas Controlled Substances Act (Article 4476-15, Section 5:08 V.A.T.C.S.).

(2) Agency Funds

Agency Funds are used to account for assets held for other funds, governments, or individuals and are custodial in nature and do not involve measurement of operations.

(a) State Agency Fund (05)

Accounts for state court costs collected by the municipal court (Governor's Tax).

(b) Deferred Compensation Agency Fund (23)

Accounts for deferred employee compensation and investment income which are temporarily held in accordance with State Law and Section 457 of the Internal Revenue Code.

3.4. Account Groups: Fixed Assets and Long Term Liabilities

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results or operations, and do not reflect available financial resources or related liabilities.

A. General Fixed Assets Account Group

The General Fixed Assets Account Group is a self-balancing account group and represents a summary of the fixed assets of the city, other than assets of the Proprietary Funds. It is used to show the value of the city's general fixed assets. Capital outlays in funds other than Proprietary Funds are recorded as expenditures of those funds at the time of purchase and are subsequently recorded for control purposes in the General Fixed Assets Account Group. Public domain or infrastructure general fixed assets including roads, curbs and gutters, streets and sidewalks, and drainage systems are capitalized along with other general fixed assets. All fixed assets are valued at historical cost or at estimated fair market value at date received, if donated. No depreciation is provided on such assets.

B. General Long-Term Debt Account Group

The General Long-Term Debt Account Group is a self-balancing account group and represents a summary of the city's debt which is to be paid by taxes levied by the city. This account group does not include debt accounted for in the Proprietary Funds.

SECTION 4.00. Financial Mangement

- 4.1. Revenue Policy.
- 4.2. Reserve Policy.
- 4.3. Cash Management Policy.
- 4.4. Capital Improvement Policy.
- 4.5. Debt Policy.
- 4.6. Enterprise Fund Policy.
- 4.7. Miscellaneous.

References

City Charter -. Depository, Art. IV, Sec. 22. The city council is authorized to select a depository for city funds in accordance with Chapter 3 of Title 47 of the Revised Statutes of 1925, as amended (Local Government Code, Chapter 105) and to follow all the terms and provisions of same.

State Law - General fiscal powers of a home rule municipality, Local Government Code, Sec 101.022; Depositories for Municipal Funds, Local Government Code, Chapter 105; Financing capital improvements, Local Government Code, Chapter 395;

Library Reference - City Financing, Chapter 13, Municipal Law & Practice (Singer).

4.1. Revenue Policy

A. General Policy

- (1) The city will maximize the utilization of user charges in lieu of ad valorem taxes for services that can be individually identified and where costs are directly related to the level of service.
- (2) The cumulative increase of revenue from the levy of the Ad Valorem property tax will not exceed five percent from the preceding fiscal year:
 - (a) excluding taxable value gained through annexation or new construction;
 - (b) excluding increases in the property tax rate mandated by the voters or by court order.

B. Estimates and Projections

- (1) Estimated revenues and fee schedules are to be reviewed as a part of the budget process.
- (2) Revenue estimates are to be based upon the following:
 - (a) Staff judgment based upon local and outside economic and factors.
 - (b) Trend projections based upon historical data.

C. Basis for General Fund Service Charges and Fees

Service charges and fees provided from the General Fund will be based upon:

- (1) Fee policies applicable to each fund or activity.
- (2) The related costs of the service provided.
- (3) The impact of projected or past inflation on the provision of services.
- (4) The equability of comparable fees.

4.2. Reserve Policy

A. In General

- (1) **Purpose.** The City of Lamesa shall have such reserve funds available that may be needed to meet any unexpected operating expenditures or expenses that may arise. In addition, each fund shall accumulate reserve funds as may be necessary to meet substantial planned or expected future expenditures or expenses.
- (2) **Types of Reserves.** There shall be four primary types of reserves; operating reserves, contingency reserves, capital reserves, and debt reserves.

B. Operating Reserves

- (1) **Purpose.** Operating reserves provide for unexpected or unanticipated expenditures during the year. A sufficient amount shall be appropriated as part of the operating budget to cover personnel contingencies such as merit pay, extra help, and overtime.
- (2) **Policy.** Operating Reserves are to be appropriated as part of the departmental or program budget and are utilized as needed in amounts that reflect previous patterns of activity and reasonably possible circumstances that may arise. Any unappropriated funds shall not be carried over into the next fiscal year.

C. Contingency Reserves

- (1) **Purpose.** Contingency Reserves are established in order to:
 - (a) provide for temporary funding on unforeseen needs of an emergency or non-recurring nature;
 - (b) permit orderly budget adjustments when revenues are lost thorough the action of other government bodies or due to unforeseen climatic or economic fluctuations;
 - (c) provide a local match for public or private grants;
 - (d) meet unexpected increases in service delivery costs.
 - (e) provide funds in order to maintain adequate short term cash flow and to reduce the demand for short term borrowing between the time the budget is adopted and the property tax revenues become due.
- (2) **Policy.** Contingency Reserves shall be constituted from the remaining fund balance or unreserved retained earnings of each operating fund. It is the goal of the city to maintain a year-to-year remaining fund balance in each fund in an amount necessary to maintain adequate short term cash flow and to reduce the demand for short term borrowing. The remaining fund balance or unreserved retained earnings should be at least five percent (5%) of general operating revenues; except in those years when such reserves are utilized to provide for adjustments due to economic or climatic fluctuations.

D. Capital Reserves.

- (1) **Purpose.** Capital Reserves are established in order to provide for normal replacement of existing capital equipment and additional capital improvements financed on a "pay as you go" basis.
- (2) **Policy.** Capital Reserves will be budgeted and held in appropriate restricted assets accounts. The reserve will be maintained in an amount adequate to finance the replacement of equipment. The replacement of equipment will be based upon an approved equipment replacement schedule.

E. Debt Reserves

- (1) **Purpose.** Debt Reserves will be established as needed to protect bond holders from payment defaults. Adequate bond reserves are essential in maintaining good bond ratings and the marketability of bonds. Debt reserves are established by bond ordinance and normally provide for reserve equal to the debt service requirements.
- (2) **Policy.** No debt reserves are currently budgeted or operational.

F. Landfill Post-Closure Care Reserve

- (1) **Purpose.** The Landfill Post-Closure Reserves is established in accordance with federal and state mandates and is intended to provide for adequate capital reserves to meet future cash outflows to cover post-closure maintenance costs and closure costs for the landfill operated by the City.
- (2) **Policy.**
 - (a) Reserves will be budgeted and held in an appropriate restricted assets account.
 - (b) The reserve will be maintained in an amount adequate to meet minimum state and federal funding requirements.
 - (c) The transfer from the Capital Equipment Reserve Account to the Landfill Post-Closure Reserve Account is authorized and all future transfers on an annual basis are authorized in an amount to cause the reserves to accumulate in an amount necessary to maintain compliance with appropriate federal and state requirements.

4.3. Cash Management Policy.

A. Depository

- (1) **Selection of Depository.** The selection of a depository for the city is governed by the provisions of the investment policy as contained in this policy statement (see Section 5.04(B)), State Law (Local Government Code, Chapter 105) and the City Charter (Art IV, Sec 22).
- (2) **Contract Provisions.** The contracted bank will be used as the depository for all funds other than those restricted in bond covenants and as provided in the investment policy.
- (3) **Payment of Funds.** The funds of the city may be paid out of the depository only at the direction of the city treasurer in accordance with procedures provided in the City Charter (Art IV, Sec 30). The payment of obligations of the city shall be made by check, draft, wire transfer, or other method of payment mutually acceptable to the city and the depository.

B. Investments

The city will invest idle funds only in compliance with the City's investment policy as approved by the City Council. (see Section 5.00)

4.4. Capital Improvement Policy

The capital replacement and expansion program is included as a part of the annual operating budget. The following policies will apply for Fiscal Year 2015-2016:

- A. Capital Replacements.** Capital replacements are those capital expenditures relating to the normal replacement of worn or obsolete fixed assets of the city.
 - (1) Expenditures relating to normal replacement will be budgeted and paid for from appropriated funds.

- (2) In those cases where the life expectancy of the asset being replaced is more than two years, capital equipment warrants and/or lease purchase financing will be considered.

B. Capital Expansion. Significant capital expansion projects relate to the construction of new or expanded facilities. The policy of the city is to pay for these projects by debt financed over the life of the improvement and the annual debt service funded from current rates; or by use of State or Federal grants.

4.5. Debt Policy

A. General Policy. The following general policies will apply:

- (1) The total general obligation debt will not exceed ten percent (10%) of the assessed valuation.
- (2) The city will use special assessment revenue or self supporting bonds, certificates of obligation, tax anticipation notes or any other method allowed by law, where appropriate, instead of general obligation bonds.

B. Capital Debt Decisions. The following will be considered in any capital debt decisions:

- (1) A determination of the project's acceptability from the standpoint of a positive cost-benefits ratio and long term goals of the comprehensive plan.
- (2) An evaluation of the project's cash flow to determine its financial viability.
- (3) The project's priority in relation to other projected capital improvements.

C. Long Term Debt Financing

- (1) The city will utilize long term debt financing when the following conditions exist:
 - (a) Non-continuous capital improvements are required.
 - (b) The proposed improvement will benefit future citizens.
- (2) Long-term debt will be handled by:
 - (a) Conservatively projecting the revenue sources that will be utilized to pay the debt.
 - (b) Financing the improvement over a period not greater than the usual life of the improvement.
 - (c) Determining that the cost benefit of the improvements not including interest costs is positive.

D. Short or Intermediate Term Capital Equipment Financing. The city will attempt to utilize lease/purchase, seven-year term or less warrant financing for capital equipment replacement when the terms of the lease/purchase or warrant financing are advantageous to the city.

4.6. Enterprise Fund Policy

A. Enterprise Funds

The Water and Wastewater Enterprise Fund and the Solid Waste Management Enterprise Fund are the only current enterprise funds. They are completely self-supported through user charges.

B. Enterprise Fund Service Charges

- (1) **Rate Requirements.** Water and Wastewater and Solid Waste Disposal service charges shall be set at a level to provide for the net income requirement in each fiscal year and shall be sufficient to finance all operating, capital and debt service costs to the enterprise funds.

- (a) **Net Income.** The excess of total revenue over total expenses for the fiscal year. (Also called net profit) The net income of the enterprise fund activities shall be at least equal to the annual costs of the principle reductions of outstanding bonds.
 - (b) **Operating Ratio.** Enterprise fund income shall be sufficient to maintain an operation ratio of at least 1.00. The operating ratio shall be calculated by dividing the total operating revenues by the total operating expenses.
 - (c) **Exceptions.** As a means to smooth out fluctuations in income and to return to the customer rates collected in excess of operating costs; an exception to the net income level and operating ratio goals, as stated above, may be made in those years when the projected unreserved retained earnings balance from the previous year is in excess of five percent (5%) of the total projected revenues for the next fiscal year, if:
 - (i) the excess retained earnings are the result of unforeseen climatic or economic fluctuations;
 - (ii) the remaining operating ratio does not fall below 0.93; and
 - (iii) the decreased operating ratio and net income levels will not unfavorably affect the city's ability to obtain a favorable bond rating or unduly affect the future financial condition of the fund.
- (2) **Basis for Service Charges.** Charges for services provided from Enterprise Funds will be based upon:
- (a) **Full Cost Recovery.** All costs associated with delivering any service provided by an enterprise fund shall be fully recovered by appropriate charges to those using the service.
 - (b) **Cost of Delivery.** The cost of delivering any service provided by an enterprise fund shall be based upon the cost of manpower, capital, time, and materials used to provide for the service.
 - (c) **Out of City Limits Charges.** All charges to out of city limits customers shall be set according to city ordinance. The current level of charges for out of city limits customers is two hundred percent (200%) of normal rates.
- (4) **Service Charge Rate Structures.**
- (a) **Water Service Charges.** Water service charges shall be based upon a measured and graduated service rate structure. The rate shall be determined by metering the volume of water consumed within a billing cycle (one month) and billing the customer according to a graduated rate structure that decreases at specified points as volume increases.
 - (b) **Wastewater Service Charges.** Wastewater service charges shall be based upon a flat rate structure for residential and small commercial customers. Users of larger volumes of water will be charged according to a measured rate based upon a percentage of the volume of water consumed during the period.
 - (c) **Sanitation Service Charges.** Sanitation service charges shall be based upon an incremental rate structure. The rate shall be based upon the level of service provided to the customer and shall take into consideration such variables as frequency of collection, volumes of wastes collected, and number and types of collection containers required. Additional charges may be made according to additional costs associated with the handling of specific types of wastes.

- (d) **Landfill Service Charges.** Landfill service charges shall be based upon an incremental rate structure. The rate shall be based upon the origin of the wastes, the volumes to be deposited, and the types involved.
- (e) **Vector Control Service Charges.** Vector control service charges shall be based upon a flat rate structure to be charged during the months the service is required and delivered.

C. **General Fund Transfers.** The following transfers are allowed to the General Fund:

- (1) **Gross Receipts Fees.** The city charges an estimate of the amount street use franchise fees that will be charged to the fund activities as if they were privately owned. The Gross receipts fee shall not be more than five percent (5%) of the gross receipts of the enterprise funds. These fees will be recognized as revenues in the General Fund.
- (2) **Payment in Lieu of Taxes (P.I.L.O.T.).** The city charges an estimate of the amount of property taxes that will be charged to the fund activities as if they were privately owned. They shall be based upon the current property tax rate. These fees will be recognized as revenues in the General Fund.
- (3) **Administrative Reimbursements.** Departments operated out of the General Fund provide services to the enterprise fund activities. These services are reimbursed to the General Fund at actual or estimated costs.
- (4) **Operating Transfer.** An additional transfer of funds to the General Fund to cover operating expenses as may be authorized by the city council.

4.7. **Miscellaneous**

A. **Employee Retirement Benefits**

- (1) **Texas Municipal Retirement System.** The city is a member of the Texas Municipal Retirement System. The rate of contribution for the city is based upon a periodic actuarial analysis for the normal cost and unfunded liability and the number of employees participating in the system.
- (2) **Deferred Compensation Plan.** In addition to the T.M.R.S. benefits, the city offers its employees a deferred compensation plan created in accordance with Section 457 of the Internal Revenue Code. The plan allows employees to defer a portion of their salary until future years with the related Federal income taxes deferred until the funds are paid to the participating employee or beneficiary under the terms of the agreement. The current plan is administered by the ICMA Retirement Corporation.

B. **Worker's Compensation.** The city is self insured under the TML Worker's Compensation Self-Insurance Pool. Premium payments are made from the Risk Management and Safety Fund, an internal service fund. This program is self-funded from charges to each department based upon the number of employees.

C. **Inventories.** Inventories consist primarily of supplies, valued at cost using the first-in, first-out method. Water and Wastewater Department inventory supplies are purchased on a yearly bid and charged out as used.

D. **Employee Health Insurance.** The city is self-insured for employee health insurance. The city pays medical costs and claims from the Risk Management and Safety Fund, an internal service fund. This program is self-funded from charges to each department based upon the number of employees.

SECTION 5.00. Fund Balance

- 5.1. In general
- 5.2. Definitions
- 5.3. Committed Fund Balance
- 5.4. Assigned Fund Balance
- 5.5. Minimum Unassigned Balance
- 5.06 Replenishment of Minimum Fund Balance Reserves
- 5.7. Order of Expenditure of Funds
- 5.8. Appropriation of Unassigned Fund Balance
- 5.9. Monitoring and Reporting

References

Governmental Accounting Standards Board (GASB) Statement No. 54
City of Lamesa: Resolution No. R-21-11

5.1 In General

- A. **Purpose.** This policy is to establish a key element of the financial stability of the City of Lamesa by setting guidelines for fund balance. Unassigned fund balance is an important measure of economic stability and it is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and other similar circumstances. This policy will ensure the City maintains adequate fund balances in the City's various operating funds with the capacity to:
- 1. Provide sufficient cash flow for daily financial needs,
 - 2. Secure and maintain investment grade bond ratings,
 - 3. Offset significant economic downturns or revenue shortfalls, and
 - 4. Provide funds for unforeseen expenditures related to emergencies

5.2. Definitions

- A. **Fund Equity.** A funds equity is generally the difference between its assets and its liabilities.
- B. **Fund Balance.** The fund equity of a governmental fund for which an accounting distinction is made between the portions that are spendable and non-spendable. Fund balance is classified into five categories:
- (1) **Nonspendable fund balance** – includes the portion of net resources that cannot be spent because of their form (i.e. inventory, long-term loans, or prepaids) or because they must remain in-tact such as the principal of an endowment.
 - (2) **Restricted fund balance** – includes the portion of net resources on which limitations are imposed by creditors, grantors, contributors, or by laws or regulations of other governments (i.e. externally imposed limitations). Amounts can be spent only for the specific purposes stipulated by external resource providers or as allowed by law through constitutional provisions or enabling legislation. Examples include grant awards and bond proceeds.
 - (3) **Committed fund balance** – includes the portion of net resources upon which the City Council has imposed limitations on use. Amounts that can be used only for the specific purposes determined by a *formal action* of the City Council. Commitments may be changed or lifted only by the Council taking the same *formal action* that originally imposed the constraint. The formal action must be approved before the end of the fiscal year in which the commitment will be reflected on the financial statements.

- (4) **Assigned fund balance** – includes the portion of net resources for which an *intended* use has been established by the City Council or the City Official authorized to do so by the City Council. Assignments of fund balance are much less formal than commitments and do not require formal action for their imposition or removal. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed which indicates that resources are, at a minimum, intended to be used for the purpose of that fund.
- (5) **Unassigned fund balance** – includes the amounts in the general fund in excess of what can properly be classified in one of the other four categories of fund balance. It is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. Negative residual amounts for all other governmental funds are reported in this classification.

5.3. **Committed Fund Balance.** The City Council is the City's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council at the City's Council meeting. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period (i.e. the Council may approve the calculation or formula for determining the amount to be committed).

5.4. **Assigned Fund Balance.** The City Council authorizes the City Manager as the City Official responsible for the assignment of fund balance to a specific purpose as approved by this fund balance policy.

5.5. **Minimum Unassigned Fund Balance.** The City's goal is to achieve and maintain an unassigned fund balance in the general fund equal to 16.67% of expenditures. The City considers a balance of less than 8.34% to be cause for concern, barring unusual or deliberate circumstances. In the event that the unassigned fund balance is calculated to be less than the policy stipulates, the City shall plan to adjust budget resources in subsequent fiscal years to restore the balance.

5.6. **Replenishment of Minimum Fund Balance Reserves.** If unassigned fund balance unintentionally falls below 8.34% or if it is anticipated that at the completion of any fiscal year the projected unassigned fund balance will be less than the minimum requirement, the City Manager shall prepare and submit a plan to restore the minimum required level as soon as economic conditions allow. The plan shall detail the steps necessary for the replenishment of fund balance as well as an estimated timeline for achieving such. These steps may include, but are not limited to:

- (1) identifying new, nonrecurring, or alternative sources of revenue;
- (2) increasing existing revenues, charges and/or fees; use of year end surpluses;
- (3) and/or enacting cost saving measures such as holding capital purchases, reducing departmental operating budgets, freezing vacant positions, and/or reducing the workforce.

The replenishment of fund balance to the minimum level shall be accomplished within a three-year period. If restoration of the reserve cannot be accomplished within such a period without severe hardship to the City, then the Council shall establish an extended time line for attaining the minimum balance.

- 5.7. Order of Expenditure of Funds.** When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will first spend the most restricted funds before moving down to the next most restrictive category with available funds.
- 5.08 Appropriation of Unassigned Fund Balance** Appropriation from the minimum unassigned fund balance shall require the approval of the Council and shall be utilized only for one-time expenditures, such as capital purchases, and not for ongoing expenditures unless a viable revenue plan designed to sustain the expenditure is simultaneously adopted. The Council may appropriate unassigned fund balances for emergency purposes, as deemed necessary, even if such use decreases the fund balance below the established minimum.
- 5.09. Monitoring and Reporting.** The Director of Finance shall be responsible for monitoring and reporting the City's various reserve balances. The City Manager is directed to make recommendations to the Council on the use of reserve funds both as an element of the annual operating budget submission and from time to time throughout the fiscal year as needs may arise. Compliance with the provisions of the policy shall be reviewed as a part of the annual operating budget adoption process and subsequent review will be included in the annual audit and financial statement preparation procedures.

SECTION 6.00. Investments

- 6.1. In General.
- 6.2. Investment Authorities
- 6.3. Investment Policy
- 6.4. Investment Plan

References

City Charter -. Depository, Art. IV, Sec. 22. The city council is authorized to select a depository for city funds in accordance with Chapter 3 of Title 47 of the Revised Statutes of 1925, as amended (Local Government Code, Chapter 105) and to follow all the terms and provisions of same.

State Law - Public Funds Investment Act, Government Code, Chapter 2256; Depositories for Municipal Funds, Local Government Code, Chapter 105.

Library Reference – Municipal Law & Practice (Singer), Sec. 308, The City Depository.

6.1. In General.

- A. Purpose.** This policy is intended to cover all aspects of public fund investments under the authority of the City of Lamesa. It is enacted to guide the implementation and compliance with the Public Funds Investment Act, Government Code, Chapter 2256, as amended.
- B. Objective.** It is the policy of the City of Lamesa to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands on the city and conforming to all state statutes governing the investment of public funds.
- C. Basis and Authority for Investment Policy.** This policy is enacted to implement the stated purpose of Public Funds Investment Act, Government Code, Chapter 2256, as amended.
- D. Applicability of Investment Policy.** The provisions of this chapter shall apply to all financial assets of the City of Lamesa, Texas except for its deferred compensation plan which is separately administered by the ICMA Retirement Corporation. The investments of all of the city's funds shall be placed in a pooled fund group in order to maximize the investment potential of the city's investments. Funds included in the pooled fund group are:

(1) Governmental Funds

(a) General Fund (01)

General Fund Capital Reserve Account

General Fund Investments

2014A Debt Service/Tax Notes

(b) Special Revenue Funds

(1) Hotel-Motel Occupancy Tax Fund (12)

(2) Housing Assistance Program Fund (08)

(3) Community Development Grant Fund (15)

- (4) Special Revenue Fund (17)
 - (2) **Proprietary Funds**
 - (a) **Enterprise Funds**
 - (1) **Water and Wastewater Enterprise Fund (02)**
 - Water & Wastewater Capital Reserve Account
 - Water Tower Reserve
 - 2013 Debt Service/Tax Notes
 - 2014A Debt Service/Tax Notes
 - Water & Wastewater Debt Service Account USDA
 - Treatment Plant Debt Service Reserve C/O Series 2006
 - Capital Improvement Project-Water Elevated Tanks
 - Customer's Deposits Account
 - (2) **Solid Waste Management Enterprise Fund (03)**
 - Solid Waste Post Closure Reserve Account
 - Solid Waste Equipment Reserve Account
 - 2012 Debt Service/Tax Notes
 - (3) **Municipal Golf Course**
 - (b) **Internal Service Fund**
 - (1) **Risk Management Fund (21)**
 - Risk Management & Safety Account
 - Self-Funded Employee Medical Benefits Account
 - (3) **Trust and Agency Funds**
 - (a) **Expendable Trust Funds**
 - (1) **Forfeited Property Expendable Trust Fund (24)**
 - General Account
 - Special Account
 - (b) **Agency Funds**
 - (1) **State Agency Fund (05)**

E. Standard of Care.

- (1) **Prudence.** The standard of prudence to be used by the investment officers so named in this policy shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Said officers acting in accordance with written procedures and the investment policy and exercising due care shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.
- (2) **Investment Objectives.** Investment of funds shall be governed by the following investment objectives, in order of priority:

- (a) Preservation and safety of principal.
- (b) Liquidity
- (c) Yield

(3) **Determination of Standard.** In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- (a) the investment of all funds, or funds under the city's control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
- (b) whether the investment decision was consistent with the provisions of this policy.

F. **Annual Policy Review and Approval by City Council.** The city council of the City of Lamesa shall review and approve this investment policy and investment strategies not less than annually. Said review may be included within the financial policy statement or annual budget as approved by the city council.

G. **Definitions.**

Amortization. To liquidate (a debt) by installment payments.

Accretion. Growth or increase in size by gradual external addition.

Book Value. The face or par value of an investment plus accrued interest or minus amortization or plus the accretion.

Certificate of Deposit (CD). A time deposit with a specific maturity evidenced by a certificate.

Collateral. Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public moneys.

Demand Deposit. A deposit of funds that may be withdrawn on the demand of the depositor, (city checking account).

Funds. Public funds in the custody of the city that:

- (a) are not required by law to be deposited in the state treasury; and
- (b) the city has authority to invest.

Liquidity. A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes..

Market Value. The price at which a security is trading and could presumably be purchased or sold.

Maturity. The date upon which the principal or stated value of an investment becomes due and payable.

Pooled Fund Group. An internally created fund of the city in which one or more institutional accounts of the city are invested.

Prudent Person Rule. An investment standard that requires investments to be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Public Funds Investment Act. Shall refer to the Texas Public Funds Investment Act codified as Chapter 2256 of the Government Code of Texas.

Rate of return. The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

Safety. Refers to the ability if the issuer to redeem the instrument at maturity. U.S. Government guaranteed obligations are considered risk free and all other instruments are evaluated against this standard.

Time Deposit. A deposit of funds subject to a contract between the depositor and the depository under which the depositor may not withdraw any of the funds by check or by another manner until the expiration of a certain period following written notice of the depositor's intent to withdraw the funds.

Treasury Bills. A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

Treasury Bond. Long-term U.S. Treasury securities having initial maturities of more than ten years.

Treasury Notes. A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

Yield. The rate of annual income return on an investment, expressed as a percentage.

- (a) Income yield is obtained by dividing the current dollar income by the current market price for the security.
- (b) Net yield or yield to maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Treasury Bill. A U.S. government short-term security sold to the public each week, maturing in 91 to 182 days.

6.2. Investment Authorities.

- A. Delegation of Authority.** Authority to manage the City of Lamesa's investment program is derived from the authority granted by the city council in this policy and the Public Funds Investment Act. The investment officials of the city shall be the investment officer, director of finance and the city treasurer. Management responsibility for the investment program is hereby delegated to the investment officer who shall institute written procedures for the operation of the investment program consistent with this investment policy. The director of finance and the city treasurer are designated as subordinate investment officials. The investment officer shall establish a system of controls to regulate the activities of subordinate investment officials.
- B. Limitation of Authority.** A person may not deposit, withdraw, invest, transfer, or manage in any other manner funds of the city without the express written authority of the city council, city manager, or director of finance of the city. No person may engage in investment transactions except as provided under the terms of this policy and the procedures established by the investment officer
- C. Investment Officer.** The City Manager of the City of Lamesa, and his or her successor, shall be and is hereby designated as the investment officer of the City of Lamesa for the purposes of this policy and the Public Funds Investment Act and shall be responsible for the performance of such obligations and duties as provided in this policy and state law.
- D. Director of Finance/Assistant Finance Director.** The Director of Finance/Assistant Finance Director of the City of Lamesa, and his or her successor, shall be and is hereby designated as the chief financial officer of the City of Lamesa for the purposes of this policy and the Public Funds Investment Act and shall be responsible for the performance of such obligations and duties as provided in this policy and state law.
- E. City Treasurer.** The City Treasurer of the City of Lamesa, and his or her successor, shall serve as deputy investment officer with the authority to act in the absence of the investment officer, and shall be responsible for the performance of such obligations and duties as provided in this policy and state law.
- F. Ethics and Conflict of Interest.**

 - (1) In General.** Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.
 - (2) Disclosure of Material Financial Interests.** Investment officials, as designated under the provisions of this policy, shall disclose, by filing a statement, to the city council any personal business relationship or material financial interests in financial institutions that conduct business within the city or with an entity seeking to sell an investment to the city, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the city, particularly with regard to the time of purchases and sales.

(3) Disclosure of Relationship. Any investment official, as designated under the provisions of this policy, who is related within the second degree of consanguinity, as determined under Chapter 573 of the Government Code of Texas, to an individual seeking to sell an investment to the city shall file a statement disclosing that relationship.

(4) Statement to be Filed. A statement required under this section must be filed with the Texas Ethics Commission and the City Council of the City of Lamesa, Texas.

G. Limitation of Investment Officer's Liability. The investment officials of the city, including the investment officer, director of finance/assistant finance director and the city treasurer, shall not be held responsible for any loss of city funds through the negligence, failure, or wrongful act of a financial institution providing investment services to the city. This section does not release said officers from responsibility for a loss resulting from the official misconduct of said officers, including a misappropriation of the funds, or from responsibility for the funds until an investment is made.

H. Training. The investment officials of the city, including the investment officer, director of finance, assistant finance director and the city treasurer, shall attend such training as may be required by the Public Funds Investment Act. Said officials shall also attend such training in investment controls, security risks, strategy risks and market risks as necessary for the prudent management of the city's investments.

6.3. Investment Policy.

A. Objective. The primary objectives, in priority order, of the City of Lamesa's investment activities shall be:

- (1) Preservation and Safety of Principal.** Safety of principal is the foremost objective of the investment program. Investments of the City of Lamesa shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- (2) Liquidity.** The city's investment portfolio will remain sufficiently liquid to enable the city to meet all operating requirements which might be reasonably anticipated.
- (3) Yield or Return on Investments.** The city's investment portfolio shall be designed with the objective of attaining a rate of return throughout the budgetary and economic cycles, commensurate with the city's investment risk constraints and the cash flow characteristics of the portfolio.

B. Pooled Fund Group. A pooled fund group shall be created from the, governmental, proprietary, and trust and agency funds of the city. All funds of the city covered by this policy shall be invested in the pooled fund group.

C. Authorized and Suitable Investment Securities.

- (1) Authorized Securities and Investments.** The following are authorized investments under this policy:

- (a) **Certificate of Deposit.** A certificate of deposit is an authorized deposit under this policy if it is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor; and secured by obligations that are secured in any other manner and amount provided by law for deposits of the city.
 - (b) **Time Deposits.** City funds not immediately required to pay obligations of the city may be invested in time deposits or interest bearing demand accounts with the city's depository, as provided in the depository contract, at a legal interest rate under federal law.
 - (c) **Public Funds Investment Pool.** Eligible public funds investment pools as defined by the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, which meet criteria outlined in Sections 2256.016 and 2256.019 of the Texas Government Code upon approval by the City Council.
 - (d) **Obligations of the United States of America, its agencies, and instrumentalities** (i.e. Treasury Bills).
- (2) **Unauthorized Securities.** Any security designated, as an unauthorized investment under the provisions of the Public Funds Investment Act is not authorized under this policy:
- (3) **Maximum Allowable Maturity.** To the extent possible, the city will attempt to match its investment with anticipated cash flow requirements. Unless matched to a specific cash flow, the city will not directly invest in certificates of deposit or securities maturing more than one year from the date of purchase. Reserve funds may be invested in certificates of deposit or securities exceeding one year if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds. The maximum weighted average maturity of six (6) months.
- (4) **Collateralization.** Collateralization will be required on all certificates of deposit. Collateral will always be held by an independent third party with whom the city has a custodial agreement. A clearly marked evidence of ownership shall be supplied to the city and retained. The right to collateral substitution is granted.

D. Selection and Purchase of Investment Securities.

- (1) **Authorized Financial Dealers and Institutions.** The City shall invest funds only with the following types of qualified financial institutions:
 - (a) **City Depository.** The city may invest funds with a financial institution qualified as a depository for the City of Lamesa. All financial institutions that desire to provide investment services to the city shall qualify as a depository under the provisions of Chapter 105 of the Local Government Code of Texas.
 - (b) **Public Funds Investment Pools.** The City may invest in eligible public funds investment pools as defined by the Public Funds Investment Act, Chapter 2256 of the Texas Government Code, which meet criteria outlined in Section 2256.016 and 2256.019 of the Texas Government Code. The City Council shall authorize participation in a public funds investment pool by resolution. An investment pool must furnish to the City's investment officer or other authorized

representative, an offering circular or similar disclosure instrument that contains information required by Government Code 2256.016 (b).

(c) Other Financial Institutions. The city may invest funds with any financial institution that is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, (i.e. Certificate of Deposits).

- (2) Selection and Compliance of Brokers/Dealers - Certification Process.** The selection process for institutions authorized to provide investment services to the city shall comply with the provisions of Chapter 105 of the Local Government Code of Texas and Chapter 2256 of the Government Code of Texas.
- (3) Diversification Requirements.** The purpose of diversification of the city's investments shall be to reduce overall portfolio risks while attaining market average rates of return. The investments of the city may be invested in a single financial institution, provided that the investment portfolio is not concentrated in a single security type or specific maturity sector.

E. Internal Control, Evaluation and Reporting.

- (1) Internal Control/Compliance Audit.** The city, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the city's investment policy.
- (2) Quarterly Reporting Requirements.** The investment officer is charged with the responsibility of preparing and presenting quarterly reports to the city council. The report shall include all funds covered by this policy for the preceding reporting period and shall:
 - (a)** describe in detail the investment position of the city on the date of the report;
 - (b)** be prepared jointly by all investment officers of the city;
 - (c)** be signed by each investment officer of the city;
 - (d)** contain a summary statement of the pooled fund group that states the:
 - (i)** beginning market value for the reporting period;
 - (ii)** additions and changes to the market value;
 - (iii)** ending market value for the period;
 - (e)** state the book value and the market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
 - (f)** state the maturity date of each separately invested asset that has a maturity date;

- (g) state the account or pooled fund group for which the investment was acquired;
- (h) state the compliance of the investment portfolio as it relates to;
 - (i) the investment strategy expressed in the city's investment policy; and
 - (ii) to relevant provisions of the Public Funds Investment Act.

6.4. Annual Investment Plan

- A. Applicability of Investment Plan.** This investment plan shall be effective from the date of adoption through Fiscal Year 2013-2014 ending on September 30, 2014. The investment policy shall apply in all matters pertaining to said plan. This investment plan is intended to satisfy the "separate written investment strategy" requirements of Section 2256.005 (d) of the Public Funds Investment Act.
- B. Selection of Authorized Financial Institutions.**
 - (1) Authorized Financial Institutions.** The city may invest funds with any financial institution that is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, (i.e. Certificates of Deposits). A financial institution providing investment services to the city must qualify as a depository under the provisions of Chapter 105 of the Local Government Code of Texas.
 - (2) Investment Duties of Depository.** The depository chosen by the City of Lamesa for the five year period beginning on January 1, 2009 and ending on December 31, 2013 shall be the designated financial institution authorized to provide investment services to the city during the period covered by this plan.
- C. Suitability of Investments.** This plan is intended to be non-speculative with the objective of preserving the safety of principal with sufficiently liquid, and attaining a satisfactory rate of return. Only investments allowed by the investment policy shall be deemed suitable during the term of this plan.
- D. Safety of Principal.** Safety of principal is the foremost objective of this plan. Investments of the City of Lamesa shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Collateralization will be required on all certificates of deposit. Collateral will always be held by an independent third party with whom the city has a custodial agreement. A clearly marked evidence of ownership shall be supplied to the city and retained. The right to collateral substitution is granted
- E. Liquidity.** The city's investment portfolio will remain sufficiently liquid to enable the city to meet all operating requirements which might be reasonably anticipated. Time deposits will be utilized to satisfy this requirement.
- F. Investment Marketability Requirements.** No marketable investment will be held by the city. Only time deposits and certificates of deposit issued by the depository will be utilized.

- G. **Diversification.** The city's portfolio will be held by a single institution, the city's depository. The funds of the city may be invested in time deposits or certificates of deposit according to the anticipated need for such funds.
- H. **Yield Objectives.** The city's investment portfolio shall be designed with the objective of attaining a rate of return throughout the budgetary and economic cycles, commensurate with the city's investment risk constraints and the cash flow characteristics of the portfolio.
- I. **Maturity Requirements and Restrictions.** The time deposits of the city will structured in a manner to be available as needed to meet all operating requirements which might be reasonably anticipated

SECTION 7.00. Audit and Financial Reporting

- 7.1. Annual Audit and Financial Statement.
- 7.2. Scope of the Audit.
- 7.3. Auditing Standards to be Used.
- 7.4. Term of Audit Engagement.

References

City Charter - Audit and examination of the city books and accounts, Art. IV, Sec. 29..

State Law - Audit of municipal finances, Local Government Code, Chapter 103.

Library Reference -Governmental Accounting, Auditing and Financial Reporting, G.F.O.A.

7.1. Annual Audit and Financial Statement.

- A. **General Policy.** The city shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit.
- B. **Auditor.** The City shall employ an independent certified public accountant who is licensed by the State of Texas as a public accountant to conduct the audit and to prepare the annual financial statement.
- C. **Financial Statement.** The annual financial statement, including the auditor's opinion on the statement shall be filed in the office of the city secretary within 120 days after the first day of the City's fiscal year (July 29th). Said financial statement shall be available for public inspection.

7.2. Scope of the Audit.

- A. The financial statement audit is to determine whether:
 - (1) the financial statements present fairly the financial position, results of operations and cash flows or changes in financial positions in accordance with generally accepted accounting principles, and
 - (2) whether the City of Lamesa has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements.
- B. The financial related audit will also include determining whether:
 - (1) financial reports and related items are fairly presented,
 - (2) financial information is presented in accordance with established or stated criteria, and
 - (3) the City of Lamesa has adhered to specific financial compliance requirements.
- C. As a part of the audit of the general purpose financial statements, the annual audit will also include obtaining an understanding of the City's internal control structure and reporting any reportable conditions relating to the internal control systems coming to the attention of the auditors. To comply with Office of Management and Budget Circular A-128, a study and evaluation of the internal control structure will include internal accounting and administrative controls for all major federal financial assistance programs or 50% of all federal programs if expenditures for major programs are less than 50% of total federal program expenditures. Any material weakness noted during the study and evaluation of internal accounting and administrative controls will be reported.

- D. As part of the audit of the general purpose financial statements, transactions and records pertaining to federal laws, rules and regulations, and all instances of noncompliance will be reported to the City of Lamesa.

7.3. Auditing Standards to be Used.

The audit is to be performed in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments".

7.4. Term of Audit Engagement.

A contract for audit services shall be for one fiscal year. An initial agreement may be extended up to an additional four years, upon Council approval, following satisfactory delivery of the services as specified.

SECTION 8.00. Purchasing and Contracting

- 8.01. In General.
- 8.02. Competitive Bidding and Contracting
- 8.03. Cooperative Purchasing

References

City Charter -. Competitive bidding, Art. III, Sec. 26.

State Law - Purchasing and contracting authority of municipalities, Local Government Code, Chapter 252; Authority of city council to elect to have state law supersede the charter as it relates to purchasing and contracting, , Local Government Code, Section 252.002., enacted by resolution, January 17, 1994; State cooperative purchasing program participation by city, Local Government Code Sections 271.081-271.083, enacted by resolution , May 2, 1989.

Library Reference - Municipal Law & Practice (Singer), Chapter 30, Contracts.

8.1. In general.

- A. **General policy.** It is the policy of the City to obtain all services, supplies, materials and equipment at the lowest cost to the City consistent with those standards of quality, performance, service and availability which will best meet the needs of the City.
- B. **Intent of policy.** It is the intent of this policy to:
 - (1) promote the practice of requiring competitive purchasing practices to keep costs at a minimum and to give interested vendors an equal opportunity to supply goods and services to the City and;
 - (2) Cover all aspects of purchasing and contracting under the authority of the City of Lamesa; and
 - (3) comply with the provisions of the City Charter and applicable provisions of State Law including Chapters 252 and 271 of the Local Government Code, as amended.
- C. **Legal guidelines.**
 - (1) **City Charter.** The provisions of Article III, Section 26 of the City Charter of the City of Lamesa shall govern the purchasing and contracting activities of the City of Lamesa.
 - (2) **State Law.** The provisions of Chapter 22 of the Local Government Code shall govern the purchasing and contracting activities of the City of Lamesa that are covers by said laws.
 - (3) **State law controls over city charter.** The provisions of Title 8, Chapter 252 of the Local Government Code of the State of Texas supersede the provisions of the Charter of the City of Lamesa relating to competitive bidding (Article III, Section 6) to the extent the provisions conflict with the City Charter of the City of Lamesa effective January 18, 1994.
- D. **Award standards.** In the procurement process, the award will be made to the vendor with the lowest responsible and responsive quotation or bid unless, in the judgment of the responsible authority, such an award would not serve the best interest of the City. Whenever practicable and in the best interest of the City, purchases will be grouped together to take advantage of quantity discounts.

- E. **Authorized purchases.** Only those employees specifically designated are authorized to make purchases in the name of the City. Authority to make purchases means the authority to sign purchase requests or specific delegation of authority by a department head or by the city manager.
- F. **Unauthorized purchases.** Unauthorized purchases become the obligation and financial responsibility of the individual who made the commitment.

8.2. Definitions

The following definitions shall apply:

- (1) **Bidder.** Refers to the person, firm or entity that submits a bid or proposal for in response to a solicitation..
- (2) **Competitive Procurement Process:** refers to all methods of obtaining prices from multiple vendors.
- (3) **Quotation:** refers to pricing obtained through a number of informal, generally rapid methods, including telephone, faxed or written quotations.
- (4) **Bid:** refers only to pricing obtained through a formal sealed bid process.
- (5) **Proposal:** refers only to information obtained from a vendor concerning goods and services through a formal sealed proposal process for high technology procurements under Section 252.021 of the Local Government Code.
- (6) **Purchase order:** refers to an order placed by the purchasing agent for the purchase of goods or services on the City's standard purchase order form.
- (7) **Request for Bid:** refers to the document issued to solicit bids and is used when product or services being procured can be precisely described.
- (8) **Request for Proposal:** refers to the document used to solicit proposal from vendors for high technology procurements under Section 252.021 of the Local Government Code.
- (9) **Responsible Authority:** refers to the City Council for purchases over \$50,000 and to the city manager for purchases under \$50,000.
- (10) **Responsible Bidder:** refers to a bidder or proposer who has the capability in all respects to perform the contract requirements in a manner which will assure reliability and good performance.

8.3. Authorized Procurement Processes.

A. In general.

- (1) **Advertisement.** All formal sealed bids must be publicly advertised as follows:
 - (a) **Publication of notice.** State law requires that if the formal sealed competitive process applies to the purchase, notice of the time and place at which bids will be publicly opened and read aloud must be published at least once a week for two consecutive weeks in a newspaper published in the municipality. The date of the first publication must be before the 14th day before the date set to publicly open the bids.
 - (b) **Request for proposals.** State law requires that if the competitive sealed proposals requirement applies to the purchase, notice of the request for proposal must be given in the same manner as that prescribed by Subsection (a) for the notice for the competitive sealed bids.
 - (c) **Road machinery specifications.** State law requires that if the contract is for the purchase of machinery for construction or maintenance of roads, streets, the notice for bids and the order for purchase must include a general specification of the machinery desire.

(2) **Non responsive bids.**

- (a) **In general.** The City will not consider non-responsive bids or proposals, i.e. those with material deficiencies, omissions, errors or inconsistencies.
- (b) **Bidder's responsibility.** Bidders are expected to examine all documents that make up the solicitation. The bidder has the responsibility to notify the City of any perceived ambiguity, inconsistency or error that they may discover upon examination of the specifications or solicitation.
- (c) **Clarification.** The City may make post-bid inquiries or requests for clarifications as to minor irregularities; and there may be additional discussion between the vendors and the City during the review of proposals.

(3) **Invoices.**

The person making a direct purchase or accepting a delivery is responsible for submitting an invoice to the department head. The department head is responsible for submitting the invoice to the director of finance. Failure to submit an invoice may result in the purchase becoming the obligation and financial responsibility of the individual who made the purchase.

B. Formal sealed bid competitive process.

- (1) **In general.** Purchases greater than \$50,000 require either a Request for Bid or Request for Proposal. Both require a formal sealed competitive bid process.
 - (a) The **Request for Bid** is used when goods or services being procured can be precisely described. Price is generally the determining factor in the award provided the criteria set forth in the Request for Bid are met. There is a public opening of the bids at a City Council meeting. The award is made to the lowest responsible and responsive bidder.
 - (b) The **Request for Proposal** is used for high technology procurements under Section 252.021 of the Local Government Code. The City during the review of proposals may seek clarification and additional information concerning the proposal. The following requirements of state law must be met:
 - (i) Requests for proposals made under Section 252.021 of the Local Government Code must solicit quotations and must specify the relative importance of price and other evaluation factors.
 - (ii) Discussions in accordance with the terms of a request for proposals and with regulations adopted by the City Council may be conducted with offerors who submit proposals and who are determined to be reasonably qualified for the award of the contract. Offerors shall be treated fairly and equally with respect to any opportunity for discussion and revision of proposals. TO obtain the best final offers, revisions may be permitted after submissions and before the award of the contract.
 - (iii) If the competitive sealed proposals requirement applies to the contract, the contract must be awarded to the responsible offer or whose proposal is determined to be the advantageous to the City considering the relative importance of price and the other evaluation factors included in the request for proposals.
- (2) **Bidding process.** All purchases in an amount of \$50,000.00 or more must be through the process of a competitive formal sealed bidding process and must be approved by the City Council prior to the issuance of a purchase order.
 - (a) **Specifications.** The mayor and city council shall approve all specifications and authorize the calling for bids. Pending advertisement

of such proposed bids, specifications shall be on file in the office of the city secretary, subject to the inspection of all persons desiring to bid.

- (b) **Notice.** The bid shall be advertised in the official newspaper at least once in each week for two consecutive weeks inviting competitive bids for labor and materials embraced in the proposed contract.
- (c) **Delivery of bids.** All bids submitted shall be sealed and delivered to the city secretary.
- (d) **Award of bids.** The City Charter provides the following process for the awarding of bids:
 - (i) At the time in the bid notice the bids shall be opened in the presence of a majority of the city council.
 - (ii) No bid shall be awarded except to one of the bidders.
 - (iii) The council shall determine the most advantageous bid for the city and shall award the bid to such bidder.
 - (iv) The council shall always have the right to reject any and all bids, and in the event all bids are rejected, may call for new bids, which shall be advertised in like manner as the original bids.
 - (v) No bid shall ever be awarded except by approval of a majority of the city council.

C. **Competitive Procurement Process**

- (1) **In general.** Except as otherwise provided herein, purchases of services, supplies, materials and equipment needed by the City must be based on the principle of competitive procurement.
- (2) **Competitive Procurement Process Thresholds**
 - (a) **Purchases over \$50,000.** The competitive procurement process may be used for purchases in an amount over \$50,000 for a purchase made under an exemption as provided in Section 252.022 of the Local Government Code.
 - (b) **Purchases under \$50,000 and more than \$3,000.**
 - (i) **In general.** All purchases in an amount under \$50,000 and more than \$3,000 must be made through a Competitive Procurement Process after solicitation of at least 3 quotations or following a formal sealed competitive process if required by the city manager. These quotations shall be documented on the purchase request form.
 - (ii) **Purchase order required.** All purchases in an amount under \$50,000 and more than \$3,000 must:
 - a. be approved by the department head and the city manager; and
 - b. be submitted to the purchasing agent on an approved purchase request form; and
 - c. have a purchase order issued prior to the purchase.
 - (c) **Purchases under \$3,000.**

All purchases in amounts less than \$3,000 must be made through a Competitive Procurement Process after solicitation of quotations. The purchasing agent or any authorized other person seeking quotations shall attempt to obtain at least 3 quotations if possible. These quotations shall be documented on the purchase

Request form. Approval of such purchases will be made in accordance with following guidelines:

- (i) Purchases in an amount under \$3,000.00 that are approved in the annual operating budget must:
 - a. be approved by the department head; and
 - b. be submitted to the purchasing agent on an approved purchase request form; and
 - c. have a purchase order issued prior to purchase.
- (ii) Purchases in an amount under \$3,000.00 and more than \$500.00 and not approved in the annual operating budget must:
 - a. be approved by the department head and the city manager prior to the purchase; and
 - b. be submitted to the purchasing agent on an approved purchase request form; and
 - c. have a purchase order issued prior to the purchase.
- (iii) Purchases in the amount under \$500.00 and not approved in the annual operating budget must:
 - a. be approved by the department head prior to the purchase; and
 - b. be submitted to the purchasing agent on an approved purchase request form; and
 - c. have a purchase order issued prior to the purchase.

(d) Exceptions may be made to the procurement process for:

- (i) **Purchases under \$500.00.** Authorized employees may make purchases in amounts less than \$500.00 without a purchase order according to the guidelines established by the department head and approved by the city manager.
- (ii) **Emergency purchases.** These may be made only to meet bona fide emergencies arising from unforeseeable causes. Emergency purchases should be made on the basis of competitive procurement whenever practicable. Appropriate documentation shall be maintained on the justification for any departure from the competitive process. After the emergency has abated, the employee making the purchase shall complete a purchase request and obtain ratification and approval of the purchase from the department head and purchasing agent.

Emergency purchases are authorized when:

- a. There occurs a public calamity that requires the immediate appropriation of money to relieve the necessity of the city's residents or to preserve the property of the municipality.
 - b. Procurement is necessary to preserve or protect the public health or safety of the city's residents
 - c. Procurement is necessary because of unforeseen damage to public machinery, equipment, or other property.
- (iii) **Sole source purchases.** Sole source purchases are made only when items are unique and possess specific characteristics that can only be filled by only one source. The authorization and justification for these purchases shall be documented.

Examples of authorized procurement of items that are available from only one source, including:

- a. items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies;
 - b. films, manuscripts, or books;
 - c. electricity, gas, water, and other utility services;
 - d. captive replacement parts or components for equipment;
 - e. books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and
 - f. management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits;
- (iv) **Cooperative purchases** with the State, a state agency, another governmental entity, or local governmental purchasing cooperative where there is sharing of responsibility or costs and where it is possible for the City to purchase from an established state contract.
- (v) **Professional services**
- a. **Definition.** A procurement for personal, professional, or planning services as defined in Section 2254.002 of the Government Code of the State of Texas. This includes the following services:
 - 1. accounting
 - 2. architecture
 - 3. land surveying
 - 4. medicine
 - 5. optometry
 - 6. professional engineering
 - 7. real estate appraising
 - b. **Authority for exemption.** Section 252.022(a)(4) exempts professional services from the bidding requirements.
 - c. **Selection.** The selection of a provider of professional services shall be made in accordance with the provisions of Section 2254.003 and .004 of the Government Code of the State of Texas
- (vi) **Land.** A purchase of land or a right-of-way.
- (vii) **Personal property.** Personal property that is sold:
- a. at an auction by a state licensed auctioneer;
 - b. at a going out of business sale held in the compliance with Subchapter F, Chapter 17, Business & Commerce Code;
 - c. by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or

D. Purchase orders.

- (1) **In general.** A purchase order is an order placed by the purchasing agent for the purchase of goods or services on the City's standard purchase order form. The purchase order becomes a contract when accepted by the bidder or person

making a proposal. The purchase order is the bidder's authority to deliver and invoice the City for goods and services specified and the City's commitment to accept the goods and services for an agreed upon price.

- (2) **Purchase order required.** No purchase shall be made in an amount over \$500.00 without an approved purchase order.
- (3) **Purchase request.** No purchase order shall be issued without the prior submission of a purchase request to the purchasing agent. The request must have an appropriate level of approval for the purchase.
- (4) **Approval required.** The purchasing agent shall process the purchase request and either order the item or instruct the purchaser to obtain the item following the appropriate guidelines.
- (5) **Authority to sign purchase orders.** The following persons have the authority to sign purchase orders:
 - (a) the Mayor
 - (b) the city manager
 - (c) the director of finance
 - (d) the city treasurer
 - (e) the purchasing agent
- (6) **Standing purchase orders**
 - (a) Standing purchase orders are to be used when a department intends to:
 - (i) Purchase repetitive, specified services of items, or category of items from the same supplier over a specified time (month, year, etc.).
 - (ii) Order standard materials or maintenance, repair, and operating supplies which require numerous shipments.
 - (iii) Obtain more favorable pricing or service through volume commitments.
 - (b) The purchasing agent shall review standing orders annually, solicit bids or quotes and obtain updated pricing when appropriate.

8.4. Purchasing Authority and Limits.

A. Purchasing agent.

- (1) **Authority.** The city manager may appoint a purchasing agent who shall have the responsibility to coordinate all purchasing and contracting activities of the City of Lamesa.
- (2) **Purchase requests.** The purchasing agent shall be responsible for approving all purchase requests submitted by employees with purchasing authority.

B. Department heads.

- (1) **Authority.** Each department head is responsible for approval of all purchases for the department. The department head may delegate the task to a subordinate or subordinates in the department.
- (2) **Purchase orders.** Employees shall be responsible for obtaining purchase requests to be submitted to the purchasing agent.

8.05. Cooperative Purchases.

The City, pursuant to the authority granted by Sections 271.081-271.083 Local Government Code as amended, is authorized to participate in the purchasing programs of the State Purchasing and General Services Commission and the Houston-Galveston Area Council of Governments. The city manager is authorized and directed to sign and deliver all necessary requests and other documents in connection therewith for and on behalf of the City of Lamesa.

8.06. Special conditions.

- A. Equipment Lease/Purchase Agreements.** Purchases made by lease are subject to the same competitive process as any other purchase at the same threshold.
- B. Hazardous Chemical Products.** All solicitations for the purchase of chemicals or compounds which may contain toxic or hazardous substances, i.e. cleaning supplies, and chemicals of all types, shall require the vendor to certify and warrant the items or products to be delivered shall be properly labeled as required by federal and state law and that by delivery of the items or products the vendor does not violate any of the prohibition of federal and state law. Whenever toxic or hazardous chemicals are purchased, the vendor shall provide Material Safety Data Sheets (MSDS) to the City.

8.7 Conflict of interest.

- A. In general.** No officer or employee of the City shall be pecuniary interest directly or indirectly in any contracts made in behalf of the City and any contract made in violation hereof is void. What constitutes a significant interest or a relationship that may give rise to an actual or apparent conflict of interest often must be judged on a case by case basis. If in doubt, the employee should consult the city manager or city attorney.
- B. Situations that must be avoided.** Certain situations must be avoided since even full disclosure would not satisfy legal requirements and approval of such actions could not be granted by the city. Examples of these situations include:
 - (1) Council members.** Purchase from businesses owned in whole or in part by members of the City Council.
 - (2) Personal gain.** Using for personal gain City supported work products, results, materials, property records, or non-public information without the right to do so.
 - (3) Contract negotiation.** Negotiating or giving final approval to contracts between the City and other organizations and individuals with which the employee has direct or indirect consulting or other significant relationships;
 - (4) Gratuities and special favors.** Employees may not accept gratuities or special favors from individuals and organizations which might reasonably be interpreted as having any possibility of influencing the recipients in the conduct of their duties. Acceptance of any gift of substance is strictly prohibited. Employees may accept minor advertising tokens such as caps, calendars and other small items with the company's logo if the item is of a nominal value and the acceptance of such cannot reasonably be interpreted as having any possibility of influencing the recipients in the conduct of their duties.
- C. Situations requiring disclosure.** The following situations may be undertaken only with full disclosure by the employee and approval from the city manager, in consultation with the City Attorney, if necessary. The existence of such situations should be on record and the reasons for approval documented in writing. Examples of situations requiring disclosure and approval in advance include:
 - (1) Outside Organization.** Undertaking, modifying, or orienting the employee's activities to serve the needs of an outside organization or individual;

- (2) **Purchases.** Recommending the purchase of equipment, instruments, materials, services, or other items from a private firm in which the individual has an interest, direct or indirect.

8.8. Shipments and Deliveries.

A. Deliveries.

- (1) **Purpose.** To outline responsibilities and procedures for the receipt and storage of materials and supplies, and processing of damage and other contractual claims arising from purchasing transactions.
- (2) **Responsibilities and procedures**
 - (a) **Purchasing agent.** The purchasing agent is responsible for the receipt and distribution of all goods delivered unless arrangements have been made for direct delivery to a department point.
 - (b) **Inspection of deliveries.** The person receiving deliveries will inspect shipments for obvious damage, irregularities, or other discrepancies. However, the requisitioning department is ultimately responsible for the acceptance of the merchandise. Individuals accepting direct shipments should follow these basic guidelines.
 - (i) Do not sign the freight bill until after inspecting all incoming boxes or cartons.
 - (ii) Verify the number of cartons listed on the freight bill with the actual number of cartons received.
 - (iii) If a carton appears damaged:
 - a. Insist the carton be opened and jointly inspected before the driver leaves.
 - b. Note any damage in writing on the freight bill and have the driver sign your copy.
 - c. Notify the purchasing agent immediately to arrange for damaged merchandise to be returned for proper replacement or credit.
 - d. Retain all damaged cartons and packing materials.
 - (iv) If upon further inspection, there appears to be a problem with the shipment (shortages, incorrect items, etc.) notify the purchasing agent immediately to arrange for return for proper replacement or credit.
 - (c) **Invoices.** The person accepting a delivery is responsible for submitting any shipping invoice to the department head. The department head is responsible for submitting the shipping invoice to the director of finance.

B. Material return.

- (1) **Purpose.** To outline responsibilities and procedures for returning damaged or incorrect materials received.
- (2) **Responsibilities and procedures.**

- (a) It is the responsibility of the purchasing agent to arrange the filing of all claims for damaged materials, and to initiate requests for replacement shipments.
 - (b) The return of any supplies or materials to the vendor, whether resulting from damage, mis-shipment, or other reasons, should be arranged through the purchasing agent to assure applicable credits or refunds are received.
 - (c) Requisitioning departments should notify the purchasing agent immediately of any problems with the delivery. Provide the following information:
 - 1. Vendor name and purchase order number.
 - 2. Date received
 - 3. A list of the items damaged or affected by differences, irregularities, or non-conformity with specifications, and a detailed description thereof.
 - 4. Condition of the parcel(s) upon receipt.
 - 5. Location of the parcel(s).
 - (iv) After arrangements have been made with the purchasing agent to return the items to the vendor, the items may be delivered to the purchasing agent, or scheduled to be picked up as part of the shipper's normal delivery route. The purchase order reference number must be prominently displayed on all items being processed for return.
- (3) **Exceptions.** Goods may be returned for immediate exchange directly to the supplier. The exchange should be for the same item(s) at the same price(s).

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 18

SUBJECT: INVESTMENT REPORT
SUBMITTED BY: Finance Director
EXHIBITS: Investment Report

SUMMARY STATEMENT

Investment report for September 2015 for City Council review and discussion.

COUNCIL ACTION

No City Council action required.

CITY MANAGER'S MEMORANDUM

Wayne Chapman, Finance Director, will present an overview of the City's Investment report.

Investment report will be placed on dais.

INVESTMENT REPORT FOR

September 2015

2002-03	Interest	\$	48,767.06	\$	1,742,714.00	Avg. Balance
2003-04	Interest	\$	40,069.45	\$	1,742,714.00	Avg. Balance
2004-05	Interest	\$	40,880.26	\$	1,759,816.00	Avg. Balance
2005-06	Interest	\$	56,019.11	\$	2,146,537.00	Avg. Balance
2006-07	Interest	\$	42,445.58	\$	2,146,537.00	Avg. Balance
2007	Interest	\$	103,386.65	\$	2,849,704.00	Avg. Balance
2007-08	Interest	\$	94,120.62	\$	2,745,781.28	Avg. Balance
2008-09	Interest	\$	71,287.08	\$	2,833,333.82	Avg. Balance
2009-10	Interest	\$	41,237.72	\$	1,964,017.00	Avg. Balance
2010-11	Interest	\$	34,671.22	\$	1,791,287.03	Avg. Balance
2011-12	Interest	\$	37,534.15	\$	2,843,995.73	Avg. Balance
2012-13	Interest	\$	38,711.58	\$	4,202,337.97	Avg. Balance
2013-14	Interest	\$	38,801.99	\$	2,830,425.22	Avg. Balance
2014-15	Interest	\$	30,132.24	\$	2,824,571.47	Avg. Balance

An additional \$100,000 CD originally pledged against Water System Revenue Bonds is also held in the portfolio

The following investments are held by the various funds of the City of Lamesa:

Type Investment	ID#	Maturity	Beginning Book and Market Value	Ending Book and Market Value	Interest Rate	Annual Yield
Certificate of Deposit	23376	02/15/16	\$ 100,000.00	\$ 100,000.00	1.10%	1.11%
Certificate of Deposit	29433	11/28/15	\$ 100,000.00	\$ 100,000.00	1.10%	1.11%
Certificate of Deposit	28416	11/6/15	\$ 100,000.00	\$ 100,000.00	1.10%	1.11%
Certificate of Deposit	23792	12/15/15	\$ 100,000.00	\$ 100,000.00	1.10%	1.11%
Certificate of Deposit	28536	01/15/16	\$ 100,000.00	\$ 100,000.00	1.10%	1.11%
Certificate of Deposit	28550	02/15/16	\$ 300,000.00	\$ 300,000.00	0.85%	0.85%
Certificate of Deposit	28668	03/27/16	\$ 100,000.00	\$ 100,000.00	0.85%	0.85%
Certificate of Deposit	29216	04/19/16	\$ 100,000.00	\$ 100,000.00	1.10%	1.11%
Certificate of Deposit	28853	07/23/16	\$ 144,631.45	\$ 144,631.45	1.10%	1.11%
Certificate of Deposit	29432	11/28/15	\$ 250,000.00	\$ 250,000.00	0.85%	0.85%
Time Deposit	7057482		\$ 1,406,289.05	\$ 1,408,725.83		

(Certificates held in city vault)

Total Investments \$ 2,800,972.50 \$ 2,803,359.28

Certificate of Deposit 23376 is owned by the Water Fund, all other Certificates and Time Deposit are pooled.

Each fund's contribution to the investment pool is shown on the second page of this report.

Shawna D. Burkhardt

Investment Officer

Date

10/16/15

Shawna D. Burkhardt

Marta Aguayo

Treasurer

Date

10/16/15

Wayne Chapman

Director of Finance

Date

Pledges	Receipt #	Due Date	Safekeeping at	Market Value	Pledged Value	Issue Date	Cancelled
	13843	11/28/18	PlainsCapital Bank	\$ 2,094,850.00	\$ 2,094,850.00	FNMA	3/5/15
	12732	10/26/15	PlainsCapital Bank	\$ 2,002,680.00	\$ 1,001,340.00	FNMA	2/1/13
	13822	08/01/19	PlainsCapital Bank	\$ 1,994,180.00	\$ 997,090.00	FNMA	7/27/15
	14020	03/27/18	PlainsCapital Bank	\$ 1,994,160.00	\$ 1,994,160.00	FNMA	3/26/14
Total				\$ 8,975,870.00	\$ 6,977,440.00		

FUND	CASH/CDS	GENERAL	CAPITAL PROJ CIP/LANDFILL	WATER FUND TAX NOTES	WATER DEPOSITS	WATER TOWER PROJECT	WATER CAP. EQ. RESERVE	CAPITAL PROJ WW TRMT PLNT	DEBT SERVICE TANK/VAC TRK	SWMF CAP. EQ. RESERVE	SWMF POST- CLOS. RES.	MOTEL TAX	RISK MGMT	FORFEITED PROPERTY
OCT. 1	3,036,450.36	248,533.94	114,805.32	559,001.07	28,501.22	378,365.05	139,259.86	284,595.15	17,540.98	44,108.93	600,762.90	51,728.16	559,232.26	15.55
Deposit	0.00													
Withdrawal	(150,000.00)	-											(150,000.00)	
Water C.D.	90.41						90.41							
Mon. Int.	2,586.67	210.08	97.04	472.52	24.09	319.83	117.71	240.56	14.83	37.28	507.82	43.73	481.16	0.01
OCT. 1	2,889,107.44	248,744.02	114,902.36	559,473.59	28,525.31	378,684.88	139,467.98	284,835.71	17,555.81	44,146.21	601,270.72	51,771.89	419,713.42	15.56
NOV. 1	2,889,107.44	248,744.02	114,902.36	559,473.59	28,525.31	378,684.88	139,467.98	284,835.71	17,555.81	44,146.21	601,270.72	51,771.89	419,713.42	15.56
Deposit	0.00													
Withdrawal	0.00													
Water C.D.	93.42						93.42							
Mon. Int.	2,423.00	208.61	96.36	469.21	23.92	317.59	116.97	238.98	14.72	37.02	504.27	43.42	352.00	0.01
NOV. 1	2,891,623.86	248,952.64	114,998.73	559,942.80	28,549.23	379,002.47	139,678.37	285,074.60	17,570.53	44,183.24	601,774.98	51,815.30	420,065.42	15.58
DEC. 1	2,891,623.86	248,952.64	114,998.73	559,942.80	28,549.23	379,002.47	139,678.37	285,074.60	17,570.53	44,183.24	601,774.98	51,815.30	420,065.42	15.58
Deposit	0.00													
Withdrawal	0.00													
Water C.D.	90.41						90.41							
Mon. Int.	2,435.93	209.72	96.89	471.70	24.05	319.28	117.67	240.15	14.80	37.22	506.94	43.65	353.87	0.01
DEC. 1	2,894,150.20	249,162.36	115,095.60	560,414.50	28,573.29	379,321.74	139,886.45	285,314.75	17,585.33	44,220.46	602,281.92	51,858.95	420,419.29	15.59
JAN. 1	2,894,150.20	249,162.36	115,095.60	560,414.50	28,573.29	379,321.74	139,886.45	285,314.75	17,585.33	44,220.46	602,281.92	51,858.95	420,419.29	15.59
Deposit	0.00													
Withdrawal	0.00													
Water C.D.	93.42						93.42							
Mon. Int.	2,472.82	212.89	98.34	478.83	24.41	324.10	119.52	243.78	15.03	37.79	514.60	44.31	359.21	0.01
JAN. 1	2,896,716.44	249,375.25	115,193.94	560,893.33	28,597.70	379,645.84	140,099.39	285,556.52	17,600.36	44,256.24	602,796.53	51,903.26	420,776.51	15.60
FEB. 1	2,896,716.44	249,375.25	115,193.94	560,893.33	28,597.70	379,645.84	140,099.39	285,556.52	17,600.36	44,256.24	602,796.53	51,903.26	420,776.51	15.60
Deposit	0.00													
Withdrawal	0.00													
Water C.D.	93.42						93.42							
Mon. Int.	2,065.37	177.81	82.13	399.92	20.39	270.69	99.89	203.60	12.55	31.56	429.80	37.01	300.02	0.01
FEB. 1	2,898,675.23	249,553.05	115,276.08	561,293.25	28,618.09	379,916.53	140,292.70	285,762.13	17,612.91	44,288.80	603,226.32	51,940.27	421,076.52	15.47
MAR. 1	2,898,675.23	249,553.05	115,276.08	561,293.25	28,618.09	379,916.53	140,292.70	285,762.13	17,612.91	44,288.80	603,226.32	51,940.27	421,076.52	15.47
Deposit	0.00													
Withdrawal	0.00													
Water C.D.	84.39						84.39							
Mon. Int.	2,647.69	227.93	105.29	512.86	26.14	347.00	128.14	261.00	16.09	40.45	560.98	47.44	384.59	0.01
MAR. 1	2,901,607.31	249,780.98	115,381.37	561,805.91	28,644.23	380,263.53	140,505.23	286,023.13	17,628.99	44,330.25	603,777.28	51,987.71	421,463.11	15.48
FUND AND	16-1001	16-2010	16-2020	16-2017	16-2011	16-2029	16-2019	16-2021	16-2027	16-2018	16-2015	16-2014	16-2016	16-2030
ACCT NOS.		01-1020	03-1008	02-1030	02-1003	02-1037	02-1004	02-1008	02-1036	03-1021	03-1022	12-1020	21-1020	24-1020

FUND	CASH	GENERAL	CIP/LANDFILL	WATER/TAX NOTE	WATER	WATER TOWER	WAT. EQ. RES.	WW Tmt Pnt.	IBTTANK/VAC	TISWMF	EQ RES	SWMF	PC RES	MOTEL TAX	RISK MGT.	FTD.	PROP.
APRIL 1	2,901,607.31	249,780.98	115,381.37	561,805.91	28,644.23	380,263.53	140,505.23	286,023.13	17,628.99	44,330.25	603,777.28	51,987.71	421,816.71	421,816.71	421,816.71	421,816.71	15.48
Deposit	0.00																
Withdrawal	0.00																
Water C.D.	93.42																
Mon. Int.	2,434.37	209.56	96.80	471.34	24.03	319.03	117.88	239.97	14.79	37.19	506.55	43.62	353.60	353.60	353.60	353.60	0.01
APRIL 1	2,904,135.10	249,990.54	115,478.17	562,277.25	28,668.26	380,582.56	140,716.53	286,283.10	17,643.78	44,387.44	604,283.83	52,031.33	421,816.71	421,816.71	421,816.71	421,816.71	15.49
MAY 1	2,904,135.10	249,990.54	115,478.17	562,277.25	28,668.26	380,582.56	140,716.53	286,283.10	17,643.78	44,387.44	604,283.83	52,031.33	421,816.71	421,816.71	421,816.71	421,816.71	15.49
Deposit	0.00																
Withdrawal	0.00																
Water C.D.	90.41																
Mon. Int.	2,447.56	210.69	97.32	473.88	24.16	320.75	118.59	241.26	14.87	37.39	509.28	43.85	355.50	355.50	355.50	355.50	0.01
MAY 1	2,906,673.07	250,201.23	115,575.49	562,751.12	28,692.42	380,903.31	140,925.53	286,504.35	17,658.65	44,404.83	604,793.11	52,075.18	422,172.21	422,172.21	422,172.21	422,172.21	15.50
JUNE 1	2,906,673.07	250,201.23	115,575.49	562,751.12	28,692.42	380,903.31	140,925.53	286,504.35	17,658.65	44,404.83	604,793.11	52,075.18	422,172.21	422,172.21	422,172.21	422,172.21	15.50
Deposit	0.00																
Withdrawal	0.00																
Water C.D.	93.43																
Mon. Int.	2,438.93	209.94	96.98	472.19	24.08	319.61	118.25	240.40	14.82	37.26	507.47	43.70	354.24	354.24	354.24	354.24	0.01
JUNE 1	2,909,205.43	250,411.17	115,672.47	563,223.32	28,716.50	381,222.92	141,137.21	286,744.75	17,673.47	44,442.09	605,300.58	52,118.87	422,526.45	422,526.45	422,526.45	422,526.45	15.52
JULY 1	2,909,205.43	250,411.17	115,672.47	563,223.32	28,716.50	381,222.92	141,137.21	286,744.75	17,673.47	44,442.09	605,300.58	52,118.87	422,526.45	422,526.45	422,526.45	422,526.45	15.52
Deposit	0.00																
Withdrawal	(713,223.32)			(563,223.32)													
Water C.D.	90.41																
Mon. Int.	2,409.32	207.38	95.80	466.45	23.78	315.72	116.89	237.47	14.64	36.81	501.29	43.16	349.92	349.92	349.92	349.92	0.01
JULY 1	2,198,481.84	250,618.55	115,768.26	466.44	28,740.28	381,538.63	141,344.50	286,982.23	17,688.11	44,478.90	605,801.87	52,162.04	272,876.37	272,876.37	272,876.37	272,876.37	15.53
AUG. 1	2,198,481.84	250,618.55	115,768.26	466.44	28,740.28	381,538.63	141,344.50	286,982.23	17,688.11	44,478.90	605,801.87	52,162.04	272,876.37	272,876.37	272,876.37	272,876.37	15.53
Deposit	600,000.00																
Withdrawal	0.00																
Water C.D.	93.42																
Mon. Int.	2,347.24	267.58	123.60	0.50	30.68	407.36	150.91	306.40	18.88	47.49	646.79	55.69	291.34	291.34	291.34	291.34	0.02
AUG. 1	2,800,922.50	850,886.13	115,891.87	466.94	28,770.96	381,945.99	141,586.83	287,288.63	17,706.99	44,526.39	606,448.67	52,217.73	273,167.71	273,167.71	273,167.71	273,167.71	15.55
SEPT. 1	2,800,922.50	850,886.13	115,891.87	466.94	28,770.96	381,945.99	141,586.83	287,288.63	17,706.99	44,526.39	606,448.67	52,217.73	273,167.71	273,167.71	273,167.71	273,167.71	15.55
Deposit	0.00																
Withdrawal	0.00																
Water C.D.	93.43																
Mon. Int.	2,343.35	711.88	96.96	0.39	24.07	319.55	118.46	240.36	14.81	37.25	507.38	43.69	228.54	228.54	228.54	228.54	0.01
SEPT. 1	2,803,359.28	851,598.01	115,988.82	467.33	28,795.03	382,265.54	141,800.72	287,528.98	17,721.81	44,563.64	606,956.04	52,261.42	273,396.25	273,396.25	273,396.25	273,396.25	15.56



The Lamesa National Bank

P.O. Drawer 301 Lamesa, Texas 79331

806 872-5457

Member FDIC

028 00001 01

ACCOUNT:

7057482

PAGE: 1

09/30/2015

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LAMESA CONSOLIDATED SP FUNDS

101

* HOLD STATEMENT *

THANK YOU FOR CHOOSING THE
LAMESA NATIONAL BANK
TO SERVE YOUR BANKING NEEDS!

ST & POL SAVINGS ACCOUNT 7057482

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			08/31/15	1406,289.05
INTEREST FROM ST & POL > 100M C.O.D. 23792				
		93.43	09/15/15	1406,382.48
INTEREST FROM ST & POL > 100M C.O.D. 28526				
		93.43	09/15/15	1406,475.91
INTEREST FROM ST & POL > 100M C.O.D. 28550				
		216.59	09/15/15	1406,692.50
INTEREST FROM ST & POL > 100M C.O.D. 28416				
		93.43	09/16/15	1406,785.93
INTEREST FROM ST & POL > 100M C.O.D. 923376				
		93.43	09/16/15	1406,879.36
INTEREST FROM ST & POL > 100M C.O.D. 29216				
		93.42	09/21/15	1406,972.78
INTEREST FROM ST & POL > 100M C.O.D. 28668				
		72.20	09/22/15	1407,044.98
INTEREST FROM ST & POL > 100M C.O.D. 28853				
		135.13	09/23/15	1407,180.11
INTEREST FROM ST & POL > 100M C.O.D. 29433				
		93.42	09/28/15	1407,273.53
INTEREST FROM ST & POL > 100M C.O.D. 29432				
		180.48	09/28/15	1407,454.01
INTEREST		1,271.82	09/30/15	1408,725.83
BALANCE THIS STATEMENT			09/30/15	1408,725.83

TOTAL CREDITS	(11)	2,436.78
TOTAL DEBITS	(0)	.00

* * * C O N T I N U E D * * *

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 19

SUBJECT: FINANCIAL REPORT
SUBMITTED BY: Finance Director
EXHIBITS: Financial Reports

SUMMARY STATEMENT

Financial reports for September 2015 for City Council review and discussion.

COUNCIL ACTION

No City Council action required.

CITY MANAGER'S MEMORANDUM

Wayne Chapman, Finance Director, will present an overview of the City's Financial reports.



City of Lamesa
Financial Statement Summary
As of: September 30, 2015

	Current Month-to-Date	Year-to-Date
General Fund (1)		
Revenues	\$ 197,743.67	\$ 3,841,941.48
Expenditures	\$ 366,725.75	\$ 3,653,645.41
Revenues Over/(Under) Expenditures	\$ (168,982.08)	\$ 188,296.07
Water & Wastewater Fund (2)		
Revenues	\$ 523,700.61	\$ 4,237,585.06
Expenditures	\$ 320,788.51	\$ 4,257,361.12
Revenues Over/(Under) Expenditures	\$ 202,912.10	\$ (19,776.06)
Solid Waste Fund (3)		
Revenues	\$ 165,820.38	\$ 1,903,988.26
Expenditures	\$ 138,773.56	\$ 1,676,799.71
Revenues Over/(Under) Expenditures	\$ 27,046.82	\$ 227,188.55
Golf Course Fund (18)		
Revenues	\$ 13,490.92	\$ 161,471.54
Expenditures	\$ 22,553.04	\$ 244,470.17
Revenues Over/(Under) Expenditures	\$ (9,062.12)	\$ (82,998.63)
All Funds		
Revenues	\$ 900,755.58	\$ 10,144,986.34
Expenditures	\$ 848,840.86	\$ 9,832,276.41
Revenues Over/(Under) Expenditures	\$ 51,914.72	\$ 312,709.93

C I T Y O F L A M E S A
FINANCIAL STATEMENT
AS OF: SEPTEMBER 30TH, 2015

01 -GENERAL FUND
FINANCIAL SUMMARY

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUE SUMMARY						
01-TAXES		2,917,881.00	104,599.11	2,765,673.42	94.78	152,207.58
02-FRANCHISES AND STREET		589,809.00	60,397.15	620,878.25	105.27	(31,069.25)
03-PERMITS, LICENSES AND		38,300.00	3,512.19	42,888.37	111.98	(4,588.37)
04-FINES		80,000.00	5,826.91	51,653.51	64.57	28,346.49
05-RECREATIONAL AND RENTA		20,500.00	2,364.50	32,366.20	157.88	(11,866.20)
06-OTHER GOVERNMENTAL AGE		175,038.00	0.00	231,755.10	132.40	(56,717.10)
07-TRANSFERS		0.00	0.00	0.00	0.00	0.00
08-CHARGES FOR CURRENT SE		15,350.00	455.25	17,873.15	116.44	(2,523.15)
09-MISCELLANEOUS REVENUES		139,841.00	20,588.56	130,848.39	93.57	8,992.61
19-SOURCE (CHG TO 49XXX)		0.00	0.00	(51,994.91)	0.00	51,994.91
TOTAL REVENUES		3,976,719.00	197,743.67	3,841,941.48	96.61	134,777.52

EXPENDITURE SUMMARY

GENERAL ADMIN SERVICES	127,309.00	4,978.61	162,067.06	127.30	(34,758.06)
FINANCIAL SERVICES	45,889.00	5,924.08	34,211.23	74.55	11,677.77
PERSONNEL/RISK MGT SERV	30,227.00	(12,878.46)	30,967.75	102.45	(740.75)
COMMUNITY DEVELOPMENT SER	700.00	81.39	941.76	134.54	(241.76)
HOUSING ASSISTANCE SERV	10,459.00	4,111.59	34,973.68	334.39	(24,514.68)
CITY COUNCIL	32,640.00	1,083.89	11,203.01	34.32	21,436.99
CITY HALL	78,575.00	7,900.12	73,452.40	93.48	5,122.60
INTERGOVERNMENTAL	41,690.00	4,863.98	45,871.53	110.03	(4,181.53)
MUNICIPAL COURT	94,073.00	7,717.07	96,407.27	102.48	(2,334.27)
VEHICLE REPAIR SERVICES	34,813.00	56.83	26,795.82	76.97	8,017.18
VEHICLE PREVENTIVE MNT	30.00	(8.71)	1,886.23	287.43	(1,856.23)
FIRE SERVICES	579,834.00	53,452.21	603,171.44	104.02	(23,337.44)
VOLUNTEER FIRE SERVICES	147,692.00	18,891.45	98,969.67	67.01	48,722.33
PD - GEN'L ADMIN SERV	192,756.00	16,710.69	199,794.20	103.65	(7,038.20)
COMMUNICATIONS SERVICES	213,020.00	13,959.44	173,461.62	81.43	39,558.38
GEN'L LAW ENFORCEMENT SER	969,343.00	70,021.07	878,556.54	90.63	90,786.46
CRIMINAL INVESTIGATIONS	165,338.00	7,497.09	98,977.21	59.86	66,360.79
JUVENILE SERVICES	0.00	0.00	1,695.94	0.00	(1,695.94)
ANIMAL CONTROL SERVICE	36,703.00	1,381.80	8,363.40	22.79	28,339.60
EMERGENCY MANAGEMENT SERV	21,550.00	67.72	16,018.94	74.33	5,531.06
NARCOTICS INTERDICTION	0.00	0.00	0.00	0.00	0.00
STREET MAINTENANCE SERV	263,000.00	15,390.20	180,939.03	68.80	82,060.97
STREET CONST/SEAL COAT	152,935.00	76,195.00	126,828.29	82.93	26,106.71
STREET CLEANING SERVICES	67,480.00	1,411.70	65,786.15	97.49	1,693.85
TRAFFIC SERVICES	173,211.00	26,746.03	153,701.78	88.74	19,509.22
INSPECTION SERVICES	142,321.00	11,147.11	129,674.78	91.11	12,646.22
PARK MAINTENANCE SERVICES	255,963.00	17,235.15	205,738.83	80.38	50,224.17
PARK IRRIGATION SERVICES	(1.00)	5,461.85	(2,422.79)	279.00	2,421.79
COMMUNITY BUILDING SERV	81,319.00	4,872.20	56,694.27	69.72	24,624.73
RECREATIONAL FACILITIES	166,386.00	1,304.22	75,044.73	45.10	91,341.27

C I T Y O F L A M E S A
FINANCIAL STATEMENT
AS OF: SEPTEMBER 30TH, 2015

01 -GENERAL FUND
FINANCIAL SUMMARY

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
	SWIMMING POOL SERVICES	69,553.00	1,150.43	63,873.64	91.83	5,679.36
	TOTAL EXPENDITURES	4,194,808.00	366,725.75	3,653,645.41	87.10	541,162.59
	REVENUES OVER/(UNDER) EXPENDITURES	(218,089.00)	(168,982.08)	188,296.07	86.34-	(406,385.07)
	OTHER SOURCES (USES)	0.00	0.00	0.00	0.00	0.00
	REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES & OTHER (USES)	(218,089.00)	(168,982.08)	188,296.07	86.34-	(406,385.07)

C I T Y O F L A M E S A
FINANCIAL STATEMENT
AS OF: SEPTEMBER 30TH, 2015

02 -WATER & WASTEWATER ENTER.
FINANCIAL SUMMARY

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUE SUMMARY						
11-OPERATING REVENUES		4,172,680.00	373,866.36	4,054,577.36	97.17	118,102.64
12-NON-OPERATING REVENUES		226,891.00	149,834.25	183,007.70	80.66	43,883.30
TOTAL REVENUES		4,399,571.00	523,700.61	4,237,585.06	96.32	161,985.94
EXPENDITURE SUMMARY						
WATER PRODUCTION SERVICES		1,463,246.67	130,183.13	1,371,665.55	93.74	91,581.12
WATER DIST/WASTEWATER SER		1,881,430.00	111,748.47	1,813,828.97	96.41	67,601.03
WASTEWATER TREATMENT SERV		764,157.33	48,697.70	707,890.53	92.64	56,266.80
ENGINEERING SERVICES		79,105.00	4,685.73	67,237.77	85.00	11,867.23
TECHNICAL SERVICES		74,333.00	5,043.53	69,660.29	93.71	4,672.71
UTILITY BILLING/COLLECT		267,848.00	19,866.96	217,272.11	81.12	50,575.89
INSPECTION SERVICES		0.00	562.99	9,805.90	0.00	9,805.90
TOTAL EXPENDITURES		4,530,120.00	320,788.51	4,257,361.12	93.98	272,758.88
REVENUES OVER/(UNDER) EXPENDITURES	(130,549.00)	202,912.10	(19,776.06)	15.15	(110,772.94)	
OTHER SOURCES (USES)	0.00	0.00	0.00	0.00	0.00	
REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES & OTHER (USES)	(130,549.00)	202,912.10	(19,776.06)	15.15	(110,772.94)	

C I T Y O F L A M E S A
 FINANCIAL STATEMENT
 AS OF: SEPTEMBER 30TH, 2015

03 -SOLID WASTE ENTERPRISE
 FINANCIAL SUMMARY

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUE SUMMARY						
	05-RECREATIONAL AND RENTA	0.00	0.00	0.00	0.00	0.00
	21-OPERATING REVENUES	1,885,064.00	159,215.38	1,809,364.70	95.98	75,699.30
	22-NON-OPERATING REVENUES	81,000.00	6,605.00	94,623.56	116.82	(13,623.56)
	TOTAL REVENUES	1,966,064.00	165,820.38	1,903,988.26	96.84	62,075.74
EXPENDITURE SUMMARY						
	SOLID WASTE COLLECTION SV	880,543.00	57,928.77	858,573.17	97.50	21,969.83
	SANITARY LANDFILL SERVICE	847,667.00	61,491.12	591,234.31	69.75	256,432.69
	SPECIALIZED COLLECTION SV	117,194.00	9,464.16	120,692.76	102.99	(3,498.76)
	ENVIRONMENTAL HEALTH SERV	120,492.00	9,889.51	106,299.47	88.22	14,192.53
	TOTAL EXPENDITURES	1,965,896.00	138,773.56	1,676,799.71	85.29	289,096.29
	REVENUES OVER/(UNDER) EXPENDITURES	168.00	27,046.82	227,188.55	231.28	(227,020.55)
	OTHER SOURCES (USES)	0.00	0.00	0.00	0.00	0.00
	REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES & OTHER (USES)	168.00	27,046.82	227,188.55	231.28	(227,020.55)

C I T Y O F L A M E S A
 FINANCIAL STATEMENT
 AS OF: SEPTEMBER 30TH, 2015

10 -MUNICIPAL GOLF COURSE
 FINANCIAL SUMMARY

ACCT#	ACCOUNT NAME	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUE SUMMARY						
09-MISCELLANEOUS REVENUES		0.00	0.00	0.00	0.00	0.00
31-FEES AND DUES		165,700.00	13,490.92	161,471.54	97.45	4,228.46
TOTAL REVENUES		165,700.00	13,490.92	161,471.54	97.45	4,228.46
EXPENDITURE SUMMARY						
MUNICIPAL GOLF COURSE		167,280.00	22,553.04	244,470.17	146.14	(77,190.17)
TOTAL EXPENDITURES		167,280.00	22,553.04	244,470.17	146.14	(77,190.17)
REVENUES OVER/(UNDER) EXPENDITURES		(1,580.00)	(9,062.12)	(82,998.63)	253.08	81,418.63
REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES & OTHER (USES)		(1,580.00)	(9,062.12)	(82,998.63)	253.08	81,418.63



City of Lamesa
Balance Sheet Summary
As of : September 30th, 2015

General Fund (1)

Assets	\$	2,611,650.36
Liabilities	\$	766,650.14

Water & Wastewater Fund (2)

Assets	\$	17,756,494.94
Liabilities	\$	14,334,146.65

Solid Waste Fund (3)

Assets	\$	3,729,199.70
Liabilities	\$	1,573,296.08

Golf Course Fund (18)

Assets	\$	75,543.20
Liabilities	\$	152,847.32

BALANCE SHEET

AS OF: SEPTEMBER 30TH, 2015

01 -GENERAL FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
01-1001	CASH IN BANK	1,537,347.86
01-1002	PETTY CASH	0.00
01-1003	RETURNED CHECKS	3,614.16
01-1004	TAXES RECEIVABLE-DELINQUENT	113,661.13
01-1005	TAXES RECEIVABLE CURRENT	79,735.74
01-1006	PROV. FOR UNCOLLECT TAXES	(37,429.27)
01-1007	MISC ACCT. RECEIVABLE	902.56
01-1008	PROV. UNCOLLEC. ACCT/REC	(184.11)
01-1009	PAVING LEIN RECEIVABLE	116,147.00
01-1010	UNCOLLECTABLE PAVING LETN	(52,266.00)
01-1011	A/R LUBBOCK TASK FORCE	0.00
01-1012	A/R TNRCC	0.00
01-1013	OFFICE SUPPLIES INVENTORY	15,740.49
01-1014	DUE FROM DAWSON COUNTY	0.40
01-1015	CASH IN BANK - PAYROLL	0.00
01-1016	DUE FROM DEBT SERVICE	0.00
01-1017	FUEL TAX C.D.	0.00
01-1018	DUE TO/FROM 1997 TAN	0.00
01-1019	DUE TO/FROM SOLID WASTE FUND	0.00
01-1020	DUE FROM INVESTMENT FUND	850,886.13
01-1021	CAPITAL EQUIPMENT RESERVE	0.00
01-1022	BUILDING & COMPUTER RESERVE	0.00
01-1023	DUE FROM FIRE DEPT. GRANTS	0.00
01-1024	DUE FROM JUSTICE GRANT	0.00
01-1025	DUE TO/ FROM STATE AGENCY	0.00
01-1026	DUE FROM OTHER GOVERNMENTS	0.00
01-1027	DUE TO/FROM CAPITAL PROJECT	0.00
01-1028	SALES TAX RECEIVABLE	6,138.53
01-1029	DUE TO/FROM DEBT SERVICE	0.00
01-1030	DUE FROM MOTEL TAX FUND	0.00
01-1031	DUE TO/FROM SPECIAL REV. FUND	0.00
01-1032	DUE FROM INVESTMENT-CIVIC CTR.	0.00
01-1033	ACCOUNTS RECEIVABLE	0.00
01-1034	SALES TAX REC./TX COMPTROLLER	(49,402.00)
01-1040	TAN I&S RESERVE	0.00
01-1044	CIP - F PARK LIGHT PROJECT	0.25
01-1045	CITY OF LAMESA - CFS FESTIVAL	8,084.27
01-1046	CRIME LINE	2,457.00
01-1050	DUE TO/FROM RISK MGMT & SAFE	0.00
01-1055	DUE FROM INVESTMENT FUND	0.00
01-1060	DUE FROM ECONOMIC DEVELO	16,216.22
01-1070	DUE FROM FORFEITED TRUST	0.00
01-1071	DUE FROM WWF-LAND PURCHASE	0.00
01-1072	DUE TO/FROM GOLF COURSE	0.00
01-1080	D.A.R.E.	0.00
01-1085	DUE FROM HOUSING AUTHORITY	0.00
01-1090	XFER FOR RETIREMENT/C.O.'	0.00
01-1095	DUE FROM LEAP	0.00
		2,611,650.36
TOTAL ASSETS		2,611,650.36

BALANCE SHEET

AS OF: SEPTEMBER 30TH, 2015

01 -GENERAL FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
LIABILITIES		
01-2013	PAVING LIEN REFUND PAYABLE	0.00
01-2014	SALES TAX PAYABLE	10,977.48
01-2015	VOUCHERS PAYABLE	450,973.43
01-2016	COMMUNITY BLDG.DEPOSITS	16,665.50
01-2017	REFUND OF CASH DEPOSITS	641.00
01-2018	WAGES PAYABLE	0.00
01-2019	GROUP INSURANCE PAYABLE	0.00
01-2020	WITHHOLDING TAX PAYABLE	4,124.00
01-2021	SOCIAL SECURITY PAYABLE	5,998.00
01-2022	T.M.R.S. PAYABLE	7,524.91
01-2023	AUTO ALLOWANCE PAYABLE	0.00
01-2024	BONDS	0.00
01-2025	DEDUCTIONS PAYABLE	5,384.77
01-2026	WORKERS COMPENSATION	0.00
01-2027	AIRPORT	0.00
01-2028	OPTIONAL LIFE PAYABLE	10.00)
01-2029	DUE TO SWMF	0.00
01-2030	GOVERNOR'S TAX PAYABLE	0.00
01-2031	TRANS.FOR RET.BONDS	0.00
01-2032	DUE TO STATE AGENCY	0.00
01-2033	C.D.B.G.	0.00
01-2034	DUE TO LAMESA HOUSING	0.00
01-2035	TRANS. FROM DEVELOP. FUND	0.00
01-2036	TEEN COURT ADMIN FEE	20.00
01-2037	DUE TO RISK MGT & SAFETY	0.00
01-2038	DUE TO/FROM WATER FUND	0.00
01-2039	WARRANTS PAYABLE	0.00
01-2040	UNITED FUND	0.00
01-2041	SALES TX DUE TO LEDC -TX COMPT	8,234.00)
01-2042	DUE TO LEAP -SALES TAX	8,234.00)
01-2045	PROV. FOR COMP.ABSENCES	0.13)
01-2048	1992 C O DEBT-PRINCIPAL	0.00
01-2049	1992 C.O. DEBT	0.00
01-2050	ICMA-RC PAYABLE	0.00
01-2051	COURT BONDS PAYABLE	0.00
01-2052	COURT BUILDING SECURITY FUND	11,621.15
01-2053	COURT TECHNOLOGY FEE	7,089.15
01-2055	TAN I&S PRINCIPAL	0.00
01-2056	TAN I&S INTEREST	0.00
01-2070	GROUP INS. PRE-TAX	0.00
01-2075	EMPLOYEE REIMB. SICK LEAVE	0.00
01-2080	DEFERRED REVENUE-PAVING	0.00
01-2081	DEFERRED REVENUE-TAXES	155,967.62
01-2082	DEFERRED REVENUE-MISC. POLICE	0.14)
01-2083	DEFERRED REVENUE REVITAL GRANT	0.00
01-2084	DEFERRED REVENUE- CIVIC CENTER	0.00
01-2085	AFLAC PRE-TAX	1,689.26
01-2086	DEFERRED REV.-POLICE DONATIONS	1,811.89
01-2087	DEFERRED REV.-COURTHOUSE PROJ.	0.00

BALANCE SHEET

AS OF: SEPTEMBER 30TH, 2015

01 -GENERAL FUND

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE	
01-2088	DEFERRED REVENUE-SWAT DONATION	696.00	
01-2089	DEFERRED REVENUE/FIRE PROTECTI	0.00	
01-2090	AFLAC POST TAX	14.11)	
01-2091	DEFERRED REV.-I.I.S.D. BUYMONE	3,786.50	
01-2092	AIR MED CARE	0.00	
01-2094	NEW YORK LIFE INS. PAYABLE	595.10)	
01-2095	VISION INS. PAYABLE	440.65	
01-2096	EMPLOYEE LEGAL SERV. PAYABLE	0.00	
01-2097	WORK BOOTS PAYABLE	1,595.66)	
01-2098	DEFERRED REV. - SPORTS COMPLEX	63,881.00	
01-2099	JAE FITNESS PAYABLE	745.03)	
01-2150	ACCRUED PAYABLES	0.00	
01-2160	ACCRUED PAYROLL LIABILITY	36,786.00	
01-2999	PROFIT & LOSS	0.00	
	TOTAL LIABILITIES		766,650.14
EQUITY			
01-3001	FUND BALANCE	1,656,704.15	
01-3002	RESERVE-CAPITAL EQUIPMENT	0.00	
01-3003	RESERVE-BUILDING & COMPUTER	0.00	
01-3010	C.O. INTEREST	0.00	
01-3011	C.O. PRINCIPAL	0.00	
01-3012	TAN INTEREST	0.00	
01-3013	TAN PRINCIPAL	0.00	
01-3014	OTHER PRINCIPAL	0.00	
01-3015	OTHER INTEREST	0.00	
	TOTAL BEGINNING EQUITY	1,656,704.15	
	TOTAL REVENUE	3,841,941.48	
	TOTAL EXPENSES	3,653,645.41	
	TOTAL REVENUE OVER/(UNDER) EXPENSES	188,296.07	
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.		1,845,000.22
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.		2,611,650.36

BALANCE SHEET

AS OF: SEPTEMBER 30TH, 2015

02 -WATER & WASTEWATER ENTER.

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
02-1001	CASH IN BANK	(329,084.14)
02-1002	CASH IN DRAWER	0.00
02-1003	DUE FROM INVESTMENTS/WATER DEP	28,770.94
02-1004	CAPITAL EQUIPMENT RESERVE	141,588.84
02-1005	W.S.G. CHGS. RECEIVABLE	232,228.71
02-10051	REFUNDS PAYABLE	(582.19)
02-10052	UTILITY A/R SUSPENSE	0.00
02-10053	UNAPPLIED US REVENUE	(24,269.78)
02-10054	US GL RECON REPORT	0.00
02-1006	PROV.FOR UNCOLLECT. ACCTS	(12,350.21)
02-1007	INVENTORY SUPPLIES	235,024.22
02-1008	WW. TRMT PLNT .RES.INVESTMENTS	287,288.62
02-1009	UTILITY SYSTEM IMPROV RESERVE	0.00
02-1010	UNAMORTIZED TAN ISSUE COSTS	0.00
02-1011	AMORT.OF DISC. & PREMIUMS	0.00
02-1012	WATER SYSTEM LAND	33,460.47
02-1013	WATER RIGHTS PURCHASED	6,680,247.00
02-1014	WALKS, DRIVES & FENCES	6,472.20
02-1015	BUILDINGS	222,962.45
02-1016	WELLS & WELL HOUSES	760,944.63
02-1017	BOOSTER STAT. AND STORAGE	1,258,866.72
02-1018	WATER LINES,VALVES & FITT	2,825,613.19
02-1019	WATER TAPS AND METERS	2,254,225.62
02-1020	AUTOMOTIVE & MISC.EQUIP.	2,185,011.59
02-1021	FIRE HYDRANTS	67,134.14
02-1022	WATER SYST. DEPRECIATION	(8,687,146.00)
02-1023	SEWER SYSTEM-LAND & LAGOO	95,540.50
02-1024	SEWAGE LIFT STATIONS	672,855.55
02-1025	DISPOSAL PLANT	359,628.45
02-1026	SEWER LINES	1,114,377.03
02-1027	SEWER SYS. DEPRECIATION	(1,246,569.00)
02-1028	DUE TO/FROM SOLID WASTE	0.00
02-1029	ELECTRICAL INVENTORY	0.00
02-1030	WW LIFTSTATION/LUBBOCK HWY.	466.95
02-1031	ACCOUNTS REC. - TRRA	0.00
02-1032	06 TAN ISSUANCE COSTS	0.24
02-1033	06 TAN AMORTIZATION	0.00
02-1035	DUE FROM TCDP GRANT	0.00
02-1036	DUE FROM INV. FUND-TX NOTE 06	17,706.99
02-1037	DUE TO INVESTMENT - WTR. TOWER	381,946.00
02-1039	WATER TREATMENT PLANT	6,826,216.77
02-1040	WW TRMT PLANT RES.	0.00
02-1050	CASH IN BANK-TRMT PLANT	851.75
02-1060	CIP - NEW WATER WELL PROJECT	527.77
02-1065	CIP - LUBBOCK HWY LIFTSTATION	0.16
02-1070	CIP - ELEVATED STORAGE TANK	1,032,942.24
02-1075	CIP - WATER MAIN IMP, HWY 87	333,596.52
		17,756,494.94
TOTAL ASSETS		17,756,494.94

BALANCE SHEET

AS OF: SEPTEMBER 30TH, 2015

02 -WATER & WASTEWATER ENTER.

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
LIABILITIES		
02-2010	DUE TO LAMESA EDC	0.00
02-2013		0.00
02-2025	REVENUE RECOVERY LIABILITY	236.77)
02-2026	REVENUE RECOVERY FEES	1,444.45
02-2027	UNDEPOSITED METER DEPOSIT	0.00
02-2028	WATER DEPOSITS	247,337.98
02-2029	T.M.R.S. PAYABLE	0.00
02-2030	F.T.C.A. PAYABLE	753.00
02-2031	VOUCHERS PAYABLE	0.00
02-2032	BONDS PAYABLE-PRISON	0.00
02-2033	CONTRIBUTED BY DEVELOPERS	255,845.00
02-2034	CONTRIBUTED BY U.S. GOV'T	236,875.39
02-2035	RES.RETIRE.OF BONDS & INT	0.00
02-2036	EARNED SURPLUS INVESTED	0.00
02-2037	EARNED SURPLUS UNAPPROPR.	0.00
02-2038	INT. ON B.F. INVESTMENT	0.00
02-2039	TRANS. FOR RET. OF BONDS	0.00
02-2040	OPERATING TRANSFER	0.00
02-2041	BOND INTEREST EXPENSE	0.00
02-2042	HANDLING FEES	0.00
02-2043	CAPITAL PROJECT FUNDS	440,420.21
02-2045	PROV.COMPENSATED ABSENCES	41,490.02
02-2046	DUE TO/FROM GENERAL FUND	0.00
02-2047	DUE TO SOLID WASTE	0.00
02-2048	DUE TO RISK MGT & SAFETY	0.00
02-2049	1992 C.O. DEBT NON CURRENT	0.00
02-2050	NOTE PAYABLE- 2006 TAX NOTES	0.00
02-2051	NOTE PAYABLE-CAT FINANCE	0.00
02-2052	LEASE PAYABLE-AAIG(NON-CURRENT	569,068.78
02-2053	NOTES PAYABLE-WSB (NONCURREN) .	0.40)
02-2054	BONDS PAYABLE - USDA	4,561,000.00
02-2055	CONTRIBUTED CAPITAL-TCDP	864,400.00
02-2056	CONTRIBUTED CAPITAL-TDCJ	133,567.10
02-2057	DUE TO G/F - LAND PURCHASE	0.00
02-2058	DUE TO SWMF - LAND PURCHASE	75,000.00
02-2059	DUE TO CAP. PROJ.-LAND PURCHAS	0.00
02-2060	AFLAC PRE-TAX	0.00
02-2061	DUE TO/FROM GOLF COURSE FUND	0.00
02-2070	GROUP INS. PRE-TAX	0.00
02-2085	AFLAC PRE-TAX	0.00
02-2090	AFLAC POST TAX	0.00
02-2095	VISION INS. PAYABLE	0.42
02-2160	ACCRUED PAYROLL LIABILITY	12,774.00
02-2900	CURRENT PORTION 91 C.O.'S	0.00
02-2901	CURRENT PORTION - USDA	70,000.00
02-2902	CURRENT PORTION-2006 TAN	0.00
02-2903	CURRENT PORTION-CAT FINANCE	0.00
02-2904	LEASE PAYABLE-AAIG (CURRENT)	163,902.00
02-2905	NOTES PAYABLE-WSB (CURRENT)	0.33)

BALANCE SHEET

AS OF: SEPTEMBER 30TH, 2015

02 -WATER & WASTEWATER ENTER.

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
02-2906	NOTES PAYABLE-SOUTH PLAINS COM	0.00
02-2909	TAX NOTE 2013 - ST	97,000.00
02-2910	TAX NOTE 2013 L-T	512,000.00
02-2911	CURRENT PORTION COMP ABSE	11,701.80
02-2912	TAX NOTE 2013-A L-T	747,000.00
02-2913	TAX NOTE 2013A - S-T	142,000.00
02-2914	TAX NOTE 2014 L-T	401,605.00
02-2915	TAX NOTE 2014 S-T	0.00
02-2920	DEFERRED REV-LIFTSTATION PROJ.	0.00
02-2925	CONJ. USE SERIES 2011-NONCURRE	1,564,289.00
02-2926	CONJ USE SERIES 2011-CURRENT	68,324.00
02-2927	REFUNDING 2010 - NON CURRENT	84,357.00
02-2928	REFUNDING SERIES 2010-CURRENT	16,279.00
02-2929	RECLAMATION 2010 - NON CURRENT	331,408.00
02-2930	RECLAMATION 2010 - CURRENT	79,299.00
02-2931	GROUNDWATER 2009-NON CURRENT	362,949.00
02-2932	GROUNDWATER 2009 - CURRENT	18,485.00
02-2933	GROUNDWATER 2008 - NONCURRENT	731,762.00
02-2934	GROUNDWATER 2009 - CURRENT	46,767.00
02-2935	GROUNDWATER 2005-NONCURRENT	395,107.00
02-2936	GROUNDWATER 2005 - CURRENT	88,972.00
02-2937	GROUNDWATER 2012-NONCURRENT	946,964.00
02-2938	GROUNDWATER 2012-CURRENT	14,237.00
02-2999	PROFIT & LOSS	0.00
	TOTAL LIABILITIES	14,334,146.65
EQUITY		
02-3001	FUND BALANCE	3,442,124.35
02-3002	RESERVE-UTILITY SYSTEM IMPROV	0.00
02-3010	C.O. INTEREST	0.00
02-3012	TAN INTEREST	0.00
	TOTAL BEGINNING EQUITY	3,442,124.35
	TOTAL REVENUE	4,237,585.06
	TOTAL EXPENSES	4,257,361.12
	TOTAL REVENUE OVER/(UNDER) EXPENSES	(19,776.06)
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.	3,422,348.29
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.	17,756,494.94

BALANCE SHEET

AS OF: SEPTEMBER 30TH, 2015

03 -SOLID WASTE ENTERPRISE

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
03-1001	CASH IN BANK	422,835.07
03-1002	CASH IN BANK - DEBT SERVICE	0.00
03-1003	CASH IN BANK - CAPITAL RESERVE	0.00
03-1004	DUE FROM GENERAL FUND	0.00
03-1005	DUE FROM WASTEWATER	0.00
03-1006	DUE FROM WWF- LAND PURCHASE	75,000.00
03-1007	DUE FROM INVESTMENTS-DEBT SERV	0.00
03-1008	DUE FROM INV.-CAPITAL RESERVE	115,891.83
03-1010	UNAMORTIZED TAN ISSUE COSTS	0.00
03-1011	GARBAGE CHG. RECEIVABLE	97,606.49
03-1012	UNCOLLECTIBLE GARB.CHGS.	(9,862.99)
03-1013	GRANT PROCEEDS RECEIVABLE	0.00
03-1014	LAND	143,957.00
03-1015	BUILDINGS	2,304,363.61
03-1019	AUTOMOTIVE & MISC.EQUIP.	4,301,082.77
03-1020	DUE FROM INVESTMENT FUND	0.00
03-1021	CAPITAL EQUIPMENT RESERVE	44,526.36
03-1022	POST CLOSURE RESERVE	606,448.66
03-1023	ENVIROMENTAL OPER CENTER RES	0.00
03-1024	RESERVE FOR TAN I&S	0.00
03-1027	05 TAN ISSUANCE COSTS	0.00
03-1028	ACCUM. AMORT-ISSUANCE COSTS	(0.27)
03-1030	CIP - NEW LANDFILL CELL #4	(0.45)
03-1050	ACCUMULATED DEPRECIATION	(4,372,648.38)
		3,729,199.70
TOTAL ASSETS		3,729,199.70

LIABILITIES

03-2010	DUE TO/FROM GENERAL FUND	0.00
03-2013		0.00
03-2020	DUE TO/FROM WASTE WATER	0.00
03-2021	POSTCLOSURE RESERVE	0.00
03-2022	DUE TO RISK MGT & SAFETY	0.00
03-2030	CONTRIBUTED CAPITAL - SCALE	41,191.00
03-2040	TAN INTEREST EXPENSE	0.00
03-2041	BOND INTEREST EXPENSE	0.00
03-2042	LOSS ON EQUIPMENT	0.00
03-2044	CUR.PROV FOR COMP.ABSENCE	5,522.47
03-2045	PROV-COMPENSATED ABSENCE	19,578.84
03-2049	1992 C.O. DEBT NON-CURRENT	0.00
03-2050	N/P - CATEPILLAR (DOZER)	(0.25)
03-2051	EST.LIAB.LANDFILL CLOSURE	493,535.18
03-2052	OUTSOURCE LEASE-MAD VAC S-T	0.00
03-2053	CATEPILLAR LEASE - S-T	0.15
03-2054	2005 TAX NOTE -CURRENT PORTION	0.00
03-2055	N/P CATERPILLAR (BULLDOZER)	(0.31)
03-2056	TAN I&S INTEREST	0.00

BALANCE SHEET

AS OF: SEPTEMBER 30TH, 2015

03 -SOLID WASTE ENTERPRISE

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE	
03-2060	AFLAC PRE-TAX	0.00	
03-2065	N/P KSB - GARBAGE TRUCK	0.00	
03-2070	GROUP INS. PRE-TAX	0.00	
03-2085	AFLAC PRE-TAX	0.00	
03-2090	AFLAC POST TAX	0.00	
03-2095	VISION INS. PAYABLE	0.00	
03-2096	N/P-CATERPILLAR 930H - LT	68,959.00	
03-2097	N/P - CATERPILLAR 930H - ST	21,576.00	
03-2098	N/P CATERPILLAR (BACKHOE) ST	45,375.00	
03-2160	ACCRUED PAYROLL LIABILITY	7,998.00	
03-2165	N/P MACK TRUCK W/ SIDELOAD -LT	80,732.00	
03-2166	N/P MACK TRUCK W/ SIDELOAD ST	38,087.00	
03-2901	CURRENT PORTION 92 C.O.'S	24,875.00	
03-2902	CURRENT PORTION-1997 TAN	52,767.00	
03-2903	OUTSOURCE LEASE- MAD VAC L-T	0.00	
03-2904	CATERPILLAR LEASE - L-T	0.00	
03-2905	2005 TAX NOTE (LT)	0.00	
03-2910	TAX NOTE 2012 - LT	544,400.00	
03-2911	TAX NOTE 2012 - ST	128,700.00	
	TOTAL LIABILITIES		1,573,296.08
EQUITY			
03-3001	FUND BALANCE	1,821,486.89	
03-3002	INVESTMENT IN PROPERTY	0.00	
03-3003	UNRESERVED FUND BALANCE	0.00	
03-3004	POSTCLOSURE RESERVE	107,228.18	
03-3005	RESERVE ENVIROMENTAL OPER CNTR	0.00	
03-3010	C.O. INTEREST	0.00	
03-3012	TAN INTEREST	0.00	
	TOTAL BEGINNING EQUITY	1,928,715.07	
	TOTAL REVENUE	1,903,988.26	
	TOTAL EXPENSES	1,676,799.71	
	TOTAL REVENUE OVER/(UNDER) EXPENSES	227,188.55	
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.		2,155,903.62
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.		3,729,199.70

BALANCE SHEET

AS OF: SEPTEMBER 30TH, 2015

18 -MUNICIPAL GOLF COURSE

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE	
ASSETS			
18-1001	CASH	107,021.07	
18-1005	GOLF FEES RECEIVABLE	24,092.87	
18-1020	LAND IMPROVEMENTS	79,362.32	
18-1021	EQUIPMENT	169,603.08	
18-1022	DEPRECIATION	102,637.00	
18-1023	BUILDINGS & IMPROVEMENTS	12,143.00	
18-1028	SALES TAX RECEIVABLE	0.00	
18-1030	DUE TO/FROM WATER FUND	0.00	
		75,543.20	
TOTAL ASSETS			75,543.20
LIABILITIES			
18-2010	DUE TO/FROM GENERAL FUND	0.00	
18-2013	NOTES PAYABLE-OUTSORCE/CURR.	0.00	
18-2014	SALES TAX PAYABLE	0.00	
18-2015	NOTE PAYABLE-WELL FARGO-CURREN	0.00	
18-2016	DUE TO RISK MGMT.	96,624.00	
18-2017	NOTES PAYABLE	0.00	
18-2018	NOTES PAYABLE - OUTSOURCE	0.00	
18-2044	COMP. ABSENCES - CURRENT	2,213.21	
18-2045	COMP. ABSENCES - LONG TERM	7,845.11	
18-2160	ACCRUED PAYROLL LIABILITY	1,832.00	
18-2902	RANGE BALL SERVER -ST PORTION	8,975.00	
18-2903	PNC GOLF CAR LEASE - LT	16,115.00	
18-2904	PNC GOLF CAR LEASE - ST	9,668.00	
18-2906	RANGE BALL SERVER- LT PORTION	9,575.00	
	TOTAL LIABILITIES		152,847.32
EQUITY			
18-3001	FUND BALANCE	5,694.51	
	TOTAL BEGINNING EQUITY	5,694.51	
	TOTAL REVENUE	161,471.54	
	TOTAL EXPENSES	244,470.17	
	TOTAL REVENUE OVER/(UNDER) EXPENSES	82,998.63	
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.	(77,304.12)	
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.		75,543.20

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 20

SUBJECT: **CITY MANAGER REPORT**
SUBMITTED BY: City Manager

SUMMARY STATEMENT

CRMWA notified the City that it would be receiving a refund of \$53,000.00 for last year. CRMWA will allow the City to receive a full refund or will give the City the option to pay the debt it incurred in FY 2012/2013 when it had to assist in paying for the cost of repairs to CRMWA's water line from Tahoka to the City of Lamesa.

COUNCIL ACTION

No City Council action required.

CITY MANAGER'S MEMORANDUM

City staff recommends paying off the debt to CRMWA totaling \$19,640.52.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 21

SUBJECT: EXECUTIVE SESSION

SUBMITTED BY: City Manager

SUMMARY STATEMENT

Council to consider convening into closed executive session regarding personnel matters and review of City Secretary applications in accordance with the provisions of the Texas Open Meetings Act (Chapter 551.71 Texas Government Code) and consultation with Attorney regarding pending litigation (Chapter 551.074 Texas Government Code). No action will be taken in closed session. The Council will reconvene into open session after the completion of the executive session.

- Pending Litigation – Appeal of Board of Adjustments decision to grant a variance.
- Interview/Selection Process of City Secretary position.

COUNCIL ACTION

DISCUSSION: _____

Motion by Council Member _____ to convene in closed executive session in accordance with the provisions of the Texas Open Meetings to discuss and consider personnel matters. Motion seconded by Council Member _____ and upon being put to a vote the motion _____.

VOTING: "AYE" _____ "NAY" _____ "ABSTAIN" _____

**CERTIFIED AGENDA: EXECUTIVE SESSION OF
THE CITY COUNCIL OF THE CITY OF LAMESA, TEXAS**

On this October 20, 2015, at a regularly scheduled meeting of the City Council of the City of Lamesa, Texas the Council adjourned into a closed executive session; notice of said session having been given by a notice posted at the City Hall, 601 South First Street at least seventy-two hours in advance.

A. ANNOUNCEMENT BY PRESIDING OFFICER:

"The City Council will begin its executive session on OCTOBER 20, 2015, at _____
P.M."

The subject matter of each executive session deliberation is as follows:

Consider meeting in closed executive session to discuss personnel matters regarding review of City Secretary applications (Section 551.074 Texas Government Code).

RECORD OF ACTION TAKEN: No action taken.

B. ANNOUNCEMENT BY PRESIDING OFFICER:

"The City Council has completed its executive session on OCTOBER 20, 2015 at _____
P.M."

C. CERTIFICATION:

I hereby certify that this agenda of an executive session of the City Council of the City of Lamesa, Texas is a true and correct record of the proceedings pursuant Texas Open Meetings Act (Chapter 551, Government Code).

WITNESS my hand this OCTOBER 20, 2015.

Dave Nix, Mayor

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 22

SUBJECT: APPOINTMENT OF CITY SECRETARY
SUBMITTED BY: City Manager

SUMMARY STATEMENT

City Council to consider taking action regarding the appointment of a City Secretary and/or give City staff direction.

COUNCIL ACTION

City Council action if desired and/or or give City staff direction.

City Council Agenda

City of Lamesa, Texas

DATE OF MEETING: OCTOBER 20, 2015

AGENDA ITEM: 23

ADJOURNMENT: *Announcement by the Mayor* – “The next regular meeting of the City Council of the City of Lamesa, Texas will be held at 5:30 p.m., on **TUESDAY, NOVEMBER 17, 2015** at City Hall, 601 South First Street. Persons desiring to present business to the city council at that meeting are directed to submit a request in writing to the city secretary by **Wednesday, NOVEMBER 11, 2015** in order to be included on the agenda. There being no other business, the meeting is hereby adjourned.”

Upcoming Events

Thanksgiving Holiday - November 26-27, 2015

City Employee Holiday Dinner - TBD

City Council Meeting - December 15, 2015 – 5:30 pm

Annual Employee Safety Meeting - TBD

Christmas Holidays - December 24 – 25, 2015

New Year's Holidays – December 31, 2015 - January 1, 2016