

AGENDA

FOR A REGULAR MEETING OF THE AMARILLO CITY COUNCIL TO BE HELD ON TUESDAY, JULY 2, 2019 AT 1:00 P.M., CITY HALL, 601 SOUTH BUCHANAN STREET, COUNCIL CHAMBER ON THE THIRD FLOOR OF CITY HALL, AMARILLO, TEXAS.

City Council Mission: Use democracy to govern the City efficiently and effectively to accomplish the City's mission.

Please note: The City Council may take up items out of the order shown on any Agenda. The City Council reserves the right to discuss all or part of any item in an executive session at any time during a meeting or work session, as necessary and allowed by state law. Votes or final decisions are made only in open Regular or Special meetings, not in either a work session or executive session.

INVOCATION: Beverly Williams

PROCLAMATION: "Watch Your Car Month"

1. City Council will discuss or receive reports on the following current matters or projects.
 - A. Review agenda items for regular meeting and attachments;
 - B. Website Update; and
 - C. Consider future Agenda items and request reports from City Manager.

2. **CONSENT ITEMS:**
It is recommended that the following items be approved and that the City Manager be authorized to execute all documents necessary for each transaction:

THE FOLLOWING ITEMS MAY BE ACTED UPON BY ONE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THE ITEMS IS NECESSARY UNLESS DESIRED BY A COUNCILMEMBER, IN WHICH EVENT THE ITEM SHALL BE CONSIDERED IN ITS NORMAL SEQUENCE AFTER THE ITEMS NOT REQUIRING SEPARATE DISCUSSION HAVE BEEN ACTED UPON BY A SINGLE MOTION.

- A. **CONSIDER APPROVAL – MINUTES:**
Approval of the City Council minutes for the meeting held on June 25, 2019.
- B. **CONSIDERATION OF ORDINANCE NO. 7794:**
(Contact: Cris Valverde, Assistant Director of Planning and Development Services)
This is the second and final reading and public hearing of an ordinance rezoning of a 30.47 acre tract of unplatted land in Section 65, Block 9, BS&F Survey, Randall County, Texas plus one-half of all bounding streets, alleys, and public ways to change from Agricultural District to Residential District 3. (Vicinity: Heritage Hills Parkway and Crestline Drive.)
- C. **CONSIDER APPROVAL – ADDENDUM NO. 5 (FIVE) TO PROFESSIONAL SERVICES AGREEMENT FOR HILLSIDE TERRACE ESTATES 30" SEWER REPLACEMENT:**
(Contact: Floyd Hartman, Assistant City Manager)
CH2M Hill Engineers, Inc. -- \$48,840.00

Original Contract:	\$674,400.00
Previous Addenda:	\$298,770.00
Current Addendum No. 5:	<u>\$48,840.00</u>
Revised Contract Total:	\$1,022,010.00

This item is to consider approval of Addendum No. 5 to the Professional Service Agreement with CH2M Hill Engineers, Inc. to allow for additional

engineering services and construction phase services as outlined in the addendum.

D. **CONSIDER APPROVAL – ADDENDUM NO. 2 (TWO) TO PROFESSIONAL SERVICES AGREEMENT FOR CONSTRUCTION SERVICES MANAGEMENT FOR HILLSIDE TERRACE ESTATES 30” SEWER REPLACEMENT:**

(Contact: Floyd Hartman, Assistant City Manager)

KSA Engineers, Inc. -- \$11,000.00

Original Contract:	\$477,500.00
Previous Addenda:	\$169,500.00
Current Addendum:	<u>\$11,000.00</u>
Revised Contract Total:	\$658,000.00

This item is to consider approval of Addendum No. 2 to the Professional Services Agreement with KSA Engineers, Inc. to increase scope of work and allow for additional construction services management consisting of inspections, project reports and oversight of the contract and contractor.

E. **CONSIDER AWARD – LAND LEASE FOR AGRICULTURAL USE IN RANDALL COUNTY:**

(Contact: Matthew Thomas, City Engineer)

Awarded to 2 Kings Farm & Ranch – \$73,125.00

This item is to consider award of a land lease. The land lease is for agricultural use of portions of Sections 113, 116, 117 and 145, Block 2 A.B.&M. Survey, Randall County Texas. It is a 585.679 acre tract. The agreement is for five (5) years to be paid annually at \$14,625/year for a total of \$73,125.00.

F. **CONSIDER AWARD – HEALTH CARE CONSULTANTS:**

(Contact: Hector Mendoza, Health Plan Administrator)

HUB International -- \$57,000.00 annually

The Human Resources Employee Benefits Division released an RFP for benefit consultation services. They will provide the City guidance on legislative compliance and industry trends that may affect the City's coverages.

3. **NON-CONSENT ITEMS:**

A. **EXECUTIVE SESSION:**

City Council may convene in Executive Session to receive reports on or discuss any of the following pending projects or matters:

- 1) Section 551.087 – Deliberation regarding economic development negotiations; discussion of commercial or financial information received from an existing business or business prospect with which the City is negotiating for the location or retention of a facility, or for incentives the City is willing to extend, or financial information submitted by same:
 - (a) Discuss property located in the vicinity of West Amarillo Boulevard and North Madison Street.
 - (b) Discuss property located in the NE quadrant of the Central Business District.
- 2) Section 551.072 – Discuss the purchase, exchange, lease, sale, or value of real property and public discussion of such would not be in the best interests of the City's bargaining position:
 - (a) Discuss property located in the vicinity of West Amarillo Boulevard and North Madison Street.
 - (b) Discuss property located in the NE quadrant of the Central Business District.

Amarillo City Hall is accessible to individuals with disabilities through its main entry on the south side (601 South Buchanan Street) of the building. An access ramp leading to the main entry is located at the southwest corner of the building. Parking spaces for individuals with disabilities are available in the south parking lot. City Hall is equipped with restroom facilities, communications equipment and elevators that are accessible. Individuals with disabilities who require special accommodations or a sign language interpreter must contact the City Secretary's Office 48 hours prior to meeting time by telephoning 378-3013 or the City TDD number at 378-4229.

Posted this 28th day of June 2019.

Regular meetings of the Amarillo City Council stream live on Cable Channel 10 and are available online at:

<http://amarillo.gov/city-hall/city-government/view-city-council-meetings>

Archived meetings are also available.

A



STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 25th day of June 2019, the Amarillo City Council met at 12:00 p.m. for a work session which was held in the Council Chamber located on the third floor of City Hall at 601 South Buchanan Street, with the following members present:

GINGER NELSON	MAYOR
ELAINE HAYS	COUNCILMEMBER NO. 1
FREDA POWELL	COUNCILMEMBER NO. 2
EDDY SAUER	COUNCILMEMBER NO. 3

Absent was Howard Smith. Also in attendance were the following administrative officials:

JARED MILLER	CITY MANAGER
MICHELLE BONNER	DEPUTY CITY MANAGER
BRYAN MCWILLIAMS	CITY ATTORNEY
STEPHANIE COGGINS	ASSISTANT TO THE CITY MANAGER
FRANCES HIBBS	CITY SECRETARY

Mayor Nelson established a quorum, called the meeting to order, welcomed those in attendance and the following items of business were conducted:

PUBLIC COMMENT

Jerri Glover, 5707 Berget Drive, spoke on Item 3A, Ordinance No. 7793. She stated the proposed cost increases at the Warford Activity Center were unjustifiable. Laura Hume, 7807 Legacy Parkway, spoke on the animals at the city's shelter. She addressed the 10-day hold on the animals, spayed and neutering animals, and animals who are at risk of getting sick or going kennel crazy. She spoke on the need to work with rescue groups. She further asked for the next AM&W Director to have 90% release rate experience. Signed up but did not appear: Keith Grays, 2326 Northwest 11th Avenue. There were no further comments.

ATTEST:

Frances Hibbs, City Secretary

Ginger Nelson, Mayor

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 25th day of June 2019, the Amarillo City Council met at 1:00 p.m. for a regular meeting held in the Council Chamber located on the third floor of City Hall at 601 South Buchanan Street, with the following members present:

GINGER NELSON
ELAINE HAYS
FREDA POWELL
EDDY SAUER
HOWARD SMITH

MAYOR
COUNCILMEMBER NO. 1
MAYOR PRO TEM/COUNCILMEMBER NO. 2
COUNCILMEMBER NO. 3
COUNCILMEMBER NO. 4

Absent were none. Also in attendance were the following administrative officials:

JARED MILLER
MICHELLE BONNER
BRYAN MCWILLIAMS
STEPHANIE COGGINS
FRANCES HIBBS

CITY MANAGER
DEPUTY CITY MANAGER
CITY ATTORNEY
ASSISTANT TO THE CITY MANAGER
CITY SECRETARY

The invocation was given by Jason Rodin. Mayor Pro Tem Powell led the Pledge of Allegiance.

Proclamations were presented for "Amarillo Chamber of Commerce's Summer Fireworks Extravaganza."

Mayor Nelson established a quorum, called the meeting to order, welcomed those in attendance and the following items of business were conducted:

ITEM 1:

- A. Review agenda times for regular meeting and attachments;
- B. Amarillo Fire Department E-6 Paramedic Truck Recognition;
- C. Discussion on Interlocal Agreement for Neighborhood Planning;
- D. Reports and updates from City Councilmembers serving on outside boards:
Amarillo Local Government Corporation
- E. Consider future Agenda items and request reports from City Manager.

CONSENT ACTION ITEMS:

ITEM 2: Mayor Nelson presented the consent agenda and asked if any item should be removed for discussion or separate consideration. Motion was made by Councilmember Powell to the consent agenda as presented, seconded by Councilmember Sauer.

- A. MINUTES:
Approval of the City Council minutes for the meeting held on June 18, 2019.
- B. CONSIDERATION OF ORDINANCE NO. 7792:
(Contact: Michael Kashuba, Director of Parks & Recreation)
This item is the second and final reading of an ordinance adopting the 2019-2020 Standards of Care for recreational care programs administered by the Parks and Recreation Department as required by Texas Human Resources Code section 42.041(b)(14); and providing an effective date.
- C. CONSIDER AWARD – NEW REMOTE READ WATER METERS AND REPLACEMENT OF EXISTING WATER METERS:
(Contact: Trent Davis, Purchasing Agent)
Core & Main -- \$93,410.50
This item is to consider for purchase of the new remote read water meters and replacement of existing water meters.

D. **CONSIDER AWARD – TRAFFIC BEADS AND PAINT:**

(Contact: Trent Davis, Purchasing Agent)

Potter Industries	\$ 28,320.00
Ennis – Flint Inc.	\$ 58,625.00
Ozark Materials LLC	\$ 53,845.00
	\$140,790.00

This item considers the award of the Annual Traffic Beads and Paint Supply Agreement.

E. **CONSIDER APPROVAL – CHANGE ORDER NO. 2 FOR COMMUNITY INVESTMENT PROGRAM: LARGE VALVE REPLACEMENT– PHASE 1:**

(Contact: Matthew Thomas, City Engineer)

Amarillo Utility Contractors, Inc. – \$61,164.00

Original Contract Amount:	\$443,220.00
Previous Change Order:	\$(5,260.00)
This Change Order No. 2:	\$61,164.00
Revised Contract Total:	\$499,124.00

This item is to approve Change Order No. 2 to Amarillo Utility Contractors which includes quantity adjustments and increasing scope of work at the Amarillo Boulevard and Marrs Street location. TxDOT approved backfill and paving materials are necessary for construction in the Amarillo Boulevard/TxDOT ROW. The existing 20" tee at the Amarillo Boulevard/Marrs Street location is to be replaced with a new fitting with corresponding appurtenances.

F. **CONSIDER APPROVAL – CHANGE ORDER NO. 3 FY 2017-2021 COMMUNITY INVESTMENT PROGRAM STREET AND DRAINAGE IMPROVEMENTS: REHABILITATION OF GEORGIA STREET FROM SOUTHWEST 46TH AVENUE TO SOUTHWEST 58TH AVENUE:**

(Contact: Matthew Thomas, City Engineer)

Holmes Construction LLP – \$12,188.80

Original Contract Amount:	\$1,898,329.23
Previous Change Order:	\$305,839.89
This Change Order No. 3:	\$12,188.80
Revised Contract Total:	\$2,216,357.92

This item is to approve Change Order No. 3 to Holmes Construction which deducts contingency quantities and adds striping for the overlay of Western Street from I-27 to Southwest 49th Avenue. The Western Street overlay was previously approved in Change Order No. 2.

G. **CONSIDER AWARD – LAND LEASE FOR AGRICULTURAL USE IN CARSON COUNTY:**

(Contact: Matthew Thomas, City Engineer)

Awarded to Leslie Redwine – \$112,000.00

This item is to consider award of a land lease. The land lease is for agricultural use of Section 17, Block T, A.B.&M. Survey, Carson County, Texas. This is a 640-acre tract save and except railroad and county road right of way. The agreement is for five (5) years to be paid annually at \$22,400.00/year for a total of \$112,000.00.

H. **CONSIDER ADDENDUM NO. 6 – AGREEMENT FOR FORENSIC ENGINEERING PROFESSIONAL SERVICES:**

(Contact: Floyd Hartman, Assistant City Manager)

Rimkus Consulting Group Inc. – \$238,628.57

This agenda item is the consideration of Addendum 6 to Rimkus Consulting Group, Inc. This addendum provides for additional forensic professional services related to the deteriorated 30-inch clay pipe sanitary sewer main in the Hillside Estates Subdivision to perform geological services, testing, evaluations, reporting, laboratory services, and other related services described in the TCEQ Environmental Audit.

Original Contract preliminary forensic work 11/2014:	\$ 57,650.00
Previous Addendums:	\$827,654.01
Proposed Addendum No. 6	<u>\$238,628.57</u>
Proposed New Contract Total:	\$1,123,932.58

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

NON-CONSENT ITEMS

ITEM 3A: Mayor Nelson presented the first reading of an ordinance adopting revised fees for the Charles E. Warford Activity Center by amending Amarillo Municipal Code, Title XII, Chapter 12-1, Article I, Section 12-1-4. This item was presented by Michael Kashuba, Director of Parks & Recreation. Councilmember Powell inquired as to the value of the scholarships. Mayor Nelson inquired as to the cost of providing this program. Mr. Kashuba replied it was approximately \$80,000 a year. Councilmember Hays inquired how much revenue was received last year. Mr. Kashuba replied it was \$13,000. Mr. Miller asked about the cost of recovery. Mr. Kashuba stated 90% of the students are coming from Carver Elementary. Mr. Kashuba stated the Warford Center opened in January of 2018. Councilmember Powell inquired if the supervisor of the Warford Center had any concerns. Brandon Smith, Supervisor of the Charles E. Warford Center, stated he believed the proposed prices were fair. Councilmember Hays stated there were 52 children who would be affected. Mr. Smith stated there were several family siblings. Councilmember Hays inquired if the City should be in this type of business. She further stated this program was currently being subsidized by the City. Mr. Miller stated this was a great facility and there was a value in exposing citizens to the Warford Center. Mr. Kashuba stated it provides a community service. Mr. Miller stated that the children and parents were also exposed to police officers. Mayor Nelson inquired if the neighborhood requested this type of service. Councilmember Hays inquired about the timing of the rate change. She stated at this time she was against a rate change assuming the City would continue the program. Councilmember Powell inquired about the services that were warranted at the Warford Center. Councilmember Powell also inquired about the financials for the Warford Center. Councilmember Smith stated this facility is new and he believed they are experimenting with the facilities and programs available. Mr. Miller stated they would request input from the families that have participated in the program. Councilmember Powell inquired about the revenue and operating costs of the facility and perhaps the community engagement for the overall facility. Councilmember Sauer inquired if the program was full or if there was a waiting list. Mr. Kashuba replied the program has been full with about 65 children. He further stated the Standards of Care allowed for a limit to the number of participants in the program. He stated a large percentage were from outside the 79107 zip code. Councilmember Sauer inquired how many were qualified reduced rates. Motion was made by Councilmember Powell that the following captioned ordinance be tabled at this time, seconded by Councilmember Smith. The motion was amended by Councilmember Powell that the following captioned ordinance be tabled for approximately two weeks until a community engagement and presentation of financials, seconded by Councilmember Smith.

ORDINANCE NO. 7793

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, AMENDING CHAPTER 12-1 OF THE AMARILLO MUNICIPAL CODE CONCERNING PARK AND RECREATION FEES; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 3B: Mayor Nelson presented the first reading of an ordinance rezoning of a 30.47 acre tract of unplatted land in Section 65, Block 9, BS&F Survey, Randall County, Texas plus one-half of all bounding streets, alleys, and public ways to change from Agricultural District to Residential District 3. (Vicinity: Heritage Hills Parkway and Crestline Drive). This item was presented by Andrew Freeman, Director of Planning and Development Services. Mayor Nelson opened a public hearing. There were no comments and the public hearing was closed. Motion was made that the following captioned

ordinance be passed on first reading by Councilmember Powell, seconded by Councilmember Hays:

ORDINANCE NO. 7794

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS: PROVIDING FOR SPECIFIED CHANGES IN THE OFFICIAL ZONING MAP OF THE CITY OF AMARILLO, TEXAS; PROVIDING FOR CHANGE OF USE DISTRICT CLASSIFICATION OF SPECIFIED PROPERTY IN THE VICINITY OF HERITAGE HILLS PARKWAY AND CRESTLINE DRIVE, RANDALL COUNTY, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 3C: Mayor Nelson presented an item considering the award of a contract for the reconstruction of Lift Station No. 32 to serve the southeast area of the City. The project is to reconstruct the lift station and associated sewer lines in order to expand service area and upgrade the system. This item was presented by Matthew Thomas, City Engineer. Motion was made by Councilmember Powell, seconded by Councilmember Sauer, that this item be approved.

Voting AYE were Mayor Nelson, Councilmembers Hays, Powell, Sauer and Smith; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 3D: Mr. McWilliams advised at 3:01 p.m. that the City Council would convene in Executive Session per Texas Government Code: 1) Section 551.087 – Deliberation regarding economic development negotiations; discussion of commercial or financial information received from an existing business or business prospect with which the City is negotiating for the location or retention of a facility, or for incentives the City is willing to extend, or financial information submitted by same; (a) Discussion regarding commercial or financial information received from a business prospect and/or to deliberate the offer of a financial or other incentive to a business prospect: Project #19-06-01 (Transportation). (b) Discuss properties west of the Central Business District. (c) Discuss property located in the vicinity of West Amarillo Boulevard and North Madison Street. (d) Discuss property located in the NE quadrant of the Central Business District. 2) Section 551.072 – Discuss the purchase, exchange, lease, sale, or value of real property and public discussion of such would not be in the best interests of the City's bargaining position: (a) Discuss properties west of the Central Business District. (b) Discuss property located in the vicinity of West Amarillo Boulevard and North Madison Street. (c) Discuss property located in the vicinity of East 34 Avenue and South Osage Street. (d) Lease negotiations for the retail space at the downtown Parking Garage. (e) Discuss property located in the NE quadrant of the Central Business District. 3) Section 551.071 – Consult with the attorney about pending or contemplated litigation or on a matter in which the attorney's duty to the governmental body under the Texas Disciplinary Rules of Professional Conduct conflicts with this chapter. (a) Red-Light Camera Service Contract.

Mr. McWilliams announced that the Executive Session was adjourned at 4:33 p.m. and recessed the Regular Meeting.

ATTEST:

Frances Hibbs, City Secretary

Ginger Nelson, Mayor

Amarillo City Council Agenda Transmittal Memo



Meeting Date	July 2, 2019	Council Priority	Regular Agenda Item – Public Hearing
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Department	Planning and Development Services Cris Valverde - Assistant Director of Planning and Development Services
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Agenda Caption

Second and final reading of an ordinance rezoning of a 30.47 acre tract of unplatted land in Section 65, Block 9, BS&F Survey, Randall County, Texas plus one-half of all bounding streets, alleys, and public ways to change from Agricultural District to Residential District 3. (Vicinity: Heritage Hills Parkway and Crestline Drive).

Agenda Item Summary

The applicant is requesting the zoning of a 30.47 acre tract of land within the Heritage Hills Subdivision area, currently zoned Agricultural District (A), to change to Residential District 3 (R-3), in order to develop the next phase of the Heritage Hills Subdivision with single family detached homes and a site for a future elementary school.

Residential District 3 allows single-family detached homes with a minimum lot size of 5,000 square feet in addition to some educational and institutional uses such as elementary schools.

Adjacent land use and zoning

The adjacent zoning consists of Residential District 2 (R-2) to the north and Agricultural District (A) to the south, east, and west.

Adjacent land uses consist of single family detached homes to the north and undeveloped land to the south, east, and west.

Analysis

Staff's analysis of zoning change requests begins with referring to the Comprehensive Plan's Future Land Use and Character Map, which identifies recommended future land uses. Additionally, staff considers what impact on area existing zoning and development patterns as well as its conformity to the Neighborhood Unit Concept (NUC) of development.

This rezoning request is consistent with the adopted 2010 Comprehensive Future Land Use and Character Map, insofar as residential development will occur should the request be approved.

At that time the land now being considered was still outside of city limits yet was given the Future Land Use designation of "Estate Residential". Estate Residential calls for a single-family detached homes, much like the applicant is proposing, yet with a higher degree of open space and setbacks. It is staff's opinion that the designation given in 2010 was due to newly annexed land being zoned Agricultural upon annexation and with the closest future land use designation to match was "Estate Residential". That said, since 2010 market conditions have changed in the area and development of single-family detached homes that feature smaller lot sizes and setbacks has occurred throughout the area and has become the predominate residential product within the subdivision.

While it is recognized that the area does not exactly fit the "Estate Residential" characteristics, it should be recognized that a change in conditions has occurred since the Future Land Use Designation was given. Therefore, is the Planning Commission's opinion that the proposed rezoning is appropriate.

Requested Action/Recommendation

Considering the above, the Planning and Zoning Commission is of the opinion that the applicant's request represents a logical continuation of the zoning and development pattern established in the area. Therefore, Planning and Zoning Commissioners recommend approval as presented.

ORDINANCE NO. 1794

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS: PROVIDING FOR SPECIFIED CHANGES IN THE OFFICIAL ZONING MAP OF THE CITY OF AMARILLO, TEXAS; PROVIDING FOR CHANGE OF USE DISTRICT CLASSIFICATION OF SPECIFIED PROPERTY IN THE VICINITY OF HERITAGE HILLS PARKWAY AND CRESTLINE DRIVE, RANDALL COUNTY, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council adopted the "Amarillo Comprehensive Plan" on October 12, 2010, which established guidelines in the future development of the community for the purpose of promoting the health, safety, and welfare of its citizens; and

WHEREAS, the Amarillo Municipal Code established zoning districts and regulations in accordance with such land use plan, and proposed changes must be submitted to the Planning and Zoning Commission; and

WHEREAS, after a public hearing before the Planning and Zoning Commission for proposed zoning changes on the property hereinafter described, the Commission filed its final recommendation and report on such proposed zoning changes with the City Council; and

WHEREAS, the City Council has considered the final recommendation and report of the Planning and Zoning Commission and has held public hearings on such proposed zoning changes, all as required by law; and

WHEREAS, the City Council further determined that the request to rezone the location indicated herein is consistent with the goals, policies, and future land use map of the Comprehensive Plan for the City of Amarillo, Texas.

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

SECTION 1. All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2. The zoning map of the City of Amarillo adopted by Section 4-10 of the Amarillo Municipal Code and on file in the office of the Planning Director is hereby amended to reflect the following zoning use changes:

Rezoning of a 30.47+/- acre tract of unplatted land in Section 65, Block 9, B.S. & F. Survey, Randall County, Texas, plus one-half of all bounding streets, alleys, and public ways to change from Agricultural District to Residential District 3 and being further described below:

A 30.47+/- acre tract of land out of Section 65, Block 9, B.S. & F. Survey, Randall County, Texas, further being a portion of that certain 590.9343+/- acre tract of land being described as Tract One in that Certain instrument recorded under Clerk's File No. 2012013183 of the Official Public Records of Randall County, Texas, said 30.47+/- acre tract of land having been surveyed on the ground by Furman Land Surveyors, Inc. and being

described by metes and bounds as follows:

COMMENCING at a railroad spike found at the Southwest corner of said Section 65;

THENCE North 00° 12' 23" West (Base line), 1638.04 feet along the West line of said Section 65 to a point, from whence a 1/2 inch iron rod found as called for at the Northwest corner of said Section 65 bears North 00° 12' 23" West 3774.56 feet;

THENCE North 89° 47' 37" East, 3459.19 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the most West Southwest and BEGINNING CORNER of this tract of land;

THENCE North 41° 06' 16" West, 55.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 03° 53' 44" East, 7.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 41° 06' 16" West, 295.53 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set at the beginning of a curve to the right whose center point bears North 48° 53' 44" East, 330.00 feet;

THENCE Northwesterly along said curve to the right an arc distance of 89.26 feet with a long chord of North 33° 21' 21" West, 88.99 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the end of said curve;

THENCE North 25° 36' 25" West, 49.22 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 70° 05' 31" West, 7.13 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 25° 36' 25" West, 60.01 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 19° 55' 04" East, 7.01 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 25° 36' 25" West, 240.04 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 70° 02' 15" West, 7.14 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 25° 36' 25" West, 55.01 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 19° 58' 24" East, 7.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 25° 36' 25" West, 240.05 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 69° 58' 18" West, 7.15' feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 25° 36' 25" West, 55.02 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 20° 02' 30" East, 6.99 feet to a 1/2 inch iron rod with cap

stamped "FURMAN RPLS" set;

THENCE North 25° 36' 25" West, 240.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 69° 53' 19" West, 7.16 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set in the South line of Heritage Hills Unit No. 7, an addition to the City of Amarillo according to the map or plat thereof recorded under Clerk's File No. 2016021060 of the Official Public Records of Randall County, Texas for the Northwest corner of this tract of land and the beginning of a curve to the left whose center point bears North 24° 06' 33" West, 2334.00 feet;

THENCE Northeasterly along the South line of said Heritage Hills Unit No. 7 and along said curve to the left an arc distance of 5.00 feet with a long chord of North 65° 49' 46" East, 5.00 feet to a 1/2 inch iron rod with cap (FURMAN) found for the end of said curve, same being the Southeast corner of Heritage Hills Unit No. 7, also being the Southwest corner of Heritage Hills Unit No. 4, an addition to the City of Amarillo according to the map or plat thereof recorded under Clerk's File No. 2016013683 of the Official Public Records of Randall County, Texas;

THENCE North 64° 47' 52" East, 170.32 feet along the South line of said Heritage Hills Unit No. 4 to a 1/2 inch iron rod with cap (FURMAN) found for the beginning of a curve to the right whose center point bears South 25° 21' 16" East, 2226.00 feet;

THENCE Northeasterly along said curve to the right an arc distance of 972.50 feet with a long chord of North 77° 09' 40" East, 964.78 feet to a 1/2 inch iron rod with cap (FURMAN) found for the end of said curve;

THENCE North 89° 40' 36" East, 209.09 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the Northeast corner of this tract of land;

THENCE South 44° 33' 44" West, 7.06 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 00° 33' 08" East, 545.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 45° 26' 16" East, 7.09 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 00° 33' 08" East, 55.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 44° 33' 44" West, 7.06 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 00° 33' 08" East, 215.79 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the beginning of a curve to the right whose center point bears South 89° 26' 52" West, 327.50 feet;

THENCE Southwesterly along said curve to the right an arc distance of 137.86 feet with a long chord of South 11° 30' 25" West, 136.84 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the end of said curve;

THENCE South 18° 22' 10" East, 7.39 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 29° 15' 28" West, 55.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

stamped "FURMAN RPLS" set;

THENCE North 25° 36' 25" West, 240.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE North 69° 53' 19" West, 7.16 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set in the South line of Heritage Hills Unit No. 7, an addition to the City of Amarillo according to the map or plat thereof recorded under Clerk's File No. 2016021060 of the Official Public Records of Randall County, Texas for the Northwest corner of this tract of land and the beginning of a curve to the left whose center point bears North 24° 06' 33" West, 2334.00 feet;

THENCE Northeasterly along the South line of said Heritage Hills Unit No. 7 and along said curve to the left an arc distance of 5.00 feet with a long chord of North 65° 49' 46" East, 5.00 feet to a 1/2 inch iron rod with cap (FURMAN) found for the end of said curve, same being the Southeast corner of Heritage Hills Unit No. 7, also being the Southwest corner of Heritage Hills Unit No. 4, an addition to the City of Amarillo according to the map or plat thereof recorded under Clerk's File No. 2016013683 of the Official Public Records of Randall County, Texas;

THENCE North 64° 47' 52" East, 170.32 feet along the South line of said Heritage Hills Unit No. 4 to a 1/2 inch iron rod with cap (FURMAN) found for the beginning of a curve to the right whose center point bears South 25° 21' 16" East, 2226.00 feet;

THENCE Northeasterly along said curve to the right an arc distance of 972.50 feet with a long chord of North 77° 09' 40" East, 964.78 feet to a 1/2 inch iron rod with cap (FURMAN) found for the end of said curve;

THENCE North 89° 40' 36" East, 209.09 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the Northeast corner of this tract of land;

THENCE South 44° 33' 44" West, 7.06 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 00° 33' 08" East, 545.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 45° 26' 16" East, 7.09 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 00° 33' 08" East, 55.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 44° 33' 44" West, 7.06 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 00° 33' 08" East, 215.79 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the beginning of a curve to the right whose center point bears South 89° 26' 52" West, 327.50 feet;

THENCE Southwesterly along said curve to the right an arc distance of 137.86 feet with a long chord of South 11° 30' 25" West, 136.84 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the end of said curve;

THENCE South 18° 22' 10" East, 7.39 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 29° 15' 28" West, 55.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 76° 53' 05" West, 7.39 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the beginning of a curve to the right whose center point bears North 55° 03' 03" West, 327.50 feet;

THENCE Southwesterly along said curve to the right an arc distance of 79.72 feet with a long chord of South 41° 55' 20" West, 79.52 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the end of said curve;

THENCE South 48° 53' 44" West, 586.46 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 03° 53' 44" West, 7.07 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set;

THENCE South 48° 53' 44" West, 60.00 feet to a 1/2 inch iron rod with cap stamped "FURMAN RPLS" set for the most South Southwest corner of this tract of land;

THENCE North 86° 06' 16" West, 7.07 feet to the POINT OF BEGINNING and containing 30.47 acres of land, more or less.

SECTION 3. In the event this Ordinance or any part hereof is found to be invalid, such invalidity shall not affect the remaining portions of the Ordinance, and such remaining portions shall continue to be in full force and effect. The Director of Planning is authorized to make corrections and minor changes to the site plan or development documents to the extent that such does not materially alter the nature, scope, or intent of the approval granted by this Ordinance.

SECTION 4. All ordinances and resolutions or parts thereof that conflict with this ordinance are hereby repealed, to the extent of such conflict.

SECTION 5. This ordinance shall become effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this the 25th day of June, 2019 and **PASSED** on Second and Final Reading on this the 2nd day of July, 2019.

Ginger Nelson, Mayor

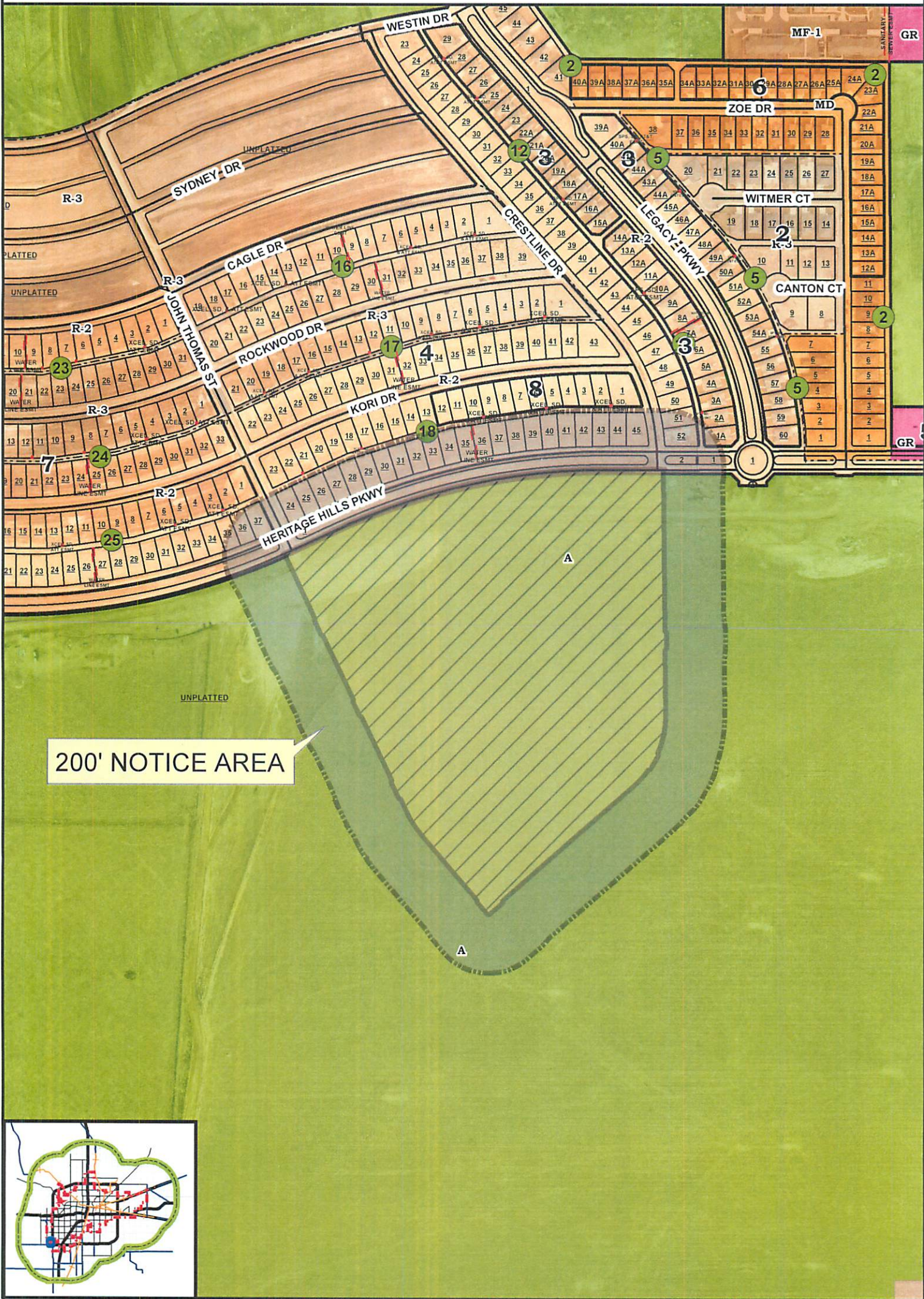
ATTEST:

Frances Hibbs, City Secretary

APPROVED AS TO FORM:

Bryan McWilliams,
City Attorney

FROM A TO R-3



CITY OF AMARILLO PLANNING DEPARTMENT

Scale: 1 inch = 400 feet
Date: 5/22/2019
Case No: Z-19-08



Z-19-08 Rezoning of a 30.47 tract of unplatted land in Section 65, Block 9, B.S. & F. Survey, Randall County, Texas, Plus one- half of all bounding streets, alleys, and public ways to change from Agricultural District to Residential District 3.

Vicinity: Heritage Hills Parkway & Crestline Drive.

APPLICANT: Seth Williams- PEGA Development, LLC

Tax Account #: R-370-0650-0020.0 & R-370-0650-0035.0

AP: H17

DISCLAIMER: The City of Amarillo is providing this information as a public service. The information shown is for information purposes only and except where noted, all of the data or features shown or depicted on this map is not to be considered as intended to create a contract or other legal obligation. The City of Amarillo assumes no liability for any errors or omissions on this map or for any consequences resulting from the use of the information provided.

C



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	July 2, 2019	Council Priority	Infrastructure Initiative
Department	Capital Projects & Development Engineering		
Contact	Floyd Hartman		

Agenda Caption

CONSIDER APPROVAL – Addendum No. 5 (Five) to Professional Services Agreement for RFQ 01-15
JOB # 521943 Hillside Terrace Estates 30" Sewer Replacement - \$48,840.00

CH2M Hill Engineers, Inc. - \$48,840.00

This item is to consider approval of Addendum No. 5 to the Professional Service Agreement with CH2M Hill Engineers, Inc. to allow for additional engineering services and construction phase services as outlined in the addendum.

Original Contract:	\$	674,400.00
Previous Addenda:	\$	298,770.00
Current Addendum No. 5:	\$	48,840.00
Revised Contract Total:	\$	1,022,010.00

Agenda Item Summary

Addendum No. 5 to the Professional Services Agreement with CH2M Hill Engineers, Inc. increases the scope of work to perform additional services during construction.

Requested Action

Consider Addendum No. 5 (Five) for approval.

Funding Summary

Funding for this project is available in the Project Budget Number 521943.17400.1170.

Community Engagement Summary

As the project progresses through construction, coordination will occur with the contractor and wastewater personnel. These professional services are not anticipated to have physical impact.

Staff Recommendation

City Staff is recommending approval of Addendum No. 5 (Five).

**ADDENDUM NO. 5 TO
AGREEMENT FOR ENGINEERING SERVICES**

Whereas, the City of Amarillo (OWNER) and CH2M Hill Engineers, Inc. (ENGINEER) have executed an Agreement for Engineering Services dated effective February 18, 2015 for certain engineering services with respect to the replacement of the OWNER'S Hillside Terrace Estates 30" collapsed sanitary sewer line (Agreement); and

Whereas, the OWNER and ENGINEER by Addendum No. 1 dated August 19, 2015 the parties added to the Agreement additional realignment and preliminary construction cost services to the Agreement; and

Whereas, the OWNER and ENGINEER by Addendum No. 2 dated December 18, 2015 the parties added to the Agreement design, bid phase, and construction phase services for an alternative sewer route; and

Whereas, the OWNER and ENGINEER by Addendum No. 3 dated October 20, 2016 the parties added to the Agreement additional preliminary engineering services and additional design, bid, and construction services; and

Whereas, the OWNER and ENGINEER by Addendum No. 4 dated May 23, 2018 the parties added to the Agreement additional engineering services associated with the Hillside Terrace Estates 30" sewer replacement Project, said additional services being more particularly described in ENGINEER'S letters to OWNER dated December 8, 2017 (describing Task 4) and March 20, 2018 (describing Task 5)

Whereas, pursuant to Article IX of the Agreement, OWNER has again requested that ENGINEER provide additional engineering services associated with the Hillside Terrace Estates 30" sewer replacement Project, said additional services being more particularly described in ENGINEER'S letter to OWNER dated May 21, 2019, attached hereto and by this reference made a part of this Addendum No. 5;

NOW THEREFORE the parties agree that the Agreement is changed by addition of the following:

- A. The additional services, as are more particularly described in ENGINEER'S letter dated May 21, 2019 attached hereto, are hereby added to Exhibit A "Scope of Work" to the Agreement.

B. ENGINEER agrees to accept for all additional services which are the subject of this Addendum No. 5, a lump sum fee, inclusive of expenses, of \$48,840. Payment to ENGINEER will be made to ENGINEER in accordance with Article II of the Agreement.

The parties acknowledge and agree that the additional services which are the subject of this Addendum are to be performed in accordance with all of the terms and conditions of the Agreement, which terms and conditions the parties do hereby ratify and confirm.

EXECUTED by the parties as of the date shown below, to be effective upon execution of the OWNER.

ATTEST:

Frances Hibbs
City Secretary

CITY OF AMARILLO
(OWNER)

By: _____
Jared Miller
City Manager

Date: _____

CH2M HILL ENGINEERS, INC.
(ENGINEER)

By: 
Printed name: Jennifer Kassa

Title: Vice President

Date: June 10, 2019

Exhibit "A"

SCOPE OF WORK

City of Amarillo
Page 2
May 21, 2019

Additional Scope – Amendment 5

The work being currently performed are SDC tasks for Contract 2. The level of effort in the SDC tasks in the original contract and subsequent amendments, consisted of assumptions based upon construction schedule, number of submittals, RFI's, claims, etc. This amendment includes the effort on SDC tasks that have exceeded those assumptions. Table in Attachment A summarizes the basis of this amendment proposal. The table lists:

- assumptions in existing contracts
- actuals to date
- anticipated effort

This proposal assumes all SDC tasks will finish by end of April 2019. The effort on Task 2.7 is mainly related to claims made by the contractor regarding CLSM embedment, alternate embedment material, changed conditions, etc. that involved detailed review and geotechnical assistance. Tasks 2.2, 2.3, 2.8, and 2.9 remain unchanged due to scope/schedule extension.

Fee

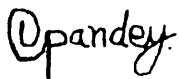
Our proposed fee for the additional work as detailed in Attachment A, on a lump sum basis:

Task 1 Project Management & Design:	\$0
Task 2 Services During Construction:	\$48,840
Total Additional Services, Addendum No. 5:	\$48,840

The addition of this amendment will increase the overall fee to \$1,022,010

Please let me know if you have any questions or need additional information, as you review the proposal. I will be in touch to discuss this with you and our action moving forward. Thank you for the opportunity to present our proposal and continue working with the City on this important project.

Regards,
CH2M HILL Engineers, Inc.



Vibhuti Pandey, P.E.
Project Manager



Jennifer Kassa, P.E.
Designated Manager

Attachment A: Summary of Additional Effort

D



Amarillo City Council

Agenda Transmittal Memo



Meeting Date	July 2, 2019	Council Priority	Infrastructure Initiative
Department	Capital Projects & Development Engineering		
Contact	Floyd Hartman		

Agenda Caption

CONSIDER APPROVAL – Addendum No. 2 (Two) to Professional Services Agreement for Construction Services Management for RFQ #11-17

JOB # 521943 Hillside Terrace Estates 30" Sewer Replacement - \$11,000.00

KSA Engineers, Inc. - \$11,000.00

Original Contract: \$ 477,500.00

Previous Addenda: 169,500.00

Current Addendum: \$ 11,000.00

Revised Contract Total: \$ 658,000.00

This item is to consider approval of Addendum No. 2 to the Professional Service Agreement with KSA Engineers, Inc. to increase scope of work and allow for additional construction services management as outlined in the addendum.

Agenda Item Summary

Addendum No. 2 is to increase scope of work and authorize additional construction services management to KSA Engineers to manage and oversee the construction of the new 30-inch pipeline.

Requested Action

Consider Addendum No. 2 (Two) for approval.

Funding Summary

Funding for this project is available in the Project Budget Number 521943.17400.1130.

Community Engagement Summary

As the project progresses through construction, coordination will occur with the contractor and wastewater personnel. These professional services are not anticipated to have physical impact.

Staff Recommendation

City Staff is recommending approval of Addendum No. 2 (Two).

**ADDENDUM NO. 2 TO
AGREEMENT FOR PROFESSIONAL SERVICES**

Whereas, the City of Amarillo ("OWNER") and KSA Engineers, Inc. ("CONSULTANT") have executed an Agreement for Professional Services dated effective August 2, 2017 ("Agreement") for certain construction management services, resident project representation, and construction materials testing with respect to the replacement of the OWNER'S Hillside Terrace Estates 30" Sewer Replacement - Contract 2; and

Whereas, the OWNER and CONSULTANT by Addendum No. 1 dated September 26, 2018 the parties added to the Agreement additional construction management services; and

Whereas, pursuant to Article IX of the Agreement, OWNER has requested that CONSULTANT provide additional construction management services and resident project representation associated with the Hillside Terrace Estates 30" Sewer Replacement Project (the "Additional Services"), said Additional Services being more particularly described in CONSULTANT'S letter to OWNER dated May 22, 2019, attached hereto as Exhibit A and by this reference made a part of this Addendum No. 2;

NOW THEREFORE the parties agree that the Agreement is changed by addition of the following:

- A. The Additional Services are hereby added to the Scope of Work, as defined in the Agreement.
- B. CONSULTANT agrees to accept for the Additional Services a fee, inclusive of expenses, of \$11,000.00. Payment to CONSULTANT will be made in accordance with Article II of the Agreement.

The parties acknowledge and agree that the Additional Services are to be performed in accordance with all of the terms and conditions of the Agreement, which terms and conditions the parties do hereby ratify and confirm.

EXECUTED by the parties as of the dates shown below, to be effective upon execution by the OWNER.

ATTEST:

Frances Hibbs
City Secretary

CITY OF AMARILLO
(OWNER)

By: _____
Jared Miller
City Manager

Date: _____

KSA ENGINEERS, INC.
(CONSULTANT)

By: _____
Printed name: Joncie H. Young, P.E.

Title: Director of Municipal Services

Date: 5/31/19



Σ

Amarillo City Council

Agenda Transmittal Memo



Meeting Date	July 2, 2019	Council Priority	
Department	Director of Utilities		
Contact	Matthew Thomas, City Engineer		

Agenda Caption

CONSIDER: Award of Land Lease for Agricultural Use of 585.679 Acres in Section 113, 116, 117, and 145, Block 2, A.B.&M. Survey, Randall County.
2 Kings Farm & Ranch - \$73,125.00.

Agenda Item Summary

This item is to consider award of a land lease. The land lease is for agricultural use of portions of Sections 113, 116, 117, and 145, Block 2, A.B.&M. Survey, Randall County, Texas. It is a 585.679 acre tract. The agreement is for 5 years to be paid annually at \$14,625/yr for a total of \$73,125.00.

Requested Action

Consider approval of the proposed land lease for execution by the City Manager.

Funding Summary

This is to lease City property to a third party therefore no funding is necessary to award the contract. The revenue account for this operation is 52121.37155.

Community Engagement Summary

This has a minimal impact on the community and will not require any public engagement.

Staff Recommendation

Staff recommends approval of land lease with 2 Kings Farm & Ranch.

Bid No. 6369 HOLLYWOOD ROAD TREATMENT PLANT LAND LEASE AGREEMENT
Opened 4:00 p.m. March 14, 2019

To be awarded as one lot		2 RINGS FARM & RANCH	JIM FISCHBACHER	LESLIE REDWINE	DUANE ZORTMAN DBA DZ CATTLE
Line 1 2 Tracts of Land in Randall County out of Sections 113, 116, 117 & 145, per specifications					
5 yr					
Unit Price		\$14,625.000	\$11,860.000	\$11,713.580	\$8,790.000
Extended Price		73,125.00	59,300.00	58,567.90	43,950.00
Bid Total		73,125.00	59,300.00	58,567.90	43,950.00

Award by Vendor 73,125.00

LEASE AGREEMENT

THE STATE OF TEXAS §
 §
COUNTY OF RANDALL §

This Lease Agreement is made and entered into, by and between the City of Amarillo, a Texas municipal corporation located in Potter and Randall Counties, whose address is 601 S. Buchanan, Amarillo, Texas 79101, ("LESSOR") and 2 Kings Farm & Ranch, whose address is 1150 US Highway 86, Dimmitt, Texas 79027 ("LESSEE") to use for agricultural purposes and for no other purposed the following real property ("leased premises") located in Randall County, Texas, described as follows:

TRACT I

A 458.709 acre of land out of Sections 116 and 145, Block 2, AB&M Survey, Randall County, Texas, described by metes and bounds as follows:

BEGINNING at the Southwest comer of Section 116, same being the Southeast comer of Section 145, whence a railroad spike bears N 89°57'12" E, 1.55 feet;

THENCE N 0°02'24" W, along the West line of said Section 116 and the East line of said Section 145, 50.0 feet to a 1" iron pipe with a 5/8" iron rod inside with cap stamped John Dorsey Surveyor, the most Southwest and BEGINNING CORNER of this tract and the most Southwest comer of Southland Acres, a recorded subdivision;

THENCE N 0°02'24" W, along said Section line, 2590.47 feet to a ½" iron rod, found;

THENCE S 89°56'30" W, along the North line of said Southland Acres 2550.15 feet to a 1/2" iron rod, found;

THENCE N 0°04'41" W, along the East line of said Southland Acres, 2641.86 feet to a 1" iron rod with cap stamped Gresham R.P.S. 1939, set in the North line of said Section 145;

THENCE N 89°57'12" E, along the North line of said Section 145 at 2551 feet pass a 1" iron pipe found, the Northeast comer of said Section 145 and the Northwest comer of said Section 116;

THENCE S 0°02'24" E, along the West line of Section 116 and East line of Section 145, 1300.00 feet to a point;

THENCE N 89°57'36" E, 1000.00 feet to a point;

THENCE N 0° 02'24" W, 1300.16 feet to a point on the north line of Section 116 and the south line of Section 117;

THENCE N 89°57'12" E, 316.97 feet along the North line of Section 116 to a ½" iron rod with a cap stamped Gresham R.P.S. 1939;

THENCE S 0°05'03" E, 1981.81 feet, set a ½" iron with cap stamped Gresham R.P.S. 1939;

THENCE N 89°57'12" E, 376.00 feet, set a ½" iron rod with cap stamped Gresham R.P.S. 1939;

THENCE S 0°05'03" E, 724.00 feet. set a ½" iron rod with cap stamped Gresham R.P.S. 1939;

THENCE N 89°57'12" E, at 1675.36 feet pass a ½" iron rod with cap stamped Gresham R.P.S. 1939, continue for a total distance of 3585.11 feet to a ½" iron rod with cap stamped Gresham R.P.S. 1939 in the East line of Section 116;

THENCE S 0°05'03" E, along the East line of Section 116 a distance of 1800.00 feet to a ½" iron rod with cap stamped Gresham R.P.S. 1939 in the East line of Section 116;

THENCE S 89° 57'11" W, a distance of 2371.90 feet to a ½" iron rod with cap stamped Gresham R.P.S. 1939;

THENCE S 0°05'03" E, a distance of 726.00 feet to a point;

THENCE S 89°57'12" W, along the North right-of-way line of FM 1151, at 300.90 feet pass a ½" iron rod with cap stamped Gresham R.P.S. 1939, continue for a total distance of 1434.35 feet to a point whence a 5/8" iron rod with cap stamped John Dorsey Surveyor, bears North 2.10 feet and West 0.36 feet;

THENCE N 0°05'03" W, 382.38 feet set a ½" iron rod with cap stamped Gresham R.P.S. 1939;

THENCE N 87°19'00" W, 550.44 feet to a point. whence a 5/8" iron rod with cap stamped John Dorsey Surveyor bears North 2.06 feet and West 1.94 feet;

THENCE N 0°05'03" W, 365.4 feet to a point, whence a 5/8" iron rod with cap stamped John Dorsey Surveyor bears North 0.61 feet and West 0.74 feet;

THENCE S 89°57'12" , 900.00 feet to a point, whence a ¾" iron rod pipe bears North 0.15 feet and West 0.75 feet;

THENCE S 0°05'03" E, 774.0 feet to a point in the North right-of-way line of said F.M. 1151, whence a 5/8" iron rod with cap stamped John Dorsey Surveyor bears West 1.62 feet;

THENCE S 89°57'12" W, along said North right-of-way line of F.M. 1151, 26.06 feet to the BEGINNING CORNER of this tract;

Said tract contains a calculated area of 458.709 acres of land.

TRACT II

BEGINNING at the Northeast corner of Section 116, Block 2, AB& M Survey, this point also being the Northwest corner of Section 113, and the Southeast corner of Section 117;

THENCE West along the North line of Section 116 a distance of 1815.00 feet to the POINT OF BEGINNING, same being the Northeast corner of this tract;

THENCE South parallel to the East line of Section 116 a distance of 2704.00 feet to a point;

THENCE West and parallel with the North line of Section 116 a distance of 1770.11 feet to a point;

THENCE North parallel with the East line of Section 116 a distance of 724.00 feet to a point;

THENCE West parallel with the North line of Section 116 a distance of 376.00 feet to a point;

THENCE North parallel with the East line of Section 116 a distance of 1980.00 feet to a point, such point being in the North line and 1320.00 feet East of the Northwest corner of Section 116;

THENCE East along the North line of Section 116 a distance of 2146.11 feet to the POINT OF BEGINNING of this tract and containing a calculated area of 126.97 acres. The playa lake level will determine acreage available for cultivation.

The term of this Lease Agreement shall be for 5 years beginning July 1, 2019 through June 30, 2024. LESSEE shall have option of extending this lease for three additional 1 year terms by giving LESSOR written notice of LESSEESS'S intention to extend the lease at least 60 days prior to the end of the initial and extended terms. After the end of the term LESSEE shall have sixty (60) days to remove all of its equipment from the leased premises. Equipment not removed within the sixty (60) day period shall at LESSOR'S option, become property of the LESSOR or shall be removed by LESSOR at expense. LESSEE agrees to reimburse LESSOR for any such expenses. There will be no holding over at the expiration of the lease term unless agreed to in writing and signed by LESSOR and LESSEE.

II.

LESSEE agrees to pay LESSOR an annual cash rent of Fourteen-Thousand Six-Hundred Twenty-Five Dollars (\$14,625) per year payable in equal monthly payments of One-Thousand Two-Hundred Eighteen and 75/100 Dollars (\$1,218.75) on the first day of each month in advance, the first payment being due upon execution of this lease by LESSOR.

III.

LESSEE agrees to pay the items of expense listed as follows:

- A. All machinery, equipment and labor necessary to farm or graze the leased premises properly.
- B. All seeding, spraying, fertilizing, harvesting and hauling of crops.
- C. All expenses for repairs to irrigation systems.
- D. All repair costs to the house and outbuildings except replacement of structural and unexpendable components.

LESSOR agrees to make structural repairs to the house and outbuildings. EXISTING HOUSE SHALL NOT BE USED AS A RESIDENCE. It may be used for storage purposes only.

IV.

In addition to the agreements covered by the foregoing sections of this lease, LESSEE further agrees as follows:

- A. To faithfully cultivate the farm in a timely, thorough and farmer-like manner. Only row-type crops such as corn, milo and wheat may be cultivated on the property to allow for disposal of wastewater sludge. Neither alfalfa nor hay producing grasses may be grown on the land.
- B. To keep the fences and all other improvements on the leased premises in as good repair and condition as they are at the commencement of the lease.
- C. To take proper care of and to prevent injury to, all trees, vines and shrubs, if any.
- D. To prevent all unnecessary waste, loss or damage to the property of LESSOR.
- E. To follow all standard disease treatments on all seeds.
- F. To keep the farmstead neat and orderly.

- G. To not assign this lease or sublet any part of the premises without the written consent of LESSOR.
- H. To not allow noxious weeds to go to seed on the leased premises, but to destroy them, and to keep trimmed the weeds and grass on the roads adjoining the leased premises.
- I. To not plow pasture or meadowland, if any, without the consent of the LESSOR.
- J. TO INDEMNIFY AND HOLD LESSOR HARMLESS SHOULD ANY CROP OR LIVESTOCK ON THE DEMISED PREMISES BE DAMAGED OR LOST BECAUSE OF ANY RISE IN THE PLAYA LAKE ELEVATION FOR ANY REASON WHETHER NATURAL OR MAN-MADE.
- K. To not permit anyone on or to allow anyone to enter the leased premises for hunting purposes. Such hunting rights are hereby specifically reserved to LESSOR.
- L. To not use, sell or remove any water from the subsurface of the leased premises for irrigation of any cultivated or uncultivated land or for other than domestic use.
- M. To not permit any lien(s) to be placed upon the leased premises or improvements thereon and in case any lien(s) is filed to promptly pay same.

V.

LESSOR hereby reserves the right to itself and its employees to enter upon the leased premises at any reasonable time for any purpose.

VI.

LESSOR reserves the right at any time to use any portion of the leased premises for expansion of the Hollywood Road Wastewater Treatment Plant. A decrease of ten (10) acres or more will require LESSOR to make a corresponding decrease in the rental rate on a pro-rata basis.

VII.

LESSEE agrees that in its use of the leased premises. LESSEE will comply with all present and future laws, ordinances and regulations of the United States Government, the State of Texas, the City of Amarillo and any other government agency having jurisdiction and control over the leased premises. This Lease Agreement shall not be altered, changed, amended or extended except by written instrument signed by LESSOR and LESSEE.

VIII.

ALL alterations to the structures covered by this lease which are made by the LESSEE shall become the property of LESSOR upon expiration of the lease without compensation to LESSEE. and all machinery and equipment of every kind and character used by LESSEE on the leased premises will be removed from the leased premises at the expiration of the lease as provided in Section I above.

IX.

LESSEE SHALL DEFEND, INDEMNIFY AND HOLD LESSOR, ITS OFFICERS, EMPLOYEES AND AGENTS HARMLESS FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, EXPENSE, JUDGEMENTS (INCLUDING COSTS, REASONABLE ATTORNEYS' FEES AND INTEREST), OR CLAIMS FOR INJURY OR DEATH TO ANY PERSON, OR DAMAGES TO ANY PROPERTY, ARISING OUT OR IN ANY MANNER CAUSED BY LESSEE'S, OR LESSEE'S EMPLOYEES AGENTS OR INVITEES USE OF THE LEASED PREMISE, OR BY THE CONDITION OF THE LEASED PREMISES AND THE IMPROVEMENTS THEREON, WHICH PREMISES AND IMPROVEMENTS LESSOR HAS INSPECTED AND ACCEPTS "AS-IS." LESSEE will give LESSOR prompt notice of any claim made or suit instituted which in any way directly or indirectly affects LESSOR.

X.

LESSEE will, during the term of this Lease Agreement, maintain comprehensive public liability insurance issued by an insurer authorized to do business in Texas with a limit of not less than \$500,000.00 for bodily injury and death and not less than \$100,000.00 for property damage, which insurance will protect LESSOR and LESSEE against liability. LESSOR will be listed as an additional insured on LESSEE'S policy and the policy will provide for 30 days prior written notice to LESSOR for any changes or cancellation of the policy. A certificate evidencing the coverage during the entire term of this Lease Agreement will be provided to LESSOR, the first certificate to be provided prior to LESSOR'S execution of this Lease Agreement.

XI.

If any of the following events occur, LESSOR, at any time thereafter, shall have the right at LESSOR'S election to immediately terminate this Lease Agreement by written notice to LESSEE:

- A. In the event LESSEE shall fail to pay the rent in the amounts and at the times and in the manner herein provided and such failure shall continue for thirty (30) or more days after written notice thereof shall have been given to LESSEE.
- B. In the event LESSEE shall fail to keep and perform or shall violate the terms, covenants and conditions of this Lease Agreement and LESSEE shall not have cured or corrected such violation within sixty (60) days after written notice thereof shall have been given to LESSEE.
- C. If LESSEE shall make an assignment for the benefit of creditors, or shall file a petition in bankruptcy or shall be adjudged a bankrupt, or the interest of LESSEE under this Lease AGREEMENT shall be levied upon and sold upon execution or shall by operation of law become vested in another person, firm or corporation because of the insolvency of LESSEE; or in the event that a receiver or trustee shall be appointed for LESSEE or the interest of LESSEE under this Lease Agreement.

Upon the occurrence of any one or more of the events of default specified in this Article, upon receipt of notice of termination LESSEE'S right to possession of the leased premises shall terminate, and LESSEE shall surrender possession thereof immediately. In such event, LESSEE hereby grants to LESSOR full and free license to enter into and upon said leased premises, or any part thereof, to take possession thereof with or without process of law, and to expel and remove LESSEE there from, or any other person who may be occupying the said leased premises, or any part thereof. LESSOR may use such force in and about expelling and removing LESSEE and any other person as may be reasonably necessary. LESSOR's entry on said leased premises shall not constitute a trespass or forcible entry or detainer, nor shall it cause a forfeiture of rents due by virtue thereof. nor a waiver of any covenant, agreement or promise to be performed by LESSEE. LESSEE shall make no claim of any kind against LESSOR, its agents and representatives by reason of such termination or any act incident thereto. In addition to terminating this Lease Agreement. LESSOR may sue for and recover all damage and rent accrued or accruing under this Lease Agreement or arising out of any breach thereof. When default occurs, LESSOR will take reasonable measures to mitigate damages due from LESSEE as it is required by law to do and offset damages by amounts attributable to mitigation. No right of entry or remedy herein conferred upon or reserved by LESSOR is intended to be exclusive of any other right or remedy.

XII.

LESSEE shall be responsible for any and all taxes which may be lawfully levied against the equipment/property of LESSEE or the leased premises of LESSOR by the United States Government, the State of Texas, City of Amarillo or any other taxing jurisdiction of the State of Texas. LESSEE shall have the right to protest any such taxes as provided by law, and in such event shall hold LESSOR harmless there from and from all costs and expenses thereby incurred.

XIII.

If LESSEE uses, stores or generates any hazardous materials or wastes on the leased premises, LESSEE will obey all federal, state and local laws governing such materials. LESSEE will be responsible for all costs and activities related to the cleanup of such hazardous materials and payment of any fines associated therewith. LESSEE FURTHER AGREES TO INDEMNIFY AND HOLD LESSOR HARMLESS FOR ANY LIABILITY RELATED TO LESSEE'S OR LESSEE'S AGENTS, EMPLOYEES OR INVITEES USE, STORAGE, DISPOSAL OR CLEANUP OF HAZARDOUS MATERIALS ON THE LEASED PREMISES.

XIV.

LESSOR designates the Director of Utilities as its official representative with the full power to represent LESSOR in all dealings with LESSEE in connection with the leased premises herein leased.

XV.

All notices provided for herein shall be given in writing and by registered mail, return receipt requested to the addresses stated above or to such other address as may be specified in writing.

XVI.

This Lease Agreement is subject to cancellation without cause by LESSOR at any time by giving LESSEE ninety (90) days written notice. In the event of cancellation any unearned rental paid by LESSEE will be refunded on a pro rata basis.

XVII.

If either party brings any proceeding against the other in connection with this Lease Agreement, the party in whose favor a final judgment is entered will be entitled to recover from the other all court costs and other expenses incurred in connection with the proceeding, including but not limited to, reasonable attorney's fees.

XIII.

If any provision of this Lease Agreement is declared invalid or unenforceable, the remainder of the Lease Agreement will not be affected by such determination and will continue to be valid and enforceable.

XIX.

This Lease Agreement contains the entire agreement between the parties concerning LESSEE'S use and occupancy of the leased premises. All rights of the parties will be cumulative and the exercise of any right by either party will not be deemed a waiver, release or termination of any other right available under this Lease Agreement, at law or in equity. The parties agree that venue for purposes of any litigation relating to this Lease Agreement will be in Potter County, Texas.

Executed as of the day, month, and year shown below, to be effective as of the date that the last of the parties signs.

ATTEST: **CITY OF AMARILLO, TEXAS**

Frances Hibbs, City Secretary

By: _____
Jared Miller, City Manager

Date: _____

APPROVED AS TO FORM:

LESSEE

City Attorney Office

Printed Name: _____

Date: _____



Amarillo City Council Agenda Transmittal Memo



Meeting Date	July 2, 2019	Council Priority	
Department	Benefits		
Contact	Hector Mendoza, Health Plan Administrator		

Agenda Caption

Review and approval of the healthcare consultant contract with HUB International

Agenda Item Summary

The Human Resources Employee Benefits Division released an RFP for benefit consultation services and HUB international was the top ranked respondent.

Requested Action

Requesting approval of the proposed contract.

Funding Summary

64100.20000– This is the professional services line item in the health plan budget. For FY19, the total \$57,000 has been budgeted for the service.

Community Engagement Summary

Community engagement is not applicable to this item. Services received from HUB International will affect internal personnel policy.

Staff Recommendation

Approval of the contract/agreement for a three-year contract period with the two additional annual extensions.



Memo

To: Jared Miller, City Manager
Michelle Bonner, Deputy City Manager

From: Mitchell Normand, Director of Human Resources

Re: HUB International Recommendation

Date: June 11, 2019

In January 2019 the City marketed an RFP for healthcare consulting services. These consultative services provide the City information and guidance on managing healthcare costs and making benefit changes. They also provide the City guidance on legislative compliance and industry trends that may affect the City's coverages.

Six respondents submitted proposals. Staff recommends approval of the contract for healthcare consultant services provided by HUB International for \$57,000 annually. The City of Amarillo has utilized a third-party consultant since July 2013 for necessary guidance to navigate the complexities of employee benefits including legislative compliance and industry trends. Employing the services of a consultant has proven beneficial for the City, as evidenced by the transition from self-administered to Aetna Life Insurance Company in 2016. This transition caused the City to experience a significant reduction in claims experience. Assistance with negotiations related to the City's prescription plan has also proven successful in reducing costs for the City.

Managing rising healthcare costs continues to be a challenge the City is faced with today. The expertise provided by a consultant versed in the healthcare industry will continue assisting the City in making decisions related to healthcare which allow the City to make fiscally prudent decisions related healthcare while continuing to offer employees quality coverages.

Staff is recommending the award of the healthcare consultant service presented by HUB International for the amount of \$57,000 annually. Upon Council's approval, the term of the agreement will be a three (3) year contract with the option to renew for an additional two (2) – one (1) year renewal options if agreeable by both parties.

Consulting Agreement

This Consulting Agreement, hereinafter referred to as "Agreement" is between **The City of Amarillo, Texas**, hereinafter referred to as "Client" and **HUB International Texas, Inc. (DBA HUB International Insurance Services)**, hereinafter referred to as "Consultant", will be effective **July 1, 2019**.

WHEREAS, Client wishes to obtain the assistance of Consultant with strategic benefit planning, design, funding, administration, and communication with respect to its employee benefit programs;

WHEREAS, Consultant has knowledge and expertise in assisting employers with designing and servicing employee benefit plans; and

WHEREAS, the parties wish to set forth their respective expectations;

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereby agree as follows:

1. Scope of Services to be Provided by Consultant **

Consultant will provide Client with consulting and account management services as described in its response to RFP 09-19 for the following benefit programs listed below:

- Assistance in all phases of Request for Proposal (RFP) specifications, for the City of Amarillo self-funded medical plan, which consists of evaluation of proposals received and review of contracts for the following Third Party Administration Services:
 - Administration Services
 - Utilization Review Services
 - Medical Network
 - Prescription Drug Network
 - Stop Loss Insurance
 - COBRA Administrations Services
- Assistance with all phases of Request for Proposals (RFP) specifications and negotiate a favorable renewal for employee group benefits and services such as life, disability, dental, vision, cancer, accident, critical illness, Flexible Spending Accounts, Medicare Supplement plans, online Benefit Administration Systems, and deferred compensation plans.
- The consultant shall keep the City apprised of and in compliance with industry changes, practices, costs and trends at the local, regional, and national levels and the impact on the public and private sectors, including but not limited to the HIPAA, Affordable Care Act; Medicare & Medicaid Creditable Coverage Disclosure and other federal and state laws.
- Assistance with insurance contract requirements/enforcement when requested.
- Assistance in maintaining insurance policies, service contracts and self-funded plan document during the course of the year, including any changes in these documents that may be required due to legislation.

- Assistance with the preparation of custom-made and general reports on budget cost estimates/forecasts for self-funded health plans in order to recommend plan changes/modifications, target areas of concern, etc.
 - Assistance in the creation and maintenance of Wellness Incentive Programs and results based reporting of progress and results of the program.
 - Availability to meet with City Staff and conduct presentations as necessary to employees, management, Mayor and City Council.
 - Assistance in Collective Bargaining processes upon request.
- A. Strategic Benefit Planning.** Consultant will provide assistance in developing overall plan benchmarks and targets to ensure that the plan meets the objectives of Client and its employees.
- B. Benefit Design.** Consultant will help to ensure that benefit designs are consistent with the strategic benchmarks and targets set forth in the strategic benefit planning process.
- C. Administration.** Consultant will identify core administrative services, assess vendor performance, and manage vendor relationships to provide appropriate program administration.
- D. Communication.** Consultant will, upon request, assist in drafting employee communications regarding benefit program performance and changes, and assist in the review of plan documents and insurance certificates during the planning and enrollment process.
- E. Cost.** Consultant will advise and counsel regarding employee benefit plan design alternatives, recommend employer/employee contribution rates, solicit and evaluate proposals as directed by the Client and in conformance with the Clients established purchasing practices and provide recommendations to Client.
- F. Compliance Tools & Legislative Information.** Consultant will provide informational materials on legislative developments impacting employee benefit plans, including access to online reference tools on topics such as FMLA, COBRA, HIPAA, HIPAA Privacy, Section 125, and PPACA.
- G. Meetings with Client and Vendors.** Services will include attendance at and facilitation of meetings with Client and vendors as needed to facilitate program management including day-to-day operations and planning program changes.
- Upon Client request, Consultant shall meet with Client as needed to review all activities and projects. The meetings will include discussion of business concerns, including presentations of options and recommendations.
- H. Day-to-Day Administrative Issues.** Consultant shall provide assistance in the daily administration of programs, including resolution of vendor service issues and addressing questions and concerns raised by Client's employees and management.
- I. Data Analysis.** Upon receipt of acceptable claims data, Consultant will provide Client with a) a summary health plan management report analyzing health care claims paid during a specific period; b) claims analysis that allows for drill down and further analysis of data, c) modeling tools that evaluate the impact of plan design changes before they

are implemented. Consultant will provide calculations of Incurred But Not Reported liabilities. Consultant will analyze claims data and provide summary reports monthly or as requested.

2. Disclosure and Record Keeping

- A. Full Disclosure.** Client has the right to approve any arrangements and/or the utilization of any intermediaries in connection with, or arising out of, or in any way related to Client's Employee Benefits program. Consultant must seek approval from Client prior to the use of any of the above in connection with the Client's insurance Employee Benefits program.
- B. Record Keeping.** Consultant will maintain accurate and current files including, but not limited to, insurance policies and correspondence with insurers or brokers in accordance with industry standard record retention practice or as otherwise directed by Client.

3. Term & Termination

- A. Term.** This initial term of this Agreement shall be effective as of **July 1, 2019 until June 30 , 2022. At the Client's election, the agreement can be extended for an additional two one year periods.**
- B. Termination.** This Agreement may be terminated by either party only as follows:
 - a) Effective upon thirty (30) days advance written notice to the other party stating that such other party is in breach of any of the provisions of this Agreement, provided such breach (if able to be cured) is not cured within fifteen (15) days after the notice is received;
 - b) effective upon six (60) days advance written notice to the other party given with or without reason; or
 - c) By mutual written agreement of the parties.

4. Cost of Services

Consultant professional fees are based upon time and effort expended by specific individuals. The fees do include out-of-pocket expenses, including expenses related to Client requested travel. Client agrees to pay reasonable and documented Consultant annual professional fees. These annual professional fees shall be payable in monthly installments of \$4,750 during the initial term of the agreement. Consultant agrees to submit invoices to Client for monthly installments unless other billing and payment arrangements are made. Client also agrees that, upon early termination of contract, any balance remaining for unpaid monthly installments shall be payable in full to Consultant within 30 days of termination date.

If requested, additional actuarial studies can be performed using the fee schedule attached as Exhibit A.

5. Personnel

Consultant will assign its personnel according to the needs of Client and according to the disciplines required to complete the appointed task in a professional manner. Consultant retains the right to substitute personnel with reasonable cause. Notwithstanding the foregoing, all Consultant personnel, including any substitutions to Consultant personnel, shall be pre-approved by Client.

6. Client's Responsibilities

Client will make available such reasonable information as required for Consultant to conduct its services. Such data will be made available as promptly as possible. It is understood by Consultant that the time of Client's personnel is limited, and judicious use of that time is a requirement of this Agreement. Client agrees to make payments of the annual professional fees as set forth elsewhere in this Agreement.

7. Records and Information

Consultant understands and agrees to limit its use and disclosure of protected health information as required by HIPAA regulations and in accordance with any separate HIPAA business associate agreement entered into, from time to time, between Client or its affiliates and Consultant.

8. Independent Contractor. It is understood and agreed that Consultant is engaged by Client to perform services under this Agreement as an independent contractor. Consultant shall use its best efforts to follow written, oral, or electronically transmitted (i.e., sent via facsimile or e-mail) instructions from Client as to policy and procedure.

9. Fiduciary Responsibility.

Client acknowledges that: (i) Consultant shall have no discretionary authority or discretionary control respecting the management of any of the employee benefit plans; (ii) Consultant shall exercise no authority or control with respect to management or disposition of the assets of Client's employee benefit plans; and (iii) Consultant shall perform services pursuant to this Agreement in a non-fiduciary capacity. Client agrees to notify Consultant as soon as reasonably possible of any amendments to the employee benefit plans' legal documents to the extent that the amendments would affect Consultant in the performance of its obligations under this Agreement, as determined by Client in its sole and absolute discretion. Client agrees to submit (or cause its agent, consultants, or vendors to submit) all information in its (or their) control reasonably necessary for Consultant to perform the services covered by this Agreement, as determined by Client in its sole and absolute discretion.

10. Appointment Acknowledgement.

Client acknowledges that Consultant is appointed with various insurance carriers as a licensed agency/brokerage firm. Client also acknowledges that, for the purpose of this agreement, Consultant may be required to utilize assigned agent/broker numbers for communication and authorization purposes. .

Consultant agrees that no commissions payments, either direct or indirect, will be accepted from any vendor for services that vendors provides to the Client.

11. Compliance with Laws and Agreements

Consultant agrees to fully comply with and observe any and all federal or state laws or regulations that are or may be applicable to Consultant or the performance of Services under this Agreement. Consultant hereby warrants that it is in no way compromising any rights or trust relationships between itself or any other party, or creating a conflict of interest or any possibility thereof for Consultant or Client.

12. Indemnity and Insurance

Consultant shall defend indemnify and save harmless Client, its successors, assigns, affiliates and parent entities and the employees, officers, directors and agents of any of them from and against all losses, damages, injuries, liabilities, expenses, fines, fees (including without limitation attorneys' fees and costs) and claims (collectively "Losses") arising from or relating to this Agreement or the performance of Services hereunder, including but not limited to bodily injury, death or property damage, to the extent such Losses are caused by the negligence or willful misconduct of Consultant. The obligations of the Parties under this Section shall survive the expiration or termination of this Agreement. Consultant agrees to maintain insurance with policy limits in an amount sufficient to cover its liability arising out of this Agreement, as described in **Exhibit A**. Consultant further agrees to furnish Client with written proof that the required insurance coverage is in effect at the request of the Client, and to give notice of any changes in the insurance coverage or insurer.

13. Alternate Dispute Resolution

THE PARTIES AGREE THAT TO THE EXTENT ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT DOES NOT EXCEED \$500,000, THE PARTIES WILL ENDEAVOR TO MEDIATE SAID DISPUTE BEFORE FILING ANY ACTION IN STATE OR FEDERAL COURT.

14. Applicable Law and Venue

This Agreement shall be governed exclusively by, and construed exclusively in accordance with, Texas law, without regard to conflicts of laws rules or principals as applied in Texas. The Parties waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the bringing of any such action or proceeding in such jurisdiction.

15. Gifts

No director, officer, employee or agent of Consultant or of any subcontractor or vendor of Consultant shall give or receive any commission, fee, rebate, or gift or entertainment of

significant (not to exceed \$50) cost or value in connection with the services provided under this Agreement, or enter into any business arrangement with any director, officer, employee or agent of Client or its parent or affiliated entities other than as a representative of Consultant or its affiliate, without Client's prior written agreement. Consultant shall promptly notify Client of any violation of this paragraph. Any representative(s) authorized by Client may audit any and all records of Consultant and any such subcontractor or vendor for the sole purpose of determining whether there has been compliance with this paragraph.

16. Entire Agreement

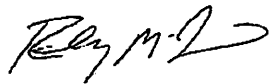
This constitutes the entire Agreement between the parties, and any other agreement, whether in writing or otherwise, providing for consulting services by the Consultant for the benefit of Client is hereby superseded in its entirety by this Agreement.

Subsequent amendments to this Agreement shall only be in writing signed by both parties.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the last date set forth below.

Consultant:
HUB International



Randy McGraw

Client:
City of Amarillo

EXHIBIT A

Actuarial Fees for GASB or OPEB liability evaluation if requested.

The fee can be adjusted if the scope of work is less than anticipated.

\$20,000 per full evaluation for the initial year.