

CITY OF HUNTSVILLE, TEXAS

Andy Brauninger, Mayor

Keith D. Olson, Mayor Pro Tem, Position 4
Lydia Montgomery, Position 2 At-Large
Don H. Johnson, Position 3 At-Large



Joe Emmett, Ward 1
Tish Humphrey, Ward 2
Ronald Allen, Ward 3
Joe Rodriguez, Ward 4

HUNTSVILLE CITY COUNCIL AGENDA TUESDAY, JANUARY 19, 2016 4:30 P.M. WORK SESSION – 6:00 P.M. REGULAR SESSION

CITY COUNCIL CHAMBERS AND LARGE CONFERENCE ROOM HUNTSVILLE CITY HALL, 1212 AVENUE M, HUNTSVILLE, TEXAS, 77340

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the City Secretary's office (936.291.5403), two working days prior to the meeting for appropriate arrangements.

WORK SESSION [4:30 P.M.] – City Council will hear presentations on public safety technical equipment and HR initiatives.

MAIN SESSION [6:00 P.M.]

1. CALL TO ORDER

2. INVOCATION AND PLEDGES

U.S. Flag

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

3. ELECTION MATTERS

- a. *Presentation, public comment, discussion, and possible action to adopt Ordinance 2016-11 calling the May 7, 2016 Special Election to Fill a Vacancy to elect a Councilmember At-Large Position 1. [Lee Woodward, City Secretary]*

4. CONSENT AGENDA

Public Comments will be called for by the presiding officer before action is taken on these items. *(Approval of Consent Agenda authorizes the City Manager to implement each item in accordance with staff recommendations. An item may be removed from the Consent Agenda and added to the Statutory Agenda for full discussion by request of a member of Council.)*

- a. Approve the minutes of the City Council meetings held on December 20, 2015 and January 5, 2016. [Lee Woodward, City Secretary]
b. Authorize the City Manager to apply for an Emergency Management Performance Grant (EMPG). [Dr. Sherry McKibben, Director of Neighborhood Resources]

5. STATUTORY AGENDA

- a. *Presentation, public comment, discussion, and possible action to consider authorizing the City Manager to enter into a contract for the manufacturing and installation of way-finding signage with National Signs for \$237,000, and adopting Ordinance 2016-10 for the associated budget amendment. [Dr. Sherry McKibben, Director of Neighborhood Resources]*

6. MAYOR/CITY COUNCIL/CITY MANAGER AND CITY ATTORNEY REPORT

- a. **FIRST READING** - *Presentation, public comment, discussion, and possible action to adopt Ordinance 2016-09, authorizing annual participation with other Entergy service area cities in matters concerning Entergy Texas, Inc., at the Public Utility Commission and the Federal Energy Regulatory Commission in 2016, first reading. [Leonard Schneider, City Attorney]*
b. *Presentation, public comment, discussion, and possible action on nominations for the City Council Finance Committee (the Mayor will select a member to serve as chair, per 8.02 of the City Council Rules of Procedure). [Mayor Brauninger]*

7. REQUESTS FOR CITIZEN PARTICIPATION

An opportunity for citizens to be heard on any topic and for the City Council to participate in the discussion. No action will be taken.

No requests received by noon on January 12, 2016.

8. MEDIA INQUIRIES RELATED TO MATTERS ON THE AGENDA

9. ITEMS OF COMMUNITY INTEREST

(Hear announcements concerning items of community interest from the Mayor, Councilmembers, and City staff for which no action will be discussed or taken.)

10. EXECUTIVE SESSION

- a. City Council will convene in closed session as authorized by Texas Government Code Chapter 551, Section 551.071 legal

advice on the following items:

- (i) claims regarding McDonald Creek;
- (ii) log cabin located at 1103 and 1105 University Avenue and Notice to Vacate.

11. RECONVENE

Take action, if necessary, on items addressed during Executive Session.

12. ADJOURNMENT

*If, during the course of the meeting and discussion of any items covered by this notice, City Council determines that a Closed or Executive session of the Council is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Sections: 551.071 – consultation with counsel on legal matters; 551.072 – deliberation regarding purchase, exchange, lease or value of real property; 551.073 – deliberation regarding a prospective gift; 551.074 – personnel matters regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; 551.076 – implementation of security personnel or devices; 551.087 – deliberation regarding economic development negotiation; and/or other matters as authorized under the Texas Government Code. If a Closed or Executive session is held in accordance with the Texas Government Code as set out above, the City Council will reconvene in Open Session in order to take action, if necessary, on the items addressed during Executive Session.

CERTIFICATE

I, Lee Woodward, City Secretary, do hereby certify that a copy of the January 19, 2016 City Council Agenda was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.huntsvilletx.gov, in compliance with Chapter 551, Texas Government Code.

DATE OF POSTING: _____

TIME OF POSTING: _____ am/pm

TAKEN DOWN: _____

Lee Woodward, City Secretary

ORDINANCE NO. 2016-11

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HUNTSVILLE, TEXAS, ORDERING A MUNICIPAL SPECIAL ELECTION TO FILL A VACANCY TO BE HELD ON THE 7TH DAY OF MAY 2016, FOR THE PURPOSE OF ELECTING A COUNCILMEMBER AT-LARGE POSITION 1; DESIGNATING THE PLACES AND MANNER OF HOLDING THE ELECTION; AND PROVIDING FOR THE POSTING AND PUBLICATION OF NOTICE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HUNTSVILLE, TEXAS, that:

SECTION 1. The municipal special election to fill a vacancy of the City of Huntsville, prescribed by Section 4.17 of the City Charter, shall be held between the hours of seven (7:00) o'clock a.m. and seven (7:00) o'clock p.m. on the 7th day of May 2016, in the City, for the purpose of electing a Councilmember At-Large Position 1.

SECTION 2. The City is hereby divided into seven (7) election precincts. The polling places for all election precincts shall be the Walker County Annex, 1301 Sam Houston Avenue, Room 101, Huntsville, Texas, 77340.

SECTION 3. This election shall be held in accordance with, and shall be governed by, the election laws of the State of Texas. In all City elections, the Mayor, City Secretary or City Council shall do and perform each act as in other elections required to be done and performed, respectively, by the County Judge, the County Clerk, or the Commissioners' Court. The City Council has determined, pursuant to Chapter 31 of the Texas Election Code, that the City is authorized to enter into an Election Services Agreement with Walker County, Texas, for this election. The City Secretary and Mayor are hereby authorized to perform all duties and take all actions as required by any election agreement(s) and/or the contract(s) for election services that may be authorized by City Council.

SECTION 4. A Councilmember At-Large Position 1 shall be selected to hold office for the remainder of the current term. Applications for a place on the ballot shall be accepted from the passage of this ordinance until 5 p.m. on Monday, March 7, 2016, in accordance with the Texas Election Code.

SECTION 5. The Councilmember At-Large Position 1 shall be a citizen of the United States and a qualified and registered voter of the State of Texas; a resident within the present corporate limits of Huntsville for at least twelve months immediately preceding the election; and current in payment of taxes and assessments due to the City.

SECTION 6. The order in which the names of the candidates are to be printed on the ballot shall be determined by a drawing of the City Secretary as provided by Section 52.094 of the Texas Election Code.

The form of the ballot for the election shall be as follows:

OFFICIAL BALLOT
Special Election
City of Huntsville, Texas
May 7, 2016

INSTRUCTION NOTE: Vote for the candidate of your choice in each race by placing an "X" in the square beside the candidate's name.

Councilmember At-Large Position 1 (Vote for one)

- (candidate's name)
- (candidate's name)

SECTION 7. Diana L. McRae, the Walker County Election Officer/Tax Assessor-Collector, is the Early Voting Clerk (EVC), and Julie Cooper, Walker County Elections Manager, is appointed Deputy Early Voting Clerk (DEVK) for the joint early voting approved by Commissioners' Court, as with respect to early voting in person and voting by mail, and the Walker County Annex, 1301 Sam Houston Avenue, Suite 101, is hereby designated as the Main Early Voting Site for early voting for the election. Early Voting in the election by personal appearance shall

be conducted at the times, dates and polling places as provided for in the Walker County Election Services Contract between the City of Huntsville, Texas and Walker County, Texas, and further adopts any additions or amendments to such concerning early voting times, dates, and polling location as approved by the Walker County Deputy Elections Administrator. During the lawful early voting period, such clerk shall keep such place for early voting open for early voting from 8:00 a.m. - 5:00 p.m., Monday, April 25 through Tuesday, May 3, 2016; from 7:00 a.m. - 7:00 p.m. on Tuesday, April 26 and Tuesday, May 3, 2016; except official state holidays.

SECTION 8. The Mayor and City Secretary are hereby directed to give notice of the special election, per EC 2.026, by:

- a) causing said notice of such election to be published at least fifteen (15) days prior to the date of such election in the newspaper;
- b) by filing with the City Secretary, for posting on the City Hall bulletin board, a copy of said notice at least fifteen (15) days before the election; and

The Mayor and City Secretary shall file with the City Secretary a copy of the notice as published, together with the name of the newspaper and the dates of publication.

SECTION 9. It is further found and determined that in accordance with the order of this governing body the City Secretary posted written notice of the date, place and subject of this meeting on the bulletin board located in the City Hall, a place convenient and readily accessible to the general public, and such notice having been so posted and remaining posted continuously for at least seventy-two (72) hours preceding the scheduled time of such meeting. A copy of the return of such posting shall be attached to the minutes of this meeting and shall be made a part thereof for all intents and purposes.

SECTION 10. That the Mayor and/or the City Secretary of the City of Huntsville are hereby authorized to execute and/or issue, for and on behalf of the City, such orders, documents and forms as may, from time to time, be promulgated by the Secretary of State of the State of Texas in conjunction with the election herein ordained.

SECTION 11. The Mayor and/or the City Secretary and the attorney for the City are hereby authorized and directed to make any filings required by the Federal Voting Rights Act. The Mayor and/or the City Secretary and the attorney for the City are further authorized and directed to take any action necessary to comply with the provisions of the Texas Elections Code, the Federal Voting Rights Act and the terms and provisions of any Election Services Contract(s) in carrying out the provisions of this Ordinance, whether or not expressly authorized herein.

SECTION 12. This ordinance shall take effect from and after its passage.

PASSED AND APPROVED this 19th day of January 2016.

THE CITY OF HUNTSVILLE

Andy Brauning, Mayor

ATTEST:

APPROVED AS TO FORM:

Lee Woodward, City Secretary

Leonard Schneider, City Attorney

MINUTES FROM THE HUNTSVILLE CITY COUNCIL MEETING HELD ON THE 20TH DAY OF DECEMBER 2015, IN THE CITY HALL, LOCATED AT 1212 AVENUE M IN THE CITY OF HUNTSVILLE, COUNTY OF WALKER, TEXAS, AT 2:00 P.M.

The Council met in a regular session with the following:

COUNCILMEMBERS PRESENT: Mac Woodward, Andy Brauningger, Lydia Montgomery, Tish Humphrey, Ronald Allen, Joe P. Rodriguez

COUNCILMEMBERS ABSENT: Don H. Johnson, Keith D. Olson, Joe Emmett

OFFICERS PRESENT: Lee Woodward, City Secretary

MAIN SESSION [2:00 P.M.]

1. **CALL TO ORDER** – Mayor Woodward called the meeting to order at 2:00 p.m.
2. **INVOCATION AND PLEDGES** – Councilmember Rodriguez gave an invocation and Mayor Woodward led the pledges.
3. **ELECTION MATTERS**
 - a. **Presentation, public comment, discussion, and possible action** to canvass the returns of the Mayoral Runoff Election held on the 12th day of December 2015, for the purpose of electing a Mayor At-Large. [Lee Woodward, City Secretary]

Councilmember Allen moved to canvass the returns of the Mayoral Runoff Election held on the 12th day of December 2015, for the purpose of electing a Mayor At-Large; the motion was seconded by Councilmember Rodriguez. The motion was adopted unanimously, 6-0.

Early Voting by Precinct

<u>Candidate & Position/Measure</u>	<u>101</u>	<u>102</u>	<u>201</u>	<u>205</u>	<u>206</u>	<u>301</u>	<u>401</u>	<u>Total</u>
Andy Brauningger	14	220	66	364	51	63	48	826
Keith D. Olson	11	173	57	217	30	43	43	574
Totals	25	393	123	581	81	106	91	1400

Early Voting & Election Day Returns

<u>Candidate & Position</u>	<u>Early</u>	<u>101</u>	<u>102</u>	<u>201</u>	<u>205</u>	<u>206</u>	<u>301</u>	<u>401</u>	<u>Total</u>
Andy Brauningger	826	2	45	6	86	12	7	8	992
Keith D. Olson	574	5	59	27	76	13	21	13	788
Totals	1400	7	104	33	162	25	28	21	1780

Voters Voted

<u>Precinct</u>	<u>Registered Voters</u>	<u>Ballots Cast</u>	<u>Percentage</u>
101	664	32	4.82
102	3377	497	14.72
201	2248	156	6.94
205	2337	743	31.79
206	984	106	10.77
301	2612	134	5.13
401	2346	112	4.77
Total	14,568	1,780	12.21

- b. **Administer the Oath of Office to the newly-elected Mayor.** [Walker County Court at Law Judge Tracy Sorensen]

Walker County Court at Law Judge Tracy Sorensen administered the Statement of Elected/Appointed and Official Oath of Office to Andy Brauninger, and Mayor Woodward presented him with his Certificate of Election. Mayor Brauninger thanked Mayor Woodward and expressed his respect for him, and shared sentiments of appreciation to the citizens of Huntsville and the City Council members.

4. MEDIA INQUIRIES RELATED TO MATTERS ON THE AGENDA

There were no media inquiries.

5. ITEMS OF COMMUNITY INTEREST

(Hear announcements concerning items of community interest from the Mayor, Councilmembers, and City staff for which no action will be discussed or taken.)

There were no items.

6. ADJOURNMENT

Mayor Brauninger adjourned the meeting at 2:11 p.m.

Lee Woodward, City Secretary

MINUTES FROM THE HUNTSVILLE CITY COUNCIL REGULAR MEETING HELD ON THE 5th DAY OF JANUARY 2016, IN THE CITY HALL, LOCATED AT 1212 AVENUE M, IN THE CITY OF HUNTSVILLE, COUNTY OF WALKER, TEXAS, AT 6:00 P.M.

The Council met in a regular session with the following:

COUNCILMEMBERS PRESENT: Andy Brauninger, Lydia Montgomery, Don H. Johnson, Keith Olson, Tish Humphrey, Joe Emmett, Ronald Allen, Joe P. Rodriguez

COUNCILMEMBERS ABSENT: None

OFFICERS PRESENT: Matt Benoit, City Manager, Leonard Schneider, City Attorney, Lee Woodward, City Secretary

MAIN SESSION [6:00 P.M.]

1. **CALL TO ORDER** - Mayor Brauninger called the meeting to order at 6:00 p.m.
2. **INVOCATION AND PLEDGES** - Mayor Brauninger welcomed the Huntsville Buzzards and gave an invocation and Holly Munson and Payola Lopez from HISD led the pledges.
3. **ELECTION MATTERS**
 - a. **Administer the Oath of Office to the newly-elected Mayor.**

Walker County Justice of the Peace Judge Janie Farris administered the Oath of Office to newly elected Mayor Andy Brauninger.

- b. **Presentation, public comment, discussion, and possible action to elect a Mayor Pro Tem. [Mayor Brauninger]**

Councilmember Allen nominated Joe Rodriguez. Councilmember Montgomery nominated Councilmember Olson. The nomination of Councilmember Rodriguez was lost, 3-5. Councilmembers Olson, Emmett, Johnson, Humphrey, and Montgomery voting against. The nomination of Councilmember Olson was adopted, 5-3. Mayor Brauninger and Councilmembers Allen and Rodriguez voting against.

4. **CONSENT AGENDA**

Public Comments will be called for by the presiding officer before action is taken on these items. *(Approval of Consent Agenda authorizes the City Manager to implement each item in accordance with staff recommendations. An item may be removed from the Consent Agenda and added to the Statutory Agenda for full discussion by request of a member of Council.)*

- a. **Approve the minutes of the City Council meeting held on December 15, 2015. [Lee Woodward, City Secretary]**
 - b. **Adopt Resolution 2016-19 ratifying the prior adoption of Resolutions 2016-08 through 2016-18, and authorizing payment. [Matt Benoit, City Manager]**
 - c. **Authorize the City Manager to approve a purchase order for \$250,000 for the disposal of solid waste at the Brazos Valley Solid Waste Authority's Twin Oaks Landfill. [Carol Reed, Director of Public Works]**
 - d. **Approve the purchase of one Travis Refuse Trailer. [Carol Reed, Director of Public Works, and Mike Clouds, Fleet Manager]**

Councilmember Johnson moved to approve the consent agenda; the motion was seconded by Councilmember Humphrey. Mayor Brauninger asked to pull item b and Councilmember Allen pulled item c. The motion to approve items a and d was adopted unanimously, 8-0.

Councilmember Humphrey moved to adopt Resolution 2016-19 ratifying the prior adoption of Resolutions 2016-08 through 2016-18, and authorizing payment, the motion was seconded by Councilmembers Johnson and Montgomery. The motion to approve item b was adopted unanimously, 8-0.

Councilmember Humphrey moved to authorize the City Manager to approve a purchase order for \$250,000 for the disposal of solid waste at the Brazos Valley Solid Waste Authority's Twin Oaks Landfill, the motion was seconded by Councilmember Montgomery and Mayor Brauninger. The motion to approve item b was adopted unanimously, 8-0.

5. **STATUTORY AGENDA**

- a. **Presentation, public comment, discussion, and possible action to Consider authorizing the City Manager to order an appraisal, title report, and survey for the possible sale of City-owned property located at 1930 A Sam Houston Avenue, and to advertise for bids. [Aron Kulhavy, Director of Community and Economic Development]**

Councilmember Montgomery moved to authorize the City Manager to order an appraisal, title report, and survey for the possible sale of City-owned property located at 1930 A Sam Houston Avenue, and to advertise for bids; the motion was seconded by Councilmember Humphrey. The motion was adopted unanimously, 8-0.

6. **MAYOR/CITY COUNCIL/CITY MANAGER AND CITY ATTORNEY REPORT**

- a. **Presentation, public comment, discussion, and possible action on nominations of the Mayor and Mayor Pro Tem for the City Council 2016 representative and alternate, respectively, to the General Assembly and Board of Directors of the Houston-Galveston Area Council (H-GAC). [Mayor Brauninger]**

Mayor Brauninger moved nominations of the Mayor and Mayor Pro Tem for the City Council 2016 representative and alternate, respectively, to the General Assembly and Board of Directors of the Houston-Galveston Area Council (H-GAC); the motion was seconded by Councilmember Johnson. The motion was adopted unanimously, 8-0.

- b. **Presentation, public comment, discussion, and possible action on nominations of Councilmembers Don H. Johnson, Joe Emmett, Joe P. Rodriguez, and Mayor Andy Brauninger to serve on the City Council Finance Committee (the Mayor will select a member to serve as chair, per 8.02 of the City Council Rules of Procedure).**

[Mayor Brauninger]

Mayor Brauninger moved the nominations of Councilmembers Don H. Johnson, Joe Emmett, Joe P. Rodriguez, and Mayor Andy Brauninger to serve on the City Council Finance Committee. The motion was lost, 3-5, Councilmembers Olson, Emmett, Johnson, Humphrey, and Montgomery voting against. Councilmember Humphrey moved nominations of Keith Olson, Joe Emmett, Joe P. Rodriguez, and Don H. Johnson for the Finance Committee. Councilmember Allen moved to postpone until the Council January 19 meeting, the motion was seconded by Mayor Brauninger. The motion to postpone failed, 3-5, Councilmembers Olson, Emmett, Johnson, Humphrey, and Montgomery voting against. Councilmember Humphrey's main motion was adopted 5-3, Mayor Brauninger and Councilmembers Allen and Rodriguez voting against. Mayor Brauninger called for a recess at the request of the City Attorney, to consult on Section 5.08 of the City Charter. Upon returning, Mayor Brauninger stated the motion of nominations from a member of Council was not in order and that he had no further nominations for this meeting.

- c. **Presentation, public comment, discussion, and possible action on nomination of Lydia Montgomery to serve on the City Council Communication/Service Committee. [Mayor Brauninger]**

Mayor Brauninger moved the nomination of Lydia Montgomery to serve on the City Council Communication/Service Committee. The motion was adopted, 7-1, Councilmember Allen voting against.

- d. **Presentation, public comment, discussion, and possible action on the nomination of Councilmember Johnson as the 2016 Chairperson for the Tax Increment Reinvestment Zone #1 Board of Directors. [Mayor Brauninger]**

Mayor Brauninger moved the nomination of Councilmember Johnson as the 2016 Chairperson for the Tax Increment Reinvestment Zone #1 Board of Directors. The motion was unanimously adopted, 8-0.

7. REQUESTS FOR CITIZEN PARTICIPATION

An opportunity for citizens to be heard on any topic and for the City Council to participate in the discussion. No action will be taken.

- a. **Presentation, public comment, discussion, and possible action on Citizen Participation Request from Christie Clark at 3702 Summer Lane to discuss "McDonald Creek – Progress discussion redirecting water flow."**

The City Secretary noted there was no action on Citizen Participation Requests and the words "possible action" on the posting was in error. Christie Clark asked about possible work on McDonald Creek. Jerry Edgin also spoke in concern over whose responsibility the creek was. Councilmember Joe Rodriguez noted he had walked the creek with the City Manager, City Attorney, and other members of staff, and that the Council would be discussing the item later in the meeting.

8. MEDIA INQUIRIES RELATED TO MATTERS ON THE AGENDA

There were no media inquiries.

9. ITEMS OF COMMUNITY INTEREST

(Hear announcements concerning items of community interest from the Mayor, Councilmembers, and City staff for which no action will be discussed or taken.)

Mayor Brauninger noted it is a new year and a good time to be sure you are subscribed to all the City information you need. On the City's home page, at HuntsvilleTX.gov, click on the blue button titled Stay Notified. You can get newsletters, meeting agendas, and press releases sent directly to your email inbox, as soon as they are issued. Mayor Pro Tem Olson shared an *HISD Minute!* on Mance Park students and teachers who prepared cancer care packages. Mayor Brauninger read a letter from Jacksonville State University on the Mayors' challenge for the JSU-SHSU game. Mayor Brauninger wished Councilmember Montgomery a happy birthday for January 16.

10. EXECUTIVE SESSION

- a. **City Council will convene in closed session as authorized by Texas Government Code Chapter 551, Section 551.071 legal advice on the following items:**
(i) **claims regarding McDonald Creek;**
(ii) **log cabin located at 1103 and 1105 University Avenue and Notice to Vacate.**

The Mayor adjourned the Council into Executive Session at 6:56 p.m.

11. RECONVENE

Take action, if necessary, on items addressed during Executive Session.

The Council reconvened at 8:18 p.m. Councilmember Johnson moved to instruct the City Attorney to negotiate a fair settlement on item 10a.(ii), the motion was seconded by Mayor Pro Tem Olson. The motion was adopted unanimously, 8-0. Mayor Pro Tem Olson moved to allow a one-time sum of \$5,000 be allocated for the City Attorney to investigate and perform due diligence on the matter. The motion was seconded by Councilmember Rodriguez. The motion was adopted unanimously, 8-0.

12. ADJOURNMENT

Mayor Brauninger adjourned the meeting at 8:20 p.m.



CITY COUNCIL AGENDA

1/19/2016
Agenda Item: 4b

Item/Subject: Consider authorizing the City Manager to apply for an Emergency Management Performance Grant (EMPG).

Initiating Department/Presenter: Neighborhood Resources

Presenter: Sherry McKibben

Recommended Motion: Move to authorize the City Manager to apply for an Emergency Management Performance Grant (EMPG).

Strategic Initiative: Goal #8 - Public Safety - Provide safety and security for all citizens.

Discussion: This grant is provided to the City as a pass-through from the federal government (FEMA) to the state (TDEM) for the purpose of providing a system of emergency preparedness for the protection of life and property. This grant reimburses the City for a portion of the salary and benefits for providing an Emergency Management Coordinator.

The Emergency Management Coordinator is 50% of the job duties of John Waldo in the Fire Department. In the past, this has amounted to between \$15,000.00 and \$20,000.00 annually.

The City has been receiving these funds since 2004.

Previous Council Action: No previous Council actions have been taken on this item.

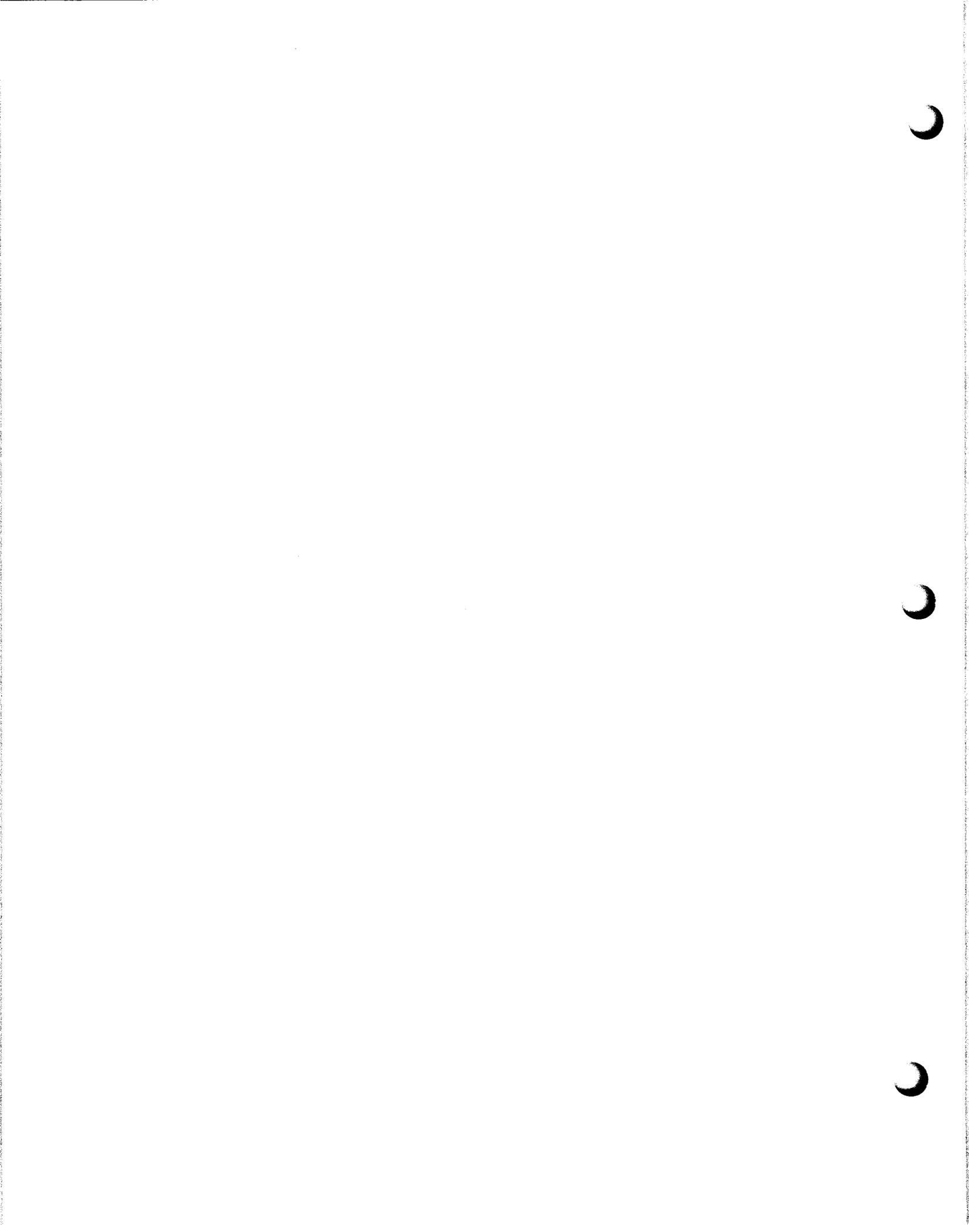
Financial Implications:

- There is no financial impact associated with this item.
- Item is budgeted: 101-42801 In the amount of: \$20,800.00
- Item is not budgeted:
- Item is estimated to generate additional revenue:

Approvals: City Attorney Director of Finance City Manager

Associated Information:

- None





CITY COUNCIL AGENDA

1/19/2016

Agenda Item: 5a

Item/Subject: Consider authorizing the City Manager to enter into a contract for the manufacturing and installation of way-finding signage with National Signs for \$237,000, and adopting Ordinance 2016-10 for the associated budget amendment.

Initiating Department/Presenter: Neighborhood Resources

Presenter: Sherry McKibben, Director

Recommended Motion: Move to authorize the City Manager to enter into a contract for the manufacturing and installation of way-finding signage with National Signs for \$237,000, and adopt Ordinance 2016-10 for the associated budget amendment.

Strategic Initiative: Goal #1 - City Appearance - Provide policies, amenities, and events that enhance the City's already beautiful and historic natural environment.

Discussion: At the August 5, 2014, meeting of the City Council, a three-phased contract with fd2s was approved for the design of way-finding signage, along with implementation of Task 1. At the conclusion of Task 1, it was anticipated that approximately eighteen (18) signs would need TXDOT approval. The way-finding workgroup believed (hoped) many of the remaining signs would have been considered "local" signs and would not need as stringent TXDOT approvals as the traditional highway signs. It would have been advantageous for the City to install as many local way-finding signs as possible. More attractions can be listed on local signs, thereby making the whole system of signage more effective and efficient (i.e., reducing the overall number of signs needed).

On November 18, 2014, the City Council approved the conceptual design from Task 1, authorized payment for Task 1 of \$13,600, and directed fd2s to proceed with Task 2. During Task 2, the consultant was responsible for making logical and legal arguments to TXDOT in order for local signs to be allowed on TXDOT roads. Additionally, Task 2 included obtaining TXDOT approvals for all of the signage locations within State rights of way. The consultant was not able to convince TXDOT to allow any of the "local" signs to be placed along TXDOT roadways. This resulted in all the signs having to meet TXDOT signage requirements, including having only three attractions, conforming to lettering, reflective qualities, coloring, etc. Upon submitting the consultant's way-finding plan to TXDOT, TXDOT did not approve the locations or design. In order to obtain TXDOT approval for a finalized location plan, City staff intervened and worked hand-in-hand directly with TXDOT engineers. Subsequently, TXDOT has approved twenty-nine (29) signs at fourteen (14) different locations within Huntsville as submitted by City staff. Enclosed with this agenda item is a listing of the all of the signage locations and attractions for the approved TXDOT signage. Staff authorized payment to the consultant of \$10,000.00 for Task 2.

Task 3 included bidding the project. Upon review of the locations, one non-TxDOT location was added for a total of 30 signs at 14 locations. Staff proceeded by issuing a Request for Proposals and received six (6) responses. TDCJ declined to submit a bid. Two responders were interviewed and staff is recommending National Signs to complete the project, as the most qualified and responsive firm.

The bid for the manufacturing and installation of the signs is \$7,900 per sign, for a total cost of

\$237,000. A 5% contingency for additional TxDOT requirements, totaling \$11,850, is included in the total project cost of \$248,850. While these funds are available in the General CIP Way-finding Signage Project, staff determined that the majority of the project was eligible for HOT funds. Staff presented the HOT Board with the costs and the HOT Board unanimously agreed to recommend that \$200,528 of the project be funded using HOT funds. The remaining \$48,322 will use the General CIP funds.

Previous Council Action: The City Council provided direction to staff to pursue this idea by adoption of the Harnessing Huntsville's Potential plan, adoption of the 2013-2014 Budget, and adoption of the City Council's 2014 Strategic Plan. An update on this issue was provided to the City Council in the City Manager's June 20, 2014 Friday update. On July 1, 2014, the item was postponed to the July 15, 2014 meeting. Staff recommended a further postponement to the August 5, 2014 meeting for adequate response following SHSU meeting(s).

The City Council authorized entering into a contract with fd2s for Task 1 at the August 5, 2014 meeting. On August 19, 2014, the Council adopted Ordinance 2014-41 amending the 2013-14 Budget by transferring \$250,000 from the General Fund to the General CIP Way-finding Signage Project. On November 18, 2014, the Council approved the conceptual design and directed fd2s to proceed with Task 2. An update on the progress of the project was provided to the Council in the May 1, 2015 City Manager's Friday update, discussing the difficulty with the TXDOT approval process. On Sept. 15, 2015, the Council approving the TXDOT approved way-finding signage location plan and directed staff to proceed with bidding the project.

Financial Implications:

Item is budgeted: The Contract and TXDOT contingency total \$248,850. The Budget Amendment changes sources for a significant portion of the monies for the project moving \$200,528 of HOT monies to the Project and returning \$182,220 of General Fund monies to the General Fund.

Approvals: City Attorney Director of Finance City Manager

Associated Information:

- Location and attractions list (p. 3)
- Bid tab (p. 4)
- National Signs contract (p. 5-7)
- Ordinance 2016-10 and Exhibit A Budget Amendments (pgs. 8-9)

Huntsville Wayfinding Project

Sign Costs		Project Costs														General Funds						
\$7,900.00		\$248,850.00														\$2,633						
Number of Signs	Sign Location	Sign Identification	Sam Houston State University	Statue Visitor's Center	Cultural District	H.E.A.R.T.'S Veterans Museum	Texas Prison Museum	Sam Houston Grave	Sam Houston Museum	Bowers Stadium	Johnson Coliseum	Gaetner Performing Arts Center	Historic Downtown	Wynne Home Arts Center	Chamber of Commerce	SHSU and Museum	Recommended HOT	Board Funds				
1	1A					1	1										\$5,267	\$2,633				
2	1C					1	1										\$5,267	\$2,633				
3	2A		1	1	1											1	\$7,900	\$7,900				
4	3A				1	1											\$7,900	\$7,900				
5	3B			1	1	1											\$7,900	\$7,900				
6	3C		1	1					1								\$7,900	\$7,900				
7	3D					1	1										\$5,267	\$2,633				
8	3.5A		1					1									\$7,900	\$7,900				
9	3.5B		1	1				1									\$7,900	\$7,900				
10	5 7.5A		1					1									\$5,267	\$2,633				
11	6B		1														\$5,267	\$2,633				
12	7 9B			1													\$7,900	\$7,900				
13	8 13A		1	1					1								\$7,900	\$7,900				
14	9 C1A					1	1										\$5,267	\$2,633				
15	9 C1B1		1		1			1				1					\$7,900	\$7,900				
16	9 C1B2		1														\$2,633	\$2,633				
17	9 C1C																\$5,267	\$5,267				
18	10 C2A																\$2,633	\$2,633				
19	10 C2B																\$2,633	\$2,633				
20	11 C3A1															1	\$2,633	\$2,633				
21	11 C3A2		1		1							1	1	1			\$7,900	\$7,900				
22	11 C3B1																\$7,900	\$7,900				
23	11 C3B2																\$2,633	\$2,633				
24	12 C7A				1			1							1	1	\$5,267	\$5,267				
25	12 C7B				1			1									\$5,267	\$5,267				
26	13 C7.5A																\$7,900	\$7,900				
27	13 C7.5B																\$7,900	\$7,900				
28	14 C8A		1		1				1								\$7,900	\$7,900				
29	14 C8B																\$7,900	\$7,900				
30	14 C8C				1	1			1								\$7,900	\$7,900				
Subtotal			10	7	7	6	6	6	6	4	3	3	3	3	3	2	2	1	1	\$192,233	\$44,767	
TxDOT Contingency																					\$8,295	\$3,555
Total																					\$200,528	\$48,322

Bid No 16-01

Date: 12/7/2015

Wayfinding Signage



Proposal Response

	1 Sided Vinyl	Powder Coated Post	Installation	Total
Synergy Signs	\$2,300.00	\$2,000.00	\$5,150.00	\$9,450.00
Champion/Campbell Signs	\$1,755.60	\$1,358.50	\$4,200.00	\$7,314.10
National Signs	\$3,350.00	\$1,650.00	\$2,900.00	\$7,900.00
Color Ad	\$3,525.00	\$3,813.00	\$5,331.00	\$12,669.00
Eco Signs	\$8,120.00	\$2,114.00	\$3,370.00	\$13,604.00
SSC Lighting	NB	\$4,800.00	\$3,721.00	\$8,521.00
TDCI	NB	NB	NB	NB

Sherry Mckibben

Dr. Sherry Mckibben

1/8/16

Date

BUSINESS AGREEMENT

AN AGREEMENT BETWEEN NATIONAL SIGNS, LLC (SELLER) AND: CITY OF HUNTSVILLE (BUYER)
PROJECT NAME: CITY OF HUNTSVILLE / HUNTSVILLE / WAYFINDING SIGNAGE (RFP-16-01)
AUTHORIZED REPRESENTATIVE: BILLIE F. SMITH **PHONE:** 936.291.5495 **EMAIL:** BSMITH@HUNTSVILLETX.GOV
BILLING ADDRESS: 448 STATE HIGHWAY 75 NORTH | HUNTSVILLE, TEXAS 77320 **FAX:** 936.294.5731
JOB LOCATION: 448 STATE HIGHWAY 75 NORTH | HUNTSVILLE, TEXAS 77320
NSL ACCOUNT EXECUTIVE: GREGG HOLLENBERG

WE HEREBY SUBMIT SPECIFICATIONS AND INVESTMENT AMOUNT FOR:

Reflective Sign Sheeting (Qty. 30 @ \$3,350.00 each) Manufacture using digital print and/or vinyl, only from aluminum blank.	Investment: \$100,500.00
Sign Post (Qty. 60 @ \$ 825.00 each) Manufacture sign post using powder coat.	Investment: \$49,500.00
Turnkey Installation (Qty. 30 @ \$2,900.00 each)	Investment: \$87,000.00

The City agrees to allow three draws during this project. First and second draw must be accompanied by an affidavit of payment to the seller's vendor(s). Each draw to be equal to 1/3 (one-third) of total project cost. The first draw to be paid upon purchase of reflective and/or other vinyl sheeting and blank aluminum sheets. Second draw to be paid upon purchase of sign post and verification of reflective sheeting and aluminum blank assembly. Third draw to be paid upon successful installation and placement of all signs

ALL WORK TO COMPLY WITH NSL DRAWING #: **DATED:**

We propose hereby to furnish material and labor in accordance with above Specifications for:

INVESTMENT: \$237,000.00 **SALES TAX:** EXEMPT **TOTAL:** \$237,000.00 **DRAWS:** As listed above

Investment amount to remain in effect for 30 days from the date this agreement was issued. After 30 days, the investment amount is subject to change based on market conditions.

Deposit due upon acceptance of this agreement with balance due upon completion in accordance with the General Terms and Conditions hereof.

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Client agrees that the entire investment amount and remaining balance is due upon completion of project. If National Signs does not receive full payment, National Signs has the authority to deem the Warranty NULL & VOID and forfeited by the client. FURTHER, NATIONAL SIGNS RESERVES THE RIGHT TO INVOICE AND COLLECT FOR COMPLETED MANUFACTURING PRIOR TO INSTALLATION. Investment amount in this agreement includes a discount for payment (in full or in part) by cash, check or electronic funds transfer. Discounted pricing does not apply for credit card payments.

General Terms and Conditions

- ELECTRICAL CONNECTIONS.** Post-installation visit(s) related to electrical connectivity will be at the Buyer's specific request and will be conducted at the Buyer's expense. Moreover, it is understood and agreed that Buyer is to furnish all primary electrical service required, connection thereof, and / or switches or other controls at Buyer's own expense. It is understood that final hookup will be completed at the time of installation provided that the circuit(s) is ready. In the event that the connection is not yet available, additional charges related to a return visit for the purpose of completing the hookup will ensue. Buyer further acknowledges that Seller is entitled to payment as per this agreement upon completion of services and/or installation regardless of electrification or connection status and such payment will in no way be withheld or otherwise detained due to a lack of power or other connection.
- TAXES.** Unless otherwise noted, prices on the specified products are exclusive of all city, state, and federal excise taxes, including, without limitation, taxes on manufacture, sales, receipts, gross income, occupation, use and similar taxes. Wherever applicable, any tax or taxes will be added to the invoice as a separate charge to be paid by the Buyer.
- DELIVERY.** Quoted pricing per City of Huntsville RFP shall include all freight, handling, miscellaneous fees. The Seller shall deliver per specifications and at seller's risk.
- DELAYS.** Seller will not be liable for any delay in the performance of orders or contracts, or in the delivery or shipment of goods, or for any damages suffered by Buyer by reason of such delay.
- CONDITIONS.** All orders or contracts are accepted with the understanding that they are subject to Seller's ability to obtain the necessary raw materials, and all orders or contracts as well as shipments applicable thereto are subject to Seller's current manufacturing schedules, and government regulations, orders, directives, and restrictions that may be in effect from time to time.
- ENGINEERING AND PERMITTING.** Specifications and Investment amount are based on the most current engineering and permitting information available at the time of this Agreement. Should modifications be necessary due to updated engineering or permitting studies or requirements, Seller shall have the right pass on any additional costs within the scope of this Agreement.
- NONCONFORMITY.** All materials made by Seller are to be inspected before shipment, and should any of such materials prove defective due to faults in manufacture, or fail to meet the written specifications accepted by Seller, Buyer shall not return the goods, but shall notify Seller immediately, stating full particulars in support of his claim, and Seller will either replace goods upon return of the defective or unsatisfactory material or adjust the matter fairly and promptly, but under no circumstances shall Seller be liable for consequential or other damages, losses, or expenses in connection with or by reason of the use of or inability to use materials purchased for any purpose.
- CANCELLATION.** An order once placed with and accepted by Seller can be canceled only with Seller's consent and upon terms that will indemnify against loss by Seller.
- INDEMNITY BY BUYER.** To the extent provided by law, the SELLER AND BUYER EACH AGREES TO INDEMNIFY, HOLD THE OTHER HARMLESS, FROM AND AGAINST ANY AND ALL LIABILITY FOR ANY AND ALL CLAIMS, LIES, SUITES, DEMANDS AND ACTIONS FOR DAMAGES, INJURIES TO PERSONS (INCLUDING DEATH) PROPERTY DAMAGE (INCLUDING LOSS OF USE) AND EXPENSES, (INCLUDING COURTS COSTS, ATTORNEY'S FEES AND OTHER REASONABLE COSTS OF LITIGATION) ARISING OUT OF OR RESULTING FROM SELLERS INTENTIONAL ACTS OR NEGLIGENCE TO THE FULLEST EXTENT OF THE LAW.
- CLAIMS.** Claims for defective merchandise, shortages, delays, or failures in shipment or delivery, or for any other cause, shall be deemed waived and released by Buyer, unless made in writing within one year after installation.
- SELLER'S RIGHT OF POSSESSION.** Until full and final payment is received by Seller, all merchandise delivered by Seller to Buyer shall be the sole property of the Seller and shall not, by reason of any connection to realty, be deemed to be any fixture or appurtenance to realty and shall be severable therefrom. Seller shall have the right, in addition to all others it may possess, at any time, for credit reasons or because of Buyer's default or defaults, to withhold shipments, in whole or in part, to recall goods in transit and retake same, without the necessity of taking any other proceedings. Buyer specifically acknowledges and agrees that all such merchandise is and shall remain the Seller's absolute property until full and final payment is received by Seller. The foregoing shall not be construed as limiting, in any manner, any of the rights or remedies available to Seller because of any default of Buyer under the Uniform Commercial Code as in force and effect in the State of Texas or any other applicable jurisdiction on the date of the signing of this Agreement.
- WARRANTY.** Subject to and contingent upon the full and timely performance by Buyer of all terms and conditions hereof, including full and timely payment of all invoices, Seller guarantees all original work performed under this Agreement against defective materials, parts and workmanship for a period of **eight (8) years** from the date of installation. Seller's obligation with respect to such products or parts shall be limited to replacement or repair F.O.B. Houston, Texas, and in no event shall Seller be liable for consequential or special damages, or for transportation, installation, adjustment, or other expenses which may arise in connection with such products or parts. NO EXPRESS WARRANTIES AND NO IMPLIED WARRANTIES WHETHER OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE, OR OTHERWISE (EXCEPT AS TO TITLE), OTHER THAN THOSE EXPRESSLY SET FORTH ABOVE WHICH ARE MADE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, SHALL APPLY TO PRODUCTS SOLD BY SELLER, AND NO WAIVER, ALTERATION, OR MODIFICATION OF THE FOREGOING CONDITIONS SHALL BE VALID UNLESS MADE IN WRITING AND SIGNED BY AN EXECUTIVE OFFICER OF SELLER. SELLER SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE, DIRECTLY OR INDIRECTLY, ARISING FROM THE USE OF SUCH MERCHANDISE OR FOR CONSEQUENTIAL DAMAGES.
- TERMINATION UPON DEFAULT.** Both the Seller and the Buyer reserves the right to terminate this agreement if though any cause in either party's opinion the other fails to fulfill its obligations under this contract. There must be a thirty (30) calendar day written notification to the other party. All satisfactory work prior to the date of the written notice shall be paid by the buyer.
- ACCEPTANCE.** This is not a firm offer and may be changed or revoked at any time before execution. Acceptance of this offer is expressly limited to the exact terms contained herein and any attempt to alter or omit any of such terms shall be deemed a rejection and a counteroffer. These terms and conditions shall supersede any provisions, terms, and conditions contained on any confirmation order, or other writing Buyer may give or receive, and the rights of the parties shall be governed exclusively by the provisions, terms, and conditions hereof. Seller makes no representations or warranties concerning this order except such as are expressly contained herein, and this Agreement may not be changed or modified orally.
- SETOFF.** Any claims of Buyer against Seller relating to this Agreement shall be subject to setoff or counterclaim of Seller arising out of this or any other agreement with Buyer.
- MARKETING APPROVAL.** Buyer agrees to allow Seller to produce and use photographs, drawings, descriptions or likenesses of product and their location in any marketing, advertising or promotional materials in all media.
- LIMITATION OF REMEDY.** Buyer and Seller shall not be liable in any case for incidental or consequential damages of any nature. It is acknowledged that the items sold are not so unique or the circumstances such that either party shall be entitled to the remedy of specific performance.
- GOVERNING LAW.** This Agreement is made in Houston, Harris County, Texas, and shall be governed by the laws of the State of Texas. Buyer consents to the jurisdiction of any state or federal court sitting in Huntsville, Walker County, Texas and the parties agree that Houston, Harris County, Texas shall be the sole and exclusive venue for any litigation brought with respect to matters arising under or relating to this Agreement and that venue shall be proper in any such court to the exclusion of the court in any other county or

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Job Name: CITY OF HUNTSVILLE / HUNTSVILLE / WAYFINDING SIGNAGE (RFP-16-01)

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state. The Buyer further agrees that such designated forum is proper and convenient. THE PARTIES HEREBY WAIVE THEIR RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY DISPUTE ARISING UNDER THIS AGREEMENT.

19. **ENTIRE AGREEMENT.** This Agreement and related attachments and drawings constitute the sole and entire agreement between the parties hereto with regard to the subject matter hereof. No course of prior dealings between the parties and no usage of the trade shall be relevant or admissible to supplement, explain, or vary any of the terms of this Agreement. Acceptance of, or acquiescence in, a course of performance rendered under this or any prior agreement shall not be relevant or admissible to determine the meaning of this Agreement even though the accepting or acquiescing party has knowledge of the nature of the performance and an opportunity to make objection. No other representations, understandings, or agreements have been made or relied upon in the making of this Agreement other than those specifically set forth herein. This Agreement can be modified only by an instrument signed by the parties or their duly authorized agents.
20. **SUPPLEMENTARY INFORMATION.** Any specifications, drawings, notes, instructions, engineering notices, or technical data specifically referred to in this Agreement shall be deemed to be incorporated herein by reference as if fully set forth.
21. **FURTHER ASSURANCES.** Each party to this Agreement agrees to perform all further acts and to execute and deliver all further documents, which may be reasonably necessary to carry out the provisions of this Agreement.
22. **SEVERABILITY.** In the event that any of the provisions, or portions thereof, of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, will not be affected, and in lieu of such unenforceable provision there shall be added automatically as part of this Agreement a provision as similar in terms as may be valid and enforceable.
23. **COUNTERPARTS; FACSIMILE SIGNATURE.** This Agreement may be executed in any number of counterparts, which taken together shall constitute one and the same instrument and each of which shall be considered an original for all purposes. Each party agrees to accept the facsimile signature of the other party to this Agreement as evidence of the execution and delivery of this Agreement. Such facsimile signature will be deemed to be binding upon the party sending such facsimile signature.

ACCEPTANCE OF PROPOSAL: The above investment amount, specifications and conditions are satisfactory and are hereby accepted. You are authorized to perform the work as specified. Payment will be made as outlined above.

NOTE: AGREEMENT WILL NOT BECOME EFFECTIVE UNTIL SUCH TIME AS IT IS AUTHORIZED BY SELLER BELOW. AUTHORIZATION WILL NOT OCCUR UNTIL PRODUCTION REQUIREMENTS ARE MET. ANY PRODUCTION LEADTIMES WILL NOT BEGIN UNTIL DATE OF AUTHORIZATION BY SELLER.

Authorized Representative

Date

Gregg Hollenberg, President & CEO
National Signs, LLC Authorized Signature

Date

National Signs, LLC License #18011

Regulated by the Texas Department of Licensing and Regulation P.O. Box 12151 Austin, Texas 78711

Telephone: (512) 463-6599 Toll-Free (in Texas): (800) 803-9202 Online-<http://www.license.state.tx.us/Complaints>

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ORDINANCE NO. 2016-10

AN ORDINANCE OF THE CITY OF HUNTSVILLE, TEXAS, AMENDING THE 2015-2016 ANNUAL BUDGET AND CAPITAL IMPROVEMENTS PROJECTS (CIP) BUDGETS, ORDINANCE NO. 2015-43 TO AMEND ADOPTED EXPENDITURES OF THE BUDGET; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the 2015-2016 Annual Budget and CIP Budgets were adopted by Ordinance 2015-43 on September 15, 2015;

WHEREAS, various unforeseen circumstances affecting the City have presented themselves during the course of the fiscal year;

WHEREAS, the City Council considered the circumstances independently, deliberating appropriately on the associated revenues and expenditures and the overall impact on the general financial status of the City;

WHEREAS, pursuant to the laws of the State of Texas and the City Charter of the City of Huntsville, Texas, the City Council has determined that it will be beneficial and advantageous to the citizens of the City of Huntsville to amend the annual budget for fiscal year 2015 – 2016 and the Capital Improvements Projects (CIP) budget as set forth herein; and

WHEREAS, this ordinance combines the independent Council actions into one budget amendment document;

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

Section 1. The findings set forth above are incorporated into the body of this ordinance.

Section 2. The annual budget for fiscal year 2015 – 2016 is hereby amended to include the expenditures and revenues in Exhibit “A” and the Capital Improvements Projects budget is hereby amended to include the expenditures described in Exhibit “A” attached hereto and made a part of this ordinance as if set out verbatim herein.

Section 3. All ordinances of the City in conflict with the provisions of this ordinance are hereby repealed, and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

Section 4. Should any section, portion, sentence, clause or phrase of this ordinance be declared unconstitutional or invalid for any reason, it shall not invalidate or impair the force or effect of any other section or portion of this ordinance.

Section 5. The necessity for amending the budget for the fiscal year 2015 – 2016 and Capital Improvements Projects, as required by the laws of the State of Texas, requires that this ordinance shall take effect immediately from and after its passage, as the law in such cases provides.

Section 6. This ordinance shall take effect immediately after its passage.

PASSED AND APPROVED on this the 19th day of January 2016.

THE CITY OF HUNTSVILLE, TEXAS

Andy Brauningger, Mayor

ATTEST:

APPROVED AS TO FORM:

Lee Woodward, City Secretary

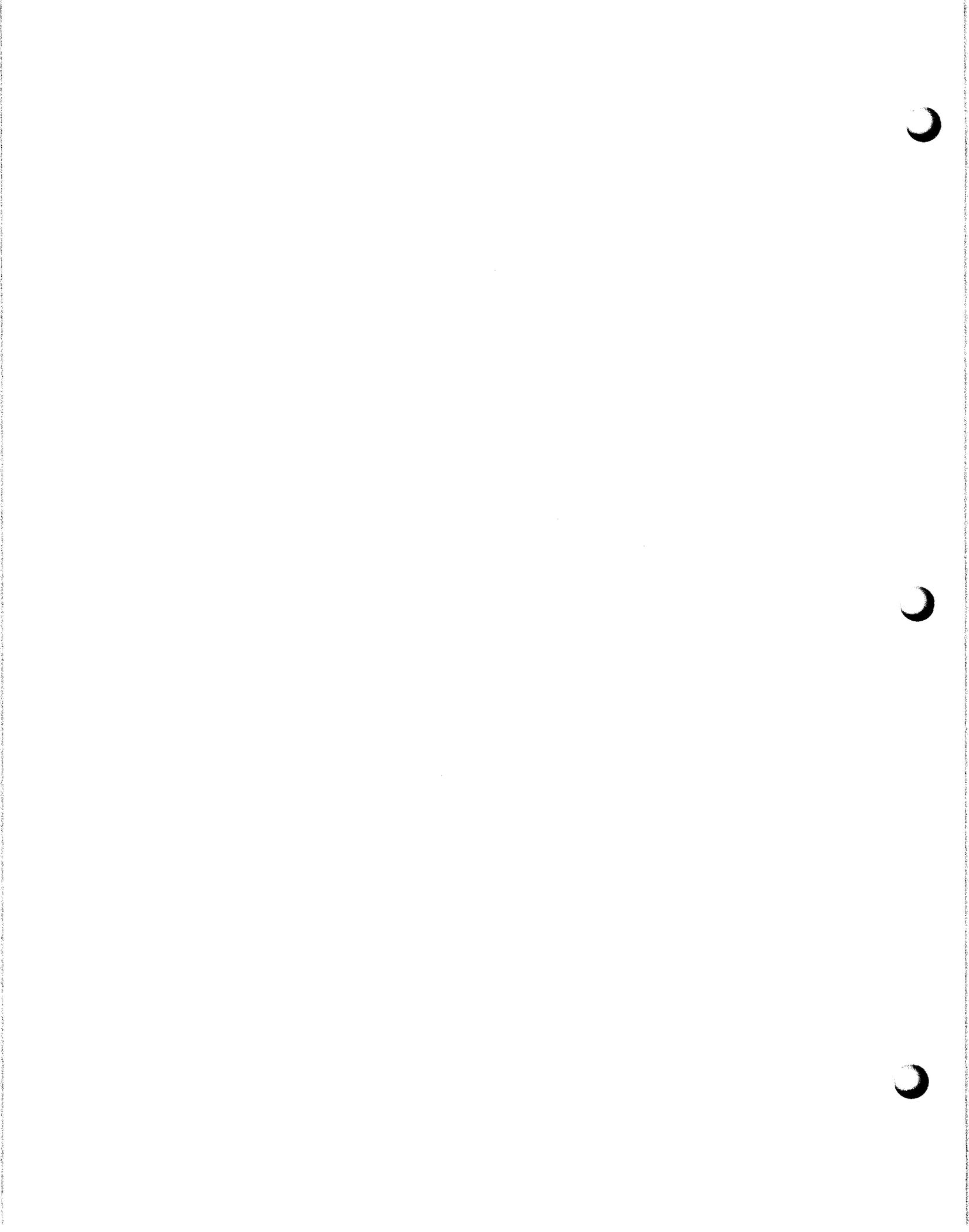
Leonard Schneider, City Attorney

**Budget Amendment FY 15-16 and CIP Budget
January 19, 2016**

Exhibit A

Increase: H/MTax Tourism & VC Fund - Transfer to CIP	\$ 200,528
Increase: General CIP - Transfer to General Fund	\$ 182,220

Explanation: It was determined that a significant portion of the funding for the Wayfinding Signage Project could be funded with Hotel/Motel Tax funds. Both the Hotel/Motel Tax Committee and the Finance Committee were given presentations about the use of Hotel/Motel Tax funds for use on the project and there were no objections. As such this budget amendment transfers \$200,528 of HOT funds to the Project and returns \$182,220 of monies originally coming from the General Fund to the General Fund leaving a \$248,850 balance available for the project. The bid cost to complete the project including \$11,850 of "TXDOT Contingency" is \$248,850.



ORDINANCE 2016-09

A ORDINANCE OF THE CITY COUNCIL OF HUNTSVILLE, TEXAS, AUTHORIZING PARTICIPATION WITH OTHER ENTERGY SERVICE AREA CITIES IN MATTERS CONCERNING ENTERGY TEXAS, INC. AT THE PUBLIC UTILITY COMMISSION OF TEXAS AND THE FEDERAL ENERGY REGULATORY COMMISSION IN 2016

WHEREAS, Entergy Texas, Inc.'s ("ETI") implementation of customer choice has ceased due to Senate Bill 1492 and ETI will continue to be regulated under traditional cost-of-service regulation;

WHEREAS, changes to the Public Utility Regulatory Act addressing rates and rate proceedings will have a direct impact on ETI and customer bills during 2016 and into the future;

WHEREAS, ETI is scheduled to litigate requests in various proceedings before the Public Utility Commission of Texas, before municipalities, or before the Federal Energy Regulatory Commission in 2016 related to ETI's continued integration with the Midwest Independent System Operator ("MISO"), ETI's continuing efforts to exit the Entergy System Agreement (which exit has now been approved by all retail regulatory authorities and the FERC) to be effective August 31, 2016, various fuel cost refunds or surcharges and reconciliations, capacity cost surcharges and reconciliations; and for any type of base rate proceedings (such as a new base rate increase request, transmission cost recovery rider, a distribution cost recovery rider, energy efficiency cost recovery factor, hurricane restoration cost or offset true-ups, or a purchased power capacity cost recovery rider) or cost adjustments;

WHEREAS, ETI is scheduled to file fuel factor proceedings at the Public Utility Commission in February and August 2016, and file other fuel proceedings during 2016 to reconcile fuel, to refund or surcharge fuel charges, and to change the fuel mechanism, along with various surcharge requests impacting rates;

WHEREAS, ETI is expected to file a proceeding for a rate change and fuel change during 2016 to recover costs associated with new capacity purchases;

WHEREAS, ETI is scheduled to file a proceeding to recover costs incurred in association with its Energy Efficiency Plan as well as reconcile past costs;

WHEREAS, Cities have the statutory right to set fair and reasonable rates for both the Company and customers within Cities;

WHEREAS, Cities have exclusive original jurisdiction over rates, operations, and services of an electric utility in areas in the municipality pursuant to *Tex. Util. Code* § 33.001;

WHEREAS, Cities have standing in each case before the Public Utility Commission of Texas that relates to an electric utility providing service in the municipality pursuant to *Tex. Util. Code* § 33.025, and standing before each Federal Energy Regulatory Commission case in which the City may be affected pursuant to 18 *C.F.R.* § 385.214;

WHEREAS, Cities are entitled to reimbursement by the utility of their reasonable rate case expenses to participate in cases that are deemed rate proceedings pursuant to *Tex. Util. Code* § 33.023.

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

SECTION 1. The City of Huntsville shall participate with other Cities to intervene in ETI's various rate filings related to the various fuel cost surcharges and reconciliations, capacity cost surcharges and reconciliations, the allocation and refund of rough production cost equalization payments, any interim or incremental surcharge proceedings or surcharge adjustments, and for any base rate adjustment proceedings or cost of service adjustments on file with the Public Utility Commission of Texas or with municipalities in 2016 and seek appropriate regulatory scrutiny in any case on file at the Federal Energy Regulatory Commission affecting the City and its residents.

The City of Huntsville shall participate with other Cities to intervene in fuel or fuel related proceedings at the Public Utility Commission and the Federal Energy Regulatory Commission on file in 2016 concerning ETI's rates charged to Texas customers.

All such actions shall be taken pursuant to the direction of the Cities' Steering Committee. Cities' Steering Committee shall have authority to retain rate consultants and lawyers. Cities' Steering Committee shall direct the actions of Cities' representatives in the above proceedings. The Steering Committee is directed to obtain reimbursement from ETI of all reasonable expenses associated with participation in said proceedings.

SECTION 2. This Ordinance shall be effective from and after the date of its passage.

PASSED AND ADOPTED by _____ vote of the City Council of the City of Huntsville, Texas, this _____ day of _____, 2016.

THE CITY OF HUNTSVILLE, TEXAS

Andy Brauninger, Mayor

ATTEST:

APPROVED AS TO FORM:

Lee Woodward, City Secretary

Leonard Schneider, City Attorney