



**REGULAR MEETING OF THE CITY COUNCIL  
COUNCIL CHAMBERS    FEBRUARY 16, 2016    1:30 P.M.**

**CONSENT AGENDA**

- \* Approval of minutes – February 9, 2016
- \* Confirmation of committee appointments
- A) Approve the award of two one-year contracts for the purchase of Police uniforms from Miller Uniform Company of Austin and Galls, Inc., of Lexington, Kentucky
- B) Authorize the City Manager to apply for and receive funding through the Department of Homeland Security Grant Program
- C) Authorize the claim settlement of Shannon Pankow: EEOC Charge No. 460-2014-03866C

# BEAUMONT

— T E X A S —

**TO:** City Council

**FROM:** Kyle Hayes, City Manager

**PREPARED BY:** Laura Clark, Chief Financial Officer 

**MEETING DATE:** February 16, 2016

**REQUESTED ACTION:** Council consider a resolution approving the award of two (2) one (1) year contracts for the purchase of Police uniforms from Miller Uniform Company of Austin and Galls, Inc., of Lexington, Kentucky, in the total estimated amount of \$64,900.

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**BACKGROUND**

Bids were received from three (3) vendors for an annual contract to supply the issued uniform requirements for the Police Department.

Specifications required vendors to submit bids in three areas of use, standard issue Police uniforms consisting of long and short sleeve shirts and pants, together with uniforms for use by Animal Services, and specialty uniform components used by SWAT, Traffic, and other specialized police units.

The Administration recommends award of one (1) year contracts to the following vendors in the estimated amounts indicated: Miller Uniform Company, of Austin, \$37,660.00; and Galls LLC, of Lexington Kentucky, \$27,240.00.

**FUNDING SOURCE**

General Fund.

**RECOMMENDATION**

Approval of the resolution.

RESOLUTION NO.

WHEREAS, bids were received for an annual contract for the purchase of Police uniforms; and,

WHEREAS, Miller Uniform Company, of Austin, Texas, submitted a bid in the unit amounts shown on Exhibit "A," attached hereto and made a part hereof for all purposes, for the estimated amount of \$37,660.00; and,

WHEREAS, Galls, LLC., of Lexington, Kentucky, submitted a bid in the unit amounts shown on Exhibit "A," attached hereto and made a part hereof for all purposes, for the estimated amount of \$27,240.00; and,

WHEREAS, City Council is of the opinion that the bids submitted by Miller Uniform Company, of Austin, Texas, and Galls, LLC., of Lexington, Kentucky, in the estimated total amount of \$64,900.00 should be accepted;

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

THAT the statements and findings set out in the preamble to this resolution are hereby, in all things, approved and adopted; and,

THAT the bid submitted by Miller Uniform Company, of Austin, Texas, in the unit amounts shown on Exhibit "A," attached hereto and made a part hereof for all purposes, for an annual contract in the estimated amount of \$37,660.00 for the purchase of Police uniforms be accepted by the City of Beaumont; and,

BE IT FURTHER RESOLVED THAT the bid submitted by Galls, LLC., of Lexington, Kentucky, in the unit amounts shown on Exhibit "A," attached hereto and made a part hereof for all purposes, for an annual contract in the estimated amount of

\$27,240.00 for the Purchase of Police uniforms be accepted by the City of Beaumont;  
and,

BE IT ALSO RESOLVED THAT the City Manager be and he is hereby authorized to execute a one (1) year contract with Miller Uniform Company, of Austin, Texas, and Galls, LLC, of Lexington, Kentucky, for an estimated total amount of \$64,900.00, for the purposes described herein.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 16th day of February, 2016.

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- Mayor Becky Ames -



CITY OF BEAUMONT, BEAUMONT, TEXAS  
PURCHASING DIVISION BID TABULATION

Bid Name: ANNUAL CONTRACT FOR POLICE UNIFORMS

Bid Number: BF1116-13

Bid Opening: Thursday, January 28, 2016

Contact Person: Robert (Bob) Hollar, Buyer II

rhollar-ci.beaumont.tx.us

Phone: 409-880-3758

SECTION 1 - STANDARD UNIFORM GEAR

Vendor City / State			MILLER UNIFORM AUSTIN		CODE BLUE BEAUMONT		GALLS LLC LEXINGTON KY		RED THE UNIFORM TAYLOR LAKEWOOD NJ	
ITEM	PART NUMBER	QTY	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price
MENS L /S SHIRT	BLAUER 8600Z	50	\$45.50	\$2,275.00	NO BID		NO BID		\$49.75	\$2,487.50
MENS S /S SHIRT	BLAUER 8610Z	75	\$40.50	\$3,037.50	NO BID		NO BID		\$45.35	\$3,401.25
WOMENS L /S SHIRT	BLAUER 8600WZ	12	\$45.50	\$546.00	NO BID		NO BID		\$49.75	\$597.00
WOMENS S /S SHIRT	BLAUER 8610WZ	40	\$40.50	\$1,620.00	NO BID		NO BID		\$45.35	\$1,814.00
MEN'S SUPERSHIRT L/S	BLAUER 8670	5	\$52.50	\$262.50	NO BID		NO BID		\$58.25	\$291.25
MEN'S SUPERSHIRT S/S	BLAUER 8675	10	\$49.45	\$494.50	NO BID		NO BID		\$54.05	\$540.50
WOMENS SUPERSHIRT LS	BLAUER 8670W	5	\$54.50	\$272.50	NO BID		NO BID		\$58.25	\$291.25
WOMENS SUPERSHIRT SS	BLAUER 8675W	10	\$49.95	\$499.50	NO BID		NO BID		\$54.05	\$540.50
MENS TROUSERS	BLAUER 8650	125	\$52.00	\$6,500.00	NO BID		NO BID		\$54.50	\$6,812.50
WOMEN'S TROUSERS	BLAUER 8650W	40	\$52.00	\$2,080.00	NO BID		NO BID		\$54.50	\$2,180.00
MENS L /S SHIRT	ELBECO Z314	25	NO BID		\$58.00	\$1,450.00	\$43.00	\$1,075.00	NO BID	
MENS S /S SHIRT	ELBECO Z3314	50	NO BID		\$58.00	\$2,900.00	\$42.00	\$2,100.00	NO BID	
WOMENS L /S SHIRT	ELBECO Z9314	40	NO BID		\$52.00	\$2,080.00	\$43.00	\$1,720.00	NO BID	
WOMENS S /S SHIRT	ELBECO Z9814	40	NO BID		\$56.00	\$2,240.00	\$42.00	\$1,680.00	NO BID	
MEN'S TROUSER	ELBECO E314	40	NO BID		\$56.00	\$2,240.00	\$42.50	\$1,700.00	NO BID	
WOMENS TROUSER	ELBECO E9314	60	NO BID		\$56.00	\$3,360.00	\$42.50	\$2,550.00	NO BID	
MENS L /S SHIRT	SPIEWAK SPDU15Z-011	40	NO BID		\$68.00	\$2,720.00	\$76.00	\$3,040.00	\$49.95	\$1,998.00
MENS S /S SHIRT	SPIEWAK SPDU10Z-011	50	NO BID		\$64.00	\$3,200.00	\$66.00	\$3,300.00	\$49.75	\$2,487.50
WOMENS L /S SHIRT	SPIEWAK SPDU16Z-011	20	NO BID		\$68.00	\$1,360.00	\$76.00	\$1,520.00	\$49.75	\$995.00
WOMENS S /S SHIRT	SPIEWAK SPDU11Z-011	40	NO BID		\$64.00	\$2,560.00	\$66.00	\$2,640.00	\$49.75	\$1,990.00
CARGO PERFORMANCE DUTY TROUSER	SPIEWAK SPDU20-011	50	NO BID		\$69.00	\$3,450.00	\$75.00	\$3,750.00	\$49.75	\$2,487.50
MIDWAY DRESS CAP	134-MF	25	\$55.00	\$1,375.00	\$50.00	\$1,250.00	\$55.00	\$1,375.00	\$49.75	\$1,243.75
MIDWAY CAP COVERS	269	25	\$05.95	\$148.75	\$6.00	\$150.00	\$4.00	\$100.00	\$49.75	\$1,243.75
<b>TOTAL STANDARD GEAR - SECTION 1</b>			<b>\$19,111.25</b>		<b>\$28,960.00</b>		<b>\$26,550.00</b>		<b>\$31,401.25</b>	

SECTION 2 - ANIMAL SERVICE UNIFORMS

ITEM	PART NUMBER	QTY	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price
STREET GEAR CARGO PANTS	BLAUER 8810X	10	\$68.50	\$685.00	NO BID		NO BID		\$69.85	\$698.50
STREETGEAR SHIRTS S/S	BLAUER 8713	20	\$61.50	\$1,230.00	NO BID		NO BID		\$64.55	\$1,291.00
STREETGEAR SHIRTS L/S	BLAUER 8703X	10	\$72.50	\$725.00	NO BID		NO BID		\$74.60	\$746.00
<b>TOTAL ANIMAL SERVICES - SECTION 2</b>			<b>\$2,640.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$2,735.50</b>	

EXHIBIT "A"

**SECTION 3 - SPECIALTY UNIFORMS**

ITEM	PART NUMBER	QTY	Unit Price	Extended Price						
STREETGEAR CARBO PANT	BLAUER 8810X	10	\$68.50	\$685.00	NO BID		NO BID		\$69.85	\$698.50
STREETGEAR SHIRT L/S	BLAUER 8713	10	\$61.50	\$615.00	NO BID		NO BID		\$64.55	\$645.50
STREETGEAR SHIRT S/S	BLAUER 8703X	10	\$72.50	\$725.00	NO BID		NO BID		\$74.60	\$746.00
RAIN COAT HI VIS YELLOW	BLAUER 26990	15	\$126.50	\$1,897.50	NO BID		NO BID		\$139.00	\$2,085.00
RAIN JACKET HI VIS YELLOW	BLAUER 26991	15	\$118.50	\$1,777.50	NO BID		NO BID		\$125.25	\$1,878.75
RAIN HOOD	BLAUER 123	15	\$10.75	\$161.25	NO BID		NO BID		\$11.80	\$177.00
RAIN PANT	BLAUER 134-1	15	\$74.50	\$1,117.50	NO BID		NO BID		\$78.80	\$1,182.00
TRAFFIC VEST HI VIS YELLOW	BLAUER 343	20	\$52.50	\$1,050.00	NO BID		NO BID		\$63.75	\$1,275.00
STETCH BIKE SHORTS	BLAUER 8842	10	\$69.50	\$695.00	NO BID		NO BID		\$73.10	\$731.00
SUPERLIGHT PATROL SHELL	BLAUER 9815-60	20	\$287.00	\$5,740.00	NO BID		NO BID		\$292.20	\$5,844.00
HOOD	BLAUER 9815	20	\$27.50	\$550.00	NO BID		NO BID		\$29.70	\$594.00
BICYCE PANT	BLAUER 8822Z	10	\$89.50	\$895.00	NO BID		NO BID		\$90.85	\$908.50
PERFORMANCE POLO SHIRT	ELBECO 5713	10	NO BID		NO BID		\$69.00	\$690.00	NO BID	
<b>TOTAL ANIMAL SERVICES - SECTION 2</b>				<b>\$15,908.75</b>		<b>\$0.00</b>		<b>\$690.00</b>		<b>\$16,765.25</b>
<b>TOTAL BID</b>				<b>\$37,660.00</b>		<b>\$28,960.00</b>		<b>\$27,240.00</b>		<b>\$50,902.00</b>

# BEAUMONT

— T E X A S —

**TO:** City Council

**FROM:** Kyle Hayes, City Manager

**PREPARED BY:** Laura Clark, Chief Financial Officer 

**MEETING DATE:** February 16, 2016

**REQUESTED ACTION:** Council consider a resolution authorizing the City Manager to apply for and receive funding in an amount up to \$143,154 through the Department of Homeland Security Grant Program (HSGP).

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## **BACKGROUND**

The Homeland Security Grant Program consists of a number of grant programs, one of which is the State Homeland Security Program (SHSP). Beaumont could be awarded up to \$143,154 for equipment. Grant requirements include separating the equipment into specified projects based on anticipated allocation and use. Projects include: 1) LETPA (Law Enforcement Terrorist Prevention Activities) Interoperable Communications Project for replacement of 26 obsolete tactical communication headsets, two 800, one UHF and one VHF radio consolettes, and a tactical communication phone device totaling \$80,532; 2) LETPA Information Sharing Project to replace 17 antiquated laptops for emergency operations support totaling \$22,270; 3) LETPA Sustaining Special Response Teams Project to purchase 22 modular load bearing vest covers and 25 sets of tactical protective padding gear for tactical operations totaling \$10,552; and, 4) SHSP Sustaining Special Response Teams Project for updated software for Hazmat and Ambulance response teams to include critical updates to Area Rae and Hazmat ID 360 software, replacement of six obsolete dosimeters for measuring radiation, and purchase fourteen carbon monoxide monitors totaling \$29,800.

## **FUNDING SOURCE**

No local match is required.

## **RECOMMENDATION**

Approval of the resolution.

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE  
CITY OF BEAUMONT:

THAT the City Manager be and he is hereby authorized to apply for and receive funding in an amount up to \$143,154 from the Department of Homeland Security Grant Program (HSGP) through the Office of the Governor, Homeland Security Grant Division for fiscal year 2016 for the purchase of twenty-six (26) tactical communication headsets, four (4) radio consolleletes, and one (1) tactical communication phone device for the LETPA (Law Enforcement Terrorist Prevention Activities) Interoperable Communications Project; seventeen (17) laptops for the LETPA Information Sharing Project; twenty-two (22) modular load bearing vest covers and twenty-five (25) sets of tactical protective padding gear for the LETPA Sustaining Special Response Teams Project; and, updated software for hazmat and ambulance response teams, six (6) dosimeters for measuring radiation, and fourteen (14) carbon monoxide monitors for the SHSP Sustaining Special Response Teams Project for use by the Police Department; and,

BE IT FURTHER RESOLVED THAT in the event of loss or misuse of the 2016 Homeland Security Grant Program funds, the City of Beaumont assures that funds will be returned in full to the Office of the Governor, Homeland Security Grant Division; and,

BE IT ALSO RESOLVED THAT the City Manager, Kyle Hayes, be and he is hereby designated as the authorized official to execute all documents necessary to apply for and accept grant funding from the Department of Homeland Security Grant Program (HSGP) through the Office of the Governor, Homeland Security Grant Division in the amount up to \$143,154 for the purposes described herein.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 16th day of  
February, 2016.

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- Mayor Becky Ames -

# BEAUMONT

— T E X A S —

**TO:** City Council

**FROM:** Kyle Hayes, City Manager

**PREPARED BY:** Tyrone E. Cooper, City Attorney

**MEETING DATE:** February 16, 2016

**REQUESTED ACTION:** Council consider a resolution authorizing the claim settlement of Shannon Pankow; EEOC Charge No. 460-2014-03866C.

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**BACKGROUND**

The claim of Shannon Pankow, EEOC Charge No. 460-2014-03866C, was presented and discussed in Executive Session held on January 2, 2016. The City Attorney is requesting authority to settle this claim in the amount of \$5,000.00.

**FUNDING SOURCE**

General Liability Fund.

**RECOMMENDATION**

Approval of resolution.

RESOLUTION NO.

WHEREAS, the claim of Shannon Pankow, EEOC Charge No. 460-2014-03866C, was discussed in Executive Session properly called and held Tuesday, January 2, 2016; and,

WHEREAS, the City Attorney is requesting authority to settle this claim;

NOW, THEREFORE, BE IT RESOLVED BY THE

CITY COUNCIL OF THE CITY OF BEAUMONT:

THAT the statements and findings set out in the preamble to this resolution are hereby, in all things, approved and adopted; and,

THAT the City Attorney be, and he is hereby, authorized to settle the claim of Shannon Pankow, EEOC Charge No. 460-2014-03866C, for the sum of Five Thousand and 00/100 Dollars (\$5,000.00); and,

BE IT FURTHER RESOLVED THAT the City Manager be and he is hereby authorized to execute all documents related to settlement of the claim.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 16th day of February, 2016.

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- Mayor Becky Ames -

# BEAUMONT

TEXAS

## REGULAR MEETING OF THE CITY COUNCIL COUNCIL CHAMBERS      FEBRUARY 16, 2016      1:30 P.M.

### AGENDA

#### CALL TO ORDER

- \* Invocation                      Pledge                      Roll Call
- \* Presentations and Recognition
- \* Public Comment: Persons may speak on scheduled agenda items 1-3/Consent Agenda
- \* Consent Agenda

#### GENERAL BUSINESS

1. Consider a resolution authorizing the award of a bid to A-1 Construction Services of Houston for the Edson Drive Surface Rehabilitation Project from Gladys Avenue to Delaware Street
2. Consider a resolution authorizing the repair of three Gradall units by Asco, Inc. of Beaumont for use in the Streets and Drainage Division
3. Consider authorizing the City Manager to execute an Industrial District Contract with Total Petrochemical & Refining USA, Inc.

#### WORK SESSION

- \* Review and discuss Low Income Housing Tax Credit applications related to proposed projects within the City of Beaumont or the City's Extraterritorial Jurisdiction (ETJ)

#### COMMENTS

- \* Councilmembers/City Manager comment on various matters
- \* Public Comment (Persons are limited to 3 minutes)

**EXECUTIVE SESSION**

- \* Consider matters related to appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee in accordance with Section 551.074 of the Government Code to wit:

Personnel Matters, specifically Tyrone Cooper

Personnel Matters, specifically Quentin Price

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact Mitchell Normand at 880-3777 three days prior to the meeting.

**February 16, 2016**

Consider a resolution authorizing the award of a bid to A-1 Construction Services of Houston for the Edson Drive Surface Rehabilitation Project from Gladys Avenue to Delaware Street

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# BEAUMONT

TEXAS

**TO:** City Council

**FROM:** Kyle Hayes, City Manager

**PREPARED BY:** Dr. Joseph Majdalani, P.E., Public Works Director

**MEETING DATE:** February 16, 2016

**REQUESTED ACTION:** Council consider a resolution authorizing the award of a bid to A-1 Construction Services of Houston, Texas in the amount of \$366,237.88 for the Edson Drive Surface Rehabilitation Project from Gladys Avenue to Delaware Street.

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## BACKGROUND

The section of Edson Drive from Gladys Avenue to Delaware Street is a heavily traveled, two (2) lane roadway that has experienced numerous failures and, after continual repair efforts, now requires resurfacing to extend the life of the roadway.

On Thursday, February 4, 2016, bids were solicited for furnishing all labor, materials, equipment and supplies for the project. Three (3) bids were received as follows:

Contractor	Location	Bid
A-1 Construction Services	Houston, Texas	\$366,237.88
LD Construction	Beaumont, Texas	\$369,397.90
APAC	Beaumont, Texas	\$433,215.84

A total of 90 calendar days are allocated for the completion of the project. A-1 Construction Services is not a Certified MBE/HUB company.

## FUNDING SOURCE

Capital Program – Street Rehabilitation Program.

## RECOMMENDATION

Approval of resolution.

SECTION 0210  
 BID TAB  
 PW0116-04

FOR: EDSON DRIVE SURFACE REHABILITATION PROJECT  
 (GLADYS AVENUE TO DELAWARE STREET)  
 CITY OF BEAUMONT, TEXAS

ITEM NO.	ITEM CODE	DESCRIPTION	ESTIMATED QUANTITY	UNIT	A1 CONSTRUCTION SERVICES		LD CONSTRUCTION		APAC	
					UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
204	2003	SPRINKLING (DUST CONTROL )	20	MG	\$ 100.00	\$ 2,000.00	\$ 100.00	\$ 2,000.00	\$ 75.00	\$ 1,500.00
340	2001	DENSE GRADED HOT MIX ASPHALT (1-1/2" )(TYPE D)	13,698.50	SY	\$ 9.00	\$ 123,286.50	\$ 8.00	\$ 109,588.00	\$ 9.60	\$ 131,505.60
340	2002	DENSE GRADED HOT MIX ASPHALT (1" )(TYPE F)	777.95	TON	\$ 100.00	\$ 77,795.00	\$ 90.00	\$ 70,015.50	\$ 120.00	\$ 93,354.00
354	2021	PLANNING AND TEXTURING PAVEMENT (1"-3")	12,268.10	SY	\$ 3.75	\$ 46,005.38	\$ 4.00	\$ 49,072.40	\$ 4.40	\$ 53,979.64
361	2001	FULL-DEPTH REPAIR OF CONC PAV (ASB) ESTIMATED	525.00	SY	\$ 130.00	\$ 68,250.00	\$ 175.00	\$ 91,875.00	\$ 190.00	\$ 99,750.00
500	2001	MOBILIZATION	1	LS	\$ 35,000.00	\$ 35,000.00	\$ 20,000.00	\$ 20,000.00	\$ 25,000.00	\$ 25,000.00
502	2001	BARRICADES, SIGNS, AND TRAFFIC HANDLING	3	MON	\$ 1.00	\$ 3.00	\$ 2,000.00	\$ 6,000.00	\$ 1,500.00	\$ 4,500.00
712	2001	CLEANING AND SEALING JOINTS AND CRACKS (ASPH CONC)	13,898.00	~LF	\$ 1.00	\$ 13,898.00	\$ 1.50	\$ 20,847.00	\$ 1.70	\$ 23,626.60
<b>TOTAL CONTRACT BID</b>					\$	<b>366,237.88</b>	\$	<b>369,397.90</b>	\$	<b>433,215.84</b>

RESOLUTION NO.

WHEREAS, bids were solicited for a contract for the Edson Drive Rehabilitation Project to include all labor, materials, equipment and supplies to provide an asphalt overlay of Edson Drive from Gladys Avenue to Delaware Street; and,

WHEREAS, A-1 Construction Services, of Houston, Texas, submitted a bid in the amount of \$366,237.88; and,

WHEREAS, City Council is of the opinion that the bid submitted by A-1 Construction Services, of Houston, Texas, should be accepted;

NOW, THEREFORE, BE IT RESOLVED BY THE

CITY COUNCIL OF THE CITY OF BEAUMONT:

THAT the statements and findings set out in the preamble to this resolution are hereby, in all things, approved and adopted; and,

THAT the bid submitted by A-1 Construction Services, of Houston, Texas, in the amount of \$366,237.88 for a contract for the Edson Drive Surface Rehabilitation Project from Gladys Avenue to Delaware Street be accepted by the City of Beaumont; and,

BE IT FURTHER RESOLVED THAT the City Manager be and he is hereby authorized to execute a contract with A-1 Construction Services, of Houston, Texas, for the purposes described herein.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 16th day of February, 2016.

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- Mayor Becky Ames -

**February 16, 2016**

Consider a resolution authorizing the repair of three Gradall units by Asco, Inc. of Beaumont for use in the Streets and Drainage Division

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# BEAUMONT

TEXAS

**TO:** City Council

**FROM:** Kyle Hayes, City Manager

**PREPARED BY:** Laura Clark, Chief Financial Officer 

**MEETING DATE:** February 16, 2016

**REQUESTED ACTION:** Council consider a resolution authorizing the repair of three (3) Gradall units by Asco, Inc. of Beaumont in an amount not to exceed \$211,600.

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## BACKGROUND

Gradall units 5142, 5152 & 5158 have been plagued by hydraulic and electrical issues. They are continually needing repairs due to the rugged conditions in which they operate. It has been determined that refurbishing these units is more cost effective than purchasing new units. The units will be re-hosed and re-harnessed by ASCO of Beaumont. In addition any repairs found during the overhaul will be addressed as well. This refurbishment will increase the productivity of the equipment reducing downtime and maintenance repairs.

ASCO is a sole source vendor, as Gradall is a unique piece of equipment. Below are the estimates for each unit and because there is a high probability of additional needed repairs being identified during the refurbishment there is a 15% allowance.

Unit	Year	Make	Model	Hours	Estimate (+15% allowance)
5142	2001	Gradall	XL3100	26,460	\$65,000.00
5152	2005	Gradall	XL3100	27,740	\$65,000.00
5158	2007	Gradall	XL3100	26,345	\$54,000.00

## FUNDING SOURCE

Fleet Management Fund.

## RECOMMENDATION

Approval of the resolution.

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE  
CITY OF BEAUMONT:

THAT the City Council hereby approves the repair of three (3) Gradall units (5142, 5152, and 5158) by Asco, Inc., of Beaumont, Texas, the sole source vendor, in an amount not to exceed \$211,600.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 16th day of February, 2016.

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- Mayor Becky Ames -

February 16, 2016

Consider authorizing the City Manager to execute an Industrial District Contract with Total Petrochemical & Refining USA, Inc.

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# BEAUMONT

— T E X A S —

**TO:** City Council

**FROM:** Kyle Hayes, City Manager

**PREPARED BY:** Laura Clark, Chief Financial Officer 

**MEETING DATE:** February 16, 2016

**REQUESTED ACTION:** Council consider authorizing the City Manager to execute an Industrial District Contract with Total Petrochemical & Refining USA, Inc.

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## **BACKGROUND**

Industrial District Contracts enable the City to collect payments in lieu of taxes from industries located outside the city limits but within the extra territorial jurisdiction of the city.

The City's contract with Cray Valley expired December 31, 2015. Since the prior contract Total Petrochemicals and Refining USA, Inc., purchased this Cray Valley location. The new contract is effective January 1, 2016. The in-lieu of tax payment will be based on a ratio of 80% of property taxes due to the City as if the industry were located within the city limits in 2016 through 2018 and 75% of property taxes due to the City in 2019 through 2022. The 2016 payment will be calculated based on 80% of the assessed value multiplied by the tax rate effective on October 1, 2015 or \$0.69 per \$100 of assessed valuation. The 2016 payment will be due March 1, 2016 this year and future payments will be due to the City by February 1<sup>st</sup> of each year.

A copy of the agreement is attached for your review.

## **FUNDING SOURCE**

The estimated FY 2016 payment is \$101,900.

## **RECOMMENDATION**

Approval of the resolution.

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Manager be and he is hereby authorized to execute an Industrial District Agreement with Total Petrochemical & Refining USA, Inc. The agreement is substantially in the form attached hereto as Exhibit "A" and made a part hereof for all purposes.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 16th day of February, 2016.

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- Mayor Becky Ames -

THE STATE OF TEXAS §

COUNTY OF JEFFERSON §

AGREEMENT

This Agreement is made under the authority of Section 42.044 of the Texas Local Government Code.

The parties to this Agreement are The City of Beaumont, a municipal corporation and a home-rule city located in Jefferson County, Texas, hereinafter called "CITY," and Total Petrochemical & Refining USA, Inc., its parent, subsidiaries and affiliates, hereinafter called "COMPANY."

PREAMBLE

WHEREAS, Company owns land and improvements which are a part of the manufacturing, industrial, and refining facilities of said Company. The City has established an industrial district comprising a certain part of the extra-territorial jurisdiction of the City, such industrial district being known as the City of Beaumont Industrial District.

WHEREAS, the Company recognizes the benefits of this Agreement and an obligation to contribute to the revenue needs of said City in an amount commensurate with the burdens placed upon the City and benefits derived by the Company by reason of being located immediately adjacent to said City.

WHEREAS, the Company and the City desire to base the industrial district payment on Assessed Value (defined below) to ensure equity among the companies.

In view of the above and foregoing reasons, and in consideration of the mutual agreements herein contained, Company and City hereby agree as follows:

ARTICLE I

COMPANY'S OBLIGATION

Annual Payment on Company's Property

1. Commencing with the calendar year 2016 and each calendar year thereafter for the duration of this Agreement, the Company will pay the City a certain sum which will be computed on the Assessed Value (defined below) of the Company's facilities and property, real, personal, and mixed located on Company's land covered by this Agreement as described in Article II (herein "the Properties").

2. By the term "Assessed Value" is meant the 100% valuation of the Company's Properties, as determined by the Jefferson County Appraisal District for the previous tax year.

3. The term "Assumed City Taxes Due" shall be calculated by the following formula:

Assumed City Taxes Due:

$\text{Assessed Value of the Properties} / 100 \times \text{Current City Tax Rate} = \text{Assumed City Tax Due}$
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4. Payment Procedures

The procedures for determining and making such payments shall be as follows:

(a) The payment for 2016 shall be due and payable on or before February 1, 2016, and calculated as follows:

Assumed City Taxes Due:

Assessed Value of the Properties / 100 X Current City Tax Rate = Assumed City Tax Due

Year 1 80% of Assumed City Taxes Due = 2016 Payment

Each October thereafter, the Chief Financial Officer shall obtain the most recent Assessed Value as set by the Jefferson County Appraisal District for the Company's Properties, real, personal and mixed, having taxable situs within the areas described in this Agreement; for example, in October, 2015, the 2016 Assessed Value shall be used in the calculation of the February 1, 2016 payment. The Assessed Value, less exclusions as described in Article IX, shall be used in the calculation of the payment.

If the Assessed Value for the period required are in question and/or under litigation with the Jefferson County Appraisal District, payment shall be computed on the most recent certified values from the Jefferson County Appraisal District. The Company shall notify the City following resolution of the appraised value question and an adjustment for the payment, without interest, will be made within thirty (30) days following such resolution.

(b) After the Assessed Value of the Company's Properties has been determined, the payments due hereunder shall be calculated in accordance with the following schedule:

- (i) The 2016 - 2018 payments shall be 80% of assumed City taxes due.
- (ii) The 2019 - 2022 payments shall be 75% of assumed City taxes due

(c) City hereby agrees to bill Company for its payments due hereunder on or before January 1 each year. Company shall pay to City the amount billed on or before February 1 each

year. Upon receiving the final payment, the Chief Financial Officer shall issue an official receipt of said City acknowledging full, timely, final and complete payment due by said Company to City for the property involved in this Agreement for the year in which such payment is made. If payment is not made on or before any due date, the same penalties, interest, attorneys' fees and costs of collection shall be recoverable by the City as would be collectible in the case of delinquent ad valorem taxes. Further, if payment is not timely made, all payments which otherwise would have been paid to the City had Company been in the City limits of City will be recaptured and paid to the City within 60 days of any such event.

## ARTICLE II

### PROPERTY COVERED BY AGREEMENT

This instrument will reflect the intention of the parties hereto that this instrument shall govern and affect the properties of Company (facilities, real, personal, and mixed) located on Company's real property as shown on the records of the Jefferson County Appraisal District which are within the extra-territorial jurisdiction of the City of Beaumont.

## ARTICLE III

### SALE BY COMPANY

Company shall notify City of any sale of any or all of Company's facilities to any person or entity. It is the intent of the parties that no sale of any of Company's facilities will affect the amount to be paid to the City as provided under this Agreement. Accordingly and as to payments due under this Agreement no such sale shall reduce the amount due the City under this Agreement until the purchaser of such facility has entered into a contract in lieu of taxes with the City that provides for a continuation of like payments to the City.

ARTICLE IV

CITY'S OBLIGATIONS

1. City agrees that it will not annex, attempt to annex or in any way cause or permit to be annexed any portion of the Properties or land covered by this Agreement for the period of this Agreement except as follows:

(a) If the City determines that annexation of all or any part of the Properties or land covered by this Agreement is reasonably necessary to promote and protect the general health, safety and welfare of persons residing within or adjacent to the City, the City will notify Company in accordance with State law of the proposed annexation. In the event of such annexation, Company will not be required to make further payment under this Agreement for any calendar year commencing after such annexation with respect to the property so annexed, but shall nevertheless be obligated to make full payment for the year during which such annexation becomes effective if the annexation becomes effective after January 1st of said year.

(b) In the event any municipality other than the City attempts to annex separately or in the event the creation of any new municipality shall be attempted so as to include within its limits all or any portion of the Properties or land covered by this Agreement, City shall, with the approval of Company, seek immediate legal relief against any such attempted annexation or incorporation and shall take such other legal steps as may be necessary or advisable under the circumstances with all cost of such action being borne equally by the City and by the said Company or companies with the Company's portion allocated on the basis of assessed values.

2. The City further agrees that during the term of this Agreement, there shall not be extended or enforced as to any land or property of Company within said City of Beaumont

Industrial District, any rules, regulations, or any other actions: (a) seeking in any way to control the platting and subdivisions of land, (b) prescribing any buildings, electrical, plumbing or inspection standards or equipment, or (c) attempting to regulate or control in any way the conduct of Company's activities, facilities or personnel thereof.

3. It is understood and agreed that during the term of this Agreement or any renewals thereof, the City shall not be required to furnish any municipal services to Company's property located within the City of Beaumont Industrial District; provided, however, City agrees to furnish fire protection to Company should such protection be requested by Company in the event an unusual emergency situation occurs. The City will also provide police protection if called upon by the Jefferson County Sheriff's Department for assistance.

#### ARTICLE V

#### TERMINATION OF BREACH

It is agreed by the parties to this Agreement that only full, complete and faithful performance of the terms hereof shall satisfy the rights and obligations assumed by the parties and that, therefore, in addition to any action at law for damages which either party may have, Company shall be entitled to enjoin the enactment or enforcement of any ordinance or charter amendment in violation of, or in conflict with, the terms of this Agreement and shall be entitled to obtain such other equitable relief, including specific performance of this Agreement, as is necessary to enforce its rights. It is further agreed that should this Agreement be breached by Company, the City shall be entitled, in addition to any action at law for damages, to obtain specific performance of this Agreement and such other equitable relief necessary to enforce its rights.

## ARTICLE VI

### AFFILIATES

The benefits accruing to Company under this Agreement shall also extend to Company's "parent," "affiliates" and to any properties owned or acquired by said parent and affiliates within the extraterritorial jurisdiction of the City, and where reference is made herein to land, property and improvements owned by Company that shall also include land, property and improvements owned by its parent and/or affiliates. The word "affiliate" as used herein shall mean any entity with respect to which Company directly or indirectly, through one or more intermediaries at the time in question, owns or has the power to exercise the control over fifty percent (50%) or more of the voting securities of such entity having the right to vote for the election of directors (or persons performing functions similar to members of the board of directors of a corporation). The word "parent" as used herein shall mean any entity which directly or indirectly, through one or more intermediaries at the time in question owns or has the power to exercise control over fifty percent (50%) or more of the voting securities having the right to vote for the election of directors of Company.

## ARTICLE VII

### TERM OF AGREEMENT

The term of this Agreement shall be for seven (7) years, commencing January 1, 2016, and ending on December 31, 2022.

## ARTICLE VIII

### NOTICES

Any notice provided for in this Agreement, or which may otherwise be required by law

shall be given in writing to the parties hereto by Certified Mail addressed as follows:

TO CITY

City Manager  
City of Beaumont  
801 Main  
Beaumont, Texas 77704

TO COMPANY

Plant Manager  
Total Petrochemicals & Refining USA, Inc.  
PO Box 20957  
Beaumont, TX77720-0957

ARTICLE IX

EXCLUSIONS

1. The governing body of the City of Beaumont will consider any requests for exclusions on a case-by-case basis.

ARTICLE X

CONTINUATION

If this Agreement shall be held invalid by any court of competent jurisdiction, such holding shall not affect the right of City to any payment made or accruing to City hereunder prior to such adjudication, and this provision is intended to be an independent and separable provision not to be affected by such adjudication.

IN WITNESS THEREOF, this Agreement, consisting of 9 pages, is executed in duplicate counterparts as of this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF BEAUMONT, TEXAS

By: \_\_\_\_\_  
Kyle Hayes  
City Manager

ATTEST:

\_\_\_\_\_  
Tina Broussard  
City Clerk

TOTAL PETROCHEMICALS & REFINING USA, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# **WORK SESSION**

- \* Review and discuss Low Income Housing Tax Credit applications related to proposed projects within the City of Beaumont or the City's Extraterritorial Jurisdiction (ETJ)