

HEWITT TEXAS

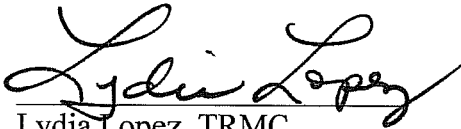
NOTICE OF MEETING OF THE GOVERNING BODY

Notice is hereby given that a **Workshop** meeting of the governing body of the City of Hewitt will be held on the **3rd day of November, 2014 at 5:30 PM in Hewitt City Hall, 105 Tampico Drive**, Hewitt, Texas, at which time the following subjects will be discussed:

1. Call meeting to order.
2. City Manager's update on municipal business:
 - a. Report from City Engineer including review and discussion of Capital Improvement Projects
 - b. Briefing and discussion concerning calculations of wastewater rates including a presentation by Dan Jackson with Economist.com
 - c. Informational briefing and discussion concerning proposed high density residential development for Senior Citizens and Veterans by Chris Applequist and Adrian Iglesias.
3. Review regular meeting agenda items.
4. Adjourn.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the City of Hewitt, Texas, was posted on the Public Notice Board located in front of City Hall at 4:00 AM PM on October 31, 2014.

CITY OF HEWITT



Lydia Lopez, TRMC
City Secretary

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, large print or Braille, are requested to contact the Hewitt City Secretary at (254) 666-6171 at least 24 hours prior to the meeting, so that appropriate arrangements can be made.

HEWITT TEXAS

NOTICE OF MEETING OF THE GOVERNING BODY

Notice is hereby given that a **Regular & Special Joint Workshop** meeting of the governing body of the City of Hewitt will be held on the **3rd day of November, 2014 at 7:00 PM in the City Council Room at Hewitt City Hall, 105 Tampico Drive**, Hewitt, Texas, at which time the following subjects will be discussed:

COUNCIL REGULAR MEETING

1. Call meeting to order.
2. Pledge of Allegiance to the U.S. Flag
3. Consider approval of minutes of the Council Workshop/Regular Meeting of October 6, 2014.
4. Hear visitors on matters pertaining to city business.
5. Consider a resolution authorizing a property tax abatement for Alliance Distributing for improvements located at 657 Alliance Parkway.
6. Adjourn

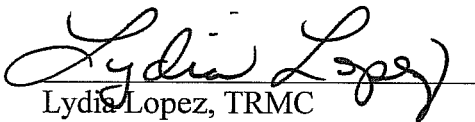
SPECIAL JOINT WORKSHOP

Notice is hereby given that a Special Joint Workshop meeting of the Hewitt City Council & Executive Committee of the Greater Hewitt Chamber of Commerce will be held immediately following the Regular meeting listed above.

1. Call meeting to order.
2. Discussion concerning the following topics:
 - a. Current City projects
 - b. Current direction of the Chamber and area partnerships
 - c. Use of City property by the Chamber
 - d. Future funding of the Publicity and Tourism Agreement
3. Adjourn

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the governing body of the City of Hewitt, Texas was posted on the Public Notice Board located in front of City Hall at 4:00 AM/PM on October 31, 2014.

CITY OF HEWITT


Lydia Lopez, TRMC
City Secretary

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, large print or Braille, are requested to contact the Hewitt City Secretary at (254) 666-6171 at least 24 hours prior to the meeting, so that appropriate arrangements can be made.



COUNCIL WORKSHOP AGENDA ITEM #1.a



CITY ENGINEER'S REPORT

October 31, 2014

Note: All schedules, dates and references to completion dates are approximate and subject to change.

I-35 Widening - Utility Adjustments:

Progress on the issue has been slow, however we have made a little head way. Some faulty equipment is thought to be found, and so they have ordered replacements. However, at this time we may still be a ways from getting this issue resolved but the proper bypass equipment is onsite to handle the flows at this time.

Water Utility Improvements:

Commerce Park Water Plant:

Elevated Storage Tank; The contractor is currently in the process of getting the shaft crew offsite and the steel erection crew onsite. This project is called to be completed on April 15, 2015.

Plant Contract; Plans are approx. 60% complete at this time, currently we are waiting on the electrical engineer to complete their portion so that I can finalize the civil portion. We are currently planning on having this project ready to receive bids by mid-January of 2015, so that as soon as the elevated contractor is finishing up the plant contractor can move onsite.

Piping; The plans for this project are approx. 90% complete. At this time we are finalizing one last easement then this project will be ready to receive bids.

Ritchie Road Plant and Well Electrical System Improvements:

We are currently waiting on getting the signed contract documents back; this should be within the next couple of days. As soon as they are received back we will call for a pre-construction meeting and issue a notice to proceed.

Patriot Court – Street, Drainage and Water/Sewer Utilities:

We are currently working on a final punch list for the project. We should be conducting a final walk through for this project shortly.

Street Micro-Slurry Seal:

In speaking with Viking's representative he believed that they would be in the area to begin work on this contract mid-November.

2014 Certificate of Obligation Projects

Old Temple Road Street Improvements:

Page 1 of 2

Duff Consulting Engineers, Inc.
Texas Registered Engineering Firm F-400

HEWITT TEXAS

CITY ENGINEER'S REPORT

October 31, 2014

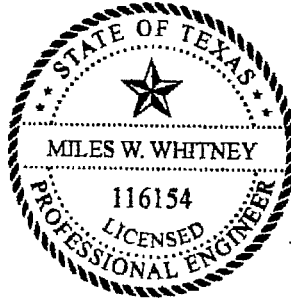
Topographic surveys have been received and preliminary work has begun on the project. We intend to have this project ready to receive bids by April of 2015 to that construction can begin as soon as school is released for the 2015 summer.

Panther Way Street Improvements:

Topographic surveys, in preparation for the development of detailed construction plans, have been ordered. We intend to have this project ready to receive bids by April of 2015 to that construction can begin as soon as school is released for the 2015 summer.

By:

 P.E.
Miles W. Whitney, P.E.





COUNCIL WORKSHOP AGENDA ITEM

MEETING DATE: November 3, 2014

AGENDA ITEM #: 1b

SUBMITTED BY: Adam Miles, City Manager

ITEM DESCRIPTION:

Briefing and discussion concerning calculation of wastewater rates.

STAFF RECOMMENDATION/ITEM SUMMARY:

As a follow up to previous discussions, Dan Jackson with Economists.com will be present to discuss two alternative wastewater rate structures at the meeting. The purpose of the briefing is to gather information concerning Hewitt's rate structure in the future. No action is needed at this time.

ATTACHMENTS:

None



COUNCIL WORKSHOP AGENDA ITEM

MEETING DATE: November 3, 2014

AGENDA ITEM #: 1c

SUBMITTED BY: Adam Miles, City Manager

ITEM DESCRIPTION:

Informational briefing and discussion concerning proposed high density residential development for Senior Citizens and Veterans by Chris Applequist and Adrian Iglesias.

STAFF RECOMMENDATION/ITEM SUMMARY:

Chris Applequist with Miller Valentine Group and Adrian Iglesias with Generation Housing Development have requested time to discuss a proposed high density housing development in Hewitt. Similar projects have been proposed in the past as part of the Federal Government's Low Income Housing Tax Credit (LIHTC) initiative. Because of our community amenities and other factors, Hewitt remains a desirable location for this type of proposed development. Mr. Applequist and Mr. Iglesias are proposing a similar development that would be exclusive to veterans and senior citizens.

ATTACHMENTS:

None



COUNCIL AGENDA ITEM FORM

MEETING DATE: November 3, 2014

AGENDA ITEM #: 3

SUBMITTED BY: Lydia Lopez, City Secretary

ITEM DESCRIPTION:

Consider approval of minutes of the Council Workshop/Meeting of October 6, 2014.

STAFF RECOMMENDATION/ITEM SUMMARY:

Attached is a draft copy of the meeting minutes. Please review and advise if any corrections are needed.

ATTACHMENTS:

Draft minutes

HEWITT TEXAS

MINUTES OF A CITY COUNCIL WORKSHOP/MEETING HEWITT CITY HALL – 105 TAMPICO DRIVE October 6, 2014 - 5:30/7:00 PM

Members Present: Mayor Wilbert “Walky” Wachtendorf (presiding), Mayor Pro Tem Ed Passalugo; Council Members Bill Fuller, James Vidrine, Travis Bailey, Alex Snider, and Ronnie McNiel

Staff Present: City Attorney Charlie Buenger, City Engineer Miles Whitney, City Manager Adam Miles, Assistant City Manager James Barton, Fire Chief Lance Bracco, Police Chief Jim Devlin, Deputy Police Chief Tuck Saunders, Library Director Waynette Ditto, HR/Civil Service Director Susana Garcia-Gilmore Finance Director Lee Garcia, Utilities Director James Black, and City Secretary Lydia Lopez

Workshop – 5:30 PM

1. Mayor Wilbert Wachtendorf called the meeting to order at 5:30 PM.
2. City Manager presented an update on municipal business:
 - a. A report was presented by City Engineer on Capital Improvement Projects.
 - b. Steve Houle, K4 Construction, presented a brief update concerning the Public Safety Facility.
 - c. A briefing and update was held concerning Insurance Service Office (ISO) rating.
 - d. Police Chief Jim Devlin presented a briefing and discussion was held concerning the use of forfeiture funds to purchase body cameras for police officers.
 - e. City Manager Miles briefed the Council about a vacancy on Parks and Beautification Committee.
3. The regular meeting agenda items were reviewed.
4. Mayor Wachtendorf convened the Executive Session at 6:10 PM pursuant to the Open Meetings Act, Chapter 551, Texas Government Code to discuss the following:
 - **Pursuant to §551.072 – Purchase, Exchange, Lease, or Value of Real Property.**
5. Close Executive Session. *A motion was made by Council Member Travis Bailey and seconded by Council Member Bill Fuller to close the Executive Session at 6:58 PM.*
6. Adjourn. *A motion was made by Council Member Bill Fuller and seconded by Council Member Ronnie McNiel to adjourn at 6:59 PM; all seven in favor.*

REGULAR MEETING – 7:00 PM

1. **CALL THE MEETING TO ORDER.** Mayor Wachtendorf called the meeting to order at 7:00 PM.
2. **PLEDGE OF ALLEGIANCE TO THE U.S. FLAG** – Utilities Director James Black led the Pledge of Allegiance.
3. **CONSIDER APPROVAL OF MINUTES OF THE COUNCIL WORKSHOP/REGULAR MEETING OF SEPTEMBER 15, 2014.** *A motion was made by Council Member Alex Snider and seconded by Council Member Bill Fuller to approve the minutes as submitted but allow for corrections; all seven in favor, motion passed.*
4. **HEAR VISITORS ON MATTERS PERTAINING TO CITY BUSINESS.** NONE
5. **AUTHORIZE THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN EXCHANGE OF CITY-OWNED PROPERTY FOR PROPERTY OWNED BY BIG CREEK LLC.** *A motion was made by Council Member Bill Fuller and seconded by Council Member Travis Bailey to approve; all seven in favor, motion passed.*
6. **AUTHORIZE THE CITY MANAGER TO NEGOTIATE AND EXECUTE A MEMORANDUM OF UNDERSTANDING CONCERNING DEVELOPMENT OF CITY PROPERTY BY PREMIERE BASEBALL. MAYOR WACHTENDORF OPENED THE PUBLIC HEARING FOR THOSE WISHING TO SPEAK FOR OR AGAINST.** *A motion was made by Council Member James Vidrine and seconded by Council Member Travis Bailey to approve; all seven in favor, motion passed.*
7. **CONSIDER AWARD BID FOR 100 L.F. OF CURB REPLACEMENT ON TEXAS AVENUE TO H & B CONTRACTORS, INC. IN THE TOTAL AMOUNT OF \$15,500.** *A motion was made by Mayor Pro Tem Ed Passalugo and seconded by Council Member Bill Fuller to approve award of bid; all seven in favor, motion passed.*
8. **CONSIDER AWARD OF BID FOR RITCHIE ROAD WATER PLANT TO BARLOW TANK IN THE TOTAL AMOUNT OF \$383,400.** *A motion was made by Mayor Pro Tem Ed Passalugo and seconded by Council Member Alex Snider to approve award of bid; all seven in favor, motion passed.*
9. **ADJOURN.** *Motion was made by Council Member Travis Bailey and seconded by Mayor Pro Tem Ed Passalugo to adjourn the meeting at 7:23 PM, all seven in favor, motion passed.*

Approved: November 3, 2014

Lydia Lopez, City Secretary

Wilbert Wachtendorf, Mayor



ITEM #4 – HEARING OF VISITORS

CITIZEN PARTICIPATION AT MEETINGS

1. All citizens are encouraged to discuss matters of concern with the staff and individual council members prior to placing items on the agenda. Many times this will expedite a resolution or allow proper investigation of the matter for presentation to the entire council.

NO CITIZEN NOR STAFF MEMBER MAY SPEAK NOR OTHERWISE INTERRUPT ANY MEETING UNTIL RECOGNIZED BY THE PRESIDING OFFICER.

2. To maintain decorum at public hearings, the mayor will ask the citizens present if they wish to speak for or against the item on the agenda. If so, they will be given an opportunity to do so at the proper time, when recognized by the chair. If more than five citizens wish to address the council on any single agenda item, those citizens are advised to select spokespersons to present their case.
3. Citizens who wish to bring up a matter that pertains to city business or address an item on the agenda may do so, but only under the agenda item "Hear Visitors." **The council is prohibited by law from discussing or acting on any item that has not been posted on the agenda.**
4. **Citizens addressing the city council on items not on the agenda shall be limited to five minutes each. Total time for presentations on any one item or topic shall be limited to twenty-five minutes. The city council members shall not enter into discussion on any subject not properly placed on the agenda; however, the council members may ask questions for clarification purposes.**
5. As a general rule, citizens may not participate in the discussion of the council workshop session.



COUNCIL AGENDA ITEM FORM

MEETING DATE: November 3, 2014

AGENDA ITEM #: 5

SUBMITTED BY: Adam Miles, City Manager

ITEM DESCRIPTION:

Consider a resolution authorizing a property tax abatement for Alliance Distributing for improvements located at 657 Alliance Parkway.

STAFF RECOMMENDATION/ITEM SUMMARY:

The City and Alliance Distributing have been working together concerning economic incentives related to new construction located at 657 Alliance Parkway in Hewitt. In accordance with the City's Tax Abatement Policy Curt Liles is requesting approval of an abatement based on new construction with a value of approximately \$1.4 Million.

Hewitt's Tax Abatement policy does allow for abatement of the value of improvements made at the proposed site. Because Alliance Distribution is an existing business and the new facility is a larger footprint than the existing facility, Hewitt considers this to be an expansion of an existing business and we are able to offer abatements for new construction of \$1 million or more. Typically, the value of improvements (building, site improvements, and personal property) would be eligible to receive a tax abatement on eighty percent (80%) of the value for the first five (5) years, then it would drop to fifty percent (50%) for an additional five (5) years. The maximum amount of time for the abatement would be 10 years.

It should be noted that Hewitt's policy does not currently allow tax abatements to the value of the underlying land. The property would be assessed the full non-agricultural McLennan County Appraisal District valuation; this value is yet to be determined. McCAD will determine this amount and any roll back tax liability.

The current construction timeline would have Alliance Distributing relocate to the new site in Spring of 2015; Mr. Liles has a tenant prepared to take over operations at his current site located on Enterprise (I-35 frontage). Approval of this item is needed to formally authorize the abatement based on the actual value of construction at the site.

ATTACHMENTS:

Resolution

Tax Abatement Agreement

RESOLUTION NO. 2014-11-03-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEWITT, TEXAS APPROVING THE TERMS AND CONDITIONS OF AN AGREEMENT BY AND BETWEEN THE CITY OF HEWITT, TEXAS AND ALLIANCE DISTRIBUTING FOR A COMMERCIAL-INDUSTRIAL TAX ABATEMENT FOR CERTAIN IMPROVEMENTS, AND AUTHORIZING ITS EXECUTION BY THE CITY MANAGER, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council has been presented a proposed agreement by and between the City of Hewitt, Texas and Alliance Distributing establishing a commercial-industrial tax abatement for certain improvements, a copy of which is attached hereto and incorporated herein by reference (hereinafter called "Agreement"); and

WHEREAS, upon full review and consideration of the Agreement, and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and that the City Manager shall be authorized to execute it on behalf of the City of Hewitt;

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

1. The terms and conditions of the proposed Agreement, having been reviewed by the City Council of the City of Hewitt and found to be acceptable and in the best interests of the City of Hewitt and its citizens, are hereby in all things approved.
2. The City Manager is hereby authorized to execute the Agreement and all other documents in connection therewith on behalf of the City of Hewitt, substantially according to the terms and conditions set forth in the Agreement.
3. That this approval and execution of the Agreement on behalf of the City is not conditional upon approval and execution of any other tax abatement by any other taxing entity.
4. This resolution shall become effective from and after its passage.

PASSED and APPROVED this the 3rd day of November, 2014.

Wilbert Wachtendorf, Mayor
City of Hewitt, Texas

ATTEST:

Lydia Lopez, City Secretary

THE STATE OF TEXAS §

§

McLENNAN COUNTY §

TAX ABATEMENT AGREEMENT

This agreement is entered into by and between the City of Hewitt, Texas, a municipal corporation of McLennan County, Texas duly acting herein by and through its City Manager, hereinafter referred to as CITY; and Alliance Distributing duly acting by and through its Owner, Curt Liles, hereinafter referred to as OWNER.

WITNESSETH

WHEREAS, on the 11th day of July, 2005, the City Council of the City of Hewitt, Texas passed an ordinance establishing Reinvestment Zone No. 2005-1 in the City of Hewitt, Texas for commercial-industrial tax abatement, hereinafter referred to as ORDINANCE, as authorized by the Property Redevelopment and Tax Abatement Act; and

WHEREAS, the CITY has previously adopted a Policy on Economic Development Incentives; and

WHEREAS, the Policy on Economic Development Incentives constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the CITY as required by the Property Redevelopment and Tax Abatement Act; and

WHEREAS, in order to enhance the commercial-industrial economic employment base of the Hewitt area for the long term interest and benefit of the CITY; and

WHEREAS, in order to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the municipality; and

WHEREAS, the contemplated use of the property, as hereinafter defined, the contemplated improvements to the property in the amount as set forth in the AGREEMENT and the other terms hereof are consistent with encouraging development of the CITY and said Reinvestment Zone No. 2005-1 in accordance with the purpose for its creation and are in compliance with the CITY's Policy on Economic Development Incentives and the ORDINANCE creating such reinvestment zone adopted by the CITY and all applicable laws;

NOW THEREFORE, the parties hereto do mutually agree as follows:

1. The property to be the subject of this AGREEMENT shall be that property located at 657 Alliance Parkway (being Lot 4, Block 1, Commerce Park @ I-35 Addition to the City of Hewitt, Texas) made a part hereof and shall be herein after referred to as PROPERTY.
2. The OWNER shall make IMPROVEMENTS to the property as specifically described in Exhibit "A" (hereinafter referred to as IMPROVEMENTS) with a total improvement cost of at least \$1.0 Million and substantially complete the same on or about April 1, 2015; provided, that OWNER shall have such additional time to complete the IMPROVEMENTS as may be required in the event of "force majeure" if OWNER is diligently and faithfully pursuing completion of the IMPROVEMENTS. For this purpose, "force majeure: shall mean any contingency or cause beyond the reasonable control of OWNER including, without limitation, act of God or the public enemy, war, riot, civil commotion, insurrection, governmental or de facto governmental action (unless caused by acts or omissions of OWNER), fires, explosions, floods, and strikes. The date of completion of the IMPROVEMENTS shall be defined as the date a Certificate of Occupancy is issued by the City of Hewitt.
3. The OWNER agrees and covenants that it will diligently and faithfully, in a good and workmanlike manner, pursue the completion of the IMPROVEMENTS as a good and valuable consideration of this AGREEMENT. OWNER further covenants and agrees that all construction of the IMPROVEMENTS will be in accordance with all applicable state and local laws, codes, and regulations or valid waiver thereof. In further consideration, OWNER shall thereafter, from the date a Certificate of Occupancy is issued until the expiration of this AGREEMENT, continuously operate and maintain the PROPERTY as a commercial warehouse and distribution center.
4. In the event that (a) the IMPROVEMENTS for which an abatement has been granted are not completed in accordance with this AGREEMENT or (b) OWNER allows its ad valorem taxes owed the CITY to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of any such ad valorem taxes; or (c) OWNER breaches any of the terms or conditions of this AGREEMENT, then this AGREEMENT shall be in default. In the event that the OWNER defaults in its performance of either (a), or (b), or (c) above, then the CITY shall give the OWNER written notice of such default and if the OWNER has not cured such default within thirty (30) days of said written notice, or if such default cannot be cured by the payment of money and cannot with due diligence be cured within a sixty (60) day period owing to cause beyond the control of the OWNER, this AGREEMENT may be terminated by the CITY. Notice shall be in writing and shall be delivered by personal delivery or certified mail to the Owner at its corporate office address of record. As liquidated damages in the event of default, all taxes which otherwise would have been paid to the CITY without the benefit of abatement (interest will be charged at the statutory rate for delinquent taxes as determined by the Property Tax Code, but without the addition of penalty) will immediately become a debt to the CITY and shall be due, owing and paid to the CITY within sixty (60) days of the expiration of the above mentioned applicable cure period as the sole remedy of the CITY subject to any and all lawful offsets, settlements, deductions, or credits to which OWNER may be entitled.

5. In the event that IMPROVEMENTS are completed and OWNER fails to provide services or subsequently discontinues the services for any reason for a continuous period of 180 days, then this AGREEMENT shall terminate and so shall the abatement of the taxes for the same period during which the facility no longer provides services. The taxes abated for the portion of the calendar year of which the facility discontinued use shall be paid to the City of Hewitt within sixty (60) days from the date of termination.
6. The CITY represents and warrants that the PROPERTY does not include any property that is owned by a member of the City Council or Planning and Zoning Commission.
7. The terms and conditions of the AGREEMENT are binding upon the successors and assigns of all parties hereto. However, this AGREEMENT cannot be assigned by OWNER other than to a wholly-owned subsidiary of OWNER unless written permission is first granted by the CITY, which permission shall be at the sole discretion of the CITY.
8. It is understood and agreed between the parties that the OWNER, in performing its obligations hereunder, is acting independently, and the CITY assumes no responsibility or liability in connection therewith to third parties and OWNER agrees to indemnify and hold harmless the CITY therefrom; it is further understood and agreed among the parties that the CITY, in performing its obligations hereunder, is acting independently, and the OWNER assumes no responsibility or liability in connection therewith to third parties and the CITY agrees to indemnify and hold harmless the OWNER therefrom.
9. The OWNER further agrees that the CITY, its agents and employees, shall have reasonable right of access to the property to inspect the IMPROVEMENTS in order to insure that the construction of the IMPROVEMENTS are in accordance with this AGREEMENT and all applicable state and local laws and regulations or valid waiver thereof. After completion of the IMPROVEMENTS, the CITY shall have the continuing right to inspect the PROPERTY to insure that it is thereafter maintained and operated in accordance with this AGREEMENT during the term of the AGREEMENT.
10. Subject to the terms and conditions of this AGREEMENT, and subject to the rights and holders of any outstanding bonds of the CITY, a portion of ad valorem real property taxes and personal property taxes for IMPROVEMENTS that are listed in Exhibit "B" shall be entitled to a real property exemption and a personal property exemption for the amount and for the time equal to the following schedule:

TAX ABATEMENT SCHEDULE

YEAR	VALUE TO BE ABATED
1. 2015	<u>80%</u>
2. 2016	<u>80%</u>
3. 2017	<u>80%</u>
4. 2018	<u>80%</u>
5. 2019	<u>80%</u>

YEAR	VALUE TO BE ABATED
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6.	2020	<u>50%</u>
7.	2021	<u>50%</u>
8.	2022	<u>50%</u>
9.	2023	<u>50%</u>
10.	2024	<u>50%</u>

for the taxes assessed upon the increased value of the IMPROVEMENTS over the value in **2014** the base year which this AGREEMENT is executed and in accordance with the terms of this AGREEMENT and all applicable state and local regulations or valid waiver thereof; provided that the OWNER shall have the right to protest and/or contest any assessment of the property and said abatement shall be applied to the amount of taxes finally determined to be due as a result of any such protest and/or contest. Abatements described in this AGREEMENT shall take effect on January 1 of the next tax year after the IMPROVEMENTS are substantially completed. As per the CITY's Policy on Economic Development Incentives the following personal property shall not qualify for tax abatements: supplies, tools, or other forms of movable personal property such as vehicles, vessels, aircraft, or property which has an economic life of less than ten (10) years.

11. This AGREEMENT was authorized by resolution of the City Council at its regularly scheduled meeting on the 3rd day of November, 2014, authorizing the City Manager to execute the AGREEMENT on behalf of the city.
12. This AGREEMENT was entered into by Alliance Distributing, authorizing Curt Liles to execute the AGREEMENT on behalf of the corporation.
13. This AGREEMENT shall constitute a valid and binding AGREEMENT between the CITY and ALLIANCE DISTRIBUTING when executed in accordance herewith, regardless of whether any other taxing unit executes a similar agreement for tax abatement.

This AGREEMENT is performable in McLennan County, Texas, witness our hands this 3rd day of November, 2014.

APPROVED:

Adam Miles, City Manager

ATTEST:

Lydia Lopez, City Secretary

ALLIANCE DISTRIBUTING

Curt Liles, Owner

ATTEST:

By: _____



NEW COMMERCIAL BUILDING PERMIT

Issue Date: July 24, 2014

PROJECT DESCRIPTION: New office and warehouse facility

City of Hewitt, TX

PROJECT #
NCB-14-0895

(254) 666-6173
Inspections

www.mygov.us
Permits

P.O. Box 610
Hewitt, TX 76643

(254) 666-6173 Voice
(254) 666-3741 Fax

LOCATION
657 Alliance Pkwy.
Hewitt, TX 76643

LEGAL
Commerce @ I-35 Blk 1 Lot 48

CONTRACTOR

Bush Construction
Post Office Box 20366
Waco, TX 76702-0366
(254) 776-7006 Phone
(254) 776-7465 Fax
(254) 405-5601 Mobile
jim@bushbuilding.com

OCCUPANCY INFORMATION

ICC - B Business - 4 -
Square Footage: 31630
Valuation: \$ 3,557,430.00

INFORMATION

Number of Stories	1 Story
Property ID	341049
Square Footage	31630
Valuation	1400000
Zoning	B-P Business Park District

NOTICES

All work must be done in compliance with the 2008 National Electrical Code / 2009 International Residential Code / 2009 International Building Code / City of Hewitt code of ordinance Chapter 14. The project address must be clearly posted at the job site. A permit will be issued upon submission & approval of site plans,

READ AND SIGN

I hereby certify by my signature below that the information provided is true and correct to the best of my knowledge and that the stated value of construction includes all materials, equipment, labor, overhead and profit. I further agree to adhere to all City, State and Federal laws regarding the work to be performed under this permit.

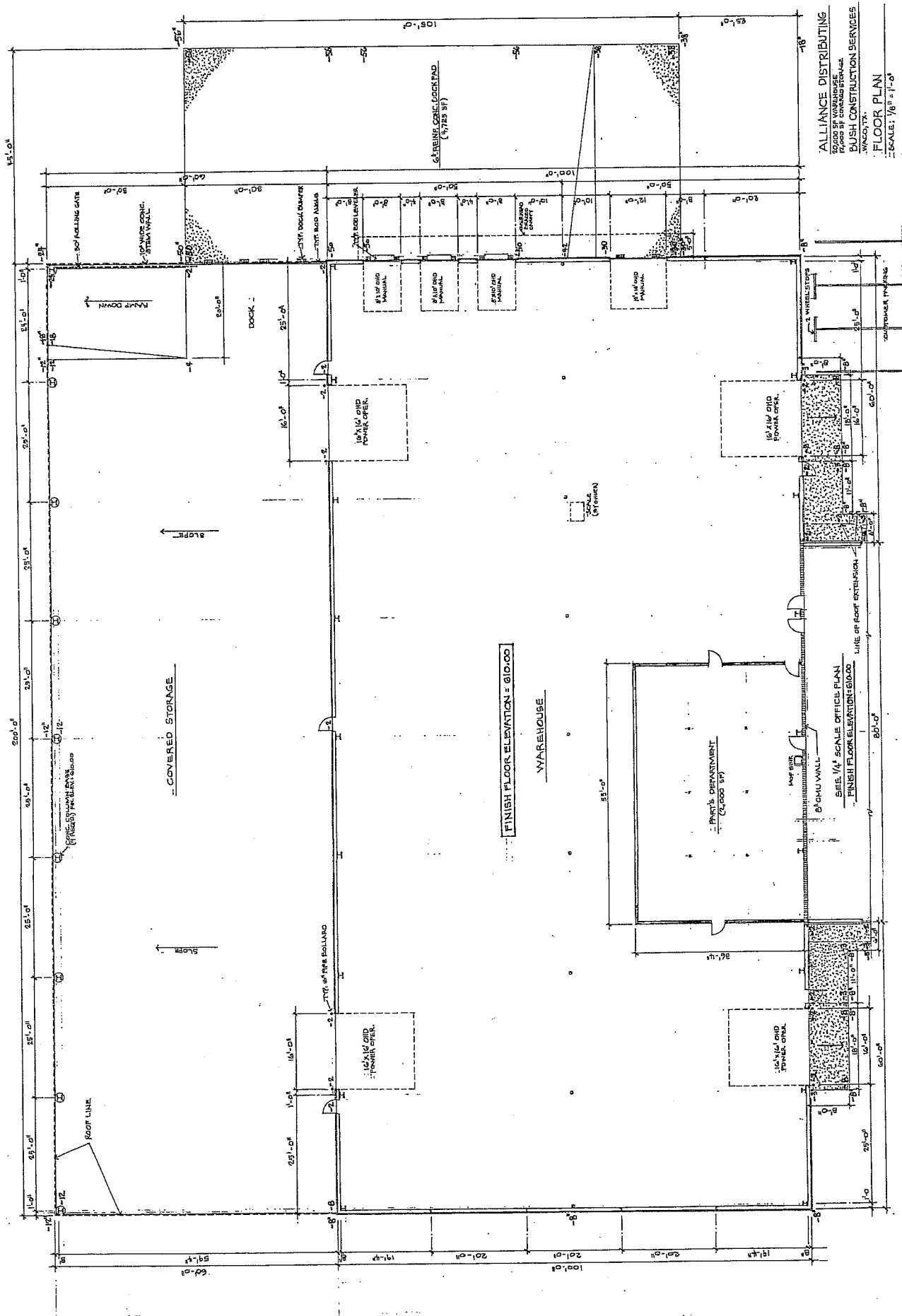
Signature

Date

OWNER / AGENT

Owner / Agent Signature

Date





COUNCIL WORKSHOP AGENDA ITEM

MEETING DATE: November 3, 2014

AGENDA ITEM #: 2

SUBMITTED BY: Adam Miles, City Manager

ITEM DESCRIPTION:

Discussion concerning the following topics:

- a. Current City projects
- b. Current direction of the Chamber and area partnerships
- c. Use of City property by the Chamber
- d. Future funding of the Publicity and Tourism Agreement

STAFF RECOMMENDATION/ITEM SUMMARY:

Recent changes to the bylaws of the Greater Hewitt Chamber of Commerce and new initiatives by the city have prompted the need for a joint meeting between the City Council and Chamber Executive Committee. Over the past few years the City has worked in conjunction with the Chamber to promote publicity and tourism in Hewitt. In a formal agreement, the Chamber utilizes a portion of hotel occupancy tax proceeds in exchange for promoting Hewitt and our two local hotels (Sleep Inn & Suites and Ramada Inn). Additionally, the Chamber utilizes the Railroad Depot Building (as their base of operations and Visitor Center) and the Hewitt Meeting and Event Center (as needed) at no cost. In this agreement, the Chamber promotes Hewitt and our two local hotels in publications, e-mails, and other communications to members and the community throughout the year. The desire is to promote Hewitt hotels for out of town guests and visitors.

Over the past couple of years, the Greater Hewitt Chamber has been coordinating efforts with the Greater Waco Chamber of Commerce and other area Chambers of Commerce. This initiative led the Hewitt Chamber to change operations and even amend a portion of their bylaws. At the same time, the City has begun work on new initiatives that will eliminate the availability of the Hewitt Meeting and Event Center. In a different venture, the City is considering use of Occupancy Tax proceeds for promotion of events at the proposed Sports Complex facility.

ATTACHMENTS:

Publicity and Tourism Agreement



**Publicity and Tourism Agreement
Between the City of Hewitt, Texas and
The Greater Hewitt Chamber of Commerce**



This Agreement is made and effective on the 21st day of February 2012, by and between the City of Hewitt, Texas ("City") and the Greater Hewitt Chamber of Commerce ("Chamber").

I.

The City of Hewitt, Texas, by authority of powers granted to it under the state statutes and its Home-Rule Charter has heretofore enacted a local hotel occupancy tax on occupants of hotels within the City of Hewitt.

II.

The revenue generated by the hotel occupancy tax within the city generally may be expended on endeavors that promote tourism and the convention and hotel industry (See: Texas Tax Code, Chapter 351 et. Seq.).

In furtherance of these statutory requirements and the City's obligations concerning use of municipal hotel occupancy tax funds for attracting and promoting tourism and the convention and hotel industry and in consideration for the Chamber advertising and promoting tourism for the visitor market from which the City derives direct tourist income benefit, the City hereby agrees to pay the Chamber an annual sum of \$24,000.00, at a rate of \$2,000.00 per month, payable the first of each month during the term of this agreement,

The Chamber agrees that any local hotel occupancy tax funds paid into it by the City shall be used for purposes prescribed by State Statute which generally includes expenditures on items which promote tourism and the convention and hotel industry and are tied to the following:

- (1) Convention center facilities and visitor information centers.
- (2) Furnishing of facilities, personnel and materials for the registration of convention delegates.
- (3) Advertising, conducting solicitations, and promotional activities which attract tourists and convention delegates.
- (4) Advertising, conducting solicitations, and promotion of the arts; historical restoration and preservation projects or museums.
- (5) Related administrative costs

The Chamber agrees to conduct a continuing program of advertising and promotion for the purpose of attracting visitors, tourists, and conventions to the local area and to the City of Hewitt by publishing and distributing brochures, community information packets, maps, by advertising in various tourists publications and general media publications which are appropriate, by representing the City at promotional events, by participating with state and regional agencies in tourist and visitor development programs to benefit

the local area and to the City of Hewitt, and by using all appropriate means to increase the traveling public's awareness of the resort and recreational advantages of the local area and the City of Hewitt.

The Chamber of Commerce further agrees that it will seek to achieve economic benefit for the City of Hewitt through all of such activities, that it will provide tourist-related information about the City of Hewitt upon request, and that it will serve as an advisory body to the City, on request, in matters related to expanding tourist and visitor derived economy.

III.

It is expressly understood and agreed by and between the parties that the Chamber is engaged as an independent contractor and is not an officer, agent, or employee of the City.

IV.

The Chamber hereby agrees that the Municipal Hotel Occupancy Tax shall utilize all funds in accordance with the General Promotional Program attached as Exhibit "A" incorporated and herein made part of this agreement. The City agrees that the expenditures made by the Chamber pursuant to the General Promotional Program attached as Exhibit "A" comply with the applicable Texas Tax Code provisions regarding the use of hotel occupancy tax funds.

The Chamber agrees to conduct activities in accordance with this agreement and applicable State Statute and shall maintain and make available to the City complete and accurate financial records of each expenditure of hotel occupancy tax. The Texas Tax Code authorizes the expenditure of hotel occupancy tax proceeds for the following administrative costs: day-to-day operations, supplies, salaries, office rental, travel expenses, and "other administrative costs only if" costs are incurred directly in the promotion and servicing of expenditures authorized under section 351.101 (a) of the Texas Tax Code.

V.

In furtherance of these purposes the City hereby authorizes the Chamber to utilize the Historic Hewitt Depot ("Depot") building and associated real property, located at 101 Third Street, Hewitt, Texas 76643.

The Chamber of Commerce shall secure sufficient numbers of employees to accomplish this Agreement. The Chamber of Commerce shall generally operate and be open to the public on a full-time basis during normal business hours during the term of this agreement.

The Chamber will operate Hewitt's Historic Depot Building as a Visitor Information Center, Chamber office, and public museum on a regular full time basis and will generally operate during accepted business hours.

VI.

The Chamber shall not pay rent or any fee for use of the Depot. The Chamber will pay for operation and routine maintenance and lawn care of the Depot and grounds.

Chamber shall pay all charges for water, sewer, telephone and other services and utilities used by Chamber at the Depot during the term of this agreement unless otherwise expressly agreed in writing by City. Chamber shall pay such amounts within fifteen (15) days of invoice. The City will pay electricity costs. The City agrees that the expenditures made by the Chamber pursuant to this paragraph comply with the applicable Texas Tax Code provisions regarding the use of hotel occupancy tax funds.

Chamber acknowledges that the Depot is designed to provide standard office use electrical facilities and standard office lighting. Chamber shall not use any equipment or devices that utilize excessive electrical energy or which may, in City's reasonable opinion, overload the wiring.

City shall have the right to enter upon the Depot Premises at reasonable hours to inspect and maintain the same, provided City shall not thereby unreasonably interfere with Chamber's business in the Depot.

Chamber shall have the right to reorganize and place office furniture into the Depot. The current decorations and railroad memorabilia shall not be removed from the Depot without the written consent of City. Decorations and memorabilia that are affixed to any wall shall not be moved without the written consent of City. Chamber shall not have the right to remodel or make additions to the Depot without the written consent of City. Chamber shall be responsible for the repair of any damages caused by any alterations that it makes to the Depot.

To the extent not covered by any policy of insurance maintained by City upon the Depot, the Chamber shall be liable for repair of any damages caused by the Chamber to Depot during the term of this agreement.

During the term of this agreement, and to the extent not covered by any policy of insurance maintained by City upon the Depot, Chamber shall provide and make, at Chamber's expense, all necessary maintenance and repairs to the Depot and the Depot premises. Chamber shall keep and maintain such items as floors, walls, ceilings, toilets, sinks, landscaping and other parts of the Depot and Depot premises damaged or worn through normal occupancy, except major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this agreement.

The Chamber shall not have the right to assign this agreement to a corporation with which Chamber may merge or consolidate, to any subsidiary of Chamber, to any corporation under common control with Chamber, or to a purchaser of substantially all of Chamber's assets. Chamber shall not sublease all or any part of the Depot or property, or assign this agreement in whole or in part.

VII.

To the extent not covered by any policy of insurance maintained by City upon the Depot, should the Depot premises or any other part of the Depot is damaged by fire or other casualty that prevents Chamber from using the Depot, City shall have no responsibility to provide compensation for Chamber property or for another facility for the Chamber office.

If the Depot premises are damaged by fire or other casualty resulting from any act or negligence of Chamber or any of Chamber's agents, employees or invitees Chamber shall be responsible for the costs of repair not covered by insurance.

City shall maintain fire and extended coverage insurance on the Depot and the Depot premises in such amount as City shall deem appropriate. Chamber shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property located in the Depot. City shall not provide insurance coverage for any of the Chamber's personal property.

Chamber shall secure and carry at its own expense a general liability policy insuring Chamber and City against any claims based on bodily injury (including death) or property damage arising from the condition of the Depot premises or their use by Chamber, such policy to insure Chamber and City against any claim up to \$500,000 for bodily injury, property damage or combination thereof. This insurance shall be primary to and not contributory with any insurance carried by City, whose insurance shall be considered excess. City shall be included in such policy as additional insured. Chamber shall provide City with current Certificates of Insurance evidencing Chamber's compliance with this Paragraph within fifteen (15) days of the effective date of this agreement. Chamber shall obtain the agreement of Chamber's insurers to notify City that a policy is due to expire at least ten (10) days prior to such expiration.

VIII.

Any notice required or permitted under this agreement shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to City to:
City of Hewitt
Attn: City Manager
P.O. 610
Hewitt, TX 76643

If to Chamber to:
Greater Hewitt Chamber of Commerce
Attn: Chamber Director
P.O. Box 661
Hewitt, TX 76643

City and Chamber shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

IX.

No waiver of any default of City or Chamber hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by City or Chamber shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

The provisions of this agreement shall extend to and be binding upon City and Chamber and their respective legal representatives, successors and assigns.

City shall not unreasonably withhold or delay its consent with respect to any matter for which City consent is required or desirable under this agreement.

This agreement terminates supersedes all prior understanding or agreements on the subject matter hereof. This agreement may be modified only by a further writing that is duly executed by both parties.

Chamber shall not have the right to renew this agreement for any term without the written consent of City. City may extend the term of this agreement for an additional twelve (12) month period with the written consent of Chamber. Attachment is subject to change provided that any such change is agreed upon in writing by Chamber and City. Chamber's inability to provide services under this agreement for reasons outside of its control; including but not limited to termination of an event due to bad weather conditions, acts of God, or prospective financial loss, shall not void the agreement. Rather, Chamber shall replace City's promotion by alternate method agreeable to Chamber and City. The next review and renewal of this Agreement shall take place by the 1st day of September, 2013.

This agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Texas.

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first above written.

For the City

For the Chamber

Adam Miles, City Manager

Executive Director

DATE

DATE

ATTEST:
