

AGENDAS

FOR THE AMARILLO CITY COUNCIL WORK SESSION TO BE HELD ON TUESDAY, JUNE 7, 2016 AT 3:30 P.M. AND THE REGULAR MEETING OF THE AMARILLO CITY COUNCIL AT 5:00 P.M., CITY HALL, 509 SOUTHEAST 7th AVENUE, COUNCIL CHAMBER ON THE THIRD FLOOR OF CITY HALL, AMARILLO, TEXAS.

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

WORK SESSION

- A. City Council will discuss or receive reports on the following current matters or projects.
- (1) Review agenda items for regular meeting and attachments;
 - (2) Consider appointments to Boards and Commissions:
Board of Review-Landmarks & Historic District
Emergency Care Advisory Board
Planning and Zoning Commission
Traffic Advisory Board
 - (3) Presentation and discussion on the Council Policy Statement regarding public comment;
 - (4) Presentation and discussion on questions to be asked of the potential candidate;
 - (5) Presentation and discussion on Transit Operations; and
 - (6) Consider future Agenda items and request reports from City Manager.
- B. City Council may convene in Executive Session to receive reports on or discuss any of the following pending projects or matters:
- (1) Discussion regarding appointment to vacancy on the City Council, Place 2, including development of interview questions for final candidates; Discuss the appointment, employment, evaluation, reassignment, duties, and qualifications of a public officer or employee, in accordance with the Texas Open Meetings Act, Section 551.074; and
 - (2) Discussion regarding City Manager and appointment to fill vacancy; Discuss the appointment, employment, evaluation, reassignment, duties, and qualifications of a public officer or employee, in accordance with the Texas Open Meetings Act, Section 551.074.

REGULAR MEETING ITEMS

INVOCATION: Greg Dowell, Central Church of Christ

PROCLAMATION: World Refugee Day

1. **MINUTES:**
Approval of the City Council minutes of the regular meeting held on May 31, 2016.
2. **ORDINANCE NO. 7605:**
This is the second and final reading of an ordinance rezoning Lots 1-3 and Lots 22-24, Block 35, Bivins Addition Amended, in Section 187, Block 2, AB&M Survey, Potter County, Texas, plus one-half of all bounding streets, alleys and public ways to change from Planned Development 185A to Amended Planned Development for the addition of a gymnasium.
3. **RESOLUTION – AUTHORIZING A ONE-YEAR EXTENSION OF THE BANK DEPOSITORY CONTRACT WITH BANK OF AMERICA, N.A.:**
This resolution authorizes the City to extend for one year the Bank Depositor Contract to June 30, 2017. The original contract executed on July 13, 2013 allows for two additional one-year extensions, the first to run from July 1, 2016 through June 30, 2017.

4. **PRESENTATION AND DISCUSSION ON AMENDMENTS TO THE AMARILLO MUNICIPAL CODE, CHAPTER 10-3, SECTION 10-3-116, POLICE DEPARTMENT ROTATION LOG CONTRACT:**

This presentation and discussion seeks to amend Section 10-3-116 of the Amarillo Municipal Code regarding the Police Department's non-consent towing and police rotation towing contracts.

5. **CONSENT AGENDA:**

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

A. **Award of Contract – Agreement For Audit Services:**

Connor, McMillon, Mitchell and Shennum, PLLC -- \$140,885

This agreement for audit services with Connor, McMillon, Mitchell and Shennum, PLLC is for a one-year contract with two one-year extensions.

B. **Award --- Meter Reader Handheld Devices:**

HD Supply Waterworks -- \$86,260.00

This award is to approve the purchase of meter reader handheld devices for the City of Amarillo Utility Billing Department.

C. **Award -- Inductively Coupled Plasma Mass Spectrometer for Laboratory Administration:**

Awarded to Perkin Elmer LAS Inc. -- \$177,892.60

This is a replacement for a laboratory instrument which is 18 years old. The instrument is used to analyze low trace metals in Drinking Water, Wastewater, and many City Departments. The instrument is also used to support several State TCEQ Permits.

D. **Purchase – Truck with Dual Rear Wheels and Aerial Manlift:**

Silsbee Ford -- \$59,498.00

This item is an unscheduled replacement of unit 7309, 2011 Ford 1-ton Aerial Truck that was involved in an accident on 10/27/2015 that has been totaled. Replacement approved in the 2015-2016 budgets. This award will be used by the Traffic Field Operation department for daily operations. This bid represents a 13% increase from the last purchase. Funding for this award is available in the approved FY 2015-2016 Municipal Garage Rolling Stock Budget.

E. **Approval – Amendment #2, Lease Agreement: Rick Husband Amarillo International Airport:**

Lessee: CNS , LLC – Pantex Plant

Term: 5 year term (final option of original lease agreement)

Lease Info: Three buildings plus ground lease for total leased premises of 143,244 square feet.

This item approves Amendment #2 for three buildings and ground lease for leased premises at the Rick Husband Amarillo International Airport. The amendment represents a 5.5% increase in lease revenues to the Airport.

6. **PRESENTATION: 2016 EVERY DROP COUNTS:**

This presentation will provide an overview of Amarillo's water system, usage and the conservation goals and activities for the 2016 Every Drop Counts Water Conservation Campaign.

PUBLIC FORUM

Comments from interested citizens on matters pertaining to City policies, programs or services. *(This is the opportunity for visitors and guests to address the City Council on any issue. The City Council may not discuss any presented issue, nor may any action be taken on any issue at this time. Texas Attorney General Opinion JC-0169)*

MISCELLANEOUS

1. Boards and Commissions – appointments as listed on attached.

Amarillo City Hall is accessible to individuals with disabilities through its main entry on the south side (Southeast 7th Avenue) of the building. An access ramp leading to the main entry is located at the southwest corner of the building. Parking spaces for individuals with disabilities are available in the south parking lot. City Hall is equipped with restroom facilities, communications equipment and elevators that are accessible. Individuals with disabilities who require special accommodations or a sign language interpreter must contact the City Secretary's Office 48 hours prior to meeting time by telephoning 378-3013 or the City TDD number at 378-4229.

Posted this 3rd day of June 2016.

Amarillo City Council meetings stream live on Cable Channel 110 and are available online at:
www.amarillo.gov/granicus
Archived meetings are also available.



STATE OF TEXAS
 COUNTIES OF POTTER
 AND RANDALL
 CITY OF AMARILLO

On the 31st day of May 2016, the Amarillo City Council met at 1:30 p.m. for a closed session and at 4:00 p.m. for a work session, and the regular session was held at 5:00 p.m. in the Council Chamber located on the third floor of City Hall at 509 Southeast 7th Avenue, with the following members present:

PAUL HARPOLE	MAYOR
ELISHA L. DEMERSON	COUNCILMEMBER NO. 1
BRIAN EADES	COUNCILMEMBER NO. 2
RANDY BURKETT	COUNCILMEMBER NO. 3
MARK NAIR	COUNCILMEMBER NO. 4

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

TERRY CHILDERS	INTERIM CITY MANAGER
MICK MCKAMIE	CITY ATTORNEY
KELLEY SHAW	PLANNING DIRECTOR
FRANCES HIBBS	CITY SECRETARY

The invocation was given by Alan Abraham. Mayor Harpole led the audience in the Pledge of Allegiance.

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

ITEM 1: Mayor Harpole presented the minutes for May 24, 2016. Motion was made by Councilmember Burkett to approve the minutes, motion was seconded by Councilmember Nair, and unanimously carried to approve the minutes.

ITEM 2: There was an announcement of the names of the five finalists to be interviewed for the position on City Council, Place 2 (in alphabetical order): Lisa Blake, John Ingerson, James Lowder, Sandra McCartt and Tom Warren. Mayor Harpole stated the other potential candidates will get a call from either himself or Councilmember Nair. There are also two alternates in case one or two of the top five candidates cannot participate in the questions to be given by the Mayor and Councilmembers. Councilmember Burkett encouraged the people not chosen to apply as board members. Mayor Harpole also encouraged them to seek office.

ITEM 3: Mayor Harpole presented an ordinance of an ordinance rezoning of rezoning Lots 1-3 and Lots 22-24, Block 35, Bivins Addition Amended, in Section 187, Block 2, AB&M Survey, Potter County, Texas, plus one-half of all bounding streets, alleys and public ways to change from Planned Development 185A to Amended Planned Development for the addition of a gymnasium. Motion was made by Councilmember Eades, seconded by Councilmember Burkett, that the following captioned ordinance be passed on first reading:

ORDINANCE NO. 7605

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS: PROVIDING FOR SPECIFIED CHANGES IN THE OFFICIAL ZONING MAP OF THE CITY OF AMARILLO, TEXAS; PROVIDING FOR CHANGE OF USE DISTRICT CLASSIFICATION OF SPECIFIED PROPERTY IN THE VICINITY OF SOUTHWEST 16TH AVENUE AND SOUTH GEORGIA STREET, POTTER COUNTY, TEXAS; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

Voting AYE were Mayor Harpole, Councilmembers Demerson, Eades, Burkett and Nair; voting NO were none; the motion carried by a 5:0 vote of the Council.

ITEM 4: Mayor Harpole presented a resolution approves the application for the 2015 JAG Grant and the related Interlocal Agreement with Potter County. Under the terms of the grant, the City of Amarillo will apply for \$105,217.00 and will allocate the grant proceeds on an equal basis with Potter County. The Amarillo Police Department will use \$52,608.50 which is the City's portion of the grant to purchase computer equipment for patrol cars. Motion was made by Councilmember Nair, seconded by Councilmember Demerson, that the following captioned resolution be passed:

RESOLUTION NO. 05-31-16-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS: AUTHORIZING 2016 APPLICATION FOR EDWARD BYRNE JUSTICE ASSISTANCE GRANT; AUTHORIZE INTERLOCAL AGREEMENT TO SHARE GRANT FUNDS WITH POTTER COUNTY; AUTHORIZING ADMINISTRATIVE ADJUSTMENTS TO DOCUMENTS AS NEEDED; PROVIDING SEVERABILITY CLAUSE; PROVIDING SAVINGS CLAUSE AND EFFECTIVE DATE.

Voting AYE were Mayor Harpole, Councilmembers Demerson, Eades, Burkett and Nair; voting NO was Councilmember Demerson; the motion carried by a 5:0 vote of the Council.

ITEM 5: Mayor Harpole presented the consent agenda and asked if any item should be removed for discussion or separate consideration. There were none. Motion was made by Councilmember Burkett to approve the consent agenda, seconded by Councilmember Eades.

A. Award – Property and Casualty Insurance Program:
 Award to Neely, Craig, and Walton – \$477,492.00
 This award is to approve an annual contract for the purchase of Property and Casualty Insurance. This award has the option to be renewed for two additional one-year periods.

B. Award – Safety Footwear Program:
 The Work Boot -- \$92,500.00
 This award is to approve an annual contract for the purchase of Safety Footwear Program for the City of Amarillo.

C. Award of Contract – Agreement for Engineering Services -- \$580,500.00:
 KSA Engineering -- \$580,500.00
 This item is for the design of water wells, pipelines and appurtenances in the Potter County well field.

D. Purchase – Mowers, Carts and Various Equipment:
 Award to low bidders meeting specifications below:

Western Equipment LLC - Lines 1, 4, 7 & 14	\$147,552.00
James Bros. Implement Co. – Line 2	49,776.00
Medley Material Handling Inc. - Line 3	58,291.18
Professional Turf Products Inc. – Lines 5, 6, 11 & 15	208,067.67
JBR Farmer's Equipment LLC – Line 13	12,097.00
C & M Golf and Grounds Equipment – Lines 9, 10 & 16	138,186.00
Austin Turf & Tractor – Line 8	<u>54,126.84</u>
Total Award	\$668,096.69

This item is for scheduled replacement of mowers, carts and various equipment that have reached or exceeded usable life and additional equipment approved in the 2015-2016 budget.

E. Approval – Emergency Management Interlocal Assistance between City of Amarillo and Armstrong County:
 The Emergency Management Interlocal Assistance Agreement is for the City's Office of Emergency Management to provide Armstrong County with emergency management support as outlined in the agreement. Both the City of Amarillo and Armstrong County participate in the Pantex Plant Agreement In-Principle (AIP) grant program. The City's Technical Hazards Coordinator, funded through the AIP grant program, will be

assigned to provide the requested emergency management support to Armstrong County, on an as needed basis.

Voting AYE were Mayor Harpole, Councilmembers Demerson, Eades, Burkett and Nair; Voting NO were none; the motion carried by a 5:0 vote of the Council.

Mayor Harpole announced that this is the end of the regular agenda, but this time is reserved to hear from any citizen concerning matters pertaining to City policies, programs or services not on today's agenda. The public forum is set under the Open Meetings Act and that during the public forum the City Council can respond with a statement of fact, a statement of City policy or decide whether to place an item on a future agenda.

Jesse Pfrimmer, 5723 South Milam Street, stated he appreciated the staff trying to motivate the citizens on the needs of our city. He also inquired about additional information in regards to the mosquito presentation. He stated he collects his rainwater. He further thanked Mayor Harpole for his service as a veteran. Craig Gualtiere, 4407 Southwest 3rd Avenue, asked the Council to reconsider how citizens may speak, even if an item is not on the agenda. Carolyn Thornton, 4101 Southwest 45th Avenue, stated she received great service from Bridget at the Library on 45th Avenue. James Schenck, 6216 Gainsborough Street, stated he appreciated the service and comments made by Mayor Harpole on Memorial Day. He further stated the sound was still bad on the recordings of the Council meetings. Robert Goodrich, 4111 Stony Point, stated that the selection process for the Councilmember should be based on a person's strengths, their spiritual, traditions, experiences, and research done on the individual. There were no further comments.

Mayor Harpole advised that the meeting was adjourned.

ATTEST:

Frances Hibbs, City Secretary

Paul Harpole, Mayor

Amarillo City Council Agenda Transmittal Memo



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Meeting Date	June 7, 2016	Council Priority	Community Appearance
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Department	Planning Department
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Agenda Caption

ORDINANCE NO. _____:

This is the second reading of an ordinance rezoning Lots 1-3 and Lots 22-24, Block 35, Bivins Addition Amended, in Section 187, Block 2, AB&M Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways to change from Planned Development 185A to amended planned development for the addition of a gymnasium.

Agenda Item Summary

St. Andrew's Episcopal School (St. Andrews) originally consisted of one Tract, which was developed with the approval of Planned Development 185 in 1985 for a parochial school. In 1996, the church's main sanctuary burned down and as a result, the church decided to rebuild at the same location, but increased the size of the property to include both Blocks 35 and 60, and therefore amending PD 185. The purpose of this planned development was to exceed the height limits of the existing Residential 1 zoning district, to reduce the front yard setback, and to include the parking spaces of St. Andrews located north of SW 16th Ave toward the church's parking requirement. Planned Development 185A was constructed in three phases: Phase 1 was to remodel the existing education building, Phase 2 was to build a new church sanctuary, and Phase 3 was to enclose the outdoor circulation, build a new parlor suite, library, choir practice room and bell tower. In 2013 PD 185A was amended for the purpose of erecting a columbarium, which created PD 185B.

The applicant is requesting an amendment to the current PD, in order to construct a gymnasium at the north end of Block 35.

As mentioned above, St. Andrews is set between single family residential development to the east and multi-family development to the west. Whenever a non-residential activity is proposed in such close proximity to a residential neighborhood, the Planning Staff's main concern is what impacts will result if approved. The proposed gymnasium will be located adjacent to the Georgia Street frontage and a new parking lot will be located between the development and the residential uses to the east. Analyzing the request, staff believes that the proposed amendment is in character with the intent of the original development and does not create any negative impacts on the surrounding area.

One factor staff has kept in mind throughout the process is parking needs. As mentioned above, the applicant is proposing a new parking area, which will be located in between the school's gymnasium and the single-family residences along Bryan Street. Staff believes this addition, along with existing parking on both sites meet the necessary parking requirements; however, confirmation of the building's occupancy load (as designed) needs to be confirmed by the applicant

Amarillo City Council

Agenda Transmittal Memo



Requested Action

The applicant is requesting an amendment to the existing planned development zoning in order to construct a gymnasium on the school's property.

Funding Summary

N/A

Community Engagement Summary

The item was distributed to all applicable internal and external entities. Notices have been sent out to property owners within 200 feet regarding this proposed rezoning. At the time of this writing, the Planning Department has received four telephone calls regarding this request, all with no objections.

The item was recommended for approval by the Planning and Zoning Commission at its May 23, 2016 Public Meeting, pending the submittal of a revised site plan.

City Manager Recommendation

Planning and Legal Staff have reviewed the associated Ordinance and exhibit and recommends the City Council approve the item, pending the submittal of a revised site plan that shows adequate parking on both sites.

ORDINANCE NO. 7605

AN ORDINANCE OF THE CITY OF AMARILLO, TEXAS:
PROVIDING FOR SPECIFIED CHANGES IN THE OFFICIAL
ZONING MAP OF THE CITY OF AMARILLO, TEXAS;
PROVIDING FOR CHANGE OF USE DISTRICT
CLASSIFICATION OF SPECIFIED PROPERTY IN THE VICINITY
OF SW 16th AVE & S GEORGIA ST, POTTER COUNTY, TEXAS;
PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER
CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission has held public hearings on proposed zoning changes on the property hereinafter described and has filed its final recommendation and report on such proposed zoning changes with the City Council; and,

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

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AMARILLO:

SECTION 1. The zoning map of the City of Amarillo adopted by Section 4-10 of the Amarillo Municipal Code and on file in the office of the Planning Director is hereby amended to reflect the following zoning use changes:

Rezoning of Lots 1-3 and Lots 22-24, Block 35, Bivins Addition Amended, in Section 187, Block 2, AB&M Survey, Potter County, Texas, plus one-half of all bounding streets, alleys, and public ways to change from Planned Development 185A to amended planned development for the addition of a gymnasium.

SECTION 2. All ordinances and resolutions or parts thereof that conflict with this ordinance are hereby repealed, to the extent of such conflict.

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

SECTION 4. This ordinance shall become effective from and after its date of final passage.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading on this the _____ day of May, 2016 and PASSED on Second and Final Reading on this the _____ day of May, 2016.

Paul Harpole, Mayor

ATTEST:

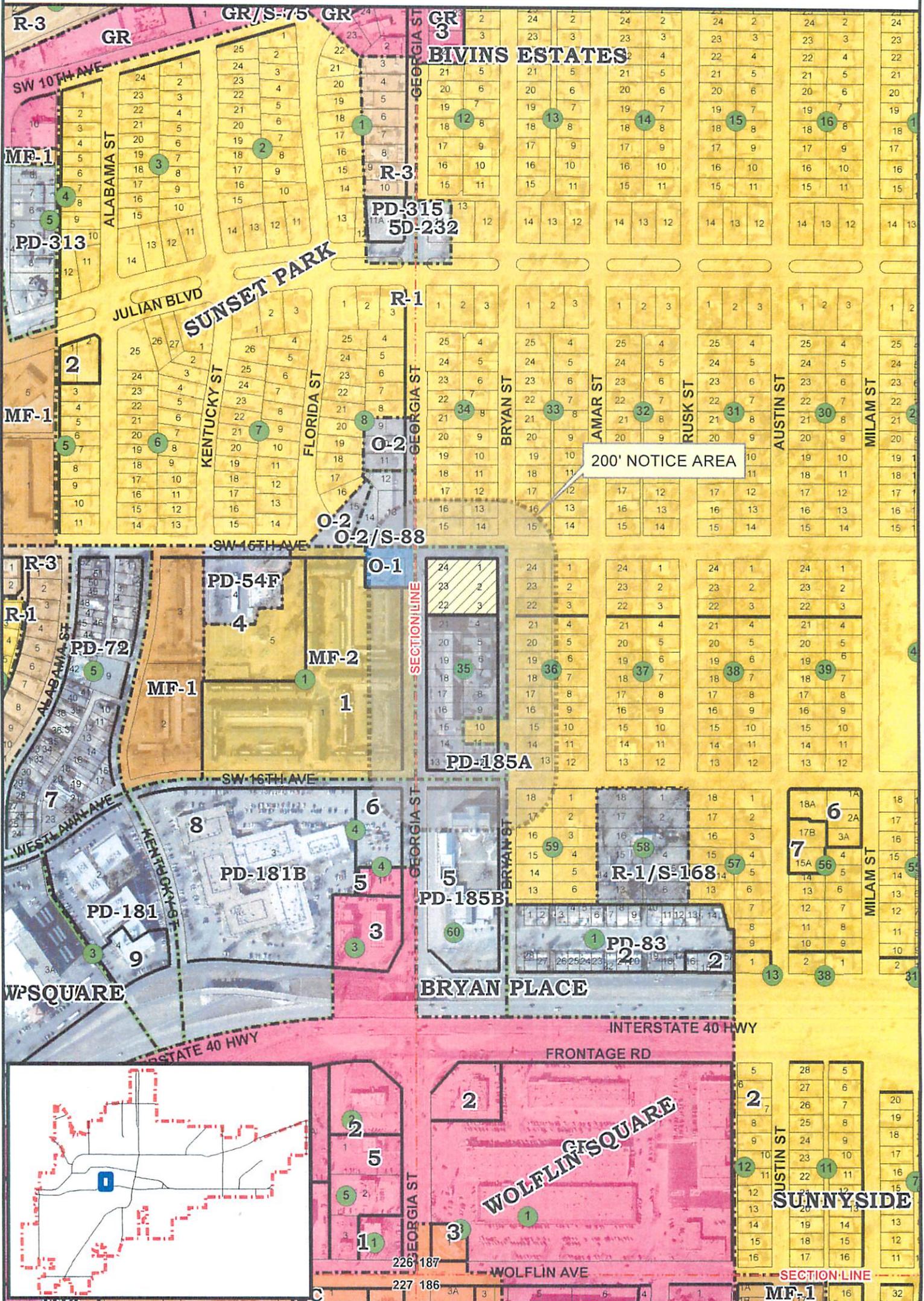
Frances Hibbs, City Secretary

APPROVED AS TO FORM:



William M. McKarnie, City Attorney

REZONING FROM PD TO AMD PD



CITY OF AMARILLO PLANNING DEPARTMENT

Scale: 1" = 400'
Date: 5-11-16
Case No: Z-16-19



Z-16-19 Rezoning of a Lots 1-3 and Lots 22-24 of Block 35, Bivins Addition Amended, in Section 187, Block 2, AB&M Survey, plus one-half of all bounding streets, alleys, and public ways to change from Planned Development 185A to amended planned development for the addition of a gymnasium.

Applicant: Jonathan Martindale

Vicinity: SW 15th Ave and S Georgia St

AP: M-12

Amarillo City Council Agenda Transmittal Memo



3

Meeting Date	6/7/2016	Council Priority	Best Practices Initiative
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Department	Finance
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Agenda Caption

RESOLUTION – AUTHORIZING A ONE-YEAR EXTENSION OF THE BANK DEPOSITORY CONTRACT WITH BANK OF AMERICA, N.A.

This resolution authorizes the City to extend for one year the Bank Depositor Contract to June 30, 2017. The original contract executed on July 13, 2013 allows for two additional one-year extensions, the first to run from July 1, 2016 through June 30, 2017.

Agenda Item Summary

Requested Action

Council consideration and approval of the resolution.

Funding Summary

Funding for the Bank Depository Contract is included in the City's budget.

Community Engagement Summary

City staff reviewed the extension with the City's Investment Committee as well as the City's Audit Committee. The Audit Committee's recommendation is to approve the one-year extension to the Bank Depository Contract.

City Manager Recommendation

Staff recommends approval of the resolution.

06/02/16

RESOLUTION NO. 06-07-16-_____
A RESOLUTION OF THE CITY OF AMARILLO, TEXAS APPROVING
A ONE-YEAR EXTENSION OF THE BANK DEPOSITORY CONTRACT
WITH BANK OF AMERICA, N.A.

WHEREAS, the City Council approved the current Bank Depository Contract with Bank of America, N.A., effective July 1, 2013, to expire June 30, 2016; and

WHEREAS, the Bank Depository Contract provides for a one-extension upon mutual agreement of the parties; and

WHEREAS, the City Council finds that it is in the best interest of the citizens of Amarillo for the Bank Depository Contract with Bank of America N.A. to be extended for one year, to expire June 30, 2017.

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

Section 1. There the current Bank Depository Contract between the City of Amarillo and Bank of America, N.A. is hereby extended for a period of one year, with an expiration date of June 30, 2017.

Section 2. The City Manager or his designee is authorized to execute documents necessary to effectuate the one-year extension approved herein.

Section 3. This Resolution shall become effective from and after its passage.

PASSED AND APPROVED this 7th day of June 2016.

Paul Harpole, Mayor

ATTEST:

Frances Hibbs, City Secretary

MEMO



To: Terry Childers, Interim City Manager
From: Laura Storrs, Finance Director 
Date: June 2, 2016
Subject: Depository Contract One-Year Extension Recommendation

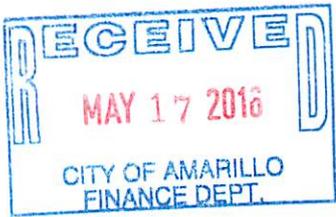
On June 30, 2016, the original three-year Bank Depository Contract executed on July 13, 2013 between the City and Bank of America Merrill Lynch (BOA) will expire. The contract allows for two additional one-year extensions, the first to run from July 1, 2016 through June 30, 2017.

The BOA one-year extension includes a change in the pricing for certain services during the extension period currently being used by the City. The proposed changes would potentially increase the City's monthly fees from \$18,464 to \$21,527, an increase of \$3,063 per month. This would come at a cost of approximately \$36,756 more per year than the previous three-year contract. The proposed fees reflect increases to services requiring manual processes; however, no increases have been applied to technology services. The City has already begun taking steps to reduce utilization of manual processes to minimize the impact of the fee changes.

Another change to the one-year extension is that BOA will reduce the City's earnings service credit and interest rate from 0.40% to 0.25%. With the recent changes in the interest rate environment, the City has alternative investment opportunities that will result in higher yields.

Finally, included in the extension is a change to the City's pledged collateral. Currently the City has a \$50 million FHLB letter of credit to collateralize deposits. The City will enter into a tri-party agreement with BOA and Bank of New York Mellon to use eligible securities under the Public Funds Investment Act as pledged collateral in lieu of the letter of credit. The City has also agreed to decrease the depository balances to under \$30 million and plans to continue to seek out additional options for short term cash investments that will produce higher yields.

The Investment Committee has reviewed the one-year extension and recommends that the City enter into the one-year extension to the BOA Bank Depository Contract. My recommendation is that the City only authorize a one-year extension and issue a request for proposals for depository services in 2017. I appreciate your consideration of this request.



May 16, 2016

Ms. Michelle Bonner
Assistant City Manager for Finance
City of Amarillo
509 S.E. Seventh Street
Amarillo, TX 79101

Dear Ms. Bonner:

Bank of America Merrill Lynch (Bank) is pleased to offer the City of Amarillo (City) a one-year extension of the Bank Depository Contract executed on June 13, 2013 and effective July 1, 2013. The extension period will be effective July 1, 2016 and terminate on June 30, 2017. I have attached a Proposed Depository Analysis Statement that outlines the pricing for services currently being used by the City that will be in effect during the extension period as well as the earnings credit rate for balances.

As a condition to this extension, the Bank will ask the City to limit the amount of demand deposit balances to no more than \$30 million and interest bearing deposit balances to no more than \$5 million during the extension period.

The Bank is committed to working with the City to continue to utilize the latest technology and automation in order to streamline your treasury operation and provide the best value for the City. Specific areas to focus on include eliminating redundant reporting mechanisms and focusing on how both checks and currency are currently deposited. In order to increase the utilization of remote deposit services currently used by the City, we will provide additional check scanners at no charge to the City for other departments to take advantage of this cost and time saving technology. Additionally, our SafeConnect solution could potentially provide an opportunity where large volumes of cash are collected to reduce both deposit charges as well as armored courier fees and free up personnel for more important functions.

We appreciate the long standing relationship that the Bank has enjoyed with the City and look forward to continuing to provide the latest technology to help manage your treasury function.

Sincerely,

Delwynn Sherrill
Senior Vice President
Bank of America, N.A.

Agreed and accepted this _____ day of _____, 2016.

By: _____

Title: _____

Amarillo City Council

Agenda Transmittal Memo



4

Meeting Date	June 7, 2016	Council Priority	Best Practices – Community Engagement
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Department	Police Department
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Agenda Caption

City of Amarillo Police Department's Rotation Contract

Agenda Item Summary

In the aftermath of the November 29, 2015 Outback Steakhouse accident involving a semi-truck where multiple vehicles were towed by one wrecker service, complaints were received from various wrecker services that the Amarillo Police Department "favored" one wrecker. Police and City Manager staff met with all current wrecker contractors including one not on the list. In light of the complaints Police initiated an investigation and per the City Manager, a Work Group convened to review the current Contract for compliance, operability of the Rotation List, and other possible updates. Of consideration was whether or not an additional Rotation List that would allow for light duty tows had merit.

Requested Action

Take and receive additional comment (s) particularly from wreckers services in attendance at the Council meeting (s), review and consider adoption of the proposed ordinance, and approve the updated City of Amarillo Police Department's Rotation Contract with the following proposed changes:

- 1) Add an AECC Representative to the Wrecker Contract Review Board giving the Police Chief authority to cast the deciding vote in the event of a tie.
- 2) Wrecker Contractors will complete and submit to City copies of all required training and equipment certifications.
- 3) Appropriate to current fuel rates, adjust the Fuel Surcharge.
- 4) Change the annual period during which time Wrecker Contractors can apply for a position on the Rotation List.
- 5) Other minor word or grammar changes.

Funding Summary

Raise current city fee for each compensated tow from \$16.25 to \$17.50.

Community Engagement Summary

Per Council, a widely publicized community engagement meeting was held and among the feedback was the general feeling that one Rotation List was best and satisfied with requiring tow truck certification and equipment experience. Some preferred "capping" Rotation List to six (6) wrecker services.

Staff Recommendation

Adopt the proposed ordinance and approve the updated and revised Rotation Contract.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMARILLO, TEXAS: AMENDING THE MUNICIPAL CODE OF THE CITY OF AMARILLO, TO AMEND SECTION 10-3-116, "PARTICIPATION, MAXIMUM FEE SCHEDULE AND TERMS," OF ARTICLE VII REGARDING NON-CONSENT TOWING AND POLICE ROTATION TOWING; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; PROVIDING FOR CONTINUATION OF PRIOR LAW; PROVIDING A PENALTY; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

WHEREAS, the Citizens of Amarillo have an expectation that at scenes or in circumstances where the required services and assistance of wrecker services are needed, rules, regulations, and best practice public safety and traffic protocols will be delivered in a safe and expeditious manner; and

WHEREAS, State law authorizes municipalities to establish and regulate fees for nonconsent tows from private property and tows initiated by a police officer investigating a traffic accident; and

WHEREAS, the City deems it prudent and appropriate that wrecker operators are well trained, proficient, and have all the required equipment; and

WHEREAS, it is necessary and appropriate to establish minimum acceptable standards, training, and criteria for the provision of wrecker services and operators; and

WHEREAS, the Municipal Code for the City of Amarillo currently establishes the maximum fees for categories of non-consent tows and authorizes the City Council to review and adjust said fees; and

WHEREAS, the Municipal Code for the City of Amarillo currently establishes the requirements for and time period for acceptance of applications for the annual City of Amarillo Police Department's Rotation Contract; and

WHEREAS, the City deems it necessary to adjust the time period of annual application for participation in the Rotation Contract.

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

SECTION 1. That the Amarillo Municipal Code of Ordinances be and is hereby amended to amend Title 10, Chapter 10-3, Article VII to read as follows:

ARTICLE VII. NON-CONSENSUAL TOWING OF MOTOR VEHICLES

...

DIVISION II. POLICE DEPARTMENT ROTATION LOG CONTRACT

Sec. 10-3-116. Participation, Maximum fee schedule and Terms.

- (a) Application for participation on the City of Amarillo Police Department's Rotation Contract will be limited to July 1 to July 15 (excluding weekends) of each year unless two or more tow companies participating on the Rotation Contract cease participation during any contract year in which case the City of Amarillo may, but is not required to, open applications to replace the lost participants.

....

SECTION 2. Severability. If any provision, section, subsection, sentence, clause or the application of same to any Person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this ordinance or the application thereby shall remain in effect, it being the intent of the City Council of the City of Amarillo, Texas in adopting this ordinance, that no portion thereof or provision contained herein shall become inoperative or fail by any reasons of unconstitutionality of any other portion or provision.

SECTION 3. Repealer. All ordinances, parts of ordinances resolutions and parts of resolutions in conflict with this ordinance are hereby repealed to the extent of conflict with this ordinance.

SECTION 4. Continuation. That nothing in this ordinance or any code hereby adopted shall be construed to affect any suit or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing under any act or ordinance hereby repealed by this ordinance.

SECTION 5. Penalty. It is an offense to violate the portion of Section 1 of this ordinance that is identified as Article VII, Division 1, punishable upon conviction in accordance with the fine established herein.

SECTION 6. Publishing and Effective Date. This ordinance shall be published and become effective according to law.

INTRODUCED AND PASSED by the City Council of the City of Amarillo, Texas, on First Reading this the _____ day of _____, 2016; and **PASSED** on Second and Final Reading the _____ day of _____, 2016.

Paul Harpole, Mayor

ATTEST:

Frances Hibbs, City Secretary

APPROVED AS TO FORM:

William M. McKamie, City Attorney

**CONTRACT FOR PARTICIPATION IN CITY OF AMARILLO ROTATION LOG
FOR WRECKER SERVICES FOR ABANDONED, IMPOUNDED,
JUNKED AND DISABLED VEHICLES**

This Contract is entered into by and between the City of Amarillo, a municipal corporation situated in Potter and Randall Counties, Texas, hereinafter referred to as "CITY" and _____, hereinafter referred to as "OPERATOR," upon the following terms and conditions performable in Potter and Randall Counties, Texas:

1. TERM AND DEFINITIONS.

a. This Contract shall be effective upon execution by the CITY and will remain in effect until such time as the parties enter into a new contract, unless sooner terminated as herein provided.

b. For the purposes of this Contract, the following terms and words are defined as follows:

- i. "Normal Business Hours" shall mean the hours of 8 a.m. to 6 p.m., Monday through Friday.
- ii. "OPERATOR" ~~shall exclusively refer to means~~ a towing company that has executed this rotation list Contract and maintains equipment and tow trucks designed for light-duty tows and heavy towing services for tows of vehicles with a Gross Vehicle Weight Rating (GVWR) of over 10,000 pounds that are designed to tow or transport buses, trucks, recreational vehicles, trailers and heavy equipment.
- iii. "Time on scene" means more than 15 minutes at a scene. Time-in begins when OPERATOR arrives on-scene, and ends when OPERATOR has secured the vehicle, cleaned debris, and finished an environmental cleanup if needed.

- iv. “*Department*” means the Amarillo Police Department, its chief or representative.
- v. “*Rotation Log*” means a sequential list, as maintained by the Amarillo Emergency Communications Center (“AECC”), of those OPERATORS duly qualified, ~~and authorized,~~ and equipped to provide towing services pursuant to the provisions of this Contract to receive and respond to calls from the AECC, when the vehicle owner/operator has not or cannot express a preference or consent for such services from a specific towing company. The Rotation Log will also be used for wrecker services in regard to abandoned, impounded, disabled and junk vehicles.
- vi. “Board” means a “*Wrecker Service Contract Review Board*” consisting of a representative of the Department, a representative of the City’s Purchasing Department, a representative of the AECC, and a representative of the local wrecker industry appointed by an Assistant City Manager. In the event of a vote resulting in a tie the representative of the Department shall cast the deciding vote.

2. PURPOSE/PARTICIPATION

a. The purpose of this contract is to establish minimum acceptable standards and criteria for the provision of wrecker services by OPERATORS participating on the CITY’S Rotation Log; provided, however, nothing herein shall obligate the CITY to the use of OPERATORS on the Rotation Log as the sole or exclusive means of providing wrecker services, and the CITY reserves the right to control, independently of the provisions of this Contract, wrecker services

for any particular situation as CITY may deem appropriate.

b. Wrecker services pursuant to the provisions of this Contract shall be administered by the Department through the Department's representative, who shall have authority to promulgate reasonable rules and regulations in furtherance and implementation of this Contract so long as they do not conflict with any provision hereof.

c. **This Contract and participation in the Rotation Log system is ~~p~~personal to the OPERATOR and shall constitute authorization only to OPERATOR. OPERATOR'S inclusion on the rotation list is a license only and constitutes no present or future property interest. Participation by any company or individual interrelated to OPERATOR in any direct or indirect manner will not be permitted nor is such interrelated entity or person entitled to enter into a contract to be on the Rotation Log or to respond on behalf of an OPERATOR on the rotation list. Notwithstanding anything in this Contract to the contrary, each OPERATOR by executing this Contract certifies and represents to CITY that OPERATOR is an independent entity and has its own primary place of business, equipment, wreckers, employees, vehicle storage facility, offstreet parking for wreckers and equipment, dispatcher, office, permits and licenses and does not share, own or lease same with or to any other OPERATOR that is or will execute this Contract. Discovery by CITY of any arrangement prohibited by this Section 2. c. will result in immediate termination of all interrelated OPERATOR Contracts and debarment from all CITY vendor/contractor eligibility for 5 years.**

d. Nothing contained in this Contract will prevent the owner or operator of a motor vehicle from calling a wrecker or tow truck of his/her own choice, or requesting that his/her

vehicle be towed to a place other than OPERATOR'S storage facility.

3. OPERATION

The following conditions shall govern the conduct of OPERATORS on the Rotation Log:

- a. No OPERATOR shall solicit business at the scene of an accident or other incident requiring wrecker services.
- b. No OPERATOR shall proceed to a location requiring wrecker service without being dispatched to do so by the AECC, except when an OPERATOR is specifically requested/contacted by a vehicle owner/driver.
- c. All OPERATORS and their drivers shall at all time conduct themselves and wrecker services in a reasonable and safe manner.
- d. Each wrecker driver shall obey all state and municipal traffic laws when responding to a dispatch for wrecker service, and the directions of police and Amarillo Emergency Services Volunteers while at the scene.
- e. Each OPERATOR shall furnish the Department with one telephone number to be used for all dispatches. No pagers or answering machines are permitted as call out numbers.
- f. Each OPERATOR shall maintain and be fully capable of and willing to provide twenty-four-hour, seven-day-a-week wrecker service during the term of this Contract.
- g. The OPERATOR will respond to a dispatch with its own wreckers and will not send or allow any other wrecker service to respond to a Rotation Log dispatch. If it appears to the OPERATOR or the CITY'S representative on scene, that the OPERATOR is not willing or capable to perform the required services or needs assistance, the OPERATOR may request that another OPERATOR be dispatched. Under such circumstances, the OPERATOR on-scene

may designate such other OPERATOR to be called for assistance; otherwise the next OPERATOR on the log will be dispatched.

h. Each OPERATORS shall provide drivers who are proficient and competent in the operation of such wrecker, the securing and movement of towed vehicles, and environmental cleanup, as evidenced by an appropriate valid commercial driver's license and an Incident Management Tow Operator License issued by the Texas Department of Licensing & Regulation.

i. At all times, each OPERATOR'S drivers shall wear reflective vests, coats or shirts while on the scene and shall be identified by the use of a name tag worn above the waist. FAILURE TO COMPLY WITH ANY OF THE REQUIREMENT OF a-i ABOVE IS CONSIDERED A VIOLATION FOR PURPOSES OF SECTION 5.

4. ROTATION LOG.

a. An OPERATOR shall promptly respond to a dispatch and arrive with a wrecker on the scene in accordance with Section 10 below. Requests from AECC dispatch will have priority over all other OPERATOR'S calls for service. If an OPERATOR is not willing or capable at the time of dispatch to respond, it shall immediately tell the AECC. The OPERATOR will be passed over for that call and that dispatch will go to the next OPERATOR on the Rotation Log. No violation will be attributable to OPERATOR under Section 5, however this will be considered as a turn on the rotation list.

b. When an OPERATOR responds to a dispatch, but renders no wrecker services, the response will be considered as a turn on the rotation list.

c. Any OPERATOR that is late in responding to dispatches for wrecker service without

an acceptable reason will be credited with a turn in addition to the penalties provided in Section 10 below.

d. When unusual or emergency conditions necessitate, the CITY reserves the right to request the services of a specific OPERATOR regardless of position on the rotation list, or any other towing company who, in the CITY'S sole opinion, is best able to handle the situation and/or can reach the scene most expeditiously. If a dispatch is made under these circumstances, the OPERATOR who would have otherwise received the call does not forfeit its respective position on the Rotation Log.

e. The Department's representative has the right at any time to inspect any wrecker or equipment of an OPERATOR to ascertain that it is being properly maintained, that all required equipment is on the wrecker, and that it is in proper operating order. OPERATOR will be notified in writing of any deficiencies found by Department. OPERATOR will immediately upon receipt of notice remove any wrecker or equipment found to be deficient from service until such time as the deficiency has been corrected and re-inspected by Department and found to be in proper operating order. **It is the duty and burden of OPERATOR to call for a re-inspection after correcting the deficiency. In the event the deficiency causes OPERATOR to be in breach of Section 11 of the Agreement, the OPERATOR will have 30 calendar days from receipt of notice to correct the deficiency of the out of service wrecker or equipment and have a re-inspection before the suspension provided in Section 11 takes effect. The continued use of suspended, deficient equipment after being notified by the Department will constitute a violation under Section 5 of the contract.**

5. **PENALTIES.**

a. OPERATOR by execution of this Contract acknowledges that its violation of any provisions of this Contract (as specifically provided herein) during the initial term or any renewal term will subject OPERATOR to the following penalties:

First Violation:	Written Warning
Second Violation:	Written Warning
Third Violation:	Thirty-Day Suspension
Fourth Violation:	Ninety -Day Suspension
Fifth Violation:	Four Year Suspension

b. The Department shall notify the OPERATOR in writing of the violation and the applicable penalty. OPERATOR may dispute the Department's finding and penalty in the following manner:

- i. Upon receipt of notification, the OPERATOR may, within 15 calendar days thereof, deliver a written request to the Department's representative for a hearing to be held before the Board. The request must set forth each particular defense, explanation, excuse, and error that OPERATOR will rely upon at the hearing. The receipt of a timely written request by the Department shall stay the penalty pending final disposition unless it is determined by the Chief of the Department that it would endanger public safety or welfare or further an alleged crime to allow said OPERATOR to continue on the Rotation Log. The Chief's decision is final and not subject to a Board hearing.
- ii. A hearing shall be held within 7 business days after the filing of a written

request unless it is infeasible to convene the Board whereupon the hearing shall occur at the earliest feasible date, but in no event longer than 30-days after Department receives the request for a hearing. The Department shall notify the OPERATOR of the time, date, and place of the hearing. At the hearing, the OPERATOR shall be provided an opportunity to be heard. The Board may hear from CITY representatives and others who have relevant information material to the allegation.

- iii. The Board shall render a written decision within 2 business days from the date of such hearing, setting forth the reasons for the same. The Board may affirm, modify or overrule a finding or penalty.
- c. The Department will reinstate an OPERATOR suspended pursuant to this Section 5 to the Rotation Log upon written application after the period of suspension has elapsed and after the department has determined that such OPERATOR is in compliance with all regulations of this Contract. Reinstatement to the Rotation Log by the suspended OPERATOR shall be conditioned upon prior payment to City of a reinstatement fee of \$1,000.00. This fee is not required if the Board overrules the suspension or reverses.
- d. Notwithstanding any other provision in this Contract to the contrary, OPERATOR Class C or above violations (non-enhanced by previous Class A or B violations) of the Texas Department of Licensing and Regulation (TDLR) regulations will subject OPERATOR to a mandatory 90 day suspension under this Contract that is not reviewable by the Board. Violations resulting in the suspension, revocation, or denial of OPERATOR'S TDLR license/permit to operate a towing business or storage lot will result in the automatic

suspension of this Contract for a like period.

e. Notwithstanding any other provision of this Contract, if OPERATOR is charged with a crime that arises out of or relates to OPERATOR'S business of towing or storage business or the performance of this Contract, CITY may immediately suspend OPERATOR until the outcome of the investigation or trial, whichever occurs later. Upon completion of the investigation or trial City may further suspend or reinstate OPERATOR to this Contract as appropriate to public safety and welfare.

6. **CONSIDERATION.** In consideration of CITY'S agreement to place OPERATOR on the CITY'S rotation list, the CITY's agreement to limit the right to apply for inclusion on its rotation list to ~~July 1 March 15~~ to ~~July April 15~~ (excluding weekends) for contract year ~~2016 011~~ to ~~2017 012 and April 1 to April 15 and (excluding weekends)~~ of each contract year thereafter ~~(excluding weekends)~~ unless two or more OPERATORS terminate the contract for any reason, and the revenue to be derived there from by OPERATOR, OPERATOR agrees to pay the CITY a fee of \$500.00. In consideration of CITY'S administration, regulation, operation of the rotation system and the use of City streets, roadways and alleyways OPERATOR agrees to pay to CITY a fee of \$~~176.50~~ 25 per compensated tow payable monthly as provided in Section 7. The City Fee cannot be added to increase the charge to the towing customer.

All payments by OPERATOR to CITY under this contract **MUST** be delivered to 509 SE 7th, Room 301, Amarillo, Texas 79101, **MUST** state on the face of the check, cashier's check, or money order: "WRECKER SERVICE FOR [month]" and **MUST** be accompanied by copies of all tow tickets and receipts for payment issued by OPERATOR as a result of this Contract.

7. **LATE PAYMENT FEE.** OPERATOR shall pay a late fee of 25% for any month if CITY has

not received: (a) the full amount of OPERATOR'S monthly payment by the 15th day of the month following the month in which the compensated tows were performed; (b) if the payment is misdirected or requires staff research due to OPERATOR not identifying the payment as required above; or, (c) if required documentation is not attached. The Late Payment Fee must be made within 3 days after receipt of written notice from CITY of the reason for the assessment and the amount of the Late Payment Fee, delivered in the same manner required for a regular monthly payment and must be identified as a Late Payment Fee. **Failure or refusal to pay the Late Payment Fee within 3 days after receipt of notice in the manner required and/or failure to provide the requisite supporting documentation within said 3 day period will constitute a violation of the Contract for purposes of Section 5, and each day such failure or refusal to comply continues will constitute a separate violation of the Contract.** This remedy is cumulative of all other remedies available to CITY for breach of this Contract. Nothing in this paragraph is intended to authorize the collection of any interest for the use, forbearance or detention of money loaned; it is a penal or liquidated sum for breach of contract.

8. CONTRACT TERMINATION.

- a. The City can terminate this contract for its convenience at any time by giving OPERATOR written notice of termination at least five 5 business days before the effective date of such termination.
- b. OPERATOR can terminate this contract at any time by giving CITY written notice of termination together with a closing statement of any fees payable to the CITY. Payment of any fees due CITY must be made within 3 business days after CITY's receipt of written notice to

terminate.

9. **AUTHORIZED PERSONS.** OPERATOR hereby agrees to provide wrecker services when requested by the Department on behalf of other CITY departments that need the towing and storage of junked, abandoned, impounded and disabled vehicles. Only response to requests for wrecker services received from AECC are authorized under this Contract.

10. **RESPONSE TIME.** OPERATOR agrees to respond to any scene within the Amarillo city limits within 20 minutes between the hours of 8:00 a.m. and 8:00 p.m. and 30 minutes between the hours of 8:01 p.m. and 7:59 a.m.; provided, however, if the OPERATOR notifies the CITY'S communication center of a delay not attributable to OPERATOR (e.g. traffic near the scene, weather etc.) and of a reasonable expected time of arrival, then OPERATOR will be allowed fifteen (15) additional minutes to arrive and the late response will not be considered a violation of the Contract for purposes of Section 5. All times run from the time the call is made by AECC to OPERATOR. In the event OPERATOR has an unexcused tardy response more than 2 times during any calendar month OPERATOR shall pay City, as liquidated damages, the sum of \$200.00 for each such tardy response as compensation to CITY for the extra time its employees were required to remain with the vehicle to be towed as a result of OPERATOR'S tardiness. Such payment is in addition to and is not a substitute for the penalty that will be assessed against OPERATOR pursuant to Section 5 for each late response. When the OPERATOR is called AECC will make the call time part of the Rotation Log.

11. **EQUIPMENT AND PERSONNEL.** OPERATOR must own or lease adequate equipment and vehicles to perform all requirements of this Contract. **OPERATOR must own or lease and have**

available for use at all times during this Contract the following minimum vehicles: **2 Light Duty Tow Trucks with a towing capacity of 10,000 pounds; 1 tandem axle Heavy Duty Tow Trucks with a manufacturers gross vehicle weight rating of at least 33,000 pounds and a boom capacity of 25 tons; and 1 Tandem Axle Lowboy Trailer or a 48' tilt bed trailer and a tractor to pull the trailer.** The City reserves the right to insure that OPERATOR has required personnel, proper equipment, vehicles, qualifications and licenses, permits and training required by this Contract including all training and certifications required and by state and federal law, both at inception of this Contract and at any time during the term or any renewal term of this Contract. OPERATOR shall be responsible for and in sole control of the acts and omissions of OPERATOR'S personnel in the performance of this Contract. All OPERATOR personnel shall obtain a certification for heavy-duty towing services. The OPERATOR shall provide to the CITY all training certifications obtained by the OPERATOR'S personnel. Training certifications for the OPERATOR'S personnel must be provided to the CITY upon request by the CITY. OPERATOR affirms that all personnel assisting with and operating a tow truck for the OPERATOR have obtained all applicable towing certifications and provided a copy of the same to the CITY. OPERATOR must have adequate off-street parking for all of OPERATOR'S equipment. **Except as provided in Section 4. e. above, if OPERATOR fails or refuses to conform to any of the requirements of this Section 11 OPERATOR will be immediately suspended from participation under this contract until the deficiency is remedied.**

12. SUPERVISORY RELEASE WITHOUT COST. OPERATOR will release any vehicle hooked or towed pursuant to this Contract without charge if requested to do so in writing by any Department officer with the rank of Sergeant or higher and any CITY Division Director or Department

Head.

13. VEHICLE STORAGE FACILITY. OPERATOR shall provide its own licensed storage facilities and have its primary place of business **within the City limits**. The vehicle storage facility must meet the requirements of both state law and the applicable CITY zoning and building regulations regarding vehicle storage facilities. Every storage facility must be adequately secured against theft and vandalism and have security fencing. The OPERATOR will be responsible for each vehicle and its contents while in its care, custody and control. The storage facility premises and office area must be kept clean, safe and orderly. All vehicles in the storage facility shall be stored in such a manner that there exists a minimum of two feet on the side of each vehicle to allow access to check the vehicle's identification numbers. All vehicles towed by OPERATOR pursuant to this Contract shall be taken to OPERATOR'S storage facility, unless the vehicle owner or driver requests in writing that the vehicle be taken to another location specified by the owner or driver. (It is sufficient that the instruction is written by the owner or driver on the OPERATOR'S towing receipt or ticket at the scene and signed by the owner or driver.)

14. RECORDS. OPERATOR shall maintain during the term of this Contract, and for 4 calendar years following the expiration or termination of this Contract, complete and accurate copies of all books records, receipts and tickets generated under this Contract. OPERATOR agrees to make its books and records, regarding the performance of this Contract, available to CITY'S duly authorized representatives at OPERATOR'S place of business during Normal Business Hours for inspection, copying and auditing. Failure to maintain the records described above or to provide access will result in immediate suspension of OPERATOR under this Contract until such time as the records are

produced and access is provided. **Audits may be performed by the City on an as-needed or random basis to insure compliance with the fees established by this Contract. If an audit reveals that the fees charged are not in compliance with Exhibit A then OPERATOR will be notified by the CITY and required to refund the overcharged amount to the customer and OPERATOR may be charged for a violation of the Contract under Section 5 if the audit evidences a pattern of overcharging by OPERATOR.**

15. NOTICES AND AUCTION. Vehicles which are left at OPERATOR'S storage facility for more than 10 days after OPERATOR sends notice by registered or certified mail, return receipt requested, to the owner to pick up the vehicle in accordance with Chapter 683, Texas Transportation Code as amended ("Chapter 683") shall be disposed of according to the provisions of such statute. 683. Public auctions will be held at such times and places as may be scheduled by the CITY. Notices to owners, lien holders and others required by State law shall be given by the OPERATOR or Department, as required by Chapter 683. Costs and proceeds of the auction shall be allocated as required by Chapter 683.

16. CITY EXEMPT. Except for City vehicles over ten thousand (10,000) pounds and as provided in Section 18.23 of the Texas Code of Criminal Procedure with respect to vehicles impounded by CITY for evidentiary or examination purposes, CITY shall never be held responsible for any wrecker or towing fees, storage fees or any other charges incurred by OPERATOR as a result of this Contract. OPERATOR'S sole source of revenue and recourse for services performed under this Contract, in every case, shall be from and against title owner or operator of vehicles or a third party in privity with those. Additionally and as further consideration to CITY, OPERATOR will not charge CITY for the

towing and/or storage of any CITY owned vehicles of ten thousand (10,000) pounds or less, and will only charge CITY for the towing and/or storage of vehicles over ten thousand (10,000) pounds at the rates provided in Exhibit A.

17. INDEMNITY. OPERATOR, (IN THIS SECTION IT MEANS AND INCLUDES ITS OFFICERS, PARTNERS, MEMBERS, DRIVERS, EMPLOYEES, CONTRACTORS, ASSIGNS, AND SUCCESSORS AND ALL OTHERS USED BY OPERATOR OR UNDER OPERATOR'S DIRECTION IN FURTHERANCE OF PERFORMING THIS CONTRACT) AGREES TO HOLD CITY HARMLESS FROM AND INDEMNIFY CITY, ITS OFFICERS, EMPLOYEES, AGENTS AND REPRESENTATIVES AGAINST ANY AND ALL CLAIMS, DEMANDS, SUITS, DAMAGES, CAUSES OF ACTION, COSTS, INCLUDING ATTORNEY'S FEES, AND INTEREST RELATING TO ANY AND ALL PERSONAL INJURIES, DEATHS AND/OR PROPERTY DAMAGE OR LOSS BY WHOMSOEVER SUFFERED, (INCLUDING, BUT NOT LIMITED TO CITY OR ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR REPRESENTATIVES), ARISING OUT OF, RESULTING FROM, OR IN ANY MANNER CONNECTED WITH ANY ACT OR OMISSION BY OPERATOR.

18. FEES. OPERATOR shall neither charge nor attempt to collect any charge of any kind or character for the towing, waiting, debris removal, storage, security, or release of any vehicle except those authorized by this Contract or by State law. Any additional services and their associated fees specifically authorized in writing by the scene commander or the on-scene supervisor will be considered as an authorized fee. Storage charges shall cease when a properly completed request for release is made. The maximum fees OPERATOR can charge for towing any vehicle and for service

rendered under this Contract are shown in Exhibit A attached to this Contract and by this reference made a part of this Contract.

19. "FUEL SURCHARGE. OPERATOR will be permitted to charge a fuel surcharge in addition to the contractual fees approved in the Contract. The Base Price for calculating this surcharge will be the rack average price per gallon for No. 2 Gross Ultra Low Sulfur Distillate ("No. 2 Distillate") in Amarillo, Texas as set by the Oil Price Information Service ("OPIS") on June 3, 2016.

The fuel surcharge will be determined monthly by a formula based on the cost increase of No. 2 Distillate. When the OPIS rack average price for a gallon of No. 2 Distillate in Amarillo, Texas increases by fifty cents (\$0.50) over the Base Price, the OPERATOR will be permitted to charge three dollars (\$3.00) per tow as an additional fuel surcharge to the towing fees. For every fifty cents (\$0.50) increase thereafter the OPERATOR may increase the fuel surcharge by an additional three dollars (\$3.00). Example: Base Price \$3.20 on June 3, 2016, No. 2 Distillate has increased to \$4.20 (increase of \$1.00) on July 3, 2016, OPERATOR entitled to collect a six dollar (\$6.00) fuel surcharge after notification from CITY.

The same methodology shall also be used to reduce or eliminate the fuel surcharge when fuel prices decline.

Whenever the fuel surcharge fees are in effect for tows, all customers will be provided with an itemized explanation of the fuel surcharge fee.

The fuel surcharge, if implemented, will apply only to the actual towing fees and shall not apply towards storage or any other fees. No fuel surcharge fees shall be permitted if the rack average price per gallon of No. 2 Distillate remains below the Base Price plus forty-nine cents (\$0.49). The CITY will not be responsible for any fuel surcharge fees.

The CITY shall advise each OPERATOR by regular first class mail (sent to the address provided in this Contract) of the fuel surcharge calculation and the effective date of any surcharge (increase or decrease) on or about the 15th of each month and such calculation shall be and remain in effect until the next monthly review and adjustment."

2019. INQUIRIES. On all bills, invoices, receipts, tickets, etc. issued by OPERATOR for service rendered under this Contract, OPERATOR shall notify customers in writing of the fees specified in Exhibit A and, the mailing address (200 S.E. 3rd, Amarillo TX 79101) and telephone number (806-378-4269) of the Amarillo Police Department for purpose of directing questions regarding those fees or services. **OPERATOR shall give customers an itemized receipt that reflects the services and fees specified in Exhibit A.** This notice must be pre-printed on the forms used by OPERATOR or a

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legible sticker or rubber stamp may be used to convey the required information. The required information must be in a sans serif font of not less than ten (10) points. A sign containing this same information shall also be prominently displayed to the public at the place of payment, in letters at least one inch high, with a contrasting background. **This sign shall be posted within 10 business days after this Contract is signed by the CITY.** Failure to comply with any requirement of this Section 19 will constitute a violation for purposes of Section 5 and each day that OPERATOR fails or refuses to remedy the violation after receiving notice thereof shall constitute a separate violation under Section 5.

210. LEGAL COMPLIANCE. OPERATOR shall comply with all provisions of Federal and Texas laws and regulations (specifically including but not limited to, Title 16, Part 4, Chapter 85 "Vehicle Storage Facilities" and Chapter 86 "Vehicle Towing and Booting" of the Texas Administrative Code; Chapters 2303 and 2308 of the Texas Occupation Code; and Chapter 683 Texas Transportation Code) and the Amarillo Municipal Code regarding the operation, licensing and registration of tow vehicles, tow truck operators and vehicle storage facilities. **Failure or refusal to comply with any such federal, state or local law and regulation will result in immediate written notice of suspension under this contract until such time as Operator provides CITY with satisfactory evidence of compliance.**

221. SCENE CLEANUP. When removing a vehicle from a location OPERATOR MUST pick up and remove all broken glass and debris from the street and properly dispose of it at the storage facility. **Failure or refusal to comply with this Section will constitute a violation of the contract under Section 5.**

232. COMPLAINTS AND OVERCHARGES. Complaints concerning OPERATOR'S performance under this contract received by the CITY shall be promptly reported to and investigated by OPERATOR. A satisfactory written explanation shall be made to CITY within 5 business days of the time OPERATOR is notified in writing of the complaint by CITY. OPERATOR agrees to promptly and without delay take whatever action is necessary to correct any and all complaints. **OPERATOR'S failure or refusal to fully investigate complaints, to correct errors, to refund overcharges, or to provide CITY a written explanation within the required period will constitute a violation and authorize CITY to penalize OPERATOR as provided in Section 5, and each day thereafter that OPERATOR fails or refuses to take the required action will constitute a separate violation for purposes of Section 5. When a complaint is initiated all charges by OPERATOR on the complaining party will stop until such time as the complaint has been resolved in writing and signed by all parties involved, a satisfactory written explanation, acceptable to the CITY, as to why the complaint cannot be resolved is received or a hearing before the Justice of the Peace to dispute overcharges or if there is no probable cause for the tow in accordance with Texas Occupations Code 2308.**

243. VEHICLE RELEASE. OPERATOR shall release vehicles in its custody 24 hours a day or as otherwise provided by law. Vehicles must be released within 1 hour of a request. OPERATOR shall promptly release personal property during Normal Business Hours without fee to the authorized owner or operator of the vehicle.

254. POLICE HOLD. OPERATOR must provide a uniquely numbered receipt (a card stub) to the CITY on impounded vehicles that describes the vehicle and designates whether or not there is a police

hold on the vehicle. Before releasing a vehicle with a police hold marked on the stub, the OPERATOR will ensure that the police hold has been canceled. Before having the receipt printed for use, the OPERATOR must confer with and obtain Department approval of the receipt form. **For purposes of this paragraph, a “police hold” includes a hold placed by the Fire Marshall’s office or other law enforcement agency with whom the Department is cooperating. The OPERATOR must notify the Department front desk, on a daily basis, of all vehicles it has released for which it issued an impound receipt/stub. Failure to comply with the requirements of this Section 24 will constitute a violation for Section 5 purposes.**

265. INSURANCE. In addition to any insurance required by Texas law, at inception of this Contract OPERATOR shall provide satisfactory proof of insurance coverage as listed below and maintain such coverage, without interruption for the full Term of this Contract and any renewal term. All policies shall be issued by an insurer with a Best Rating of B+ or better, authorized to write such coverage in Texas. A certificate of insurance must be filed with the CITY prior to the execution of this Contract.

<u>TYPE OF COVERAGE</u>	<u>MINIMUM RATES</u>
<u>WORKERS COMPENSATION</u> OR THE APPROVED EQUIVLENT OF AN ACCIDENT MEDICAL EXPENSE, WEEKLY ACCIDENT INDEMNITY AND ACCIDENTAL D & D POLICY	STATUTORY
<u>COMMERCIAL GENERAL LIABILITY</u> COVERAGE A - Each Occurrence	\$500,000
COVERAGE B - Personal & Advertising Injury General Aggregate other than Products/ Completed Operations	\$500,000
Products/Completed Operations Aggregate	\$500,000

NOTES:

- 1) Contractual liability coverage cannot be excluded.
- 2) OPERATOR will assume all liability for independent suboperators.

AUTOMOBILE LIABILITY

Bodily Injury Liability - Per Person	\$250,000
Bodily Injury Liability - Per Occurrence	\$500,000
Property Damage Liability - Per Occurrence	\$100,000
Garage Liability - Aggregate	\$500,000

NOTE:

Coverage must include all owned, scheduled, hired, and non-owned vehicles.

OTHER:

Garage keepers Legal Liability	\$200,000
On Hooks including Cargo Limit - Light/Medium Trucks	\$50,000
On Hooks including Cargo Limit - Heavy Trucks	\$300,000

The policy must list the City of Amarillo as an "additional insured" and require the company to give CITY 45 days advance notice of non-renewal, cancellation or other material changes by the carrier.

Failure to maintain the required insurance will result in immediate suspension of OPERATOR from the Rotation Log until such time as proof of the required insurance is provided to CITY.

276. TRAINING VEHICLES. In further consideration to CITY for this Contract, OPERATOR will provide OPERATOR'S proportionate share (on a rotation basis) of a maximum of one hundred (100) junked vehicles required by the Department and the CITY Fire Department for training purposes and shall deliver same to the location designated by the Department or CITY Fire Department. When training exercises have been completed OPERATOR will promptly remove the vehicle(s).

287. SAVINGS. In case of any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof, and this Contract shall be construed as if

such invalid, illegal or unenforceable provision had never been contained herein.

|

298. NOTICES. Notice required by this Contract shall be complete upon actual receipt by the party to whom notice is sent. All notices required hereunder shall be hand delivered or mailed certified return receipt requested as follows:

CITY:

Purchasing Agent
City of Amarillo
P. O. Box 1971
509 East 7th Avenue, Room 303
Amarillo TX 79105-1971

With Copy to:
Cpt. Brad Lancaster
Amarillo Police Department

OPERATOR:

Name: _____
Attn: _____
Address: _____
City, State & Zip Code _____
Telephone: _____
Facsimile: _____
E-Mail: _____

or such other address as may be specified by notice in writing.

3029. WAIVER OR AMENDMENT AND ESTOPPEL. Waiver, alteration, or modification of any of the provisions of this Contract shall not be binding unless such waiver, alteration, or modification is in writing and signed by an authorized representative of the parties. Failure by either party to enforce a breach of this Contract on one or more occasions shall not constitute a waiver of further breaches or estoppel enforcement on the subsequent occasions.

310. INDEPENDENT CONTRACTOR. The relationship created between the parties by this Contract is that of CITY and independent contractor. No agent, employee, or suboperator of OPERATOR is or will be deemed to be the employee, agent or servant of CITY. CITY is interested only in the results obtained under this Contract. The manner and means of conducting the work are

under the sole control of OPERATOR. None of the benefits provided by CITY to its employees, including, but not limited to compensation insurance, hospitalization insurance, or unemployment insurance are available from CITY to the employees, agents, servants or suboperators of OPERATOR.

321. LABELS. The titles for each section are for convenience only and are non-substantive, and do not expand or limit the text of the section.

332. COUNCIL APPROVAL. Execution of this Contract by CITY is subject to approval by the Amarillo City Council.

343. NONDISCRIMINATION. OPERATOR will comply with all federal and state antidiscrimination and civil rights laws in performing services under this Contract.

354. ASSIGNMENT/TRANSFER. This Contract cannot be assigned or transferred without CITY'S prior written approval.

365. COSTS AND ATTORNEYS' FEES. If either party commences any legal action in a court of law against the other party arising out of this Contract, the prevailing party may recover its litigation expenses, including court costs, expert witness fees, discovery expenses and attorneys' fees.

376. PRIOR AGREEMENT. This Agreement supersedes and terminates any prior oral or written understandings or agreements between the parties.

EXECUTED this _____ day of _____, 20164.

CITY OF AMARILLO

By: _____
Terry Childers-W. Jarrett Atkinson, Interim City

Manager

ATTEST:

Frances Hibbs, City Secretary

OPERATOR

ATTEST:

By: _____

Printed Name: _____

EXHIBIT A FEES

ITEM	10,000 POUNDS OR LESS, FEES NOT TO EXCEED. . .	FOR CITY OF AMARILLO VEHICLES OVER 10,000 POUNDS, FEES NOT TO EXCEED. . .**	NOTES:
Towing charge	\$150.00 for accident tow \$135.00 for non-accident tow	\$150.00 per necessary tow vehicle	There is no mileage allowance for a point-to-point tow within the City.
Clean-up	Included in Tow Charge.	Included in tow charge	At every accident, must pick up glass, metal, plastic debris and properly dispose of such at storage facility.
Dolly	\$25.00 flat fee	-----	-----
Environmental Clean-up	\$25.00 per 15 minute increments. (This is in addition to any fee for time on scene below.)	\$25.00 per 15 minute increments. (This is in addition to any fee for time on scene below.)	Only upon request by police or fire officials at the scene. In addition to removal and disposal of debris (glass, metal, plastic etc.) OPERATOR will clean up of motor vehicle fluids spilled at scene and properly dispose of same in a manner authorized by the EPA and TNRCC. All associated costs in excess of amount paid under this Contract shall be borne by OPERATOR unless authorized by the vehicle owner OPERATOR must note on tow ticket name of authorizing official, nature and amount of spill.
Storage Fee	If charged not less than \$5 nor more than \$20.00 per day (Vehicles that are 25 feet or less in length)	\$35.00 per day (Vehicles that exceed 25 feet in length)	Shall not charge in excess of one day's storage for a vehicle, which remains in storage less than twelve (12) hours notwithstanding the passage of midnight.
Mileage fee	\$2.00 per mile	\$2.50 per mile	Starts and ends at City limits outbound/inbound.
Time on scene over 15 minutes	\$30.00 per 15 minute increments	\$50.00 per 15 minute increment per necessary tow vehicle	For authorized time at scene in excess of 15 minutes.
Impoundment Fee	\$20.00	\$20.00	
Certified Letter Fee	Not to exceed State Allowable	Not to exceed State Allowable	
After Hours Vehicle/Personal Property Release	\$25.00	\$25.00	

**** ALL TOWS OF NON CITY VEHICLES OVER 10,000 POUNDS WILL BE CHARGED IN ACCORDANCE WITH OPERATOR'S POSTED TDLR RATES.**

**ADDENDUM NO. 1
TO CONTRACT FOR PARTICIPATION IN CITY OF AMARILLO
ROTATION LOG FOR WRECKER SERVICES FOR ABANDONED, IMPOUNDED, JUNKED
AND DISABLED VEHICLES**

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This Addendum is attached to and made a part of that certain Contract for Participation in City of Amarillo Rotation Log for Abandoned, Impounded, Junked and Disabled Vehicles of even date herewith and by and between the City of Amarillo ("CITY") and _____ ("OPERATOR"). CITY and OPERATOR hereby agree to add the following "Fuel Surcharge" provision to Exhibit A of said Contract:

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"FUEL SURCHARGE. OPERATOR will be permitted to charge a fuel surcharge in addition to the contractual fees approved in the Contract. The Base Price for calculating this surcharge will be the rack average price per gallon for No. 2 Gross Ultra-Low Sulfur Distillate ("No. 2 Distillate") in Amarillo, Texas as set by the Oil Price Information Service ("OPIS") on the March 15, 2011.

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The fuel surcharge will be determined monthly by a formula based on the cost increase of No. 2 Distillate. When the OPIS rack average price for a gallon of No. 2 Distillate in Amarillo, Texas increases by fifty cents (\$0.50) over the Base Price, the OPERATOR will be permitted to charge three dollars (\$3.00) per tow as an additional fuel surcharge to the towing fees. For every fifty cents (\$0.50) increase thereafter the OPERATOR may increase the fuel surcharge by an additional three dollars (\$3.00). Example: Base Price \$3.20 on March 15, 2011, No. 2 Distillate has increased to \$4.20 (increase of \$1.00) on April 15, 2011, OPERATOR entitled to collect a six dollar (\$6.00) fuel surcharge after notification from CITY.

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The same methodology shall also be used to reduce or eliminate the fuel surcharge when fuel prices decline.

Whenever the fuel surcharge fees are in effect for tows, all customers will be provided with an itemized explanation of the fuel surcharge fee.

The fuel surcharge, if implemented, will apply only to the actual towing fees and shall not apply towards storage or any other fees. No fuel surcharge fees shall be permitted if the rack average price per gallon of No. 2 Distillate remains below the Base Price plus forty-nine cents (\$0.49). The CITY will not be responsible for any fuel surcharge fees.

The CITY shall advise each OPERATOR by regular first class mail (sent to the address provided in this Contract) of the fuel surcharge calculation and the effective date of any surcharge (increase or decrease) on or about the 15th of each month and such calculation shall be and remain in effect until the next monthly review and adjustment."

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~~All terms, conditions, obligations, rights, and provisions of the above described Contract remain in full force and effect.~~

Executed this _____ day of _____, 2014.

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ATTEST: _____ CITY OF AMARILLO

Francis Hibbs, City Secretary

By: _____
W. Jarrett Atkinson, City Manager

ATTEST: _____ OPERATOR

By: _____

Title: _____

Amarillo City Council Agenda Transmittal Memo



A

Meeting Date	June 7, 2016	Council Priority	Best Practices
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Department	Finance
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Agenda Caption

AWARD OF CONTRACT – AGREEMENT FOR AUDIT SERVICES

Agenda Item Summary

Connor, McMillon, Mitchell and Shennum, PLLC - \$140,885
This agreement for audit services with Connor, McMillon, Mitchell and Shennum, PLLC is for a one year contract with two one year extensions.

Requested Action

Council consideration and approval of the agreement.

Funding Summary

Funding for audit services is included in the City's budget.

Community Engagement Summary

City staff reviewed the request for qualifications responses and recommendation with the City's Audit Committee. The Audit Committee's recommendation is to approve the audit services agreement with Connor, McMillon, Mitchell and Shennum, PLLC for a three year period

Staff Recommendation

Staff's recommendation is for City Council's approval of the audit services agreement.

MEMO



To: Terry Childers, City Manager
From: Michelle Bonner, Assistant City Manager *M. Bonner*
Date: June 1, 2016
Subject: Audit Services RFQ Recommendation

On March 25th the City issued a Request for Qualifications (RFQ) for Audit Services. Included in the RFQ are audit services for the City of Amarillo, the Amarillo Firemen's Relief and Retirement Fund, the Amarillo Economic Development Corporation, the Amarillo Hospital District, the Amarillo Local Government Corporation, the Amarillo Potter Event Venue District and the Harrington Library Consortium. Historically the outside entities have used the same auditor as the City, however this is not required. Once the City selects and awards the audit services contract, staff will review the audit services recommendation with each of the separate Boards.

The City received three responses to the RFQ, one local responder, Connor, McMillon, Mitchell & Shennum (CMMS), PLLC, one from Weaver staffed from the Midland, Texas office and one from Moss-Adams, LLP, staffed from the Dallas, Albuquerque, NM and Medford, Oregon office.

Each entity has governmental experience, CMMS locally to the Amarillo regional area, Weaver throughout the State of Texas, and Moss-Adams in the New Mexico and Oregon States. The RFQ review committee consisted of three City staff members and scoring was awarded based on qualifications and experience, mandatory elements and audit approach. All three reviewers scored CMMS as the number one responder, with the Weaver response scoring very closely as second. All three responses scored very close in the audit approach area, however, CMMS excelled in quality of personnel, required timeframe, and new GASB pronouncements. Past experience with CMMS reflects that the City and related audits are completed professionally and within the required time frame.

The City of Amarillo Audit Committee met on May 24, 2016 and reviewed the audit services recommendation. The Audit Committee's recommendation to the City Council is award the audit services contract to CMMS for the fiscal years ending September 30, 2016 through 2018.

AGREEMENT FOR AUDITING SERVICES

This Agreement (“Agreement”) is between the City of Amarillo (“CITY”) P.O. Box 1971, Amarillo, Texas 79105-1971 and Connor, McMillon, Mitchell and Shennum, PLLC (“CMMS”) whose address is 801 S. Fillmore, Suite 600, Amarillo, TX 79101.

CITY engages CMMS to provide certain auditing services for the CITY (“Project”) in accordance with this Agreement and CMMS’S Engagement Letter dated June 7, 2016, attached hereto and by reference made a part hereof (“Engagement Letter”).

1. Provisions of Services/Method of Authorization.

- 1.1** This Agreement provides the terms upon which CITY may avail itself of the professional services of CMMS for the above specified Project.
- 1.2** CMMS agrees to provide services in accordance with the Engagement Letter dated June 7, 2016.
- 1.3** The provisions of this Agreement are solely for the benefit of the parties and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity.
- 1.4** The standard of care applicable to services performed by CMMS will be the degree of skill and diligence normally employed by professionals performing the same or similar Services at the time said services are performed as defined in the Engagement Letter.

2. CITY’S Responsibilities.

- 2.1** CITY will provide full information regarding its requirements for the Services.
- 2.2** CITY will designate a representative authorized to act in its behalf with respect to the Services. CITY’S authorized representative will examine all documents submitted by CMMS , furnish information required by CMMS, and will promptly render decisions in writing so as not to delay the progress of CMMS’S Services.
- 2.4** CITY will provide all legal opinions regarding request under the Texas Public Information Act and will, to the extent allowed by law honor all confidentiality obligations of CMMS regarding the information provided. To the extent allowed by law CITY acknowledges and agrees that all information obtained by CMMS is proprietary and remains the property of and under the exclusive control of CMMS regardless of whether or not such information has been shared with CITY.

3. **Term of Agreement.** This Agreement shall begin on June 27, 2016 and shall end on June 26, 2019.

4. **Compensation and Method of Payment.**

4.1 CMMS agrees to accept for the Services provided under this Agreement the fixed fee and out-of-pocket expenses as set forth in the attached Engagement Letter. With the exception of fees for the fiscal year ended September 30, 2016, the parties will agree to CMMS fees in all subsequent years of this Agreement by written addendum.

4.2 CITY is a tax exempt government entity.

4.3 CMMS will invoice CITY for all Services rendered and out-of-pocket expenses incurred pursuant to this Agreement, and each invoice will be due and payable within 30 days after receipt by CITY. CMMS'S invoice shall be of sufficient detail to fully identify the Services performed.

4.4 Compensation due CMMS under this Agreement is payable at 801 S. Fillmore, Suite 600, Amarillo, TX 79101.

4.5 If CITY fails to make any payments due CMMS for Services within 30 days after the date an invoice is received, the amounts due CMMS will accrue interest at the maximum rate allowed by law from the 31st day. In addition, CMMS may, after giving 7 days written notice to CITY, suspend Services under this Agreement until CMMS has been paid in full all amounts due for Services, including all accrued but unpaid interest, without CMMS incurring liability due to such suspension.

5. **Delays/Changes.**

5.1 Any delay or default in the performance of any obligations of CMMS under this Agreement resulting from any cause beyond CMMS'S control will not be deemed a breach of this Agreement. The occurrence of such event will suspend the obligations of CMMS for as long as performance is delayed or prevented.

6. **Insurance.**

6.1 CMMS will maintain the following insurance coverage during the performance of Services under this Agreement:

TYPE	AMOUNT
Professional Liability	\$1,000,000 per occurrence \$2,000,000 aggregate

6.2 Term of Policy. The required coverage must remain in effect during the term of this Agreement with CITY.

6.3 Proof of Insurance Required. A Certificate of Insurance evidencing the required coverage will be provided to City.

7. Indemnification. CMMS AGREES TO INDEMNIFY THE CITY, AND THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS, VOLUNTEERS AND REPRESENTATIVES OF THE CITY, AND EACH OF THEM AGAINST AND HOLD IT AND THEM HARMLESS FROM ANY AND ALL LAWSUITS, CLAIMS, DEMANDS, LIABILITIES, LOSSES AND EXPENSES, INCLUDING COURT COSTS, INTEREST AND ATTORNEYS' FEES FOR OR ON ACCOUNT OF ANY TYPE OF DAMAGE OR INJURY TO ANY PERSON OR ANY DEATH, OR ANY DAMAGE TO ANY PROPERTY, WHICH MAY ARISE IN CONNECTION WITH THE SERVICES COVERED BY THIS AGREEMENT, INCLUDING ANY ERRORS, NEGLIGENT ACTS OR OMISSIONS OF CMMS ITS OFFICERS, DIRECTORS AND EMPLOYEES WHILE IN THE EXERCISE OF PERFORMANCE OF THE RIGHTS OR DUTIES UNDER THIS AGREEMENT FOR SERVICES. THE FOREGOING INDEMNITY WILL APPLY EXCEPT IF SUCH INJURY, DEATH OR DAMAGE IS CAUSED BY THE SOLE NEGLIGENCE OF THE CITY.

8. Controlling Law. This Agreement, the rights and obligations of the parties hereto, and any claims or disputes relating thereto will be governed by, interpreted, construed and enforced in accordance with the laws of the State of Texas with venue in the courts of Potter County , Texas.

9. Successors and Assigns. All provisions of this Agreement will be binding upon and will inure to the benefit of the parties, their legal representatives, successors and assigns, except as otherwise expressly provided.

10. Entire Agreement. This Agreement together with the Engagement Letter constitutes the entire and integrated Agreement between CMMS and CITY and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may only be amended, supplemented, modified, or cancelled by written instrument signed by an authorized representative of each party.

11. Severability. If any provision of this Agreement or any application thereof to any person or circumstances will, to any extent, be invalid, the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which is held invalid will not be affected thereby and each provision of this Agreement will be valid and enforced to the fullest extent permitted by law.

12. Notices. Any notice, demand, request or other instrument which may be or required to be given under this Agreement will be delivered in person, sent by United

States First Class Certified or Registered Mail, Return Receipt Requested, postage prepaid or sent by a reputable overnight courier service and will be addressed to either party at the address shown above. Any notice will be deemed delivered upon hand delivery or 3 days after depositing such notice in postal receptacles, return receipt requested, or 1 day after depositing such notice with a reputable overnight courier service. Either party may designate such other address as will be given by written notice.

13. Independent Contractor. Nothing contained in this Agreement will be deemed or construed so as to create the relationship of employer-employee, principal-agent, joint ventures, co-adventurers, or partners between CITY and CMMS, and they are and will remain independent contractors one as to the other.

14. Access to Records and Reports. CMMS will maintain the audit workpapers and reports in accordance with the terms of the Engagement Letter. CMMS agrees to provide the CITY, or any of its duly authorized representatives, access to any audit workpapers and reports of the CMMS which are directly pertinent to this Agreement for the purposes of making audit, examination, excerpts and transcriptions.

15. Termination of Agreement.

15.1 CITY may, by 30 days written notice, terminate this Agreement in whole or in part at any time, either at the CITY'S convenience or because of CMMS'S failure to fulfill its obligations. Upon receipt of such notice services will be immediately discontinued (unless the notice directs otherwise) and all documents as may have been provided to CMMS in performing this Agreement, whether completed or in progress, will be delivered to the CITY.

15.2 If the termination is for the convenience of CITY, CMMS will be paid for all Services performed and out-of-pocket expenses incurred up to the date of termination.

15.3 If the termination is due to failure to fulfill CMMS'S obligations, CITY may take over the work and pursue the same to completion by contract or otherwise.

16. City Council Approval. All obligations of City are contingent on appropriation of funds by the Amarillo City Council.

17. Counterparts. This Agreement may be executed in two or more counterparts, each of which may be executed by one or more of the parties hereto, but all of which, when delivered and taken together, will constitute but one Agreement binding upon all the parties hereto.

18. Compliance with Law. CMMS will at all times observe and comply with all applicable laws, ordinances and regulations of the federal, state and local governments that are in effect at the time of providing services under this Agreement.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the date stated below to be effective as of the date of the last of the parties to sign.

ATTEST:

CITY OF AMARILLO, TEXAS

Frances Hibbs, City Secretary

By: _____
Terry Childers, Interim City Manager

Date: _____

CONNOR, MCMILLON, MITCHELL,
SHENNUM, PLLC.

By: _____

Date: _____

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the date stated below to be effective as of the date of the last of the parties to sign.

ATTEST:

CITY OF AMARILLO, TEXAS

Frances Hibbs, City Secretary

By: _____
Bob Cowell, Deputy City Manager

Date: _____

CONNOR, MCMILLON, MITHELL,
SHENNUM, PLLC.

By: _____

Date: _____

June 7, 2016

Audit Committee
City of Amarillo
509 S.E. 7th Avenue
Amarillo, Texas 79101-2539

To the Audit Committee:

We are pleased to confirm our understanding of the services we are to provide the City of Amarillo, Texas (the City) for the year ended September 30, 2016. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements which collectively comprise the basic financial statements, of the City as of and for the year ended September 30, 2016. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Budgetary Comparison Schedule - General Fund
- 3) Schedule of funding progress - OPEB
- 4) Schedules of Changes in the City's Net Pension Liability and Related Ratios
- 5) Schedule of the City's Contributions
- 6) Notes to the Schedule of Required Supplementary Information

We have also been engaged to report on supplementary information other than RSI also accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- 1) The combining statements, schedules, and other information and supplementary information.
- 2) Schedule of expenditures of federal and state awards.
- 3) Schedule of expenditures Passenger Facility Charge

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and for which our auditor's report will not provide an opinion or any assurance on that information

- 1) Introductory Section
- 2) Statistical Data

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State of Texas Single Audit Circular*.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing in internal control and compliance and the results of that testing, and no to provide an opinion on the effectiveness of the City's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and

compliance. The Uniform Guidance and the State Circular report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance and the State Circular. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of Uniform Guidance and the State Circular, and will include tests of accounting records, a determination of major programs in accordance with Uniform Guidance and the State Circular, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Honorable Mayor and Members of the City Council of the City of Amarillo. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matters paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us even though the audit is properly planned and performed in accordance with U.S. generally accepted accounting standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to

our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal and state awards; federal and state award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by Uniform Guidance and the State Circular, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to Uniform Guidance and the State Circular.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and Uniform Guidance and the State Circular.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall

compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance and the State Circular requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* and related addenda for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to Uniform Guidance and the State Circular.

Department of Housing and Urban Development Agreed-Upon Procedure

We will perform the agreed-upon procedure, which was agreed to by the City of Amarillo's project and the U.S. Department of Housing and Urban Development (HUD), Real Estate Assessment Center (REAC).

We will compare the electronic submission with the corresponding hard copy documents the City of Amarillo's project for the year ended September 30, 2016. This engagement is solely to assist the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC) in determining whether the electronic submission of certain information agrees with the corresponding hard copy documents included within the OMB reporting package.

Our engagement to apply the agreed-upon procedure will be performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedure is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedure described above either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedure, we will describe any restriction on the performance of the procedure in our report.

Because the agreed-upon procedure specified above does not constitute an examination, we will not express an opinion on compliance with the electronic submission requirements. In addition, we have no obligation to perform any procedures beyond that specified above.

A copy of the reporting package required by *OMB*, which includes the auditor's reports, is available in its entirety from the City of Amarillo's project. We take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

We will submit a report stating the procedure performed and the results of that procedure. This report is intended solely for the information and use of the City of Amarillo's project and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by those who have not agreed to the procedure and taken responsibility for the sufficiency of the procedure for their purposes.

Other Services

Management is responsible for the basic financial statements, schedule of expenditures of federal awards and state awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal and state awards in accordance with the requirements of Uniform Guidance and the State Circular. As part of the audit, we will assist with:

- Drafting your financial statements, schedule of expenditures of federal and state awards, and related notes;
- Schedule of expenditures of Passenger Facility Charge
- Drafting the Comprehensive Annual Financial Report (CAFR);
- The preparation and electronic submission of your annual financial information under the uniform annual financial reporting standards for HUD's Public Housing Section 8 housing, other assisted housing and multifamily insured housing programs.

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal and state awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and schedule of expenditures of federal and state awards, and Passenger Facility Charge and that you have reviewed and approved the financial statements, schedule of expenditures of federal and state awards, Passenger Facility Charge, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to assume all management responsibilities for any nonaudit services by designing an individual, preferably from senior management; who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accepting responsibility for them.

Management Responsibilities

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met (2) following laws and regulations, (3) ensuring and that there is reasonable assurance that government programs are administered in compliance with compliance requirements (4) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by Uniform Guidance and the State Circular, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review.

You are responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and state awards in conformity with Uniform Guidance and the State Circular. You agree to include our report on the schedule of expenditures of federal and state awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and state awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal and state awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal and state awards no later than the date the schedule of expenditures of federal and state awards is issued with our report thereon. Your responsibility include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and state awards in accordance with Uniform Guidance and the State Circular; (2) that you believe the schedule of expenditures of federal and state awards, including its form and content, is fairly presented in accordance with Uniform Guidance and the State Circular; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes) and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that include our report thereon OR make the audited financial statements with any presentation readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal and state awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal and state awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal and state awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your

consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of Connor, McMillon, Mitchell & Shennum, PLLC (CMMS) and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the U.S. Department of Housing and Urban Development or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of CMMS personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the U.S. Department of Housing and Urban Development. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately June 27, 2016 and to issue our reports pending approval by the Council of the draft report. Janie Arnold is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.). Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 180 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s).

You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

It is hereby agreed that our fee for September 30, 2016 will be the following:

City of Amarillo	
General Fund	\$ 112,575
Airport Fund	7,410
Water & Sewer	4,750
 City of Amarillo	
Single Audit	<u>16,150</u>
	<u>\$ 140,885</u>

Fees for September 30, 2017 through September 30, 2018 will include an annual inflation increase of 2%.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2015 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us

Very truly yours,

Connor, McMillon, Mitchell & Shennum, PLLC

JSA/mde

RESPONSE:

This letter correctly sets forth the understanding of City of Amarillo.

By

Title

Date

GLASS & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS, P.C.

System Review Report

August 27, 2015

To the Shareholders of Connor, McMillon, Mitchell & Shennum, PLLC
and the Peer Review Committee of the TSCPA

We have reviewed the system of quality control for the accounting and auditing practice of Connor, McMillon, Mitchell & Shennum, PLLC (the firm) in effect for the year ended March 31, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards*; audits of employee benefit plans, and audits performed under FDICIA.

In our opinion, the system of quality control for the accounting and auditing practice of Connor, McMillon, Mitchell & Shennum, PLLC in effect for the year ended March 31, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Connor, McMillon, Mitchell & Shennum, PLLC has received a peer review rating of *pass*.

Glass & Company

GLASS & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

500 W. 5th Street, Suite 1210 Austin, Texas 78701 (512) 480-8182 FAX: (512) 480-9465



June 7, 2016

Audit Committee
City of Amarillo, Texas
509 SE 7th Ave.
Amarillo, Texas 79101

Dear Ladies and Gentlemen:

We are engaged to audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Amarillo (the City) for the year ended September 30, 2016. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards, Uniform Guidance, and the State of Texas Single Audit Circular

As stated in our engagement letter dated June 7, 2016, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with Uniform Guidance and the State of Texas Single Audit Circular.

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with Uniform Guidance and the State of Texas Audit Circular, we will examine, on a test basis, evidence about the City's compliance with the types of compliance requirements described in the "U.S. Office of Management and Compliance Supplement" and the State of Texas Single

Audit Circular applicable to each of its major federal and state programs for the purpose of expressing an opinion on the City's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the City's compliance with those requirements.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to RSI, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on the supplementary information, which accompany the financial statements but are not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have not been engaged to report on the Statistical Data, which accompanies the financial statements but are not RSI. Our responsibility with respect to this other information in documents containing the audited financial statements and auditor's report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information will not be audited and we will not express an opinion or provide any assurance on it.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the plan and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations, that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit on approximately June 27, 2016 and issue our report pending approval by the Mayor and City Council at the January 2016 City Council meeting.

Audit Committee
City of Amarillo, Texas
June 7, 2016
Page 3

This information is intended solely for the use of the Audit Committee, Mayor, members of the City Council, and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Connor, McMillon, Mitchell & Shennum, PLLC

Janie Arnold
Partner

JSA/mde

Amarillo City Council Agenda Transmittal Memo



B

Meeting Date	June 7, 2016	Council Priority	N/A
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Department	Utility Billing
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Agenda Caption

Award of Meter Reader Handheld Devices to the following:

HD Supply WaterWorks

Total Awarded - \$86,260.00

This award is to approve the purchase of meter reader handheld devices for the City of Amarillo Utility Billing Department

Agenda Item Summary

Award of handheld devices for use by the Utility Billing Department in performing daily job duties.

Requested Action

Consider approval and award for purchase of handheld devices.

Funding Summary

Funding for this award is available in Utility Billing Equipment and Software 523091.17400.1410

Community Engagement Summary

N/A

Staff Recommendation

The Utility Billing Department is recommending approval and award of the purchase due to the discontinuance of support and repair services for the current model being used. Approval and award is also recommended to benefit from a price reduction with trade-in of old devices.

Bid No. 5453 NEPTUNE RANGER HANDHELD DEVICES
Opened 4:00 p.m. May 24, 2016

		HD SUPPLY WATERWORKS	
To be awarded as one lot		LTD	
Line 1 Meter reading devices, NEPT 13462-000 trimble ranger 3XE handheld devices, per specifications			
14 ea			
Unit Price	\$5,500.000		
Extended Price		77,000.00	
Line 2 Meter reading devices, NEPT 13461-001 ranger cradle & power supply, per specifications			
14 ea			
Unit Price	\$490.000		
Extended Price		6,860.00	
Line 3 Meter reading devices, 13302-000 R900 belt clip receiver optional for data- logging, per specifications			
1 ea			
Unit Price	\$2,400.000		
Extended Price		2,400.00	
Bid Total		86,260.00	
Award by Vendor		86,260.00	

Amarillo City Council Agenda Transmittal Memo



C

Meeting Date	June 7, 2016	Council Priority	Infrastructure Initiative
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Department	Laboratory Administration 52281
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Agenda Caption

Award Bid for: Inductively Coupled Plasma Mass Spectrometer for Laboratory Administration Department 52281. Award to Perkin Elmer LAS Inc. in the amount of \$177,892.60.

Agenda Item Summary

This is a replacement for a laboratory instrument which is 18 years old. The instrument is used to analyze low trace metals in Drinking Water, Wastewater, and many City Departments. The instrument is also used to support several State TCEQ Permits.

Requested Action

We request approval and to award the purchase to the lowest bidder, Perkin Elmer LAS INC., in the amount of \$177,892.60.

Funding Summary

This is a CIP purchase by Job # 521631. The original amount budgeted was \$190,000. The competitive bid process saved the City \$12,107.40. Twenty five Vendors were solicited.

Community Engagement Summary

This purchase will not directly engage the Public with any new change in our routine operations. This purchase is a replacement for an existing instrument which protects Public Health and the Environment.

Staff Recommendation

City Staff is recommending approval and award of this replacement instrument.

Bid No. 5404 INDUCTIVELY COUPLED PLASMA MASS SPECTROMETER

Opened 4:00 p.m. April 28, 2016

To be awarded as one lot	PERKIN ELMER HEALTH SCIENCES INC	ANALYTIK JENA US	AGILENT TECHNOLOGIES INC	PRODUCTS UNILIMITED	GOVERNMENT SCIENTIFIC SOURCE INC
Line 1 Spectrometers, emission: argon plasma and conventional, per specifications					
1 ea					
Unit Price	\$177,892.600	\$138,087.91	\$109,232.280	\$180,443.26	\$198,442.24
Extended Price	177,892.60	138,087.91	109,232.28	180,443.26	198,442.24
Bid Total	177,892.60	138,087.91	109,232.28	180,443.26	198,442.24
Award by Vendor	177,892.60	DID NOT MEET SPECS	DID NOT MEET SPECS		

Amarillo City Council Agenda Transmittal Memo



D

Meeting Date	06/07/16	Council Priority	Infrastructure Initiative
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Department	Municipal Garage
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Agenda Caption

Purchase – Truck with Dual Rear Wheels and Aerial Manlift

Silsbee Ford \$59,498.00
Total Award \$59,498.00

This item is an unscheduled replacement of unit 7309, 2011 Ford 1 ton Aerial Truck that was involved in an accident on 10/27/2015 that has been totaled. Replacement approved in the 2015-2016 budgets. This award will be used by the Traffic Field Operation department for daily operations. This bid represents a 13% increase from the last purchase. Funding for this award is available in the approved FY 2015-2016 Municipal Garage Rolling Stock Budget.

Agenda Item Summary

Unscheduled replacement of unit 7309, 2011 Ford 1 ton Aerial Truck, used by Traffic Field Operation for daily department requirements. Recommended award based on competitive bid evaluation.

Requested Action

Approval

Funding Summary

Municipal Garage Auto Rolling Stock, account 61120.84100 request total award \$59,498.00.
beginning funding \$570,625.00 remaining account balance \$511,127.00

Community Engagement Summary

Replacement of damaged fleet vehicle insures departments provide city services in a consistent manner.

City Manager Recommendation

City staff recommends approval.

Bid No. 5413 TRUCK WITH DUAL REAR WHEELS AND AERIAL MANLIFT
 Opened 4:00 p.m. May 12, 2016

	SAM PACKS FIVE STAR				
To be awarded as one lot	SILSBEE FORD INC	FORD	CALDWELL COUNTRY FORD	GRANDE TRUCK CENTER	
Line 1 Class 3 trucks one ton truck with dual rear wheels, per specifications					
1 ea					
Unit Price	\$59,498.000	\$63,994.00	\$67,405.000	\$68,887.00	
Extended Price	59,498.00	63,994.00	67,405.00	68,887.00	
Bid Total	59,498.00	63,994.00	67,405.00	68,887.00	
Award by Vendor	59,498.00				

Amarillo City Council Agenda Transmittal Memo



E

Meeting Date	06/7/2016	Council Priority	
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Department	Aviation
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Agenda Caption

Approval – Amendment #2, Lease Agreement: Rick Husband Amarillo International Airport:
Lessee: CNS , LLC – Pantex Plant
Term: 5 year term (final option of original lease agreement)
Lease Info: Three buildings plus ground lease for total leased premises of 143,244 square feet.

Agenda Item Summary

This item approves Amendment #2 for three buildings and ground lease for leased premises at the Rick Husband Amarillo International Airport. The amendment represents a 5.5% increase in lease revenues to the Airport.

Requested Action

Approve Amendment #2 to CNS, LLC - Pantex Lease.

Funding Summary

N/A

Community Engagement Summary

Discussion and coordination with the Lessee has been completed.

Staff Recommendation

Staff recommends the approval of Amendment #2.



Consolidated Nuclear Security, LLC
(Hereinafter referred to as CNS)
P.O. BOX 30020
PANTEX PLANT
AMARILLO TEXAS 79120-0020
PURCHASE ORDER

This Purchase Order is issued in connection with the performance of work under Prime Contract No. DE-NA0001942 between CNS and the United States of America represented by the Department of Energy at the Pantex Plant located in Carson County Texas.

PO Title: LEASE OF (FORMER) CIVIL AIR PATROL FACILITIES

This Purchase Order amendment represents consideration agreed to by the parties as complete equitable adjustment for the changes described herein. The contractor hereby releases CNS from any and all liability under this purchase order if any (except those claims previously submitted in writing in strict accordance with the purchase order) for further equitable adjustments attributable to delays or disruptions of the contractor's schedule as may have arisen prior to the date of this amendment.

Amount: \$ 138,608.60
Pricing: Fixed Price (FFP/FUP)
Payment Terms: IMMEDIATE PAYMENT

Date of Issue: 05/31/2016 at 11:40 AM
Start Date: 06/01/2006
End Date: 05/31/2021
Work Location: Contractor Facility

Bill To:
CNS
PO BOX 30020
12-138 Upstairs AP Dept.
Amarillo TX 79120-0020

Direct Inquiries to:
Hayton, Ashley Nichole
Title: Contract Specialist
Phone: 806/477-7434
Fax: 806/477-3839
Email: ahayton@pantex.com
Tech Rep: Isch, Darrell Scott

Contractor:
CITY OF AMARILLO
10801 AIRPORT BOULEVARD
RICK HUSBAND/AMARILLO INTL
ATTN: SARA FREESE
AMARILLO TX 79111-1211
Phone:
FAX:

PURCHASE ORDER DISPATCHED

IMPORTANT: Contractor _ is not _ is required to sign this purchase order amendment and return ___ copies to the CNS Contract Representative.

CITY OF AMARILLO

CNS

Contractor Authorized Signature

Authorized Signature

Printed/Typed Name and Title

Ashley Hayton - Contract Specialist
Printed/Typed Name and Title

Date Signed

Phone/Fax

05/31/2016
Date Signed

See Above
Phone/Fax



Managed and Operated by
Consolidated Nuclear Security, LLC

Purchase Order

CHANGE ORDER

CNS
PO BOX 30020
Amarillo TX 79120-0020

Purchase Order PTX01-0000000074	Orig Date 04/13/2011	Amendment 17 - 04/25/2016	Page 2 of 7
Payment Terms IMMEDIATE	Freight Terms SERVICE-NO FREIGHT		Ship Via See Detail
Buyer Hayton, Ashley Nichole	Phone 806/477-7434	Fax: 806/477-3839	

Vendor: 0000000064
CITY OF AMARILLO
10801 AIRPORT BOULEVARD
RICK HUSBAND/AMARILLO INTL
ATTN: SARA FREESE
AMARILLO TX 79111-1211

Ship To: 1619GR
CNS FOR:US DEPARTMENT OF ENERGY
PANTEX PLANT (PO BOX 30020)
INTERSECTION HWY. 60 & FM 2373
Amarillo TX 79120-0020

ATTN: Not Specified

Bill To: CNS
PO BOX 30020
12-138 Upstairs AP Dept.
Amarillo TX 79120-0020

Technical Representative: Isch, Darrell Scott

Line-Sch	Item ID	Quantity	UOM	PO Price	Extended Amt	Due Date
1 - 1	000000000000200014	1.00	EA	0.49	0.49	05/31/2016
Descr: Facility & Equipments Leases						
Mfg ID: UNKNOWN		Mfg Item ID:		Ship Via: SERVICE-NO		
				Schedule Total	<u>0.49</u>	
				Item Total	<u>0.49</u>	
2 - 1	000000000000200014	1.00	EA	34,690.31	34,690.31	05/31/2016
Descr: Facility & Equipments Leases						
Mfg ID: UNKNOWN		Mfg Item ID:		Ship Via: SERVICE-NO		
				Schedule Total	<u>34,690.31</u>	
				Item Total	<u>34,690.31</u>	
3 - 1	000000000000200014	1.00	EA	6,922.70	6,922.70	05/31/2016
Descr: Facility & Equipments Leases						
Mfg ID: UNKNOWN		Mfg Item ID:		Ship Via: SERVICE-NO		
				Schedule Total	<u>6,922.70</u>	
				Item Total	<u>6,922.70</u>	
4 - 1	000000000000200014	1.00	EA	6,922.70	6,922.70	09/01/2012
Descr: Facility & Equipments Leases						
Mfg ID: UNKNOWN		Mfg Item ID:		Ship Via: GROUND		
				Schedule Total	<u>6,922.70</u>	



Managed and Operated by
Consolidated Nuclear Security, LLC

Purchase Order

CHANGE ORDER

CNS
PO BOX 30020
Amarillo TX 79120-0020

Vendor: 0000000064
CITY OF AMARILLO
10801 AIRPORT BOULEVARD
RICK HUSBAND/AMARILLO INTL
ATTN: SARA FREESE
AMARILLO TX 79111-1211

ATTN: Not Specified

Purchase Order PTX01-0000000074	Orig Date 04/13/2011	Amendment 17 - 04/25/2016	Page 3 of 7
Payment Terms IMMEDIATE	Freight Terms SERVICE-NO FREIGHT		Ship Via See Detail
Buyer Hayton, Ashley Nichole	Phone 806/477-7434	Fax: 806/477-3839	

Ship To: 1619GR
CNS FOR:US DEPARTMENT OF ENERGY
PANTEX PLANT (PO BOX 30020)
INTERSECTION HWY. 60 & FM 2373
Amarillo TX 79120-0020

Bill To: CNS
PO BOX 30020
12-138 Upstairs AP Dept.
Amarillo TX 79120-0020

Technical Representative: Isch,Darrell Scott

Line-Sch	Item ID	Quantity	UOM	PO Price	Extended Amt	Due Date
		Item Total			<u>6,922.70</u>	
5 - 1	000000000000200014	1.00	EA	6,922.70	6,922.70	11/27/2012
	Descr: Facility & Equipments Leases					
	Mfg ID: UNKNOWN	Mfg Item ID:		Ship Via: GROUND		
		Schedule Total			<u>6,922.70</u>	
		Item Total			<u>6,922.70</u>	
6 - 1	000000000000200014	1.00	EA	6,922.70	6,922.70	03/01/2013
	Descr: Facility & Equipments Leases					
	Mfg ID: UNKNOWN	Mfg Item ID:		Ship Via: GROUND		
		Schedule Total			<u>6,922.70</u>	
		Item Total			<u>6,922.70</u>	
7 - 1	000000000000200014	1.00	EA	27,768.10	27,768.10	05/31/2016
	Descr: Facility & Equipments Leases					
	Mfg ID: UNKNOWN	Mfg Item ID:		Ship Via: GROUND		
		Schedule Total			<u>27,768.10</u>	
		Item Total			<u>27,768.10</u>	
8 - 1	000000000000200014	1.00	EA	13,845.40	13,845.40	08/25/2014
	Descr: Facility & Equipments Leases					
	Mfg ID: UNKNOWN	Mfg Item ID:		Ship Via: GROUND		



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RICK HUSBAND/AMARILLO INTL
ATTN: SARA FREESE
AMARILLO TX 79111-1211

ATTN: Not Specified

Purchase Order PTX01-0000000074	Orig Date 04/13/2011	Amendment 17 - 04/25/2016	Page 4 of 7
Payment Terms IMMEDIATE	Freight Terms SERVICE-NO FREIGHT		Ship Via See Detail
Buyer Hayton, Ashley Nichole	Phone 806/477-7434	Fax: 806/477-3839	

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12-138 Upstairs AP Dept.
Amarillo TX 79120-0020

Technical Representative: Isch, Darrell Scott

Line-Sch	Item ID	Quantity	UOM	PO Price	Extended Amt	Due Date
		Schedule Total			<u>13,845.40</u>	
		Item Total			<u>13,845.40</u>	
9 - 1	000000000000200014	1.00	EA	6,922.70	6,922.70	03/01/2015
Descr: Facility & Equipments Leases						
Mfg ID: UNKNOWN		Mfg Item ID:		Ship Via: GROUND		
		Schedule Total			<u>6,922.70</u>	
		Item Total			<u>6,922.70</u>	
10 - 1	000000000000200014	1.00	EA	13,845.40	13,845.40	06/29/2015
Descr: Facility & Equipments Leases						
Mfg ID: UNKNOWN		Mfg Item ID:		Ship Via: GROUND		
		Schedule Total			<u>13,845.40</u>	
		Item Total			<u>13,845.40</u>	
11 - 1	000000000000200014	1.00	EA	6,922.70	6,922.70	12/07/2015
Descr: Facility & Equipments Leases						
Mfg ID: UNKNOWN		Mfg Item ID:		Ship Via: GROUND		
		Schedule Total			<u>6,922.70</u>	
		Item Total			<u>6,922.70</u>	
12 - 1	000000000000200014	1.00	EA	6,922.70	6,922.70	02/23/2016
Descr: Facility & Equipments Leases						



Managed and Operated by
Consolidated Nuclear Security, LLC

Purchase Order

CHANGE ORDER

Purchase Order	Orig Date	Amendment	Page
PTX01-0000000074	04/13/2011	17 - 04/25/2016	5 of 7
Payment Terms	Freight Terms	Ship Via	
IMMEDIATE	SERVICE-NO FREIGHT	See Detail	
Buyer	Phone	Fax:	
Hayton, Ashley Nichole	806/477-7434	806/477-3839	

CNS
PO BOX 30020
Amarillo TX 79120-0020

Vendor: 0000000064
CITY OF AMARILLO
10801 AIRPORT BOULEVARD
RICK HUSBAND/AMARILLO INTL
ATTN: SARA FREESE
AMARILLO TX 79111-1211

ATTN: Not Specified

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Technical Representative: Isch, Darrell Scott

Line-Sch	Item ID	Quantity	UOM	PO Price	Extended Amt	Due Date
	Mfg ID: UNKNOWN		Mfg Item ID:			
				Ship Via:	GROUND	



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Purchase Order

CHANGE ORDER

CNS
PO BOX 30020
Amarillo TX 79120-0020

Purchase Order	Orig Date	Amendment	Page
PTX01-0000000074	04/13/2011	17 - 04/25/2016	6 of 7
Payment Terms	Freight Terms	Ship Via	
IMMEDIATE	SERVICE-NO FREIGHT	See Detail	
Buyer	Phone	Fax:	
Hayton, Ashley Nichole	806/477-7434	806/477-3839	

Vendor: 0000000064
CITY OF AMARILLO
10801 AIRPORT BOULEVARD
RICK HUSBAND/AMARILLO INTL
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Amarillo TX 79120-0020

Technical Representative: Isch, Darrell Scott

Line-Sch Item ID	Quantity	UOM	PO Price	Extended Amt	Due Date
Schedule Total				6,922.70	
Item Total				6,922.70	
Total PO Amount				138,608.60	

Amendment 8 is issued to add incremental funding in the amount of \$6,922.70 to pay the rent due on June 1, 2013.

Amendment 1 is issued to add funding in the amount of \$13,500.00. See attached changes to terms and conditions for purchase order 74..

Amendment 5 is issued to add incremental funding in the amount of \$6,922.70 to pay the rent due on September 1, 2012.

Amendment 6 is issued to add incremental funding in the amount of \$6,922.70 to pay the rent due on December 1, 2012.

Amendment 4 is issued to add incremental funding in the amount of \$6,922.70 to pay the rent due on June 1, 2012.

Amendment 3 is issued to add incremental funding in the amount of \$723.16 to cover the lease payment due on March 1, 2012.

Amendment 7 is issued to add incremental funding in the amount of \$6,922.70 to pay the rent due on March 1, 2013.

Amendment 2 is issued to add incremental funding in the amount of \$13,467.15 to cover the lease payments due on December 1, 2011 and March 1, 2012.

Amendment 9 is issued to add funding in the amount of \$13,845.40 for the September 1, 2013 and December 1, 2013 payments.

Amendment 10 is issued to add funding in the amount of \$6,922.70 for the March 1, 2014 payment.



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Purchase Order

CHANGE ORDER

Purchase Order	Orig Date	Amendment	Page
PTX01-0000000074	04/13/2011	17 - 04/25/2016	7 of 7
Payment Terms	Freight Terms	Ship Via	
IMMEDIATE	SERVICE-NO FREIGHT	See Detail	
Buyer	Phone	Fax:	
Hayton, Ashley Nichole	806/477-7434	806/477-3839	

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Amarillo TX 79120-0020

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ATTN: SARA FREESE
AMARILLO TX 79111-1211

ATTN: Not Specified

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Technical Representative: Isch, Darrell Scott

Line-Sch/Item ID	Quantity	UOM	PO Price	Extended Amt	Due Date
Amendment 11 is issued to add funding in the amount of \$6,922.70 for the June 1, 2014 payment.					

Amendment 12 is issued to add funding in the amount of \$13,485.40 for the September 1, 2014 payment and the December 1, 2014 payment.

Amendment 13 is issued to add funding in the amount of \$6,922.70 for the March 1, 2015 payment.

Amendment 14 is issued to add funding in the amount of \$13,485.40 for the June 1, 2015 payment and the September 1, 2015 payment.

Amendment 15 is issued to add funding in the amount of \$6,922.70 for the December 1, 2015 payment.

Amendment 16 is issued to add funding in the amount of \$6,922.70 for the March 1, 2016 payment.

Amendment 17 is issued to exercise the final option period of the agreement and extend the term until May 31, 2021.



Managed and Operated by
Consolidated Nuclear Security, LLC

Purchase Order #74, Amendment 17

May 31, 2016

Description of Revision

The lease agreement between Consolidated Nuclear Security, LLC (CNS) and the City of Amarillo, Texas is modified to exercise the next option period and extend the lease agreement to May 31, 2021. The clause titled **Article 2, TERM**, is deleted in its entirety and replaced with the following:

2. TERM. LESSOR agrees to and does hereby lease PREMISES for a period of fifteen (15) years commencing on the 1st day of June 2006 and ending the 31st day of May 2021 unless sooner terminated as hereinafter provided.

TERMS AND CONDITIONS (MODIFICATIONS)

All other provisions and terms and conditions of Purchase Order 74 (Contract 47932), dated May 25, 2006 and modifications thereto, if any, shall remain in full force and effect except as herein modified.

BOARDS AND COMMISSIONS – VACANCIES



Board of Review-Landmarks & Historic District (3-year terms)

06/19/2001	Carson Burgess	05/21/2015
08/27/2008	Kim Crawford	05/21/2016
11/27/2012	L.V. Perkins	05/21/2015
11/27/2012	Tom Thatcher	05/21/2015
07/13/2004	Mason Rogers	05/21/2016 (resigned)
09/23/2008	Howard Smith	05/21/2016 (resigned)

Emergency Care Advisory Board (3-year terms)

10/01/2013	Stephen Neumann	04/21/2018 (resigned)
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Planning and Zoning Commission (3-year terms)

06/28/2011	David Craig	05/15/2016
05/14/2014	Dean Bedwell	05/15/2017 (resigned)

Traffic Advisory Board (3-year term)

04/27/2010	D.J. Stubben	05/07/2016
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