

CITY OF BELLAIRE TEXAS

MAYOR AND COUNCIL

AUGUST 17, 2015

Council Chamber

Public Hearing and Regular Session

6:00 PM

7008 S. RICE AVENUE
BELLAIRE, TX 77401



Mayor

Dr. Philip L. Nauert

Mayor Pro Tem

Amanda B. Nathan

Councilman

James P. Avioli Sr.

Councilman

Pat B. McLaughlan

Councilman

Roman F. Reed

Councilman

Gus E. Pappas

Councilman

Andrew S. Friedberg

Mission Statement:

The City of Bellaire is dedicated to outstanding quality service and facilities to ensure an open, progressive, and secure community.

I. SPECIAL SESSION (PUBLIC HEARINGS) - 6:00 P.M.**A. Proposed Budget for the City of Bellaire, Texas, for Fiscal Year 2016:**

- 1. Call to Order and Announcement of a Quorum - Dr. Philip L. Nauert, Mayor.**
- 2. Reading of the Notice of Public Hearing - Tracy L. Dutton, City Clerk.**
- 3. Summary of Public Hearing Procedures - Paul A. Hofmann, City Manager.**
- 4. Presentation:**

Public hearing regarding the proposed budget for the City of Bellaire, Texas, for the fiscal year beginning October 1, 2015, and ending September 30, 2016 (FY2016 Budget) - Presented by Paul A. Hofmann, City Manager.

5. Recognition of Citizens and/or Other Interested Parties - Dr. Philip L. Nauert, Mayor.

During this agenda item, the Mayor will call on each speaker who has signed the "Sign-in Sheet" located at the entrance to the Council Chamber. The speaker should step up to the podium as soon as he or she is recognized by the Mayor. Each speaker should state his or her name before beginning his or her presentation. **Each speaker is limited to five minutes, with no extension.** Notice will be given to speakers after four minutes that there is one minute left for comments.

6. Questions from the Mayor and City Council - Dr. Philip L. Nauert, Mayor.**7. Close of Public Hearing - Dr. Philip L. Nauert, Mayor.**

Under the *Rules of Procedure* of the City Council of the City of Bellaire, Texas, as of July 13, 2015, *Article 9, Rules Governing Public Hearings, Section I, Written Comments*, **oral comments** regarding the proposed budget for the fiscal year beginning on October 1, 2015, and ending on September 30, 2016 (FY2016), **will not be received after the close of this public hearing.** Written comments may be submitted to the City Council of the City of Bellaire, Texas ("City Council"), prior to final deliberation on the matter. It is anticipated that final deliberation will occur on Monday, September 14, 2015. Written comments should, therefore, be submitted to the City Council in care of the City Clerk by noon on Thursday, September 10, 2015, in order to be considered for the public record.

B. Petition for Abandonment of Easements Encumbering the Site Currently Addressed as 5106 Bissonnet Street:

- 1. Call to Order and Announcement of a Quorum - Dr. Philip L. Nauert, Mayor.**
- 2. Reading of the Notice of Public Hearing - Tracy L. Dutton, City Clerk.**
- 3. Summary of Public Hearing Procedures - Paul A. Hofmann, City Manager.**
- 4. Presentation:**

Presentation regarding a petition submitted by Brown & Gay Engineers, Inc., on behalf of Centro NP Holdings 12 SPE LLC, Owner, and HEB Grocery Company, LP, as leaseholder, for the abandonment by the City of Bellaire, Texas, of rights-of-way and easements encumbering the property currently addressed as 5106 Bissonnet Street, Bellaire, Texas, in the Urban Village Downtown Zoning District (UVD) to Centro NP Holdings 12 SPE LLC - Presented by John McDonald, Director of Development Services.

5. Recognition of Citizens and/or Other Interested Parties - Dr. Philip L. Nauert, Mayor.

During this agenda item, the Mayor will call on each speaker who has signed the "Sign-in Sheet" located at the entrance to the Council Chamber. The speaker should step up to the podium as soon as he or she is recognized by the Mayor. Each speaker should state his or her name before beginning his or her presentation. **Each speaker is limited to five minutes, with no extension.** Notice will be given to speakers after four minutes that there is one minute left for comments.

6. Questions from the Mayor and City Council - Dr. Philip L. Nauert, Mayor.

7. Close of Public Hearing - Dr. Philip L. Nauert, Mayor.

Under the *Rules of Procedure* of the City Council of the City of Bellaire, Texas, as of July 13, 2015, *Article 9, Rules Governing Public Hearings, Section I, Written Comments*, **oral comments** regarding the petition for the abandonment of eight (8) easements encumbering the property currently addressed as 5106 Bissonnet Street, Bellaire, Texas, **will not be received after the close of this public hearing.** Written comments may be submitted to the City Council of the City of Bellaire, Texas ("City Council"), prior to final deliberation on the matter. It is anticipated that final deliberation will occur later this evening, Monday, August 17, 2015. Written comments may be provided to the City Clerk.

C. Adjourn.

II. REGULAR SESSION - 7:00 P.M.

A. Call to Order and Announcement of a Quorum - Dr. Philip L. Nauert, Mayor.

B. Inspirational Reading and/or Invocation - Dr. Philip L. Nauert, Mayor.

C. Pledges to the Flags - Dr. Philip L. Nauert, Mayor.

1. U.S. Pledge of Allegiance:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

2. Pledge to the Texas Flag:

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

D. Approval or Correction of Minutes:

Consideration of and possible action on the approval of the minutes of the Regular Session of the City Council of the City of Bellaire, Texas, held on Monday, July 20, 2015 - Requested by Tracy L. Dutton, City Clerk.

E. Personal/Audience Comments.

In order to address the City Council, please complete a "Speaker Form" (located at the entrance to the Council Chamber), and turn in the form to City Clerk Tracy L. Dutton prior to commencement of the meeting. Speakers are limited to five (5) minutes.

The purpose of this item is to allow citizens or other interested parties an opportunity to address City Council on agenda issues and on non-agenda issues that are a matter of the jurisdiction of the City Council (i.e., City policy and legislative issues). Non-agenda issues regarding daily operational or administrative matters should be first dealt with at the administrative level by calling City Hall at (713) 662-8222 during business hours.

[Note: State law will not permit the City Council to fully discuss, debate, or consider items that are not on the agenda. Items that cannot be referred to the City Staff for action *may* be placed on the agenda of a future City Council Session.]

F. Reports:

Presentation of the City Manager's Report dated August 17, 2015, regarding the status of the Memorial Day storm-related reimbursements and anticipated expenses - Presented by Paul A. Hofmann, City Manager.

G. Consent Agenda

All items listed under the Consent Agenda are considered routine and are recommended for approval by a single motion of City Council, without discussion. If discussion is desired, any one or more members of City Council and/or the Mayor may request that an item be removed from the Consent Agenda and considered separately.

- a. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, temporarily suspending application of Chapter 27, Streets, Sidewalks and Public Places, Section 27-95, Curfew Imposed, of the Code of Ordinances of the City of Bellaire, Texas, for the purpose of allowing the Bellaire High School Softball Boosters to host their 13th annual BBQ Fundraiser in the parking lot of Feld Park, 6406 Avenue B, Bellaire, Texas, from Thursday, September 3, 2015, through Saturday, September 5, 2015, said suspension to commence at 11:00 p.m. and terminate at 5:00 a.m. on the evenings and/or early mornings of Thursday, September 3, 2015, Friday, September 4, 2015, and Saturday, September 5, 2015 - Requested by Cheryl Bright-West, Assistant Director of Parks, Recreation and Facilities.
- b. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing a change in the date of the first Regular Session of the City Council of the City of Bellaire, Texas, in September of 2015 from Monday, September 14, 2015, to Tuesday, September 15, 2015 - Requested by Tracy L. Dutton, City Clerk, on behalf of City Council.

H. New Business:

1. Consideration of and possible action on a recommendation from US Capital Advisors regarding the award of a bid for bonds and on the adoption of an ordinance authorizing the issuance of "\$7,910,000 City of Bellaire, Texas, General Obligation Bonds, Series 2015"; specifying the terms and features of said bonds; pledging the levy of a continuing annual ad valorem tax upon all taxable property within the City for the payment of the principal and interest on such bonds; enacting provisions incident and related to the issuance, delivery, payment of, and security for such bonds; approving and authorizing the distribution of an Official Statement; awarding the sale of such bonds and authorizing and approving a Paying Agent/Registrar Agreement - Requested by Linda Symank, Chief Financial Officer.
2. Consideration of and possible action on a recommendation from the Bellaire Public Works Department to award Bid No. 15-005, 2015 Water Line Replacement Project, to A Absolute Plumbing, Inc., in an amount not to exceed \$382,960.00 and authorization for the City Manager and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a Standard Form of Agreement with A Absolute Plumbing, Inc., for said project in an amount not to exceed \$382,960.00 - Requested by Brant Gary, Director of Public Works.
3. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, calling a general election within the City of Bellaire, Texas, for the purpose of electing a Mayor, Councilman - Position No. 2, Councilman - Position No. 4, and Councilman - Position No. 6 for the City Council; establishing the date of the general election on the uniform election date designated by the State of Texas as the first Tuesday after the first Monday in November or November 3, 2015; establishing election precincts, polling places, and appointing election officials; and setting forth certain guidelines - Requested by Tracy L. Dutton, City Clerk.
4. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the abandonment of up to 0.2304 acres, being the existing rights-of-way and easements encumbering the property currently addressed as 5106 Bissonnet Street, Bellaire, Texas, in the Urban Village Downtown Zoning District; authorizing the abutting property owners to purchase said easements from the City of Bellaire, Texas; and authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, an "Abandonment of Easements" document to Centro NP Holdings SPE LLC, as Owner, of the property addressed as 5106 Bissonnet Street - Requested by John McDonald, Director of Development Services.

I. Items for Future Agendas; Community Interest Items from the Mayor and City Council.

[Note: It is the intent of this item to provide any member of City Council the opportunity to request to place new items on the agenda of the next Regular Meeting of City Council pursuant to Article 4, Order of Business, Section A, Agenda, of the Rules of Procedure of the City Council of the City of Bellaire, Texas, as of July 13, 2015, and/or to make a report about items of community interest. Community interest items may include expressions of thanks, congratulations, or condolences; information regarding holiday schedules; honorary recognition of City officials, employees, or other citizens or entities; reminders of upcoming events sponsored by the City or another entity that is scheduled to be attended by a City official or City employee; and/or announcements involving an imminent threat to the public health and safety of the citizens of

Bellaire that has arisen after the posting of the agenda.]

J. Adjourn.

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 08/17/15 06:00 PM
Department: City Manager's Office
Category: Public Hearing
Department Head: Diane K White
DOC ID: 1489

**SCHEDULED
ACTION ITEM (ID # 1489)**

Item Title:

Public hearing regarding the proposed budget for the City of Bellaire, Texas, for the fiscal year beginning October 1, 2015, and ending September 30, 2016 (FY2016 Budget) - Presented by Paul A. Hofmann, City Manager.

Background/Summary:

On July 20, 2015, City Council adopted Ordinance No 15-041 calling a public hearing before the City Council of the City of Bellaire, Texas, on Monday, August 17, 2015 at 6:00 p.m. in the Council Chamber, First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas 77401, to receive written and oral comments on the proposed budget of the City of Bellaire, Texas, for the fiscal year beginning October 1, 2015 and ending September 30, 2016 (FY2016 Budget).

Previous Council Action Summary:

On July 20th, 2015 Ordinance No 15-041 was approved calling the public hearing on the FY2016 proposed budget.

On July 20th, 2015 the FY2016 Proposed Budget was presented to City Council

Fiscal Impact:

N/A

Recommendation:

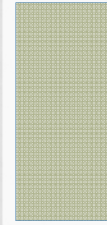
N/A

ATTACHMENTS:

- August 17 Public Hearing Slides (PDF)

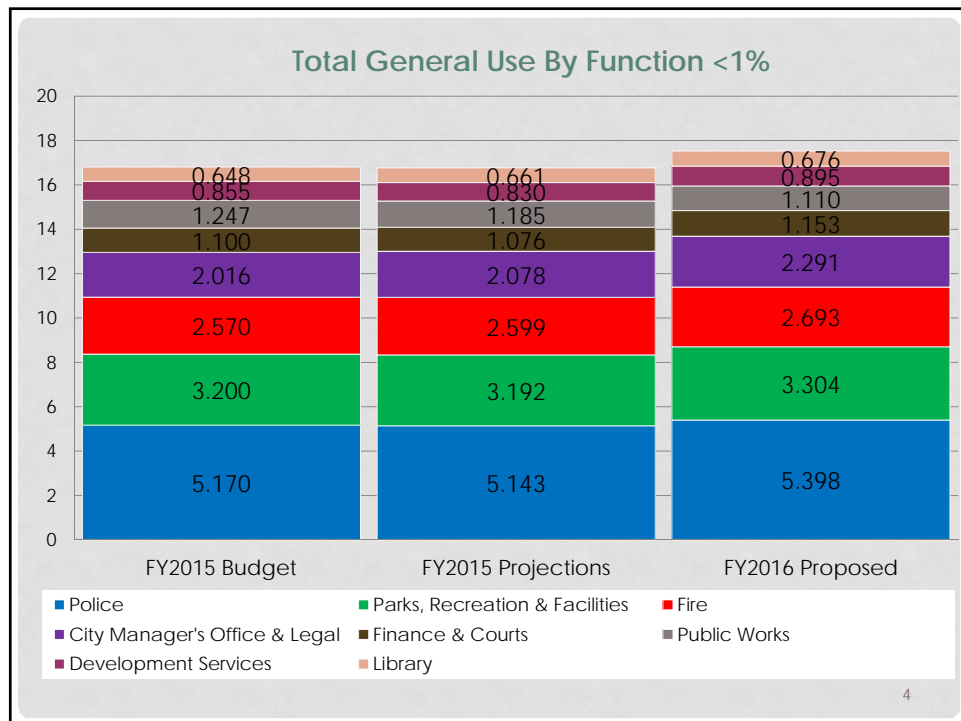
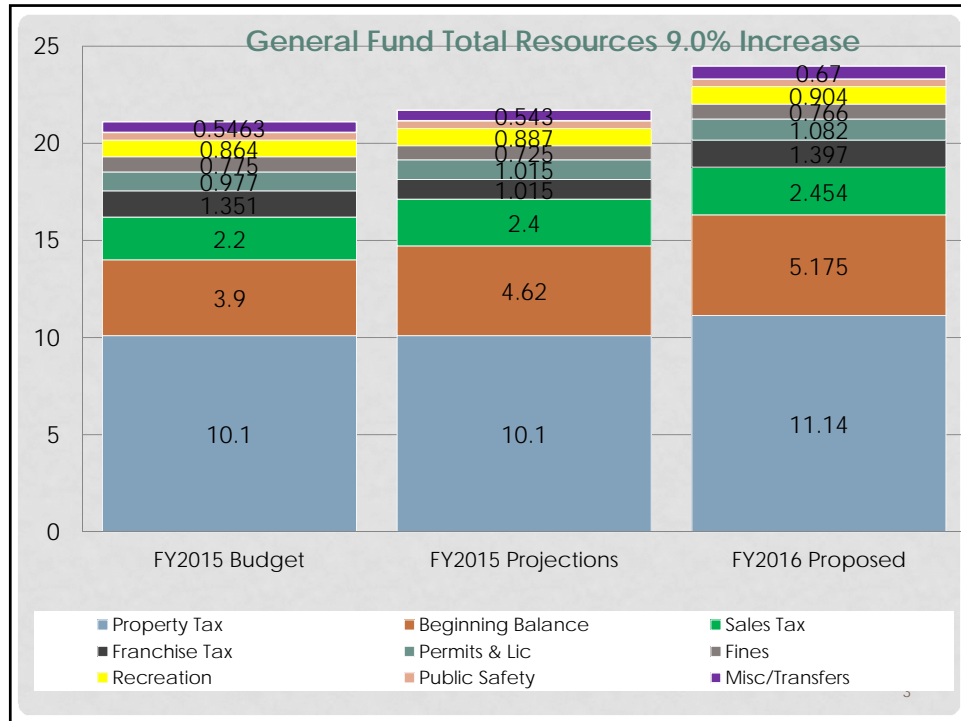
FY2016 PROPOSED BUDGET
PUBLIC HEARING-
MONDAY, AUGUST 17, 2015

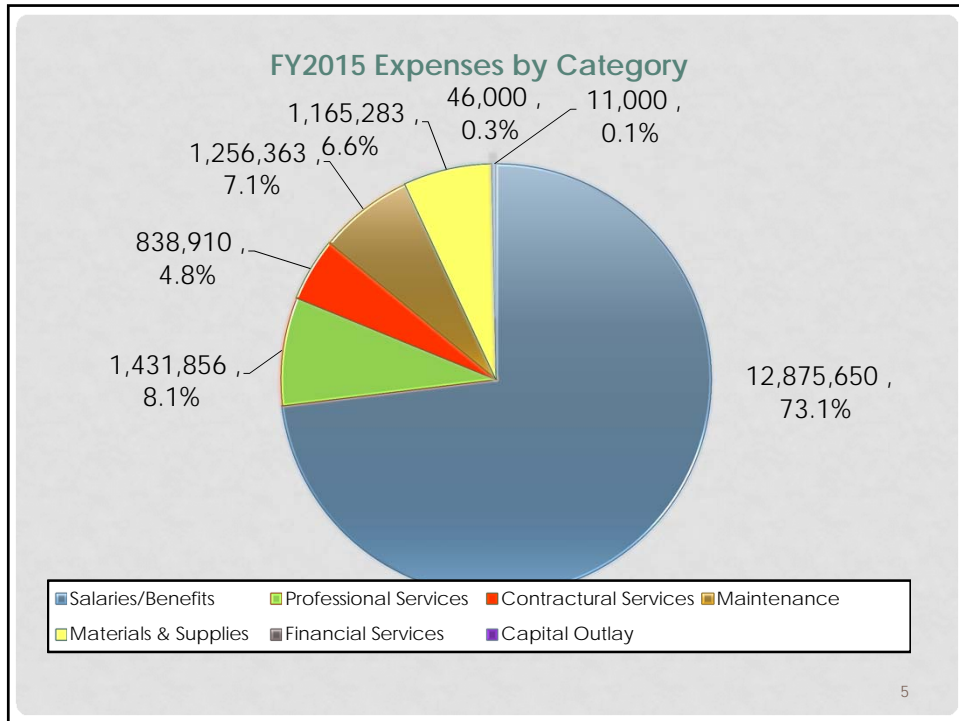
PRESENTED BY:
PAUL A. HOFMANN - CITY MANAGER

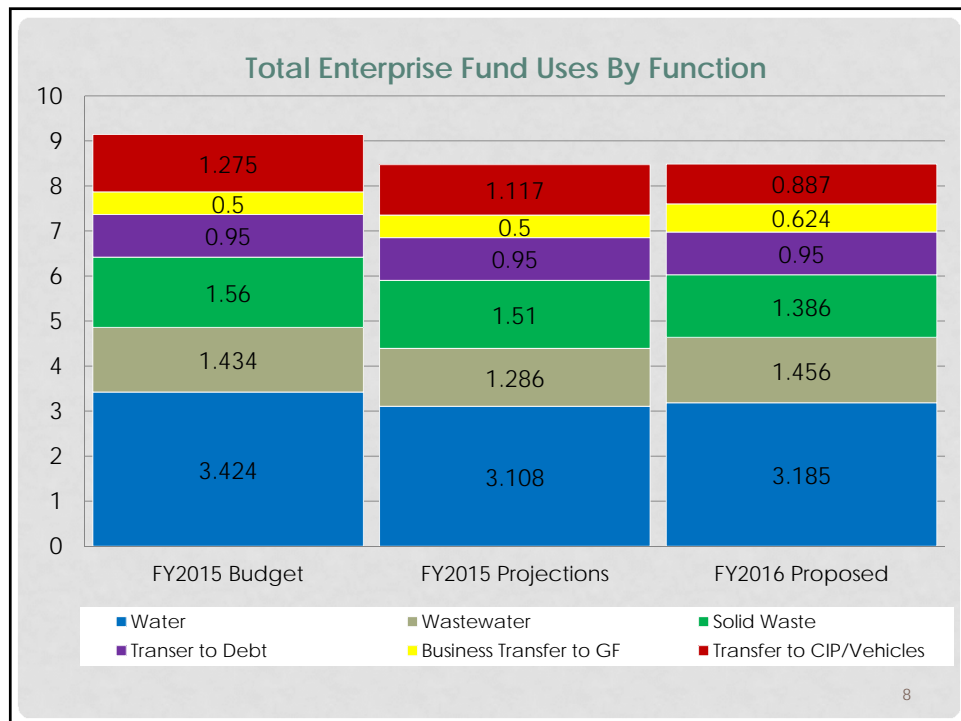
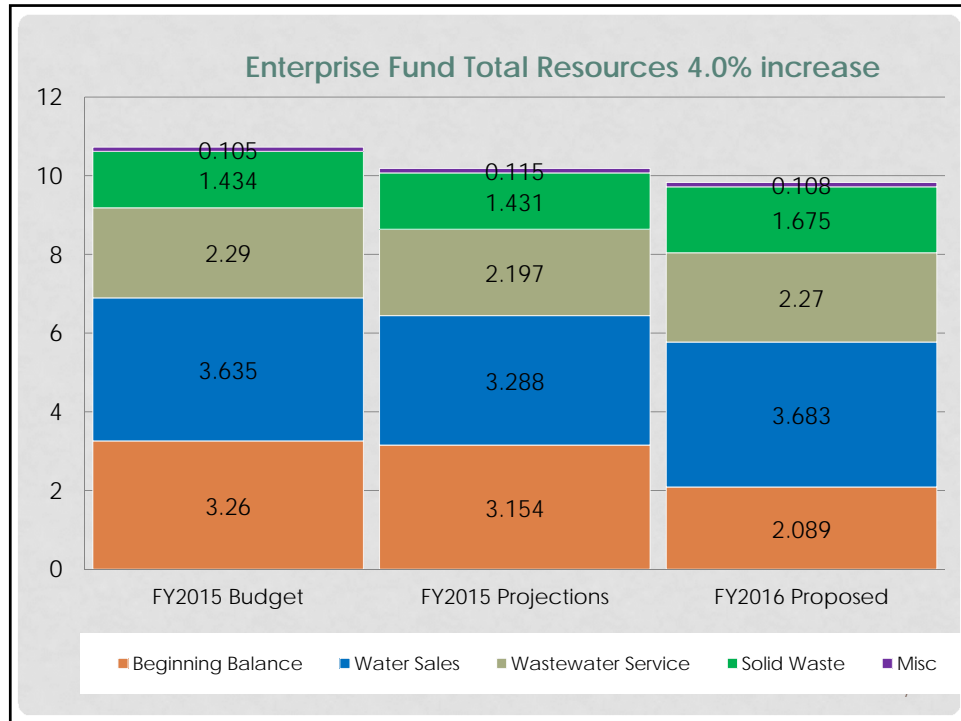


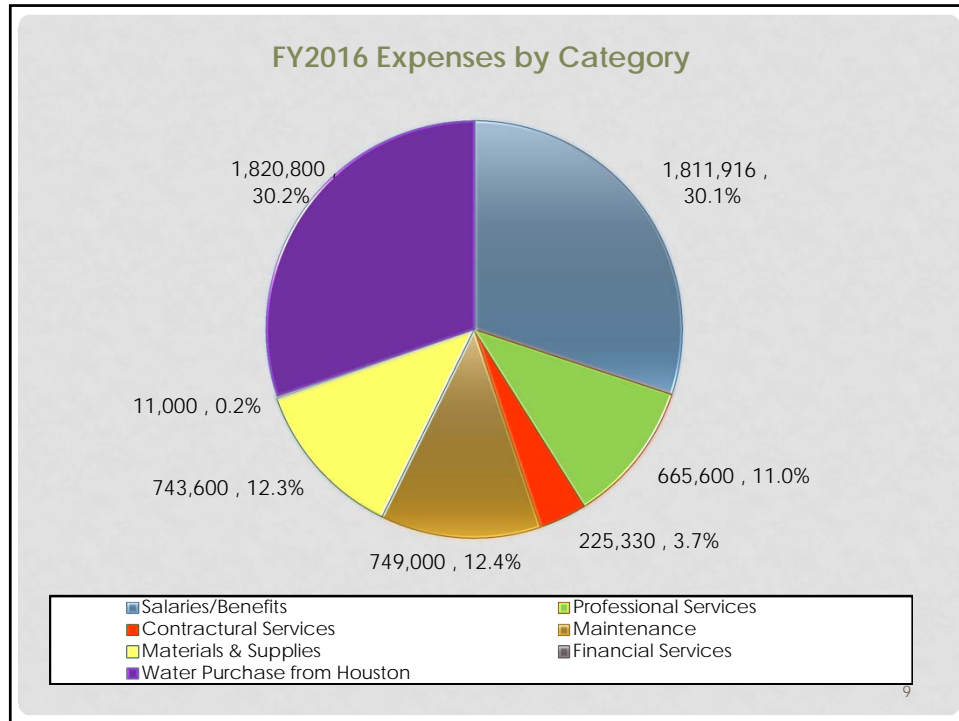
GENERAL FUND

2









FY2016 BUDGET HIGHLIGHTS

- Significant investment in street maintenance and appearance of Rights of Way.
- Significant investment in long-term vehicle and equipment replacement.
- Implementation of Full-cycle recruitment.

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COMPARE TAX RATES

City	Rate
Bellaire	0.3936
State Average*	0.56271

*Cities which participated in the TML Taxation and Debt Survey which have a population between 15,000 and 20,000

Based on the preliminary roll provided on May 8, 2015

Tax year 2015 - Average residential value= \$633,331 @ \$0.3936 = \$2,493

Tax year 2014 - Average residential value = \$555,426 @ \$0.3936 = \$2,186

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FY2016 PROPOSED BUDGET PUBLIC HEARING- MONDAY, AUGUST 17, 2015

PRESENTED BY:
PAUL A. HOFMANN - CITY MANAGER

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 08/17/15 06:00 PM
Department: Development Services
Category: Public Hearing
Department Head: John McDonald
DOC ID: 1637

SCHEDULED**ACTION ITEM (ID # 1637)**

Item Title:

Presentation regarding a petition submitted by Brown & Gay Engineers, Inc., on behalf of Centro NP Holdings 12 SPE LLC, Owner, and HEB Grocery Company, LP, as leaseholder, for the abandonment by the City of Bellaire, Texas, of rights-of-way and easements encumbering the property currently addressed as 5106 Bissonnet Street, Bellaire, Texas, in the Urban Village Downtown Zoning District (UVD) to Centro NP Holdings 12 SPE LLC - Presented by John McDonald, Director of Development Services.

Background/Summary:

Brown & Gay Engineers has requested that the City abandon eight specific rights-of-way (ROW) and easements included within the property currently home to a multi-tenant shopping center originally built in 1952. This site is subject to PD-25 (HEB Bellaire) which was approved by Council on June 15. The ROW and easements must be addressed before the property owner may amend the plat in preparation for the approved development.

As required by ordinance, Development Services contracted with Edward B. Schultz & Company, to prepare an appraisal of the requested sites. Mr. Schultz's appraisal is attached. Based on the initial request, the eight properties were valued at a total of \$394,700.

After discussions with the City Attorney's office, it was determined that three of the identified parcels were part of the original east-west alley way that was included in a quitclaim deed approved by Council on February 6, 1995. These parcels are identified as ROW B, ROW D, and UTILITY D. Removing the values for these parcels leaves a total remaining appraised value of \$250,250.

Michael Axelrod, the local agent for the property owner, has submitted a letter requesting that the City abandon the parcels at no cost.

The Public Works Department has reviewed the request and while ARKK Engineers did not find any active lines during an assessment conducted in April of this year, a 1997 Utility Block Map indicates the presence of an 8" sanitary sewer line (north-south).

Public Works Director Brant Gary recommends that if the ROW and easements are to be abandoned, that the applicant has a television inspection of the line completed to determine its current state, and if the line is no longer in use, to have it properly sealed and abandoned. If the inspection shows the line still in use, then the applicant would be responsible for the re-routing of the line.

If approved, the parcels would be abandoned to Centro NP Holdings 12 SPE, LLC, as property owner. HEB will be the lessee and sole tenant of the new building. Lisa Helfman, Director of Real Estate for HEB, will be presenting on behalf of the applicant. Ms. Helfman previously spoke at the neighborhood meeting hosted by HEB back in February in the Civic Center.

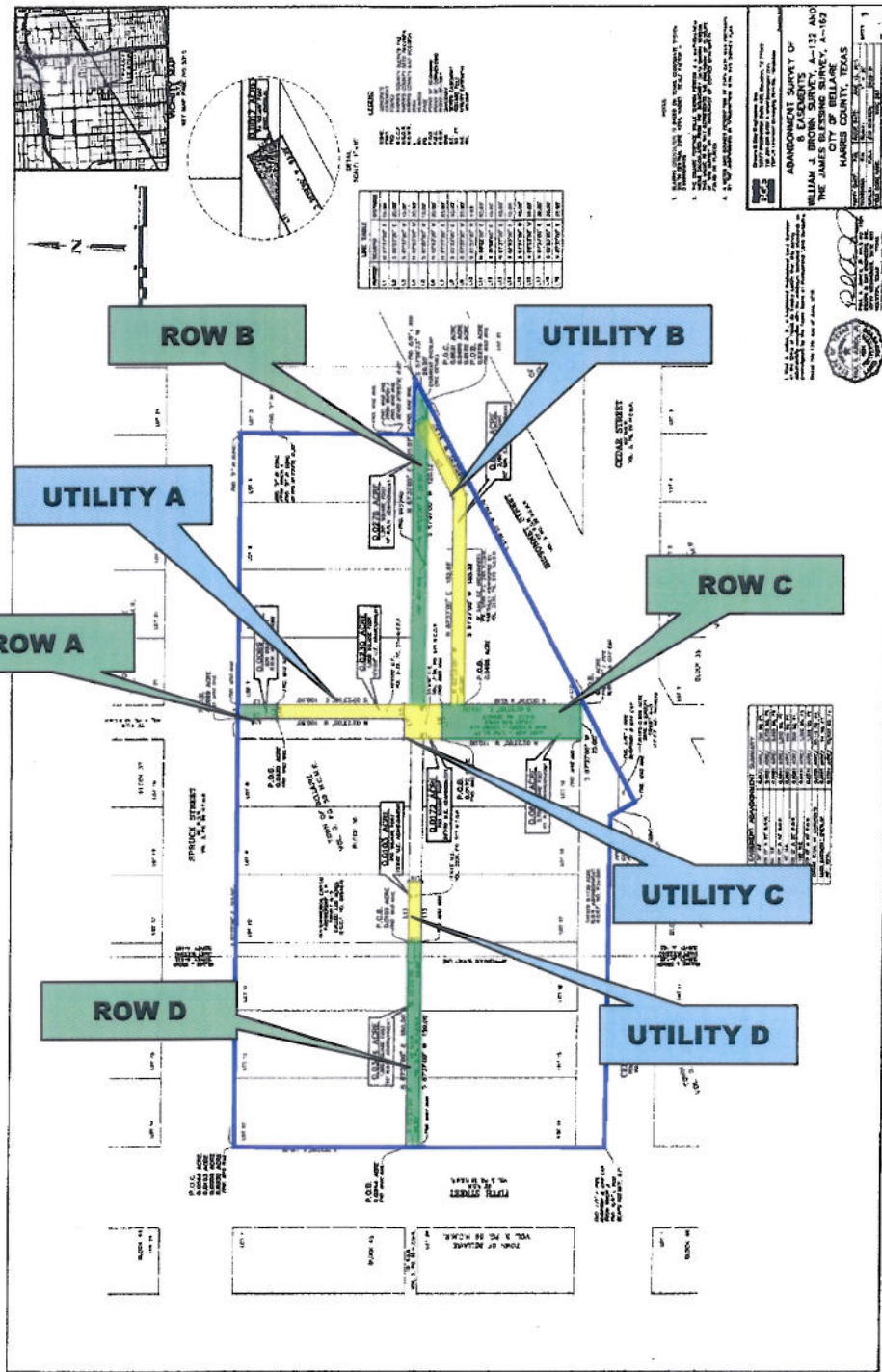
A notice of the public hearing was mailed to the adjacent property owner (Bellaire Exxon) as required and a legal notice was run in the City's official newspaper.

Recommendation:

No action is required during the public hearing. This item is scheduled for consideration the same night during the regular meeting.

ATTACHMENTS:

- Parcel Map (PDF)
- HEB ROW Application (PDF)
- HEB abandonment survey (PDF)
- HEB abandonment Appraisal (PDF)
- HEB Owner Letter (PDF)



SURVEY



CITY OF BELLAIRE
RECEIVED

JUN 25 2015

COMMUNITY DEVELOPMENT

June 24 2015

Mr. Paul A. Hofmann, City Manager
Planning and Zoning Commission
City of Bellaire
7008 South Rice Avenue
Bellaire, TX 77401

Re: HEB at 5106 Bissonnet Street
Easement Abandonment
± 0.2304 acres
Bellaire, Texas

Dear Mr. Hofmann:

Brown & Gay Engineers, Inc. is working on the abandonment of 0.2304 acres of existing easements within the 3.055-acres tract located at 5106 Bissonnet Street. The property is located on the northern side of the intersection between Bissonnet Street and Cedar Street in the City of Bellaire, Texas (Key Map page 531G).

Since the proposed project is intended to be developed and maintained by one user, we would like to request to abandon eight (8) existing easements. The attached survey shows the abandonment locations of eight (8) easements.

Please contact me if you have any questions and/or need any additional information.

Thank you,

E. Benton Schmaltz, P.E., LEED AP
Project Manager, Site Development

Attachments

Check No. 64777 for \$260.00
Signed Survey for easements to be abandoned
Signed Metes and Bounds documents
Title Commitment

Attachment: HEB ROW Application (1637 : HEB Public Hearing on ROW)

COMMITMENT FOR TITLE INSURANCE

Issued by **Fidelity National Title Insurance Company**



THE FOLLOWING COMMITMENT FOR TITLE INSURANCE IS NOT VALID UNLESS YOUR NAME AND THE POLICY AMOUNT ARE SHOWN IN SCHEDULE A, AND OUR AUTHORIZED REPRESENTATIVE HAS COUNTERSIGNED BELOW.

We (FIDELITY NATIONAL TITLE INSURANCE COMPANY, a California corporation) will issue our title insurance policy or policies (the Policy) to You (the proposed insured) upon payment of the premium and other charges due, and compliance with the requirements in Schedule C. Our Policy will be in the form approved by the Texas Department of Insurance at the date of issuance, and will insure your interest in the land described in Schedule A. The estimated premium for our Policy and applicable endorsements is shown on Schedule D. There may be additional charges such as recording fees, and expedited delivery expenses.

This Commitment ends ninety (90) days from the effective date, unless the Policy is issued sooner, or failure to issue the Policy is our fault. Our liability and obligations to you are under the express terms of this Commitment and end when this Commitment expires.

Charter Title Company
811 Main Street, Suite 1575
Houston, TX 77002
713-222-6060



Authorized Officer or Agent

FIDELITY NATIONAL TITLE INSURANCE COMPANY


By:



President



Attest



Secretary

CONDITIONS AND STIPULATIONS

1. If you have actual knowledge of any matter which may affect the title or mortgage covered by this Commitment, that is not shown in Schedule B, you must notify us in writing. If you do not notify us in writing, our liability to you is ended or reduced to the extent that your failure to notify us affects our liability. If you do notify us, or we learn of such matter, we may amend Schedule B, but we will not be relieved of liability already incurred.
2. Our liability is only to you, and others who are included in the definition of Insured in the Policy to be issued. Our liability is only for actual loss incurred in your reliance on this Commitment to comply with its requirements, or to acquire the interest in the land. Our liability is limited to the amount shown in Schedule A of this Commitment and will be subject to the following terms of the Policy: Insuring Provisions, Conditions and Stipulations, and Exclusions.

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A

Effective Date: **June 14, 2015**

GF. No. 1033005300

Commitment No.: Not Applicable issued: **June 19, 2015, 8:00 a.m.**
(if applicable)

1. The policy or policies to be issued are:

- (a) OWNER'S POLICY OF TITLE INSURANCE (Form T-1)
(Not applicable for improved one-to-four family residential real estate)
Policy Amount:
PROPOSED INSURED:
- (b) TEXAS RESIDENTIAL OWNER'S POLICY OF TITLE INSURANCE -
ONE-TO-FOUR FAMILY RESIDENCES (Form T-1R)
Policy Amount:
PROPOSED INSURED: **HEB Grocery Company, LP**
- (c) LOAN POLICY OF TITLE INSURANCE (Form T-2)
Policy Amount:
PROPOSED INSURED:
Proposed Borrower: **HEB Grocery Company, LP**
- (d) TEXAS SHORT FORM RESIDENTIAL LOAN POLICY OF TITLE INSURANCE (Form T-2R)
Policy Amount:
PROPOSED INSURED:
Proposed Borrower:
- (e) LOAN TITLE POLICY BINDER ON INTERIM CONSTRUCTION LOAN (Form T-13)
Binder Amount:
PROPOSED INSURED:
Proposed Borrower:
- (f) OTHER
Policy Amount:
PROPOSED INSURED:

2. The interest in the land covered by this Commitment is:

LEASEHOLD ESTATE

3. Record title to the land on the Effective Date appears to be vested in:

CENTRO NP HOLDINGS 12 SPE, LLC

4. Legal description of land:

Leasehold Esttiae created and defined by that certain Lease Agreement, dated _____, by and between Brixmor Holdings 12 SPE, LLC, as Landlord, and HEB Grocery Company, LP, as Tenant, evidenced by Memorandum of Lease recorded under Document No. ____ of the Official Public Records of Harris County, Texas, and being more particularly described by Exhibit "A" attached hereto.

Note: The Company is prohibited from insuring the area or quantity of the Land. Any statement in the legal description contained in Schedule A as to area or quantity of land is not a representation that such area or quantity is correct but is for informal identification purposes and does not override Item 2 of Schedule B hereof.

DESCRIPTION OF A 3.055 ACRE TRACT OF LAND SITUATED
IN THE WILLIAM J. BROWN SURVEY, ABSTRACT NO. 132
AND THE JAMES BLESSING SURVEY, ABSTRACT NO. 162
CITY OF BELLAIRE, HARRIS COUNTY, TEXAS

BEING a 3.055 acre (133,077 square feet) tract of land situated in the William J. Brown Survey, Abstract No. 132 and the James Blessing Survey, Abstract No. 162, City of Bellaire of Harris County, Texas and being all of a called 3.06 acre tract of land as described in a deed to Centeramerica Capital Partnership, L.P. recorded under Harris County Clerk's File Number (H.C.C.F. No.) S654878 and being part of Block 36 of TOWN OF BELLAIRE a subdivision plat recorded under Volume 3 Page 59 of the Harris County Map Records (H.C.M.R.), said 3.055 acre tract of land described by metes and bounds as follows:

BEGINNING at a MAG Nail found on the south right-of-way line of Spruce Street (60 foot width) recorded under Volume 3, Page 59 H.C.M.R. and on the east right-of-way line of Fifth Street (60 foot width) recorded under Volume 3, Page 59 H.C.M.R. and being the northwest corner of the herein described tract;

THENCE, N 87°37'00" E, a distance of 315.00 feet along the south right-of-way line of said Spruce Street to a MAG Nail found on the west line of the remainder of a 25 foot wide right-of-way recorded under Volume 3, Page 59 H.C.M.R.;

THENCE, S 02°23'00" E, a distance of 30.00 feet along the west line of the remainder of said 25 foot wide right-of-way to a MAG Nail found for and interior corner of the herein described tract;

THENCE, N 87°37'00" E, a distance of 10.00 feet over and across said 25 foot wide right-of-way to a MAG Nail found on the east line of said 25 foot wide right-of-way and an interior corner of the herein described tract;

THENCE, N 02°23'00" W, a distance of 30.00 feet along the east line of said 25 foot wide right-of-way to a MAG Nail found on the south right-of-way line of said Spruce Street;

THENCE, N 87°37'00" E, a distance of 200.00 feet along the south right-of-way line of said Spruce Street to an "X" in concrete found for the northeast corner of the herein described tract;

THENCE, along the easterly lines of said 3.06 acre tract the following courses and distances:

S 02°23'00" E, a distance of 26.30 feet to an "X" in concrete found for and interior corner of the herein described tract, from which a found "X" in concrete bears N 13°23' W, 0.39 feet;

N 87°37'00" E, a distance of 0.75 feet to an "X" in concrete found for corner;

S 02°23'00" E, a distance of 94.50 feet to a MAG Nail found for corner;

S 87°37'00" W, a distance of 0.80 feet to a MAG Nail set for and interior corner of the herein described tract;

S 02°23'00" E, a distance of 14.20 feet to a MAG Nail found on a north line of a 10 foot wide right-of-way recorded under Volume 3, Page 59 H.C.M.R.;

THENCE, S 87°37'00" W, a distance of 78.46 feet along a north line of said 10 foot wide right-of-way to a MAG Nail found for an interior corner of the herein described tract;

THENCE, S 58°02'00" W, a distance of 20.26 feet over and across said 10 foot wide right-of-way to a MAG Nail found on a south line of said 10 foot wide right-of-way and being an interior corner of the herein described tract;

THENCE, N 87°37'00" E, a distance of 120.13 feet along a south line of said 10 foot wide right-of-way to a MAG Nail found on the northwest right-of-way line of Bissonnet Street (60 foot width) recorded under Volume 3, Page 59 H.C.M.R.;

THENCE, S 57°56'33" W, a distance of 313.09 feet along the northwest right-of-way line of said Bissonnet Street to a 1/2-inch iron pipe with a cap stamped "Brown & Gay" found on the north right-of-way line of the remainder of Cedar Street (width varies) recorded under Volume 3, Page 59 H.C.M.R. and being the most southerly southeast corner of the herein described tract;

THENCE, along the northerly right-of-way of said Cedar Street the following courses and distances:

S 87°37'00" W, a distance of 29.47 feet to a "X" in concrete set for the most southerly southwest corner of the herein described tract;

N 32°03'27" W, a distance of 8.01 feet to a 1/2-inch iron pipe with a cap stamped "Brown & Gay" set for an interior corner of the herein described tract, from which a found 5/8-inch iron rod bears N 03°12' E, 0.37 feet;

S 87°37'00" W, a distance of 243.54 feet to a 1/2-inch iron pipe with a cap stamped "Brown & Gay" set on the east right-of-way line of said Fifth Street and being the southwest corner of the herein described tract;

THENCE, N 02°23'00" W, a distance of 148.04 feet along the east right-of-way line of said Fifth Street to a MAG Nail found in a south line of said 10 foot wide right-of-way;

THENCE, N 87°37'00" E, a distance of 150.00 feet along a south line of said 10 foot wide right-of-way to a MAG Nail found for an interior corner of the herein described tract;

THENCE, N 02°23'00" W, a distance of 10.00 feet over and across said 10 foot wide right-of-way to a MAG Nail set on a north line of said 10 foot wide right-of-way and being an interior corner of the herein described tract;

THENCE, S 87°37'00" W, a distance of 150.00 feet along a north right-of-way line of said 10 foot wide right-of-way to a MAG Nail found on the east right-of-way line of said Fifth Street;

THENCE, N 02°23'00" W, a distance of 135.00 feet along the east right-of-way line of said Fifth Street to the **POINT OF BEGINNING** and containing 3.118 acres (135,827 square feet) of land **SAVE & EXCEPT** a 0.063 of one acre tract described as a called 0.06 acre tract of land in a deed recorded under H.C.C.F. No. S654878 and being more particularly described by metes and bounds as follows:

HEB BISSONETT AT S. RICE
3.055 ACRES

JULY 22, 2014
JOB NO. 2823-01

COMMENCING at a MAG Nail found on the northwest right-of-way of Bissonnet Street (60 foot width) recorded under Volume 3, Page 59 H.C.M.R. and being on a south line of a 10 foot wide right-of-way recorded under Volume 3, Page 59 H.C.M.R.;

THENCE, S 57°56'33" W, a distance of 252.49 feet along the northwest right-of-way line of said Bissonnet Street to the northeast corner of a called 0.1739 acre tract of land described as a right-of-way abandonment for Cedar Street (60 foot width) recorded under Volume 3, Page 59 H.C.M.R.;

THENCE, S 87°37'00" W, a distance of 4.63 feet along the north line of said 0.1739 acre tract to a 1/2-inch iron pipe with a cap stamped "Brown & Gay" set on the east line of a 25 foot wide right-of-way recorded under Volume 3, Page 59 H.C.M.R. for the **POINT OF BEGINNING** and being the southeast corner of the herein described tract;

THENCE, S 87°37'00" W, a distance of 25.00 feet along the north line of said 0.1739 acre tract to a MAG Nail set on the west line of said 25 foot wide right-of-way and being the southwest corner of the herein described tract;

THENCE, N 02°23'00" W, a distance of 110.00 feet along the west line of said 25 foot wide right-of-way to a MAG Nail set for the northwest corner of the herein described tract;

THENCE, N 87°37'00" E, a distance of 25.00 feet over and across said 25 foot wide right-of-way to a MAG Nail set on the east line of said 25 foot wide right-of-way and being the northeast corner of the herein described tract;

THENCE, S 02°23'00" E, a distance of 110.00 feet along the east line of said 25 foot wide right-of-way to the **POINT OF BEGINNING** and containing 0.063 acres (2,750 square feet) of land.

The herein described 3.118 acre tract Save & Except the herein described 0.063 acre tract combine for a net total of 3.055 acres of land.

Bearing orientation is based on the Texas State Plane Coordinate System, South Central Zone 4204, NAD-83.

SCHEDULE B**EXCEPTIONS FROM COVERAGE**

In addition to the Exclusions and Conditions and Stipulations, your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from:

1. Item 1, Schedule B is hereby deleted in its entirety.
2. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements.
3. Homestead or community property or survivorship rights, if any, of any spouse of any insured. (Applies to the Owner's Policy only).
4. Any titles or rights asserted by anyone, including, but not limited to, persons, the public, corporations, governments or other entities,
 - a. to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or
 - b. to lands beyond the line of harbor or bulkhead lines as established or changed by any government, or
 - c. to filled-in lands, or artificial islands, or
 - d. to statutory water rights, including riparian rights, or
 - e. to the area extending from the line of mean low tide to the line of vegetation, or the rights of access to that area or easement along and across that area.
 (Applies to the Owner's Policy only.)
5. Standby fees, taxes and assessments by any taxing authority for the year **2015**, and subsequent years; and subsequent taxes and assessments by any taxing authority for prior years due to change in land usage or ownership, but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, *Texas Tax Code*, or because of improvements not assessed for a previous tax year. (If Texas Short Form Residential Loan Policy (T-2R) is issued, that policy will substitute "which become due and payable subsequent to Date of Policy" in lieu of "for the year **2015**, and subsequent years.")
6. The terms and conditions of the documents creating your interest in the land.
7. Materials furnished or labor performed in connection with planned construction before signing and delivering the lien document described in Schedule A, if the land is part of the homestead of the owner. (Applies to the Loan Title Policy Binder on Interim Construction Loan only, and may be deleted if satisfactory evidence is furnished to us before a binder is issued.)
8. Liens and leases that affect the title to the land, but that are subordinate to the lien of the insured mortgage. (Applies to Loan Policy (T-2) only.)
9. The Exceptions from Coverage and Express Insurance in Schedule B of the Texas Short Form Residential Loan Policy (T-2R). (Applies to Texas Short Form Residential Loan Policy (T-2R) only. Separate exceptions 1 through 8 of this Schedule B do not apply to the Texas Short Form Residential Loan Policy (T-2R).)
10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception.):
 - a. **DELETED**

- b. A ten foot (10') sewer easement as set forth in instrument dated January 20, 1955, recorded in Volume 2899, Page 246 of the Deed Records of Harris County, Texas, from Gerhard Herzog to the City of Bellaire, less and except therefrom that portion thereof described in Quitclaim Deed from City of Bellaire to Gerhard Herzog dated April 13, 1956, recorded in Volume 3139, Page 572 of the Deed Records of Harris County, Texas as shown and depicted on that certain survey, prepared by Paul A. Jurica, RPLS # 4264 of Brown & Gay Engineers, Inc. dated _____.
- c. A ten foot by one hundred foot (10' x 100') public utility easement, granted by instrument dated April 7, 1956, recorded in Volume 3139, Page 574 of the Deed Records of Harris County, Texas, from Gerhard Herzog to City of Bellaire, said easement adjoins the west line of Lot Seven (7) out of the north-south twenty-five foot (25') alley in said Block Thirty-six (36), the north line of which is thirty feet (30') south of the south line of Spruce Street as shown and depicted on that certain survey, prepared by Paul A. Jurica, RPLS # 4264 of Brown & Gay Engineers, Inc. dated _____.
- d. A twenty-five foot by thirty foot (25' x 30') public utility easement as set forth in instrument dated April 7, 1956, recorded in Volume 3139, Page 574 of the Deed Records of Harris County, Texas, from Gerhard Herzog to the City of Bellaire out of the twenty-five foot (25') north-south alley, the south line of which is one hundred ten feet (110') north of the north line of Cedar Avenue as shown and depicted on that certain survey, prepared by Paul A. Jurica, RPLS # 4264 of Brown & Gay Engineers, Inc. dated _____.
- e. A ten foot by forty-five foot (10' x 45') public utility easement as set forth in instrument dated July 24, 1958, recorded in Volume 3538, Page 517 of the Deed Records of Harris County, Texas, from G. Herzog to the City of Bellaire, located between Lots Ten (10) and Seventeen (17), the west line of which is one hundred fifty feet (150') east of the east line of Fifth Street as shown and depicted on that certain survey, prepared by Paul A. Jurica, RPLS # 4264 of Brown & Gay Engineers, Inc. dated _____.
- f. Encroachment of improvements into adjoining property pursuant to Boundary Line Agreement filed under Harris County Clerk's File No. D465677 regarding boundary between Lots Three (3) and Four (4) as shown and depicted on that certain survey, prepared by Paul A. Jurica, RPLS # 4264 of Brown & Gay Engineers, Inc. dated _____.
- g. DELETED.
- h. Lease by and between Jerry J. Moore and wife, Jean H. Moore dba as Jerry J. Moore Investments, as lessor, and H.E. Butt Grocery Company, as lessee, evidenced of record by Short Form Lease dated May 5, 1993 filed for record under Harris County Clerk's File No. P816766.
- i. Terms, conditions and provisions of that certain instrument entitled Conditional Dedication for Public Streets and Utilities, and exhibits thereto, dated May 6, 1993 by and between Jerry J. Moore and Jean H. Moore, as Grantors, and the City of Bellaire, as Grantee, filed for record under Harris County Clerk's File No. P241205.
- j. Terms, conditions and provisions of that certain instrument entitled Easement Agreement dated April 26, 1993 by and between Jerry J. Moore and wife, Jean H. Moore and Shady V. Investments filed for record under Harris County Clerk's File No. P462253; amended by instrument filed under P462254.

SCHEDULE C

Your Policy will not cover loss, costs, attorneys' fees, and expenses resulting from the following requirements that will appear as Exceptions in Schedule B of the Policy, unless you dispose of these matters to our satisfaction, before the date the Policy is issued:

1. Documents creating your title or interest must be approved by us and must be signed, notarized and filed for record.
2. Satisfactory evidence must be provided that:
 - a. no person occupying the land claims any interest in that land against the persons named in paragraph 3 of Schedule A,
 - b. all standby fees, taxes, assessments and charges against the property have been paid,
 - c. all improvements or repairs to the property are completed and accepted by the owner, and that all contractors, subcontractors, laborers and suppliers have been fully paid, and that no mechanic's, laborer's or materialmen's liens have attached to the property,
 - d. there is legal right of access to and from the land,
 - e. (on a Loan Policy only) restrictions have not been and will not be violated that affect the validity and priority of the insured mortgage.
3. You must pay the seller or borrower the agreed amount for your property or interest.
4. Any defect, lien or other matter that may affect title to the land or interest insured, that arises or is filed after the effective date of this Commitment.
5. **Deed of Trust executed by CENTRO NP HOLDINGS 12 SPE, LLC to Stanley E. Keeton, Trustee, dated July 28, 2010, recorded in/under Clerk's File No. 20100339257 of the Real Property Records of HARRIS County, Texas, securing JPMORGAN CHASE BANK, N.A. in the payment of one note in the principal sum of Four Hundred Eighty Five Million and 00/100 (\$485,000,000.00), due and payable and bearing interest as therein provided; and all the terms, conditions and stipulations contained therein, including, but not limited to, any additional indebtedness, if any, secured by said instrument. Additionally secured by Assignment of Leases and Rents recorded in/under Clerk's File No. 20100339258. (covers additional property)**

Said Note and Deed of Trust having been assigned to WELLS FARGO BANK, NATIONAL ASSOCIATION, AS TRUSTEE IN TRUST FOR HOLDERS OF J.P. MORGAN CHASE COMMERCIAL MORTGAGE SECURITIES TRUST 2010-CNTR, COMMERCIAL MORTGAGE PASS THROUGH CERTIFICATES, SERIES 2010-CNTR, by instrument dated September 13, 2010, recorded in/under Clerk's File No. 20100496736 of the Real Property Records of HARRIS County, Texas.
6. **UCC-1 Financing Statement executed by CENTRO HOLDINGS 12 SPE, LLC, Debtor, to JPMORGAN CHASE BANK, N.A., Secured Party, filed August 9, 2010, recorded in/under Clerk's File No. 20100339256, as amended by 20100496737, 20120334006 and 20150184249 of the Real Property Records of HARRIS County, Texas.**
7. **PROVIDED.**
8. **Ascertain who can execute instruments on behalf of record owner, and secure proof of their authority to act.**

NOTE FOR INFORMATION PURPOSES:

Title vested by Deed filed August 9, 2010 under Harris County Clerk's File No. 20100339293.

COMMITMENT FOR TITLE INSURANCE**SCHEDULE D**

Pursuant to the requirements of Rule P-21, Basic Manual of Rules, Rates and Forms for the writing of Title Insurance in the State of Texas, the following disclosures are made:

- The following individuals are directors and/or officers, as indicated, of the Title Insurance Company issuing this Commitment. The issuing Title Insurance Company, **Fidelity National Title Insurance Company**, is a Nebraska corporation whose shareholders owning or controlling, directly or indirectly, 10% of said corporation, directors and officers are listed below:

Shareholders: Fidelity National Title Group, Inc. which is owned 100% by FNTG Holdings, LLC which is owned 100% by Fidelity National Financial, Inc.

Officers

President	Raymond Randall Quirk
Executive Vice President	Anthony John Park
Secretary	Michael Louis Gravelle
Treasurer	Daniel K. Murphy

Directors

Raymond Randall Quirk
Anthony John Park
Michael Louis Gravelle
Michael J. Nolan

- The following disclosures are made by the Title Insurance Agent issuing this Commitment: FNF Charter Title Company d/b/a Charter Title Company
 - The names of each shareholder, owner, partner or other person having, owning or controlling one percent (1%) or more of the Title Insurance Agent that will receive a portion of the premium are as follows: **FNTG Holdings, LLC owns 100% of FNTS Holdings, LLC which owns 100% of FNF Charter Title Company d/b/a Charter Title Company.**
 - Each shareholder, owner, partner or other person having, owning or controlling ten percent (10%) or more of an entity that has, owns or controls one percent (1 %) or more of the Title Insurance Agent that will receive a portion of the premium are as follows: **FNTS Holdings, LLC owns 100% of FNF Charter Title Company d/b/a Charter Title Company.**
 - The following persons are officers and directors of the Title Insurance Agent: FNF Charter Title Company d/b/a Charter Title Company

<u>Directors:</u>	Anthony John Park
	Raymond Randall Quirk
<u>Officers:</u>	James A. Johnson, President and County Manager
	Raymond Randall Quirk, Chairman of the Board and Chief Executive Officer
	Anthony John Park, Executive Vice President
	Michael Louis Gravelle, Secretary
	Daniel Kennedy Murphy: Treasurer
- You are entitled to receive advance disclosure of settlement charges in connection with the proposed transaction to which this commitment relates. Upon your request, such disclosure will be made to you. Additionally, the name of any person, firm or corporation receiving a portion of the premium from the settlement of this transaction will be disclosed on the closing or settlement statement.

You are further advised that the estimated title premium* is:

Owner's Policy	
Loan Policy	
Endorsements	
Other	\$
Total	

Of this total amount: 15% will be paid to the policy issuing Title Insurance Company; 85% will be retained by the issuing Title Insurance Agent; and the remainder of the estimated premium will be paid to other parties as follows:

<u>Amount</u>	<u>To Whom</u>	<u>For Services</u>
---------------	----------------	---------------------

The estimated premium is based upon information furnished to us as of the date of this Commitment for Title Insurance. Final determination of the amount of the premium will be made at closing in accordance with the Rules and Regulations adopted by the Commissioner of Insurance.

TEXAS TITLE INSURANCE INFORMATION

Title insurance insures you against loss resulting from certain risks to your title.	El seguro de titulo le asegura en relacion a perdidas resultantes de ciertos riesgos que pueden afectar el titulo de su propiedad.
The Commitment for Title Insurance is the title insurance company's promise to issue the title insurance policy. The Commitment is a legal document. You should review it carefully to completely understand it before your closing date.	El Compromiso para Seguro de Titulo es la promesa de la compania aseguradora de titulos de emitir la poliza de seguro de titulo. El Compromiso es un documento legal. Usted debe leerlo cuidadosamente y entenderlo completamente antes de la fecha para finalizar su transaccion.

Your Commitment for Title Insurance is a legal contract between you and us. The Commitment is not an opinion or report of your title. It is a contract to issue you a policy subject to the Commitment's terms and requirements.

Before issuing a Commitment for Title Insurance (the Commitment) or a Title Insurance Policy (the Policy), the Title Insurance Company (the Company) determines whether the title is insurable. This determination has already been made. Part of that determination involves the Company's decision to insure the title except for certain risks that will not be covered by the Policy. Some of these risks are listed in Schedule B of the attached Commitment as Exceptions. Other risks are stated in the Policy as Exclusions. These risks will not be covered by the Policy. The policy is not an abstract of title nor does a Company have an obligation to determine the ownership of any mineral interest.

- MINERALS AND MINERAL RIGHTS may not be covered by the Policy. The company may be unwilling to insure title unless there is an exclusion or an exception as to Minerals and Mineral Rights in the Policy. Optional endorsements insuring certain risks involving minerals, and the use of improvements (excluding lawns, shrubbery and trees) and permanent buildings may be available for purchase. If the title insurer issues the title policy with an exclusion or exception to the minerals and mineral rights, neither this Policy, nor the optional endorsements, ensure that the purchaser has title to the mineral rights related to the surface estate.

Another part of the determination involves whether the promise to insure is conditioned upon certain requirements being met. Schedule C of the Commitment lists these requirements that must be satisfied or the Company will refuse to cover them. You may want to discuss any matters shown on Schedules B and C of the Commitment with an attorney. These matters will affect your title and your use of the land.

When your Policy is issued, the coverage will be limited by the Policy's Exceptions, Exclusions and Conditions, defined below.

- EXCEPTIONS are title risks that a Policy generally covers but does not cover in a particular instance. Exceptions are shown on Schedule B or discussed in Schedule C of the Commitment. They can also be added if you do not comply with the Conditions section of the Commitment. When the Policy is issued, all Exceptions will be on Schedule B of the Policy.

- EXCLUSIONS are title risks that a Policy generally does not cover. Exclusions are contained in the Policy but not shown or discussed in the Commitment.

- CONDITIONS are additional provisions that qualify or limit your coverage. Conditions include your responsibilities and those of the Company. They are contained in the Policy but not shown or discussed in the Commitment. The Policy Conditions are not the same as the Commitment Conditions.

You can get a copy of the policy form approved by the Texas Department of Insurance by calling the Title Insurance Company at 1-800-442-7067 or by calling the title insurance agent that issued the Commitment. The State Board of Insurance may revise the policy form from time to time.

You can also get a brochure that explains the Policy from the Texas Department of Insurance by calling 1-800-252-3439.

Before the Policy is issued, you may request changes in the Policy. Some of the changes to consider are:

- Request amendment of the "area and boundary" exception (Schedule B, paragraph 2). To get this amendment, you must furnish a survey and comply with other requirements of the Company. On the Owner's Policy, you must pay an additional premium for the amendment. If the survey is acceptable to the Company and if the Company's other requirements are met, your Policy will insure you against loss because of discrepancies or conflicts in boundary lines, encroachments or protrusions, or overlapping of improvements. The Company may then decide not to insure against specific boundary or survey problems by making special exceptions in the Policy. Whether or not you request amendment of the "area and boundary" exception, you should determine whether you want to purchase and review a survey if a survey is not being provided to you.

- Allow the Company to add an exception to "rights of parties in possession." If you refuse this exception, the Company or the title insurance agent may inspect the property. The Company may except to and not insure you against the rights of specific persons, such as renters, adverse owners or easement holders who occupy the land. The Company may charge you for the inspection. If you want to make your own inspection, you must sign a Waiver of Inspection form and allow the Company to add this exception to your Policy.

The entire premium for a Policy must be paid when the Policy is issued. You will not owe any additional premiums unless you want to increase your coverage at a later date and the Company agrees to add an Increased Value Endorsement.

Charter Title Company

Affiliated Business Arrangement Disclosure Statement

Date:

To: Buyer/Borrower: HEB Grocery Company, LP
Seller: CENTRO NP HOLDINGS 12 SPE, LLC

Re: ,
TX

This is to give you notice that Charter Title Company, a subsidiary of Fidelity National Financial, Inc. has a business relationship with the settlement service providers listed below to which you have been referred. Each of the companies listed below is 100% owned directly or indirectly by Fidelity National Financial, Inc. Because of this relationship, this referral may provide Charter Title Company with a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the listed providers as a condition for the consummation of the transaction involving the above referenced property.

Settlement Service Provider	Type of Settlement Provided	Estimated Charge or Range of Charges
National TaxNet	Tax Information	\$22.50 to \$75.00 Including Sales Tax Add \$5.00 for each additional parcel over 3 parcels

There are frequently other settlement service providers available who offer similar services. You are free to shop around to determine that you are receiving the best services and the best rate for these services. I/We have read this disclosure form and understand that Charter Title Company is referring me/us to purchase the above-described settlement services and may receive a financial or other benefit as the result of this referral.

DELETION OF ARBITRATION PROVISION
(Not Applicable to the Texas Residential Owner's Policy)

ARBITRATION is a common form of alternative dispute resolution. It can be a quicker and cheaper means to settle a dispute with your Title Insurance Company. However, if you agree to arbitrate, you give up your right to take the Title Company to court and your rights to discovery of evidence may be limited in the arbitration process. In addition, you cannot usually appeal an arbitrator's award.

Your policy contains an arbitration provision (shown below). It allows you or the Company to **require arbitration** if the amount of insurance is \$2,000,000 or less. If you want to retain your right to sue the Company in case of a dispute over a claim, you must request deletion of the arbitration provision before the policy is issued. You can do this by signing this form and returning it to the Company at or before the Closing of your real estate transaction or by writing to the Company.

The Arbitration provision in the Policy is as follows:

"Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured, unless the Insured is an individual person (as distinguished from an Entity). All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction."

SIGNATURE

DATE

FIDELITY NATIONAL FINANCIAL PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing real estate- and loan-related services (collectively, "FNF", "our" or "we") respect and are committed to protecting your privacy. This Privacy Notice lets you know how and for what purposes your Personal Information (as defined herein) is being collected, processed and used by FNF. We pledge that we will take reasonable steps to ensure that your Personal Information will only be used in ways that are in compliance with this Privacy Notice. The provision of this Privacy Notice to you does not create any express or implied relationship, or create any express or implied duty or other obligation, between Fidelity National Financial, Inc. and you. See also **No Representations or Warranties** below.

This Privacy Notice is only in effect for any generic information and Personal Information collected and/or owned by FNF, including collection through any FNF website and any online features, services and/or programs offered by FNF (collectively, the "Website"). This Privacy Notice is not applicable to any other web pages, mobile applications, social media sites, email lists, generic information or Personal Information collected and/or owned by any entity other than FNF.

How Information is Collected

The types of personal information FNF collects may include, among other things (collectively, "Personal Information"): (1) contact information (e.g., name, address, phone number, email address); (2) demographic information (e.g., date of birth, gender marital status); (3) Internet protocol (or IP) address or device ID/UDID; (4) social security number (SSN), student ID (SIN), driver's license, passport, and other government ID numbers; (5) financial account information; and (6) information related to offenses or criminal convictions.

In the course of our business, we may collect Personal Information about you from the following sources:

- Applications or other forms we receive from you or your authorized representative;
- Information we receive from you through the Website;
- Information about your transactions with or services performed by us, our affiliates, or others; and
- From consumer or other reporting agencies and public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others.

Additional Ways Information is Collected Through the Website

Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain information about each visitor. This information may include IP address, browser language, browser type, operating system, domain names, browsing history (including time spent at a domain, time and date of your visit), referring/exit web pages and URLs, and number of clicks. The domain name and IP address reveal nothing personal about the user other than the IP address from which the user has accessed the Website.

Cookies. From time to time, FNF or other third parties may send a "cookie" to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive and that can be re-sent to

the serving website on subsequent visits. A cookie, by itself, cannot read other data from your hard disk or read other cookie files already on your computer. A cookie, by itself, does not damage your system. We, our advertisers and other third parties may use cookies to identify and keep track of, among other things, those areas of the Website and third party websites that you have visited in the past in order to enhance your next visit to the Website. You can choose whether or not to accept cookies by changing the settings of your Internet browser, but some functionality of the Website may be impaired or not function as intended. See the Third Party Opt Out section below.

Web Beacons. Some of our web pages and electronic communications may contain images, which may or may not be visible to you, known as Web Beacons (sometimes referred to as "clear gifs"). Web Beacons collect only limited information that includes a cookie number; time and date of a page view; and a description of the page on which the Web Beacon resides. We may also carry Web Beacons placed by third party advertisers. These Web Beacons do not carry any Personal Information and are only used to track usage of the Website and activities associated with the Website. See the Third Party Opt Out section below.

Unique Identifier. We may assign you a unique internal identifier to help keep track of your future visits. We may use this information to gather aggregate demographic information about our visitors, and we may use it to personalize the information you see on the Website and some of the electronic communications you receive from us. We keep this information for our internal use, and this information is not shared with others.

Third Party Opt Out. Although we do not presently, in the future we may allow third-party companies to serve advertisements and/or collect certain anonymous information when you visit the Website. These companies may use non-personally identifiable information (e.g., click stream information, browser type, time and date, subject of advertisements clicked or scrolled over) during your visits to the Website in order to provide advertisements about products and services likely to be of greater interest to you. These companies typically use a cookie or third party Web Beacon to collect this information, as further described above. Through these technologies, the third party may have access to and use non-personalized information about your online usage activity.

You can opt-out of certain online behavioral services through any one of the ways described below. After you opt-out, you may continue to receive advertisements, but those advertisements will no longer be as relevant to you.

You can opt-out via the Network Advertising Initiative industry opt-out at <http://www.networkadvertising.org>.

You can opt-out via the Consumer Choice Page at <http://www.aboutads.info>.

For those in the U.K., you can opt-out via the IAB UK's industry opt-out at <http://www.youronlinechoices.com>.

You can configure your web browser (Chrome, Firefox, Internet Explorer, Safari, etc.) to delete and/or control the use of cookies.

More information can be found in the Help system of your browser. Note: If you opt-out as described above, you should not delete your cookies. If you delete your cookies, you will need to opt-out again.

Use of Personal Information

Information collected by FNF is used for three main purposes:

To provide products and services to you or one or more third party service providers (collectively, "Third Parties") who are obtaining services on your behalf or in connection with a transaction involving you.

To improve our products and services that we perform for you or for Third Parties.

To communicate with you and to inform you about FNF's, FNF's affiliates and third parties' products and services.

When Information Is Disclosed By FNF

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

To agents, brokers, representatives, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;

To third-party contractors or service providers who provide services or perform marketing services or other functions on our behalf;

To law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders; and/or

To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

In addition to the other times when we might disclose information about you, we might also disclose information when required by law or in the good-faith belief that such disclosure is necessary to: (1) comply with a legal process or applicable laws; (2) enforce this Privacy Notice; (3) respond to claims that any materials, documents, images, graphics, logos, designs, audio, video and any other information provided by you violates the rights of third parties; or (4) protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep the Personal Information that is disclosed to us secure. We provide Personal Information and non-Personal Information to our subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and promoting the services of our trusted business partners, some or all of which may store your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Notice or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party's own Privacy Notice. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without

your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

We also reserve the right to disclose Personal Information and/or non-Personal Information to take precautions against liability, investigate and defend against any third-party claims or allegations, assist government enforcement agencies, protect the security or integrity of the Website, and protect the rights, property, or personal safety of FNF, our users or others.

We reserve the right to transfer your Personal Information, as well as any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets. We also cannot make any representations regarding the use or transfer of your Personal Information or other information that we may have in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors, and you expressly agree and consent to the use and/or transfer of your Personal Information or other information in connection with a sale or transfer of some or all of our assets in any of the above described proceedings. Furthermore, we cannot and will not be responsible for any breach of security by any third parties or for any actions of any third parties that receive any of the information that is disclosed to us.

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We do not collect Personal Information from any person that we know to be under the age of thirteen (13). Specifically, the Website is not intended or designed to attract children under the age of thirteen (13). You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in this Privacy Notice, and to abide by and comply with this Privacy Notice. In any case, you affirm that you are over the age of 13, as **THE WEBSITE IS NOT INTENDED FOR CHILDREN UNDER 13 THAT ARE UNACCOMPANIED BY HIS OR HER PARENT OR LEGAL GUARDIAN.**

Parents should be aware that FNF's Privacy Notice will govern our use of Personal Information, but also that information that is voluntarily given by children - or others - in email exchanges, bulletin boards or the like may be used by other parties to generate unsolicited communications. FNF encourages all parents to instruct their children in the safe and responsible use of their Personal Information while using the Internet.

Privacy Outside the Website

The Website may contain various links to other websites, including links to various third party service providers. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites. Other than under agreements with certain reputable organizations and companies, and except for third party service providers whose services either we use or you voluntarily elect to utilize, we do not share any of the Personal Information that you provide to us with any of the websites to which the Website links, although we may share aggregate, non-Personal Information with those other third parties. Please check with those websites in order to determine their privacy policies and your rights under them.

European Union Users

If you are a citizen of the European Union, please note that we may transfer your Personal Information outside the European Union for use for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information, you

consent to both our collection and such transfer of your Personal Information in accordance with this Privacy Notice.

Choices With Your Personal Information

Whether you submit Personal Information to FNF is entirely up to you. You may decide not to submit Personal Information, in which case FNF may not be able to provide certain services or products to you.

You may choose to prevent FNF from disclosing or using your Personal Information under certain circumstances ("opt out"). You may opt out of any disclosure or use of your Personal Information for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization by notifying us by one of the methods at the end of this Privacy Notice. Furthermore, even where your Personal Information is to be disclosed and used in accordance with the stated purposes in this Privacy Notice, you may elect to opt out of such disclosure to and use by a third party that is not acting as an agent of FNF. As described above, there are some uses from which you cannot opt-out.

Please note that opting out of the disclosure and use of your Personal Information as a prospective employee may prevent you from being hired as an employee by FNF to the extent that provision of your Personal Information is required to apply for an open position.

If FNF collects Personal Information from you, such information will not be disclosed or used by FNF for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you disclosure and use.

You may opt out of online behavioral advertising by following the instructions set forth above under the above section "Additional Ways That Information Is Collected Through the Website," subsection "Third Party Opt Out."

Access and Correction

To access your Personal Information in the possession of FNF and correct inaccuracies of that information in our records, please contact us in the manner specified at the end of this Privacy Notice. We ask individuals to identify themselves and the information requested to be accessed and amended before processing such requests, and we may decline to process requests in limited circumstances as permitted by applicable privacy legislation.

Your California Privacy Rights

Under California's "Shine the Light" law, California residents who provide certain personally identifiable information in connection with obtaining products or services for personal, family or household use are entitled to request and obtain from us once a calendar year information about the customer information we shared, if any, with other businesses for their own direct marketing uses. If applicable, this information would include the categories of customer information and the names and addresses of those businesses with which we shared customer information for the immediately prior calendar year (e.g., requests made in 2015 will receive information regarding 2014 sharing activities).

To obtain this information on behalf of FNF, please send an email message to privacy@fnf.com with "Request for California Privacy Information" in the subject line and in the body of your message. We will provide the requested information to you at your email address in response.

Please be aware that not all information sharing is covered by the "Shine the Light" requirements and only information on covered sharing will be included in our response.

Additionally, because we may collect your Personal Information from time to time, California's Online Privacy Protection Act requires us to disclose how we respond to "do not track" requests and other similar mechanisms. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

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By providing this Privacy Notice, Fidelity National Financial, Inc. does not make any representations or warranties whatsoever concerning any products or services provided to you by its majority-owned subsidiaries. In addition, you also expressly agree that your use of the Website is at your own risk. Any services provided to you by Fidelity National Financial, Inc. and/or the Website are provided "as is" and "as available" for your use, without representations or warranties of any kind, either express or implied, unless such warranties are legally incapable of exclusion. Fidelity National Financial, Inc. makes no representations or warranties that any services provided to you by it or the Website, or any services offered in connection with the Website are or will remain uninterrupted or error-free, that defects will be corrected, or that the web pages on or accessed through the Website, or the servers used in connection with the Website, are or will remain free from any viruses, worms, time bombs, drop dead devices, Trojan horses or other harmful components. Any liability of Fidelity National Financial, Inc. and your exclusive remedy with respect to the use of any product or service provided by Fidelity National Financial, Inc. including on or accessed through the Website, will be the re-performance of such service found to be inadequate.

Your Consent To This Privacy Notice

By submitting Personal Information to FNF, you consent to the collection and use of information by us as specified above or as we otherwise see fit, in compliance with this Privacy Notice, unless you inform us otherwise by means of the procedure identified below. If we decide to change this Privacy Notice, we will make an effort to post those changes on the Website. Each time we collect information from you following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you may submit in any manner that we may choose without notice or compensation to you.

If you have additional questions or comments, please let us know by sending your comments or requests to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354
privacy@fnf.com

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EFFECTIVE AS OF: JANUARY 6, 2015

Charter Title Company

811 Main Street, Suite 1575, Houston, TX 77002

The attached title insurance commitment contains information which has been obtained or derived from records and information owned by Title Data, Inc. or one of its subsidiaries (collectively "Title Data"). Title Data owns and maintains land title plants for various Texas counties. Title Data created its title plants through the investment of extensive time, labor, skill and money. **The information contained in the title plants is protected by federal copyright law and Texas common law on trade secrets and contract.**

Title Data has granted our company a license to use one or more of its title plants. Our company's right to access and use Title Data's title plants is governed by our contract with Title Data. Our contract with Title Data restricts who can receive and/or use a title insurance commitment which is based, in whole or in part, upon Title Data's records and information.

Under the terms of our contract with Title Data, we are permitted to provide you with the attached title insurance commitment **for limited use and distribution only**. Specifically, you are sublicensed to deliver, exhibit, or furnish the attached title insurance commitment (or any copies thereof) **ONLY** to your bona fide employees and a third party who is playing a bona fide role in this proposed real estate transaction, including a lawyer, a lender, a surveyor, a real estate broker or agent, and the parties to this proposed transaction.

For purposes of our agreement with Title Data, "deliver, exhibit, or furnish" includes, without limitation, copying this title insurance commitment (whether such copying be by means of a photocopier, facsimile machine, another electronic scanning device, or any other method of reproduction) and providing such copy to any third party.

Your furnishing of the attached title insurance commitment to anyone not specifically enumerated above is not permitted by our contract with Title Data and constitutes a breach of our sublicense to you. Your furnishing of the attached title insurance commitment to anyone not specifically enumerated above is also a violation of federal copyright law and Texas common law.

Therefore, as an express condition of us providing you with the attached title insurance commitment, you specifically agree to limit its uses to those set forth herein, and to provide a copy of this letter to any party to whom you deliver, exhibit, or furnish the attached title insurance commitment (or any copies thereof).

In the event you are unable or unwilling to comply with these conditions, immediately return the attached title insurance commitment to our company, without reviewing, copying, or otherwise utilizing in any way the information contained therein.

A COPY OF THIS LETTER MUST ACCOMPANY THE ATTACHED TITLE INSURANCE COMMITMENT AT ALL TIMES. ALL DOWNSTREAM RECIPIENTS MUST PROVIDE A COPY OF THIS LETTER TO ANY OTHER AUTHORIZED USERS OF THE ATTACHED TITLE INSURANCE COMMITMENT.



Transmittal

Date: June 25, 2015
To: Ms. Ashley Parcus and Mr. John McDonald
From: Astrid Castano, P.E.
Project Reference: HEB – Bellaire Blvd.

Item No.	Number of Copies	Description
1.	1	Check No. 64777
2.	1	Easement Abandonment Packet

Comments:

If you have any questions, please feel free to contact me.

Thank you.

CITY OF BELLAIRE
RECEIVED
JUN 25 2015
COMMUNITY DEVELOPMENT

HARRIS COUNTY APPRAISAL DISTRICT
REAL PROPERTY ACCOUNT INFORMATION
0070520360004

Tax Year: 2015

 **Print**

Owner and Property Information	
Owner Name & Mailing Address: CENTRO NP HOLDINGS 12 SPE LLC 3901 BELLAIRE BLVD HOUSTON TX 77025-1100	Legal Description: LTS 4 THRU 20 & TRS 26 27 28 & 29 BLK 36 BELLAIRE Property Address: 5106 BISSONNET ST BELLAIRE TX 77401

State Class Code		Land Use Code		Building Class		Total Units
F1 -- Real, Commercial		8000 -- Land Neighborhood General Assignment		B		0
Land Area	Total Living Area	Net Rentable Area	Neighborhood	Market Area	Map Facet	Key Map®
133,119 SF	51,008	50,967	5905.05	5009 -- Inner Southwest	5155D	531G

Value Status Information

Capped Account	Value Status	Notice Date	Shared CAD
No	Noticed	04/03/2015	No

Exemptions and Jurisdictions

Exemption Type	Districts	Jurisdictions	ARB Status	2014 Rate	2015 Rate
None	001	HOUSTON ISD	Not Certified	1.196700	
	040	HARRIS COUNTY	Not Certified	0.417310	
	041	HARRIS CO FLOOD CNTRL	Not Certified	0.027360	
	042	PORT OF HOUSTON AUTHY	Not Certified	0.015310	
	043	HARRIS CO HOSP DIST	Not Certified	0.170000	
	044	HARRIS CO EDUC DEPT	Not Certified	0.005999	
	048	HOU COMMUNITY COLLEGE	Not Certified	0.106890	
	052	CITY OF BELLAIRE	Not Certified	0.393600	
	999	BELLAIRE T I F	Not Certified		

Valuations

Value as of January 1, 2014			Value as of January 1, 2015		
	Market	Appraised		Market	Appraised
Land	2,662,380		Land	2,662,380	
Improvement	1,562,620		Improvement	2,509,620	
Total	4,225,000	4,225,000	Total	5,172,000	5,172,000

Land

Market Value Land												
Line	Description	Site Code	Unit Type	Units	Size Factor	Site Factor	Appr O/R Factor	Appr O/R Reason	Total Adj	Unit Price	Adj Unit Price	Value
1	8000 -- Land Neighborhood General Assignment	4343	SF	133,119	1.00	1.00	1.00	--	1.00	20.00	20.00	2,662,380.00

Building

Building	Year Built	Type	Style	Quality	Impr Sq Ft	Building Details
1	1952	Neighborhood Shopping Center	Neighborhood Shopping Ctr	Average	34,168	Displayed
2	1952	Neighborhood Shopping Center	Neighborhood Shopping Ctr	Average	16,840	View

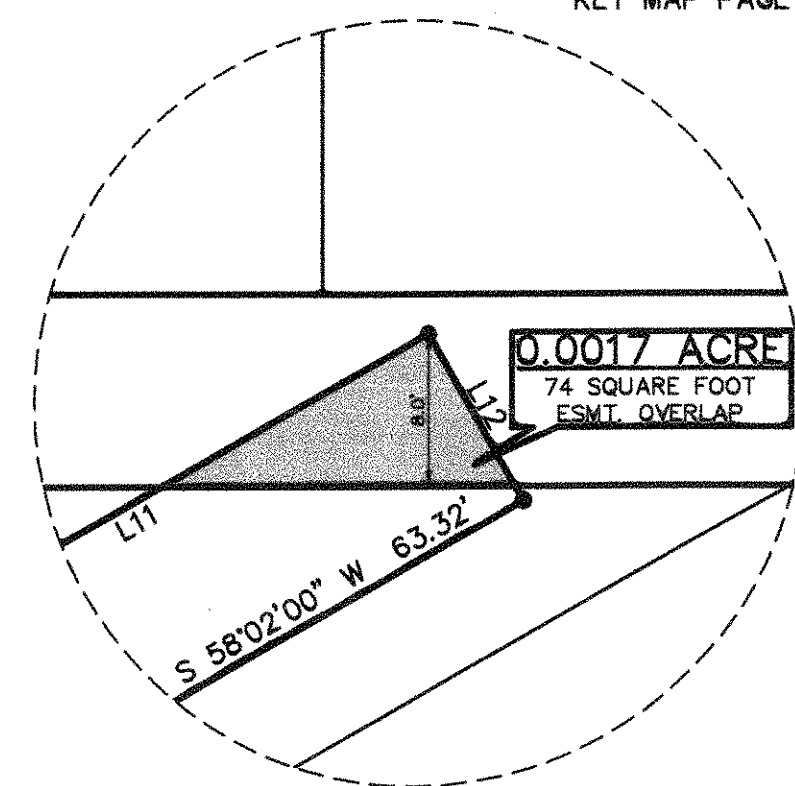
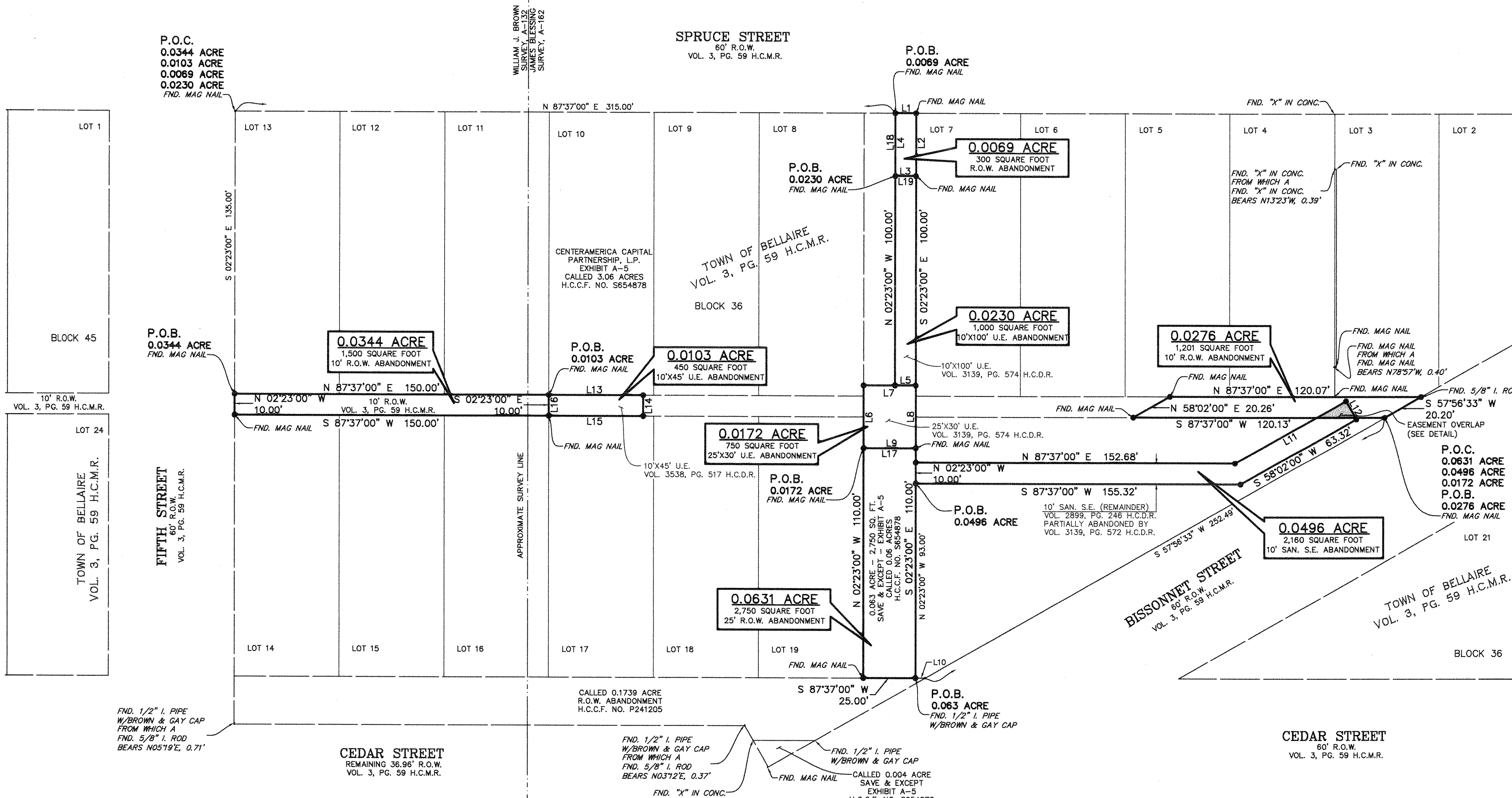
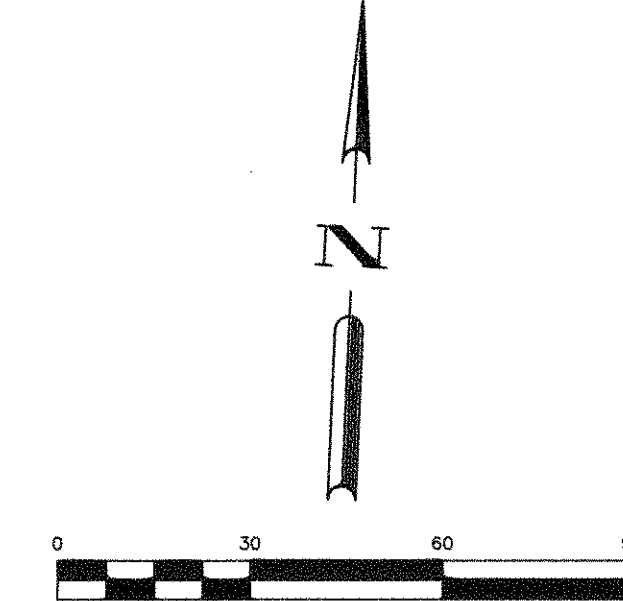
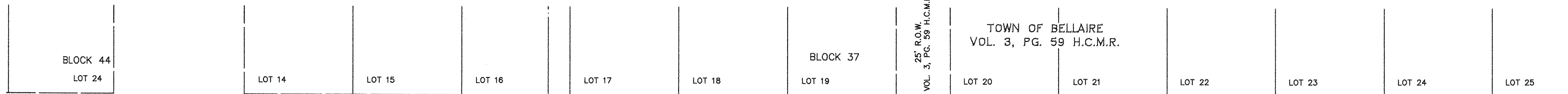
Attachment: HEB ROW Application (1637 : HEB Public Hearing on ROW)

Building Details (1)

Building Data	
Element	Detail
Cooling Type	None
Cooling Type	Central / Forced
Construction Type	Fire Resistant Steel
Functional Utility	Avg/Normal
Heating Type	None
Heating Type	Hot Air
Partition Type	Normal
Physical Condition	Avg/Normal
Plumbing Type	Adequate
Sprinkler Type	None
Exterior Wall	Concr Block
Exterior Wall	Br / Concr Block
Economic Obsolescence	Normal
Element	Units
Wall Height	18
Wall Height	12
OH Door: Wood / Mtl	2
Interior Finish Percent	100

Building Areas	
Description	Area
BASE AREA PRI	27,728
BASE AREA PRI	5,400
CNPY ROOF W/ SLAB -C	240
BASE AREA PRI	1,040
CNPY ROOF W/ SLAB -C	378
CNPY ROOF W/ SLAB -C	480

Building Features	
Description	Units
Dock Level Floor	1
Paving - Asphalt & Concrete Service Stat	1



DETAIL SCALE: 1"=10'

LINE TABLE		
NUMBER	BEARING	DISTANCE
L1	N 87°37'00" E	10.00'
L2	S 02°23'00" E	30.00'
L3	S 87°37'00" W	10.00'
L4	N 02°23'00" W	30.00'
L5	S 87°37'00" W	10.00'
L6	N 02°23'00" W	30.00'
L7	N 87°37'00" E	25.00'
L8	S 02°23'00" E	30.00'
L9	S 87°37'00" W	25.00'
L10	S 87°37'00" W	4.63'
L11	N 58°02'00" E	60.68'
L12	S 31°58'00" E	10.00'
L13	N 87°37'00" E	45.00'
L14	S 02°23'00" E	10.00'
L15	S 87°37'00" W	45.00'
L16	N 02°23'00" W	10.00'
L17	N 87°37'00" E	25.00'
L18	S 02°23'00" E	30.00'
L19	N 87°37'00" E	10.00'

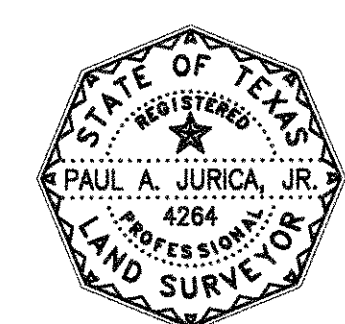
LEGEND

- CONC. CONCRETE
- ESMT. EASEMENT
- FND. FOUND
- H.C.C.F. HARRIS COUNTY CLERK'S FILE
- H.C.D.R. HARRIS COUNTY DEED RECORDS
- H.C.M.R. HARRIS COUNTY MAP RECORDS
- I. IRON
- NO. NUMBER
- PG. PAGE
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCING
- R.O.W. RIGHT-OF-WAY
- SAN. SANITARY
- S.E. SEWER EASEMENT
- SQ. FT. SQUARE FEET
- U.E. UTILITY EASEMENT
- VOL. VOLUME

NOTES:

- BEARING ORIENTATION IS BASED ON TEXAS COORDINATE SYSTEM SOUTH CENTRAL ZONE 4204, NAD83. SCALE FACTOR = 0.999859978
- THE SQUARE FOOTAGE VALUE SHOWN HEREON IS A MATHEMATICAL VALUE CALCULATED FROM THE BOUNDARY DATA SHOWN HEREON. THIS VALUE IN NO WAY REPRESENTS THE PRECISION OF CLOSURE OF THIS SURVEY OR THE ACCURACY OF CORNER MONUMENTS FOUND OR PLACED.
- A METES AND BOUNDS DESCRIPTION OF EVEN DATE WAS PREPARED BY THE UNDERSIGNED IN CONJUNCTION WITH THIS SURVEY PLAT.

EASEMENT ABANDONMENT SUMMARY		
25' X 30' U.E.	0.0172 ACRE/	750 SQ. FT.
PORTION OF A 25' R.O.W.	0.0631 ACRE/	2,750 SQ. FT.
10' SAN. S.E.	0.0496 ACRE/	2,160 SQ. FT.
PORTION OF A 10' R.O.W.	0.0344 ACRE/	1,500 SQ. FT.
10' X 45' U.E.	0.0103 ACRE/	450 SQ. FT.
PORTION OF A 25' R.O.W.	0.0069 ACRE/	300 SQ. FT.
10' X 100' U.E.	0.0230 ACRE/	1,000 SQ. FT.
PORTION OF A 10' R.O.W.	0.0276 ACRE/	1,201 SQ. FT.
GROSS TOTAL OF EASEMENTS	0.2321 ACRE/	10,111 SQ. FT.
LESS EASEMENT OVERLAP	0.0017 ACRE/	74 SQ. FT.
NET TOTAL	0.2304 ACRE/	10,037 SQ. FT.



I, Paul A. Jurica, Jr., a Registered Professional Land Surveyor of the State of Texas do hereby certify that this survey substantially complies with the minimum technical standards as promulgated by the Texas Board of Professional Land Surveying.

Dated this 12th day of June, 2015.

Brown & Gay Engineers, Inc.
10777 Westheimer, Suite 400, Houston, TX 77042
Tel: 281-558-8700 • www.browngay.com
TBPLS Licensed Surveying Firm No. 10106500

**ABANDONMENT SURVEY OF
8 EASEMENTS
WILLIAM J. BROWN SURVEY, A-132 AND
THE JAMES BLESSING SURVEY, A-162
CITY OF BELLAIRE
HARRIS COUNTY, TEXAS**

PARTY CHIEF:	P.M.	ISSUE DATE:	JUNE 12, 2015
TECHNICIAN:	R.H.	SCALE:	1" = 30'
R.P.L.S.:	P.A.J.	JOB NUMBER:	2823-01
FIELD BOOK NAME:	MISC 383		
BASE FILE:	X:\HEB\2823-01_HEB 3, Riche, Bellaire\2823-01.dwg		

SHEET 1 OF 1

THE APPRAISAL OF:
THE PROPOSED ABANDONMENT OF FOUR RIGHT-OF-WAY FEE SIMPLE STRIPS
AND
THE PROPOSED ABANDONMENT OF FOUR UTILITY EASEMENTS
OUT OF A PARENT TRACT BEING:
3.056 ACRES OF LAND LOCATED AT 5106 BISSONNET STREET
BELLAIRE, TEXAS 77401

SUBMITTED TO:
MR. JOHN McDONALD, MPA
DIRECTOR OF DEVELOPMENT SERVICES
CITY OF BELLAIRE
7008 SOUTH RICE AVENUE
BELLAIRE, TEXAS 77401

SUBMITTED BY:
EDWARD B. SCHULZ & COMPANY
9225 KATY FREEWAY, SUITE 206
HOUSTON, TEXAS 77024

EBS FILE NO: 15259
REPORT DATE: JULY 14, 2015

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)

EDWARD B. SCHULZ & CO.
REAL ESTATE APPRAISERS & CONSULTANTS
 9225 KATY FREEWAY, SUITE 206
 HOUSTON, TEXAS 77024
 713/973-0212 (office)
 713/973-2028 (fax)

July 14, 2015

Mr. John McDonald, MPA
 Director of Development Services
 City of Bellaire
 7008 South Rice Avenue
 Bellaire, Texas 77401

Re: The appraisal of the proposed abandonment of four right-of-way fee simple strips and the proposed abandonment of four utility easements out of a parent tract being 3.056 acres of land located at 5106 Bissonnet Street, Bellaire, Texas 77401

Dear Mr. McDonald:

As requested, Edward B. Schulz & Company has completed the necessary research and analysis in order to develop opinions of the market values of the above referenced right-of-way abandonments and utility easement abandonments as of July 9, 2015. The property interest appraised is the Fee Simple Estate of the rights-of-way, and Easement Estate of the utility easements.

For purposes of our analysis, we have appraised the subject whole property in conjunction with one parent tract being: 3.056 acres of land located at 5106 Bissonnet. As we are only appraising the underlying land value of the parent tract, our opinions of market value for the proposed abandonment parcels are “*hypothetical*”, and are only utilized to quantify the overall value of the ROW’s and UTILITY easements. This method of valuation is an “**Across the Fence**” (ATF) method of valuation that is utilized when properties do not represent economic units and are valued based upon values of adjoining properties that would represent the maximally productive use.

Our analysis and findings are being presented within an Appraisal Report prepared in accordance with Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP), F.I.R.R.E.A., and the professional ethics and standards of professional appraisal practice of The Appraisal Institute.

This Appraisal Report contains only summary discussions of the data, reasoning, and analyses that were used in the appraisal process. Supporting documentation that is not provided in the report concerning the data, reasoning, and analyses is retained in our work file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein. The appraiser is not responsible for unauthorized use of this report.

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)

Mr. John McDonald, MPA
 Director of Development Services
 City of Bellaire
 July 14, 2015
 Page Two

The scope of our assignment includes the following:

1. An inspection of the subject property, surrounding area, and recent development trends;
2. Review of legal information pertaining to the subject property provided by the client;
3. Research to produce the most current and relevant data available in the market place; and
4. Application of the Sales Comparison Approach to Value via the ATF Method.

Our appraisal report contains the research and analyses that are necessary to develop *credible* opinions for the intended use, and sufficient information to allow the intended users to understand the scope of work performed. Based upon the intended use, in our opinion, the subject appraisal is *reliable*.

The persons involved in preparing the appraisal report are Karen R. Langridge, Todd A. Rotholz, MAI, and Edward B. Schulz, MAI, SRA. The physical inspection of the property that is the subject of this report was performed by Karen R. Langridge. Our opinion of market value is based upon a one-year exposure period, and is subject to the Basic Assumptions and Limiting Conditions following the Certification.

Based upon the data and analyses contained within our appraisal report and work file, the following sets forth our opinions of the market values of the proposed rights-of-way and utility easement abandonments as of July 9, 2015, *based on the ATF Method under our Hypothetical Condition*, the effective date of our appraisal:

ROW A	\$15,000
ROW B	\$58,200
ROW C	\$137,500
ROW D	\$75,000
UTILITY A	\$25,000
UTILITY B	\$54,000
UTILITY C	\$18,750
UTILITY D	<u>\$11,250</u>
Sum Total of Proposed Abandonment Tracts:	\$394,700

Mr. John McDonald, MPA
Director of Development Services
City of Bellaire
July 14, 2015
Page Three

We now direct the reader to the following appraisal report that contains the data and a detailed description of the appraisal process utilized to appraise the subject property. If you have any questions after reviewing this appraisal report, please feel free to contact our office.

Yours truly,

Edward B. Schulz, MAI, SRA
TX-1320142-G

Todd A. Rotholz, MAI
TX-1328257-G

Karen R. Langridge
TX-1330710-G

EBS15259

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)

CERTIFICATION

I certify that, to the best of my knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.

No one provided significant real property appraisal assistance to the person signing this certification.

I certify that, to the best of my knowledge and belief, the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, Edward B. Schulz and Todd A. Rotholz have completed the continuing education program for Designated Members of the Appraisal Institute.

As of the date of this report, Karen R. Langridge has completed the Standards and Ethics Education Requirements for Candidates/Practicing Affiliates of the Appraisal Institute.

Edward B. Schulz and Company has not previously performed an appraisal or provided any other services regarding the subject property within the past three years, as an appraiser or in any other capacity.

The physical inspection of the property that is the subject of this report was performed by Karen R. Langridge.

Based upon the data and analyses contained within our appraisal report and work file, the following sets forth our opinions of the market values of the proposed rights-of-way and utility easement abandonments as of July 9, 2015, *based on the ATF Method under our Hypothetical Condition*, the effective date of our appraisal:

ROW A	\$15,000
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UTILITY A	\$25,000
UTILITY B	\$54,000
UTILITY C	\$18,750
UTILITY D	<u>\$11,250</u>
Sum Total of Proposed Abandonment Tracts:	\$394,700

Respectfully submitted,

Edward B. Schulz, MAI, SRA
TX-1320142-G

Todd A. Rotholz, MAI
TX-1328257-G

Karen R. Langridge
TX-1330710-G

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)

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BASIC ASSUMPTIONS AND LIMITING CONDITIONS

1. This report is intended to comply with the reporting requirements set forth under Standard Rule 2 of the Uniform Standards of Professional Appraisal Practice. The appraiser is not responsible for unauthorized use of this report.
2. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated in this report.
4. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
5. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
6. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, sub-soil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
9. It is assumed that all applicable zoning and use regulations, and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in this appraisal report.
10. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
11. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
12. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.
13. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials.

Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.

14. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability or utility.
15. Any proposed improvements are assumed to be completed in a good workmanlike manner in accordance with the submitted plans and specifications.
16. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
17. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
18. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales or other media without prior written consent and approval of the appraiser.
19. We were not furnished a survey and have used the Harris County Plat Maps for the physical characteristics of the subject. Furthermore, we assume no detrimental easements or encumbrances.

DEFINITIONS

Across the Fence Method – As defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, the Across the Fence Method is “A land valuation method often used in the appraisal of corridors. The ATF Method is used to develop a value opinion based on comparison to abutting land.”

Corridor – As defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, a corridor is “A strip of land used for transportation or transmission purposes (e.g., rail, highway, power, information, slurries, liquids).

The ATF Method is effectively based upon the premise that the corridor land (e.g., street right-of-way, alley, utility easement) should be worth at least as much as the land through which it passes or is contiguous to (i.e., the parent tract). When applying this method, the comparable sales confirmed by the appraiser are compared to the parent tract, all of the measurable differences are considered with adjustments applied, and a fee simple unit value for the parent tract is determined. The unit value of the parent tract is then ascribed to the subject parcel’s (non-economic unit) land area to arrive at an indication of market value for said parcel.”

Economic Unit – As defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, an economic unit is “A portion of a larger (parent) parcel, vacant or improved, that can be described and valued as a separate and independent parcel. Physical characteristics such as location, access, size, shape, existing improvements, and current use are considered when identifying an economic unit. The economic unit should reflect marketability characteristics similar to other properties in the market area. In appraisal, the identification of economic units is essential in highest and best use analysis of a property.”

When a parcel is determined to be a non-economic unit (i.e., incapable of being self-sufficient), a common process of estimating its value is by utilizing the Across the Fence Method (hereinafter referred to as the ATF Method).

Easement – As defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, an easement is “The right to use another’s land for a stated purpose,” and “Nonpossessory (incorporeal) interest in landed property conveying use, but not ownership, of a portion of that property.”

Exposure Period – Exposure time as defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, is “1. The time a property remains on the market. 2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market.”

Extraordinary Assumption – Extraordinary Assumption, as defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, is “An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in analysis. (USPAP, 2010-2011 Ed.) An extraordinary assumption may be used in an assignment only if:

1. It is required to properly develop creditable opinions and conclusions;
2. The appraiser has a reasonable basis for the extraordinary assumption;
3. Use of the extraordinary assumption results in a credible analysis; and
4. The appraiser complies with the disclosure requirement set forth in USPAP for extraordinary assumptions.”

Fee Simple Estate – Fee simple estate, as defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, is “Absolute ownership unencumbered by any other interest or estate subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.” In addition, “Absolute ownership subject only to limitations imposed by the State; also called a *freehold*.”

Highest and Best Use – Fundamental to the concept of value is the theory of highest and best use. Highest and best use is defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, as “The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.”

In arriving at an opinion of highest and best use, several factors which affect the income or development potential of the property being appraised must be considered. These factors include the actual physical characteristics of the property, accessibility, location, zoning or deed restrictions, existing land uses and the availability and capacity of existing utility systems. Economic factors including supply/demand and feasibility are also considered.

Hypothetical Condition – Hypothetical condition, as defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, is “That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in analysis.” (USPAP, 2010-2011 Ed.)

Leased Fee Estate – Leased fee interest (leased fee estate), is defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, and by the American Institute of Real Estate Appraisers, as “A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease).”

Market Value – Market value, as defined by the Code of Federal Regulations, Section 12 C.F.R. 225.62, F.I.R.R.E.A., and U.S.P.A.P., is “The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

Marketing Time – Marketing time, as defined by the Dictionary of Real Estate Appraisal, Fifth Edition, is “An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.”

Neighborhood – Property values are affected by social, economic, governmental, and environmental forces. These forces influence value on properties near the subject, which in turn, directly affect the value of the subject property. In order to analyze the affect of the forces on value, the appraiser identifies the area within which these forces influence value in the same way as the subject, and this area is commonly called a neighborhood. According to the *Dictionary of Real Estate Appraisal, Fifth Edition*, a neighborhood is “1. A group of complimentary land uses; a congruous grouping of inhabitants, buildings, or business enterprises. 2. A developed residential super pad within a master planned community usually having a distinguishing name and entrance.”

Personal Property – Personal property, as defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, is:

- (1) Identifiable tangible objects that are considered by the general public as being “personal”-for example, furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment; all tangible property that is not classified as real estate.
- (2) Consists of every kind of property that is not real property; movable without damage to itself or the real estate; subdivided into tangible and intangible.

Prospective Opinion of Value – Prospective Opinion of Value is defined by the *Dictionary of Real Estate Appraisal, Fifth Edition*, as “A forecast of the value expected as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

Appraisal Summary Information

Appraisal Parameters:

Client/Intended Users:	City of Bellaire
Purpose:	Develop the market value via ATF Method for disposition of 4 rights of way and 4 utility easements
Effective Date:	July 9, 2015
Property Rights Appraised:	Fee Simple Estate
Highest and Best Use:	Retail or Commercial Use

Site Description:
Parent Tract

Property Address:	5106 Bissonnet Bellaire, Texas 77401
Land Area (Acres):	3.056 Acres
Legal Description:	3.056 Acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas
Shape:	More or less rectangular
Utilities:	All Public
Source:	City of Bellaire
Floodplain Status:	Within 100-Year Flood Plain
FEMA Panel No.:	FM48201C 0855L, dated June 18, 2007
Easements:	Standard Utility & Setback (Assumed)
Zoning/Restrictions:	Zoned UVD: Urban Village-Downtown

Ad Valorem Tax Summary

Tax Rates (2014):

<u>Entity</u>	<u>Tax Rate (Per 100)</u>
Houston ISD:	1.19670
Harris County & Related:	0.63598
Houston Community College:	0.10689
<u>City of Bellaire</u>	<u>0.39360</u>
Total Tax Rate:	2.33317

Assessment Information:
Parent Tract

Tax ID Number(s):	007-052-036-0004
Assessed Value (2014):	\$4,956,800
Land:	\$2,662,380
Improvements:	\$2,294,420
Indicated Taxes Due:	\$115,651



VIEWS OF PARENT TRACT



Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)



ROW A



ROW B



ROW C



ROW D

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)



UTILITY A



UTILITY B



UTILITY C/D

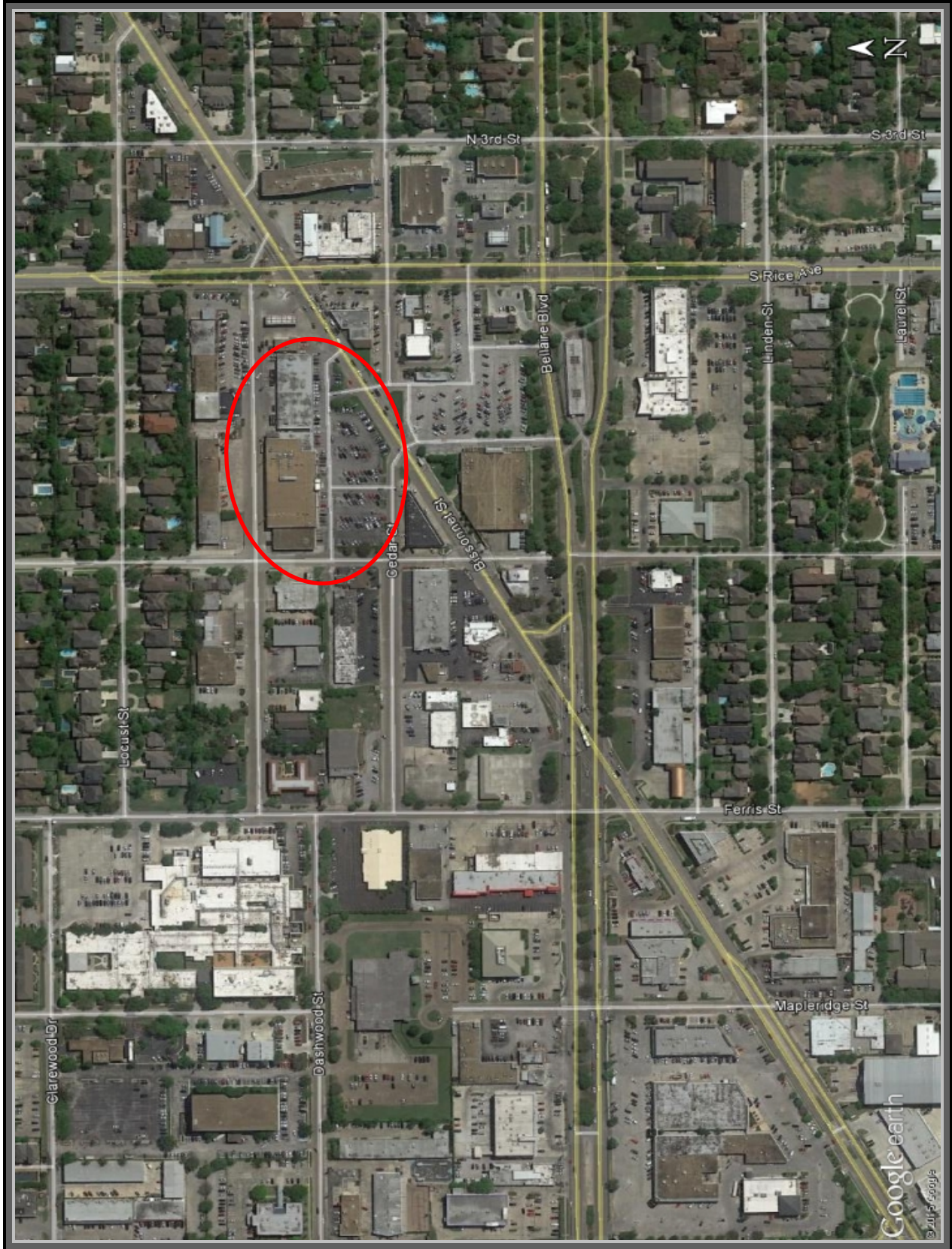
Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)





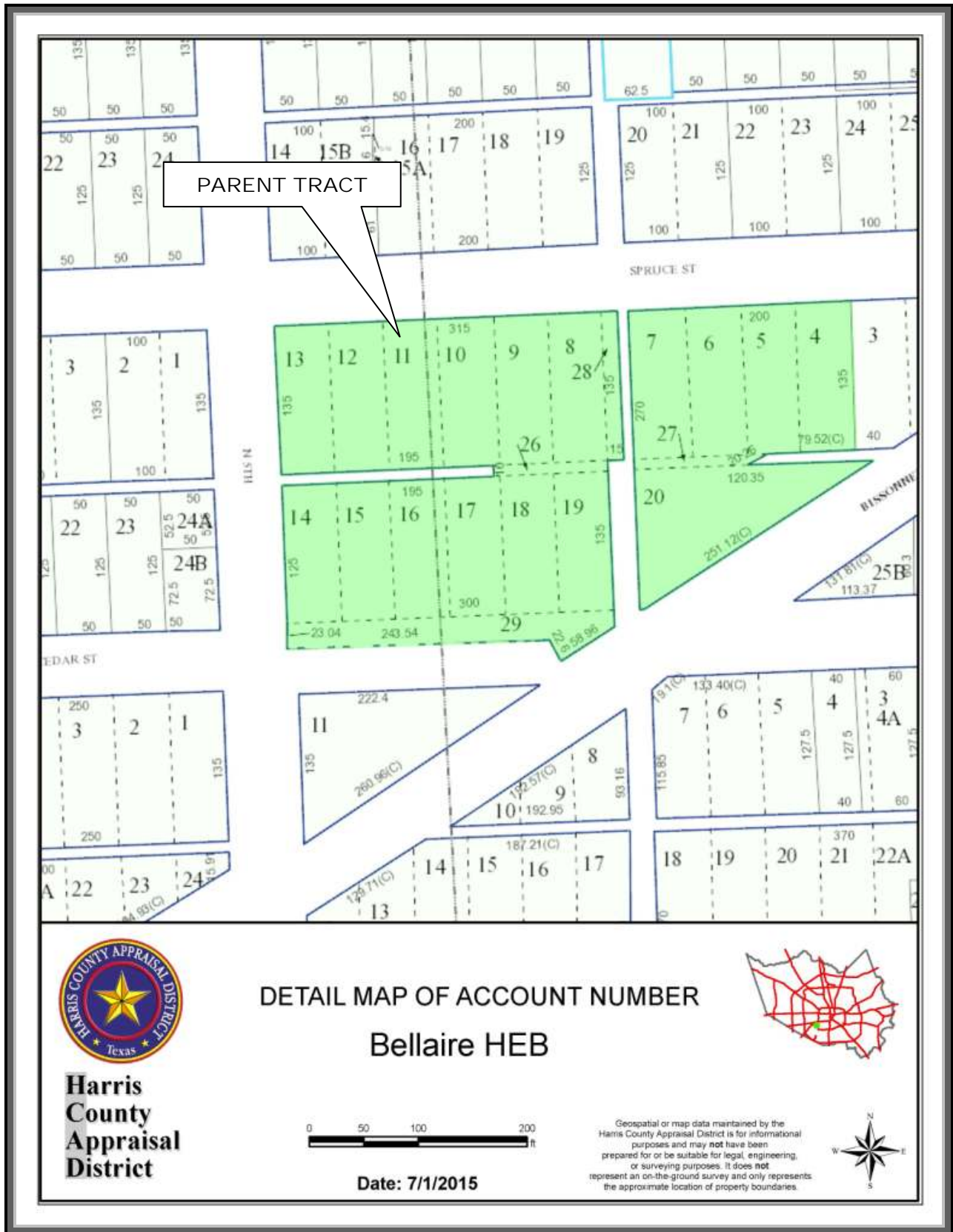
AERIAL PHOTOGRAPH

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)



AERIAL OVERVIEW

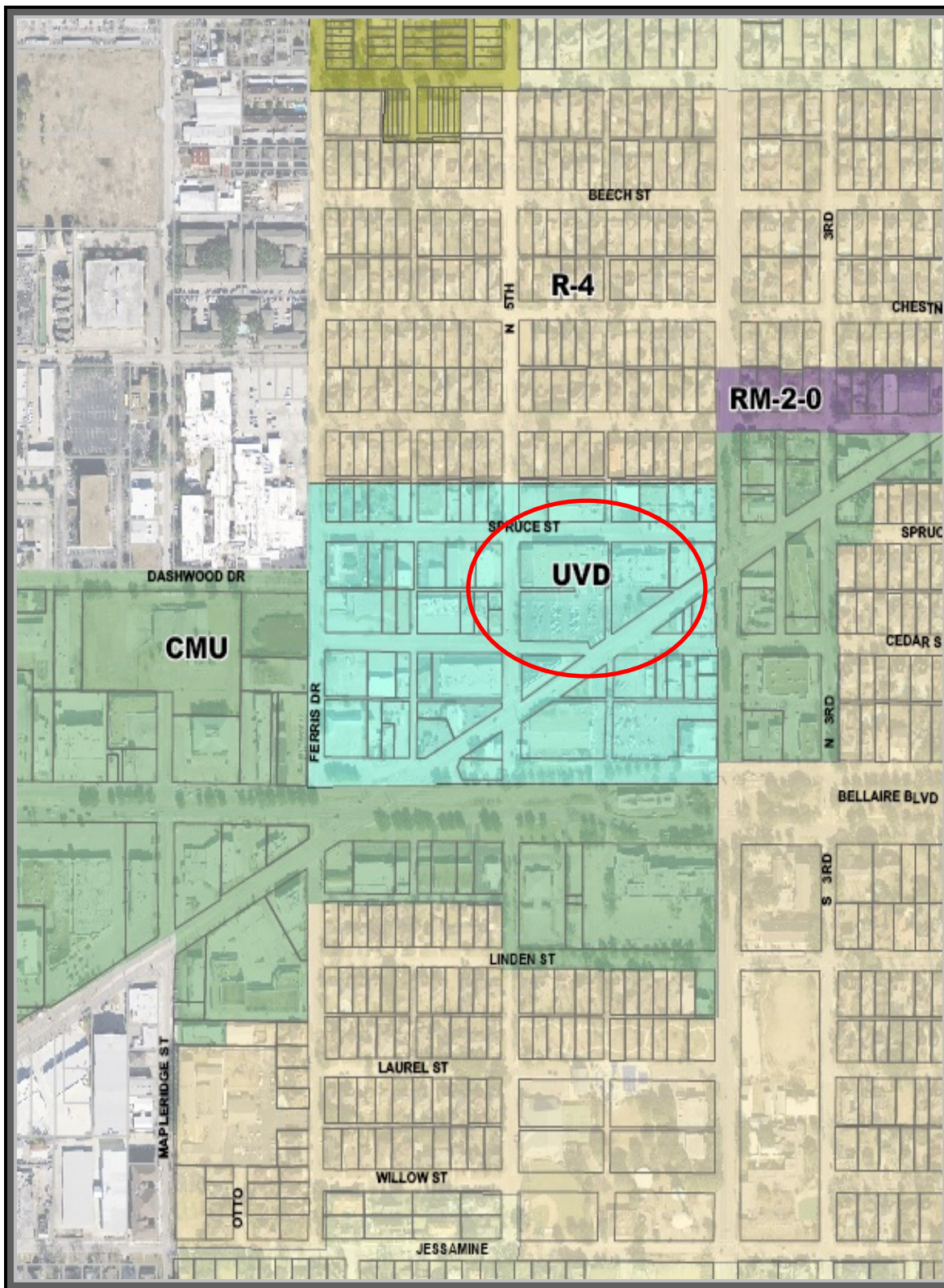
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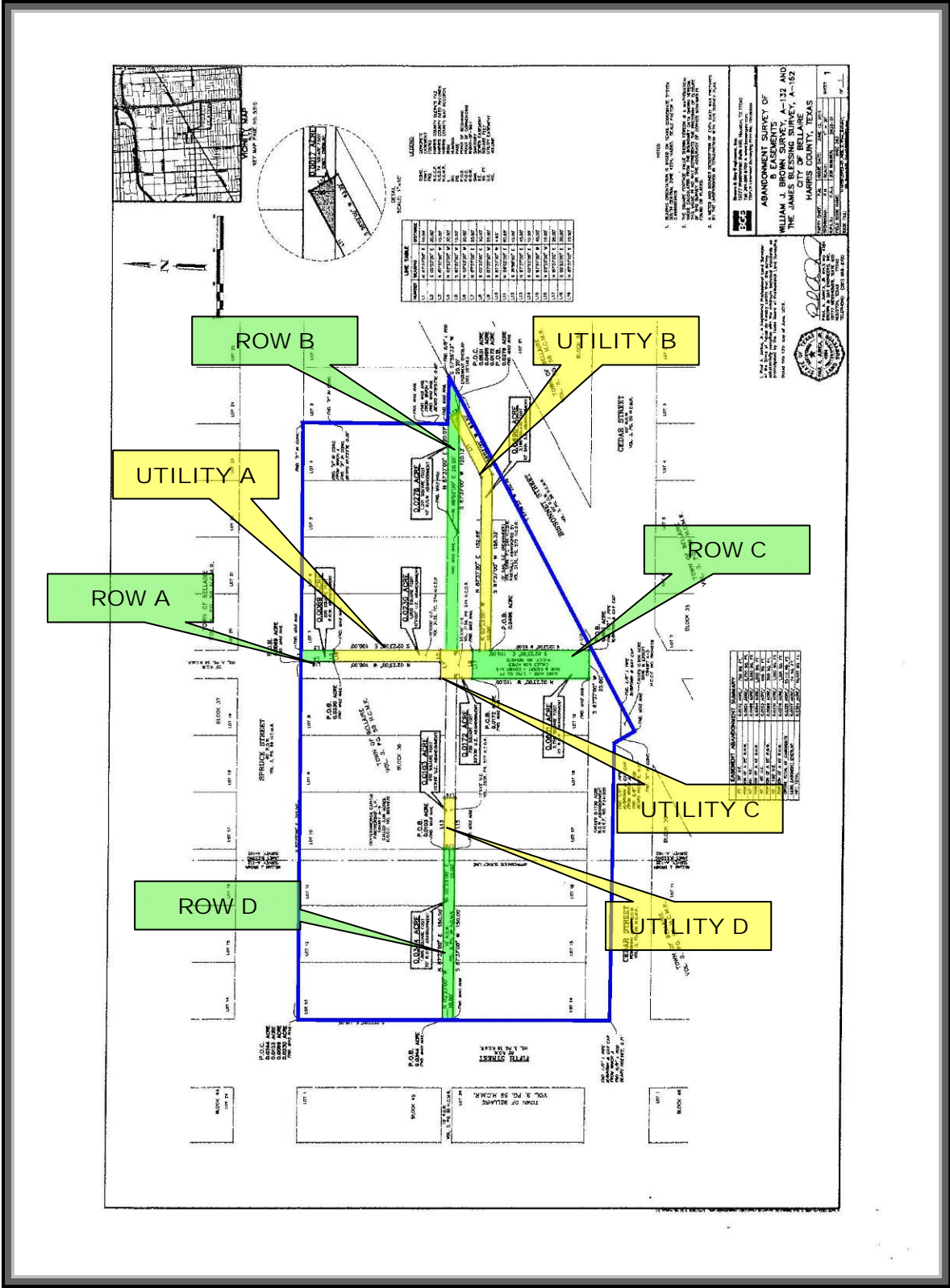
PLAT MAP-PARENT TRACT





CITY OF BELLAIRE ZONING MAP

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)



Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)

Purpose of the Appraisal

The purpose of this appraisal is to provide our opinions of the market values of four proposed right-of-way (ROW) abandonments and four proposed utility (UTILITY) easement abandonments, out of a 3.056-acre parent tract, for abandonment by the City of Bellaire.

Intended Use of the Report

It is our understanding that our client intends to use this report for asset disposition purposes.

Identification of Client

City of Bellaire

Intended Users

The intended users of this report are the City of Bellaire and their authorized representatives.

Effective Date

July 9, 2015

Report Date

July 14, 2015

Competency of the Appraiser

As of the date of this report, the person/persons performing the appraisal of the subject property have performed a number of appraisals on similar properties and have the necessary understanding of this specific type of property, the market, and appropriate analytical methods of valuation in order to complete this assignment competently.

Legal Description

Parent Tract: 3.056 Acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas (Source: Harris County Appraisal District)

ROW A: 0.0069 AC (300 SF) of land being a 10' x 30' strip of land out of 3.056 Acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas

ROW B: 0.0276 AC (1,201 SF) of land being a 10' x 120' strip of land out of 3.056 Acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas

ROW C: 0.0631 AC (2,750 SF) of land being a 25' x 110' strip of land out of 3.056 Acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas

ROW D: 0.0344 AC (1,500 SF) of land being a 10' x 150' strip of land out of 3.056 Acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas

UTILITY A: 0.0230 AC (1,000 SF) of land being a 10' x 100' strip of land out of 3.056 Acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas

UTILITY B: 0.0496 AC (2,160 SF) of land being a 10', L-shaped strip of land out of 3.056 Acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas

UTILITY C: 0.0172 AC (750 SF) of land being a 25' x 30' rectangle of land out of 3.056 Acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas

UTILITY D: 0.0103 AC (450 SF) of land being a 10' x 45' strip of land out of 3.056 Acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas

Property Rights Appraised

The property rights appraised for the Hypothetically Vacant parent tract are fee simple estate. The property rights appraised for the ROW Parcels are Fee Simple Estate and for the Utility Easements, the Easement Estate.

Exposure Time

The Houston real estate market witnessed substantial expansion in most sectors during 2013 and 2014. Despite the recent drop in oil prices, Houston is still projected to add around 13,000 jobs in 2015, which points to stable overall market conditions in most sectors. As such, an exposure period of 1 year is reasonable in our opinion.

Marketing Time

Based upon current market conditions, we estimate a reasonable marketing time of 1 year.

History of the Subject Property

The Parent Tract is currently under the ownership of Centro NP Holdings 12 SPE LLC. and has been in excess of three years. We are unaware of any transactions within the last three years involving the Parent Tract.

Scope

The subject property consists of four ROW tracts and four UTILITY easements located within a larger 3.056-acre tract, which the City of Bellaire proposes to abandon. Given their smaller size and location, these ROW's and UTILITY easements do not function as separate economic units. Surrounding land uses include an HEB anchored shopping center. As we are only appraising the underlying land value of the parent tract, our opinions of market value for the proposed abandonment parcels are "hypothetical", and are only utilized to quantify the overall value of the ROW's and UTILITY easements. In our analysis, this method of valuation is appropriate.

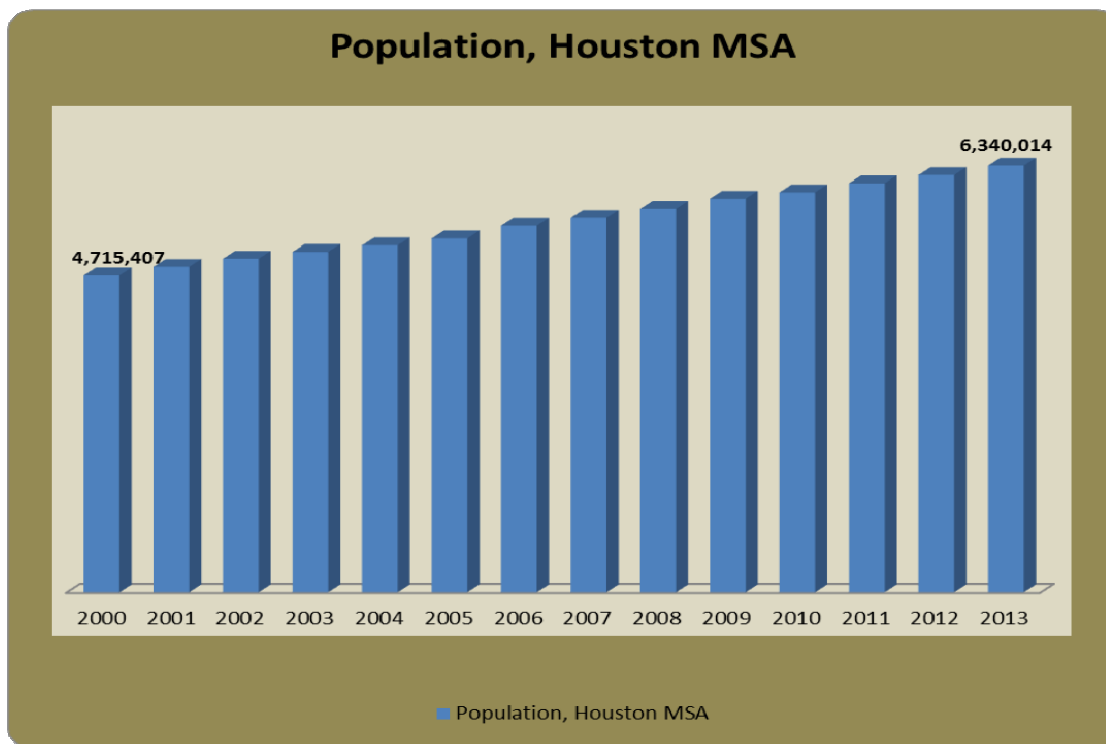
For purposes of our analysis, we have appraised the subject whole property in conjunction with one parent tract being: 3.056 acres Hypothetically Vacant land located at 5106 Bissonnet. This method of valuation is an “**Across the Fence**” (ATF) method of valuation that is utilized when properties do not represent economic units and are valued based upon values of adjoining properties that would represent the maximally productive use.

Area Analysis/Market Study

The City of Houston is located in the Houston-Sugar Land-Baytown Metropolitan Statistical Area (MSA), as defined by the United States Bureau of Labor Statistics. The Houston-Sugar Land-Baytown MSA includes Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto, and Waller counties and is the fifth largest metropolitan area in the United States.

Population:

The population of the metropolitan area is centered in the City of Houston, the county seat of Harris County and the fourth most populous city in the U.S. The Houston MSA is the sixth largest MSA in the United States. Population figures for the MSA from 2000 to 2013 are as follows:



(Source: U.S. Census Bureau)

Houston is among the nation's fastest-growing metropolitan areas in the country. The MSA population has increased by 34.5% since 2000, indicating an average annual increase of 2.77%, adding 1,624,607 people. For a perspective of this growth, the nation's population increased only 12.3% over the same period.

The combination of cheap labor, educated workforce, lower cost of living and quality infrastructure continue to support positive migration from other states as well as internationally.

Economic Base:

Houston is best known as the Energy Capital of the World. This is a largely accurate view of Houston, but less true today than in previous years. In the past, the heavy dependence on the energy industry made Houston susceptible to industry specific cycles as supply and demand for oil fluctuated. Since the economic downturn in the energy sector in the 1980's, the Houston MSA economy has become much more diversified. Although Houston has a very diversified economy, there are three major economic components in addition to the energy business: (1) The Johnson Space Center, (2) The Texas Medical Center, and (3) The Port of Houston.

The Johnson Space Center:

The Johnson Space Center is a \$1.2 billion complex that was originally developed in September 1963, and occupies approximately 1,620 acres located within the Clear Lake area, approximately 24 miles southeast of downtown Houston. With a fiscal budget exceeding \$5.75 Billion, the Johnson Space Center is one of the National Aeronautics & Space Administration's largest research and development facilities. The Johnson Space Center currently employs over 15,000 individuals including 3,000 civil service personnel and some 12,000-contractor personnel. Responsibilities of the Space Center include hosting the International Space Station, life science research and applications, human piloted spacecraft development, and astronaut training and selection. Furthermore, the Johnson Space Center is the Mission Control Center for space flights.

With the retirement of both the Space Shuttle Program and the Constellation Program, there have been numerous concerns relative to the long-term local and regional economic impact. Without question there is a level of uncertainty at this time; however, steps are being taken to shift existing resources to other existing and proposed projects such as the Space Launch System, and the Multi-Purpose Crew Vehicle Program (FKA Orion). The 2015 NASA budget is \$18.01 billion.

In summary, although there is a significant level of uncertainty as to the near term responsibilities of the Johnson Space Center, its areas of responsibility within NASA reach well beyond the Space Shuttle and Constellation Programs alone.

The Texas Medical Center:

The Texas Medical Center (TMC) was originally authorized in 1945 and was conceived as a means of coordinating non-profit health education, health research, and patient care. The TMC has experienced billions of dollars of unprecedented growth and is currently the largest medical center in the world. The TMC buildings completed or under construction total approximately 45.8 million gross square feet. The size of the medical center is equivalent to the 8th largest business district in the entire United States.

Currently, an estimated 106,000 people are employed within the Texas Medical Center with an additional 10,000 volunteers providing various services and care for patients. The overall operating budget for the Texas Medical Center exceeds \$15 billion. Annual research expenditures exceed \$1 billion. Presently, it is a world-renowned hospital and research complex serving in excess of 7.2 million patients on an annual basis.

The Port of Houston:

Strategically located on the central portion of the Gulf Coast, Houston's location has proven to be an integral asset to international trade. It is estimated that over 60 million people live within 700 miles of Houston. The Port of Houston has been instrumental in Houston's development as a center of international trade. About 100 ship lines offer services, linking Houston with 1,053 ports in 203 countries. Each year more than 7,700 vessels and 150,000 barges transport goods through the Port of Houston.

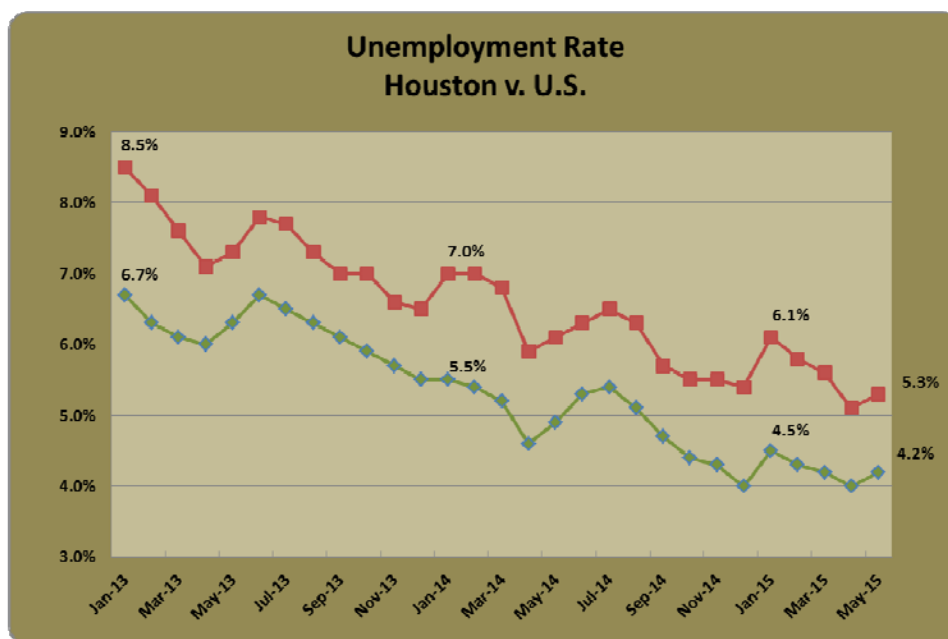
The Port of Houston is the 10th largest port in the world. According to the Port of Houston Authority, the Port of Houston currently ranks second in total tonnage of all the United States ports. The Port of Houston was first in foreign tonnage and import tonnage, and second in total tonnage. In terms of worldwide ports, it presently ranks sixth in total tonnage.

Integral components of the Port of Houston include the Barbour's Cut Container Terminal, the Bayport Container Terminal, and the Turning Basin Terminal. The Bayport Container Terminal is a \$1.2 billion state-of-the-art facility that opened Phase 1 in 2007. Phase 1 included 2,000 feet of berths and 110 acres of container yard. A 123-acre intermodal yard opened 2013. According to the Port of Houston, the Bayport Terminal alone will generate 12,000 jobs over the first ten years and add \$1 billion in new business revenues.

The Panama Canal Expansion Project is currently under way and is projected to be completed by mid-2015. The expansion project, with a budget of \$5.2 billion, is expected to double the waterways capacity, and should have a significant impact on the Port of Houston.

Employment:

As of May of 2015, total nonfarm employment in the Houston-Sugar Land-Baytown MSA stood at 3,114,949 with an unemployment rate of 4.2%, substantially below the national unemployment rate of 5.3%. The following chart indicates how the Houston MSA unemployment rate has compared to the United States, since January of 2013:



(Source: Texas Workforce Commission)

As indicated above, the unemployment rate for the Houston MSA has remained below the overall United States, which is reflective of the strength of the Houston economy.

The total number of jobs created annually over this timeframe is detailed in the following chart:

Annual Job Growth	
Year	Annual Jobs Created
2010	57,018
2011	89,980
2012	81,459
2013	138,705
2014	83,109

(Source: Texas Workforce Commission, January Year-Over-Year)

The TWC revised employment estimates for 2013 and 2014 upward. As a result, the 2013 figure is overstated as it includes jobs that were created in 2011 and 2012 that were previously unreported. (i.e. the actual number of jobs created was higher than reported in 2011 and 2012, but lower than reported in 2013). Over the last five years, the Houston MSA has created an average of 90,054 jobs per year; however, we anticipate substantially less job creation in 2015.

A brief synopsis of the various real estate sectors follows:

Multi-Family (Projecting)

- Total inventory of 600,000 Units
- 26,600 units under construction
- Current Occupancy of 91.1%
- Projected absorption of 10,000 to 13,000 Units for 2015
- Correction may have occurred at right time, as it will give developer's pause helping to ensure the market does not become oversupplied
- Overall 2015 occupancy projected at 91-93%, with 2-3% revenue growth
- Several lenders are reportedly "red lining" funding for new multi-family development in Houston

Land

- Continued demand for finished lots
- 30,000 residential starts projected for 2015
- 30,000 new lots to be developed
- Inner loop vulnerable to oversupply of residential development, which could put downward pressure on land values
- Loss of buyers for large land plays based on low oil prices
- Cautious lending on land

Industrial

- Total inventory of 466,650,000
- Current overall vacancy rate of 4.3%
- 8,645,000 SF under construction
- 8,956,000 SF Absorbed during 2014
- Projected 2015 Vacancy could rise to 5% or 6%
- Lease rates are projected to remain steady to slightly declining depending on the impact of declining oil prices
- East and southeast markets enjoying a construction boom
- Port expansions to accommodate panama canal ships a positive
- Nervous sentiment but fundamental outlook is good enough to be a US leader
- Industrial land transactions slowing, but not unhealthy

Retail

- The retail market continues to be in expansion mode in 2015 as consumer spending remains strong
- Grocery stores will continue to drive new suburban development
- Drivers: pent up demand, continued suburban and urban residential growth, existing undersupply of space
- Current Inventory of 350,000,000 SF
- Projected absorption of $\pm 5,000,000$ SF
- Projected Occupancy of 93-95%

Office

- Current inventory of 230,000,000 SF
- Year-end 2014 vacancy of 10.1%
- 2014 Net Absorption totaled 6,400,000 or 2.8% of total inventory
- 16,607,000 SF under construction (7.2% of total inventory)
- The most active submarkets will continue to be the Energy Corridor, The Woodlands, CBD and West Belt
- Projected absorption for 2015 has a very broad range from negative 1.8 million SF to positive 3.5 million SF
- With construction outpacing absorption in 2014, and with the recent drop in oil prices, vacancies will rise
- Real estate sector with greatest degree of uncertainty

Single Family

- Homes in the \$250,000-\$500,000, are projected to remain strong through 2015
- Demand for homes priced above \$500,000 slowing
- Still only 2.6 month supply
- Record home prices in January of 2015, with an average price of \$260,000 (up 7.3% from January 2014)
- Townhome/Condo sales could decline as much as 20% in 2015
- Inner Loop market is vulnerable to oversupply

Summary:

Houston rebounded from the 2008 financial crisis at a much stronger rate than the majority of other major U.S. markets. This was a direct result of Houston's diversified economy and its key drivers, including upstream and downstream energy, manufacturing, the Medical Center, and the Port of Houston. Despite the diversification, the oil and gas industry was the driving force behind the strong growth.

With the recent drop in oil prices, we anticipate a substantial slowdown in economic growth over 2015. The extent of the slowdown is difficult to ascertain at this time. The most recent 2015 forecast for job growth from the Greater Houston Partnership (July 2015) projects that Houston will add in the neighborhood of 20,000 to 30,000 jobs in 2015. Bill Gilmer, the University of Houston economist projects job growth around 13,000.

It seems that caution is the primary buzzword with regard to Houston real estate at present. After 3 years of dynamic growth this may be a positive, as it will curb the potential for over building. The overall U.S. economy is expected to grow at 2-3% in 2015, driven by consumer spending, manufacturing, strong bank loan demand and small business expansion. This national growth trend along with growth in the non-oil and gas sectors of the Houston economy should dampen the impact of declining oil prices.

Neighborhood Analysis

Boundaries: Neighborhood boundaries are defined because properties within them exhibit similar characteristics insofar as land use, physical characteristics, price, and desirability are concerned. The subject properties are located in what is known to Houstonians as Bellaire, which is generally bound by the Southwest Freeway (U.S. 59) on the north, West University Place to the east, Beechnut Road to the south, and Rice Boulevard to the west.

Accessibility: This close-in neighborhood is situated approximately 5 – 6 miles southwest of Houston Central Business District, and contains a variety of improvement types, including older and newer single family residences, higher density townhome and patio home developments, and commercial activity along the major thoroughfares, which include Bissonnet Street and Bellaire Boulevard in an east/west direction, and South Rice Avenue and Loop 610 in a north/south direction.

Development: The close-in proximity of this area has made it desirable for both residential and commercial development, and land values have resumed their upward trend following the 2008 financial crisis and economic slowdown that extended into 2010.

Single-family residential development is scattered throughout the neighborhood, with a mixture of older homes and newer homes intermingled within the subdivision. Most new homes range in the \$700,000 to \$1,500,000 price range, with the vast majority falling between \$800,000 and \$1,100,000. The current trend in the neighborhood has been for developers and prospective homeowners to purchase lots and raze the existing older homes on the properties for newer home construction, typically on a build-to-suit basis for new homeowners, or build-to-spec basis for developers.

There are also commercial/retail properties along Hillcroft Avenue, Renwick Drive, Chimney Rock Road, S. Rice Avenue, and Bellaire Boulevard. The subject property is located within the west central portion of the City of Bellaire. The majority of commercial development within the City of Bellaire is centered around the intersection of Bellaire Boulevard and Bissonnet Street, as well as Loop 610 in the northern portion of the city.

Conclusion: In analyzing the subject neighborhood, there is little doubt that property values have been increasing over the past decade. Homes suitable for renovating have increased in value, as well as land values, due to the desirability and the demand by builders to raze older structures and replace them with the newer single-family residences. Even though there has been substantial new residential development, there remains a substantial number of older homes that are in poor condition and are suitable for razing. Given the limited area zoned for commercial development within the actual city limits of Bellaire, redevelopment is taking place; however, at a much slower rate than that of residential redevelopment.

Site Description-Parent Tract

General Overview: The Parent Tract consists of a 3.056-acre tract of land located the north corner of Bissonnet and Cedar Street, with additional frontage on Fifth Street and Spruce Street. At the subject, Bissonnet is a four-lane, concrete paved roadway with center turn lane and curb and gutter drainage. Cedar Street, Fifth Street, and Spruce Streets are all secondary asphalt paved roadways. The subject is functional in shape and is suitable for a variety of uses. The following is a summary of the subject site attributes:

<i>Gross Size (Acres):</i>	3.056 Acres
<i>Shape:</i>	More or less rectangular
<i>Street Frontage (LF):</i>	312' - Bissonnet 244' - Cedar Street 283' - Fifth Street 515' - Spruce Street
<i>Easements:</i>	None Detrimental
<i>Zoning/Restrictions:</i>	Zoned UVD: Urban Village-Downtown
<i>Utilities:</i>	All Public
<i>Floodplain Status:</i>	Within 100-Year Flood Plain
<i>F.E.M.A. Panel No.:</i>	FM48201C 0855L, dated June 18, 2007
<i>Environmental:</i>	No Issues Noted, Assumed Free & Clear
<i>Soil/Subsoil:</i>	No Issues Noted
<u>Bordering Properties:</u>	
<i>North:</i>	Strip Center
<i>South:</i>	Strip Center; Randall's Shopping Center
<i>East:</i>	Gas Station/Convenience Store
<i>West:</i>	Office, Bakery

Current Use: The Parent Tract's current use is a HEB Anchored Shopping Center. Based on the use of this report, the subject will be appraised as hypothetically vacant land.

Site Description-Proposed Abandonment Tracts

As indicated, the subject property consists of four right-of-way (ROW) fee simple strips and four utility (UTILITY) easements, which the City of Bellaire proposes to abandon. The following is brief discussion of each:

ROW A: ROW A is not an independent, economic unit and it will be valued by applying the Across the Fence Method. This abandonment tract is a 10' wide right-of-way that contains approximately 300 square feet (0.0069 AC) of land, and is rectangular in shape. ROW A is located in the north, central portion of the Parent Tract, along Spruce Street, extending southward 30'. ROW A is positioned between the HEB building, and the adjoining retail strip center. This tract is owned by the City of Bellaire in Fee Simple Estate. Please refer to the attached drawing in the front section of this report for a visual depiction of the abandonment tract's location.

ROW B: ROW B is not an independent, economic unit and it will be valued by applying the Across the Fence Method. This abandonment tract is a 10' wide right-of-way that contains approximately 1,201 square feet (0.0276 AC) of land, and is rectangular (parallelogram) in shape. ROW B is located in the east, central portion of the Parent Tract, along Bissonnet Street, extending westward 120'. ROW B represents the eastern entrance into the Parent Tract from Bissonnet. We note that approximately 74 square feet of ROW B is overlapped by UTILITY B, which will be addressed further later. This tract is owned by the City of Bellaire in Fee Simple Estate. Please refer to the attached drawing in the front section of this report for a visual depiction of the abandonment tract's location.

ROW C: ROW C is not an independent, economic unit and it will be valued by applying the Across the Fence Method. This abandonment tract is a 25' wide right-of-way that contains approximately 2,750 square feet (0.0631 AC) of land, and is rectangular in shape. ROW C is located in the south, central portion of the Parent Tract, extending northward 110'. ROW C represents a portion of the parking lot area, just off Bissonnet. This tract is owned by the City of Bellaire in Fee Simple Estate. Please refer to the attached drawing in the front section of this report for a visual depiction of the abandonment tract's location.

ROW D: ROW D is not an independent, economic unit and it will be valued by applying the Across the Fence Method. This abandonment tract is a 10' wide right-of-way that contains approximately 1,500 square feet (0.0344 AC) of land, and is rectangular in shape. ROW D is located in the west, central portion of the Parent Tract, along Fifth Street, extending eastward 150'. ROW D represents the western entrance into the Parent Tract from Fifth Street. This tract is owned by the City of Bellaire in Fee Simple Estate. Please refer to the attached drawing in the front section of this report for a visual depiction of the abandonment tract's location.

UTILITY A: UTILITY A is not an independent, economic unit and it will be valued by applying the Across the Fence Method. This abandonment tract is a 10' wide utility easement that contains approximately 1,000 square feet (0.0230 AC) of land, and is rectangular in shape. UTILITY A is located in the north, central portion of the Parent Tract, adjacent to ROW A, extending southward 100'. UTILITY A is positioned between the HEB building, and the adjoining retail strip center.

This tract is owned by the City of Bellaire in Easement Estate. Please refer to the attached drawing in the front section of this report for a visual depiction of the abandonment tract's location.

UTILITY B: UTILITY B is not an independent, economic unit and it will be valued by applying the Across the Fence Method. This abandonment tract is a 10' wide sanitary sewer easement that contains approximately 2,160 square feet (0.0496 AC) of land, and is L-shaped. UTILITY B is located in the eastern portion of the Parent Tract in the parking lot. We note that approximately 74 square feet of UTILITY B is overlapped by ROW B, which will be addressed further later. This tract is owned by the City of Bellaire in Easement Estate. Please refer to the attached drawing in the front section of this report for a visual depiction of the abandonment tract's location.

UTILITY C: UTILITY C is not an independent, economic unit and it will be valued by applying the Across the Fence Method. This abandonment tract is a 25' wide utility easement that contains approximately 750 square feet (0.0172 AC) of land, and is rectangular in shape. UTILITY C is located in the central portion of the Parent Tract, adjacent to between UTILITY A and ROW C, extending southward 30'. This tract is owned by the City of Bellaire in Easement Estate. Please refer to the attached drawing in the front section of this report for a visual depiction of the abandonment tract's location.

UTILITY D: UTILITY D is not an independent, economic unit and it will be valued by applying the Across the Fence Method. This abandonment tract is a 10' wide utility easement that contains approximately 450 square feet (0.0103 AC) of land, and is rectangular in shape. UTILITY D is located in the western, central portion of the Parent Tract, adjacent ROW D, extending eastward 45'. This tract is owned by the City of Bellaire in Easement Estate. Please refer to the attached drawing in the front section of this report for a visual depiction of the abandonment tract's location.

Highest and Best Use

As Vacant

Physically Possible: The Parent Tract contains 3.056 acres located at the intersection of Bissonnet and Cedar Street with additional frontage on Fifth and Spruce Streets. The Parent Tract is located in the "Downtown" area of the City of Bellaire. The property has access to all utilities and is within the 100-year flood plain. The Parent Tract is functional in shape, and adequate for a variety of commercial uses. The abandonment tracts contain 300 square feet (ROW A), 1,201 square feet (ROW B), 2,750 square feet (ROW C), 1,500 square feet (ROW D), 1,000 square feet (UTILITY A), 2,160 square feet (UTILITY B), 750 square feet (UTILITY C), and 450 square feet (UTILITY D). The abandonment tracts have a physically possible use that is in conjunction with the parent tract.

Legally Permissible: The Parent Tract is located within the City of Bellaire, which has zoned the properties UVD-Urban Village Downtown. This zoning classification allows for a variety of possible uses including banks, hotels, offices, restaurants, and retail stores. We are unaware of any deed restrictions that would negatively affect the subjects. The abandonment tracts' legally permissible uses are in conjunction with the parent tract.

We are also unaware of any adverse easements or encroachments affecting the development potential of the site. Overall, based upon this information, the site does not appear to be legally prohibited from being developed to its ultimate highest and best use.

Financially Feasible: Residential and commercial development/redevelopment is ongoing in the subject neighborhood. We are aware of a number of improved tracts purchased for immediate redevelopment, as well as others that were purchased for continued operation of the existing improvements until a redevelopment scenario could be deployed. Basically, in the subject's immediate area, the value of properties with older development is driven primarily by the value of the underlying land and the strong demand on the part of local developers for tracts suitable for mid to high-density redevelopment. In summary, redevelopment to higher-end commercial uses is financially feasible. The financially feasible use of the abandonment tracts is limited to use in conjunction with the parent tract.

Maximally Productive: Based upon historical activity in the subject neighborhood, as well as the desirable location and overall appeal of the Bellaire submarket, it is our opinion that the maximally productive use of the parent tract would be for some form of higher-end commercial or retail use. The maximally productive use of the abandonment tracts is limited to use in conjunction with the parent tract.

Conclusion-As Vacant: It is our opinion that the highest and best use of the parent tract "As Vacant" would be for some form of higher-end commercial or retail use. The highest and best use (land only) of the abandonment tracts is limited to use in conjunction with the parent tract.

As Improved

The Parent Tract is appraised as Hypothetically vacant land; thus, the highest and best use - as improved is not applicable in this instance.

LAND VALUATION – SALES COMPARISON APPROACH

The Sales Comparison Approach is used in this report to determine our opinion of the market value of the subject property as vacant. This approach involves comparing similar sales to the subject with adjustments for different characteristics. The result from the comparative analysis is an adjusted market value range for the subject.

We researched the Harris County Deed Records for information pertaining to transactions involving vacant properties that are comparable to the subject. Additionally, numerous real estate brokers as well as property owners in the area were contacted for information pertaining to activity in the area as well as other properties, which would be in direct competition with the subject if offered for sale on the open market.

Listed on the following pages are detailed write-ups of the market data items that we have uncovered in our effort to value the subject whole property.

LAND SALE 1**Recording Information:**

Record No.:	8925
Data Type:	Confirmed Sale
Key Map:	532 E
City/County:	Houston/Harris
Date of Sale:	December 11, 2012
Grantor:	Perrin W. White, et al
Grantee:	5177 Builders, et al
Recording Data:	County Clerk File # 20120570308

Sale Price Information:

Actual Sales Price:	\$7,125,000
Terms:	Cash to Seller
Adjusted Sales Price:	\$7,620,000
Sale Price Per Sq. Ft. (Net):	\$53.47

Physical Information:

Gross Acres:	3.271
Net Acres:	3.271
Legal Description:	Lot B, Block 2, Braes Heights, Section 1
Shape:	Rectangular
Flood Plain Status:	See Remarks
Utilities:	All Available
Zoning/Restrictions:	None
Roadway Frontage:	475 Feet On Bellaire Boulevard 300 Feet On Braes Boulevard

Comments:

This property is located at the southeast corner of Bellaire Boulevard and Braes Boulevard. Approximately 10-15% of the tract is located within the 100-year flood plain, with the remained located within the 500-year flood plain. Although the listing broker could not disclose an exact sales price, it was indicated the tract sold for approximately \$50.00/SF. At the time of sale, the property was improved with an approximate 110,000 square foot office building. We have added \$495,000 to the sales price to account for demolition of the improvements. The grantee plans to develop townhomes on the site.

LAND SALE 2**Recording Information:**

Record No.:	8696
Data Type:	Confirmed Sale
Key Map:	531 D
City/County:	Bellaire/Harris
Date of Sale:	June 26, 2013
Grantor:	NewBiss Property, L.P.
Grantee:	Newcastle Bissonnet, L.L.C.
Recording Data:	County Clerk File # 20130322074

Sale Price Information:

Actual Sales Price:	\$3,552,230
Terms:	Cash to Seller
Adjusted Sales Price:	\$3,552,230
Sale Price Per Sq. Ft. (Net):	\$55.00

Physical Information:

Gross Acres:	1.483
Net Acres:	1.483
Legal Description:	Portion of Lots 9 and 11, Block 1, Westmoreland Farms First Subdivision, James Blessing Survey, A-162
Shape:	Rectangular
Flood Plain Status:	See Remarks
Utilities:	All Available
Zoning/Restrictions:	R-M1 (Residential & Commercial Mixed Use)
Roadway Frontage:	266 Feet On Bissonnet Street 345 Feet On Newcastle Street 214 Feet On Howard Lane

Comments:

This tract is located at the northeast corner of Bissonnet Street and Newcastle Street, with additional frontage along Howard Lane. One-hundred percent (100%) of this property lies within the 500-Year Flood Plain (Zone X). As of October 2012, this tract was still vacant. The grantor purchased this tract on September 26, 2011 for a reported \$35.00/SF (See Record #8388).

LAND SALE 3**Recording Information:**

Record No.:	8698
Data Type:	Confirmed Sale
Key Map:	531 G
City/County:	Bellaire/Harris
Date of Sale:	March 31, 2014
Grantor:	ZOMA, L.L.C.
Grantee:	Wolfies Swim School, L.L.C.
Recording Data:	County Clerk File # 20140128165

Sale Price Information:

Actual Sales Price:	\$550,000
Terms:	Cash to Seller
Adjusted Sales Price:	\$550,000
Sale Price Per Sq. Ft. (Net):	\$42.31

Physical Information:

Gross Acres:	0.298
Net Acres:	0.298
Legal Description:	Lots 17 & 18, Block 45, and Adjoining 5FT of Alley, Town of Bellaire
Shape:	Rectangular
Flood Plain Status:	Within 100 Year Flood Plain
Utilities:	All Available
Zoning/Restrictions:	UVD: Urban Village-Downtown
Roadway Frontage:	100 Feet On Cedar Street

Comments:

This tract is located along the north line of Cedar Street, $\pm 200'$ east of Ferris Street. The grantee plans to develop a indoor swim facility on the site. The asking price was lowered to \$46.15 in August 2013 from \$53.76/SF. This listing has been active since early 2009.

LAND SALE 4**Recording Information:**

Record No.: 9633
 Data Type: Confirmed Sale
 Key Map: 491 Y
 City/County: Houston/Harris
 Date of Sale: April 1, 2014
 Grantor: Midway Eastside Partners, L.P.
 Grantee: Store Construction, LLC
 Recording Data: County Clerk File # 20140130999

Sale Price Information:

Actual Sales Price: \$7,721,394
 Terms: Cash to Seller
 Adjusted Sales Price: \$7,721,394
 Sale Price Per Sq. Ft. (Net): \$48.50

Physical Information:

Gross Acres: 3.655
 Net Acres: 3.655
 Legal Description: Being part of Tract 1B, Block 13, Westmoreland Farms
 Subdivision
 Shape: Rectangular
 Flood Plain Status: Not Within Flood Plain
 Utilities: All Available
 Zoning/Restrictions: None Known
 Roadway Frontage: 231 Feet On South Rice Boulevard
 602 Feet On Westpark Drive

Comments:

This tract is located at the southeast corner of South Rice Avenue and Westpark Drive. A +/- 33,000 SF freestanding retail building (Micro Center) is being constructed on the tract.

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)

LAND SALE 5**Recording Information:**

Record No.:	9613
Data Type:	Confirmed Sale
Key Map:	491 Y
City/County:	Houston/Harris
Date of Sale:	September 30, 2014
Grantor:	Midway Rice Partners, L.P. & Midway Rayford Partners, L.P.
Grantee:	WSS-4 Shops at Uptown Crossing, LLC
Recording Data:	County Clerk File # 20140442522

Sale Price Information:

Actual Sales Price:	\$3,703,700
Terms:	Cash to Seller
Adjusted Sales Price:	\$3,703,700
Sale Price Per Sq. Ft. (Net):	\$50.00

Physical Information:

Gross Acres:	1.7005
Net Acres:	1.7005
Legal Description:	Portion of Unrestricted Reserve "B", Uptown Crossing Retail, Section 1, T.W. House Survey, A-1044
Shape:	Rectangular
Flood Plain Status:	Not Within Flood Plain
Utilities:	All Available
Zoning/Restrictions:	None Known
Roadway Frontage:	296 Feet On South Rice Avenue

Comments:

This tract is located along the east line of S. Rice Avenue, approximately 651 feet south of the Westpark Tollway. The property will represent a pad site of a larger retail development (Wal-Mart - Proposed). The site was purchased for the construction of two retail buildings.

LAND SALE 6**Recording Information:**

Record No.:	9632
Data Type:	Confirmed Sale
Key Map:	491 Y
City/County:	Houston/Harris
Date of Sale:	October 15, 2014
Grantor:	Midway Eastside Partners, LP
Grantee:	Galleria FIS, Ltd.
Recording Data:	County Clerk File # 20140463289

Sale Price Information:

Actual Sales Price:	\$3,640,095
Terms:	Cash to Seller
Adjusted Sales Price:	\$3,640,095
Sale Price Per Sq. Ft. (Net):	\$45.00

Physical Information:

Gross Acres:	1.857
Net Acres:	1.857
Legal Description:	Being part of Tract 1B and 1C, Block 13, Westmoreland Farms Subdivision
Shape:	Rectangular
Flood Plain Status:	Not Within Flood Plain
Utilities:	All Available
Zoning/Restrictions:	None Known
Roadway Frontage:	See Comments

Comments:

This tract is located along the east line of South Rice Avenue, 231 feet south of Westpark Drive. This tract does not have direct road frontage; however, it is within a larger commercial development and shares cross-use. The tract was purchased for the construction of a hotel.



LAND SALES LOCATION MAP

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)

LAND VALUATION ANALYSIS

<i>Sale No.</i>	<i>Sale Date</i>	<i>Net Acres</i>	<i>Price/SF</i>
1	Dec-12	3.271	\$53.47
2	Jun-13	1.483	\$55.00
3	Mar-14	0.298	\$42.31
4	Apr-14	3.655	\$48.50
5	Sep-14	1.700	\$50.00
6	Oct-14	1.857	\$45.00

The sales listed above range in date of sale from December 2012 to October 2014, in size from 0.298 acres to 3.655 acres, and in price per square foot from \$42.31 to \$55.00 per square foot. In order to achieve a more accurate unit of comparison, sale prices are adjusted for such dissimilar characteristics that may influence property value such as property rights, financing terms, sale conditions, market conditions, and physical characteristics.

As previously discussed, we are appraising a parent tract of land “As Vacant”, which encompasses the proposed abandonment tracts by the City of Bellaire. For analysis purposes, we have analyzed the above sales in reference to the Parent Tract, which is a 3.056-acre site located at the northwest corner of Bissonnet and Cedar Street, with additional frontage on Fifth and Spruce Streets. Once a value for the Parent Tract is established, we will then calculate the value of the abandonment tracts utilizing the Across the Fence Method.

We note that the Parent Tract is improved with a commercial use. However, for purposes of this appraisal, we have only provided for an opinion of the value of the underlying land.

The following is a discussion of sales in reference to the **Parent Tract**:

- Real Estate activity was strong over 2013 and 2014 which put upward pressure on underlying real estate values. With the recent drop in oil prices, we anticipate a leveling off in appreciation, with property values remaining relatively stable for most market segments during 2015. At this point, we do not anticipate a downturn in values as Houston is still projected to add around 13,000 jobs in 2015. Regardless, there is no indication that current market conditions will exceed market conditions during 2014. Sales 1 and 2 are inferior regarding market conditions, as they occurred in 2012-2013. Sales 3-6 are reflective of current market conditions and are comparable.
- The Parent Tract is located along Bissonnet (at Cedar Street), which is a primary commercial traffic carrier in the City of Bellaire. The Parent Tract has excellent visibility and exposure along Bissonnet. Sales 1 and 2 are commercial tracts located at signaled intersections in the Bellaire/West University area, and are comparable regarding location. Sale 3 has a secondary commercial location, and is inferior. Sales 4-6 are located at Westpark and S. Rice, in a less densely developed area and are inferior in location.

- The Parent Tract contains 3.056 acres. Typically, smaller sites sell for a premium on a per square foot basis. In this instance, Sales 1 and 4 are comparable regarding size. The remaining sales are smaller tracts, and are superior regarding this factor.
- Sale 6 is an interior tract within a larger proposed development and does not have direct road frontage. As such, this sale is inferior regarding this factor.
- The Parent Tract is a corner tract with frontage along four roadways, which adds to the overall utility of the property. Sales 1, 2, and 4 are located at corners, benefit from the added utility that a corner location brings, and are comparable. Sales 3, 5, and 6 are interior tracts, and are inferior regarding corner influence.
- The Parent Tract is located within the 100-year flood plain, however this designation is not considered detrimental to development. With the exception of Sale 3, all of the other sales are located outside the 100-year flood plain, and are superior regarding this factor. Sale 3 is within the 100-year flood plain, and is comparable.

Based upon our analysis, it is our opinion that the **Parent Tract** has a Hypothetical “As Vacant” market value of **\$50.00/SF**.

Utilizing the Across the Fence (ATF) Method, and this value conclusion, the following is a discussion of the market values of each of the proposed subject abandonment tracts:

ROW A is a right-of-way tract consisting of 300 square feet valued at \$50.00 PSF, utilizing the ATF Method. The dimensions are 10’ feet in width by 30’ in length. This tract is considered at 100% of fee value. ROW A’s value is calculated as follows:

$$300 \text{ square feet @ } \$50.00 \text{ per square foot @ } 100\% \text{ (of fee value)} = \$15,000$$

ROW B is a right-of-way tract consisting of 1,201 square feet valued at \$50.00 PSF, utilizing the ATF Method. The dimensions are 10’ feet in width by 100’ in length. As discussed, approximately 74 square feet of ROW B is encumbered by UTILITY B. As this 74 square feet is within the easement, it is my opinion that the underlying fee owner has retained 50% of the property’s utility of the 74 square feet. Therefore, we have valued the 74 square feet at 50% of fee value, with the remaining 1,127 square feet of ROW B at 100% of fee value. ROW B’s value is calculated as follows:

ROW B:	1,127 square feet @ \$50.00 per square foot @ 100% (of fee value) =	\$56,350
Plus:	74 square feet @ \$50.00 per square foot @ 50% (of fee value) =	<u>\$1,850</u>

Total Value of ROW B:	\$58,200
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ROW C is a right-of-way tract consisting of 2,750 square feet valued at \$50.00 PSF, utilizing the ATF Method. The dimensions are 25’ feet in width by 110’ in length. This tract is considered at 100% of fee value. ROW C’s value is calculated as follows:

$$2,750 \text{ square feet @ } \$50.00 \text{ per square foot @ } 100\% \text{ (of fee value)} = \$137,500$$

ROW D is a right-of-way tract consisting of 1,500 square feet valued at \$50.00 PSF, utilizing the ATF Method. The dimensions are 10' feet in width by 150' in length. This tract is considered at 100% of fee value. ROW D's value is calculated as follows:

$$1,500 \text{ square feet @ } \$50.00 \text{ per square foot @ } 100\% \text{ (of fee value)} = \$75,000$$

UTILITY A is a utility easement consisting of 1,000 square feet valued at \$50.00 PSF, utilizing the ATF Method. The dimensions are 10' in width by 100' in length. This easement is considered at 50% of fee value due to my opinion that the underlying fee owner has already retained 50% of the property's utility. UTILITY A's value is calculated as follows:

$$1,000 \text{ square feet @ } \$50.00 \text{ per square foot @ } 50\% \text{ (of fee value)} = \$25,000$$

UTILITY B is a sanitary sewer easement consisting of 2,160 square feet valued at \$50.00 PSF, utilizing the ATF Method. The dimensions are 10' in width by 100' in length. This easement is considered at 50% of fee value due to my opinion that the underlying fee owner has already retained 50% of the property's utility. UTILITY B's value is calculated as follows:

$$2,160 \text{ square feet @ } \$50.00 \text{ per square foot @ } 50\% \text{ (of fee value)} = \$54,000$$

UTILITY C is a utility easement consisting of 750 square feet valued at \$50.00 PSF, utilizing the ATF Method. The dimensions are 25' in width by 30' in length. This easement is considered at 50% of fee value due to my opinion that the underlying fee owner has already retained 50% of the property's utility. UTILITY C's value is calculated as follows:

$$750 \text{ square feet @ } \$50.00 \text{ per square foot @ } 50\% \text{ (of fee value)} = \$18,750$$

UTILITY D is a utility easement consisting of 450 square feet valued at \$50.00 PSF, utilizing the ATF Method. The dimensions are 10' in width by 45' in length. This easement is considered at 50% of fee value due to my opinion that the underlying fee owner has already retained 50% of the property's utility. UTILITY D's value is calculated as follows:

$$450 \text{ square feet @ } \$50.00 \text{ per square foot @ } 50\% \text{ (of fee value)} = \$11,250$$

Final Value Conclusion: The market value conclusion developed in this report, and the value to the City as a result of the project described herein, as of July 9, 2015, is summarized as follows:

ROW A	\$15,000
ROW B	\$58,200
ROW C	\$137,500
ROW D	\$75,000
UTILITY A	\$25,000
UTILITY B	\$54,000
UTILITY C	\$18,750
UTILITY D	<u>\$11,250</u>

Sum Total of Proposed Abandonment Tracts: \$394,700

QUALIFICATIONS OF EDWARD B. SCHULZ, MAI, SRA

Edward B. Schulz, MAI, SRA, is a real estate appraiser with offices located at 9225 Katy Freeway, Suite 206, Houston, Texas 77024. He currently is Partner at Edward B. Schulz & Co., LLC, formed in April 1977, and has been engaged exclusively in the appraisal of real estate since January 1971. The scope of this work includes the appraisal of commercial, industrial, special purpose, vacant land, and residential properties. He had also been employed as an acting consultant on numerous real estate transactions, and qualified as an expert witness, including matters of eminent domain.

Employment History

- 1977 – Present – Partner, Edward B. Schulz & Co., LLC
- 1971 – 1977 – Executive Vice President and Manager of Commercial Appraisal Department; Bolton/Jones & Company, Houston, Texas
- 1969 – 1971 – Loan Supervisor; American General Investment Group, Houston, Texas

Qualifications

1. Member – Appraisal Institute (MAI). The Appraisal Institute conducts a voluntary program of continuing education for its designated members. MAIs who meet the minimum standard of this program are awarded periodic educational certificates, and I am certified under this program through December 31, 2017.
2. State Certification – General Real Estate Appraisal Certificate Number TX-1320142-G, State of Texas, certified through March 31, 2017.
3. Qualified as an expert witness in Federal Court, State District Courts, Harris County Court, Marriage and Family Law Court, Commissioner's hearings and arbitrations.
4. Successful completion of AI Seminar, "Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets," October 2012, required for Certain SBA Assignments.
5. B.B.A. Degree – Huntington College, Montgomery, Alabama - June 1969; Prior attendance at University of Texas Business School - 1964-1966.
6. Past President – Houston Chapter, American Institute of Real Estate Appraisers, 1985
7. Licensed Real Estate Broker in the State of Texas.
8. Federal Tax Identification Number – 46-0637619.

Texas Appraiser Licensing and Certification Board

P.O. Box 12188 Austin, Texas 78711-2188

Certified General Real Estate AppraiserNumber: **TX 1320142 G**Issued: **03/03/2015**Expires: **03/31/2017**Appraiser: **EDWARD B SCHULZ III**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Texas Occupations Code, Chapter 1103, is authorized to use this title, Certified General Real Estate Appraiser.


Douglas E. Oldmixon
Commissioner

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)

QUALIFICATIONS OF TODD ANDREW ROTHOLZ, MAI

Todd Andrew Rotholz is a Partner with Edward B. Schulz & Co., LLC with offices located at 9225 Katy Freeway, Suite 206, Houston, Texas 77024. Mr. Rotholz has been engaged exclusively in the appraisal of real estate since February of 1993.

The scope of his work includes the appraisal of all types of commercial, special-purpose, and residential real estate. Areas of expertise include testimony, eminent domain, appraisal review, highest and best use analysis, and consultation.

Employment History

1993-Present - Partner, Edward B. Schulz & Co., LLC

Qualifications

1. Bachelor of Business Administration in International Business and Finance from the University of Texas – December of 1992
2. Member of the Appraisal Institute (MAI)
3. Certified General Real Estate Appraiser; Certificate Number TX-1328257-G
4. In excess of 250 Classroom hours of Appraisal Institute course work
5. In excess of 250 hours of other continuing education course work
6. Federal Tax Identification Number – 46-0637619.



QUALIFICATIONS OF KAREN R. LANGRIDGE

Karen R. Langridge is a real estate appraiser with Edward B. Schulz & Company with offices located at 9225 Katy Freeway, Suite 206, Houston, Texas 77024. She has been engaged exclusively in the appraisal of real estate since September 1998. The scope of her work includes the appraisal of commercial, multi-family, industrial, vacant land and special purpose properties.

Employment History

2006-Present – Staff Appraiser; Edward B. Schulz & Company

2003-2006 – Staff Appraiser and Reviewer, O'Connor & Associates

1998-2003 – Staff Appraiser, Allen, Williford & Seale

Qualifications

1. B.B.A. Degree – Texas A&M University - 1998; Marketing and Management
2. State Certification - General Real Estate Appraisal; Certificate Number TX-1330710-G; State of Texas
3. General Associate Member of the Appraisal Institute.
4. Member of the International Right of Way Association Gulf Coast Chapter 8 (1998-2003).
5. Secretary for the Young Leadership Council of the International Right of Way Association (2001).



EDWARD B. SCHULZ & CO., LLC
PARTIAL LIST OF CLIENTS

Amegy Bank	International Bank of Commerce
Andrew, Kurth, L.L.C.	JPMorgan Chase Bank
Appraisal Management Services	Kinghorn, Driver, Hough & Company
Bancorp South	Looper Reed & McGraw P.C.
Bank of Houston	MD Anderson Hospital
Bank of River Oaks	MHMR of Houston
BBVA Compass Bank	Memorial Hermann Hospital
CB Richard Ellis	Menil Foundation
Capital One Bank	Metropolitan Transit Authority of Harris County
CenterPoint Energy	Montgomery County Right-of-Way
City National Bank	Moody-Rambin Interests
Colliers International	New Quest Properties
Davis/Chambers & Company, Ltd.	Patriot Bank
Enterprise Bank	Port of Houston Authority
Frost Bank	Porter & Hedges, LLP
FNMA – Multi Family	Prosperity Bank
Green Bank	Regions Bank
Hancock/Whitney Bank	Schwartz, Page & Harding, LLP
Harris County Right-of-Way	Sterling Bank
Holliday Fenoglio Fowler, L.P.	Texas Appraisal Management & Review
Houston Independent School District	University of Texas System
Iberia Bank	Wells Fargo Bank

Attachment: HEB abandonment Appraisal (1637 : HEB Public Hearing on ROW)



Tuesday, August 11, 2015

Bellaire City Council
c/o John McDonald, MPA
Development Services Director
City of Bellaire
7008 South Rice Avenue
Bellaire, Texas 77401

Re: Abandonment of various rights of way and utility easements for H-E-B redevelopment of the property shown on Exhibit "A" at the intersection of Cedar and Bellaire, in Bellaire, Texas ("Cedar Bellaire")

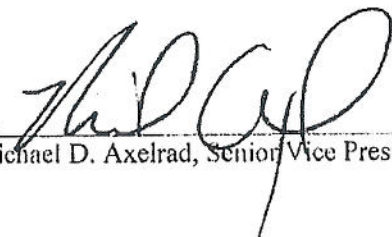
Council Members,

Brixmor Property Group, as agent for Brixmor Holdings 12, SPE, LLC, a Delaware limited liability company ("collectively "Owner"), hereby requests that the City abandon rights of way ("ROW's") and utility easements encumbering the property as marked on Exhibit "A." In connection with the proposed redevelopment of Cedar Bellaire by H-E-B, H-E-B to will redevelop the existing store and center, and create a new state of the art H-E-B with almost triple the square footage to bring a significantly enhanced product selection to Bellaire residents.

The Owner requests the City grants these abandonments at no cost. They are already functionally abandoned and do not change the use of the property. In addition, and perhaps more importantly, this new H-E-B will spur additional, quality development in downtown Bellaire so Bellaire residents will not only have a great new grocery store but also other amenities that will enhance their experience. The City will also receive significant increases in real estate ad valorem and sales taxes.

Thank you for your consideration of these abandonments on August 17, 2015. Please let me know if you have any questions or comments that we can address for you.

Respectfully Submitted,

By: 
Michael D. Axelrad, Senior Vice President

cc: Lisa Helfman, H-E-B
Thomas Litzler, Brixmor Property Group



CITY OF BELLAIRE TEXAS

MAYOR AND COUNCIL

AUGUST 3, 2015

Council Chamber

Public Hearing and Regular Session

6:00 PM

7008 S. RICE AVENUE
BELLAIRE, TX 77401

I. SPECIAL SESSION (PUBLIC HEARING) - 6:00 P.M.

A. Call to Order and Announcement of a Quorum - Dr. Philip L. Nauert, Mayor.

Dr. Philip L. Nauert, Mayor, called the Special Session (Public Hearing) of the City Council of the City of Bellaire, Texas, to order on Monday, August 3, 2015, at 6:03 p.m. Mayor Nauert announced that a quorum of the members of City Council was present as set forth in the table below:

ame	Title	Status	Al	ed
ert	Mayor	Present		
Nathan	Mayor Pro Tem	Present		
eed	Councilman	Present		
oli Sr.	Councilman	Present		
as	Councilman	Present	6:18 PM	
ughlan	Councilman	Present		
riedberg	Councilman	Present		

B. Reading of the Notice of Public Hearing - Tracy L. Dutton, City Clerk.

Tracy L. Dutton, City Clerk, read the "Notice of Public Hearing" into the record.

C. Summary of Public Hearing Procedures - Paul A. Hofmann, City Manager.

Paul A. Hofmann, City Manager, summarized the public hearing procedures for the evening.

D. Presentation:

Presentation of the recommended five-year update of the 2009 Comprehensive Plan, as reviewed by the Bellaire Planning and Zoning Commission, said update to include amendments to the Future Land Use Map, a review of the City's Goals and Guiding Principles, and the addition of a Parks Master Plan, as an appendix - John McDonald, Director of Development Services.

John McDonald, Director of Development Services, provided an overview to members of City Council regarding the recommended five-year update of the City's Comprehensive Plan, as reviewed by the Planning and Zoning Commission of the City of Bellaire, Texas (the "Commission").

It was noted that the recommendation from the Commission concluded nine months of discussions with input from the Commission, City Staff, and citizens, as well as a public hearing held before the Commission in May of 2015.

The future land use map was adjusted based on a review of how the City had

grown over the last five years, as well as an update to the priority action agenda which set the main goals and criteria for the future.

It was noted that the average household in the City of Bellaire had grown from 2.58 to 2.78, and that the family dynamic was changing to larger families and mixed generations. Based on a review of the population growth over the last five years, it was estimated that the population would continue to grow. In addition, the allowance of mixed-use, multi-family dwellings were added in the City's commercial districts. Director McDonald advised that more than 50% of the homes in Bellaire had been reconstructed.

With respect to the future land use map, changes were shown in the Uptown Transit Center which was upgraded to show a METRO bus station as a possibility. The CenterPoint Energy site, which was previously shown as a light industrial use, was updated to show a commercial use on the front of the site and residential use on the back of the site.

Director McDonald continued and indicated that the RMO District was separated from the CMU District based on issues that had arisen since the adoption of the Comprehensive Plan. Reference was made to school and church uses, which were generally shown as a residential use rather than their own separate use. The church property located next to the railroad tracks on Bellaire Boulevard was proposed as a residential use on the future land use map; however, the future use of ChristChurch Presbyterian was proposed as corridor mixed-use due to its proximity to downtown.

Reference was made to the priority agenda in Chapter 6. Director McDonald advised that goals that had been accomplished over the last five years were "checked" off. For example, progress had been made with respect to character based zoning and development in the UVT and CMU Districts. New zoning districts had been established (UVT, UVD, and CMU), as well as the inclusion of housing and mixed-use options in the commercial districts. More flexibility was provided through the redesign of the planned development option. The City was currently discussing the potential of the HEB Grocery Company redevelopment as a catalyst for the downtown area, and discussions were still ongoing with METRO regarding the development of the UVT District. With respect to Bellaire Town Square, the Fire Station and renovations to the Bellaire City Library had occurred since the adoption of the Comprehensive Plan. Finally, the former Teas property had been acquired for park development.

In closing his presentation, Director McDonald referred to future capital investments within the City as follows: the Rebuild Bellaire Program, HISD projects (new school facilities), and the Loop 610/US 59 interchange.

E. Recognition of Citizens and/or Other Interested Parties - Dr. Philip L. Nauert, Mayor.

David Montague:

Mr. Montague addressed City Council as a Clerk of Session of ChristChurch Presbyterian Church located at 5001 Bellaire Boulevard, Bellaire, Texas, and read the following statement:

We, the Session (governing body of ChristChurch Presbyterian), support the recommended changes in the five-year update to the 2009 Comprehensive Plan,

including the change to the future land use map as referenced reclassifying our church property at the corner of Bellaire Boulevard and South Rice Avenue to CMU. We appreciate the Planning and Zoning Commission's and the City Council's hard work and forward thinking to best prepare all of us for Bellaire's future.

Charles Platt:

Mr. Platt addressed City Council regarding the Comprehensive Plan. He indicated that he felt that the Comprehensive Plan (the "Plan") should be a document that reflected the current issues and concerns with the City of Bellaire.

Mr. Platt continued and stated that it seemed to him that the current draft was a partial revision of the 2009 Comprehensive Plan. In some areas, there were significant changes (i.e., the land use section). Other areas were hardly touched except for some minor details. For example, the section on police and response calls included data for the period 2004 to 2008, which raised the question as to what had been happening since 2008.

With respect to storm drainage control, Mr. Platt advised that only minor additions had been made to the Plan since the 2008 stormwater management plan. It had only been a few months since the Memorial Day deluge that struck Bellaire. Although there had not been much time to think about incorporating the City's plan for storm drainage control since that event, it seemed that the topic still needed to be addressed, even in an interim way, before approved by City Council in September of 2014.

Another area of concern to Mr. Platt was sidewalks and bikeways, which were a major issue for safety and value for the City in his opinion. Children needed to be able to walk and ride their bikes to school. Reference was made to Third Street and the fact that no bikeway route had been established for that street. The only statement he could find in the Comprehensive Plan regarding sidewalks was a statement that the Planning and Zoning Commission supported continuous sidewalks, which he certainly supported. Mr. Platt advised that he believed that this should be the City Council's view and not the Planning and Zoning Commission's view.

In closing, Mr. Platt advised that he believed the Parks Master Plan was an excellent plan that City Council should endorse. It was his opinion that Bellaire was not friendly for bicyclists or pedestrians (particularly those streets without sidewalks). The pathways section in the Parks Master Plan was very good in his opinion.

Richard Franke:

Mr. Franke addressed City Council and stated that he had not fully studied the Comprehensive Plan. He advised that he believed that the City of Bellaire and the elected officials charged with making policy needed to develop policy that better directed City Staff on how to implement various issues. For example, a great deal of time was spent on the CMU District with a focus toward promoting aesthetics and tax revenue. When the development across the street from the Valero Station located at Bissonnet Street and Newcastle Street was submitted, it consisted of a five-story concrete parking garage. Mr. Franke stated that City Staff should have been required to evaluate each project before a permit was issued as to the aesthetic impact on the community. He expressed concern that there were no guidelines.

A second issue related to the CMU District was drainage. After the storm that occurred in May, one of the remodeled store located on Bissonnet Street was sweeping three inches of water off of their floor. The Comprehensive Plan talked about drainage and

flood control but did not really address the areas of the City that were in need in Mr. Franke's opinion.

Reference was made by Mr. Franke to minutes of the Planning and Zoning Commission wherein Commissioner and Chair Winfred Frazier initiated a conversation regarding putting a program in place to expand and improve street lighting throughout the City of Bellaire. Mr. Franke strongly supported such a program; however, for some reason, the program was not mentioned in the Comprehensive Plan. Street lighting and sidewalks were public safety issues in Mr. Franke's opinion.

With respect to sidewalks, reference was made to Mulberry Lane, which had no sidewalks. The City's capital improvement plan for water was very vague in the Comprehensive Plan, in Mr. Franke's opinion. He advised that many members of the Planning and Zoning Commission were unaware that the City needed \$300 million of capital improvements as reported by City Engineer James Andrews. There was no reference to the \$300 million in the Comprehensive Plan, which he felt was a major omission as well.

Parking, traffic issues, public safety, and impact on the neighborhood as a result of the reclassification of the CenterPoint Energy site was of concern to Mr. Franke.

{Speaker's allotted time ended at this point in the meeting}

Lynn McBee:

Ms. McBee addressed City Council regarding the Comprehensive Plan Update and advised that she believed that the overview on the Comprehensive Plan was entirely too long. She felt that the Comprehensive Plan should be large in scope, but concise in the plan regarding what one proposed to do. In addition, the report was devoted in large part to historical data from census counts to library operations.

Reference was made to charts, tables, photos, and maps contained in the Comprehensive Plan. Ms. McBee stressed that the text should be more concise and less analytical. She also suggested less color. For example, white type on a dark brown background strained the eye in her opinion. She added that too much color took away from the content.

With respect to pagination, Ms. McBee advised that the pages within sections of the Comprehensive Plan did not reveal the total number of pages. The appended Parks Master Plan was paginated sequentially and was understandable in her opinion. She also suggested that the Comprehensive Plan be geared to the reader and content.

Ms. McBee continued and stated that her primary concern was the census focus. For 2-1/2 pages in the introduction, various takes on the census for Bellaire and other communities was given. From 1930 to 1960, Bellaire's population boomed from 390 to 19,872. Over the next 50 years (1960-2010), Bellaire's population declined from 19,872 to 15,642. From 2000-2010, Bellaire grew from 15,642 to 16,855. In 2010, Bellaire's population stabilized at 16,855. Several sources projected and estimated that future growth might increase modestly to 17,849.

{Speaker's allotted time ended at this point in the meeting}

F. Questions from the Mayor and City Council - Dr. Philip L. Nauert, Mayor.

During the questions portion of the meeting, Councilman Andrew S. Friedberg and Mayor

Pro Tem Amanda B. Nathan asked for clarification and suggested changes for several areas within the Comprehensive Plan.

Further questions from Councilmen James P. Avioli, Sr., Pat B. McLaughlan, and Roman F. Reed were also clarified during this portion of the meeting.

G. Close of Public Hearing - Dr. Philip L. Nauert, Mayor.

Dr. Philip L. Nauert, Mayor, advised that final deliberation by the City Council on the Comprehensive Plan Update was scheduled for September 14, 2015. He announced that following the close of the public hearing, oral comments would not be received. Written comments, however, could be submitted to the City Council in care of the City Clerk. In order for the written comments to be considered for the record, the comments must be received by noon on Thursday, September 10, 2015.

Mayor Nauert closed the public hearing before the City Council regarding the recommended Comprehensive Plan Update at 6:55 p.m. on Monday, August 3, 2015.

H. Adjourn.

Motion:

To adjourn the Special Session (Public Hearing) before the City Council of the City of Bellaire, Texas, at 6:56 p.m. on Monday, August 3, 2015.

RESULT:	UNANIMOUS [7 TO 0]
MOVER:	Roman F. Reed, Councilman
SECONDER:	Pat B. McLaughlan, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg
NAYS:	None

II. REGULAR SESSION - 7:00 P.M.

A. Call to Order and Announcement of a Quorum - Dr. Philip L. Nauert, Mayor.

Dr. Philip L. Nauert, Mayor, called the Regular Session of the City Council of the City of Bellaire, Texas, to order at 7:05 p.m. on Monday, August 3, 2015. He announced that a quorum consisting of all members of City Council was present as set forth in the table below.

Name	Title	Status
Dr. Philip L. Nauert	Mayor	Present
Amanda B. Nathan	Mayor Pro Tem	Present
Roman F. Reed	Councilman	Present
James P. Avioli, Sr.	Councilman	Present
Gus E. Pappas	Councilman	Present
Pat B. McLaughlan	Councilman	Present
Andrew S. Friedberg	Councilman	Present
Paul A. Hofmann	City Manager	Present
Alan P. Petrov	City Attorney	Present

Tracy L. Dutton	City Clerk	Present
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B. Inspirational Reading and/or Invocation - Gus E. Pappas, Councilman - Position No. 3.

Gus E. Pappas, Councilman - Position No. 3, provided the inspirational reading for the evening.

C. Pledges to the Flags - Gus E. Pappas, Councilman - Position No. 3.

Gus E. Pappas, Councilman - Position No. 3, led the members of City Council and the audience in the U.S. Pledge of Allegiance and the Pledge to the Texas Flag.

D. Approval or Correction of Minutes:

Minutes dated July 13, 2015:

Consideration of and possible action on the approval of the minutes of the Special Session (Public Hearing) and the Regular Session of the City Council of the City of Bellaire, Texas, held on Monday, July 13, 2015.

Mayor and Council - Public Hearing and Regular Session - Jul 13, 2015 6:00 PM

Motion:

To approve the Special Session (Public Hearing) and Regular Session minutes of the City Council of the City of Bellaire, Texas, held on Monday, July 13, 2015.

***Gus E. Pappas, Councilman - Position No. 3**, abstained from voting on the minutes of the City Council of the City of Bellaire, Texas, held on Monday, July 13, 2015, due to his absence from that meeting.

RESULT:	APPROVED [6 TO 0]
MOVER:	Roman F. Reed, Councilman
SECONDER:	Amanda B. Nathan, Mayor Pro Tem
AYES:	Nauert, Nathan, Reed, Avioli Sr., McLaughlan, Friedberg
ABSTAIN:	Pappas

E. Personal/Audience Comments.

Lynn McBee:

Ms. McBee addressed City Council and made a public apology, especially to the City Manager, for an error she made regarding the proposed budget. She indicated that she had scoffed at the number of employees listed in the proposed budget and later learned that she was missing a page, so her numbers were obviously not the ones submitted. She apologized to City Council as well for the misrepresentation. It was suggested by Ms. McBee that a challenge be laid down for a 10-15 year summary of the adopted budgets showing what staffing levels had been.

Secondly, Ms. McBee stated that the Parks Master Plan and Comprehensive Plan were now joined, but were heard at separate times by the Planning and Zoning Commission (the "Commission"). She advised that she had submitted a list of suggestions at that

time with respect to the Parks Master Plan (the "Plan"). Following a few exchanges between Director Karl Miller, Parks, Recreation and Facilities and Ms. McBee, Director Miller felt the changes were not substantive and incorporated them into the Plan. She indicated that it was her understanding that what went before the Commission must stay intact until it cleared City Council, and that any changes to be made would be those authorized by City Council.

Thirdly, Ms. McBee advised the Mayor and City Council that they could deviate from the agenda and answer factual questions from the public during Personal/Audience Comments. She referenced an Attorney General's opinion that she believed had been rendered regarding that topic.

F. Reports:

Presentation of a Report from the Bellaire Public Works Department regarding Solid Waste Route Changes - Presented by Brant Gary, Director of Public Works.

Brant Gary, Director of Public Works, presented a follow-up to a presentation made to City Council in December of 2014 regarding proposed changes to the City's solid waste and recycling service. He noted that the anticipated kick-off date for the proposed changes was October 5, 2015.

Director Gary indicated further that the City had been divided into five zones (A-E). The majority of the service changes related to limbs and brush and one zone had slight changes in solid waste. The idea behind the changes was related to the uneven staffing effect currently resulting from the City's one-day recycling service. The new approach would allow for a more consistent approach across the entire workweek and allow the City to address holidays a bit differently.

With respect to holidays, Director Gary advised that he had heard numerous complaints from residents that "lost" their recycling pick up two weeks in a row during holidays (i.e., Christmas and New Year's Day). While keeping that in mind, the City wanted to reduce the surge on Wednesdays and alleviate the holiday burden.

Director Gary indicated that the Public Works Department had sent information to residents and was currently in the process of working on a few other communication efforts (recycling newsletter and refrigerator magnets). Each resident would receive a magnet for their specific zone (such as "A" or "E"). The magnet would also provide the holiday schedule so that residents would know in advance which days would be affected and what the rescheduled day would be. Other efforts would include a utility billing insert, information in the City newsletter, "notify me" electronic communications through the City's website (two weeks and one week prior to kick-off), social media, and the City's municipal television channel (Channel 16).

In closing, Director Gary advised that the Public Works Department would be flexible and work with residents during this process.

Following questions of Director Gary from the Mayor and City Council, a motion was made and action taken to accept the Solid Waste Route Changes Report.

Motion:

To accept the Solid Waste Route Changes Report, as presented by Brant Gary, Director of Public Works, into the record.

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Roman F. Reed, Councilman
SECONDER:	Gus E. Pappas, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

G. New Business:

1. Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, granting Specific Use Permit S-84 to West University Baptist Church/Crosspoint Church to allow for the construction of a youth worship building to be located at 4609 Bellaire Boulevard, Bellaire, Harris County, Texas, in the R-3 Zoning District. {Requirement of Chapter 24, Planning and Zoning, Article V, Zoning Regulations, Division 2, Zoning District Regulations, Section 24-532 B. (2) b), R-3 Residential District}

Motion:

To adopt an ordinance of the City Council of the City of Bellaire, Texas, granting Specific Use Permit S-84 to West University Baptist Church/Crosspoint Church to allow for the construction of a youth worship building to be located at 4609 Bellaire Boulevard, Bellaire, Harris County, Texas, in the R-3 Zoning District.

Amendment No. 1 to the Main Motion:

To add a third condition to the specific use permit to read as follows: "A buffer of trees and shrubs shall be installed sufficient to create a light and sound barrier to the extent possible as said plantings mature, along the south property line."

RESULT:	UNANIMOUS [7 TO 0]
MOVER:	Andrew S. Friedberg, Councilman
SECONDER:	James P. Avioli, Sr., Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg
NAYS:	None

Following discussion among members of City Council, action was taken on the main motion on the floor, as amended.

RESULT:	ADOPTED AS AMENDED [6 TO 0]
MOVER:	Amanda B. Nathan, Mayor Pro Tem
SECONDER:	Roman F. Reed, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., McLaughlan, Friedberg
ABSTAIN:	Pappas

2. Consideration of and possible action on a recommendation from the Bellaire Public Works Department to award Bid No. 15-004, Solid Waste & Construction Debris Removal (Tipping Fees), to Blue Ridge Landfill Texas, LP, in an amount not to exceed \$9.74 per cubic yard for compacted solid waste and construction debris and \$6.49 per cubic yard for non-compacted solid waste and construction debris and on the adoption of an ordinance authorizing the City Manager and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a Standard Form of Agreement with Blue Ridge Landfill Texas, LP, for services necessary for the acceptance, treatment, processing, handling, storage and disposal of solid waste from the City of Bellaire, Texas, in an amount not to exceed \$9.74 per cubic yard for compacted solid waste and construction debris and \$6.49 per cubic yard for non-compacted solid waste and construction debris.

Motion:

To approve a recommendation from the Bellaire Public Works Department to award Bid No. 15-004, Solid Waste & Construction Debris Removal (Tipping Fees), to Blue Ridge Landfill Texas, LP, in an amount not to exceed \$9.74 per cubic yard for compacted solid waste and construction debris and \$6.49 per cubic yard for non-compacted solid waste and construction debris and to adopt an ordinance authorizing the City Manager and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a Standard Form of Agreement with Blue Ridge Landfill Texas, LP, for services necessary for the acceptance, treatment, processing, handling, storage and disposal of solid waste from the City of Bellaire, Texas, in an amount not to exceed \$9.74 per cubic yard for compacted solid waste and construction debris and \$6.49 per cubic yard for non-compacted solid waste and construction debris.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James P. Avioli Sr., Councilman
SECONDER:	Andrew S. Friedberg, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

3. Consideration of and possible action on the recommendation by the Parks, Recreation and Facilities Department to accept the Letter of Agreement between the City of Bellaire and Evelyn's Park Conservancy clarifying financial responsibilities related to construction of Evelyn's Park, and adoption of an ordinance authorizing Paul A. Hofmann, City Manager, to execute the Letter of Agreement.

Motion:

To approve a recommendation by the Parks, Recreation and Facilities

Department to accept the Letter of Agreement between the City of Bellaire and the Evelyn's Park Conservancy clarifying financial responsibilities related to construction of Evelyn's Park and to adopt an ordinance authorizing Paul A. Hofmann, City Manager, to execute the Letter of Agreement.

Discussion ensued among members of City Council, the City Attorney, and City Staff regarding the Letter Agreement. Following discussion, action was taken on the motion on the floor.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James P. Avioli Sr., Councilman
SECONDER:	Andrew S. Friedberg, Councilman
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg

H. Items for Future Agendas; Community Interest Items from the Mayor and City Council.

Items for future agendas included a request from Gus E. Pappas, Councilman - Position No. 3, for a joint workshop session of the City Council and the Ad Hoc Municipal Facilities Committee.

Community interest items from the Mayor and City Council included thanks to everyone involved in the City's Fourth of July Parade and Festival and to the City Staff for the recent Boards and Commissions Training Session; expressions of congratulations to Walmart on the grand opening of their new store on South Rice Avenue and to the excellent candidates that had submitted their names for City Council openings; congratulations and reminder that Bellaire's Tyler Duffey would make his debut with the Minnesota Twins baseball team on Wednesday evening; and a reminder to citizens to attend the dive-in movie at the Bellaire Family Aquatic Center on Thursday, August 13, 2015.

I. Adjourn.

Motion:

To adjourn the Regular Session of the City Council of the City of Bellaire, Texas, at 8:03 p.m. on Monday, August 3, 2015.

RESULT:	UNANIMOUS [7 TO 0]
MOVER:	Amanda B. Nathan
SECONDER:	Pat B. McLaughlan
AYES:	Nauert, Nathan, Reed, Avioli Sr., Pappas, McLaughlan, Friedberg
NAYS:	None

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 08/17/15 06:00 PM
Department: City Manager
Category: Report
Department Head: Paul A. Hofmann
DOC ID: 1658

**SCHEDULED
INFORMATION ITEM (ID
1658)**

Item Title:

Presentation of the City Manager's Report dated August 17, 2015, regarding the status of the Memorial Day storm-related reimbursements and anticipated expenses - Presented by Paul A. Hofmann, City Manager.

Background/Summary:

Paul A. Hofmann, City Manager, will present the City Manager's Report dated August 17, 2015, to members of City Council. The report will include an update on the status of the Memorial Day storm-related reimbursements and anticipated expenses.

Previous Council Action Summary:

N/A

Fiscal Impact:

N/A

Recommendation:

City Manager Paul A. Hofmann recommends acceptance of the City Manager's Report dated August 17, 2015, into the record.

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 08/17/15 06:00 PM
Department: Parks, Recreation and
Facilities
Category: Code Suspension
Department Head: Cheryl Bright-
West
DOC ID: 1650

**SCHEDULED
ORDINANCE (ID # 1650)**

Item Title:

Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, temporarily suspending application of Chapter 27, Streets, Sidewalks and Public Places, Section 27-95, Curfew Imposed, of the Code of Ordinances of the City of Bellaire, Texas, for the purpose of allowing the Bellaire High School Softball Boosters to host their 13th annual BBQ Fundraiser in the parking lot of Feld Park, 6406 Avenue B, Bellaire, Texas, from Thursday, September 3, 2015, through Saturday, September 5, 2015, said suspension to commence at 11:00 p.m. and terminate at 5:00 a.m. on the evenings and/or early mornings of Thursday, September 3, 2015, Friday, September 4, 2015, and Saturday, September 5, 2015 - Requested by Cheryl Bright-West, Assistant Director of Parks, Recreation and Facilities.

Background/Summary:

Item Summary: Bellaire High School Softball Boosters (BHSSB), are hoping to host their Annual BBQ Fundraiser for the dates September 3 - 5 in the parking lot of Feld Park.

In order for this event to take place, BHSSB is asking Council for permission to extend the curfew in Feld Park over the nights of September 3 - 5. Currently the curfew is 11:00 p.m. until 5:00 a.m.

BHSSB would greatly appreciate your consideration in suspending the curfew ordinance for this event to allow their volunteers to stay overnight as they monitor the cooking of briskets. Thank you for your support and consideration.

Previous Council Action Summary:

Council has approved the curfew suspension for the past several years.

Fiscal Impact:

N/A

Recommendation:

Cheryl Bright-West, Assistant Director, recommends that Council accept the request from the Bellaire High School Softball Booster Club.

ATTACHMENTS:

- BHSSoftballBoosters (PDF)
- Code Suspension Ch 27-95 BHS Softball Booster - 2015 (PDF)



BELLAIRE HIGH SCHOOL SOFTBALL BOOSTERS

July 29, 2015

Mayor Phil Nauert and City Council members
City of Bellaire
7008 Rice Ave.
Bellaire, TX 77401

Dear Mayor Nauert and City Council members:

Bellaire High School Softball Boosters are hoping to host the 13th Annual BBQ Fundraiser for the dates September 3 – September 5, 2015 in the parking lot of Feld Park. For years, our organization has averaged the sale of 400-500 briskets to many supporters of Bellaire High School softball, with the support of the City of Bellaire. Many of our boosters, both past and present, have been very involved in supporting the City of Bellaire programs as board members and coaches of softball and baseball, and hope to now be able to work closely with the city in a different role, as we volunteer for the high school program as well.

In order for this event to take place, we are asking Council for permission to extend the curfew in Feld Park over the nights of 9/3/15 through 9/5/15. We would greatly appreciate your consideration in suspending the curfew ordinance for this event to allow our volunteers to stay overnight as they monitor the cooking briskets.

Thank you so very much for your support and consideration in this matter for the interest of Bellaire High School.

Respectfully submitted,

Eloise D. Dueñas
President
Bellaire High School Softball Boosters
713-298-6247

Attachment: BHSSoftballBoosters (1650 : BHS Softball Boosters Curfew Suspension Request)



ORDINANCE NO. 15-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, TEMPORARILY SUSPENDING THE APPLICATION OF CHAPTER 27, STREETS, SIDEWALKS AND PUBLIC PLACES, SECTION 27-95, CURFEW IMPOSED, OF THE CODE OF ORDINANCES OF THE CITY OF BELLAIRE, TEXAS, FOR THE PURPOSE OF ALLOWING THE BELLAIRE HIGH SCHOOL SOFTBALL BOOSTERS TO HOST THEIR 13th ANNUAL BBQ FUNDRAISER IN THE PARKING LOT OF FELD PARK, 6406 AVENUE B, BELLAIRE, TEXAS, FROM THURSDAY, SEPTEMBER 3, 2015, THROUGH SATURDAY, SEPTEMBER 5, 2015, SAID SUSPENSION TO COMMENCE AT 11:00 P.M. AND TERMINATE AT 5:00 A.M. ON THE EVENINGS AND/OR EARLY MORNINGS OF THURSDAY, SEPTEMBER 3, 2015, FRIDAY, SEPTEMBER 4, 2015, AND SATURDAY, SEPTEMBER 5, 2015.

WHEREAS, the Bellaire High School Softball Boosters desire to host their 13th Annual BBQ Fundraiser in the parking lot of Feld Park, 6404 Avenue B, Bellaire, Texas, from Thursday, September 3, 2015, through Saturday, September 5, 2015; and

WHEREAS, in order for the Bellaire High School Softball Boosters to host their Annual BBQ Fundraiser, the Bellaire High School Softball Boosters have requested, by letter dated July 29, 2015, permission from the Bellaire City Council to suspend the curfew in Feld Park, said suspension to commence at 11:00 p.m. and terminate at 5:00 a.m. on the evenings and/or early mornings of Thursday, September 3, 2015, Friday, September 4, 2015, and Saturday, September 5, 2015;
NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS:

- 1. THAT** the recitals set forth above are true and correct.
- 2. THAT** Chapter 27, Streets, Sidewalks and Public Places, Section 27-95, Curfew Imposed, of the Code of Ordinances of the City of Bellaire, Texas, is hereby temporarily suspended commencing at 11:00 p.m. and terminating at 5:00 a.m. on the evenings and/or early mornings of Thursday, September 3, 2015, Friday, September 4, 2015, and Saturday, September 5, 2015.

- 3. THAT** said temporary suspension shall only apply to the

request from the Bellaire High School Softball Boosters for their 13th Annual BBQ Fundraiser commencing at 11:00 p.m. and terminating at 5:00 a.m. on the evenings and/or early mornings of Thursday, September 3, 2015, Friday, September 4, 2015, and Saturday, September 5, 2015, in Feld Park, 6406 Avenue B, Bellaire, Texas, and said suspension shall not apply to any other person or activity.

4. THAT said suspension of *Chapter 27, Streets, Sidewalks and Public Places, Section 27-95, Curfew Imposed*, of the *Code of Ordinances of the City of Bellaire, Texas*, shall terminate at 5:00 a.m. on Saturday, September 5, 2015, at which time said section of the *Code of Ordinances of the City of Bellaire, Texas*, shall be fully reinstated as if never suspended.

PASSED, APPROVED, and ADOPTED this 17th day of August, 2015.

(SEAL)

ATTEST:

SIGNED:

Tracy L. Dutton, TRMC
City Clerk

Dr. Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Alan P. Petrov
City Attorney

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 08/17/15 06:00 PM
Department: City Clerk
Category: Ordinance
Department Head: Tracy L. Dutton
DOC ID: 1657

**SCHEDULED
ORDINANCE (ID # 1657)**

Item Title:

Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing a change in the date of the first Regular Session of the City Council of the City of Bellaire, Texas, in September of 2015 from Monday, September 14, 2015, to Tuesday, September 15, 2015 - Requested by Tracy L. Dutton, City Clerk, on behalf of City Council.

Background/Summary:

Dr. Philip L. Nauert, Mayor, received a request from Mayor Pro Tem Amanda B. Nathan to ask for City Council consideration of a change in the date of the first Regular Session of the City Council in September of 2015 from Monday, September 14, 2015, to Tuesday, September 15, 2015, due to the observance of Rosh Hashanah.

An ordinance has been prepared for City Council consideration of this request.

Previous Council Action Summary:

N/A

Fiscal Impact:

N/A

Recommendation:

Action as City Council deems appropriate.

ATTACHMENTS:

- Change in Meeting Date due to Jewish New Year - September 2015 (DOC)



ORDINANCE NO. 15-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, AUTHORIZING A CHANGE IN THE DATE OF THE FIRST REGULAR SESSION OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, IN SEPTEMBER OF 2015 FROM MONDAY, SEPTEMBER 14, 2015, TO TUESDAY, SEPTEMBER 15, 2015.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS:

1. THAT the first Regular Session of the City Council of the City of Bellaire, Texas, in September 2015 shall be changed from Monday, September 14, 2015, to Tuesday, September 15, 2015.

2. THAT this Ordinance shall be effective immediately upon its passage and adoption.

PASSED and **APPROVED** this, the 17th day of August, 2015.

(SEAL)

ATTEST:

Tracy L. Dutton, TRMC
City Clerk

SIGNED:

Dr. Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Alan P. Petrov
City Attorney

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 08/17/15 06:00 PM
Department: Finance Administration
Category: Bond
Department Head: Linda Symank
DOC ID: 1476

SCHEDULED**ACTION ITEM (ID # 1476)****Item Title:**

Consideration of and possible action on a recommendation from US Capital Advisors regarding the award of a bid for bonds and on the adoption of an ordinance authorizing the issuance of "\$7,910,000 City of Bellaire, Texas, General Obligation Bonds, Series 2015"; specifying the terms and features of said bonds; pledging the levy of a continuing annual ad valorem tax upon all taxable property within the City for the payment of the principal and interest on such bonds; enacting provisions incident and related to the issuance, delivery, payment of, and security for such bonds; approving and authorizing the distribution of an Official Statement; awarding the sale of such bonds and authorizing and approving a Paying Agent/Registrar Agreement - Requested by Linda Symank, Chief Financial Officer.

Background/Summary:

At the July 20th council meeting, the City Council approved issuing \$7,940,000 General Obligation Bonds. This is the final sale of Rebuild Bellaire bonds approved for infrastructure improvements. The bond proceeds will fund Phase 5B of our street and drainage project. The bond par amount has been reduced to \$7,910,000 to adjust for the excess premium received with our GO Series 2013 bonds. Per the Attorney General, bond proceeds plus excess premium received cannot exceed the voter approve amount for bond funding. Excess premium is considered bond proceeds and reduces the par amount of bonds that can be issued. The Series 2015 bonds will be issued with a premium and should there be premium in excess of issuing costs, the par amount must be adjusted to reflect the excess premium on these bonds as well.

Bids for the sale of these bonds will be accepted and received until 10:00 a.m. on Monday, August 17th, for "\$7,910,000 City of Bellaire, Texas (Harris County, Texas), General Obligation Bonds, Series 2015." The bids will be evaluated and a recommendation prepared and presented by Jim Gilley with U.S. Capital Advisors during the meeting scheduled on Monday, August 17, 2015, at 7:00 p.m.

City Attorney Alan Petrov has prepared an ordinance for City Council authorizing the issuance of "\$7,910,000 City of Bellaire, Texas (Harris County, Texas), General Obligation Bonds, Series 2015." The ordinance is attached for Council's review and consideration.

Previous Council Action Summary:

Bonds authorized on November 8, 2005 for Rebuild Bellaire Program. Council approved bond sale on July 20, 2015.

Fiscal Impact:

Proceeds from the sale of the Series 2015 bonds will be used for street and drainage improvements under the Rebuild Bellaire Program and to pay bond issuance costs.

Recommendation:

Mr. Jim Gilley, the City's Financial Advisor recommends and Linda Symank, CFO supports his recommendation for the award of a bid for bonds and on the adoption of an ordinance authorizing the issuance of \$7,910,000 City of Bellaire, Texas (Harris County, Texas), General Obligation Bonds, Series 2015 and the Paying Agent/Registrar Agreement.

ATTACHMENTS:

- Bond Ordinance Series 2015 (00173794xD8318) (PDF)

ORDINANCE NO. 15-__

AN ORDINANCE AUTHORIZING THE ISSUANCE OF "\$7,910,000 CITY OF BELLAIRE, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2015"; SPECIFYING THE TERMS AND FEATURES OF SAID BONDS; PLEDGING THE LEVY OF A CONTINUING ANNUAL AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST ON SUCH BONDS; ENACTING PROVISIONS INCIDENT AND RELATED TO THE ISSUANCE, DELIVERY, PAYMENT OF, AND SECURITY FOR SUCH BONDS; APPROVING AND AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT; AWARDING SALE OF SUCH BONDS AND AUTHORIZING AND APPROVING A PAYING AGENT/REGISTRAR AGREEMENT.

WHEREAS, the City of Bellaire, Texas (herein referred to as the "City") is a political subdivision and home-rule city located within Harris County and operating pursuant to the laws of the State of Texas and a charter approved by the voters in 1949 and last amended in 2006; and

WHEREAS, the City operates under the Council/Manager form of government and the City Council (hereinafter referred to as the "City Council" or the "Council") formulates the operating policy for the City with implementation of such policies and directives by the City Manager, as chief administrative officer; and

WHEREAS, the City Council has adopted a multi-year capital improvements program to be implemented over an approximate 10-year period to repair, replace or extend the City's street, sidewalk, and drainage facilities and to improve, repair, construct or replace the City's buildings and other municipal facilities (the "Rebuild Bellaire Project"); and

WHEREAS, the duly qualified registered voters of the City at an election held for and within the City on November 8, 2005, authorized the issuance of \$41,000,000 in bonds to finance street, sidewalk, and drainage facility improvements and \$9,000,000 in bonds to finance improvements to municipal buildings and facilities as part of the Rebuild Bellaire Project; and

WHEREAS, by Ordinance No. 06-047 dated June 19, 2006, the City Council of the City of Bellaire, Texas, previously issued \$5,000,000 in principal amount of general obligation bonds approved and authorized to be issued at the election held on November 8, 2005, being more specifically \$2,775,000 for street, sidewalk and drainage facility improvements and \$2,225,000 for improvements to the municipal buildings; and

WHEREAS, by Ordinance No. 07-052 dated September 10, 2007, the City Council of the City of Bellaire, Texas, previously issued \$5,000,000 in principal amount of general obligation bonds approved and authorized to be issued at the election held on November 8, 2005, being more specifically \$4,000,000 for street, sidewalk and drainage facility improvements and \$1,000,000 for improvements to the municipal buildings; and

WHEREAS, by Ordinance No. 09-031 dated June 1, 2009, the City Council of the City of Bellaire, Texas, previously issued \$7,000,000 in principal amount of general obligation bonds

Attachment: Bond Ordinance Series 2015 (00173794xD8318) (1476 : Award bid and authorize issuance of \$7.910 M in GO Bonds)

approved and authorized to be issued at the election held on November 8, 2005, being more specifically \$2,785,000 for street, sidewalk and drainage facility improvements and \$4,215,000 for improvements to the municipal buildings; and

WHEREAS, by Ordinance No. 10-033 dated May 17, 2010, the City Council of the City of Bellaire, Texas, previously issued \$6,000,000 in principal amount of general obligation bonds approved and authorized to be issued at the election held on November 8, 2005, being more specifically \$6,000,000 for street, sidewalk and drainage facility improvements; and

WHEREAS, by Ordinance No. 11-063 dated August 15, 2011, the City Council of the City of Bellaire, Texas, previously issued \$6,500,000 in principal amount of general obligation bonds approved and authorized to be issued at the election held on November 8, 2005, being more specifically \$6,500,000 for street and drainage improvements; and

WHEREAS, by Ordinance No. 13-045 dated August 19, 2013, the City Council of the City of Bellaire, Texas previously issued \$6,000,000 in principal amount and an additional \$27,308.90 in premium, of general obligation bonds approved and authorized to be issues at the election held on held on November 8, 2005, being more specifically for \$6,000,000 for street, sidewalk and drainage facility improvements and improvements to municipal buildings and facilities; and

WHEREAS, by Ordinance No. 14-037 dated August 4, 2014, the City Council of the City of Bellaire, Texas previously issued \$10,425,000 in principal amount of general obligation bonds approved and authorized to be issued at the elections held on November 8, 2005 and November 5, 2013, being more specifically \$4,995,855.40 for street, sidewalk and drainage facility improvements and improvements, \$5,000,000 for Evelyn's Park improvements; and \$500,000 for Nature Discovery Center.

WHEREAS, the City Council of the City of Bellaire, Texas, hereby finds and determines that an additional \$7,910,000 in principal amount of general obligation bonds approved and authorized to be issued at the elections held on November 8, 2005, should be issued and sold at this time; a summary of the general obligation bonds authorized at such election, the principal amounts authorized, amounts heretofore issued and being issued pursuant to this Ordinance and amounts remaining to be issued subsequent hereto being as follows:

Purpose	Principal Amount Authorized	Amount Previously Issued	Amounts Now Being Issued	Amounts Remaining
Street, Sidewalk and Drainage Facility Improvements	\$41,000,000	\$33,086,164.30	\$7,910,000	\$ 3,836.00
Improvements to Municipal Buildings and Facilities	\$20,000,000	\$ 7,440,000	\$ -0-	\$12,560,000.00
TOTAL	\$ 61,000,000	\$35,527,308.90	\$ -0-	\$12,563,836.00

AND WHEREAS, the City Council hereby reserves and retains the right to issue the balance of unissued bonds approved at said election in one or more installments when, in the

judgment of the Council, funds are needed to accomplish the purposes for which such bonds were voted; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS:

SECTION 1: Authorization - Designation - Principal Amount - Purpose. General obligation bonds of the City shall be and are hereby authorized to be issued in the aggregated principal amount of \$7,910,000, to be designated and bear the title "CITY OF BELLAIRE, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2015 (hereinafter referred to as the "Bonds"), for the purpose of improving, repairing, replacing or extending the City's street and drainage facilities, all in accordance with authority conferred at the aforesaid election and under and in strict conformity with the Constitution and laws of the State of Texas, including V.T.C.A., Government Code, Chapter 1331.

SECTION 2: Fully Registered Obligations - Bond Date - Authorized Denominations - Stated Maturities - Interest Rates. The Bonds shall be issued as fully registered obligations only, shall be dated September 1, 2015 (the "Dated Date"), and, other than the single fully registered Initial Bond referenced in Section 8 hereof, shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, and shall become due and payable on February 15, in each of the years and in principal amounts (the "Stated Maturities") in accordance with the following schedule:

<u>Stated Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>

The Bonds shall bear interest on the unpaid principal amounts from the Dated Date at the per annum rates shown above (computed on the basis of a 360-day year of twelve 30-day months); such interest shall be payable on February 15 and August 15 in each year, commencing February 15, 2016.

SECTION 3: Terms of Payment - Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or

otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar and the payment thereof shall be in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of Amegy Bank National Association, Houston, Texas, to serve as Paying Agent/Registrar for the Bonds is hereby approved and confirmed. Books and records relating to the registration, payment, transfer and exchange of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, as provided herein and in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as Exhibit A, and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Mayor and City Clerk are authorized to execute and deliver such Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a bank, trust company, financial institution or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by the United States Mail, first class postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of and premium, if any, on the Bonds shall be payable at the Stated Maturities or the redemption thereof, only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices in Houston, Texas (the "Designated Payment/Transfer Office"). Interest on the Bonds shall be paid to the Holders whose name appears in the Security Register at the close of business on the Record Date (the last day of the month preceding each interest payment date) and shall be paid by the Paying Agent/Registrar (i) by check sent United States Mail, first class postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment for the principal of or interest on the Bonds shall be Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located is authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail,

first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4: Redemption.

- (a) Optional Redemption. The Bonds having Stated Maturities on and after February 15, 2025 shall be subject to redemption prior to maturity, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on February 15, 2024 or on any date thereafter at the redemption price of par plus accrued interest to the date of redemption.
- (b) Exercise of Redemption Option. At least forty-five (45) days prior to a redemption date for the Bonds (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the City shall notify the Paying Agent/Registrar of the decision to redeem Bonds, the principal amount of each Stated Maturity to be redeemed, and the date of redemption therefor. The decision of the City to exercise the right to redeem Bonds shall be entered in the minutes of the governing body of the City.
- (c) Selection of Bonds for Redemption. If less than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the paying Agent/Register shall treat such Bonds as representing the number of Bonds Outstanding which is obtained by dividing the principle amount of such Bonds by \$5,000 and shall select the Bonds, or principal amount thereof, to be redeemed within such Stated Maturity by lot.
- (d) Notice of Redemption. Not less than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption shall be sent by United States Mail, first class postage prepaid, in the name of the City and at the City's expense, to each Holder of a Bond to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder.

All notices of redemption shall (i) specify the date of redemption for the Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Bonds, or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Bonds, or the principal amount thereof to be redeemed, shall be made at the Designated Payment/Transfer Office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder. If a Bond is subject by its terms to prior redemption and has been called for redemption and notice of redemption thereof has been duly given as hereinabove provided, such Bond (or the principal amount thereof to be redeemed) shall become due and payable and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys sufficient for the payment of such Bond

(or the principal amount thereof to be redeemed) at the then applicable redemption price are held for the purpose of such payment by the Paying Agent/Registrar.

SECTION 5: Registration - Transfer/Exchange of Bonds - Predecessor Bonds. The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every owner of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of other authorized denominations by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender of any Bond (other than the Initial Bonds authorized in Section 8 hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds of authorized denominations and having the same Stated Maturity and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bonds authorized in Section 8 hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Bonds to the Holder requesting the exchange.

All Bonds issued in any transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States Mail, first class postage prepaid to the Holders, and, upon registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other government charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term "Predecessor Bonds" shall include any mutilated, lost, destroyed, or stolen Bond for which a replacement Bond has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section 11 hereof and such new replacement Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

Neither the City nor the Paying Agent/Registrar shall be required to issue or transfer to an assignee of a Holder any Bond called for redemption, in whole or in part, within 45 days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

SECTION 6: Book-Entry Only Transfers and Transactions. Notwithstanding the provisions contained in Sections 3, 4, and 5 hereof relating to the payment, and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry Only" securities clearance, settlement and transfer system provided by The Depository Trust Company (DTC), a limited purpose trust company organized under the laws of the State of New York, in accordance with the operational arrangements referenced in the Blanket Issuer Letter of Representation, by and between the City and DTC (the "Depository Agreement").

Pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event that DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bonds to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter the Bonds in definitive form shall be assigned, transferred and Exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections 3, 4, and 5 hereof.

SECTION 7: Execution - Registration. The Mayor is authorized and directed to execute and the City Clerk is authorized to attest the Initial Bond in the name of Cede & Co. The Bonds shall be executed on behalf of the City by the Mayor under its seal reproduced or impressed thereon and countersigned by the City Clerk. The signature of said officers on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officers of the City on the Bond Date shall be deemed to be duly executed on behalf of the City, notwithstanding that such individuals or either of them shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in V.T.C.A., Government Code, Chapter 1201.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 9C, manually executed by the Comptroller of Public Accounts of the State of Texas, or his duly authorized agent, or a certificate of registration substantially in the form provided in Section 9D, manually executed by an authorized officer,

employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered and delivered.

SECTION 8: Initial Bond(s). The Bonds herein authorized shall be initially issued either (i) as a single fully registered bond in the total principal amount of \$7,910,000 with principal installments to become due and payable as provided in Section 2 hereof and numbered T-1, or (ii) as multiple fully registered bonds, being one bond for each year of maturity in the applicable principal amount and denomination and to be numbered consecutively from T-1 and upward (herein after called the "Initial Bond(s)") and, in either case, the Initial Bond(s) shall be registered in the name of the original purchaser(s) or the designee thereof. The Initial Bond(s) shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the initial purchaser(s). Any time after the delivery of the Initial Bond(s), the Paying Agent/Registrar, pursuant to written instructions from the initial purchaser(s), or the designee thereof, shall cancel the Initial Bond(s) delivered hereunder and exchange therefor definitive Bonds of authorized denominations, stated maturities, principal amounts, and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the initial purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 9: Forms.

- (a) Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends in the event the Bonds, or any maturities thereof, are purchased with insurance and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the officers executing such Bonds as evidenced by their execution. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond(s) may be printed, lithographed, or engraved, typewritten, photocopied or otherwise reproduced in any similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

- (b) Form of Definitive Bond.

REGISTERED
NO.

REGISTERED
\$7,910,000

UNITED STATES OF AMERICA

STATE OF TEXAS
CITY OF BELLAIRE, TEXAS
GENERAL OBLIGATION BONDS, SERIES 2015

Dated Date: September 1, 2015 Interest Rate: _____ Stated Maturity: _____ CUSIP NO.: _____

Registered Owner: Cede & Co.

Principal Amount: DOLLARS

The City of Bellaire (hereinafter referred to as the "City"), a body corporate and political subdivision in the County of a Harris, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity Date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal amount hereof from the Dated Date at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest accrues from the Dated Date and is payable on February 15 and August 15 in each year, commencing February 15, 2016. Principal of this Bond is payable on its Stated Maturity or redemption to the registered owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last day of the month preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$7,910,000 (herein referred to as the "Bonds") for the purpose of repairing, replacing or extending the City's street, sidewalk and drainage facilities, in accordance with authority conferred at elections held within the City on November 8, 2005, and under and in strict conformity with the Constitution and laws of the State of Texas and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

The Bonds maturing on or after February 15, 2025, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on February 15, 2024, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty days prior to a redemption date, the City shall cause a written notice of such redemption to be sent by United States Mail, first class postage prepaid, to the registered owners of the Bonds to be redeemed in whole or in part, and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum to be redeemed) shall have been duly called for redemption and notice of such redemption duly given, then upon said redemption date such Bonds (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor, provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event a portion of the principal amount of a Bond is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent /Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Bond to an assignee of the registered owner within 45 days of the redemption dated therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Bond redeemed in part.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to the Ordinance, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the owner or holder of this Bond by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer and exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity or redemption, and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the Designated transferee or transferees.

The City and the Paying Agent/Registrar, and any agent of either, shall treat the registered owner whose name appears on the Security Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the City nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a scheduled payment date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States Mail, first class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and the interest on the Bonds by the levy of a tax as afore stated. In case any provision in this Bond shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City as of the Dated Date.

CITY OF BELLAIRE, TEXAS

Mayor

COUNTERSIGNED:

City Clerk

(SEAL)

Attachment: Bond Ordinance Series 2015 (00173794xD8318) (1476 : Award bid and authorize issuance of \$7.910 M in GO Bonds)

- (c) *Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond(s) only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	
	§	REGISTER NO.
THE STATE OF TEXAS	§	

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____, _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

*NOTE TO PRINTER: Do Not Print on Definitive Bonds

- (d) Form of Certificate of Paying Agent/Registrar to Appear on Bonds (other than a single fully registered Initial Bond).

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued and registered under the provisions of the within-mentioned Ordinance; the bond or bonds of the above entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

The designated offices of the Paying Agent/Registrar in Houston, Texas is the "Designated Payment/Transfer Office" for this Bond.

AMEGY BANK NATIONAL ASSOCIATION,
as Paying Agent/Registrar

Registration date:

By:_____

Authorized Signature

(e) Form of Assignment

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee:) _____
(Social Security or other identifying number:) _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed: _____

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

(f) The Initial Bond(s) shall be in the form set in paragraph B of this Section; except that the form of the single fully registered Initial Bond shall be modified as follows:

(i) immediately under the name of the bond the headings "Interest Rate _____" and "Stated Maturity _____" shall be omitted.

(ii) Paragraph one shall read as follows:

Registered Owner:

Principal Amount:

DOLLARS

The City of Bellaire (hereinafter referred to as the "City"), a body corporate and municipal corporation of the County of Harris, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on February 15 in each of the years and in principal installments in accordance with the following schedule:

STATED
MATURITY

PRINCIPAL
AMOUNT

INTEREST
RATE

(Information to be inserted from schedule in Section 2 hereof).

(or so much principal thereof as shall not have been prepaid prior to maturity) and to pay interest on the unpaid Principal Amount hereof from the Dated Date at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing February 15, 2015.

Principal installments of this Bond are payable in the year of maturity or on a prepayment day to the registered owner hereof by Amegy Bank National Association (the "Paying Agent/Registrar"), upon presentation and surrender, at its designated offices in Houston, Texas (the Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the last day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent United States Mail, first class postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 10: Levy of Taxes. To provide for the payment of the "Debt Service Requirements" of the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount is greater), there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations prescribed by law, and such tax hereby levied on each one hundred dollars' valuation of taxable property in the City for the Debt Service Requirements of the Bonds shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Bonds while Outstanding; full allowance being made for delinquencies and costs of collection; separate books and records relating to the receipt and disbursement of taxes levied, assessed and collected for and on account of the Bonds shall be kept and maintained by the City at all times while the Bonds are Outstanding, and the taxes collected for the payment of the Debt Service Requirements on the Bonds shall be deposited to the credit of a "Special 2015 Bond Account" (the "Interest and Sinking Fund") maintained on the records of the City and deposited in a special fund maintained at an official depository of the City's funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Bonds.

Proper officers of the City are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Bonds, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Bonds as the same accrues or matures or comes due by reason of redemption prior to maturity; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Bonds.

SECTION 11: Mutilated-Destroyed-Lost and Stolen Bonds. In case any Bond shall be mutilated, or destroyed, lost or stolen, the Paying Agent/Registrar, subject to City approval and in its discretion, may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond, or in lieu of and in substitution for such destroyed, lost or stolen Bond, only upon (i) the filing by the Holder thereof with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying

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Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, or destroyed, lost or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds.

SECTION 12: Satisfaction of Obligation of City. If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code 1986, or regulations adopted pursuant thereto.

Any moneys so deposited with the Paying Agent/Registrar, or an authorized escrow agent, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such moneys have been so deposited shall be remitted to the City or deposited as directed by the City. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity, or applicable redemption date, of the Bonds for which such moneys were deposited and are held in trust to pay, shall upon the request of the City be remitted to the City against a

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written receipt therefor. Notwithstanding the above and foregoing, any remittance of funds the Paying Agent/Registrar to the City shall be subject to any applicable unclaimed property laws of the State of Texas.

The term "Government Securities", as used herein, means (i) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and on the date of their acquisition or purchase by the City and rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent and (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent.

SECTION 13: Ordinance a Contract - Amendments - Outstanding Bonds. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City while any Bond remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interest of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Holders holding a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal or, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

The term "Outstanding" when used in this Ordinance with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

- (a) those Bonds canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;
- (b) those Bonds deemed to be duly paid by the City in accordance with the provisions of Section 12 hereof; and
- (c) those mutilated, destroyed, lost, or stolen Bonds which have been replaced with Bonds registered and delivered in lieu thereof as provided in Section 11 hereof.

SECTION 14: Qualified Tax-Exempt Obligations. The City is not designating the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b) of the Code.

SECTION 15: Covenants to Maintain Tax-Exempt Status.

- (a) Definitions. When used in this Section, the following terms have the following meanings:

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchaser against payment therefor.

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"*Computation Date*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Gross Proceeds*" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"*Yield*" of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations; and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

- (b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with

such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

- (c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:
- (i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and
 - (ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.
- (d) No Private Loan. Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.
- (e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a results of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of exceeds the Yield of the Bonds.
- (f) Not Federally Guaranteed. Except as may otherwise be permitted by the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

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(g) Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury of Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate to Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(iii) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last Outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(iv) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(v) As additional consideration for the purchase of the Bonds by the Purchaser and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of the Interest and Sinking Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(vi) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to

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the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit of a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

- (j) Elections. The City hereby directs and authorizes the Mayor, City Clerk, City Manager and Director of Finance, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connections with the Bonds, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

SECTION 16: Sale of Bonds. Pursuant to a public sale and after advertising for and receiving competitive sealed bids for the Bonds, the bid submitted by _____ (herein referred to as the "Purchasers") is declared to be the best bid received producing the lowest true interest cost to the City; such bid is hereby accepted and incorporated herein by reference as a part of this Ordinance for all purposes and the sale of the Bonds to said Purchasers at the Purchase Price of price of \$_____, which includes the par amount of \$_____ plus a premium of \$_____ and accrued interest of \$_____ to the date of delivery, is hereby approved and confirmed. Delivery of the Bonds to the Purchasers shall occur as soon as possible upon payment being made therefor in accordance with the terms of sale.

SECTION 17: Official Statement. The use of the Preliminary Official Statement, dated August 12, 2015, in the offering and sale of the Bonds is hereby ratified, confirmed and approved in all respects, and the City Council hereby finds that the information and data contained in said Preliminary Official Statement pertaining to the City and its financial affairs is true and correct in all material respects and no material facts have been omitted therefrom which are necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The final Official Statement, which reflects the terms of sale (together with such changes approved by the Mayor, City Clerk, City Manager or Director of Finance, one or more of said officials), shall be and is hereby in all respects approved and the Purchaser are hereby authorized to use and distribute said final Official Statement, dated August 17, 2015, in the reoffering, sale and delivery of the Bonds to the public.

SECTION 18: Control and Custody of Bonds. The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas, including the printing and supply of definitive Bonds, and shall take and have charge and control of the Initial Bond(s) pending the approval thereof by the Attorney General, the registration thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchaser.

Furthermore, the Mayor, City Clerk, City Manager and Director of Finance, any one or more of said officials, are hereby authorized and directed to furnish and execute such documents relating to the City and its financial affairs as may be necessary for the issuance of the Bonds, the approval of the Attorney General and the registration by the Comptroller of Public Accounts and, together with the City's financial advisor, bond counsel and the Paying Agent/Registrar, make

the necessary arrangements for the delivery of the Initial Bond(s) to the Purchaser and the initial exchange thereof for definitive Bonds.

SECTION 19: Proceeds of Sale. The proceeds of sale of the Bonds, excluding the accrued interest and premium received from the purchaser, shall be deposited in a construction fund maintained at the City's depository bank. Pending expenditure for authorized projects and purposes, such proceeds of sale may be invested in authorized investments in accordance with the provisions of V.T.C.A., Government Code, Chapter 2256, including guaranteed investment contracts permitted by V.T.C.A., Section 2256.015 et seq., and the City's investment policies and guidelines, and any investment earnings realized shall be expended for such authorized projects and purposes or deposited in the Interest and Sinking Fund as shall be determined by the City Council. Accrued interest shall be deposited to the credit of the Interest and Sinking Fund. The premium received from the Purchaser shall be used to pay the cost of issuance of the Bonds, and after paying such costs of issuance, any surplus in premium remaining will be deposited into the construction fund. All surplus proceeds of sale of the Bonds, including investment earnings, remaining after completion of all authorized projects or purposes may be deposited to the credit of the Interest and Sinking Fund.

SECTION 20: Notices to Holders-Waiver. Whenever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States Mail, first class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Ordinance provided for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 21: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be returned to the City.

SECTION 22: Legal Opinion. The obligation of the Purchaser to accept delivery of the Bonds is subject to being furnished a final opinion of Johnson Petrov LLP, Attorneys, Houston, Texas, approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for such Bonds. A true and correct reproduction of said opinion is

hereby authorized to be printed on the definitive Bonds or an executed counterpart thereof shall accompany the global Bonds deposited with the Depository Trust Company.

SECTION 23: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 24: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar and the Holders.

SECTION 25: Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 26: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 27: Application of Chapter 1208, Government Code. Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the City under Section 10 of this Ordinance, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the taxes granted by the City under Section 10 of this Ordinance is to be subject to the filing requirements of Chapter 10, Business & Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 10, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

SECTION 28: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 29: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neutral gender shall be considered to include the other genders.

SECTION 30: Severability. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 31: Continuing Disclosure Undertaking.

- (a) *Definitions.* As used in this Section, the following terms have the meanings ascribed to such terms below:

"EMMA" means the Electronic Municipal Market Access system.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

- (b) *Annual Reports.* The City shall provide annually to the MSRB's EMMA system, within six months after the end of each fiscal year (beginning with the fiscal year ending September 30, 2015) financial information and operating data with respect to the City of the general type included in the final Official Statement approved by Section 17 of this Ordinance, being the information described in Exhibit B hereto. Financial statements to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit B hereto and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available at the time the financial information and operating data must be provided, then the City shall provide unaudited financial statements for the applicable fiscal year to the MSRB's EMMA system with the financial information and operating data and will file the annual audit report when and if the same becomes available. If the City changes its fiscal year, it will notify the MSRB's EMMA system of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB's EMMA system or filed with the SEC.
- (c) *Material Event Notices.* The City shall notify the MSRB's EMMA system, in a timely manner, and not more than ten (10) business days after the occurrence of an event, of any of the following events with the respect to the Bonds:
1. Principal and interest payment delinquencies;
 2. Non-payment related defaults, if material;
 3. Unscheduled draws on debt service reserves reflecting financial difficulties;
 4. Unscheduled draws on credit enhancements reflecting financial difficulties;
 5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar event of the Issuer, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The City shall also notify the MSRB's EMMA system, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such Section.

- (d) *Limitations, Disclaimers, and Amendments.* The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Bond calls and defeasance that cause the City to be no longer such an "obligated person."

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete representation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

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UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of the Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state security laws.

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information of operating data so provided.

SECTION 32: Further Procedures. The officers and employees of the City are hereby authorized and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of and under the corporate seal of the City all such instruments, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Bonds, the Paying Agent/Registrar Agreement, and the Official Statement. In addition, prior to the initial delivery of the Bonds, the Mayor, the City Manager, and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Bonds by the Attorney General of Texas. In the event that any officer of the City whose signature shall appear on any certificate shall cease to be

such officer before the delivery of such certificate, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 33: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, Texas Government Code, as amended.

SECTION 34: Effective Date. This Ordinance shall be in force and effect from and after its passage.

[EXECUTION PAGE FOLLOWS]

Attachment: Bond Ordinance Series 2015 (00173794xD8318) (1476 : Award bid and authorize issuance of \$7.910 M in GO Bonds)

PASSED AND ADOPTED, this _____, 2015.

CITY OF BELLAIRE, TEXAS

Mayor

ATTEST:

City Clerk

(City Seal)

Attachment: Bond Ordinance Series 2015 (00173794xD8318) (1476 : Award bid and authorize issuance of \$7.910 M in GO Bonds)

EXHIBIT "A"

PAYING AGENT/REGISTRAR AGREEMENT

Attachment: Bond Ordinance Series 2015 (00173794xD8318) (1476 : Award bid and authorize issuance of \$7.910 M in GO Bonds)

EXHIBIT "B"**ANNUAL FINANCIAL INFORMATION**

The City will provide certain updated financial information and operating data to certain information vendors annually. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement in APPENDIX B and under the schedules listed in the Official Statement in APPENDIX B. The City will update and provide this information within six months after the end of each fiscal year. The City will provide the updated information to the MSRB's EMMA system.

The City may provide updated information in full text or in such other form consistent with the agreement, or may incorporate by reference certain other publicly available documents, as permitted by Rule 15c2-12 (the "Rule"). The updated information will include audited financial statements, if the City commissions an audit and it is completed by the required time. If audited financial statements are not provided by that time, the City will provide audited financial statements when and if they become available, but if such audited financial statements are unavailable, the City will provide such financial statements on an unaudited basis within the required time. Any such financial statements will be prepared in accordance with the accounting principles described in the Official Statement in APPENDIX B or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation.

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 08/17/15 06:00 PM
Department: Public Works
Category: Bid
Department Head: Brant Gary
DOC ID: 1639

**SCHEDULED
ACTION ITEM (ID # 1639)**

Item Title:

Consideration of and possible action on a recommendation from the Bellaire Public Works Department to award Bid No. 15-005, 2015 Water Line Replacement Project, to A Absolute Plumbing, Inc., in an amount not to exceed \$382,960.00 and authorization for the City Manager and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a Standard Form of Agreement with A Absolute Plumbing, Inc., for said project in an amount not to exceed \$382,960.00 - Requested by Brant Gary, Director of Public Works.

Background/Summary:

Seven (7) bids were opened on July 14, 2015. Bids ranged from \$374,040.00 to \$501,400.00.

During the review process of the low bidder, PMG Project Management Group, LLC (PMG), it was determined that this bid was to be rejected. This is based on lack of experience as a prime contractor on municipal water line replacement projects and references who were not satisfied with their work. The review then moved to the second lowest bidder.

After reviewing the qualifications of the second lowest bidder, A Absolute Plumbing, Inc., it was determined that they appear to be a responsible firm and would perform in a satisfactory manner. Therefore, A Absolute Plumbing, Inc. is the recommended bidder for the project award.

This project involves the replacement of 3,050 linear feet of 6-inch through 8-inch water lines along the following streets in the City of Bellaire:

- 4500 - 4600 Blocks of Oakdale
- 5300 Block of Patrick Henry

The original estimated cost for this project was \$621,950.00 (Engineering: \$49,450.00; Construction: \$570,000.00; Material Testing: \$2,500.00). With this proposed contract award, the total cost of the project will be \$434,910.00 (Engineering: \$49,450.00; Construction: \$382,960.00; Material Testing: \$2,500.00).

The project also includes service line replacements, installation of new fire hydrants and valves and associated appurtenances.

Source of Funding:

This project will be funded by the FY2015 CIP - Water and Sanitary Sewer Line Program: \$645,000.00

Recommendation:

The Director of Public Works and City Engineer recommend that this bid be awarded to the

lowest qualified bidder, A Absolute Plumbing, Inc., in an amount not to exceed \$382,960.00. ARKK Engineers has thoroughly researched the qualifications and reputation of said firm and has found them to be fully qualified and capable of completing the project within the bid cost.

ATTACHMENTS:

- FY2015 Water Line Replacement Project - Letter of Recommendation (PDF)
- Standard Form of Agreement with A Absolute Plumbing - 2015 Water Line Improvements Project (DOC)

LETTER OF RECOMMENDATION
for
2015 WATER LINE
REPLACEMENT PROJECT



CITY OF BELLAIRE

JULY, 2015

ARKK JOB NO. 15-011



City of Bellaire
2015 Water Line Replacement Project

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LETTER OF RECOMMENDATION



July 30, 2015

Mr. Brant Gary
 Director of Public Works
 City of Bellaire
 7008 S. Rice Ave.
 Bellaire, Texas 77401

Re: **Letter of Recommendation for 2015 Water Line Replacement Project**
 City of Bellaire
 ARKK Job No. 15-011

Dear Mr. Gary:

On July 14, 2015, seven (7) bids were received for the above referenced project. This project involves the replacement of 3,050 linear feet of 6-inch through 8-inch water lines along the following streets in the City of Bellaire:

- 4500-4600 Block of Oakdale
- 5300 Block of Patrick Henry

The project also includes service line replacements, installation of new fire hydrants and valves and associated appurtenances.

The following is a summary of our bid evaluation:

1. Bid Tabulation Sheet – Seven (7) construction firms participated in the bidding process. The bids were checked for mathematical errors and/or bid irregularities. The City's construction budget for this project is \$570,000.
2. The bids for the total project are as follows:

BIDDERS		TOTAL BID
1.	PMG Project Management Group, LLC	\$374,040.00
2.	A Absolute Plumbing, Inc.	\$382,960.00
3.	Tikon Group, Inc.	\$389,725.00
4.	Reliance Construction	\$414,439.00
5.	Alcott, Inc.	\$423,460.00
6.	Vaca Underground Utilities, Inc.	\$442,935.00
7.	AR Turnkee Construction, Inc.	\$501,400.00

A copy of the bid tabulation is enclosed with this letter of recommendation.

3. Qualifications and References – The low bidder, PMG Project Management Group, LLC (PMG) provided a List of Qualifications with their bid. Based on information provided by PMG, it appears that PMG has completed only two (2) water line replacement projects as a prime contractor for municipalities. PMG also submitted references for other projects that are not related to water line work. ARKK Engineers staff contacted the references provided by PMG to obtain information on the projects and PMG's work performance related to these projects. **The majority of references PMG provided stated they were not satisfied with PMG's performance and would not use them again on future projects.** Furthermore, based on information received from the references, PMG appears to not have adequate experience in completing the work at hand and meeting the City of Bellaire's expectations. **Therefore, it is recommended that the City of Bellaire reject the bid from PMG for this project.**

ARKK met with Vladimir Naranjo, managing partner of PMG and Eddie Breedlove, project manager, and told them that because of their past performance and poor reference reviews, we would recommend that the City not award the project to them. Vladimir Naranjo stated that he believed PMG could successfully perform the work, but understood our position due to their past performance.

We then began to investigate the qualifications of the second low bidder, A Absolute Plumbing, Inc. ARKK Engineers contacted the references provided by A Absolute Plumbing, Inc. and received positive and favorable responses regarding their performance on the projects. ARKK Engineers followed up with A Absolute Plumbing's representatives to discuss the project and City's expectations. A Absolute Plumbing, Inc. has indicated that they have completed work successfully in multiple municipalities previously and are familiar with the City's requirements and expectations. A Absolute Plumbing, Inc. has also indicated that they have the personnel and experience to complete the work in a timely manner.

A Absolute Plumbing, Inc. appears to be a responsible firm that is capable of performing the specified work in a satisfactory manner. For these reasons, we recommend that the City of Bellaire award the **2015 Water Line Improvements Project to A Absolute Plumbing, Inc. for a total amount of \$382,960.**

If you have any questions, please contact me.

Sincerely,

ARKK ENGINEERS, LLC



James B. Andrews, P.E.
City Engineer

BID TABULATION

ARKK Job No. 15-011

2015 Water Line Replacement Project

City of Bell

				LOW BIDDER					
ITEM NO.	ITEM DESCRIPTION	UNIT	QUAN.	PMG PROJECT MGMT GROUP LLC		A ABSOLUTE PLUMBING		TIKON GROUP INC.	
BASE BID ITEMS									
1	6" PVC C-900, Class 150 waterline by augered construction, all depths, complete in place, the sum of:	L.F.	410	\$ 45.00	\$ 18,450.00	\$ 60.00	\$ 24,600.00	\$ 50.00	\$ 20,500.00
2	8" PVC C-900, Class 150 waterline by augered construction, all depths, complete in place, the sum of:	L.F.	2,640	\$ 61.00	\$ 161,040.00	\$ 70.00	\$ 184,800.00	\$ 54.00	\$ 142,560.00
3	Removal and replacement of existing concrete sidewalk, Complete in Place, the Sum of;	S.F.	200	\$ 10.00	\$ 2,000.00	\$ 6.00	\$ 1,200.00	\$ 10.00	\$ 2,000.00
4	6" resilient seated gate valve with box, complete in place, the sum of:	EA.	3	\$ 1,100.00	\$ 3,300.00	\$ 1,000.00	\$ 3,000.00	\$ 2,000.00	\$ 6,000.00
5	8" resilient seated gate valve with box, complete in place, the sum of:	EA.	4	\$ 1,600.00	\$ 6,400.00	\$ 1,200.00	\$ 4,800.00	\$ 2,630.00	\$ 10,520.00
6	Fire hydrant assembly installed on new water main, including gate valve and lead pipe, complete in place, the sum of:	EA.	6	\$ 4,800.00	\$ 28,800.00	\$ 4,500.00	\$ 27,000.00	\$ 3,500.00	\$ 21,000.00
7	Remove and Salvage existing fire hydrants, complete in place, the sum of:	EA.	3	\$ 500.00	\$ 1,500.00	\$ 500.00	\$ 1,500.00	\$ 2,200.00	\$ 6,600.00
8	Abandon Valves and Remove and Dispose of Valve Box, complete in place, the sum of:	EA.	3	\$ 500.00	\$ 1,500.00	\$ 200.00	\$ 600.00	\$ 1,200.00	\$ 3,600.00
9	Install short side service, complete in place, the sum of:	EA.	45	\$ 700.00	\$ 31,500.00	\$ 700.00	\$ 31,500.00	\$ 750.00	\$ 33,750.00
10	Install long side service, complete in place, the sum of:	EA.	45	\$ 1,100.00	\$ 49,500.00	\$ 900.00	\$ 40,500.00	\$ 1,265.00	\$ 56,925.00
11	6" wet connection, including coupling and appurtenances, complete in place, the sum of:	EA.	3	\$ 750.00	\$ 2,250.00	\$ 1,000.00	\$ 3,000.00	\$ 1,880.00	\$ 5,640.00
12	8" wet connection, including coupling and appurtenances, complete in place, the sum of:	EA.	2	\$ 1,200.00	\$ 2,400.00	\$ 1,100.00	\$ 2,200.00	\$ 2,640.00	\$ 5,280.00
13	8" x 8" Tapping Sleeve and Valve, complete in place, the sum of:	EA.	1	\$ 4,800.00	\$ 4,800.00	\$ 5,000.00	\$ 5,000.00	\$ 5,200.00	\$ 5,200.00
14	12" x 8" Tapping Sleeve and Valve, complete in place, the sum of:	EA.	1	\$ 5,500.00	\$ 5,500.00	\$ 5,000.00	\$ 5,000.00	\$ 5,400.00	\$ 5,400.00
15	2" cut, plug and abandon existing waterline, complete in place, the sum of:	EA.	3	\$ 350.00	\$ 1,050.00	\$ 300.00	\$ 900.00	\$ 300.00	\$ 900.00
16	6" cut, plug and abandon existing waterline, complete in place, the sum of:	EA.	8	\$ 650.00	\$ 5,200.00	\$ 400.00	\$ 3,200.00	\$ 900.00	\$ 7,200.00
17	8" cut, plug and abandon existing waterline, complete in place, the sum of:	EA.	1	\$ 950.00	\$ 950.00	\$ 500.00	\$ 500.00	\$ 2,100.00	\$ 2,100.00
18	Inlet Protection Barrier, complete in place, the sum of:	EA.	9	\$ 350.00	\$ 3,150.00	\$ 100.00	\$ 900.00	\$ 200.00	\$ 1,800.00
19	Trench Safety System for all water mains, greater than 5-feet deep, complete in place, the sum of:	L.F.	1,000	\$ 2.00	\$ 2,000.00	\$ 0.01	\$ 10.00	\$ 10.00	\$ 10,000.00
20	Miscellaneous allowance, as approved by the city, complete in place, the sum of;	L.S.	1	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
TOTAL WATER LINE REPLACEMENT BID ITEMS:					\$ 346,290.00		\$ 355,210.00		\$ 361,975.00
SUPPLEMENTAL ITEMS									
21	Extra concrete, Complete in Place, the Sum of:	C.Y.	50	\$ 60.00	\$ 3,000.00	\$ 60.00	\$ 3,000.00	\$ 60.00	\$ 3,000.00
22	Installation of new meter box at locations approved by the City, Complete in Place, the Sum of:	EA.	10	\$ 100.00	\$ 1,000.00	\$ 100.00	\$ 1,000.00	\$ 100.00	\$ 1,000.00
23	6-inch Inserta Valve on existing waterline, Complete in Place, the Sum of:	EA.	2	\$ 3,000.00	\$ 6,000.00	\$ 3,000.00	\$ 6,000.00	\$ 3,000.00	\$ 6,000.00
24	8-inch Inserta Valve on existing waterline, Complete in Place, the Sum of:	EA.	2	\$ 3,500.00	\$ 7,000.00	\$ 3,500.00	\$ 7,000.00	\$ 3,500.00	\$ 7,000.00
25	Wet condition bedding, all sizes, all depths, Complete in Place, the Sum of:	L.F.	50	\$ 5.00	\$ 250.00	\$ 5.00	\$ 250.00	\$ 5.00	\$ 250.00
26	Installation and removal of piezometer, complete in place, the sum of:	EA	5	\$ 100.00	\$ 500.00	\$ 100.00	\$ 500.00	\$ 100.00	\$ 500.00
27	Extra cement stabilized sand, complete in place, the sum of:	CY	50	\$ 15.00	\$ 750.00	\$ 15.00	\$ 750.00	\$ 15.00	\$ 750.00
28	Extra 1" copper service tubing, Complete in Place, the Sum of:	L.F.	150	\$ 5.00	\$ 750.00	\$ 5.00	\$ 750.00	\$ 5.00	\$ 750.00
29	Solid sheet shoring ordered left in place for all sizes, Complete in Place, the Sum of:	L.F.	100	\$ 15.00	\$ 1,500.00	\$ 15.00	\$ 1,500.00	\$ 15.00	\$ 1,500.00
30	Well pointing system, all depths, Complete in Place, the Sum of:	L.F.	100	\$ 20.00	\$ 2,000.00	\$ 20.00	\$ 2,000.00	\$ 20.00	\$ 2,000.00
31	Brace, support, and protect utility structures, Complete in Place, the Sum of:	EA.	2	\$ 750.00	\$ 1,500.00	\$ 750.00	\$ 1,500.00	\$ 750.00	\$ 1,500.00
32	Additional Removal and replacement of additional existing asphalt driveway, Complete in Place, the Sum of:	S.Y.	50	\$ 25.00	\$ 1,250.00	\$ 25.00	\$ 1,250.00	\$ 25.00	\$ 1,250.00
33	Additional removal and replacement of existing concrete driveway, Complete in Place, the Sum of:	S.Y.	50	\$ 35.00	\$ 1,750.00	\$ 35.00	\$ 1,750.00	\$ 35.00	\$ 1,750.00
34	Additional removal and replacement of existing curb, Complete in Place, the Sum of:	L.F.	100	\$ 5.00	\$ 500.00	\$ 5.00	\$ 500.00	\$ 5.00	\$ 500.00
TOTAL SUPPLEMENTAL BID ITEMS:					\$ 27,750.00		\$ 27,750.00		\$ 27,750.00
TOTAL BASE BID ITEMS:					\$ 346,290.00		\$ 355,210.00		\$ 361,975.00
TOTAL SUPPLEMENTAL ITEMS:					\$ 27,750.00		\$ 27,750.00		\$ 27,750.00
TOTAL BASE BID & SUPPLEMENTAL ITEMS:					\$ 374,040.00		\$ 382,960.00		\$ 389,725.00

ARKK Job No. 15-011

2015 Water Line Replacement Project

City of Bell

ITEM NO.	ITEM DESCRIPTION	UNIT	QUAN.	RELIANCE CONSTRUCTION		ALCOTT, INC.		VACA UNDERGROUND UTILITIES, INC.		AR TURNKEE CONSTRUCTION, INC.	
BASE BID ITEMS											
1	6" PVC C-900, Class 150 waterline by augered construction, all depths, complete in place, the sum of:	L.F.	410	\$ 75.00	\$ 30,750.00	\$ 46.00	\$ 18,860.00	\$ 41.00	\$ 16,810.00	\$ 65.00	\$ 26,650.00
2	8" PVC C-900, Class 150 waterline by augered construction, all depths, complete in place, the sum of:	L.F.	2,640	\$ 81.75	\$ 215,820.00	\$ 65.00	\$ 171,600.00	\$ 80.00	\$ 211,200.00	\$ 75.00	\$ 198,000.00
3	Removal and replacement of existing concrete sidewalk, Complete in Place, the Sum of;	S.F.	200	\$ 8.00	\$ 1,600.00	\$ 15.00	\$ 3,000.00	\$ 15.00	\$ 3,000.00	\$ 12.00	\$ 2,400.00
4	6" resilient seated gate valve with box, complete in place, the sum of:	EA.	3	\$ 1,087.00	\$ 3,261.00	\$ 1,300.00	\$ 3,900.00	\$ 1,150.00	\$ 3,450.00	\$ 2,000.00	\$ 6,000.00
5	8" resilient seated gate valve with box, complete in place, the sum of:	EA.	4	\$ 1,438.00	\$ 5,752.00	\$ 1,900.00	\$ 7,600.00	\$ 1,500.00	\$ 6,000.00	\$ 2,600.00	\$ 10,400.00
6	Fire hydrant assembly installed on new water main, including gate valve and lead pipe, complete in place, the sum of:	EA.	6	\$ 4,560.00	\$ 27,360.00	\$ 4,000.00	\$ 24,000.00	\$ 4,100.00	\$ 24,600.00	\$ 5,000.00	\$ 30,000.00
7	Remove and Salvage existing fire hydrants, complete in place, the sum of:	EA.	3	\$ 50.00	\$ 150.00	\$ 500.00	\$ 1,500.00	\$ 200.00	\$ 600.00	\$ 500.00	\$ 1,500.00
8	Abandon Valves and Remove and Dispose of Valve Box, complete in place, the sum of:	EA.	3	\$ 25.00	\$ 75.00	\$ 500.00	\$ 1,500.00	\$ 125.00	\$ 375.00	\$ 250.00	\$ 750.00
9	Install short side service, complete in place, the sum of:	EA.	45	\$ 515.00	\$ 23,175.00	\$ 900.00	\$ 40,500.00	\$ 700.00	\$ 31,500.00	\$ 1,100.00	\$ 49,500.00
10	Install long side service, complete in place, the sum of:	EA.	45	\$ 621.00	\$ 27,945.00	\$ 1,500.00	\$ 67,500.00	\$ 1,100.00	\$ 49,500.00	\$ 1,850.00	\$ 83,250.00
11	6" wet connection, including coupling and appurtenances, complete in place, the sum of:	EA.	3	\$ 1,385.00	\$ 4,155.00	\$ 2,200.00	\$ 6,600.00	\$ 1,000.00	\$ 3,000.00	\$ 1,000.00	\$ 3,000.00
12	8" wet connection, including coupling and appurtenances, complete in place, the sum of:	EA.	2	\$ 1,428.00	\$ 2,856.00	\$ 2,800.00	\$ 5,600.00	\$ 1,250.00	\$ 2,500.00	\$ 2,000.00	\$ 4,000.00
13	8" x 8" Tapping Sleeve and Valve, complete in place, the sum of:	EA.	1	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,500.00	\$ 6,500.00	\$ 8,000.00	\$ 8,000.00
14	12" x 8" Tapping Sleeve and Valve, complete in place, the sum of:	EA.	1	\$ 5,400.00	\$ 5,400.00	\$ 6,300.00	\$ 6,300.00	\$ 9,000.00	\$ 9,000.00	\$ 10,500.00	\$ 10,500.00
15	2" cut, plug and abandon existing waterline, complete in place, the sum of:	EA.	3	\$ 1,024.00	\$ 3,072.00	\$ 1,600.00	\$ 4,800.00	\$ 300.00	\$ 900.00	\$ 1,300.00	\$ 3,900.00
16	6" cut, plug and abandon existing waterline, complete in place, the sum of:	EA.	8	\$ 1,385.00	\$ 11,080.00	\$ 1,100.00	\$ 8,800.00	\$ 300.00	\$ 2,400.00	\$ 1,500.00	\$ 12,000.00
17	8" cut, plug and abandon existing waterline, complete in place, the sum of:	EA.	1	\$ 1,428.00	\$ 1,428.00	\$ 1,200.00	\$ 1,200.00	\$ 300.00	\$ 300.00	\$ 6,000.00	\$ 6,000.00
18	Inlet Protection Barrier, complete in place, the sum of:	EA.	9	\$ 200.00	\$ 1,800.00	\$ 50.00	\$ 450.00	\$ 150.00	\$ 1,350.00	\$ 200.00	\$ 1,800.00
19	Trench Safety System for all water mains, greater than 5-feet deep, complete in place, the sum of:	L.F.	1,000	\$ 0.01	\$ 10.00	\$ 1.00	\$ 1,000.00	\$ 0.10	\$ 100.00	\$ 1.00	\$ 1,000.00
20	Miscellaneous allowance, as approved by the city, complete in place, the sum of:	L.S.	1	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
TOTAL WATER LINE REPLACEMENT BID ITEMS:					\$ 386,689.00		\$ 395,710.00		\$ 388,085.00	\$ 1,500.00	\$ 473,650.00
SUPPLEMENTAL ITEMS											
21	Extra concrete, Complete in Place, the Sum of:	C.Y.	50	\$ 60.00	\$ 3,000.00	\$ 60.00	\$ 3,000.00	\$ 150.00	\$ 7,500.00	\$ 60.00	\$ 3,000.00
22	Installation of new meter box at locations approved by the City, Complete in Place, the Sum of:	EA.	10	\$ 100.00	\$ 1,000.00	\$ 100.00	\$ 1,000.00	\$ 250.00	\$ 2,500.00	\$ 100.00	\$ 1,000.00
23	6-inch Inserta Valve on existing waterline, Complete in Place, the Sum of:	EA.	2	\$ 3,000.00	\$ 6,000.00	\$ 3,000.00	\$ 6,000.00	\$ 6,500.00	\$ 13,000.00	\$ 3,000.00	\$ 6,000.00
24	8-inch Inserta Valve on existing waterline, Complete in Place, the Sum of:	EA.	2	\$ 3,500.00	\$ 7,000.00	\$ 3,500.00	\$ 7,000.00	\$ 8,000.00	\$ 16,000.00	\$ 3,500.00	\$ 7,000.00
25	Wet condition bedding, all sizes, all depths, Complete in Place, the Sum of:	L.F.	50	\$ 5.00	\$ 250.00	\$ 5.00	\$ 250.00	\$ 5.00	\$ 250.00	\$ 5.00	\$ 250.00
26	Installation and removal of piezometer, complete in place, the sum of:	EA	5	\$ 100.00	\$ 500.00	\$ 100.00	\$ 500.00	\$ 100.00	\$ 500.00	\$ 100.00	\$ 500.00
27	Extra cement stabilized sand, complete in place, the sum of:	CY	50	\$ 15.00	\$ 750.00	\$ 15.00	\$ 750.00	\$ 15.00	\$ 750.00	\$ 15.00	\$ 750.00
28	Extra 1" copper service tubing, Complete in Place, the Sum of:	L.F.	150	\$ 5.00	\$ 750.00	\$ 5.00	\$ 750.00	\$ 5.00	\$ 750.00	\$ 5.00	\$ 750.00
29	Solid sheet shoring ordered left in place for all sizes, Complete in Place, the Sum of:	L.F.	100	\$ 15.00	\$ 1,500.00	\$ 15.00	\$ 1,500.00	\$ 15.00	\$ 1,500.00	\$ 15.00	\$ 1,500.00
30	Well pointing system, all depths, Complete in Place, the Sum of:	L.F.	100	\$ 20.00	\$ 2,000.00	\$ 20.00	\$ 2,000.00	\$ 20.00	\$ 2,000.00	\$ 20.00	\$ 2,000.00
31	Brace, support, and protect utility structures, Complete in Place, the Sum of:	EA.	2	\$ 750.00	\$ 1,500.00	\$ 750.00	\$ 1,500.00	\$ 750.00	\$ 1,500.00	\$ 750.00	\$ 1,500.00
32	Additional Removal and replacement of additional existing asphalt driveway, Complete in Place, the Sum of:	S.Y.	50	\$ 25.00	\$ 1,250.00	\$ 25.00	\$ 1,250.00	\$ 70.00	\$ 3,500.00	\$ 25.00	\$ 1,250.00
33	Additional removal and replacement of existing concrete driveway, Complete in Place, the Sum of:	S.Y.	50	\$ 35.00	\$ 1,750.00	\$ 35.00	\$ 1,750.00	\$ 90.00	\$ 4,500.00	\$ 35.00	\$ 1,750.00
34	Additional removal and replacement of existing curb, Complete in Place, the Sum of:	L.F.	100	\$ 5.00	\$ 500.00	\$ 5.00	\$ 500.00	\$ 6.00	\$ 600.00	\$ 5.00	\$ 500.00
TOTAL SUPPLEMENTAL BID ITEMS:					\$ 27,750.00		\$ 27,750.00		\$ 54,850.00		\$ 27,750.00
TOTAL BASE BID ITEMS:					\$ 386,689.00		\$ 395,710.00		\$ 388,085.00		\$ 473,650.00
TOTAL SUPPLEMENTAL ITEMS:					\$ 27,750.00		\$ 27,750.00		\$ 54,850.00		\$ 27,750.00
TOTAL BASE BID & SUPPLEMENTAL ITEMS:					\$ 414,439.00		\$ 423,460.00		\$ 442,935.00		\$ 501,400.00

BID PROPOSAL

City of Bellaire
2015 Water Line Replacement Project

BID PROPOSAL
BID FOR UNIT PRICE CONTRACT

PLACE: Bellaire, Texas

DATE: July 14, 2015

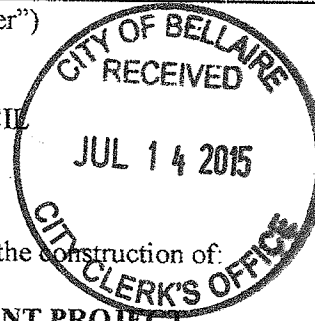
PROJECT NO. AARK Job No. 15-011

Proposal of

A Absolute Plumbing Inc.

(Hereinafter called "Bidder")

TO: THE HONORABLE MAYOR AND CITY COUNCIL
 CITY OF BELLAIRE, TEXAS
 (Hereinafter called "Owner")



The Bidder, in compliance with your invitation for bids for the construction of:

2015 WATER LINE REPLACEMENT PROJECT

having carefully examined the plans, specifications, instructions to bidders, notice to bidders and all other related contract documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project including the availability of materials and labor, hereby proposes to furnish all labor, materials and supplies and to construct the project in accordance with the plans, specifications and contract documents, within the time set forth therein and at the prices stated in Exhibit "A" attached hereto.

The Bidder binds himself, upon acceptance of his proposal, to execute a contract and any required bonds, according to the accompanying forms, for performing and completing the said work within the time stated and for the prices stated in Exhibit "A" of this proposal.

Bidder hereby agrees to commence the work on the above project on or before a date to be specified in a written "Notice to Proceed" of the Owner and to fully complete the project within **120 consecutive calendar** days thereafter as stipulated in the specifications and other contract documents. Bidder hereby further agrees to pay to Owner as liquidated damages the sum of **\$500.00** for each consecutive calendar day in excess of the time set forth hereinabove for completion of this project, all as more fully set forth in the General Conditions of the contract documents.

The following unit prices are bid and shall be complete compensation as measured in place for all materials, labor, overhead, profits and any other cost that is necessary to complete the job to the Engineers specifications and satisfaction. It is also understood that the quantities shown are only an estimate of the work to be done. No re-negotiation of prices bid will be made for over runs or under runs of quantities.

City of Bellaire
2015 Water Line Replacement Project

Bidder understands and agrees that this bid proposal shall be completed and submitted in accordance with the General Instructions to Bidders.

Bidder understands that the Owner reserves the right to reject any or all bids, use deductible bid items and to waive any formality in the bidding.

Bidder agrees that this bid shall be good and may not be withdrawn for a period of ninety (90) calendar days after the scheduled closing time for receiving bids.

Bidder acknowledges receipt of the following addenda:

The undersigned Bidder hereby declares that he has visited the site of the work and has carefully examined the plans, specifications and contract documents pertaining to the work covered by this bid, and he further agrees to commence work on or before the date specified in the written notice to proceed and to substantially complete the work on which he has bid, as provided in the contract documents.

Enclosed with this proposal is a cashier's check or certified check for _____ Dollars (\$ _____) or a bid bond in the sum of Ten Percent of Amount Bid (\$ 10%) as which it is agreed shall be collected and retained by the Owner as liquidated damages in the event the proposal is accepted by the Owner and the undersigned fails to execute the necessary contract documents and the required bonds (if any) with the Owner within ten (10) days after the date of receipt of written notification of acceptance of said proposal; otherwise said check or bond shall be returned to the undersigned upon demand.

Discrepancies in the multiplication of units of Work and unit prices will be resolved in favor of unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum.

The unit prices shall include all labor, materials, dewatering, shoring, removal, overhead, incidental costs, fees, profit, insurance, etc., to cover the finished work of the several kinds called for.

City of Bellaire
2015 Water Line Replacement Project

Bidder understands and agrees that the contract to be executed by Bidder shall be bound and include all contract documents made available to him for his inspection in accordance with the Notice to Bidders.

A Absolute Plumbing Inc.

Bidder

By: 
 Signature

Type or Print:

Bidder's

Name: Monique Gordin

(If Bidder is a Corporation)


Bidder's

Address: A Absolute Plumbing Inc.

16195 S Hwy 288B

Angleton Texas 77515

Attest:


 Secretary

(Corporate Seal)

Name of

Person Signing: Monique Gordin

Office Held: President

City of Bellaire
2015 Water Line Replacement Project
 Exhibit "A"
BID PROPOSAL

Item No.	Item Description	Unit	Est. Quan.	Unit Price	Total Amount
BASE BID ITEMS					
1	6" PVC C-900, Class 150 waterline by augered construction, all depths, complete in place, the sum of:	L.F.	410	\$ 60.00	\$ 24,600.00
2	8" PVC C-900, Class 150 waterline by augered construction, all depths, complete in place, the sum of:	L.F.	2640	\$ 70.00	\$ 184,800.00
3	Removal and replacement of existing concrete sidewalk, Complete in Place, the Sum of:	S.F.	200	\$ 6.00	\$ 1,200.00
4	6" resilient seated gate valve with box, complete in place, the sum of:	EA.	3	\$ 1,000.00	\$ 3,000.00
5	8" resilient seated gate valve with box, complete in place, the sum of:	EA.	4	\$ 1,200.00	\$ 4,800.00
6	Fire hydrant assembly installed on new water main, including gate valve and lead pipe, complete in place, the sum of:	EA.	6	\$ 4,500.00	\$ 27,000.00
7	Remove and Salvage existing fire hydrants, complete in place, the sum of:	EA.	3	\$ 500.00	\$ 1,500.00
8	Abandon Valves and Remove and Dispose of Valve Box, complete in place, the sum of:	EA.	3	\$ 200.00	\$ 600.00
9	Install short side service, complete in place, the sum of:	EA.	45	\$ 700.00	\$ 31,500.00
10	Install long side service, complete in place, the sum of:	EA.	45	\$ 900.00	\$ 40,500.00
11	6" wet connection, including coupling and appurtenances, complete in place, the sum of:	EA.	3	\$ 1,000.00	\$ 3,000.00
12	8" wet connection, including coupling and appurtenances, complete in place, the sum of:	EA.	2	\$ 1,100.00	\$ 2,200.00
13	8" x 8" Tapping Sleeve and Valve, complete in place, the sum of:	EA.	1	\$ 5,000.00	\$ 5,000.00
14	12" x 8" Tapping Sleeve and Valve, complete in place, the sum of:	EA.	1	\$ 5,000.00	\$ 5,000.00
15	2" cut, plug and abandon existing waterline, complete in place, the sum of:	EA.	3	\$ 300.00	\$ 900.00
16	6" cut, plug and abandon existing waterline, complete in place, the sum of:	EA.	8	\$ 400.00	\$ 3,200.00
17	8" cut, plug and abandon existing waterline, complete in place, the sum of:	EA.	1	\$ 500.00	\$ 500.00
18	Inlet Protection Barrier, complete in place, the sum of:	EA.	9	\$ 100.00	\$ 900.00
19	Trench Safety System for all water mains, greater than 5-feet deep, complete in place, the sum of:	L.F.	1000	\$.01	\$ 10.00
20	Miscellaneous allowance, as approved by the city, complete in place, the sum of:	L.S.	1	\$ 15,000.00	\$ 15,000.00

TOTAL BASE BID ITEMS:

\$ 355,210.00

City of Bellaire
2015 Water Line Replacement Project
 Exhibit "A"
BID PROPOSAL

Item No.	Item Description	Unit	Est. Quan.	Unit Price	Total Amount
SUPPLEMENTAL ITEMS					
21	Extra concrete, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	C.Y.	50	\$ <u>60.00</u> (\$60.00)*	\$ <u>3,000.00</u>
22	Installation of new meter box at locations approved by the City, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	EA.	10	\$ <u>100.00</u> (\$100.00)*	\$ <u>1,000.00</u>
23	6-inch Inserta Valve on existing waterline, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	EA.	2	\$ <u>3,000.00</u> (\$3,000.00)*	\$ <u>6,000.00</u>
24	8-inch Inserta Valve on existing waterline, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	EA.	2	\$ <u>3,500.</u> (\$3,500.00)*	\$ <u>7,000.00</u>
25	Wet condition bedding, all sizes, all depths, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	L.F.	50	\$ <u>5.00</u> (\$5.00)*	\$ <u>250.00</u>
26	Installation and removal of piezometer, complete in place, the sum of: <i>* Denotes minimum bid unit price</i>	EA	5	\$ <u>100.00</u> (\$100.00)*	\$ <u>500.00</u>
27	Extra cement stabilized sand, complete in place, the sum of: <i>* Denotes minimum bid unit price</i>	CY	50	\$ <u>15.00</u> (\$15.00)*	\$ <u>750.00</u>
28	Extra 1" copper service tubing, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	L.F.	150	\$ <u>5.00</u> (\$5.00)*	\$ <u>750.00</u>
29	Solid sheet shoring ordered left in place for all sizes, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	L.F.	100	\$ <u>15.00</u> (\$15.00)*	\$ <u>1,500.00</u>
30	Well pointing system, all depths, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	L.F.	100	\$ <u>20.00</u> (\$20.00)*	\$ <u>2,000.00</u>
31	Brace, support, and protect utility structures, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	EA.	2	\$ <u>750.00</u> (\$750.00)*	\$ <u>1,500.00</u>
32	Additional Removal and replacement of additional existing asphalt driveway, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	S.Y.	50	\$ <u>25.00</u> (\$25.00)*	\$ <u>1,250.00</u>
33	Additional removal and replacement of existing concrete driveway, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	S.Y.	50	\$ <u>35.00</u> (\$35.00)*	\$ <u>1,750.00</u>
34	Additional removal and replacement of existing curb, Complete in Place, the Sum of: <i>* Denotes minimum bid unit price</i>	L.F.	100	\$ <u>5.00</u> (\$5.00)*	\$ <u>500.00</u>

TOTAL SUPPLEMENTAL ITEMS:

\$ 27,750.00

TOTAL AMOUNT BID(BASE BID + SUPPLEMENTAL ITEMS):

\$ 382,960.00

A Absolute Plumbing, Inc.

16195 S Hwy 288B Angleton Texas 77515

Phone: 713-236-0600 Fax: 713-456-2658

Please let us take this opportunity to introduce our firm, A ABSOLUTE PLUMBING, INC. Having been in the industry for many years, we see a need for a plumbing utility company that can perform work timely, with quality, work with Municipalities, General Contractors, Developers and Owner as well as Sub-contractors. Our intent is to have satisfied customers with continued relationships and a reputation that will surpass any competitors in our industry. We are a privately owned company with the capability to respond to immediate requests.

Principals:

Joe W. Gordin Jr. Vice President

Monique Gordin President

Together we have compiled 42 years of uninterrupted experience in the plumbing and utility industry. Experiences included but not limited to the following:

- Underground Utilities
- Site Utilities
- Business practices
- Supervisory responsibilities
- Leadership skills
- Estimating
- Cost analysis
- Engineering analysis
- Design criteria
- Crisis management situations
- Organized skills
- Construction management

PROJECTS COMPLETED OR UNDERWAY BY A ABSOLUTE PLUMBING, INC.

Academy at Beaumont Texas	IPS
Academy at Pearland Texas	IPS Restroom
Academy at Webster Texas	Kingdom Builders
Academy at West Oaks Texas	Kroger
Alden Bridge Square	La Cantera
Amegy Bank	La Porte ISD
Arizona Tile	Labatt
Axiom Pad 12	Lake Jackson Commons
Axiom Retail 1C	LAM Construction Lease Space



A Absolute Plumbing, Inc.

Barker Crossing	Lee College
Bellaire Plaza	Lee College Center
Brazoria Town Center	Legend Storage
Bridgestone Municipal Utilities	Lockwood Retail
Bubba Head Scuba	Lowes
Buffalo Wild Wings	Mason Creek
Bueso Medical Office	Ninfa's
CBS Outdoor	Oak Park WYAK
Capital One Bank Studemont	Panda Express
Cinemark Movie Theater	Pearland ISD
City Center Building 9	Pine Croft
City of Alvin	Plaza at Spring Green
City of Angleton	Price Plaza
City of Brazoria	Project Mesa
City of Clute	Raffa Restaurant
City of Dawson	Region IV
City of Galena Park	Region IV Education Center
City of Jacinto City	Royal Oaks Bank
City of Texas City	Rue 21
Clear Creek ISD	Sammys Sports Grill
Clements School	Satsuma
Clute City Hall	Schlumberger North Campus
Cyprsss Town Center:Tellepsen	Serento Condos
Dollar Tree Buildout	Shadow Creek
East Early College HS	Shell Gas Station
Empire Lofts	Sienna Ranch
Epic Energy	South Cross
Fall Creek Center	Taco Miagro
Fort Bend ISD	Tewantin
Frontier Logistics	Texas Instruments
Groendyke	Tomball Marketplace
Harris County Dept of Education	Tyson Foods
Harris County MUD 509	Veteran's Memorial Pressbox
Houston Executive Airport	West Houston Business Park
Houston National Golf Course	Westbridge II
Hunting Energy	Westhiemer Towne Center
Kirby Grove	Willowbrook Pavilions
ZT Business Center One	



A Absolute Plumbing, Inc.

We have a full complement of material suppliers and equipment vendors:

ACT Pipe and Supply	Ahern Equipment Rentals
Alamo Fence	Aquavault
Bee Sand	Briggs Equipment Rental
Cherry Crushed Concrete	City Wide Equipment Rental
D&D Supply	Delta T
Efficiency Shoring	Ferguson Enterprises
General Insulation Company	Harris County Rentals
Hertz Equipment Rentals	Lehigh Hanson
Morrison Supply	NES Rentals
NTS Mikedon	Park Environmentals
Porter Stabilized Materials	Sunbelt Rentals
United Tool and Fastener	

Credentials:

- M-37900 Plumbing Licenses with Medical Gas Endorsement & Texas RME
- Underground License (Fire Line)
- City of Taps and Meters-TS and VS
- Class room trainging
- College credited course
- Trench safety course
- Written safety program

Manpower:

Additional experienced manpower available to meet scheduled completion requirements.

Goal:

Our goal is to provide our clients a professional job at competitive prices with excellent service.

For your consideration

Sincerely,

Joe Gordin

cell: 832-771-8449

Email: joe@aaptxinc.com

Monique Gordin

cell: 979-201-1349

Email: monique@aaptxinc.com

16195 South Hwy 288 B

Angleton, Texas 77515

713.236.0600

713.456.2658 fax

A Absolute Plumbing, Inc.

Completed Projects

City of Angleton
Campus Drive Force Main
Project #HDR Job #13-24 \$169,532.50
HDR Engineering
4635 Southwest Freeway, Ste. 1000
Houston Texas 77027
713-622-9264
John Peterson P.E. - Project Manager

City of Texas
Water Line Replacement Project - Phase 12
ARKK Job No. 12-022 \$769,090.00
ARKK Engineers, LLC
7322 Southwest Freeway, Ste. 1040
Houston Texas 77074
713-400-2755
Jose Velasquez - Project Manager

Bridgestone Municipal Utility District
Construction of Kreinhop Waterline Extension \$165,132.85
Jones and Carter, Inc.
8701 New Trails Drive, Ste. 200
The Woodlands Texas 77381
281-363-4039
Johnathan White - Project Manager

A Absolute Plumbing, Inc.

Completed Projects

Harris County MUD No. 509
Riverstone Ranch 360 Force Main \$204,038.50
LJA Engineering, Inc.
2929 Briarpark Drive, Ste 600
Houston Texas 77042-3703
713-953-5159
Chance Vinklarek - Project Manager

Name of Project: Mason Creek Office Center II
Amount of contract: \$180,000.00
Burton Construction
10550 Westpark Drive
Houston Texas 77042
Mike Murphy - Project Manager
281-313-5055

A Absolute Plumbing, Inc.

Name of Project: Brinks 220 Farris St. Houston, Texas 77054
 Time frame of your portion of work: 8 Months Utilities
 Size of the project: 8" Main Extension & Underground
 Amount of Subcontract: 327,625.00
 Landon Ehlinger- 281-389-2784, Burton Construction

Name of Project: Hanover West University
 Time frame of your portion of work: 5 Months
 Size of the project: Boring, Utilities
 Amount of Subcontract: 368,256.73
 Hanover R.S. L.P.- Robert Nichols -832-649-9684

Name of Project: Toby Keith's
 Time frame of your portion of work: 3 Months
 Size of the project: Water Meter, Sanitary Sewer, add Manhole
 Amount of Subcontract: 80,024.00
 Hunter Landers- 281-914-1482. US Builders

Name of Project: CLA Humble
 Time frame of you portion of work:
 Size of the project: 6" Fire Line 2600 FT., Plumbing
 Amount of Project: 350,800.00
 TRS Construction- Donnie Cramer donnie@trsconstruction.com

Name of project: Cookiebaker
 Time frame of work : 1yr Plumbing, Utilities
 Amount of Subcontract : 950,000.00
 Burton Construction – Landon Ehlinger- lehlinger@burtonconstruction.com

Name of Project: Schlumberger SCMF
 14910 Airline Road County Rd52 Rosharon, Texas 77583
 Time frame of work: 12 Months
 Amount of subcontract: 633,285.00
 Cullen Burton Cburton@burtonconstruction.com

Joe Gordin – 832-771-8449
 Bill Wells - 832-922-1717

16195 South Hwy 288 B

Angleton, Texas 77515

713.236.0600

713.456.2658 fax

GALVANA

A Absolute Plumbing, Inc.

Completed Projects

City of Clute 2nd & 3rd St. Waterline Improvements 165,389.00
 HUD #B-11- UC-480005
 KSA Engineers, Inc.
 816 Park Two Drive
 Sugar Land, Texas 77478
 281-494-3252
 Philip Huseman P.E. - Project Manager phuseman@ksaeng.com

Spring Creek Utility District 333,492.00
 12" Waterline Along Birnham Woods Dr.
 A&S Engineers, Inc.
 10377 Stella Link Dr.
 Houston, Texas 77025
 713-942-2700
 Justin H Edwards, P.E. - Project Manager jhe@as-engineers.com

City of Dawson -2012 TCDP Grant No. 712080 185,177.59
 2012 TCDP Water System Improvements
 KSA Engineers
 107 West Lufkin, Texas 75904
 936-637-6061
 Robert Thurber P.E. - Project Manager bthuber@ksaeng.com

City of Jacinto City Water System Improvements 2012 641,071.85
 LJA Project No. E086-0450
 LJA Engineering, Inc.
 11821 East Freeway, Suite 400
 Houston, Texas 77029
 713-450-1300
 phodges@ljaengineering.com

LES DOTSON
281-627-2633

A Absolute Plumbing, Inc.

Projects in Progress

✓ Kirby Grove Mixed Use Building

Contract amount: \$1,458,891.00

Type of work: utilities

Percent completed: 80%

Contractor: Burton Construction

10550 Westpark Drive

Houston Texas 77042

Cullen Burton - Project Manager

281-313-5055

Not Available

Hunting Energy Services Pipe Threading Facility

Contract amount: \$1,108,083.00

Percent complete: 90%

Type of work: utilities

Contractor: Burton Construction

10550 Westpark Drive

Houston Texas 77042

Chris Heath - Project Manager

281-313-5055

City of Galena Park

Water Line Rehabilitation Phase 1

LJA Project No. E144-0360

Percent completed: 85%

Contractor: LJA Engineering, Inc.

11821 East Freeway, Ste. 400

Houston Texas 77029

Les Dodson - Project Manager

713-450-1300

A Absolute Plumbing, Inc.

Woodshore Marketplace Shopping Center

Contract amount: \$750,000.00

Type of work: site utilities

Percent completed: 42%

Contractor: Lagrone Services, LTD

10204 Fairbanks N. Houston Road

Houston, Texas 77064

Michael D. Mora

281-444-9275

BID BOND

THE AMERICAN INSTITUTE OF ARCHITECTS

AIA Document A310 Bid Bond

KNOW ALL MEN BY THESE PRESENTS, THAT WE A Absolute Plumbing, Inc.

16195 S. Hwy 288B, Angleton, TX 77515

as Principal, hereinafter called the Principal, and International Fidelity Insurance Company

10077 Grogans Mill Road, Suite 260, The Woodlands, TX 77380

a corporation duly organized under the laws of the State of New Jersey

as Surety, hereinafter called the Surety, are held and firmly bound unto City of Bellaire

as Obligee, hereinafter called the Obligee, in the sum of Ten Percent of Amount Bid

Dollars (\$ 10%)),

for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for 2015 Water Line Replacement Project for City of Bellaire, ARKK Job

No. 15-011

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and materials furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this 14th day of July, 2015

A Absolute Plumbing, Inc.

(Principal)

(Seal)

By:

Vice President

(Title)

(Witness)

International Fidelity Insurance Company

(Surety)

(Seal)

By:

Attorney-in-Fact

Jillian McKenzie

(Title)

Rebecca Garza

(Witness)



POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR
NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That **INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

Jillian McKenzie as attorney-in-fact to execute the following bond:

Surety Bond Number: Bid Bond

Principal: A Absolute Plumbing, Inc.

Obligee: City of Bellaire

and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **INTERNATIONAL FIDELITY INSURANCE COMPANY**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of **INTERNATIONAL FIDELITY INSURANCE COMPANY** at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,
- (2) To remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



IN TESTIMONY WHEREOF, **INTERNATIONAL FIDELITY INSURANCE COMPANY** has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 12th day of March, 2012.

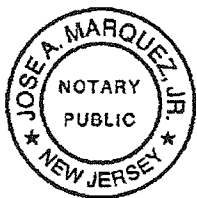
INTERNATIONAL FIDELITY INSURANCE

COMPANY
STATE OF NEW JERSEY
County of Essex

Robert W. Minster, Executive Vice-President

On this 12th day of March, 2012., before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said the he is the therein described and authorized officer of the **INTERNATIONAL FIDELITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal,
at the City of Newark, New Jersey the day and year first above written.



A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 2015

CERTIFICATION

I, the undersigned officer of **INTERNATIONAL FIDELITY INSURANCE COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the **ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY**, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect

IN TESTIMONY WHEREOF, I have hereunto set my hand this 14th day of July, 2015

Assistant Secretary

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call International Fidelity Insurance Company's toll-free telephone number for information or to make a complaint at:

1-800-333-4167

You may also write to International Fidelity Insurance Company at:

Attn: Claims Department
One Newark Center, 20th Floor
Newark, NJ 07102

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

P. O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-mail: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact the agent or the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR BOND:

This notice is for information only and does not become a part or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de International Fidelity Insurance Company's para informacion o para someter una queja al:

1-800-333-4167

Usted tambien puede escribir a International Fidelity Insurance Company:

Attn: Claims Department
One Newark Center, 20th Floor
Newark, NJ 07102

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

P. O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-mail: ConsumerProtection@tdi.state.tx.us

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el agente o la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU FIANZA DE GARANTIA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

REFERENCE SHEETS

REFERENCE: HDR, Inc.
TELEPHONE NO.: 713-622-9264
CONTACT: John Peterson
PROJECT: City of Angleton - 2014 Water Improvements Project

QUESTIONS

1. How did A Absolute Plumbing perform on the project? (On a scale of 1-10)

ANSWER: 8

2. Were you satisfied with their performance?

ANSWER: Y

3. How would you rate the quality of their work? (On a scale of 1-10)

ANSWER: 8

4. How would you rate their ability to coordinate the work with neighboring property owners?
(Scale of 1-10)

ANSWER: 8

5. Did they have any problems with the job? If so, what was the nature of the problem?

ANSWER: None

6. Were there many change orders on the project? If so, what were the reasons? Were they reasonable?

ANSWER: 1 yes reasonable tied into an additional tie-in.

7. Were they able to complete the project within the time allotted? If not, what was the reason?

ANSWER: Yes

8. How would you rate their ability to cooperate with a client? (On a scale of 1-10)

ANSWER: 8

9. Would you like to have them perform a job for you again?

ANSWER: Yes

10. Do you see them capable of performing larger projects?

ANSWER: Yes

REFERENCE: LJA Engineering, Inc.
TELEPHONE NO.: 713-450-1300
CONTACT: Les Dodson
PROJECT: City of Galena Park – Water Line Rehabilitation Phase 1

QUESTIONS

1. How did A Absolute Plumbing perform on the project? (On a scale of 1-10)

ANSWER: 8

2. Were you satisfied with their performance?

ANSWER: YES

3. How would you rate the quality of their work? (On a scale of 1-10)

ANSWER: 8

4. How would you rate their ability to coordinate the work with neighboring property owners?
(Scale of 1-10)

ANSWER: 8

5. Did they have any problems with the job? If so, what was the nature of the problem?

ANSWER: Residents Car underside damaged contractor replaced it immediately.

6. Were there many change orders on the project? If so, what were the reasons? Were they reasonable?

ANSWER: Yes, City initiated.

7. Were they able to complete the project within the time allotted? If not, what was the reason?

ANSWER: Still under construction 80% complete

8. How would you rate their ability to cooperate with a client? (On a scale of 1-10)

ANSWER: 9

9. Would you like to have them perform a job for you again?

ANSWER: YES

10. Do you see them capable of performing larger projects?

ANSWER: YES

REFERENCE: LJA Engineering, Inc.
TELEPHONE NO.: 713-450-1300
CONTACT: Les Dodson
PROJECT: City of Jacinto City – City Water System Improvements 2012

QUESTIONS

1. How did A Absolute Plumbing perform on the project? (On a scale of 1-10)

ANSWER: 8

2. Were you satisfied with their performance?

ANSWER: YES

3. How would you rate the quality of their work? (On a scale of 1-10)

ANSWER: 8

4. How would you rate their ability to coordinate the work with neighboring property owners?
(Scale of 1-10)

ANSWER: 8

5. Did they have any problems with the job? If so, what was the nature of the problem?

ANSWER: None

6. Were there many change orders on the project? If so, what were the reasons? Were they reasonable?

ANSWER: 2 Change Orders for time extensions and 1 at the end for quantities adjustment. No additional cost to the project.

7. Were they able to complete the project within the time allotted? If not, what was the reason?

ANSWER: YES

8. How would you rate their ability to cooperate with a client? (On a scale of 1-10)

ANSWER: 10

9. Would you like to have them perform a job for you again?

ANSWER: YES

10. Do you see them capable of performing larger projects?

ANSWER: YES

REFERENCE: Lagrone Services, LTD
 TELEPHONE NO.: 281-444-9275
 CONTACT: Michael D. Mora
 PROJECT: Woodshore Marketplace Shopping Center

QUESTIONS

1. How did A Absolute Plumbing perform on the project? (On a scale of 1-10)

ANSWER: 6-7 March 2015, 2 June 2015

2. Were you satisfied with their performance?

ANSWER: Initially satisfied with the overall performance, but currently not satisfied.

3. How would you rate the quality of their work? (On a scale of 1-10)

ANSWER: 6-7 Average quality of work

4. How would you rate their ability to coordinate the work with neighboring property owners? (Scale of 1-10)

ANSWER: Not relevant for the current project.

5. Did they have any problems with the job? If so, what was the nature of the problem?

ANSWER: Handle paperwork slowly, pay applications must be prepared for them, not all submittals were received.

6. Were there many change orders on the project? If so, what were the reasons? Were they reasonable?

ANSWER: No change orders to date but change orders for additional time are expected in the future due to excessive ground water in the project area.

7. Were they able to complete the project within the time allotted? If not, what was the reason?

ANSWER: Project has been on schedule until heavy rainfall and heavy groundwater in the month of June 2015. Expecting a 50% increase of project time.

8. How would you rate their ability to cooperate with a client? (On a scale of 1-10)

ANSWER: 7 early in the project, but the ability to cooperate has decreased due to change in ground conditions

9. Would you like to have them perform a job for you again?

ANSWER: NO

10. Do you see them capable of performing larger projects?

ANSWER: YES

REFERENCE: Burton Construction
TELEPHONE NO.: 281-313-5055
CONTACT: Cullen Burton
PROJECT: Kirby Grove Mixed Use Building

QUESTIONS

1. How did A Absolute perform on the project? (On a scale of 1-10)

ANSWER: 7-8

2. Were you satisfied with their performance?

ANSWER: YES, they are doing a good job.

3. How would you rate the quality of their work? (On a scale of 1-10)

ANSWER: 7-8, Average quality of work

4. How would you rate their ability to coordinate the work with neighboring property owners? (Scale of 1-10)

ANSWER: Very diligent and easy to work with in terms of local residents.

5. Did they have any problems with the job? If so, what was the nature of the problem?

ANSWER: No problems with A Absolute

6. Were there many change orders on the project? If so, what were the reasons? Were they reasonable?

ANSWER: No change orders induces by A Absolute

7. Were they able to complete the project within the time allotted? If not, what was the reason?

ANSWER: Project still in progress and is currently on schedule to complete in the time allotted.

8. How would you rate their ability to cooperate with a client? (On a scale of 1-10)

ANSWER: 9, They are very easy to work with.

9. Would you like to have them perform a job for you again?

ANSWER: YES

10. Do you see them capable of performing larger projects?

ANSWER: YES



ORDINANCE NO. 15-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, AUTHORIZING THE CITY MANAGER AND THE CITY CLERK OF THE CITY OF BELLAIRE, TEXAS, TO EXECUTE AND ATTEST, RESPECTIVELY, FOR AND ON BEHALF OF THE CITY OF BELLAIRE, TEXAS, A *STANDARD FORM OF AGREEMENT* WITH A ABSOLUTE PLUMBING, INC., IN A FORM AS ATTACHED HERETO AND MARKED EXHIBIT "A," FOR THE 2015 WATER LINE REPLACEMENT PROJECT (BID NO. 15-005) CONSISTING OF THE REPLACEMENT OF 3,050 LINEAR FEET OF 6-INCH THROUGH 8-INCH WATER LINES ALONG THE 4500-4600 BLOCKS OF OAKDALE STREET AND THE 5300 BLOCK OF PATRICK HENRY STREET, AS WELL AS SERVICE LINE REPLACEMENTS, INSTALLATION OF NEW FIRE HYDRANTS, AND VALVES AND ASSOCIATED APPURTENANCES, SAID PROJECT IN AN AMOUNT NOT TO EXCEED \$382,960.00.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS:

THAT the City Manager and the City Clerk of the City of Bellaire, Texas, are each hereby authorized to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a *Standard Form of Agreement* with A Absolute Plumbing, Inc., in a form as attached hereto and marked Exhibit "A," for the 2015 Water Line Replacement Project (Bid No. 15-005) consisting of the replacement of 3,050 linear feet of 6-inch through 8-inch water lines along the 4500-4600 blocks of Oakdale Street and the 5300 block of Patrick Henry Street, as well as service line replacements, installation of new fire hydrants, and valves and associate appurtenances, said project in an amount not to exceed \$382,960.00.

PASSED, APPROVED, and ADOPTED this, the 17th day of August, 2015.

(SEAL)

ATTEST:

SIGNED:

Tracy L. Dutton, TRMC
City Clerk

Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Alan P. Petrov
City Attorney

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 08/17/15 06:00 PM
Department: City Clerk
Category: Ordinance
Department Head: Tracy L. Dutton
DOC ID: 1509

SCHEDULED**ACTION ITEM (ID # 1509)**

Item Title:

Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, calling a general election within the City of Bellaire, Texas, for the purpose of electing a Mayor, Councilman - Position No. 2, Councilman - Position No. 4, and Councilman - Position No. 6 for the City Council; establishing the date of the general election on the uniform election date designated by the State of Texas as the first Tuesday after the first Monday in November or November 3, 2015; establishing election precincts, polling places, and appointing election officials; and setting forth certain guidelines - Requested by Tracy L. Dutton, City Clerk.

Background/Summary:

Pursuant to the *Charter of the City of Bellaire, Texas*, as amended November 7, 2006, *Article II, The Council, Section 1, Elections, Subsection (e), Election Dates*, the City of Bellaire, Texas, is authorized to conduct its general election on the uniform election date designated by the State of Texas as the first Tuesday after the first Monday in November in odd-numbered years. This year, the uniform election date will fall on Tuesday, November 3, 2015.

An ordinance has been prepared calling a general election within the City of Bellaire, Texas, for the purpose of electing a Mayor and City Councilmen - Position Nos. 2, 4, and 6, as well as establishing election precincts, polling places, and appointing election officials; and setting forth certain guidelines.

The City Clerk's Office has notified the Harris County Clerk's Office (Honorable Stan Stanart) and the Harris County Tax Assessor-Collector Voter Registrar's Office (Honorable Mike Sullivan) of the City's intent to participate in a Joint Election with Harris County, Texas, on Tuesday, November 3, 2015, for the City's general election and the City's previously called special election to fill a vacancy in the office of Councilman - Position No. 5.

Previous Council Action Summary:

N/A

Fiscal Impact:

Funds have been budgeted for costs associated with the general election (i.e., candidate materials, language translation costs, legal costs, and costs associated with a joint election contract). A deposit will be due this fiscal year payable to Harris County, Texas; however, the amount of the deposit is not known at this time.

Recommendation:

The City Clerk recommends approval and adoption of the ordinance presented to the Bellaire City Council calling a general election to elect a Mayor and Councilmen - Position Nos. 2, 4, and 6, on Tuesday, November 3, 2015.

Action Item (ID # 1509)

Meeting of August 17, 2015

ATTACHMENTS:

- Calling General Election - November 3, 2015 (DOC)
- Letter of Notification to Participate in Joint Election with Harris County (PDF)



ORDINANCE NO. 15-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, CALLING A GENERAL ELECTION WITHIN THE CITY OF BELLAIRE, TEXAS, FOR THE PURPOSE OF ELECTING A MAYOR, COUNCILMAN – POSITION NO. 2, COUNCILMAN – POSITION NO. 4, AND COUNCILMAN – POSITION NO. 6 FOR THE CITY COUNCIL; ESTABLISHING THE DATE OF THE GENERAL ELECTION ON THE UNIFORM ELECTION DATE DESIGNATED BY THE STATE OF TEXAS AS THE FIRST TUESDAY AFTER THE FIRST MONDAY IN NOVEMBER OR NOVEMBER 3, 2015; ESTABLISHING ELECTION PRECINCTS, POLLING PLACES, AND APPOINTING ELECTION OFFICIALS; AND SETTING FORTH CERTAIN GUIDELINES.

WHEREAS, pursuant to *Chapter 3, Ordering Election, Section 3.004(a)(2), Election of Political Subdivision*, of the *Texas Election Code*, the Mayor of the City of Bellaire, Texas, is authorized to order an election for the general election of City officers; and

WHEREAS, the current term of office for the Mayor of the City of Bellaire, Texas, shall expire on January 4, 2016; and

WHEREAS, the current terms of office for the City Councilmen – Position Nos. 2, 4, and 6 of the City of Bellaire, Texas, shall each expire on January 4, 2016; and

WHEREAS, the City of Bellaire, Texas, is authorized under *Article II, The Council, Section 1, Elections, Subsection (e), Election Dates*, of the *Charter of the City of Bellaire, Texas*, as amended November 7, 2006, to conduct its general election on the uniform election date designated by the State of Texas as the first Tuesday after the first Monday in November; **NOW, THEREFORE**,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF BELLAIRE, TEXAS:**

- 1. THAT** the recitals contained herein are true and correct.
- 2. THAT** the general election to elect the Mayor, Councilman – Position No. 2, Councilman – Position No. 4, and Councilman – Position No. 6, for the City Council of the City of Bellaire, Texas, will be held on Tuesday, November 3, 2015, in conjunction with elections to be administered by Harris County, Texas (“County”) for the City of Bellaire, Texas, the City of Houston, Texas, and other local entities.
- 3. THAT** the qualified voters of the City of Bellaire, Texas, shall elect a Mayor to a two-year term commencing on January 4, 2016, and expiring on the date of the first regular City Council meeting in 2018 (i.e., on January 8, 2018).
- 4. THAT** the qualified voters of the City of Bellaire, Texas, shall elect three Councilmen for the following positions: 2, 4, and 6, to a four-year term commencing on January 4, 2016, and expiring on the date of the first regular City Council meeting in 2018 (i.e., on January 8, 2018).
- 5. THAT** the City consists of five (5) voting precincts and polling places (i.e., 128, 182, 214, 215, and 268), the polling places of which are those designated by the County.
- 6. THAT** each of the referenced five (5) voting precincts is a regular County election precinct and, therefore, the City hereby appoints the County election officials as its special officials for the purpose of this general election.
- 7. THAT** the Presiding Judge, Manager, and Tabulation Supervisor shall be those special officials appointed by the County for the purposes of this General Election.

8. THAT Early Voting by Mail for the general election may be conducted by making application for an early voting ballot with Stan Stanart, Harris County Clerk, Attn: Elections Division, P.O. Box 1148, Houston, Texas 77251-1148. Voters qualified to vote early by mail may begin applying for a ballot by mail on September 1, 2015.

9. THAT Early Voting by Personal Appearance may be conducted by the Harris County Clerk's Office, Elections Division, 1001 Preston, 1st Floor, Houston, Texas 77002, or any of the other 41 early voting polling locations designated by the County. **Early Voting by Personal Appearance** will begin on Monday, October 19, 2015, and conclude on Friday, October 30, 2015.

10. THAT ballots shall be cast utilizing direct recording equipment during early voting and during election day.

11. THAT a special meeting of the City Council of the City of Bellaire, Texas, to canvass returns of the general election shall be held on Monday, November 16, 2015, at 6:30 p.m.

12. THAT the form of notice prescribed by the Secretary of State of the State of Texas shall serve as proper notice of the general election. Said notice, including a Spanish, Vietnamese, and Mandarin Chinese translation thereof, shall be given by publishing and posting it in accordance with the *Texas Election Code*.

13. THAT if any word, phrase, clause, sentence, paragraph, section or other part of this Ordinance or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, neither the remainder of this ordinance, or the application of such word, phrase, clause, sentence, paragraph, section or other part of this Ordinance to any other persons or circumstances, shall not be affected thereby.

14. THAT all ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of conflict only.

15. THAT the City Council of the City of Bellaire, Texas, officially finds, determines, and declares that a sufficient written notice of the date, hour, place, and subject of the meeting at which this Ordinance was discussed, considered, or acted upon was given in the manner required by the *Texas Open Meetings Act*, as amended, and has been open to the public as required by law at all times during such discussion, consideration, and action. The City Council of the City of Bellaire, Texas, ratifies, approves, and confirms such notice and the contents and posting thereof.

16. THAT this Ordinance shall be effective immediately upon passage and be in force immediately from and after its passage and signature. This Ordinance shall be preserved in the permanent records of the City of Bellaire, Texas.

PASSED, APPROVED, and ADOPTED this 17th day of August, 2015.

(SEAL)

ATTEST:

Tracy L. Dutton, TRMC
City Clerk

SIGNED:

Philip L. Nauert
Mayor

APPROVED AS TO FORM:

Alan P. Petrov
City Attorney



CITY OF

Bellaire

7008 South Rice Avenue • Bellaire, Texas 77401-4495 • (713) 662-8222 • Fax: (713) 662-8212

August 6, 2015

Honorable Stan Stanart
Harris County Clerk
201 Caroline Street, Room 460
Houston, Texas 77002

Honorable Mike Sullivan
Tax Assessor-Collector &
Voter Registrar
1001 Preston Street, Room 200
Houston, Texas 77002

Dear Honorable Stanart and Honorable Sullivan:

Please accept this letter as notification that the **City of Bellaire, Texas**, will hold its **General Election and a Special Election on Tuesday, November 3, 2015**, and intends to participate in the Joint Election with Harris County, Texas. The City's General Election will be held for the purpose of electing a Mayor, Councilman – Position No. 2, Councilman – Position No. 4, and Councilman – Position No. 6. The City's Special Election will be held for the purpose of filling a vacancy in the office of Councilman – Position No. 5.

I have completed and emailed the "Entity Information Sheet - November 2015" to the Harris County Elections Division.

If I may provide anything further for your files, please do not hesitate to let me know. My direct number is (713) 662-8275 and my email address is tdutton@bellairetx.gov.

Thank you for all of the assistance that you and your staff members provide to us.

Sincerely,

Tracy L. Dutton, TRMC
City Clerk
City of Bellaire, Texas

xc: City Manager Paul A. Hofmann
City Attorney Alan P. Petrov
Assistant City Manager Diane K. White
Assistant to the City Manager Shawn Cox
Chief Financial Officer Linda Symank

Attachment: Letter of Notification to Participate in Joint Election with Harris County (1509 : Call General Election)

Mayor and Council

7008 S. Rice Avenue
Bellaire, TX 77401



Meeting: 08/17/15 06:00 PM
Department: Development Services
Category: Ordinance
Department Head: John McDonald
DOC ID: 1638

SCHEDULED**ACTION ITEM (ID # 1638)****Item Title:**

Consideration of and possible action on the adoption of an ordinance of the City Council of the City of Bellaire, Texas, authorizing the abandonment of up to 0.2304 acres, being the existing rights-of-way and easements encumbering the property currently addressed as 5106 Bissonnet Street, Bellaire, Texas, in the Urban Village Downtown Zoning District; authorizing the abutting property owners to purchase said easements from the City of Bellaire, Texas; and authorizing the Mayor and the City Clerk of the City of Bellaire, Texas, to execute and attest, respectively, an "Abandonment of Easements" document to Centro NP Holdings SPE LLC, as Owner, of the property addressed as 5106 Bissonnet Street - Requested by John McDonald, Director of Development Services.

Background/Summary:

Prior to Monday night's regular meeting, City Council will hold a public hearing on a request for the abandonment of rights-of-way and easements within the 3.055 acre tract known generally as the HEB shopping center. Brown & Gay Engineers submitted the application on behalf of the property owner and HEB.

While the application originally asked for the abandonment of eight parcels, it was determined during the review process that three of the parcels had already been quitclaimed by the City as part of a larger quitclaim addressing all east-west alleyways in the Town of Bellaire plat. The remaining parcels have an appraised value of \$250,250.

Current Council policy requires the all funds received from the sale of ROW and easements to go to the acquisition and development of park lands.

Mike Axelrod, representing the property owner, submitted a letter that was included as part of the public hearing packet requesting City Council to abandon the parcels at no cost to the property owner. Mr. Axelrod made several points in support of his request. These include:

- The parcels are already functionally abandoned;
- The new HEB will spur additional development in the downtown area; and
- The City will receive significant increases in ad valorem and sales taxes.

Over the years, many citizens have stood before City Council and firmly requested that the City not give away land. The current regulations were put in place to ensure that a consistent process was followed in the handling of these requests. A review of previous abandonment requests shows that City Council has agreed to release land anywhere from 100% of the appraised value down to \$0.

The idea behind the ordinance is to ensure that the City receives a fair and equitable return for its surplus land. The question then turns to what is a fair return on these properties. While the receipt of cash makes it easy enough to show just and reasonable transaction, might the reuse of certain tracts in a more worthwhile provide greater value to the City beyond a one-time cash transaction?

The five tracts in question are all contained within the boundaries of a shopping center that was developed in 1952. These tracts are currently in use as either part of the parking lot for the center or under the pad of the building itself. There is an active sanitary sewer line within the north-south ROW/easements that appears to service the shopping center only, but the applicant has agreed to replace and relocate if needed or to cap and properly abandoned if not. So as of today, the City receives no value for the use of these properties and would continue to receive no value if the center is not redeveloped.

One of the main focuses of the Comprehensive Plan is the redevelopment of the City's commercial areas. The creation of new zoning regulations and the rezoning of downtown as Urban Village Downtown was a priority of the Comprehensive Plan. Recently, City Council updated their priorities to include "E. Commercial Redevelopment Focus Area," which calls for new business development and expansion, and improving the appearance of the downtown area.

The proposed new HEB, reviewed and approved as part of PD-25, will bring a full-size, world class grocery store to Bellaire. It will dramatically change the look and feel of downtown and began the redevelopment of the downtown area as envisioned by the Comprehensive Plan. Since news of HEB's expansion has spread, Development Services has spoken to numerous current property owners about redeveloping their tracts either to assist in the relocation of current tenants of the shopping center, or simply with an eye on the overall growth and redevelopment opportunities that are seen coming this way.

Recommendation:

The Director of Development Services recognizes that the long-term benefits of the new grocery store at this location out weigh the short-turn gain of a one-time payment and recommends that the City Council abandon the five ROW and easement parcels as requested, and further recommends that Council does so at no cost, with the following conditions:

1. That the applicant performs a television inspection of the 8" sanitary sewer line that is shown to run north-south through the property and that, in coordination with the Public Works Department, if the line is shown to be in service that as part of the construction of the new grocery store, the line is rerouted and replaced, and that if the line is shown to be no longer in service that the line be capped and properly abandoned. All expenses related to this condition to be covered by the applicant, and
2. That if a building permit is not issued for the construction of the structure included in PD-25 is not applied for and issued within one year of the date of this ordinance, that all parcels revert back to the ownership and control of the City of Bellaire.

ATTACHMENTS:

- ORD - HEB ROW and Easements with reverter (PDF)
- Exhibit A - Resolution Language with reverter (HEB) (PDF)
- Exhibit 1 - Affidavit (HEB) (PDF)
- Exhibit B - Declaration of Municipality Claiming No Interest With Reverter (HEB) (PDF)

ORDINANCE NO. 15-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS, AUTHORIZING THE ABANDONMENT OF THE CITY OF BELLAIRE'S INTEREST IN TWO (2) RIGHTS-OF-WAY AND THREE (3) EASEMENTS, CONSISTING OF A TOTAL OF .1598 ACRES OF LAND WITHIN LOTS 4-20, BLOCK 36, TOWN OF BELLAIRE, A SUBDIVISION IN HARRIS COUNTY, TEXAS, ALSO KNOWN AS 5106 BISSONNET STREET, BELLAIRE, TEXAS; AUTHORIZING CENTRO NP HOLDINGS 12 SPE, LLC TO PURCHASE THE CITY OF BELLAIRE'S INTEREST IN THE TWO (2) RIGHTS-OF-WAY AND THREE (3) EASEMENTS LOCATED AT 5106 BISSONNET STREET FROM THE CITY OF BELLAIRE, TEXAS, AND AUTHORIZING THE MAYOR AND THE CITY CLERK OF THE CITY OF BELLAIRE, TEXAS, TO EXECUTE AND ATTEST, RESPECTIVELY, ABANDONMENT OF ALLEY RIGHT-OF-WAY DOCUMENTS, IN A FORM AS ATTACHED HERETO AND MARKED EXHIBIT "A" AND DECLARATION OF MUNICIPALITY CLAIMING NO INTEREST IN REAL ESTATE DOCUMENTS, IN A FORM AS ATTACHED HERETO AND MARKED EXHIBIT "B."

WHEREAS, heretofore previously, the City of Bellaire, Texas, has utilized and maintained rights-of-way and easements totaling 0.1598 acres within the 3.055 acre parent tract, being Lots 4-20, Tracts 26-29, Block 36, Town of Bellaire, a subdivision in Harris County, Texas; and

WHEREAS, Brown & Gay Engineers have submitted a Petition on behalf of Centro NP Holdings 12 SPE, LLC, owner, (hereinafter referred to as "Petitioners"), and HEB Grocery Company, LP, as leaseholder, (hereinafter referred to as "HEB"), in accordance with the *Code of Ordinances of the City of Bellaire, Texas, Chapter 27, Streets, Sidewalks and Public Places, Article VI, Sale and Abandonment of Public Property, Section 27-102, Petition Required*, requesting the abandonment by the City of Bellaire, Texas, and the subsequent purchase by Petitioners of the City's interest in two (2) rights-of way and three (3) easements consisting of a total of 0.1598 acres located within a 3.055 acre tract of land, being Lots 4-20, Block 36, Town of Bellaire, a subdivision in Harris County, Texas; and

WHEREAS, Petitioners have complied with the requirements set forth in the *Bellaire City Code of Ordinances, Chapter 27, Streets, Sidewalks and Public Places, Article VI, Sale and Abandonment of Public Property, Section 27-103, Fee, and Section 27-104, Survey Required*, and have, accordingly, paid the City of Bellaire, Texas, all necessary administrative fees; and

WHEREAS, the request for abandonment has been reviewed by City staff as to its impact on utilities, drainage, and/or future traffic needs and circulation, and City staff

has indicated their approval of the proposed abandonment in accordance with the *Bellaire City Code of Ordinances, Chapter 27, Streets, Sidewalks and Public Places, Article VI, Sale and Abandonment of Public Property, Section 27-105, Review by City Staff*; and

WHEREAS, in accordance with the *Bellaire City Code of Ordinances, Chapter 27, Streets, Sidewalks and Public Places, Article VI, Sale and Abandonment of Public Property, Section 27-107, Appraisal*, the City Manager of the City of Bellaire, Texas, directed the Director of Development Services to obtain an independent appraisal, at Petitioner's expense, of the value of the property sought by Petitioners to be abandoned and that said appraisal resulted in an estimated market value for the said two (2) rights-of way and three (3) easements as of July 14, 2015, of \$250,250; and

WHEREAS, the City Council of the City of Bellaire, Texas, in accordance with the *Bellaire City Code of Ordinances, Chapter 27, Streets, Sidewalks and Public Places, Article VI, Sale and Abandonment of Public Property, Section 27-108, Public hearing*, held a public hearing before the City Council of the City of Bellaire, Texas, on Monday, August 17, 2015, at 6:00 p.m. and all persons desiring to be heard were heard on or in connection with the Petitioner's request for the abandonment; and

WHEREAS, in accordance with the *Local Government Code, Chapter 272, Sale or Lease of Property by Municipalities, Counties, and Certain Other Local Governments, Section 272.001(b)(1) and Section 272.001(b)(2)*, the notice and bidding requirements for real property owned by a municipality do not apply to the aforementioned rights-of-way and easements;

WHEREAS, the City staff recommends as a condition of abandonment, HEB shall be required to perform a television inspection of the 8" sanitary sewer line shown to run north-south through the property, and upon receipt of the inspection results, Petitioner shall coordinate with City of Bellaire, Public Works Department, to either, reroute and replace the line, if the results show the line is in service, or properly cap and abandon the line, if it is no longer in service, with all costs associated with this condition paid by the HEB; and

WHEREAS, the City of Bellaire agrees to relinquish all rights to the aforementioned right-of-way and easements so long as HEB obtains a building permit for the structure to be included in PD-25 within one (1) year from the date of the passage of this Ordinance; and

Attachment: ORD - HEB ROW and Easements with reverter (1638 : Consideration-HEB ROW)

WHEREAS, the City Council of the City of Bellaire, Texas, finds that the City has no current need for or, expectation of, a future need for these rights-of-way or easements for public purposes and further finds that the subject parcel of land can be better utilized by the private sector in the development and/or redevelopment of land within the City of Bellaire, Texas; **NOW, THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELLAIRE, TEXAS:

1. THAT the City Council of the City of Bellaire, Texas, based on a review of an appraisal dated July 14, 2015, performed by Edward B. Schulz & Co, finds that an equitable settlement for the acquisition of the City of Bellaire's interest in the two (2) rights-of way and three (3) easements, consisting of 0.1598 acres located within a 3.055 acre tract of land, being Lots 4-20, Block 36 , Town of Bellaire, a subdivision in Harris County, Texas, also known as 5106 Bissonnet Street, Bellaire, Texas, by Petitioners is deemed to be that HEB shall obtain a construction permit within twelve (12) months of the effective date of this Ordinance.

2. THAT the City Council of the City of Bellaire, Texas, hereby agrees to the abandonment of its interest heretofore previously held in the two (2) rights-of way and three (3) easements listed below:

- A .0069 acre right-of-way being a 10' X 30' strip of land out of 3.055 acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas
- A .0631 acre right-of-way being a 25' X 110' strip of land out of 3.055 acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas
- A .0230 acre utility easement being a 10' X 100' strip of land out of 3.055 acres being Lots 4-20, and Tracts 26-29, Block 36, Bellaire, Harris County, Texas
- A .0496 acre utility easement being a 10' L-shaped strip of land out of 3.055 acres being Lots 4-20, Tracts 26-29, Block 36, Bellaire, Harris County, Texas
- A .0172 acre utility easement being a 25' X 30' rectangle of land out of 3.055 acres being Lots 4-20, Tracts 26-29, Block 36, Bellaire, Harris County, Texas

3. THAT the Mayor and the City Clerk of the City of Bellaire, Texas, are each hereby authorized to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, an *Abandonment of Alley Right-of-Way* document, in a form as attached hereto and marked Exhibit "A," in accordance with the requirements of the *Code of Ordinances of the City of Bellaire, Texas, Chapter 27, Streets, Sidewalks and Public Places, Section 27-110, Conditions Precedent to Granting of Petition, Subsection c*).

4. THAT the Mayor and the City Clerk of the City of Bellaire, Texas, are each hereby authorized to execute and attest, respectively, for and on behalf of the City of Bellaire, Texas, a *Declaration of Municipality Claiming No Interest in Real Estate*, to and in favor of Centro NP Holdings 12 SPE, LLC, in a form as attached hereto and marked Exhibit "B," in accordance with the requirements of the *Code of Ordinances of the City of Bellaire, Texas, Chapter 27, Streets, Sidewalks and Public Places, Section 27-110, Conditions Precedent to Granting of Petition, Subsection c*).

5. THAT the City of Bellaire, Texas, shall declare the abandonment of its interest in the two (2) rights-of way and three (3) easements to and in favor of Centro NP Holdings 12 SPE, LLC, invalid if HEB fails to perform a television inspection of the 8" sanitary sewer line, or if HEB fails to obtain a construction permit, within twelve (12) months from the date of passage of this Ordinance.

PASSED, APPROVED, and ADOPTED this 17th day of August, 2015.

Philip L. Nauert, Mayor
City of Bellaire, Texas

ATTEST:

Tracy L. Dutton, TRMC
City Clerk
City of Bellaire, Texas

APPROVED AS TO FORM:

Alan P. Petrov, City Attorney
City of Bellaire, Texas

Attachment: ORD - HEB ROW and Easements with reverter (1638 : Consideration-HEB ROW)

EXHIBIT A**ABANDONMENT OF ALLEY RIGHT-OF-WAY****STATE OF TEXAS §****§****COUNTY OF HARRIS §****KNOW ALL MEN BY THESE PRESENTS:**

That the **CITY OF BELLAIRE, TEXAS**, a home rule city, does, by these presents, abandon, release, and relinquish all of its right-of-way interest and all right, title, and interest of any nature whatsoever held by the City of Bellaire, Texas, to the property described below, so long as HEB Grocery Company, LP, obtains a building permit, within twelve (12) months of the execution date of this document. The property being generally described as two (2) rights-of-way and (3) easements consisting of .1598 acres of land within the 3.055 acre parent tract, being Lots 4-20, Block 36, Town of Bellaire, a subdivision in Harris County, Texas, according to the map or plat thereof recorded in Volume 3, Page 59, of the Map Records, of Harris County, Texas.

EXECUTED this 17th day of August, 2015.

Philip L. Nauert, Mayor
City of Bellaire, Texas

ATTEST:

Tracy L. Dutton, City Clerk
City of Bellaire, Texas

Attachment: Exhibit A - Resolution Language with reverter (HEB) (1638 : Consideration-HEB ROW)

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared **PHILIP L. NAUERT**, known to me to be the Mayor of the City of Bellaire, Texas, and **TRACY L. DUTTON**, known to me to be the City Clerk of the City of Bellaire, Texas, whose names are subscribed to the foregoing instrument, and acknowledge to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND and seal of office this, the _____ day of _____, 2015.

Notary Public in and for the
State of Texas

My Commission Expires: _____

Attachment: Exhibit A - Resolution Language with reverter (HEB) (1638 : Consideration-HEB ROW)

EXHIBIT 1**AFFIDAVIT**

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared **an authorized representative for Centro NP Holdings 12 SPE, LLC** who, after being by me first duly sworn, on oath deposed and said:

My name is _____, and I am over the age of eighteen (18) years and am competent to testify to the matters set out in this Affidavit.

Heretofore previously, Centro NP Holdings 12 SPE, LLC, purchased the real property of two (2) rights-of-way and three (3) easements located within the 3.055 acre parent tract, being Lots 4-20, and Tracts 26-29, Block 36, Town of Bellaire, legally described as:

- 1. A .0069 acre (300 square feet) right-of-way being a 10' X 30' strip of land**
- 2. A .0631 acre (2,750 square feet) right-of-way being a 25' x 110" strip of land**
- 3. A .0230 acre (1,000 square feet) utility easement being a 10' X 100' strip of land**
- 4. A .0496 acre (2,160 square feet) utility easement being a 10' L-shaped strip of land**
- 5. A .0172 acre (750 square feet) utility easement being a 25' X 30' rectangle of land**

Adjoining said property is a certain tract and parcel of property described in the foregoing *Declaration of Municipality Claiming No Interest in Real Property* (Exhibit B to Ordinance No. 15-_____).

I, as an authorized representative for Centro NP Holdings 12 SPE, LLC, an adjoining and abutting property owner, claim a fee simple interest in two (2) rights-of-way and three (3) easements of the real property legally described above and deem Centro NP Holdings 12 SPE, LLC, to be the owner thereof.

Authorized Representative for
Centro NP Holdings 12 SPE, LLC

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

THIS INSTRUMENT WAS ACKNOWLEDGED before me this, the _____ day
of _____, 2015, by _____.

Notary Public in and for the
State of Texas

My Commission Expires: _____

EXHIBIT B**DECLARATION OF MUNICIPALITY
CLAIMING NO INTEREST IN REAL ESTATE**

STATE OF TEXAS §
§
COUNTY OF HARRIS §

KNOW ALL MEN BY THESE PRESENTS:

That the **CITY OF BELLAIRE, TEXAS**, a home rule city incorporated and existing under the laws of the State of Texas, of the County of Harris, State of Texas, does hereby declare no interest or claim to the property described below, so long as HEB Grocery Company, LP, obtains a building permit, within twelve (12) months of the execution date of this document. The property generally described as two (2) rights-of-way and three (3) easements consisting of .1598 acres within the 3.055 acre parent tract, being Lots 4-20 in Block 36 of the Town of Bellaire, a subdivision of Harris County, Texas, according to the map or plat, recorded in Volume 3, Page 59, of the Map Records of Harris County, Texas.

An affidavit of property owner **Centro NP Holdings 12 SPE, LLC**, attached hereto and marked "Exhibit 1," acknowledges the superior claim to said property by the said property owners.

This declaration is executed for the purpose of initiating a chain of title in the property herein described by **Centro NP Holdings 12 SPE, LLC**.

EXECUTED this, the _____ day of _____, 2015.

Philip L. Nauert, Mayor
City of Bellaire, Texas

ATTEST:

Tracy L. Dutton, TRMC
City Clerk
City of Bellaire, Texas

Attachment: Exhibit B - Declaration of Municipality Claiming No Interest With Reverter (HEB) (1638 : Consideration-HEB ROW)

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared **PHILIP L. NAUERT**, known to me to be the Mayor of the City of Bellaire, Texas, and **TRACY L. DUTTON**, known to me to be the City Clerk of the City of Bellaire, Texas, whose names are subscribed to the foregoing instrument, and acknowledge to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND and seal of office this, the _____ day of _____, 2015.

Notary Public in and for the
State of Texas

My Commission Expires: _____

Attachment: Exhibit B - Declaration of Municipality Claiming No Interest With Reverter (HEB) (1638 : Consideration-HEB ROW)