

Post Office Box 9010

Addison, Texas 75001-9010

5300 Belt Line Road

(972) 450-7000
FAX (972) 450-7043

AGENDA

REGULAR MEETING OF THE CITY COUNCIL

March 22, 2005

7:30 P.M.

COUNCIL CHAMBERS

5300 BELT LINE ROAD

REGULAR SESSION

Item #R1 - Consideration of Old Business.

Item #R2 - Consent Agenda.

CONSENT AGENDA

#2a - Approval of the Minutes for the March 8, 2005 Council Meeting.

#2b - Consideration of approval of final plat for one lot of .7839 acres, located at 14523 Winnwood Road, in a Planned Development District (Ordinance 091-038), on application from Mr. Venugopal B. Menon, represented by Tom Knicker of NKR Engineering.

Item #R3 - Appointment of three members to the Planning and Zoning Commission.

Attachments:

1. Council Agenda Item Overview
2. List of P&Z members

Administrative Recommendation:

First term for Commissioner Bernstein expired on March 3, 2005. (Ryland)

First term for Commissioner Jandura will expire on March 25, 2005. (Turner)

First term for Commissioner Benjet will expire on April 8, 2005. (Wheeler)

Item #R4 - Consideration of approval of an amendment to the Contract Agreement with HNTB Corporation, in the amount of \$31,295.22, for the inspection of the resurfacing of Belt Line Road, from Dallas Parkway to Marsh Lane.

Attachments:

1. Council Agenda Item Overview
2. Supplemental Agreement

Administrative Recommendation:

Administration recommends approval.

Item #R5 - Consideration of approval of award of bid and a Resolution authorizing the City Manager to enter into a contract in the amount of \$71,337.90 with Palm Springs Pool Service, for annual maintenance of display fountains and waterfall pumping systems.

Attachments:

1. Council Agenda Item Overview
2. Memo From Shanna Sims
3. Bid Sheet

Administrative Recommendation:

Administration recommends approval.

Item #R6 - Consideration of a Resolution accepting the Steering Committee's settlement with TXU Electric Delivery Company.

Attachments:

1. Council Agenda Item Overview
2. Resolution
3. Settlement Agreement

Administrative Recommendation:

Administration recommends approval.

Item #R7 - Consideration of approval for the purchase of (1) 2005 Ambulance under the Town's Inter-local Agreement with the Houston-Galveston Area Council (HGAC) in the amount of \$111,225.

Attachments:

1. Council Agenda Item Overview
2. Memo from Noel Padden

Administrative Recommendation:

Administration recommends approval.

EXECUTIVE SESSION

Item #ES1 - Closed (executive) session of the Town Council pursuant to Section 551.087 of the Texas Government Code to discuss and deliberate regarding commercial or financial information that the

Town has received from business prospects that the Town seeks to have locate or expand in the Town and with which the Town is conducting economic development negotiations; and to deliberate the offer of a financial or other incentive to such business prospects.

Item #ES2 - Closed (executive) session of the Town Council pursuant to Section 551.072 of the Texas Government Code to discuss and deliberate the purchase or value of certain real property located within the Town.

Attachment:

1. Memo from Lea Dunn
-

REGULAR SESSION

Item #R8 - Consideration of any action regarding an offer by the Town of a financial or other incentive to business prospects that the Town seeks to have locate or expand in the Town and with which the Town is conducting economic development negotiations.

Item #R9 - Consideration of any action regarding the purchase of certain real property located within the Town.

Adjourn Meeting

Posted 5:00 p.m.
March 17, 2005
Carmen Moran
City Secretary

THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH DISABILITIES. PLEASE CALL (972) 450-2819 AT LEAST 48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL

March 8, 2005
7:30 p.m. Council Chambers
5300 Belt Line Road

Present: Mayor Wheeler, Councilmembers Braun, Hirsch, Mellow, Niemann, Ryland,
Turner

Item #R1 – Consideration of Old Business.

The following employees were introduced to the Council: Diana Leary (Visitor Services), John Lage (Fire), Jeff King (Streets) and Patty Hachtel (Town Hall).

Elmer Murphy, III, Grand Master of White Rock Lodge #234 AF & AM presented City Manager Ron Whitehead with the Community Builder Award in recognition of distinguished service and personal contributions to the Community of Addison, Texas.

Item #R2 – Consent Agenda.

Item #2f was pulled from the agenda at the request of the applicant; item will return for consideration on the March 22nd Council agenda.

Item #2a – Approval of the Minutes for the February 16, 2005 and February 22, 2005 Council Meetings. (Approved)

Item #2b – Consideration of a Resolution authorizing the City Manager to enter into an agreement with Infosol, Inc. in the amount of \$5,324 annually to provide support and maintenance services for the Town's Court system. (Approved) (R05-033)

Item #2c - Consideration of authorization for final payment of \$33,738.97 to Mels Electric, L.P., for furnishing and installing street and pedestrian light poles and luminaries on the Spectrum Drive North/South Extension Project. (Approved)

Item #2d – Consideration of authorization to reject a single bid submitted by Jim Bowman Construction Co., L.P. in the amount of \$71,504.00, for the Sampling Manhole Construction Project. (Approved)

Item #2e – Consideration of approval of a final plat for one tract of 1.2 acres, located on the north side of Excel Parkway, approximately 600 feet west of Addison Road, on application from Mr. Charles Raymond, represented by Michael Peoples Engineers. (Approved)

Councilmember Niemann moved to duly approve the above listed items. Councilmember Turner seconded. Motion carried.

Voted Aye: Wheeler, Braun, Hirsch, Mellow, Niemann, Ryland, Turner
Voted Nay: None
Absent: None

Item #R3 - Appointment of three members to the Addison Board of Zoning Adjustment (BZA).

Councilmember Hirsch moved to duly appoint Corey Ewing, David Griggs and Beverly Roberts to the Addison Board of Zoning Adjustment. Councilmember Turner seconded. Motion carried.

Voted Aye: Wheeler, Braun, Hirsch, Mellow, Niemann, Ryland, Turner
Voted Nay: None
Absent: None

Item #R4 – Appointment of one member to the Planning and Zoning Commission.

Councilmember Mellow moved to duly appoint Todd Meier to the Planning and Zoning Commission. Councilmember Niemann seconded. Motion carried.

Voted Aye: Wheeler, Braun, Hirsch, Mellow, Niemann, Ryland, Turner
Voted Nay: None
Absent: None

Item #R5 – **PUBLIC HEARING** and consideration of an Ordinance approving a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, located at 5000 Belt Line Road, Suite 430 (Addison Walk Shopping Center), on application from Mr. Nitin Parekh.

Mayor Wheeler opened the meeting as a public hearing. There were no questions or comments. Mayor Wheeler closed the meeting as a public hearing.

Councilmember Turner moved to duly pass Ordinance No. 005-011 approving a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, located at 5000 Belt Lie Road, Suite 430 (Addison Walk Shopping Center), on application from Mr. Nitin Parekh. Subject to the following conditions:

-the applicant shall not use any terms, including the term “bar”, “tavern,” or any graphic depictions that denote alcoholic beverages in exterior signs.

Councilmember Ryland seconded. Motion carried.

Voted Aye: Wheeler, Braun, Hirsch, Mellow, Niemann, Ryland, Turner
Voted Nay: None
Absent: None

Item #R6 – **PUBLIC HEARING** and consideration of a an Ordinance approving a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, located at 5000 Belt Line Road, Suite 400 (Addison Walk Shopping Center), on application fro Mr. Raaj Singh.

Mayor Wheeler opened the meeting as a public hearing. There were no questions or comments. Mayor Wheeler closed the meeting as a public hearing.

Councilmember Ryland moved to duly pass Ordinance No. 005-012 approving a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, located 5000 Belt Line Road, Suite 400 (Addison Walk Shopping Center), on application from Mr. Raaj Singh. Subject to the following conditions:

-the applicant shall not use any terms, including the term “bar”, “tavern,” or any graphic depictions that denote alcoholic beverages in exterior signs.

Councilmember Turner seconded. Motion carried.

Voted Aye: Wheeler, Braun, Hirsch, Mellow, Niemann, Ryland, Turner
Voted Nay: None
Absent: None

Item #R7 – Consideration of approval of award of bid and a Resolution authorizing the City Manager to enter into a contract in the amount of \$71,337.90 with Palm Springs Pool Service, for annual maintenance of display fountains and waterfall pumping systems.

Item was pulled at the request of Town staff; item will return for consideration on the March 22nd Council agenda.

Item #R8 - Consideration of a Resolution authorizing the City Manager to enter into a contract for services in the amount of \$15,000.00 with the Texas Chamber Orchestra for fiscal year 2004-2005, subject to final review and approval of the City Attorney.

Councilmember Turner moved to duly pass Resolution No. R05-034 approving the City Manager to enter into a contract for services in the amount of \$15,000.00 with the Texas Chamber Orchestra and subject to final review of the city attorney. Councilmember Niemann seconded. Motion carried.

Voted Aye: Wheeler, Braun, Hirsch, Mellow, Niemann, Ryland, Turner
Voted Nay: None
Absent: None

Item #R9 - Consideration of a Resolution authorizing the City Manager to enter into an agreement with MBIA MuniServices Company for hotel occupancy tax consulting services.

Councilmember Niemann moved to duly pass Resolution No. R05-035 authorizing the City Manager to enter into an agreement with MBIA MuniServices Company for hotel occupancy tax consulting services. Councilmember Turner seconded. Motion carried.

Voted Aye: Wheeler, Braun, Hirsch, Mellow, Niemann, Ryland, Turner
Voted Nay: None
Absent: None

Item #R10 - Consideration of a Resolution authorizing the city Manager to enter into a Federal Aviation Administration Grant Agreement administered by the Texas Department of Transportation for the design and construction of an airport terminal administration building on Addison Airport.

Councilmember Turner moved to duly pass Resolution No. R05-036 authorizing the City Manager to enter into a Federal Aviation Administration Grant Agreement administered by the Texas Department of Transportation for the design and construction of an airport terminal administration building on Addison Airport. Councilmember Niemann seconded. Motion carried.

Voted Aye: Wheeler, Braun, Hirsch, Mellow, Niemann, Ryland, Turner
Voted Nay: None
Absent: None

Item #R11 - Consideration of approval to award bid to BMW Motorcycles of North Dallas in the amount of \$56,994.00 for the purchase of (3) 2004 BMW Police Motorcycles.

Councilmember Niemann moved to approve and award bid to BMW Motorcycles of North Dallas in the amount of \$56,994.00 for the purchase of (3) 2004 BMW Police Motorcycles. Councilmember Turner seconded. Motion carried.

Voted Aye: Wheeler, Braun, Hirsch, Mellow, Niemann, Ryland, Turner
Voted Nay: None
Absent: None

Item #R12 - Consideration of a Resolution approving an estoppel letter agreement from Hibernia National Bank regarding certain financing provided by Hibernia National Bank to Eagle Land & Cattle Co., Tenant under a certain Ground Lease at Addison Airport in which the Town of Addison is the Landlord, the leased premises under the Ground Lease being certain property located at the Airport and specifically described in the Ground Lease, and being generally located at 16151 Addison Road, (Taxiway Reference Building #L-17), Addison, TX 75001.

Councilmember Ryland moved to duly pass Resolution No. R05-037 approving an estoppel letter agreement from Hibernia National Bank regarding certain financing provided by Hibernia National Bank to Eagle Land & Cattle Co., Tenant under a certain Ground Lease at Addison Airport in which the Town of Addison is the Landlord, the leased premises under the Ground Lease being certain property located at the Airport and specifically described in the Ground Lease, and being generally located at 16151 Addison Road, (Taxiway Reference Building #L-17), Addison, TX 75001. Councilmember Turner seconded. Motion carried.

Voted Aye: Wheeler, Braun, Hirsch, Mellow, Ryland, Turner
Voted Nay: None
Absent: None

There being no further business before the Council, the meeting was adjourned.

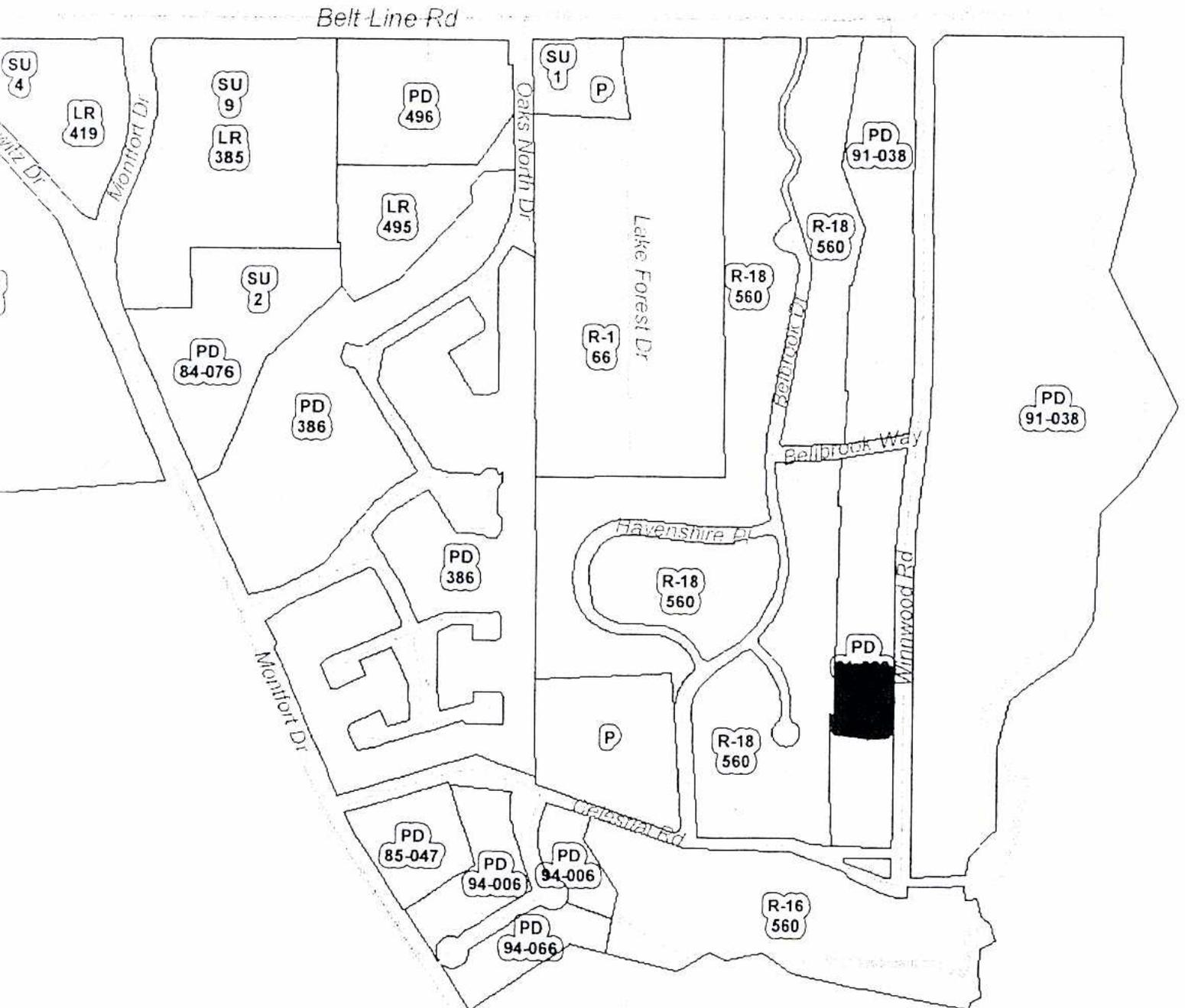
Mayor

Attest:

City Secretary

FINAL PLAT/Menon Addition

FINAL PLAT/Menon Addition. Requesting approval of a final plat for one lot of .7839 acres, located at 14523 Winnwood Road, in a Planned Development District (Ordinance 091-038), on application from Mr. Venugopal B. Menon, represented by Tom Knicker of NKR Engineering.



RECOMMENDATION:

Staff recommends approval of the proposed plat for two lots subject to the following conditions:

- Civil design plans and specifications must be approved by the Town of Addison for all public site improvements, including storm drainage and utility lines.
- A drainage and grading plan is necessary to determine the type and location of drainage facilities, including location of drainage easements on the site.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C. Moran', written over a faint printed name.

Carmen Moran

Director of Development Services

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting in regular session on January 27, 2005, voted to recommend approval of the final plat on application from Menon Addition, subject to the following conditions:

-Civil design plans and specifications must be approved by the Town of Addison for all public site improvements, including storm drainage and utility lines.

-A drainage and grading plan is necessary to determine the type and location of drainage facilities, including location of drainage easements on the site.

Voting Aye: Bernstein, Chafin, Doepfner, Knott, Mellow

Voting Nay: none

Absent: Benjet, Jandura

Carmen Moran

From: Steve Chutchian
Sent: Wednesday, January 12, 2005 11:51 AM
To: Carmen Moran
Subject: FW: Planning & Zoning Agenda Comments

-----Original Message-----

From: Steve Chutchian
Sent: Tuesday, January 11, 2005 3:11 PM
To: Carmen Moran
Subject: Planning & Zoning Agenda Comments

The following comments are submitted for items included in an upcoming Planning & Zoning agenda:

Menon Addition, Lot 3, Block 8171

- Civil design plans and specifications must be approved by the Town of Addison for all public site improvements, including storm drainage and utility lines.
- A drainage and grading plan is necessary to determine type and location of drainage facilities, including location of drainage easements on the site.

Addison Jet Center, Lots 1-3, Block 1

- Indicate location of Frank Luke on the re-plat, including bearing and distance to nearest site boundary line.
- Proposed adjacent property lines do not match legend and must be correctly designated.
- Proposed civil construction plans must be submitted and approved by the Town as part of final plat approval.

Addison Airport

No Comments

Should you have any questions, please let me know.

Steven Z. Chutchian, P.E.
Assistance City Engineer

NKR ENGINEERING GROUP, INC.

CIVIL ENGINEERING DESIGN & CONSULTING SERVICES

February 8, 2005
8804

Ms Carmen Moran
Director of Development Services
Town of Addison
5300 Belt Line Road
Addison, Texas 75001

Transmitted Via Fax: 972-450-7043

Re: FINAL PLAT/ Menon Addition
14523 Winnwood Road
Addison, Texas 75001

Dear Ms. Moran

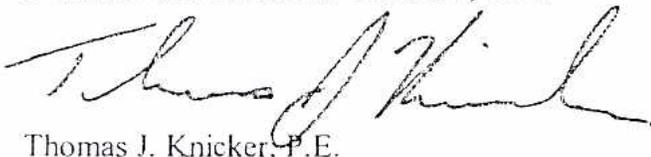
On behalf of our client, Mr. Venu Menon, we request that City Council consideration and action pertaining to the referenced Final Plat be postponed until the March 8, 2005 council meeting.

Design development for the project may affect the final alignment of the water easement currently shown on the plat document. It is our intention to work through these design issues and get concurrence from the Engineering Department prior to the March City Council meeting.

Please call at your convenience if you have any questions or require additional information.

Sincerely,

NKR ENGINEERING GROUP, INC.



Thomas J. Knicker, P.E.

cc: Venu Menon

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4004 Belt Line Road, Suite 210
Addison, Texas 75001
Tele: 972-818-6305
Fax: 972-818-6306
E-Mail: tknicker@nkreng.com

Council Agenda Item: #R3-1

SUMMARY:

Staff requests the Council appoint three members to the Planning and Zoning Commission.

BACKGROUND:

The term for Commissioner Ted Bernstein expired on March 3, 2005. It has been Mr. Bernstein's first term, and Councilmember Silver appointed him. That appointment now belongs to Councilmember Ryland.

The term for Commissioner Paula Jandura will expire on March 25, 2005. It has been Ms. Jandura's first term and Councilmember Turner appointed her.

The term for Commissioner Mervyn Benjet will expire on April 8, 2005. It has been Commissioner Benjet's first term, and Mayor Wheeler appointed him.

A list of current Planning and Zoning Commission members is attached.

RECOMMENDATION:

Staff recommends the Council appoint three members to the Planning and Zoning Commission.



Post Office Box 9010 Addison, Texas 75001-9010 5300 Belt Line Road (972) 450-7000
FAX (972) 450-7043

#R3-2

Addison 50!

50 YEARS OF FUN!

PLANNING AND ZONING COMMISSION

Mervyn Benjet

14905 Havenshire Place
Dallas, TX 75254-7650
(H) (972) 661-2367
Fax (972) 661-2367
Term Expires: 04/08/2005-1st Term
WHEELER

Ted Bernstein

3875 Weller Run Court
Addison, TX 75001-7931
(H) (972) 406-9677
Term Expires: 03/03/2005-1st Term
SILVER

Roger Chafin

3761 Park Place
Addison, TX 75001-4002
(H) (972) 488-8828
(W) (972) 490-0566 Ext. 110
Term Expires: 04/13/2006-1st Term
NIEMANN

Carol Doepfner

Chairman
4006 Bobbin Lane
Addison, TX 75001- 7931
(H) (972) 233-9722
(W) (972) 307-3229
Term Expires: 02/10/2006-3rd Term
HIRSCH

Paula Jandura

14936 Oaks North Drive
Dallas, TX 75254-7632
(H) (972) 702-0202
Term Expires: 03/25/2005-1st Term
TURNER

Elizabeth Knott

Vice Chairman
14925 Oaks North Drive
Dallas, TX 75254-7631
(H) (972) 960-6408
(W) (214)-505-6555
Term Expires: 02/10/2006-1st Term
MALLORY

Todd Meier

14857 Towne Lake Circle
Addison, TX 75001-4951
(W) (214) 561-8730
Term Expires: 03/08/2007 - 1st Term
MELLOW

Carmen Moran

Staff Liaison
P.O. Box 9010
Addison, TX 75001-9010
(W) (972) 450-7018
Fax (972) 450-7043

Council Agenda Item: #R4-1

SUMMARY:

This item is for the approval of an amendment to the Contract Agreement with HNTB Corporation, in the amount of \$31,295.22, for the inspection of the resurfacing of Belt Line Road, from Dallas Parkway to Marsh Lane.

FINANCIAL IMPACT:

Original Design Contract Amount:	\$168,552.73
Contract Amendment Amount:	\$31,295.22
Construction Contract Amount:	\$730,766.00
Funding Source:	\$1.25 million from the proceeds of the 2004 sale of General Obligation Bonds

BACKGROUND:

For many years the surface conditions of Belt Line Road have been deteriorating. About 3 years ago the Town began a process of grooving the surface on the roadway to improve traction conditions, especially during wet weather events. This process was only a temporary solution. The pavement grooving did not work as well as expected. As a result of the success of the “slab jacking” process used on Midway Road, sufficient funds were freed up to accommodate the resurfacing of Belt Line Road (\$1.25 million). The Town entered into an agreement with HNTB Corporation for the design and inspection of the resurfacing of Belt Line Road, from Dallas Parkway to Marsh Lane. Subsequently, a construction contract was awarded to APAC-Texas, Inc. to perform the asphalt resurfacing improvements. Over the course of the construction project, the Public Works Department staff determined that additional inspection was required of the HNTB personnel, in order to accommodate enhanced day and night operations by the contractor. As a result of concern over optimum traffic flow on Belt Line Road, the increased inspection activity was also intended to maintain better control over the contractor’s movement of materials and heavy machinery on the high profile roadway.

At this time, the Town is working with the Contractor to finalize the remaining construction “punch list” items of incomplete work. However, this request for additional funds for inspection, in the amount of \$31,295.22, will completely satisfy any remaining inspection performed by HNTB Corporation.

RECOMMENDATION:

Staff recommends that the Council authorize the City Manager to enter into a contract amendment with HNTB Corporation, in the amount of \$31,295.22, for the inspection of the resurfacing of Belt Line Road, from Dallas Parkway to Marsh Lane.

Council Agenda Item: #R5**SUMMARY:**

Staff recommends that the Council award a bid totaling \$71,337.90 to Palm Springs Pool Service for annual maintenance of display fountains and waterfall pumping systems. This contract may be extended for two (2) twelve-month periods if the contractor is performing the maintenance in a satisfactory manner.

FINANCIAL IMPACT:

Budgeted Amount: **Total Budget - \$75,000**

Cost: **\$71,337.90**

It will cost \$56,485.40 to maintain the Addison Circle Park display and interactive fountains, which will be funded from the Hotel Fund special events budget. All maintenance relating to the Addison Circle Park is funded from the Hotel Fund, as this project is meant to complement the special events and Conference and Theatre Centre activities. The remaining \$14,852.50 will be funded out of the parks operations budget.

The previous fountain maintenance contractor, DCC, Inc., completed their annual contract for approximately \$30,000; however, they significantly under estimated the amount of time required to keep the Addison Circle Park fountain clean. They bid the work with no prior experience since the fountain system was new. Staff's experience with this contract necessitated increasing the scope of services required for the Addison Circle Park fountain, subsequently increasing the cost do the work in a satisfactory manner.

Palm Springs bid shows a 40 percent mark up on parts, which is twice that of the second low bidder. It should be pointed out that part replacements are rare, and staff intends to supply most of the parts when necessary.

BACKGROUND:

The scope of work under this contract consists of weekly cleaning of fountains to maintain proper water chemistry and maintenance of pumping/filtering systems to keep display fountains and waterfalls functioning smoothly.

The Addison Circle Park fountain requires daily cleaning. The fountains maintained under this contract are as follows:

Addison Circle Park – Interactive Fountain and Display Fountain;

Quorum Park – Two Display Fountains;

Bosque Park – One Display Fountain;

Winnwood Park/Gazebo – One Waterfall and One Display Fountain;

Town Hall and Finance Building – One Waterfall and One Display Fountain;

Midway Meadows – One Display Fountain;

Les Lacs Lake – Two Waterfalls and One Display Fountain.

Page 2 – Fountain Maintenance Bid Award

The Council rejected bids for this work in January 2005 because the low bidder, Palm Springs, submitted a bid with alternative insurance to Workers Compensation insurance that was specified in the bid document. The second low bid was much greater than the low bid, thus staff recommended rejecting both bids. Council formally rejected these bids at the January 25, 2005 Council meeting. The attached memo from the Finance Department further describes the bidding and insurance background for this work. Although the revised insurance requirements did not result in submission of more competitive bids, the two bids received were within \$4,100 of one another without a wide variance in price as with prior bids.

The low bid that was rejected in January 2005 totaled \$59,989. The new bid increased \$11,364 due to a scope of work change that staff added to the specifications to address recent OSHA confined space safety standards for underground vaults. In addition, the Addison Circle Park fountain designer, Georgia Fountains, submitted information to the town recommending that no one should be working in the Addison Circle Park vault alone without another person above ground ready to respond should an emergency occur involving the person inside the vault.

According to the town's Texas Municipal League Risk Management representative, Texas cities are not regulated under OSHA guidelines; however, private contractors working under a contract for a city are required to follow OSHA regulations. The Texas Workers Compensation Commission and the Department of State Health Services are the regulatory entities for occupational hazards relating to cities.

RECOMMENDATION:

Palm Springs Pool Service has maintained the fountain systems for the Parks Department on a temporary basis during the rebidding process. They have successfully completed fountain maintenance in the past on all of the towns fountain systems. In addition, they are maintaining fountain systems for private developments. Based on our experience with them, we recommend approval.

Attachments: Finance Department Memorandum
Bid Tabulation

Memo

To: Slade Strickland, Director of Parks and Recreation
From: Shanna Sims, Budget and Procurement Manager
Copy: Randy Moravec, Finance Director
Bryan Langley, Assistant Finance Director
Date: January 13, 2005
Re: Bid 05-05 Fountain Maintenance

I wanted to provide some additional information regarding Bid 05-05 Fountain Maintenance and staff's recommendation to reject this current bid and rebid this service in February.

The City Council awarded a bid for fountain maintenance on September 14, 2004 to DCC, Inc. Unfortunately, DCC, Inc. could not honor the contract due to insurance issues. The City Council rescinded this bid award at the October 12, 2004 City Council meeting.

Staff released a bid for fountain maintenance in November 2004. Parks and Finance staff both made significant efforts to contact potential bidders and encourage them to submit bids. Unfortunately, two bidders decided not to submit bids at the last minute and there were only two bids submitted. The low bidder, Palm Springs Pool Services, submitted a bid that did not have Workers Compensation insurance as specified in the bid document. The other bid was much greater than low bid, thus staff is recommending rejecting both bids.

On January 5, 2005, Finance staff met with the Town of Addison's insurance consultant, Bob Lazarus with RWL & Associates. Mr. Lazarus reviewed our current insurance requirements and recommended that for non-construction projects, Workers Compensation insurance not be required. Vendors for non-construction projects will continue to be required to carry commercial general liability and commercial liability insurance. Finance staff will begin incorporating these revised insurance requirements into bid documents for non-construction projects beginning in mid-January.

Parks staff has indicated a desire to release a bid for fountain maintenance in late January with the revised insurance requirements. I feel that we will have a better chance at receiving more quality bids with this revised bid document due to not having to require vendors to carry Workers Compensation insurance. In addition, Parks and Finance staff are willing to proactively contact and inform possible bidders of these revised insurance requirements.

I hope this information is helpful. If I can provide any additional information to you concerning this bid, please let me know.

Fountain Maintenance
 Bid NO 05-11

DUE: February 11, 2005
 2:00 PM

BIDDER	SIGNED	Bid Bond	Addendum 1	Bid Amount	Labor for Misc.Repairs	Labor for Add.Site Visits	% for Parts - Repairs
Palm Springs Pool Service	Y	Y	Y	\$71,337.90	\$55/hour	\$35/hour	40%
K.C. Fountains & Scapes	Y	Y	Y	\$75,420.00	\$65/hour	\$47/hour	20%

Shanna N. Sims

Shanna N. Sims, Budget and Procurement Manager

Corey Gayden

Witness

Council Agenda Item: #R6-1

SUMMARY:

Council approval is requested of a resolution accepting the Steering Committee's settlement with TXU Electric Delivery Company.

FINANCIAL IMPACT:

The Town of Addison is one of 110 cities that will be receiving over \$8 million annually over the next three years. Addison's share is equal to 25% of its street light billing (73% of the settlement funding) and its resident population (27% of the funding). This calculates to \$35,212.90 that the Town will receive this fiscal year.

BACKGROUND:

The Town is a member of a city coalition known as the Steering Committee of Cities Served by TXU. The Committee has been in existence since the late 1980s. It took on a formal structure in the early 1990s when TXU Cities gave up their statutory right to rate case expense reimbursement in exchange for higher franchise fee payments. Empowered by city resolutions and funded by *per capita* assessments, the Steering Committee has been for years the primary public interest advocate before the Public Utility Commission (PUC), the Courts, and the Legislature on electric utility regulation matters dealing with TXU.

After months of consideration in 2004, the Steering Committee recommended that TXU be forced into a full-scale review of its historic cost of service, something that had not occurred in more than a decade. To facilitate the efforts of the Steering Committee, twenty (20) cities passed resolutions requiring TXU Electric Delivery to show cause why the non-bypassable transmission and distribution charges should not be reduced.

The rate inquiry was justified by several factors:

1. The PUC had thrown municipal accounts in with broader commercial services in the 2001 rate proceedings that led to the deregulated environment. This resulted in unfair demand ratchets and higher charges for water pumping and excessive charges for street lighting.
2. TXU had filed earnings monitoring reports at the PUC that established the Company was over-earning with their regulated rate tariffs.
3. The Company had recently gone through massive reorganization and the hypothetical cost structures the PUC had used to justify current rates in 2001 were no longer valid.

Information was to have been filed by TXU with the 20 cities initiating the rate review in late November 2004. Assuming that the cities that reviewed that material would have passed ordinances reducing rates in the January-February time frame, appeals to the PUC

would have been triggered that would have led to a statewide rate case in the summer of 2005. A final order would have been expected in mid to late 2006.

The Steering Committee and TXU began settlement discussions last fall and sufficient progress had been made to justify delaying the required rate filing. A Settlement Agreement was signed on February 22, 2005. The Agreement postpones or abates the statewide rate proceeding for approximately 14 months. In exchange for abating its rate inquiry, the cities have been promised rate design changes to be proposed to the PUC that should significantly reduce future electric charges. The Agreement also includes certain lump sum payments by TXU to the Steering Committee.

There were several factors the Steering Committee considered in accepting a settlement with TXU:

1. The settlement delays rather than terminates a rate review. TXU must file a statewide case on or before July 1, 2006. The settlement provides that the Company must cooperate with cities in the interim period before the rate filing by funding a cities' consultant to evaluate affiliate transactions of TXU. Additionally, the Company must provide up to \$2 million of reimbursement of cities' future rate case expenses. Without the settlement, the Steering Committee would have to make assessments to raise a comparable amount of money.
2. Cities have been consistently treated unfairly in the cost allocation/rate design process associated with the transition from regulated to competitive industry. This is especially true with regard to street lighting and water pumping. The settlement provides assurance that TXU will propose fixes to those tariff problems when it files its rate case. That is significant since rate design issues typically do not receive adequate consideration in a rate case. The settlement provides specific relief to cities that would be difficult to obtain in a rate case.
4. TXU has agreed to provide the Steering Committee \$8.5 million after approval of the Settlement Agreement is obtained from cities. A payment of \$8 million will be paid in 2006 and a third payment in 2007 will be based on \$8 million *pro rata* to the point of a final rate order from the Public Utility Commission.

RECOMMENDATION:

For the agreement to take effect, all 110 cities served by TXU must approve the settlement. The settlement addresses all the major issues affecting cities and staff recommends approval.

TOWN OF ADDISON, TEXAS

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS
RATIFYING AND ACCEPTING A SETTLEMENT AGREEMENT WITH TXU
ELECTRIC DELIVERY COMPANY; PROVIDING AN
EFFECTIVE DATE.**

WHEREAS, the Town of Addison, Texas is a member of the Steering Committee of Cities served by TXU Electric Delivery Company ("Steering Committee"); and

WHEREAS, the Steering Committee did encourage certain member cities to initiate show cause rate proceedings against TXU Electric Delivery Company ("Electric Delivery"); and

WHEREAS, Electric Delivery and the Steering Committee engaged in settlement discussions regarding abatement of any full-scale rate investigation and interim relief that may be available to Cities; and

WHEREAS, it remains impractical, if not impossible, to deliver rate relief to the vast majority of residential customers until the expiration of price to beat ("PTB") on January 1, 2007; and

WHEREAS, the unfair and adverse impacts of street lighting and water pumping tariffs that Cities have experienced since the implementation of retail deregulation on January 1, 2002 can be addressed on an interim basis pending a final order in a future rate case through a financial distribution from the Steering Committee of funds received from Electric Delivery as part of a Settlement; and

WHEREAS, the coupling of interim relief with the Steering Committee's recognition that resources should be devoted to the 2005 Legislative Session to promote overall enhancements in electric retail competition is for the benefit of all end-users; and

WHEREAS, the Steering Committee and Electric Delivery have entered into a Settlement Agreement pending approval by the 20 Cities that passed show-cause resolutions and ratification by other member cities with original jurisdiction; and

WHEREAS, Electric Delivery has agreed to improve communication, coordination and timing of construction in rights of way, permit development of a tariff that will allow city mandated underground placement of distribution facilities, modify certain franchise renewal negotiation positions and improve meter reading on certain city accounts that are estimated; and

WHEREAS, Electric Delivery has committed to the Steering Committee during the period of rate case abatement to share information on certain company operations and procedures that should enhance the Cities' ability to appropriately exercise regulatory responsibilities in the rate proceeding that Electric Delivery has agreed to file on or before July 1, 2006; and

WHEREAS, that Agreement calls for immediate and long-term benefits to flow to all city members of the Steering Committee which in turn have indirect but positive benefit to all city residents and public safety in general.

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

Section 1. The Settlement Agreement between the Cities' Steering Committee and TXU Electric Delivery is hereby ratified.

Section 2. This Resolution shall take effect immediately from and after its adoption.

R. Scott Wheeler, Mayor

ATTEST:

By: _____
Carmen Moran, City Secretary

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into between TXU Electric Delivery Company ("Electric Delivery") and the Steering Committee of Cities Served by TXU Electric Delivery Company on behalf of all cities listed on Exhibit A to this Agreement ("Cities"), hereinafter referred to jointly herein as "Signatories."

WHEREAS, the city councils of 23 cities who are members of Cities passed resolutions in 2004 requiring Electric Delivery to file with those cities information that demonstrates good cause for showing that Electric Delivery's transmission and distribution rates should not be reduced (hereinafter referred to as "Show Cause Actions");

WHEREAS, other cities who are members of Cities are contemplating initiating similar Show Cause Actions against Electric Delivery;

WHEREAS, Cities and Electric Delivery desire to resolve all outstanding issues related to the existing and potential Show Cause Actions and other regulatory issues; and

WHEREAS, after extensive negotiations, Cities and Electric Delivery have reached a compromise and settlement to resolve those issues.

NOW, THEREFORE, the Signatories, through their undersigned representatives, hereby agree to the following:

1. Electric Delivery agrees to propose and support in its next system-wide rate case or city rate inquiry one or more municipal rates, each without a demand ratchet, that together will cover all municipal accounts, including a street lighting rate and municipal pumping rate that will be lower than they otherwise would be. Cities agree to provide to Electric Delivery any information needed to design the rates described in this paragraph.
2. Electric Delivery agrees to file a system-wide rate case at the Public Utility Commission of Texas ("PUC") no later than July 1, 2006, based on a test year ending December 31, 2005 unless Cities and Electric Delivery mutually agree that such a filing is unnecessary. For those cities that do not have a City Council meeting in July, 2006, Electric Delivery will extend its effective date to accomplish suspension by August 31, 2006. However, if Electric Delivery files a system-wide rate case at the PUC on or before June 1, 2006, then Electric Delivery will not extend its effective date.
3. Cities agree that Electric Delivery is not required to respond to any pending Show Cause Action initiated by any city listed on Exhibit A to this Agreement prior to July 1, 2006. Cities further agree to abate or dismiss all pending Show Cause Actions, not to pursue any abated Show Cause Actions, and not to initiate similar actions before July 1, 2006, provided the provisions of this Settlement Agreement are honored. Cities agree not to intervene in, or participate in any manner in, any show cause action initiated at the PUC or in any other jurisdiction prior to the proceeding described in paragraph 2, or in any appeals of such show cause actions, except as necessary to protect the tariff or tariff-efforts associated with paragraph 1 or to protect the city or

its residents from being prejudiced in any show cause action pending on appeal at the PUC. If Cities intervene in a show cause action pending on appeal at the PUC, then Cities agree not to take any position in that proceeding that is inconsistent with its obligations under this Settlement Agreement.

4. In consideration for Cities' obligations under this Agreement, Electric Delivery agrees to make a cash payment of \$8.5 million to Cities by the later of March 31, 2005 or two weeks after receiving notice from Cities that (1) all cities listed on Exhibit B to this Settlement Agreement have abated or dismissed show cause actions pending against Electric Delivery, and (2) each city on Exhibit C to this Settlement Agreement has passed a resolution ratifying this Settlement Agreement or provided to Cities a letter in substantially the same form as Exhibit D to this Settlement Agreement that has been signed by an authorized representative of the city. Starting March 31, 2006, and each March 31st thereafter, Electric Delivery will make an annual cash payment of \$8 million to Cities. Electric Delivery's obligation to make this payment ceases on the date upon which Cities fail to comply with their obligations under this Agreement or the date upon which the tariffs approved in Electric Delivery's next system-wide rate case at the PUC or in a city rate inquiry become effective on a temporary or permanent basis ("Termination Date"); provided, however, in the year the new tariffs become effective, the annual payment shall be prorated until the Termination Date.

5. Electric Delivery agrees to work with Cities to improve the timeliness of streetlight maintenance and to develop a process so that every city-owned and Electric Delivery-owned street light is assigned an identifiable geographic location. Signatories agree to establish a task force of senior employees that will develop, by June 30, 2005, the process and planned rollout for the street light assignment project. Electric Delivery also agrees to provide to Cities a specific contact person (or persons) within Electric Delivery who will be responsible for handling all unresolved Cities' requests with respect to streetlights, including, but not limited to, billing, maintenance, installation, removal, and account initiation and closure. Signatories agree to diligently pursue resolution of the issues discussed in this paragraph; however, failure to reach an agreement with respect to these issues will not constitute a breach of this Settlement Agreement by either Cities or Electric Delivery.

6. Electric Delivery agrees to work with Cities to establish improved communication, coordination, and timing of construction concerning relocations of Electric Delivery's facilities in public right of way. Signatories agree to establish a task force of senior employees that will develop, by June 30, 2005, the process and planned rollout of an improved relocation process. Signatories agree to diligently pursue resolution of the issues discussed in this paragraph; however, failure to reach an agreement with respect to these issues will not constitute a breach of this Settlement Agreement by either Cities or Electric Delivery.

7. Electric Delivery agrees to discuss with Cities the payment of franchise fees on a quarterly basis regardless of whether the basis for a quarterly payment is historic or prospective and the standardization of a franchise renewal process that permits transition from a prospective basis to a historic basis where the franchise is up for renewal. Signatories agree to diligently pursue discussion of the issues discussed in this paragraph; however, failure to reach a resolution

of these issues will not constitute a breach of this Settlement Agreement by either Cities or Electric Delivery.

8. Electric Delivery agrees to negotiate with Cities, and Cities agree to approve, a tariff that permits Cities to request undergrounding of new or existing distribution facilities. The tariff shall ensure full cost recovery by Electric Delivery through a surcharge in the requesting city in the event that no third party is required by Electric Delivery's tariff, or applicable city ordinance, to pay for undergrounding costs. That tariff will also allow Cities to request undergrounding of transmission lines to the extent Electric Delivery determines that (a) such undergrounding is feasible, (b) such undergrounding is consistent with the PUC's Substantive Rules and ERCOT's requirements, and (c) Electric Delivery can recover the costs of such undergrounding through a surcharge in the requesting city. Electric Delivery will not be obligated to file the tariff for city approval until after the expiration of the Price to Beat or the modification of the Price to Beat in a manner that allows pass through of tariff charges to the ultimate consumer.

9. Electric Delivery agrees to provide quarterly updates to representatives designated by Cities and their consultants concerning Electric Delivery's capital expenditure projects and affiliate transactions, the creation and regulatory treatment of a Pension and Health Benefits Reserve for Electric Delivery, possible workable parameters for performance based rates for Electric Delivery, and other topics as agreed upon by the Signatories. Electric Delivery will work with Cities to provide information requested by Cities concerning those topics.

10. Electric Delivery shall pay up to \$10,000 per month in regulatory expenses directly to Cities' consultants, after receipt of appropriate documentation and invoices, provided said expenses may be deferred for recovery. Cities agree to support recovery of such costs in Electric Delivery's next rate case. Should recovery be denied by the PUC, then the payments will immediately cease.

11. Electric Delivery agrees to work with Cities to establish better communications between the Cities and Electric Delivery with respect to access to city meters for monthly reading. Each city shall provide in writing, by March 31, 2005, a contact person for inaccessible meters for city accounts, and shall promptly notify Electric Delivery of any change in the contact person. In months where a meter reader is unable to gain access to the premises to read the meter on regular meter reading trips, or in months when meters are not read, Electric Delivery agrees to provide the customer with a postcard and request the customer to read the meter and return the card to Electric Delivery. If the postcard is not received by Electric Delivery in time for billing, Electric Delivery may estimate the meter reading and issue a bill. Electric Delivery agrees that all municipal meters will be read at least once every three months by it or by the respective city. The failure of a city to designate a contact person for inaccessible meters affects only that city and does not adversely impact any other city or mitigate responsibilities and benefits otherwise inherent to this Agreement.

12. Electric Delivery agrees to reimburse Cities for the expenses incurred related to the Show Cause Actions in an amount not to exceed \$100,000 after receipt of appropriate documentation and invoices, and Cities agree that those costs can be deferred for recovery in its next rate case and agree to support deferral and recovery in that case. Notwithstanding any provisions in

existing applicable franchise agreements to the contrary, Electric Delivery agrees to reimburse Cities for reasonable and necessary expenses incurred in Electric Delivery's next rate case in an amount not to exceed \$2,000,000. The rate case expense reimbursements will be made monthly, beginning with the first month after the consultants are hired. Cities further agree not to contest the recovery of Cities' rate case expenses and Electric Delivery's reasonable and necessary rate case expenses in Electric Delivery's next rate case. Electric Delivery further agrees to pay, and Cities agrees to accept, \$150,000 in settlement of all previously disputed regulatory expenses. Electric Delivery will not seek reimbursement of that \$150,000 amount in Electric Delivery's rates.

13. Electric Delivery agrees that, in franchise negotiations, it will not seek to extend the prohibition on reimbursement of municipal rate case expenses beyond June 2008.

14. Electric Delivery agrees that if the 2005 Texas Legislature considers the implementation of a nodal pricing system in ERCOT, then Electric Delivery will provide information to the Legislature concerning the importance of a vibrant electric transmission system and the benefits of the expansion of transmission facilities in helping to reduce congestion costs.

15. Signatories acknowledge that Electric Delivery intends to offer certain terms of this Settlement Agreement to cities served by Electric Delivery that are not listed on Exhibit A ("Negotiations"). Electric Delivery agrees that all cities listed on Exhibit A are entitled to Most Favored Nations protection during those Negotiations and that any benefits that Electric Delivery agrees to provide to any city during those Negotiations that are not already included in this Settlement Agreement will be offered to all cities listed on Exhibit A. Cities acknowledge and agree that to receive any additional benefits from Electric Delivery, additional consideration from Cities to Electric Delivery may be required.

16. The Signatories agree that the amounts paid by Electric Delivery to Cities pursuant to paragraphs 4, 10, and 12 of this Agreement are paid solely in consideration for Cities' abatement or dismissal of, and forbearance from filing or pursuing, Show Cause Actions against Electric Delivery and Cities' agreement to abide by the terms of this Agreement, and to reimburse Cities' expenses associated with the Show Cause Actions and other regulatory proceedings. To the extent that the amounts paid may be in excess of Cities' expenses, the excess is paid solely in order to settle the matters that are the subject of this Agreement. Signatories recognize and agree that the payments specified in this Agreement are not a rate reduction, refund, rebate, discount, preference or privilege of any kind for services provided by Electric Delivery or any of its affiliates or predecessors in interest under any tariff, whether in the past, now, or in the future. As such, the provision of electric delivery service to Cities by Electric Delivery or any affiliate or predecessor has been and will continue to be governed solely by the rates, terms, and conditions of the applicable tariffs.

17. Cities agree that for a ten-day period following the date this Settlement Agreement is executed, neither Cities nor the cities listed on Exhibit A will make any public statements or take any public action concerning the existence of a settlement or the terms of the Settlement Agreement.

18. This Agreement shall become effective only upon the execution of this Agreement and the entry of resolutions or orders abating or dismissing the Show Cause Actions.

19. Each person executing this Agreement represents that he or she is authorized to sign this Agreement on behalf of the party represented.

20. The Signatories expressly acknowledge and agree that oral and written statements made by any party or its representative during the course of the settlement negotiations that led to this Agreement cannot be used or portrayed as an admission or concession of any sort and shall not be admissible as evidence in any proceeding in any forum.

Executed on this the 22 day of February, 2005, by the Signatories hereto, by and through their undersigned duly authorized representatives.

TXU Electric Delivery Company



**Steering Committee of Cities Served by
TXU Electric Delivery Company on behalf
of all cities listed on Exhibit A to this
Agreement**


_____ Chair

Exhibit A

City of Addison	City of Highland Park	City of The Colony
City of Allen	City of Honey Grove	City of Tyler
City of Alvarado	City of Howe	City of University Park
City of Andrews	City of Hurst	City of Venus
City of Archer City	City of Hutto	City of Waco
City of Arlington	City of Irving	City of Watauga
City of Belton	City of Jolly	City of White Settlement
City of Benbrook	City of Josephine	City of Wichita Falls
City of Big Spring	City of Justin	City of Woodway
City of Breckenridge	City of Kaufman	
City of Bridgeport	City of Keller	
City of Brownwood	City of Kerens	
City of Buffalo	City of Lakeside	
City of Burk Burnett	City of Lamesa	
City of Burleson	City of Lindale	
City of Caddo Mills	City of Little River Academy	
City of Cameron	City of Luella	
City of Canton	City of Malakoff	
City of Carrollton	City of Mansfield	
City of Celina	City of McKinney	
City of Centerville	City of Midland	
City of Cleburne	City of Milford	
City of Colleyville	City of Murphy	
City of Collinsville	City of Murchison	
City of Comanche	City of New Chapel Hill	
City of Corinth	City of North Richland Hills	
City of Crowley	City of O'Donnell	
City of Dallas	City of Oak Leaf	
City of Dalworthington Gardens	City of Oak Point	
City of DeLeon	City of Odessa	
City of Denison	City of Ovilla	
City of Early	City of Palestine	
City of Eastland	City of Pantego	
City of Edgecliff Village	City of Paris	
City of Euless	City of Plano	
City of Farmers Branch	City of Ranger	
City of Flower Mound	City of Rhome	
City of Forest Hill	City of Richardson	
City of Fort Worth	City of Richland Hills	
City of Frisco	City of Roanoke	
City of Frost	City of Robinson	
City of Glenn Heights	City of Rockwall	
City of Grand Prairie	City of Rosser	
City of Granger	City of Rowlett	
City of Grapevine	City of Sherman	
City of Gunter	City of Snyder	
City of Harker Heights	City of Southlake	
City of Heath	City of Sulphur Springs	
City of Henrietta	City of Sunnyvale	
City of Hewitt	City of Sweetwater	
	City of Temple	

Exhibit B

City of Arlington
City of Benbrook
City of Brownwood
City of Burleson
City of Carrollton
City of Dallas
City of Dalworthington Gardens
City of Denison
City of Ft. Worth
City of Harker Heights
City of Heath
City of Pantego
City of Plano
City of Richland Hills
City of Robinson
City of Rockwall
City of Snyder
City of Sulphur Springs
City of The Colony
City of Woodway

Exhibit C

City of Addison
City of Allen
City of Andrews
City of Archer City
City of Belton
City of Big Spring
City of Breckenridge
City of Bridgeport
City of Burkburnett
City of Celina
City of Cleburne
City of Colleyville
City of DeLeon
City of Early
City of Eastland
City of Euless
City of Farmers Branch
City of Flower Mound
City of Forest Hill
City of Frisco
City of Glenn Heights
City of Grand Prairie
City of Grapevine
City of Henrietta
City of Highland Park
City of Howe
City of Hurst
City of Irving
City of Keller
City of Lakeside
City of Lamesa
City of Lindale
City of Little River Academy
City of Mansfield
City of McKinney
City of Midland
City of Murphy
City of North Richland Hills
City of Oak Point
City of O'Donnell
City of Odessa
City of Palestine
City of Paris
City of Richardson
City of Roanoke
City of Rowlett
City of Sherman
City of Southlake
City of Sunnyvale
City of Sweetwater
City of Temple

City of Tyler
City of University Park
City of Waco
City of Watauga
City of White Settlement
City of Wichita Falls

EXHIBIT D

March ____, 2005

Mr. Geoffrey Gay
Lloyd Gosselink Blevins Rochelle Baldwin & Townsend, P.C.
111 Congress Avenue, Suite 1800
Austin, Texas 78701

Re: Settlement Agreement between Steering Committee of Cities Served by TXU
Electric Delivery and TXU Electric Delivery Company

Dear Mr. Gay:

I hereby acknowledge that the Steering Committee of Cities Served by TXU Electric Delivery has the authority to act on behalf of the City of _____ in the negotiation and execution of a settlement agreement with TXU Electric Delivery Company, dated February 22, 2005.

I also represent that I am duly authorized by the City of _____ to sign this letter.

Sincerely,

[Name]
[Position]

Council Agenda Item: #R7-1

SUMMARY:

Council approval is requested for the purchase of (1) 2005 Ambulance under the Town's Inter-local Agreement with the Houston-Galveston Area Council (HGAC) in the amount of \$111,225.

FINANCIAL IMPACT:

Budgeted Amount: \$104,500

Cost: \$111,225

Auction proceeds and interest income is available in the CERF to fund the cost difference.

BACKGROUND:

HGAC issues request for bids for vehicles every year and receives extremely competitive prices because of the large volume of purchases the council generates. In the past, the prices received from HGAC have been 25% below the manufacturer's suggested prices.

State statute exempts the Town from formal bid requirements when purchasing through the Inter-local Agreement with HGAC.

The ambulance to be purchased for the Fire Department replaces a 2000 ambulance that is currently in reserve status. The next oldest ambulance (2001) in the fleet will then move into reserve status. The 2000 model Ambulance that is being replaced has reached the end of its useful life and has met Fleet Services replacement criteria for vehicle retirement to auction.

The new vehicle meets the specifications and requirements of the Fleet Services Department and the Fire Department.

There are sufficient funds in the Capital Equipment Replacement Fund for the recommended expenditure of \$111,225.

RECOMMENDATION:

Staff recommends the Council approve the purchase of the Ambulance from HGAC.

MA



Memorandum

To: Mark Acevedo, Director
Cc: Noel Padden, Fire Chief
Date: 8/06/2004
Re: 2005 Frazer Ambulance

The Addison Fire Department is requesting the purchase of a new Frazer Bilt ambulance by Frazer LTD. of Bellaire, Texas to replace an existing 2000 model year ambulance as part of our regularly scheduled replacement program.

Two bids were received from vendors currently members of the Houston Galveston Area Council (HGAC), and we are requesting the purchase of the Frazer Bilt ambulance, which submitted the lowest bid of the two. The Frazer ambulance meets all of our needs and the specifications requested to maintain the highest quality of care for our patients as well as to ensure their comfort and safety throughout the emergency response.

The Fire Department is requesting a change in the ambulance color scheme from white with a red stripe to red with a white stripe in order to match the color scheme of the rest of our apparatus. The color scheme change does add a cost of \$1,400.00 to the bid in order to match our existing Pierce fire equipment. However, the Frazer bid still falls below the Wheeled Coach Ambulance bid, which does not include a color change and has fewer features. City Manager Ron Whitehead has approved the color scheme change we are requesting in order to make all the fire department apparatus more uniform.

Should you have questions regarding this bid, please feel free to call me at 7206 or email me at ckellen@ci.addison.tx.us.

Council Agenda Items: #ES1, #ES2, #R8, #R9

There are no attachments for these items.