



**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

AND / OR

WORK SESSION OF THE CITY COUNCIL

6:00 PM

February 11, 2014

ADDISON TOWN HALL

5300 BELT LINE RD., DALLAS, TX 75254

6:00PM WORK SESSION

7:30PM REGULAR MEETING

WORK SESSION

WS1 Presentation and discussion of Single Audit Report including management comments from the Town's independent auditors, Weaver, LLP.

WS2 Presentation and discussion regarding the Fork & Cork, A Celebration of Taste, special event.

- WS3 Presentation and discussion regarding the North and South Quorum District Pedestrian Connectivity Schematic Design and Probable Costs Review.

REGULAR MEETING

Pledge of Allegiance

- R1 Announcements and Acknowledgements regarding Town and Council Events and Activities
- Introduction of Employees
- Discussion of Events/Meetings

-
- R2 Consent Agenda.

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- 2a Approval of the Minutes for the January 28, 2014 Work Session and Regular Council Meeting.

RECOMMENDATION:

Administration recommends approval.

Attachments

01-28-2014 Minutes

-
- 2b Approval of annual contract with Cavanaugh Flight Museum Sponsorship for marketing support.

RECOMMENDATION:

Administration recommends approval.

Attachments

Grant Request 2014
CFM Admission 2012 vs. 2013
CFM 2013 Actual Budget

-
- 2c Approval of a lease agreement between 14671-14683 Midway Road, L.P., as landlord, and the Town of Addison, as tenant, of certain premises comprising approximately 14,800 square feet of space located at 14683 Midway Road, Suite 200 in Addison, generally known as Office in the Park, for office and related purposes, including to house the Town's Economic Development Department and entrepreneur development programs.

RECOMMENDATION:

Administration recommends approval.

Attachments

Office in the Park Lease Agreement

Regular Items

- R3 Discussion, consider, and take action regarding an ordinance calling for a general municipal election to be held on May 10, 2014 for the purpose of electing three (3) Council Members for two (2) year terms each. (Discusión y consideración de aprobación de una ordenanza que pide una elección municipal general ser creída el 10 de mayo de 2014 para elección de tres (3) miembros de Consejo por dos (2) años cada uno).

RECOMMENDATION:

Administration recommends approval.

Attachments

Election Ordinance

R4

PUBLIC HEARING Case 1684-SUP/NHS Restaurant. Public hearing, discussion, consider, and take action regarding an ordinance changing the zoning on property located at 5100 Belt Line Road, Suite 795, which property is currently zoned PD, Planned Development, through Ordinance 012-001, by approving for that property a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, on application from NHS Village, LLC represented

by Mr. Nick Badovinus.

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting in regular session on January 24, 2014, voted to recommend approval of the request for approval of an ordinance changing the zoning on property located 5100 Belt Line Road, Suite 795, which property is currently zoned PD, Planned Development, through Ordinance 012-001, by approving for that property a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, subject to no conditions.

Voting Aye: Doherty, Groce, Hughes, Oliver, Stockard, Wheeler

Voting Nay: none

Absent: Hewitt

RECOMMENDATION:

Administration recommends approval.

Attachments

docket map, staff, report and commission findings

- R5 Presentation, discussion, consider and take action regarding an ordinance amending Chapter 62, Signs, of the Code of Ordinances of the Town by providing for a Meritorious Exception to Article IV. requirements for Specific Types of Signs, Division 3 Attached Signs, Sec.62-162 Premises Signs, Item (c) and Sec. 62-163 Area, Item (1) and Item (5) in order to provide for a sign on the north facade with letters 28" in height and an area of approximately 28 Sq. Ft. and an additional sign on the north facade with a logo 6'4" in height and an area of approximately 46.5 Sq. Ft. at Pollo Tropical located at 5290 Belt Line Rd. Suite 100.

RECOMMENDATION:

Administration recommends approval.

Attachments

APPLICATION, DRAWINGS, OWNERS LETTER

R6 Presentation, discussion, consider and take action regarding (i) a Consulting Services Agreement in the amount of \$1,100,000, plus possible additional sums, between the Town and iXP Corporation to provide services to the Town and to the cities of Carrollton, Coppell, and Farmers Branch in connection with the formation and start-up of the Metrocrest Quad Cities Local Government Corporation and the construction, development, management, and operation of a consolidated public safety communications center, and (ii) an Interlocal Agreement between the Town and the cities of Carrollton, Coppell and Farmers Branch regarding the Consulting Services Agreement, including equal sharing by the cities of the cost thereof.

RECOMMENDATION:

Administration recommends approval.

Attachments

Agreement with iXP
iXP Interlocal Agreement

R7 Discussion, consider, and take action on the Second Amendment to a rooftop Telecommunications License Agreement between the Town and COP-Spectrum Center Partners. LLC regarding property generally located within the Town at or about 5080 Spectrum Drive.

RECOMMENDATION:

Administration recommends approval.

Attachments

Rooftop Agreement

R8 Discussion, consider, and take action amending Chapter 86 (Vehicles for Hire), Article II (Taxicabs, Limousines and Shuttles), Division 2 (Permit), Sections 86-61 (Required), 86-65 (Conditions and Terms) and 86-66 (Permits Non-Transferable Without Consent of Town) by amending sections requiring taxicab service, limousine service, or shuttle service to secure a permit from the Town which is to be permanently affixed to the windshield of each vehicle, regarding permit conditions and terms, and regarding permit transferability.

RECOMMENDATION:

Administration recommends approval.

Attachments

Taxicab Ordinance

-
- R9 Discussion, consider, and take action regarding an employment and/or compensation agreement with Lea Dunn, Deputy City Manager, as City Manager.
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Executive Session

- ES1 Closed (Executive) session of the Addison City Council pursuant to Section 551.087, Texas Government Code, to discuss or deliberate regarding commercial or financial information that the City Council has received from a business prospect or business prospects that the City Council seeks to have locate, stay, or expand in or near the territory of the Town of Addison and with which the City Council is conducting economic development negotiations, and/or to deliberate the offer of a financial or other incentive to such business prospect or business prospects.
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Regular Items Continued

- R10 Discussion, consider, and take action regarding a business prospect or business prospects that the City Council seeks to have locate, stay, or expand in our near the territory of the Town of Addison and with which the City Council is conducting economic development negotiations, and/or regarding the offer of a financial or other incentive to such business prospect or business prospects.
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RECOMMENDATION:

Administration recommends approval

Adjourn Meeting

Posted:

Matthew McCombs, February 7, 2014, 5:00pm

**THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH DISABILITIES.
PLEASE CALL (972) 450-7090 AT LEAST
48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.**

Combined Meeting

WS1

Meeting Date: 02/11/2014

Council Goals: Mindful stewardship of Town Resources.

AGENDA CAPTION:

Presentation and discussion of Single Audit Report including management comments from the Town's independent auditors, Weaver, LLP.

FINANCIAL IMPACT:

N/A

BACKGROUND:

Our auditor has supplied two letters related to the fiscal year 2013 independent audit. The Finance Department reviewed this report and provided responses to all auditor's findings. The second letter provides certain information to the Council as required by professional standards.

RECOMMENDATION:

Combined Meeting

WS2

Meeting Date: 02/11/2014

Council Goals: Create raving fans of the Addison Experience.
Maintain and enhance our unique culture of creativity and innovation.
Fully integrate the Arts as part of our brand

AGENDA CAPTION:

Presentation and discussion regarding the Fork & Cork, A Celebration of Taste, special event.

FINANCIAL IMPACT:

N/A

BACKGROUND:

N/A

RECOMMENDATION:

Combined Meeting

WS3

Meeting Date: 02/11/2014

Council Goals: Maintain and enhance our unique culture of creativity and innovation.

Raise property values

Attract new businesses to Addison

Brand Protection and Enhancement

Infrastructure improvement and maintenance

Fully integrate the Arts as part of our brand

Implement bond propositions

Promote Sustainability

AGENDA CAPTION:

Presentation and discussion regarding the North and South Quorum District Pedestrian Connectivity Schematic Design and Probable Costs Review.

FINANCIAL IMPACT:

N/A

BACKGROUND:

This work is the culmination of a design charette process involving three landscape architecture firms, as well as completion of the schematic design and probable cost phase provided by Talley Associates Landscape Architects.

RECOMMENDATION:

Combined Meeting

2a

Meeting Date: 02/11/2014

Council Goals: N/A

AGENDA CAPTION:

Approval of the Minutes for the January 28, 2014 Work Session and Regular Council Meeting.

FINANCIAL IMPACT:

N/A

BACKGROUND:

N/A

RECOMMENDATION:

Administration recommends approval.

Attachments

01-28-2014 Minutes

DRAFT

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL WORK SESSION

January 28, 2014

6:00 PM

Addison Town Hall, 5300 Belt Line Rd., Dallas, TX 75254

6:00 PM Work Session | 7:30 PM Regular Meeting

Present: Arfsten; Clemens; DeFrancisco; Gunther; Meier; Moore; Resnik

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL REGULAR MEETING

January 28, 2014

6:00 PM

Addison Town Hall, 5300 Belt Line Rd., Dallas, TX 75254

6:00 PM Work Session | 7:30 PM Regular Agenda

Posted by: Matthew McCombs, January 24, 2014, 5:00pm

WORK SESSION

WS1 Discussion regarding the Addison Citizen Academy.

Matt McCombs, City Secretary, spoke regarding this item.

There was no action taken on this item.

WS2 Discussion on the Technology and Physical Security Systems Recommendation for Addison Airport by Faith Group, LLC.

Lisa Pyles, Director of Infrastructure Operations and Services, Heidi Benaman, Project Manager at Faith Group, and Mitchell McAnally, Project Manager at Garver, spoke regarding this item.

There was no action taken on this item.

WS3 Discussion regarding the World Affairs Council of Dallas/Fort Worth and the production of 2014 WorldFest.

Barbara Kovacevich, Director of Special Events, and Jim Falk, President & CEO of World Affairs Council of Dallas/Fort Worth, spoke regarding this item.

There was no action taken on this item.

REGULAR MEETING

Pledge of Allegiance

Announcements and Acknowledgements regarding Town and Council Events and Activities

Introduction of Employees

Discussion of Events/Meetings

Consent Agenda.

2a Approval of the Minutes for the January 14, 2014 Work Session and Regular Council Meeting.

RECOMMENDATION:
Administration recommends approval.

Motion made by Clemens to approve, as submitted,
Seconded by DeFrancisco

Voting AYE: Arfsten, Clemens, DeFrancisco, Gunther, Meier,
Moore, Resnik

Passed

- 2b Approval of a contract in the amount of \$50,000 with the World Affairs Council of Dallas/Fort Worth for consulting services related to the production of the 2014 WorldFest: International Spotlight, subject to the final review/approval of the City Manager and City Attorney.

RECOMMENDATION:

Administration recommends approval.

Motion made by Clemens to approve, as submitted,
Seconded by DeFrancisco

Voting AYE: Arfsten, Clemens, DeFrancisco, Gunther, Meier,
Moore, Resnik

Passed

- 2c Approval of a contract totaling \$71,548 with Palm Springs Pool Service for annual maintenance of park display fountains.

RECOMMENDATION:

Administration recommends approval.

Motion made by Clemens to approve, as submitted,
Seconded by DeFrancisco

Voting AYE: Arfsten, Clemens, DeFrancisco, Gunther, Meier,
Moore, Resnik

Passed

Regular Items

- R3 Presentation of new Addison Airport Tower Chief, Jerry Creecy.

Lisa Pyles, Director of Infrastructure Operations and Services, and Jerry Creecy, Addison Airport Tower Chief, spoke regarding this item.

There was no action taken on this item.

-
- R4 Presentation by the Addison Arbor Foundation and discussion regarding art placement within Addison.

Matt McCombs, City Secretary, and Dr. Jay Ihrig, Vice President of the Addison Arbor Foundation, spoke regarding this item.

There was no action taken on this item.

-
- R5 Presentation, discussion relating to Addison Kaboom Town, and take action regarding a contract in the amount of \$52,000 annually with PyroShows of Texas for the production of the Addison Kaboom Town! Fireworks Show in 2014-2016 with the option to renew for two additional one-year terms in 2017 and 2018, subject to the final review/approval of the City Manager and City Attorney.

RECOMMENDATION:

Administration recommends approval.

Barbara Kovacevich, Director of Special Events, and Steve Frantz, Vice President of Pyro Shows of Texas, spoke regarding this item.

Motion made by Clemens to approve, as submitted,

Seconded by Resnik

Voting AYE: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Passed

-
- R6 Presentation, discussion, and take action regarding an ordinance amending Chapter 62, Signs, of the Code of Ordinances of the Town by providing for a Meritorious Exception to Article IV. Requirements for Specific Types of Signs, Division 3. Attached Signs, Sec.61-162 Premises Signs, Item (c) and Sec. 62-163 Area, Item (1) and Item (5) in order to provide for signs on the east and west facades with letters 32" in height, a sign on the north facade

with letters 36" in height and an area of approximately 41 Sq. Ft. and an additional sign on the north facade with a logo 6' 4" in height and an area of approximately 46.5 Sq. Ft., at Pollo Tropical located at 5290 Belt Line Rd., Suite 100.

RECOMMENDATION:

Administration recommends denial.

Lynn Chandler, Building Official, Mitch Keith, Sr. Construction Manager at Fiesta Restaraunt Group, and Zeke Bullock, Project Manager of Barnett Signs, spoke regarding this item.

Motion made by Moore to deny the applicant's request,
Seconded by Clemens

Voting AYE: Arfsten, Clemens, DeFrancisco, Gunther, Meier,
Moore, Resnik

Passed

- R7 Presentation, discussion, and take action regarding an ordinance amending Chapter 62, Signs of the Code of Ordinance of the Town by amending Article VI. Special Districts, Sec.62-289 Generally, Items (b) 1., (b) 8., (b) 9., (b) 11., and (b) 12 in order to provide for a multi-tenant pylon sign, a multi-tenant wall sign and make corrections to the Code of Ordinances regarding the property located at 5100 Belt Line Road, Village on the Parkway, on recommendation from the City Staff.

RECOMMENDATION:

Administration recommends approval.

Lynn Chandler, Building Official, spoke regarding this item.

Motion made by DeFrancisco to approve, as submitted,
Seconded by Arfsten

Voting AYE: Arfsten, Clemens, DeFrancisco, Gunther, Meier,
Moore, Resnik

Passed

- R8 Presentation, discussion, and take action regarding an ordinance amending Chapter 62, Signs, of the Code of Ordinances of the Town by providing for a Meritorious Exception to Article VI, Special Districts, Sec. 62-289 Generally, Item (b) 8 (d) in order to provide for signs on the west and north facades with logos 5' in height on application from Lincoln Property Company on behalf of AT&T for the property located at 5100 Belt Line Rd Suite 1032.

RECOMMENDATION:

Administration recommends denial.

Lynn Chandler, Building Official, Jarod Yates, Vice President of Lincoln Properties, and Fred Maldonado, AT&T Regional Director, spoke regarding this item.

Motion made by Moore to deny the applicant's request,
Seconded by DeFrancisco

Voting AYE: Arfsten, Clemens, DeFrancisco, Gunther, Meier,
Moore, Resnik

Passed

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- R9 Presentation and discussion regarding the Fiscal Year 2014 Budget Book.

Eric Cannon, Chief Financial Officer, and Carrie Rice, Director of Communications and Marketing, spoke regarding this item.

There was no action taken on this item.

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- R10 Presentation and discussion on the 2013 Year End Report on Economic Development endeavors and activities of the Economic Development Department.

RECOMMENDATION:

Orlando Campos, Director of Economic Development, spoke regarding this item.

There was no action taken on this item.

- R11 Presentation and discussion regarding the status update on the Belt Line Road Utility Undergrounding Project.

RECOMMENDATION:

Lisa Pyles, Director of Infrastructure Operations and Services, spoke regarding this item.

There was no action taken on this item.

- R12 Presentation and discussion on proposed Request for Proposals for the development of the southeast corner of the Airport and a Request for Qualifications for the Airport Terminal Building commonly referred to as the Addison Jetport.

RECOMMENDATION:

Lisa Pyles, Director of Infrastructure Operations and Services, spoke regarding this item.

There was no action taken on this item.

- R13 Discussion, consider and take action regarding an employment and/or compensation agreement with Lea Dunn, Deputy City Manager, as City Manager.

Mayor and Council discussed the employment and compensation with Lea Dunn, Deputy City Manager, as City Manager. The Mayor and Council reviewed a draft of the employment contract, and agreed on base salary, car allowance, and amount of severance, recommended the inclusion of a provision regarding incentive compensation, made other suggestions regarding the draft contract, and directed the City Attorney to revise the draft contract to reflect the Council's discussion.

There was no action taken on this item.

- ES1 Closed (Executive) session of the Addison City Council pursuant to Section 551.087, Texas Government Code, to discuss or deliberate regarding commercial or financial information that the City Council has received from a business prospect or business prospects that the City Council seeks to have locate, stay, or expand in or near the territory of the Town of Addison and with which the City Council is conducting economic development negotiations, and/or to deliberate the offer of a financial or other incentive to such business prospect or business prospects, and pursuant to Section 551.072, Texas Government Code, to deliberate the lease or value of certain real property located at Addison Airport.

City Council went into executive session at 11:35 pm.
City Council reconvened in open session at 12:18 am.

- ES2 Closed (executive) session of the Addison City Council pursuant to Section 551.072, Texas Government Code, to deliberate the purchase or value of certain real property located within the Town and adjacent to and concerning Addison Airport.

City Council went into executive session at 11:35 pm.
City Council reconvened in open session at 12:18 am.

- R14 Discussion and take action regarding a business prospect or business prospects that the City Council seeks to have locate, stay, or expand in our near the territory of the Town of Addison and with which the City Council is conducting economic development negotiations, and/or regarding the offer of a financial or other incentive to such business prospect or business prospects, and/or regarding the lease or value of certain real property located at Addison Airport.

Motion made by Clemens to approve action as discussed in Executive Session, subject to final approval of the City Manager and City Attorney,

Seconded by Gunther

Voting AYE: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Passed

R15 Discussion, consider and take action regarding the purchase or value of certain real property located within the Town and adjacent to and concerning Addison Airport.

Motion made by Clemens to approve action as discussed in Executive Session, subject to final approval of the City Manager and City Attorney,

Seconded by DeFrancisco

Voting AYE: Arfsten, Clemens, DeFrancisco, Gunther, Meier, Moore, Resnik

Passed

Mayor-Todd Meier

Attest:

City Secretary-Matthew McCombs

Combined Meeting

2b

Meeting Date: 02/11/2014

Council Goals: Mindful stewardship of Town Resources.

AGENDA CAPTION:

Approval of annual contract with Cavanaugh Flight Museum Sponsorship for marketing support.

FINANCIAL IMPACT:

The Communications and Marketing budget accounts for the annual contract of \$50,000.

BACKGROUND:

Cavanaugh Flight Museum Sponsorship annual contract is a grant for the museum to help support marketing and public relations efforts for 2014.

RECOMMENDATION:

Administration recommends approval.

Attachments

Grant Request 2014

CFM Admission 2012 vs. 2013

CFM 2013 Actual Budget



February 5, 2014

2013 was a banner year for the Cavanaugh Flight Museums 20th anniversary!

For 2013, our primary focus was to create new and unique reasons for the public and media to come to Addison and visit the museum.

The Museum created and executed 5 major events this year that included:

- o Red Tails traveling educational exhibit, designed to inspire kids to reach higher for success in life, on display this past March
- o A three-day aviation photography school attracting students from across the country to participate in hands on photography with the Museum Aircraft.
- o Warbirds Over Addison, featuring two very rare aircraft from the Texas Flying Legends museum in Houston, created a new two-day event attendance record of over 4,800 in May
- o Fall Fly days and car show (new for this year) attracted over 140 cars and brought a new single day attendance record of over 2,700.
- o Marketed and hosted the Texas Vietnam Heroes Traveling Exhibit, honoring and attracting attention to the Texas Vietnam Heroes Memorial being dedicated in March at the Texas State capital.

In addition to the success of these events, working with Shiroma Southwest brought to light another valuable asset the Museum brings to the Town of Addison...

Cavanaugh Flight Museum is a news generator!

The Museum has unique stories about our volunteer veterans, adventures in the skies that become realities, riding in historical aircraft, and now the in-house ability to create quality video and photography that the local media are seeking for quality content.

Between the new events listed above and Kaboom Town, CFM facilitated ten TV media spots and five radio media spots generating over 70 minutes of airtime, at an approximate value of \$150,000 yielding over 10,000,000 impressions! In addition, CFM purchased forty paid TV spots and advertised in seven different local web and print magazines, including the Addison North Dallas Guide.

The museum contributed \$9,500 for media rides and donated over \$28,000 for the 13 aircraft used in the Kaboom Town airshow, including flying the parachute jumpers hired for the show.

For 2013, sequestration halted military participation in fly-overs for sporting events. Local sport franchises turned to CFM for a solution that resulted in CFM coordinating and flying multiple game day flyovers including the Texas Rangers opening day celebration and the Fall NASCAR event. This partnership allowed us to trade for and gain discounted access to prime advertising space in the Texas Rangers program, generating 240,000 plus impressions for \$13,500 and the Texas Motor Speedway where we created a 30 second video commercial played each day creating 260,000 impressions.

This year, the museum instigated a new email-marketing program including 4 newsletters per year and email advertising for events, as well as continued growth in the interest of our social media campaigns, resulting in a 120% increase in response over 2012.

2013 saw CFM take advertising on the road with new graphics, that feature the Museum ride program at Addison Airport, on our airshow support RV. This year we traveled 4,800 highway miles and attended events locally and nationally with spectators numbering over 400,000!

2013 saw multiple double-digit gains in events, attendance and out of area participation (see addendum A for numbers)

Total spent on Marketing 2013 \$139,884 Total Budget projected \$140,600

Cavanaugh Flight Museum

501(C) 3 Non-Profit Educational Organization - www.cavflight.org
Addison Airport, 4572 Claire Chennault, Addison, Texas 75001 (972) 380-8800

Our main focus for 2014 will be continued growth in the following areas:

- Increase general attendance
- Increase event revenue both in facility rentals and the museums' events
- Increase utilization of museum aircraft for rides and more emphasis on flight training

1. In 2013 we increased attendance by 28% with a 95% increase in visitors coming to Addison from out of the Dallas area zip codes. We plan to continue this trend through advertising in the local travel guides, event websites and newspapers. In 2013 we experimented advertising with the Texas Rangers in their game programs as well as producing a 30 second video played each day on the jumbo trons for the Fall NASCAR event at the Texas Motor Speed Way. Both of these partnerships combined for a total of approximately 500,000 impressions for the museum and Addison! We look to build continued relations with all of the sport franchises in the area as the response received from our participation in these events show our demographics are aligned. The Texas Motor Speedway, AT&T Stadium and the Ballpark in Arlington, as well as the area minor league Hockey, Baseball and Arena Football leagues, we see as great sources for reaching people in the five state area. Our new in-house creative, video and photography solutions allow us to produce quality content for both media and advertising needs, in a timely manner, without the high cost of an advertising agency.
2. Our efforts to create unique events along with being a **flying** aviation museum enables us to offer the media great stories and reasons to cover our events. Partnering with Shiroma Southwest has created a synergy for bringing the museum's great content to the TV media that generated 10,000,000 impressions in 2013! We are finding TV coverage and TV advertising to be the greatest response tool along with social media and email campaigns.

A new event for 2013 was our Fly Days and Car Show hosted in September at the museum. This event hosted 148 vintage Pontiacs that came out to enjoy the museum aircraft flying while their cars were judged on location. The event has huge potential as the reviews from the owners and families of those who attended spoke to the unique activities the museum and town have to offer, in fact the event created a new single day attendance record in the 20-year history of the museum! For 2014, the museum looks to continue growing our in-house events and partnering with other metroplex events to bring new awareness to the museum and the Town of Addison. In February 2014, the Museum will be hosting the National Wabird Operators Conference attracting 400 attendees from across the country for a three-day event at the Marriott Quorum.

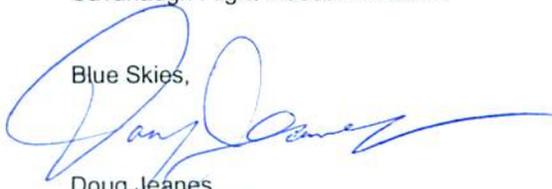
Growing the museum's facility rentals was another focus for 2013. We had an exceptional year as facility rentals were up by over 170% thanks to our marketing efforts and customer service solutions for event coordinators. The net result was a 137% increase in visitors who came out to the museum for weddings, birthday parties, corporate retreats, graduation parties...we are changing the way the public perceives the museum and ways to utilize what we have to offer. We look for continued growth in this area for 2014 by advertising in more of the wedding and family trade magazines as well as tradeshow that apply to the industry.

3. 2013 saw a slight decrease in sales of our local ride program. This was in a large part to the museum taking the time to thoroughly go through each of our ride aircraft for needed long-term maintenance and improvements. The restorations being completed, along with two new additions to the ride program has the museum poised for growth in 2014. In addition, more of our pilots are becoming instructors so we look to grow the unique offering the museum has for flight training in the warbirds we operate. Marketing will be focused on reaching out nation wide, in aviation and warbird magazines, to let pilots know about the training opportunities here at the museum.

Cavanaugh Flight Museum is requesting \$50,000 to help with our marketing efforts for 2014. Attached is a summary of our 2013 expenses as well as the projected budget for 2014.

Your support is crucial in our continued success as we look to make the largest **impression** ever for Addison and the Cavanaugh Flight Museum in 2014.

Blue Skies,



Doug Jeanes
Executive Director

**Cavanaugh Flight Museum
Advertising/Marketing Expense
2014
Projection**

Local news papers	\$ 5,100
European Publications	2,300
Local TV event advertising	9,700
DFW Airport display	8,900
Travel publication	4,300
Social Media advertising	400
Flight training program-advertising	10,000
Creative	4,000
Trade show graphics	1,500
Direct mail	6,000
Warbird publications print and web	1,800
Local magazine	7,500
Sports advertising	30,000
Printing	3,800
Public Relations/marketing partners	45,000
Total Expenditures	\$ 140,300

(Addendum A)

2013 Marketing results

2012 vs. 2013 revenues

Events - 89% increase
Airshows - no change
Flyovers - 600% increase
P-51 Tour - 4% increase
Admission - 28% increase
Museum store sales - 12% increase
Membership - 22% increase
Ride sale - 16% decrease

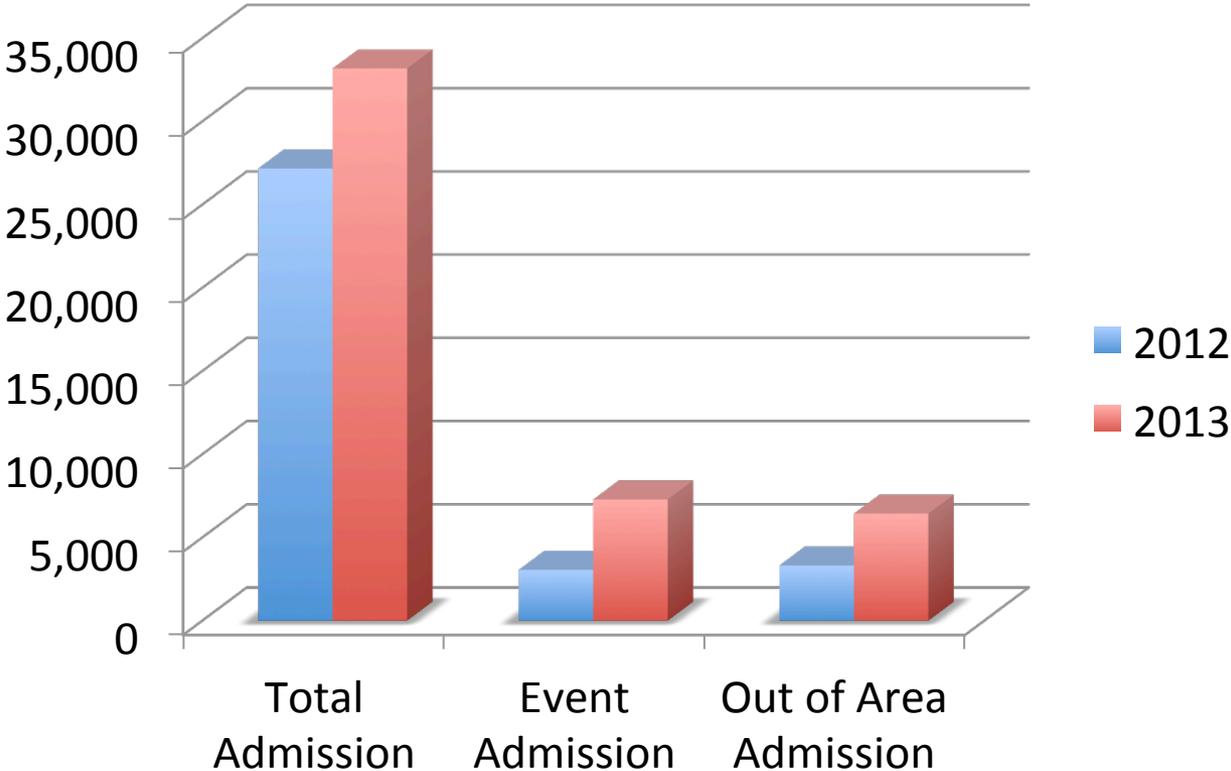
2012 vs. 2013 events

Event facility rentals - 176% increase to 67 events

2012 vs. 2013 attendance

Admission - 28% increase to 33,772 - a new 20-year record!
Out of Dallas Area attendance - 95% increase to 6,432
Event attendance - 137% increase to 7,342

CFM Admission – 2012 vs. 2013



Cavanaugh Flight Museum
Advertising/Marketing Budget
Fiscal Year 2013

Aero Marketing Group	43150
CBS Television Stations	7557
Certified Folder Display	4809
Clear Channel Airports	9181
Dallas Observer	1474
iEntertainment	4475
Presslink Printing	4684
Rodney Hand & Assoc Marketing	3752
Shiroma/Southwest	12496
Skinwraps	5440
Superior Graphics	2859
The Trade Group	1570
TravelHost of Dallas	4000
Texas Rangers Advertising	13500
General Advertising	11437
Media Support	9500
Total	139884

Combined Meeting

2c

Meeting Date: 02/11/2014

Council Goals: Create raving fans of the Addison Experience.
Maintain and enhance our unique culture of creativity and innovation.
Attract new businesses to Addison
Brand Protection and Enhancement
Develop Next Great Idea

AGENDA CAPTION:

Approval of a lease agreement between 14671-14683 Midway Road, L.P., as landlord, and the Town of Addison, as tenant, of certain premises comprising approximately 14,800 square feet of space located at 14683 Midway Road, Suite 200 in Addison, generally known as Office in the Park, for office and related purposes, including to house the Town’s Economic Development Department and entrepreneur development programs.

FINANCIAL IMPACT:

Annual impact: \$185,000 (lease) plus \$9,250 (estimate) for operating expenses.

BACKGROUND:

On January 14, 2014, City Council authorized the City Manager with City Attorney review to negotiate a lease agreement for 14,800 square feet of office space. Request is now made to authorize the City Manager to execute the lease with City Attorney approval.

RECOMMENDATION:

Administration recommends approval.

Attachments

Office in the Park Lease Agreement

OFFICE LEASE AGREEMENT

1. Definitions and Basic Provisions.

- (a) "Base Year" means 2014.
- (b) "Commencement Date" means seventy (70) days following the date that Landlord and Tenant have fully executed this Lease (the "Effective Date").
- (c) "Expense Stop" means the Operating Expenses for 2014.
- (d) "First Month Rent" is \$15,416.67 (paid on the Commencement Date).
- (e) "Fixed Base Rent" means from the Commencement Date through and including the 60th full calendar month after the Commencement Date, a monthly amount equal to Fifteen Thousand Four Hundred Sixteen and 67/100 Dollars (\$15,416.67).
- (f) "Landlord:" 14671-14683 Midway Road LP, a Texas limited partnership.
c/o Franks Real Estate, Inc.
8100 Lomo Alto, Suite 235
Dallas, Texas 75225
- (g) "Lease Term" means five (5) twelve (12) month periods but which Lease Term is expressly subject to paragraph 2 commencing on the Commencement Date and, if not terminated otherwise, ending on the 60th full calendar month following the Commencement Date.
- (h) "Permitted Use" is general office.
- (i) "Premises" means approximately 14,800 rentable square feet (subject to audit) located at 14683 Midway Road, Suite No. 200 of Building 5 shown and designated on the attached Exhibit A in Office in the Park (the said Building 5 being one of six (6) buildings located in the "Office in the Park," and all of such buildings being referred to herein collectively as the "Building") located on the tract of land in Addison, Dallas County, Texas more particularly described on the attached Exhibit B (the "Land").
- (j) "Rent" means all amounts due from Tenant to Landlord under this Lease including, without limitation, Fixed Base Rent, Operating Expenses, late charges, interest, attorneys' fees and all other amounts now or hereafter due Landlord under the Lease.
- (k) "Security Deposit" is \$15,416.67 (paid at lease execution).
- (l) "Tenant:" Town of Addison
5300 Belt Line Road
Dallas, Texas 75254

2. Grant and Lease Term.

(a) Landlord hereby leases to Tenant, and Tenant hereby accepts from Landlord, the Premises for the Lease Term unless sooner terminated as provided herein, to be continuously used and occupied, in whole or in part, by Tenant only for the Permitted Use (for purposes hereof, the Premises shall be deemed not to be continuously used and occupied only if Tenant fails to use and occupy the entire Premises for a period of 12 consecutive months on the Commencement Date. If this Lease is executed before the Premises become vacant, or if the Premises are otherwise unavailable or not ready for occupancy (including, without limitation, because the Finish Work on Exhibit C has not been substantially completed), or if any present tenant or occupant of the Premises holds over, and Landlord cannot acquire

possession of the Premises prior to the Commencement Date, Landlord shall not be in default of this Lease and Tenant shall accept possession of the Premises at such time (not to exceed ninety (90) days from the original Commencement Date) as Landlord tenders possession and such date shall be deemed to be the Commencement Date and this Lease shall continue for the same number of months as specified in the Lease Term (and all dates shall be adjusted accordingly). In the event the extended Commencement Date exceeds one hundred sixty (160) days from the original Commencement Date, this Lease shall be of no force and effect and any sums tendered to Landlord by Tenant shall be refunded and neither party shall have any obligation to the other hereunder. The Commencement Date shall not be extended, however, for the completion of any installations or improvements to the Premises which in any manner exceed or are in addition to the Landlord's work described on the attached Exhibit C (the "Finish Work"), if any, regardless of whether such items are installed or constructed by Landlord or by Tenant. The parties agree to sign a writing confirming the actual Commencement Date if it is other than the date specified in paragraph 1(b).

(b) Landlord covenants that, subject to acts of God, fire and other casualties, Tenant's payment of all Rent and Tenant's performance of all terms and conditions of this Lease, Tenant's peaceful and quiet enjoyment of its leasehold interest shall not be disturbed or interrupted by Landlord or anyone acting on behalf of or through Landlord.

(c) Tenant shall have an annual right to terminate this Lease solely for the failure of the Town of Addison's council to appropriate funds for this Lease on an annual basis. In the event such appropriation is not made in any calendar year during the Lease Term, Tenant shall (i) provide Landlord with at least sixty (60) days written notice of termination (the "Termination Notice"), (ii) payment of the Termination Payment (defined below), and (iii) return of the Premises in the condition required by this Lease. For purposes of this Lease, the "Termination Payment" shall be equal to one of the following: (i) if Tenant terminates the Lease within the first thirty six (36) months of the Lease Term, Tenant shall reimburse Landlord for one hundred percent (100%) of Landlord's leasing commissions, or (ii) if Tenant terminates the Lease after the thirty sixth (36th) month of paid rent, no Termination Payment shall be due. Within thirty (30) days after the Commencement Date, Landlord will provide to Tenant in writing the amount of all leasing commissions paid by Landlord directly in connection with this Lease (together with invoices and other documents information supporting such cost and Landlord's payment thereof) ("Leasing Commissions"). The Termination Payment shall be due and payable within thirty (30) days after delivery of the Termination Notice. If the Termination Payment is not delivered to Landlord within the time specified, Tenant shall pay a late charge of five percent (5%) of the Termination Payment.

3. Rent and other Payments/Late Payment Charge.

(a) Tenant agrees to pay Landlord all Rent including, without limitation, Fixed Base Rent as specified in paragraph 1(e). The obligation of Tenant to pay Rent is an independent covenant and no act or circumstance whatsoever, including, without limitation, any breach by Landlord, shall release or excuse Tenant's obligation to timely pay Rent. The First Month Rent is due and payable on the execution hereof and the Fixed Base Rent is due and payable in advance on the first day of each succeeding month during the Lease Term. Rent for any fractional month at the beginning or end of this Lease shall be prorated. In addition to Rent, Tenant shall pay Landlord all charges for any services, goods or materials furnished by Landlord at Tenant's request which are not required to be furnished by Landlord under this Lease within ten (10) business days after Landlord tenders a written statement to Tenant. If any installment of Rent is not paid within ten days of the due date, Tenant shall pay a late charge of five percent.

(b) Notwithstanding anything in this Lease stated or implied to the contrary, Tenant's obligation to pay Rent and all other charges, fees and amounts owing to Landlord is subject to Tenant's annual right to terminate pursuant to Section 2(c) above. Tenant therefore retains the continuing annual right to terminate this Lease for any fiscal year (October 1 through September 30); Tenant's exercise of such right of termination must be by written notice given to Landlord on or before September 1 of any calendar year during the Lease Term.

4. Security Deposit. The Security Deposit is not an advance payment of Rent. Upon an uncured Event of Default, Landlord may, without prejudice to any other remedy or notice to Tenant, use the Security Deposit towards any unpaid Rent. Following any application of the Security Deposit, Tenant shall pay to Landlord on demand an amount sufficient to restore the Security Deposit. If Tenant is not then in default hereunder, any remaining balance of the Security Deposit shall be returned to Tenant within thirty (30) days after expiration of the Lease Term or termination of the Lease, but Landlord shall have the right to use the remaining balance for cleaning and repairing the Premises if Tenant fails to

deliver the Premises in the condition required by this Lease.

5. Construction/No Warranty.

(a) Landlord shall with reasonable diligence prosecute the completion of any Landlord Finish Work (to be accomplished following the Tenant Work Notice [defined below]) set forth on Exhibit C, but this Lease shall not be affected by any delay in the completion of the Landlord Finish Work (except as provided by paragraph 2[a]), nor shall Tenant have any claim against Landlord by reason thereof, and all claims for damages arising out of any delay are hereby waived and released by Tenant. The Landlord Finish Work will be performed in a good and workmanlike manner. Any installations or improvements to the Premises which exceed or are in addition to the Landlord Finish Work, if any, shall be at Tenant's request or by Tenant with Landlord's prior written approval, and Tenant agrees to pay for such items upon demand. Landlord retains absolute control over the exterior appearance of the Building and the exterior of the Premises as viewed from public halls and passageways and Tenant shall not, without Landlord's prior written consent, which shall not be unreasonably withheld, install any lighting, decorations, painting, drapes, window coverings, blinds, shades, lettering, placards or advertising of any type which can be viewed from the exterior of the Building.

(b) Tenant's possession of the Premises shall be conclusive evidence that Tenant has inspected the Premises and accepted the Premises as being in good and satisfactory condition, suitable for the purposes intended by Tenant. TENANT ACKNOWLEDGES AND AGREES THAT NEITHER LANDLORD NOR ANY OTHER PERSON WHOMSOEVER HAS MADE, AND TENANT IS NOT RELYING UPON, ANY REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE HABITABILITY, SUITABILITY, ZONING QUALITY, CONDITION OR FITNESS OF THE PREMISES (INCLUDING, WITHOUT LIMITATION, ANY FINISH WORK OR OTHER IMPROVEMENTS THEREON EXCEPT THOSE LISTED ON EXHIBIT C) AND ANY AND ALL SUCH WARRANTIES, EXPRESS OR IMPLIED, ARE HEREBY DISCLAIMED. TENANT ACCEPTS THE PREMISES "AS-IS" AND WITH ALL FAULTS AND TENANT WAIVES ANY DEFECTS IN THE PREMISES AND ANY CLAIMS ARISING THEREFROM AND EXCEPT FOR ANY FINISH WORK, LANDLORD HAS NO OBLIGATION TO MAKE ANY IMPROVEMENTS OR REPAIRS WHATSOEVER TO THE PREMISES.

(c) Notwithstanding anything to the contrary contained in this Lease, promptly after the Effective Date, Tenant hereby agrees to perform the Tenant Finish Work described on Exhibit C-1, at Tenant's sole cost and expense. Tenant shall give Landlord written notice (the "Tenant Work Notice") at such time as Tenant reasonably estimates it is 30 days from substantial completion of the Tenant Finish Work. After receipt of the Tenant Work Notice, Landlord shall use reasonable diligence to complete the Landlord Finish Work, and during such work, Landlord shall use reasonable efforts not to unreasonably interfere with the completion of the Tenant Finish Work.

6. Services by Landlord. Landlord will furnish (in a manner comparable to those furnished to properties of similar quality in Addison or Dallas, Texas) to the Premises (a) air conditioning, both heating and cooling, from 7:00 a.m. to 6:00 p.m. on weekdays and from 8:00 a.m. to 12:00 p.m. on Saturdays (except on holidays) and at such temperatures and in such amounts as may in the reasonable judgment of Landlord be required for comfortable use and occupancy under normal business operations. If Tenant requires air conditioning at any time other than the hours and the days specified above, Tenant shall deliver a written request to the superintendent of the Building before 3:00 p.m. of the business day preceding the extra usage, (b) cold water (at the normal temperature of the supply of water to the Building) for lavatory and toilet purposes and hot water (from the regular Building supply at prevailing temperatures) for lavatory purposes, (c) restroom facilities (including handicap restroom facilities), (d) electric lighting for all public areas and special service areas of the Building in the manner and to the extent deemed by Landlord to be reasonable and standard including replacement of Building standard light bulbs and tubes, (e) janitor and maid service to the Premises on weekdays other than holidays, (f) exterior window washing, (g) cleaning and maintenance of parking areas, exterior walkways and landscaping, (h) non-exclusive passenger elevator service, (i) routine maintenance and replacement of light bulbs in the Common Areas, (j) light and fluorescent bulb replacement in the Premises (at Tenant's cost), (k) access control cards (to include allowing Tenant access to the Building during other than normal business hours), (l) vermin and pest control services and (m) fire sprinkler systems. Electricity in such amounts as is customarily used for general office purposes will be furnished during normal business hours by Landlord at its sole cost as part of the Fixed Base Rent due under this Lease, and Landlord shall install a sub-meter for the Premises to measure the after-hours electricity used at the Premises ("After-Hours Electricity"). Within ten (10) days of Landlord's delivery of a statement detailing the cost for After-Hours Electricity, Tenant shall reimburse Landlord for one hundred (100%) of such After-Hours Electricity costs. Notwithstanding the foregoing, in the event Landlord determines that Tenant is using after-hours HVAC service in excess

of general office standards, Landlord shall have the right to charge Tenant a reasonable fee for the maintenance and repair commensurate with such after-hours HVAC use.

7. Common Area. The "Common Area" of the Building shall be the part of the Building and Land designated by Landlord for the common use of all tenants including, without limitation, halls, lobbies, delivery passages, drinking fountains, parking areas and restrooms which shall be subject to Landlord's sole management and control and shall be operated and maintained as Landlord shall determine. Landlord reserves the right to change from time to time the dimensions and location of the Common Area. Tenant, its employees, subtenants and invitees shall have the nonexclusive right to use the Common Area subject to the Rules and Regulations attached as Exhibit D. Tenant shall not solicit business or display merchandise within any Common Area, distribute handbills or take any action which would interfere with the rights of other persons to use the Common Area. Landlord may temporarily close any part of the Common Area for such periods of time as may be reasonably necessary to make repairs or alterations.

8. Adjustment of Rent.

(a) If, during any calendar year following the Base Year, the Operating Expenses (defined below) per square foot of rentable area in the Premises (obtained by dividing the total annual Operating Expenses by the then total net rentable area of the Building (which, however, shall not be less than the Building Rentable Area (defined below)) exceeds the Expense Stop per square foot of rentable area in the Premises (determined by dividing the Expense Stop by the then total net rentable area of the Building (which shall not be less than the Building Rentable Area)), Tenant shall pay to Landlord in accordance with paragraph 8(b) below and as additional Rent, an amount equal to the annual Operating Expenses per rentable square foot in excess of the Expense Stop per rentable square foot multiplied by the number of rentable square feet stated in paragraph 1(i) above. Any payment made with respect to the calendar year in which this Lease commences or terminates that is a partial year shall be prorated. Landlord may at its option make reasonable monthly or other periodic charges based upon the estimated increase in annual Operating Expenses. As of the Commencement Date, the total net rentable area of the Building is 29,600 square feet (the "Building Rentable Area").

On or before July 1 of each year while this Lease is in effect, Landlord shall provide to Tenant a written good faith estimate of such additional Rent to be paid by Tenant for the following calendar year (or portion thereof). During each calendar year or partial calendar year after the Base Year, Tenant shall pay to Landlord, in advance concurrently with each monthly installment of Fixed Base Rent, an amount equal to such estimated additional Rent for such calendar year or part thereof divided by the number of months therein. Any amounts paid based on such an estimate shall be subject to adjustment as herein provided when actual Operating Expenses are available for each calendar year.

"Operating Expenses" means and includes, without limitation, any and all costs of ownership, management, operation and maintenance of any type whatsoever of the Premises, the Building, (including the Common Area) or the Land including, without limitation, wages, salaries, benefits and other related payroll expenses, utility charges, sewage charges, all insurance premiums, real estate ad valorem taxes, special assessments and any taxes in lieu of ad valorem taxes, franchise or margins taxes, accounting and legal fees incurred in connection with the operation and maintenance of the Building and the Land, janitorial and cleaning services, elevator services, licenses, permits and inspection fees, heating and cooling, maintenance, paint, landscaping, security, inspection, labor and supplies, lighting tubes, bulbs and fixtures, extermination, repairs and replacements including a reasonable allowance for Landlord's overhead costs and for depreciation of maintenance equipment, capital improvements, any and all general personal property taxes levied against any items necessary for the management and operation of the Building (including the Common Area) or the Land but such Operating Expenses shall not include depreciation of the acquisition cost of the Building or Land or Landlord's mortgage payments. Tenant agrees that the foregoing method of calculating its share of Operating Expenses meets the requirements of Section 93.012 of the Texas Property Code.

(b) Notwithstanding the foregoing, Operating Expenses shall not include:

(i) any capital expenditures, including any capital replacements, capital repairs or capital improvements made to the Land or Building or Building systems and such costs shall be amortized over the reasonable life of the capital investment items (in accordance with generally accepted accounting principles), plus interest on the

unamortized or undepreciated balance at 2% over the prime rate published in The Wall Street Journal on the publication date nearest the date on which the cost was incurred;

(ii) expenses for the preparation, alteration or repair of space or other work which Landlord performs for any tenant or prospective tenant of the Building other than Tenant;

(iii) expenses for insurable casualties, except for Landlord's insurance deductible;

(iv) expenses incurred in leasing or obtaining new tenants or retaining existing tenants, such as, but not limited to, leasing commissions, rent concessions, advertising or promotion;

(v) interest, amortization or other costs associated with any mortgages, loans or any refinancing of the Building or Land, bad debt loss, rent loss or reserves for either of them;

(vi) cost of any items for which Landlord is actually reimbursed by condemnation proceeds or by warranty;

(vii) all costs to maintaining Landlord's existence as a corporation, partnership or other entity, including the cost of filing tax returns;

(viii) expenses incurred for any necessary replacement for which Landlord is actually reimbursed or which is covered under warranty;

(ix) any cost associated with the business income of the Building or Land;

(x) landlord's general overhead expenses not related to the Building;

(xi) cost incurred in the removal or abatement of asbestos or other hazardous substances within the Building or Land; and

(xii) landlord's income taxes and penalties, interest and attorneys' fees on any income taxes.

(c) By March 1 of each calendar year, Landlord shall furnish to Tenant a statement of actual Operating Expenses, including the actual Operating Expenses applicable to the Premises determined as set forth in Paragraph 8(a) and 8(b) above, for the previous calendar year (the "Operating Expenses Statement"). If Tenant's estimated payments of Operating Expenses (if any) under this Paragraph 8 for the year covered by the Operating Expenses Statement exceed actual Operating Expenses applicable to the Premises (determined as set forth in Paragraph 8(a) and 8(b) above) as indicated in the Operating Expenses Statement, then Landlord shall credit (or reimburse Tenant if an excess is determined for the last year or partial year of this Lease upon termination or expiration of this Lease) Tenant for such excess within 30 days after Landlord furnishes the Operating Expenses Statement to Tenant; likewise, if Tenant's estimated payments of Operating Expenses under this Paragraph 8 for such year are less than the actual Operating Expenses applicable to the Premises (determined as set forth in Paragraph 8(a) and 8(b) above) as indicated in the Operating Expenses Statement, then Tenant shall promptly pay Landlord such deficiency within 30 days after Landlord furnishes the Operating Expenses Statement to Tenant. The provisions of this paragraph 8(c) shall survive the expiration or earlier termination of this Lease.

(d) (i) Tenant may, at its sole expense and within ninety (90) days after receiving the Operating Expenses Statement for a particular year, deliver to Landlord written notice of Tenant's intent to audit and inspect Landlord's books and records with respect to charges for that year. If Tenant does not deliver to Landlord written notice within such ninety (90) day period of its intent to audit and inspect the books and records, Tenant shall be deemed to approve such Operating Expenses Statement for that particular year in all respects and Tenant shall have no further right to hire an accountant or otherwise challenge the Operating Expenses for that year. Tenant shall complete its audit within thirty (30) days after the date Landlord first provides Tenant access to Landlord's books and records. If Landlord and Tenant are not able to agree on the amount of any adjustments to the Operating Expenses within thirty (30) days following the delivery of Tenant's results, Tenant, at its sole cost, may hire an independent certified public accountant with a minimum

of ten (10) years' experience mutually acceptable to both Landlord and Tenant that is not being compensated by Tenant on a contingency fee basis to audit the Operating Expenses in question. If Tenant fails to hire such an accountant within one hundred eighty (180) days after receiving the Operating Expenses Statement, Tenant shall be deemed to have approved the Operating Expenses Statement in all respects and Tenant shall have no further right to hire an accountant or otherwise challenge the Operating Expenses Statement for that year. Notwithstanding the foregoing, if the results of the audit reveal that Landlord overstated the Operating Expenses by more than seven percent (7%), Landlord shall reimburse Tenant for the reasonable out-of-pocket costs and expenses of the audit (not to exceed One Thousand Five Hundred and 00/100 Dollars (\$1,500.00)).

(ii) All information obtained through the Tenant's audit with respect to financial matters (including, without limitation, costs, Operating Expenses and income) and any other matters pertaining to Landlord or the Building as well as any compromise, settlement or adjustment reached between Landlord and Tenant relative to the results of the audit shall be held in strict confidence by Tenant and its officers, agents and employees and Tenant shall cause its auditor and any of its officers, agents and employees to be similarly bound. As a condition precedent to Tenant's exercise of its right to audit, Tenant must deliver to Landlord a signed covenant from the auditor selected by Landlord and Tenant in a form reasonably acceptable to Landlord acknowledging that all of the results of such audit as well as any compromise, settlement or adjustment reached between Landlord and Tenant shall be held in strict confidence and shall not be revealed in any manner or to any person except upon prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion, except if required pursuant to any litigation between Landlord and Tenant or if required by law.

Notwithstanding the foregoing provisions of this paragraph 8(d)(ii) or any other provision of this Lease, the requirement to hold as confidential information obtained through Tenant's audit (or otherwise obtained under or in connection with this Lease) is subject to all laws, statutes, ordinances, directives, codes, rules, and regulations of any governmental entity, agency, or authority, including but not limited to the Texas Public Information Act (Chapter 552, Tex. Gov. Code and any successor statute thereto (the "Act")) (collectively, including the Act, "Open Government Laws"). If Tenant receives a request from a third party for any such information, Tenant will, before providing any such information to the requestor, first request a decision from the Texas Attorney General as to whether such information must be provided to the requestor in accordance with the Act and provide to Landlord a notice of such request in accordance with Section 552.305(d) of the Act. Such information may be disclosed if required by any Open Government Laws or pursuant to a valid order or subpoena (or similar instrument) of a court, or pursuant to any order or directive of or direction from any governmental body, agency, office, or entity (including, without limitation, any order or directive of or direction from the office of the Texas Attorney General, whether pursuant to the Act or otherwise).

(iii) No subtenant or assignee shall have any right to conduct an audit. Tenant's audit or inspection shall be conducted in the Town of Addison, Texas (where Landlord shall provide its books and records) and shall be conducted during normal business hours (8:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays) for the preceding calendar year. Landlord or Tenant shall promptly make any payment to correct any error proven to exist in connection with any audit under this paragraph 8(d). The provisions of this paragraph 8(d) shall survive the expiration or earlier termination of this Lease.

(e) Notwithstanding any other provision of this Lease, solely for the purpose of calculating Tenant's share of Operating Expenses in excess of the Expense Stop, any annual increase in Controllable Operating Expenses for any calendar year within the Lease Term commencing with calendar year 2015 shall not be more than four percent (4%) over the actual Operating Expenses (determined as set forth in paragraphs 8(a) and 8(b) above) for the preceding calendar year calculated on a cumulative basis over the term of this Lease. Controllable Operating Expenses means all Operating Expenses exclusive of all Operating Expenses that are not within the reasonable control of Landlord including, without limitation, taxes, utilities, repairs and maintenance, insurance premiums, security, snow and ice removal, and emergency repairs.

9. Tenant's Electricity Charge. Landlord will furnish sufficient power for lighting and standard office equipment or machines of low electrical consumption, but not including electricity for equipment or special lighting in excess of Building standard or which require voltage of more than 110 volts single phase. If Tenant has excess requirements for electricity, Tenant shall give Landlord written notice of Tenant's requirements, and Landlord, at Tenant's expense to be reimbursed to Landlord as additional Rent upon demand, will make reasonable efforts to supply such service through

the then existing feeders servicing the Building. Landlord may also, at its sole option, install a separate electricity meter(s), at Tenant's expense to be reimbursed to Landlord as additional Rent upon demand. If Tenant has excess electricity requirements for which Landlord does not elect to install separate meter(s), Landlord shall determine the amount of electricity to be allocated to Tenant based on the power requirements of any such equipment, machines or special lighting. If Tenant does not agree with the allocation, Tenant may require Landlord to install a separate meter at Tenant's sole expense by giving written notice to Landlord the cost of such separate meter shall be paid to Landlord in advance by Tenant. Landlord shall not be liable to Tenant for any failure or defect in the supply or character of electricity furnished to the Premises. All replacement lighting tubes and bulbs required in Building standard fixtures in the Premises will be furnished and installed by Landlord. If Tenant's heat-generating computers or other equipment affect the temperatures otherwise maintained by the air conditioning system, Landlord may install supplemental air conditioning in the Premises and the cost thereof, including the cost of installation, operation, use and maintenance shall be paid as additional Rent by Tenant to Landlord on demand. Tenant agrees that at all times its use of electric current shall never exceed the capacity of existing feeders to the Building, the risers or wiring installations.

10. Service Interruptions. Landlord does not warrant that the services provided for in paragraphs 6, 8 and 9 above will be free from any slow-down, interruption or stoppage caused by the maintenance, repair, substitution, renewal, replacement or improvement of any of the equipment involved in the furnishing of any such services or caused by changes of services, alterations, strikes, lock-outs, labor controversies, fuel shortages, accidents, acts of God, the elements or any other cause but Landlord shall use reasonable efforts to restore any required services, however, no such slow-down, interruption or stoppage of any services shall constitute an eviction, actual or constructive, of Tenant, nor shall Tenant be entitled to any abatement of Rent or relieved from any of its obligations hereunder. If, however, and notwithstanding any other provision of this Lease, any interruption or cessation of service caused by Landlord continues for four (4) consecutive business days after written notice from Tenant to Landlord (and to any mortgagee of Landlord of whom Tenant has received written notice, designating a specific address for notice to such mortgagee) identifying the problem with reasonable specificity, and if such interruption or cessation continues after the fourth business day and causes the Premises to be wholly untenable in the reasonable judgment of Tenant, then notwithstanding any provision of this Lease to the contrary, Rent under this Lease will abate as of the fifth (5th) business day and continue abated until the Premises are tenable.

11. Repairs.

(a) Landlord shall keep the Common Area in a good repair, clean and neat condition. Subject to paragraph 11(b) below, Landlord shall make all necessary repairs, within a reasonable period following receipt of notice from Tenant, to the roof, exterior walls, exterior doors, exterior locks on exterior doors and windows of the Building and to the Common Areas. There shall be no abatement of Rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements to any portion of the Premises or the Building.

(b) Tenant, at its sole expense, (i) shall keep the Premises and all fixtures contained therein in a safe, clean and neat condition and (ii) shall bear the cost of maintenance and repair by contractors reasonably approved by Landlord of all facilities which are not expressly required to be maintained or repaired by Landlord and which are located in or outside of and which serve only the Premises including, without limitation, lavatory, toilet, wash basin and kitchen facilities and supplemental heating and air conditioning systems including all plumbing connected to such facilities or systems installed by or on behalf of Tenant or existing in the Premises at the time of Landlord's delivery of the Premises to Tenant. Tenant shall pay for the cost of any repairs to the Premises or the Building arising from any negligence or misconduct of Tenant or any of its assignees, subtenants, employees or their respective agents, representatives, contractors or other persons permitted in or invited to the Premises or the Building by Tenant. If Tenant fails to make such repairs or replacements within fifteen days after written notice from Landlord, Landlord may at its option make such repairs or replacements and Tenant shall upon demand pay Landlord for the reasonable cost thereof plus an administrative fee of fifteen percent of such cost.

12. Assignment and Subletting.

(a) Except as provided in paragraph 12(c) below, Tenant shall not, without Landlord's prior written consent, assign this Lease or any interest herein or sublet any part of the Premises.

(b) If Tenant desires to assign or sublet all or any part of the Premises, Landlord shall have the option of reacquiring the Premises which Tenant desires to assign or sublet. Upon Landlord reacquiring the Premises, this Lease thereon shall terminate as of the time the Premises are leased to a new tenant or the time when the Premises are occupied by Landlord, whichever comes first. If Landlord consents to an assignment or sublease, such consent shall not relieve the Tenant of its obligation to comply with this Lease including, without limitation, payment of all Rent and other amounts due hereunder.

(c) As of the Commencement Date, Tenant is leasing the Premises in conjunction with Tenant's objective of promoting economic development, including its participation with Baylor University in a program called Accelerated Ventures ("Accelerated Ventures Program"). In connection with the Accelerated Ventures Program, Tenant will sublease a portion of the Premises to business start-ups for general office purposes pursuant to written subleases which shall be submitted to Landlord and which shall not contain any term or provision that is contrary to this Lease. Notwithstanding paragraphs 12(a) or 12(b) (and without Tenant having to comply therewith), Landlord acknowledges that Tenant may sublease the Premises to such business start-ups and consents to such subleases. Notwithstanding any sublease under the Accelerated Ventures Program, Tenant shall remain responsible and liable for compliance with all terms of this Lease. If the rent received from any sublessee exceeds the pro-rata Rent due hereunder based upon the ratio of the square footage of subleased space over the total square footage of the Premises, Tenant shall pay such excess to Landlord within fifteen days of Tenant's receipt of the excess.

(d) Landlord shall have the right to transfer and assign, in whole or in part, any of its rights under this Lease and in the Premises, the Building and Land and shall be released from its obligations under this Lease to the extent of such transfer or assignment arising after the date of such transfer or assignment, provided that the transferee or assignee assumes in writing Landlord's obligations hereunder arising from and after the transfer or assignment date and provided that Landlord promptly delivers a copy thereof to Tenant.

13. Alterations/Additions. Tenant shall not make any alterations or additions to the Premises without the prior written consent of Landlord. Upon termination of this Lease, Tenant shall, if Landlord so elects, remove all alterations, additions, improvements and attached furniture and trade fixtures erected or installed by Tenant with the consent of Landlord and restore the Premises to their original condition (subject to ordinary wear and tear and to casualty damage), otherwise, such items shall be delivered to Landlord with the Premises. All unattached and movable furniture, personal property, and trade fixtures installed or provided by or for Tenant may be removed by Tenant prior to termination of this Lease if Tenant so elects and Tenant is not in default hereunder, and shall be so removed if requested by Landlord. All such removals and restoration shall be accomplished in a good workmanlike manner so as not to damage the Premises or the Building, and Tenant agrees to promptly repair any damage caused to the Premises and the Building by such removal. If Tenant fails to remove all personal property and trade fixtures, then Landlord is authorized to seize such property, notify Tenant at Tenant's last known address of the seizure and sell or otherwise dispose of the property as Landlord, in its sole discretion, deems appropriate. All proceeds of sale shall first be applied to charges for removal, repair, storage and sale as may be determined by the Landlord. Alterations, improvements and additions to the Premises requested by Tenant shall be in accordance with plans and specifications which have been previously submitted to and approved in writing by Landlord. All work on any such alterations, improvements and additions shall be performed at Tenant's expense and accomplished either by Landlord or by reputable insured contractors and subcontractors approved in writing by Landlord in its sole discretion.

14. Liens. Tenant will not permit any lien or liens to be placed upon the Premises, the Building or the Land. If any lien is filed based upon any act or omission of Tenant, Tenant shall have the lien discharged of record within twenty (20) days after the filing of the lien. If Tenant fails to timely discharge the lien, then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge the lien either by paying the amount claimed to be due, by cash deposit in court or by a bond. Any amount paid by Landlord for any of the foregoing, or for the satisfaction of any other lien not caused by Landlord, and all reasonable attorneys' fees and other expenses of Landlord, with interest thereon at the rate of ten percent per annum from the date of payment shall be paid by Tenant to Landlord on demand.

15. Use of the Premises. Tenant will not occupy or use, nor permit any portion of the Premises to be occupied or used, for any business or purpose except the Permitted Use or for any other business or purpose which is unlawful or deemed to be disreputable in any manner including, without limitation, extra hazardous risk or permit anything to be

done which will in any way increase the rate of insurance on the Building or the Land. If, by reason of any acts or omissions of Tenant, there is any increase in the rate of insurance, then Tenant shall pay such increase to Landlord upon demand as additional Rent.

16. Governmental Requirement.

(a) Tenant will maintain the Premises in a clean and safe condition and comply with all laws, ordinances, orders, rules and regulations regarding the use, condition or occupancy of the Premises. Tenant will conduct its business and control its agents, employees and invitees in such manner as not to create any nuisance or interference with, annoy or disturb other tenants or Landlord.

(b) Tenant shall not use any portion of the Premises for the placement, storage, manufacture, disposal or handling of any hazardous materials unless Tenant complies with all applicable environmental laws.

17. Tenant's Indemnity/Insurance.

(a) Tenant's Indemnity. (1) Subject to the provisions of paragraph 17(a)(2), to the extent allowed by and subject to law (including, but not limited to, the laws of the State of Texas, including the Texas Constitution), Tenant shall indemnify, defend and hold Landlord harmless from and against (i) all claims, demands, causes of action, investigations, fines, suits, losses, costs, liabilities, damages, penalties and judgments of every kind and type whatsoever to the proportionate extent arising from or related to, directly or indirectly, any negligent breach, violation or non-performance of any term, provision, covenant, agreement under this Lease by or any other negligent act or omission of Tenant hereunder and (ii) all claims, demands, actions, damages, losses, costs, liabilities, expenses including, without limitation, attorneys' fees and legal disbursements and judgments asserted against or incurred by Landlord, its employees, owners, managers and agents on account of injury or damage to person or property to the proportionate extent arising from or related to, directly or indirectly, (x) Tenant's negligent use or occupancy of the Premises, the Building, the Common Areas or (y) any negligent act or omission, or misconduct by Tenant or any of its agents, servants, employees, contractors, patrons, guests, licensees or invitees entering upon the Premises, the Building (including the Common Area) or the Land or (z) Tenant's violation of any law, ordinance or governmental order of any kind applicable to this Lease, or of any of the Rules and Regulations included in the Lease (as such Rules and Regulations may be amended or supplemented).

(2) Notwithstanding any other provision of this Lease, any obligation of Tenant to indemnify, defend, and hold harmless under or as provided for or set forth in this Lease: (i) is provided only to the extent permitted by and is subject to law (including, without limitation, the Texas Constitution), (ii) is limited by, subject to and given without waiving any immunity (including, without limitation, sovereign immunity and governmental immunity) or any defense or any tort or other limitation to which Tenant (and any of Tenant's officials, officers, employees, representatives, or agents) is or may be entitled, (iii) is limited by and subject to, and shall in no event exceed, the monetary limitations set forth in the Texas Tort Claims Act, Chapter 101, Tex. Civ. Prac. & Rem. Code (and any successor statute thereto) (the "Tort Claims Act"), and (iv) there is specifically excluded herefrom, and in no event shall there be, any obligation of Tenant hereunder to indemnify, defend, or hold harmless for punitive, special, consequential, or exemplary damages of whatever kind or nature, and any defense obligation shall be limited to the lesser of any tort limitation amount and the amount paid out from Tenant's insurance policies. Further, in no event shall Tenant have any duty or obligation to indemnify, defend, or hold harmless hereunder from or against any claims, demands, actions, causes of action, investigations, fines, suits, losses, costs, expenses including, without limitation, attorneys' fees and legal disbursements, liabilities, damages, penalties, and judgments arising from or related to any act or omission of Landlord. The provisions of this paragraph 17(a)(2) shall survive the expiration or termination of this Lease.

(b) Tenant's Insurance. Tenant shall, at its sole cost and expense, maintain throughout the Lease Term a policy or policies of insurance insuring Tenant against any and all liability for injury to or death of a persons and for damage to or destruction of property occasioned by or arising out of or in connection with the use or occupancy of the Premises, the Building or the Land or by the condition of the Premises, the Building or the Land (including the contractual liability of Tenant to indemnify Landlord as provided herein) with a combined single limit of \$1,000,000.00 for bodily injury and property damage, and to be written by an insurance company or companies satisfactory to Landlord and licensed to do business in Texas (and Landlord agrees that the Texas Municipal League Intergovernmental Risk Pool is satisfactory to Landlord) with Landlord named as an additional insured or indemnitee. The policies or duly executed

certificates of insurance shall promptly be delivered to Landlord at least thirty days prior to the expiration of the policies. If Tenant fails to comply with the foregoing insurance requirements, Landlord may obtain such insurance and Tenant shall pay as additional Rent to Landlord on demand the cost thereof plus interest at the rate of ten percent per annum from the date of payment by Landlord until repaid by Tenant.

18. Liability of Landlord. LANDLORD SHALL NOT BE LIABLE TO TENANT OR TO ANY OF TENANT'S EMPLOYEES, INVITEES, AGENTS, LICENSEES OR VISITORS OR TO ANY OTHER PERSON FOR (i) ANY INJURY OR DAMAGE TO PERSON OR PROPERTY DUE TO THE PREMISES, THE BUILDING (INCLUDING THE COMMON AREA) OR THE LAND OR RELATED IMPROVEMENTS OR ANY PART THEREOF BECOMING OUT OF REPAIR OR BY DEFECT IN OR FAILURE OF THE ROOF, PIPES OR WIRING, OR BY THE BACKING UP OF DRAINS OR BY THE BURSTING OR LEAKING OF PIPES, FAUCETS AND PLUMBING FIXTURES OR BY GAS, WATER, STEAM, ELECTRICITY, OIL LEAKING, ESCAPING OR FLOWING INTO THE PREMISES UNLESS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE LANDLORD, ITS OWNERS, EMPLOYEES, MANAGERS, REPRESENTATIVES, CONTRACTORS, OR AGENTS, (ii) ANY LOSS OR DAMAGE CAUSED, IN WHOLE OR IN PART, BY THE ACTS OR OMISSIONS OF ANY OTHER TENANTS OR ANY OTHER PERSONS WHATSOEVER, EXCEPT TO THE EXTENT CAUSED BY THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF LANDLORD, ITS OWNERS, EMPLOYEES, MANAGERS, REPRESENTATIVES, CONTRACTORS, OR AGENTS, OR (iii) FOR ANY LOSS OR DAMAGE TO ANY PROPERTY OR PERSON ARISING FROM THEFT, FIRE, ACT OF GOD, INJUNCTION, RIOT, INSURRECTION, WAR, COURT ORDER OR ORDER OF GOVERNMENTAL AUTHORITY, OR ANY OTHER MATTER BEYOND THE REASONABLE CONTROL OF LANDLORD. TENANT AGREES THAT ALL OF TENANT'S PERSONAL PROPERTY UPON THE PREMISES SHALL BE AT THE RISK OF TENANT ONLY AND THAT LANDLORD SHALL NOT BE LIABLE FOR ANY DAMAGE OR THEFT OF ANY SUCH PERSONAL PROPERTY.

19. Waiver of Subrogation. Each party waives any claim against the other party, or anyone claiming through or under them, by way of subrogation or otherwise, for any and all loss or damage to any of its property (whether or not such loss or damage is caused by the fault or negligence of the other party), which loss or damage is covered by the insurance. These waivers shall be in addition to, and not in limitation of, any other waiver or release contained in this Lease with respect to any loss or damage to property of the parties. Tenant shall immediately give its insurance company written notice of these mutual waivers and shall have the insurance policies endorsed, if necessary, to include or acknowledge these waivers.

20. Subordination/Attornment/Estoppel.

(a) This Lease shall be subordinate to any deed of trust, mortgage or other security instrument (a "Mortgage") that now or hereafter covers all or any part of the Premises (the mortgagee under any Mortgage is referred to as "Landlord's Mortgagee"), including any modifications, renewals or extensions of such Mortgage. Notwithstanding the foregoing, Tenant agrees that any such Landlord's Mortgagee shall have the right at any time to subordinate a Mortgage to this Lease on such terms and subject to such conditions as Landlord's Mortgagee may deem reasonably appropriate in its reasonable, sole discretion. Tenant agrees to execute such further instruments subordinating this Lease or attorning to the Landlord's Mortgagee within ten days of Landlord's request, provided such instruments contain a provision that, absent default (beyond any applicable cure period) by Tenant under this Lease, Tenant's use and occupancy of the Premises under this Lease will not be disturbed by such entity.

(b) As of the Commencement Date, Landlord represents that the only the holder of mortgages, ground or underlying leases and security instruments is:

Employees' Retirement Plan of Consolidated
Electrical Distributors, Inc.
Attn: David D. Dunham
2250 Midway Road, Suite 183
Carrollton, Texas 75006

("Existing Lender") and Tenant shall be entitled to rely on such representation until such time as Landlord shall have notified and informed Tenant in writing of any change thereto, and thereafter Tenant shall be entitled to rely upon the latest information regarding such names and addresses that has been provided to Tenant by Landlord.

(c) Tenant shall attorn to any party succeeding to Landlord's interest in the Premises, whether by

purchase, foreclosure, deed in lieu of foreclosure, power of sale, or otherwise and shall execute such instruments confirming the attornment as such party may reasonably request, provided such instruments contain a provision that, absent default (beyond any applicable cure period) by Tenant under this Lease, Tenant's use and occupancy of the Premises under this Lease will not be disturbed by such entity.

(d) Tenant shall not seek to enforce any remedy it may have for any default on the part of the Landlord without first giving written notice by certified mail, return receipt requested, specifying the default in reasonable detail, to any Landlord's Mortgagee whose address has been given to Tenant, and affording such Landlord's Mortgagee a reasonable opportunity to perform Landlord's obligations hereunder.

(e) Tenant agrees that, within ten days of request by Landlord, from time to time, it will execute one or more customary tenant estoppel certificates, a copy of which is attached hereto as Exhibit "H."

(f) Notwithstanding the foregoing, Landlord shall use its best efforts to furnish to Tenant, a Subordination, Non-Disturbance and Attornment Agreement ("SNDA") in recordable form from the Existing Lender (which SNDA shall contain a provision that, absent default [beyond any applicable cure period] by Tenant under this Lease, Tenant's use and occupancy of the Premises under this Lease will not be disturbed by the Existing Lender). Further, Landlord shall use its best efforts to furnish to Tenant, after the execution of new loans to lenders or of other instruments that encumber the Premises, Building or Land after the Effective Date, SNDAs in recordable form from each of such lenders or holders or beneficiaries of such other instruments, in commercially reasonable form and content.

21. Rules and Regulations. Tenant and Tenant's agents, employees and invitees will comply with all of the Rules and Regulations attached to this Lease as Exhibit "D". Landlord shall at all times have the right to reasonably change the Rules and Regulations as Landlord deems advisable, but Tenant shall not be bound by any such changes until Landlord has given written notice of such changes to Tenant.

22. Access to Premises. Landlord, its agents and representatives may enter the Premises upon first giving Tenant reasonable notice (and in case of repairs necessitated by an emergency condition, without prior notice, but in such instance, promptly following entry into the Premises, Landlord shall notify Tenant of such entry and the nature of the emergency) at all reasonable hours to inspect or make repairs or alterations or show to prospective purchasers, tenants or lenders.

23. Eminent Domain/Damages. If the entirety of the Premises are taken or condemned, in whole or in part, then this Lease Term shall, at the option of each of Landlord and Tenant, cease and terminate, and Tenant shall have no claim whatsoever to the condemnation award; provided, however, Tenant shall have the right to make a separate claim against the condemning authority which does not, in any way, diminish or reduce Landlord's claims.

24. Casualty. If the Building is totally destroyed by fire, tornado or other casualty or if the Premises or the Building is so damaged that rebuilding or repairs cannot be completed within ninety days after the date of such damage, Landlord may, at its option, terminate this Lease, in which event the Rent shall be abated during the unexpired Lease Term effective with the date of such damage. If the Building or the Premises is damaged by fire, tornado or other casualty (whether or not covered by Landlord's insurance), but only to such extent that rebuilding or repairs can be completed within ninety days after the date of such damage, or if the damage is more serious (i.e., the damage cannot be completed within ninety days after the date of such damage), and Landlord does not elect to terminate this Lease, in either such event Landlord shall within thirty days after the date of such damage commence to rebuild or repair the Building and the Premises to substantially the same condition as existed immediately prior to the casualty, except that Landlord shall not be required to rebuild, repair or replace any furniture, equipment (including computer hardware or software), fixtures and other improvements placed by Tenant or other tenants within the Building or the Premises. Landlord shall allow Tenant a fair and proportionate diminution of Rent during the time the Premises are unfit for occupancy. In the event any mortgagee under a deed of trust, security agreement or mortgage on the Building requires the insurance proceeds be used to retire the mortgage debt, Landlord shall have no obligation to rebuild and this Lease shall terminate upon notice to Tenant. Any insurance which may be carried by Landlord or Tenant against loss or damage to the Building or the Premises shall be for the sole benefit of the party carrying such insurance and Landlord's entire obligation to rebuild or restore shall be limited to the extent of any insurance proceeds actually received. Landlord shall have no obligation to insure Tenant's contents, business disruption or loss of profits or business.

25. Holding Over. If Tenant holds over the Premises, or any part thereof, after the expiration of the Lease Term, such holding over shall constitute a month to month tenancy at a rental equal to the rental paid for the last month of the Lease Term including not only the Fixed Base Rent but also Operating Expenses, plus fifty percent.

26. Personal Property Taxes. Tenant shall be liable for taxes levied or assessed against personal property, furniture or fixtures in the Premises and its pro rata share of personal property taxes for such personal property, furniture or fixtures owned by Landlord which shall be included as part of the Operating Expenses.

27. Default.

(a) Each of the following shall be an "Event of Default:"

(i) Tenant fails to pay any installment of Rent when due and such failure continues for a period of ten days after written notice to Tenant of such failure; however, Landlord shall only be required to give one written notice during any twelve month period, and during the eleven month period following the month for which notice is given, Tenant's failure to pay any installment of Rent when due and the continuation of such failure for a period of ten days thereafter shall constitute an Event of Default;

(ii) Tenant fails to comply with any term, provision or other covenant or agreement in this Lease, other than the payment of Rent, and fails to cure such failure within thirty (30) days after written notice to Tenant;

(iii) Tenant or any guarantor of Tenant's obligations makes an assignment for the benefit of creditors;

(iv) a receiver or trustee shall be appointed for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations and such receivership shall not be terminated or stayed within thirty days;

(v) Tenant's failure to remove, within twenty (20) days' notice, of any lien placed upon the Building or any part thereof, including the Premises as provided in paragraph 14 above.

(b) Upon the occurrence of an Event of Default and in addition to all other rights and remedies available to Landlord under applicable law, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:

(i) terminate this Lease by a written instrument signed by Landlord in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or damages, enter upon and take possession and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof without being liable for prosecution or any claim for damages and Tenant agrees to pay to Landlord, on demand, all loss and damage which Landlord may suffer by reason of such termination, whether through inability to relet the Premises on satisfactory terms or otherwise;

(ii) terminate Tenant's right to possession of the Premises, without terminating this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or damages, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof without being liable for any damages and Tenant agrees to pay to Landlord, on demand, all reasonable loss and damage which Landlord may suffer by reason of such termination, whether through inability to relet the Premises on satisfactory terms or otherwise;

(iii) enter upon the Premises, without terminating this Lease or Tenant's right to possession and without being liable for prosecution or any claim for damages therefor, and do whatever Tenant is obligated to do under this Lease, and Tenant agrees to reimburse Landlord on demand for any reasonable expenses which Landlord may incur in effecting compliance with Tenant's obligations under this Lease, plus an administrative fee equal to fifteen percent of

any such expenses and Tenant further agrees that Landlord shall not be liable for any damages resulting to the Tenant for such action; or

(iv) allow Tenant to remain in the Premises and bring suit against Tenant to collect the monthly Rents and other charges provided in this Lease as they accrue. Landlord shall have a right to allow such deficiencies of monthly Rents and other charges provided in this Lease to accumulate and to bring an action on several or all of the accrued deficiencies at one time. Any such suit shall not prejudice in any way the right of Landlord to bring a similar action for any subsequent deficiency or deficiencies.

(c) The following provisions shall also apply to an Event of Default:

(i) Landlord and Tenant shall each use commercially reasonable efforts to mitigate any damages resulting from a default of the other party under this Lease.

(ii) Landlord's obligation to mitigate damages after an Event of Default by Tenant shall be satisfied in full if Landlord attempts to lease the Premises to another tenant (a "Substitute Tenant") in accordance with the following criteria:

(A) Landlord shall have no obligation to solicit or entertain negotiations with any other prospective tenant for the Premises until Landlord obtains full and complete possession of the Premises.

(B) Landlord shall not be obligated to lease the Premises to a Substitute Tenant for a rental less than the current fair market rental then prevailing for similar space, nor shall Landlord be obligated to enter into a new lease under other terms and conditions that are unacceptable to Landlord under Landlord's then current leasing policies for comparable space.

(C) Landlord shall not be obligated to enter into a lease with any proposed Substitute Tenant (a "Substitute Lease") which does not have, in Landlord's reasonable opinion, sufficient financial resources or operating experience to operate the Premises in a first-class manner.

(D) Landlord shall not be required to expend any amount of money to alter, remodel or otherwise make the Premises suitable for use by a proposed Substitute Tenant unless:

(aa) Tenant pays any such sum to Landlord in advance of Landlord's execution of a Substitute Lease with such Substitute Tenant (which payment shall not be in lieu of any damages or other sums to which Landlord may be entitled as a result of Tenant's default under this Lease); or

(bb) Landlord, in Landlord's sole discretion, determines that any such expenditure is financially justified in connection with entering into any such Substitute Lease.

(f) All rights and remedies of Landlord under this Lease or otherwise available by law are cumulative and the exercise of one or more rights or remedies shall not preclude or waive the right to the exercise of any other.

(g) Any payment due under this Lease not paid within ten days after the date herein specified to be paid shall bear interest from the date such payment is due to the date of actual payment at the lesser of ten percent per annum or the maximum lawful rate.

(h) If, within any twelve month period, Tenant fails to timely make two payments of Rent or any two such payments are returned for insufficient funds, then, in addition to any other available remedy, Landlord may require all future payments to be made by cashier's check or money order.

28. Landlord's Default.

(a) Landlord shall be in default under this Lease if Landlord has not commenced and pursued with reasonable diligence to cure any failure of Landlord to perform its material obligations under this Lease within thirty (30)

days of the receipt by Landlord of written notice from Tenant. Tenant hereby waives any right to terminate or rescind this Lease as a result of Landlord's default as to any covenant or agreement contained in this Lease and Tenant hereby agrees that Tenant's sole remedies for Landlord's default shall be limited to a suit for damages. In addition, Tenant hereby covenants that, prior to the exercise of any such remedies, it will give each Landlord's Mortgagee written notice and a reasonable time to cure any default by Landlord.

(b) Landlord shall have no personal liability to Tenant under this Lease and Tenant agrees to look solely to the estate and interest of Landlord in the Building and Land, and all other buildings and improvements on and within the Land, and no other assets of Landlord.

29. No Waiver. The receipt by Landlord of Rent with knowledge of the breach of any covenant contained in this Lease shall not be deemed a waiver of such breach. The receipt by Landlord of rent from any assignee, subtenant or occupant of the Premises shall not be a consent to any assignment and subletting of this Lease. Any such waiver by Landlord must be signed by Landlord. Any waiver by Tenant of any term or provision of this Lease, or of any law, rule, or regulation must be in writing and signed by an authorized representative of Tenant.

30. Landlord's Lien. In addition to the statutory landlord's lien, Landlord shall have a security interest to secure payment of all Rent and performance of all other obligations of Tenant upon all goods, equipment, fixtures, furniture, improvements and other property of Tenant now or hereafter placed on the Premises, and all proceeds therefrom, and such property shall not be removed without the consent of Landlord until all amounts due to Landlord have been paid in full and all the covenants, agreements and conditions of this Lease have been fully performed by Tenant. Upon the occurrence of an event of default by Tenant, Landlord, in addition to any other remedies as provided herein, may enter the Premises and take possession of such collateral without liability for trespass or conversion, and sell them at public or private sale.

31. Premises Security. FROM AND AFTER THE COMMENCEMENT DATE OF THIS LEASE, LANDLORD AND TENANT AGREE THAT TENANT SHALL HAVE SOLE RESPONSIBILITY FOR TAKING ALL MEASURES AS TENANT MAY DEEM NECESSARY OR ADVISABLE FOR THE SECURITY OF THE PREMISES AND ITS OCCUPANTS, INCLUDING WITHOUT LIMITATION, ALL OF TENANT'S EMPLOYEES, LICENSEES AND INVITEES AND LANDLORD SHALL NOT BE RESPONSIBLE OR LIABLE FOR SECURITY.

32. Miscellaneous.

(a) Attorneys' Fees. In any proceeding to enforce or interpret this Lease, the prevailing party shall recover its reasonable attorneys' fees and legal disbursements in addition to any other available relief.

(b) No Brokers. Landlord and Tenant each warrant to the other that it has not dealt with any broker or agent in connection with the negotiation or execution of this Lease for which a fee or any other payment is due or owing. Landlord and Tenant each agree to indemnify the other against all costs, expenses, attorneys' fees, and other liability for commissions or other compensation claimed by any other broker or agent claiming by, through or under the indemnifying party.

(c) Force Majeure. Neither party shall be liable or responsible for any delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations, or restrictions or any other causes of any kind whatsoever beyond the reasonable control of the affected party but none of the foregoing events or conditions shall excuse Tenant from its obligations to pay all Rent due under this Lease.

(d) Notices. All notices and other communications given by one party to the other under this Lease shall be in writing, addressed to the party at the address provided in the Definitions and Basic Provisions, and shall be by one of the following: (a) mailed by first class, United States Mail, postage prepaid, certified, with return receipt requested, (b) hand delivered by courier to the intended address, or (c) the next business day if sent by overnight courier. Notice sent by certified mail shall be effective three business days after being deposited in the United States Mail and all other notices shall be effective upon delivery.

(f) Severability. If any provision of this Lease is unenforceable under applicable law, the remainder of this

Lease shall not be affected.

(g) Amendments/Binding Effect. This Lease may not be amended except by a written instrument signed by the party against whom enforcement is sought. This Lease shall inure to the benefit of and be binding upon the parties hereto, and upon their respective successors and permitted assigns. This Lease is for the sole benefit of Landlord and Tenant and there are no third party beneficiaries of this Lease. For purposes of this Lease, "includes" and "including" are terms of enlargement and not of limitation or exclusive enumeration, and use of the terms does not create a presumption that components not expressed are excluded.

(h) Joint and Several Liability. If there is more than one Tenant, the obligations of Tenant shall be joint and several.

(i) Recording. Tenant shall not record or permit to be recorded in the records of the county where the Premises are located this Lease or any memorandum of lease.

(j) Time of Essence. Time is of the essence to this Lease.

(k) Governing Law. This Agreement shall be governed by and enforced under the laws of Texas, without regard to choice of law rules of any jurisdiction. Venue for any action, suit, or proceeding under this Lease shall lie exclusively in Dallas County, Texas, and each party hereto consents to the jurisdiction of the courts located therein

(l) Authority. Each of the persons executing this Lease on behalf of Landlord and Tenant hereby represents and warrants that (i) he is duly authorized and empowered to execute this Lease, (ii) such party has full right and authority to enter into this Lease and (iii) upon full execution, this Lease constitutes a valid and binding obligation of such party.

(m) Approval. Any approval or consent of Landlord or Tenant required under this Lease must be signed by Landlord or Tenant, as applicable.

(n) No Offer. The submission of this Lease by Landlord to Tenant for examination shall not constitute as an offer to lease the Premises. Landlord shall not be bound and Tenant shall not have any rights under this Lease unless and until Landlord executes this Lease and delivers it to Tenant.

(o) Exhibits. The following attached exhibits are incorporated herein.

Exhibit A	Premises
Exhibit B	Legal Description
Exhibit C	Finish Work
Exhibit D	Rules and Regulations
Exhibit E	Renewal Option
Exhibit F	Right of First Refusal
Exhibit G	Sign Depiction
Exhibit H	Form of Tenant Estoppel

(p) Entire Agreement. This Lease, including the attached exhibits, constitutes the entire agreement between Landlord and Tenant regarding the subject matter hereof and supersedes all oral statements and prior writings. Except for those set forth in this Lease, no representations, warranties or agreements have been made by Landlord or anyone acting on behalf of Landlord with respect to this Lease.

(q) Counterparts. This Lease may be executed in counterparts which shall constitute the same document.

(r) Waiver of Right to Trial by Jury. EACH PARTY TO THIS LEASE HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS LEASE OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THIS LEASE OR THE SUBJECT MATTER HEREOF WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE, AND EACH PARTY HEREBY

AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY.

(s) Special Provisions.

(i) Except as set forth below, all parking at the Building is surface and is unreserved. It is available for Tenant's non-exclusive use on a first come-first served basis at a ratio of three and one half (3.5) spaces per one thousand rentable square feet leased. In addition, Landlord shall provide to Tenant five (5) reserved, covered spaces at no charge to Tenant throughout the initial Lease Term. Additional reserved, covered spaces may be obtained by Tenant on a monthly basis at a charge of \$25.00 per space per month, based upon availability.

(ii) Tenant may install a monument sign as depicted on the attached Exhibit G. Landlord shall reimburse Tenant for its actual out of pocket costs to fabricate and install the sign up to a maximum of Three Thousand and 00/100 Dollars (\$3,000.00). Any installation and fabrication costs in excess of Three Thousand and 00/100 Dollars (\$3,000.00) and all costs of maintaining the sign shall be Tenant's sole responsibility. Upon expiration or termination of this Lease, Landlord shall have the option of requiring Tenant, at Tenant's sole expense, to remove the sign and restore the place where the sign was located to its condition prior to installation of the sign.

Landlord:

14671-14683 MIDWAY ROAD, LP,
a Texas limited partnership

By: MIDWAY DEVCOR-EY, LLC,
a Texas limited liability company,
its general partner

By: _____
Daniel W. Stansbury, Jr.
Manager

date

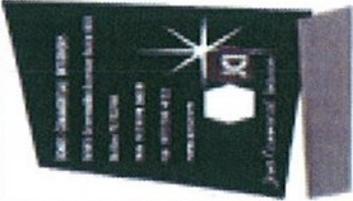
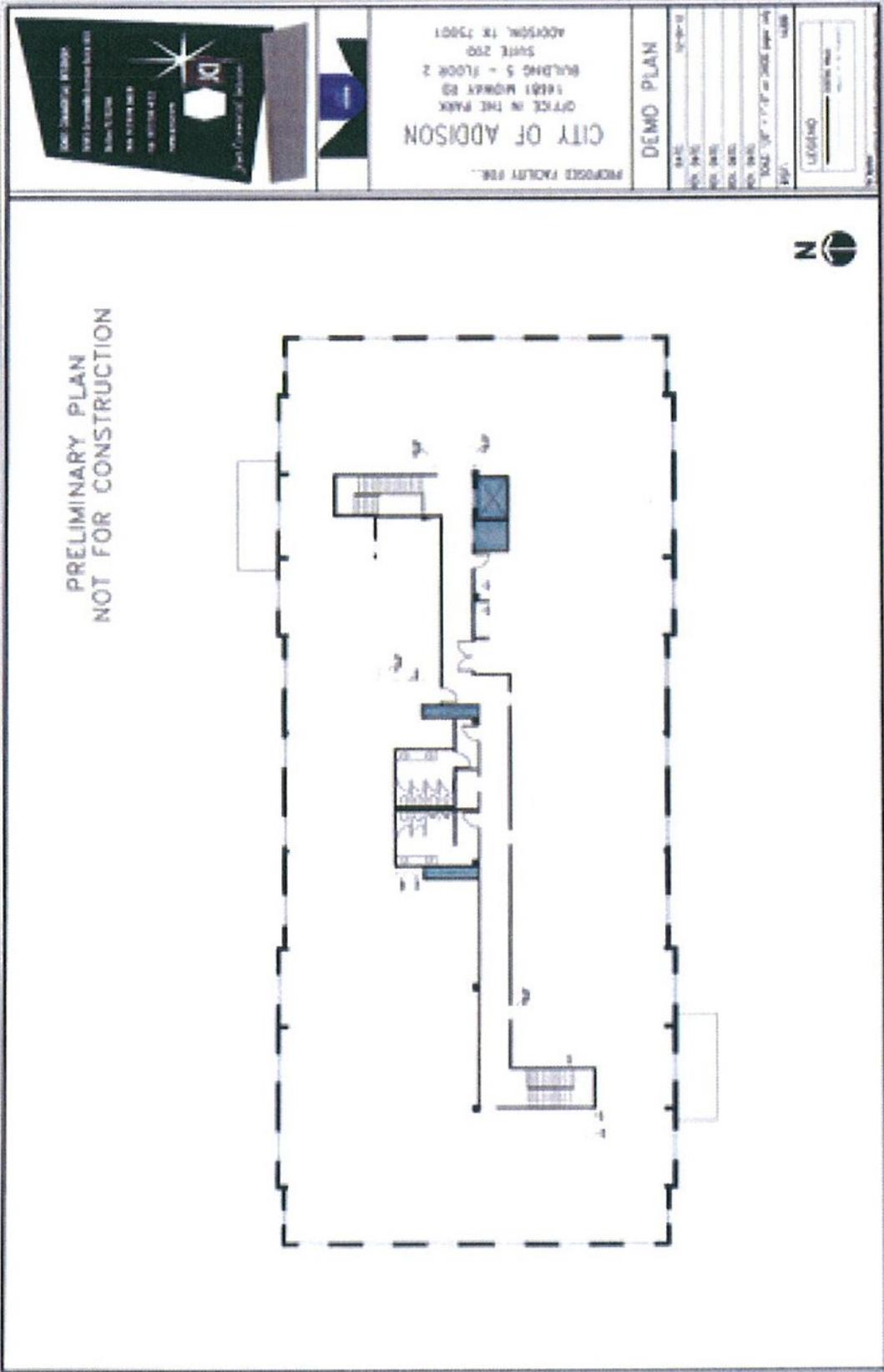
Tenant:

TOWN OF ADDISON
a _____

By: _____
Name: _____
Title: _____

date

EXHIBIT A
PREMISES



PROJECT: FACILITY FOR...
CITY OF ADDISON
 OFFICE IN THE PARK
 14801 MORLEY RD
 BUILDING 5 - FLOOR 2
 SUITE 200
 ADDISON, TX 75001

DEMO PLAN

DATE: 10/10/12
 BY: [Redacted]
 FOR: [Redacted]
 FOR: [Redacted]
 FOR: [Redacted]
 FOR: [Redacted]

LEGEND	DESCRIPTION
[Symbol]	[Redacted]
[Symbol]	[Redacted]

EXHIBIT B

LEGAL DESCRIPTION

BEING a tract of land situated in the Thomas L. Chenoweth Survey, Abstract No. 173, City of Addison, Dallas County, Texas, and being all of Office in the Park Addition, an Addition to the City of Addison, Dallas County, Texas, according to the Map thereof recorded in Volume 78118, Page 1, Deed Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a point in the West line of Midway Road (100 feet wide), said point being the Northeast corner of Tract No. Two of Littlebrook No. 1, an Addition to the City of Addison, according to the plat thereof recorded in Volume 77093, Page 2372, Deed Records, Dallas County, Texas, said point also being the most Easterly Southeast corner of said Office in the Park Addition, a
1/2 inch iron rod found for corner;

THENCE South 89 degrees 26 minutes 54 seconds West, leaving the said West line of Midway Road and proceeding with the North line of Tract No. Two of Littlebrook No. 1, a distance of 436.0 feet to the Northwest corner of said Tract No. Two, an "X" found in concrete corner;

THENCE South 00 degrees 16 minutes 00 seconds East with the West line of said Tract No. Two, a distance of 975.00 feet to a point in the North line of a Dallas Power and Light Company's 100 foot ROW, a 1/2 inch iron rod found for corner;

THENCE South 89 degrees 26 minutes 54 seconds West with the North line of said Dallas Power and Light Company's 100 foot ROW, same being the South line of Office in the Park Addition, a distance of 422.72 feet (429.73 feet per plat) to the Southeast corner of Midway Meadows Addition, an Addition to the City of Addison, Texas, according to the plat thereof recorded in Volume 79206, Page 1546, Deed Records, Dallas County, Texas, a 1/2 inch iron rod found for corner;

THENCE North 00 degrees 42 minutes 18 seconds West with the common line of said addition, a distance of 715.11 feet (North 00 degrees 08 minutes 39 seconds West, 715.17 feet per plat) , a 1/2 inch rod found for corner;

THENCE South 89 degrees 55 minutes 31 second East with the North line of said Office in the Park Addition, a distance of 864.19 feet to a point in the west line of Midway Road, a 1/2 inch iron rod found for corner;

THENCE: South 00 degrees 16 minutes 00 seconds East with the West line of Midway Road, a distance of 430.71 feet to the PLACE OF BEGINNING and containing 11.2967 acres of land or 492,084 square feet of land, more or less.

EXHIBIT C

LANDLORD FINISH WORK

- 1) Replaced damaged or missing ceiling tiles.
- 2) Ensure all HVAC, mechanical and buildings systems are in good working order including common area bathrooms and elevators.
- 3) Install a sub-meter(s) to monitor after hours electricity usage.

TENANT FINISH WORK

Other than Landlord Finish Work above, Tenant shall be responsible for all work necessary to fully buildout the Premises in accordance with the space plan attached hereto as Exhibit C-1.

EXHIBIT C-1
FINAL BUILDOUT

EXHIBIT D

RULES AND REGULATIONS

The following rules and regulations shall apply to the Premises, the Building, the parking lots and the appurtenances thereto:

1. Sidewalks, doorways, vestibules, halls, stairways and other similar areas shall not be obstructed by tenants or used by any tenant for purposes other than ingress and egress to and from their respective leased premises and for going from one to another part of the Building.

2. Plumbing, fixtures and appliances shall be used only for the purposes for which designed, and no sweepings, rubbish, rags or other unsuitable material shall be thrown or deposited therein. Damage resulting to any such fixtures or appliances from misuse by a tenant or its agents, employees or invitees, shall be paid by such tenant.

3. No signs, advertisements or notices shall be painted or affixed on or to any windows or doors or other part of the Property without the prior written consent of Landlord, which shall not be unreasonably withheld. No curtains or other window treatments shall be placed between the glass and the Building standard window treatments.

4. Landlord may provide and maintain an initial directory for all tenants in the main lobby of the Building and any changes and/or additions shall be in the Landlord's discretion and at the cost of \$50.00 per line.

5. Landlord shall provide all door locks in each tenant's leased premises, at the cost of such tenant, and no tenant shall place any additional door locks in its leased premises without landlord's prior written consent. Landlord shall furnish to each tenant a reasonable number of keys to such tenant's leased premises, at such tenant's cost.

6. Movement in or out of the Building of furniture or office equipment or dispatch or receipt by tenants of any bulky material, merchandise or materials which require use of elevators or stairways, or movement through the Building entrances or lobby shall be conducted under Landlord's supervision with prior written notice by Tenant, and at such times and in such a manner as Landlord may reasonably require. Each tenant assumes all risks of and shall be liable for all damage to articles moved and injury to persons or public engaged or not engaged in connection with carrying out this service for such tenant. Tenant must provide Landlord with a Certificate of Insurance in such amount as reasonably required by Landlord, and naming Landlord as an additional, named insured before Tenant shall move any furniture, files, office equipment or other items into or out of the Building or Premises.

7. Landlord may prescribe weight limitations and determine the locations for safes and other heavy equipment or items, which shall in all cases be placed in the Building so as to distribute weight in a manner acceptable to Landlord which may include the use of such supporting devices as Landlord may require. All damages to the Building caused by the installation or removal of any property of a tenant, or done by a tenant's property while in the Building, shall be repaired at the expense of such tenant.

8. Corridor doors, when not in use, shall be kept closed. Nothing shall be swept or thrown into the corridors, halls, elevator shafts or stairways. No birds or animals (other than dogs used by the visually impaired) shall be brought into or kept in, on or about any tenant's leased premises. No portion of any tenant's leased premises shall at any time be used or occupied as sleeping or lodging quarters.

9. Tenant shall cooperate with Landlord's employees in keeping its leased premises neat and clean. Tenants shall not employ any person for the purpose of such cleaning other than the Building's cleaning and maintenance personnel.

10. Tenant shall not make or permit any vibration or improper, objectionable, loud, excessive or unpleasant noises or odors in the Building or otherwise interfere in any way with other tenants or persons having business with them.

11. No machinery of any kind (other than normal office equipment) shall be operated by any tenant on its leased area without Landlord's prior written consent, nor shall any tenant use or keep in the Building any flammable or explosive fluid or substance.

12. Landlord will not be responsible for lost or stolen personal property, equipment, money or jewelry from Tenant's area or public rooms regardless of whether such loss occurs when area is locked against entry or not. It is Tenant's sole responsibility to obtain property insurance to protect Tenant from theft, fire, damage, and other casualty to person or property in, on, upon or adjacent to the Premises and the Building. TENANT UNDERSTANDS AND AGREES THAT LANDLORD SHALL NOT BE RESPONSIBLE FOR THE UNFORESEEABLE CRIMINAL ACTS OF THIRD PARTIES.

13. No vending or dispensing machines of any kind may be maintained in any leased premises without the prior written permission of Landlord.

14. Tenant shall not conduct any activity on or about the Premises or Building which will draw pickets, demonstrators, or the like.

15. All vehicles are to be currently licensed, in good operating condition, parked for business purposes having to do with Tenant's business operated in the Premises, parked within designated parking spaces, one vehicle to each space. No vehicle shall be parked as a "billboard" vehicle in the parking lot. Any vehicle parked improperly may be towed away. Tenant, Tenant's agents, employees, vendors and customers who do not operate or park their vehicles as required shall subject the vehicle to being towed at the expense of the owner or driver. Landlord may place a "boot" on the vehicle to immobilize it and may levy a charge of \$50.00 to remove the "boot."

EXHIBIT E

RENEWAL OPTION

Provided Tenant is not in default hereunder, Tenant shall have the right to renew this Lease for one additional five (5) year term (the "Renewal Term") provided that Tenant must exercise its option to renew by delivery of written notice to Landlord on or before 180 days prior to the expiration of the then current term. Tenant's failure to timely deliver the notice of exercise shall cause the option to renew to automatically terminate and be null and void. The Base Rent for the Renewal Term shall be at the prevailing market rate for comparable properties as determined by Landlord. All other terms and conditions of this Lease shall remain the same during the Renewal Term.

EXHIBIT F

RIGHT OF FIRST REFUSAL

Reference is made to approximately 14,800 square feet of rentable area on Floor 1 of Building 5 depicted as the cross-hatched space on the attached Exhibit F-1 (the "Refusal Space").

A. Offer. If, during the first three (3) years of the Lease Term, Landlord receives a bona fide offer from a third party (the "Third Party Offer") to lease all or any portion of the Refusal Space (the "Offer Space") and Landlord is willing to accept the terms of the Third Party Offer, Landlord shall first offer to lease to Tenant the Offer Space on the same terms and conditions as the Third Party Offer; such offer shall be in writing, specify the rent to be paid for the Offer Space, contain the other basic terms and conditions of the Third Party Offer and the date on which the Offer Space shall be included in the Premises, and shall include a true and correct copy of the Third Party Offer (the "Offer Notice"). Tenant shall notify Landlord in writing whether Tenant elects to lease the Offer Space subject to the Third Party Offer on the same terms and conditions as the Third Party Offer in the Offer Notice, within ten (10) business days after Landlord delivers to Tenant the Offer Notice. Tenant shall not have the option of leasing only a portion of the Offer Space covered by the Third Party Offer or Offer Notice. Tenant's right of first refusal shall immediately (without further documentation) expire (i) upon the expiration of the third (3rd) Lease Year, and/or (ii) upon Tenant's refusal to properly accept an Offer Notice from Landlord.

B. Acceptance. If Tenant timely elects in writing to lease the Offer Space within the ten (10) business day period, then Landlord and Tenant shall execute an amendment to this Lease, effective as of the date the Offer Space is to be included in the Premises, on the same terms as the Lease except (1) regardless of the Base Rental in the Offer Notice, Base Rental for the Offer Space shall be Twelve and 50/100s Dollars (\$12.50), (2) the Lease Term for the Offer Space shall be that specified in the Offer Notice (but in no event shall such term be longer than the Lease Term and such shall further be subject to Tenant's rights with respect to the Town of Addison's appropriations for rent as referenced in paragraph 2[c]) but if the lease term for the Offer Space set forth in the Offer Notice expires prior to the expiration of the Lease Term of this Lease, Tenant shall have the option to extend the lease term of the Offer Space to be coterminous with the Lease Term of this Lease and if the lease term for the Offer Space set forth in the Offer Notice expires after the expiration of the Lease Term of this Lease, Tenant shall have the option to exercise its renewal options as set forth in Exhibit E to this Lease, to extend the Lease Term of this Lease (and the lease term for the Offer Space set forth in the Offer Notice shall be coterminous with the Lease Term of this Lease as extended), (3) the Offer Space shall be delivered to Tenant and Tenant shall take same in "as-is" condition and Landlord shall not be required to construct or pay for any tenant improvements in the Offer Space or provide to Tenant any allowances, (4) the number of parking spaces shall be the ratio contained in the Offer Notice, and (5) any other terms set forth in the Lease which are inconsistent with the terms of the Offer Notice shall be modified accordingly with respect to the Offer Space. Notwithstanding the foregoing, if the Offer Notice includes space in excess of the Refusal Space, Tenant must exercise its right hereunder, if at all, as to all of the space contained in the Offer Notice. If the Offer Notice is for less than all the Refusal Space, then the Right of First Refusal shall continue for the remainder of any of the Refusal Space.

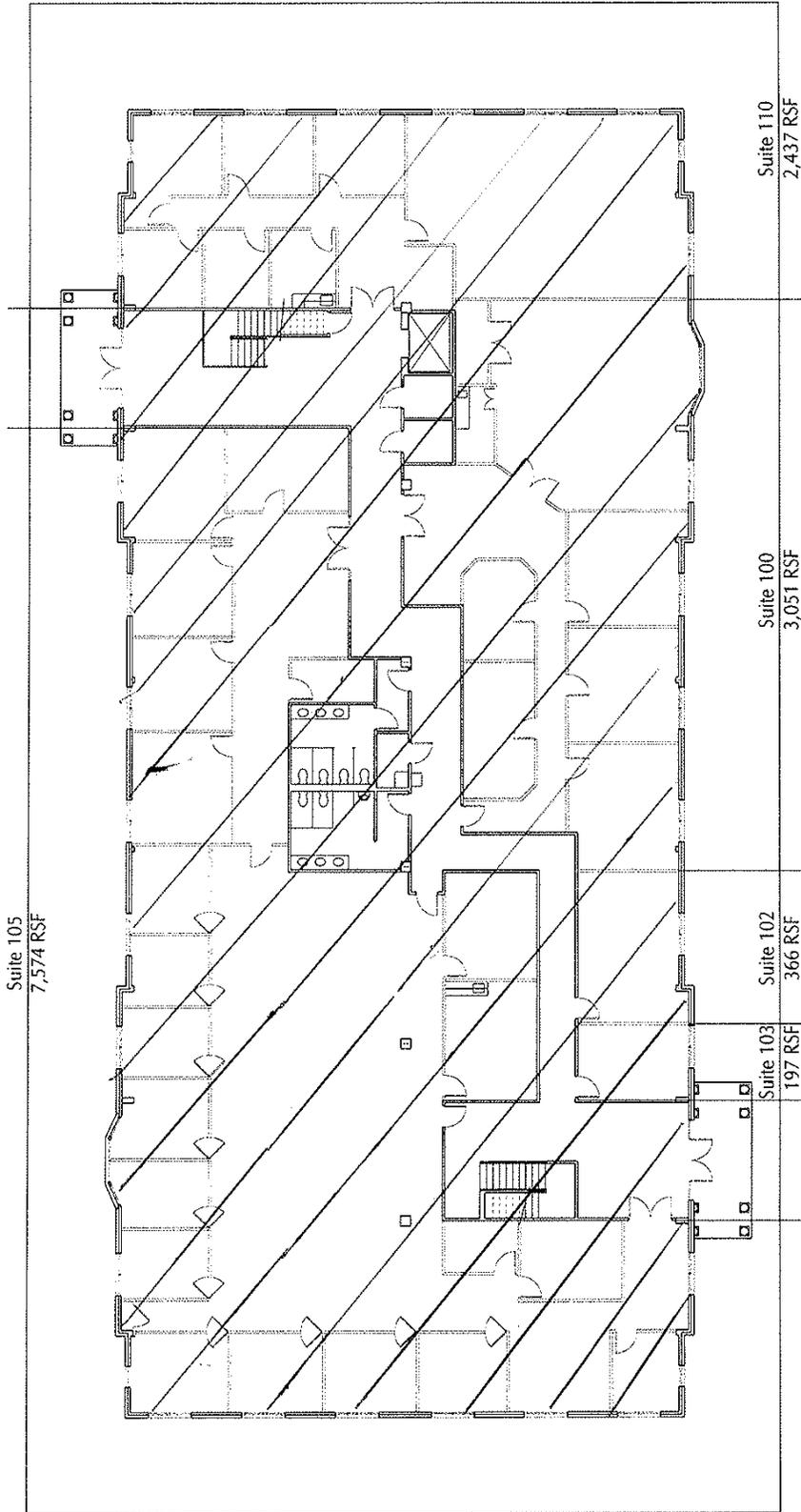
C. Rejection. If Tenant fails to timely exercise its right of first refusal hereunder, then such right shall lapse with regard to the entire Refusal Space (even if the Offer Space was less than the entirety of the Refusal Space), and Landlord may thereafter lease the Refusal Space without further notice or offer to Tenant.

D. Commissions. Unless agreed to in writing by Landlord, Landlord shall not be obligated to pay a commission with respect to any space leased by Tenant under this right of first refusal, and Tenant and Landlord shall each indemnify the other against all costs, expenses, attorneys' fees, and other liability for commissions or other compensation claimed by any broker or agent claiming the same by, through, or under the indemnifying party.

E. Restrictions. The right of first refusal herein granted is subject to all existing leases in the Building on the date of this Lease, and any rights granted to tenants under the existing leases to the Refusal Space, including, without limitation, rights of first refusal, expansion and renewal. Furthermore, Tenant's rights of first refusal is personal to Tenant and shall terminate if (1) an uncured Event of Default occurs under this Lease, (2) the Lease or Tenant's right to possession of the Premises is terminated, (3) Tenant is not in occupancy of the entire Premises other than by reason of a

casualty (for a period of 12 consecutive months) or a sublessee permitted under paragraph 12(c) of this Lease or (4) Tenant transfers any of its interest in this Lease or any portion of the Premises to any person or entity other than a permitted sublessee under paragraph 12(c) of this Lease, except as may be otherwise authorized in writing by Landlord.

EXHIBIT F-1
REFUSAL SPACE



Chris Lipscomb
 972-267-7000
clipscomb@johnbowles.com

Building 5 - First Floor
 14681 Midway Road
 Addison, TX 75001



EXHIBIT G
SIGN DEPICTION

EXHIBIT H

FORM OF TENANT ESTOPPEL

[Date]

Re: Lease dated _____ (the "Lease") executed between _____ ("Landlord"), and _____ ("Tenant"), for those premises located at _____.

Gentlemen:

The undersigned Tenant understands that _____ intends to _____ for the property known as the Office in the Park, located at 14673, 14675, 14677, 14679, 14681 and 14683 Midway Road, Addison, Texas 75001 ("Property"). The undersigned Tenant hereby certifies to _____ and _____:

1. Tenant has entered into the lease together with all amendments ("Lease") as described on the attached Schedule 1.

2. The Lease is in full force and effect. The amount of square feet leased by Tenant under the Lease is _____.

3. Tenant has not given Landlord written notice of any dispute between Landlord and Tenant or that Tenant considers Landlord in default under the Lease, except as set forth on Schedule 1.

4. Tenant does not claim any offsets or credits against rents payable under the Lease or defaults under the Lease, except as set forth on Schedule 1 and no such default is deemed material or otherwise giving rise to a right upon notice or with the passage of time to determine the Lease. Tenant is not due any work (or allowance, credit or payment on account of work) from Landlord except as set forth in Schedule 1.

5. Tenant has not paid a security or other deposit with respect to the Lease, except as follows: _____.

6. Tenant has fully paid rent to and including the month of _____, _____.

7. Tenant has not paid any rentals in advance except for the current month of _____, _____.

8. Rent currently due under the Lease is \$_____ per annum (consisting of twelve monthly payments each in the amount, as of the date hereof, of \$_____ per base rent, \$_____ on account of real estate tax and operating expense pass-through).

9. The term of the Lease expires on _____. There are no renewal, expansion, termination or extension, except as set forth in the Lease.

10. Tenant has no options, rights of first offer or rights of first refusal to lease or purchase any portion of the Property, except as set forth in the Lease.

TENANT

a _____

by: _____
name: _____
title: _____

Combined Meeting

R3

Meeting Date: 02/11/2014

Council Goals: N/A

AGENDA CAPTION:

Discussion, consider, and take action regarding an ordinance calling for a general municipal election to be held on May 10, 2014 for the purpose of electing three (3) Council Members for two (2) year terms each. (Discusión y consideración de aprobación de una ordenanza que pide una elección municipal general ser creída el 10 de mayo de 2014 para elección de tres (3) miembros de Consejo por dos (2) años cada uno).

FINANCIAL IMPACT:

Funds for election expenses are included in the FY2014 General Fund.

BACKGROUND:

N/A

RECOMMENDATION:

Administration recommends approval.

Attachments

Election Ordinance

TOWN OF ADDISON, TEXAS

ORDINANCE NO. 014-XXX

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS ORDERING A GENERAL ELECTION TO BE HELD ON MAY 10, 2014, FOR THE PURPOSE OF ELECTING THREE (3) COUNCIL MEMBERS FOR TWO (2) YEAR TERMS EACH; DESIGNATING POLLING PLACES WITHIN THE TOWN; ESTABLISHING OTHER PROCEDURES FOR THE CONDUCT OF THE ELECTION, INCLUDING PROVIDING THAT THE ELECTION IS TO BE HELD AS A JOINT ELECTION IN CONJUNCTION WITH DALLAS COUNTY; PROVIDING FOR CANVASSING RETURNS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 41.001 of the Texas Election Code, as amended (the "Code"), specifies that the second Saturday in May shall be a uniform election date and that a general election may be held on such day; and

WHEREAS, the City Council of the Town of Addison, Texas (the "City") has determined that the City shall conduct its general municipal election, in conjunction with Dallas County, on the second Saturday in May, 2014; and

WHEREAS, Section 8.04 of the City Charter provides that in each even-numbered year three (3) council members shall be elected; and

WHEREAS, the City Council desires to and hereby calls a general election for the purpose of electing three (3) council members for two (2) year terms each.

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

Section 1. Incorporation of Preamble. All of the above premises are true and correct and are incorporated into the body of this Ordinance as if copied herein in their entirety.

Section 2. Election Date; Purpose of Election; Officers and Terms of Office. A general election shall be held in and throughout the City on Saturday, May 10, 2014 for the purpose of electing the following officers:

Three (3) Council Members for two (2) year terms each.

Section 3. Eligibility for Candidacy. In accordance with the City's Charter, no person shall be eligible for the office of Council Member unless that person is a qualified voter of the City, shall have resided in the City for at least one year prior to the election, and shall never have been convicted of a felony offense or any offense involving moral

turpitude from which the person has not been pardoned or otherwise released from the resulting disabilities.

Section 4. Application for a Place on the Ballot. In accordance with Section 143.007 of the Code, any eligible and qualified person may have that person's name printed upon the official ballot as a candidate for the offices hereinbefore set forth by filing the person's sworn application with the City Secretary not earlier than January 29, 2014 and not later than 5:00 p.m. on February 28, 2014. Each such application shall be on a form as prescribed by Section 141.031 of the Code. The order in which the names of the candidates are to be printed on the ballot shall be determined by a drawing of the City Secretary as provided by Section 52.094 of the Code. Notice of the time and place for such drawing shall be given in accordance with the Code.

Section 5. Runoff Election. If two or more candidates for the office of Council Member tie for the number of votes required to be elected, the tie shall be broken in accordance with the Code, including Section 2.002 thereof.

Section 6. Election Precinct; Polling Place; Election Hours. The presently existing boundaries and territory of the Dallas County election precincts that are wholly or partly within the corporate limits of the City (there being _____ (__) such election precincts) shall constitute the election precincts for the election. The precinct numbers for the same shall be the corresponding Dallas County precinct numbers. The polling places for the general election shall be as set forth in the Joint Election Agreement (as defined in Section 7, below). In accordance with and pursuant to the requirements of the Code, said polling places shall be open from 7:00 a.m. to 7:00 p.m. on the date of the election.

Section 7. Joint Election; Appointment of a Presiding Election Judge and Alternate Presiding Election Judge; Qualifications to Serve as Election Judge; Confirmation of Appointments; Notice of Appointments. The election shall be held as a joint election with Dallas County and other municipalities and school districts pursuant to a Joint Election Agreement for the conduct of a joint election to be held on May 10, 2014 (the "Joint Election Agreement", a copy of which is or will be placed on file in the Office of the City Secretary), and the County shall be responsible for appointing all election judges and clerks, and shall be responsible for their compensation. Election judges and clerks shall have the qualifications required by law, and notice of appointment shall be given to such judges and clerks by the Administrator (as defined in Section 11) in accordance with law.

Section 8. Method of Voting. Pursuant to a Joint Election Agreement, Dallas County shall be responsible for a voting system that complies with law. Dallas County shall be responsible for the preparation of the official ballots for the election, and they shall conform to the requirements of the Code, and in so doing shall permit the voter to vote for three (3) Council Members for two (2) year terms each. No voter shall vote for more than three (3) Council Members for two (2) years terms each.

Section 9. Governing Law; Qualified Voters. The election shall be held in accordance with the Constitution of the State of Texas, the Code, and all resident, qualified voters of the City shall be eligible to vote at the election. In addition, the election materials enumerated in the Code shall be printed in both English and Spanish as required by law, including for use at the polling place and for early voting for the election.

Section 10. Publication and Posting of Notice. Notice of the election shall be given by posting a notice of election in both English and Spanish at Town Hall, 5300 Belt Line Road, Dallas, Texas 75254 on the bulletin board or other location used for posting notices of the meetings of the City Council not less than twenty-one (21) days prior to the date upon which the election is to be held, and by publication of said notice at least once in a newspaper published in the City or if none, then in a newspaper of general circulation within the City, the date of said publication to be not less than ten (10) days nor more than thirty (30) days prior to the date set for the election.

In addition thereto, a copy of the notice shall also be filed with the City Secretary at least twenty-one (21) days before the election. Upon publication of the election notice, the City Secretary shall secure a publisher's affidavit, which complies with the requirements of the Election Code.

Section 11. Early Voting. Early voting by personal appearance shall be conducted in accordance with Section 271.006 of the Texas Election Code. Antoinette "Toni" Pippins-Poole, Dallas County Elections Administrator ("Administrator"), is hereby appointed as the Early Voting Clerk. Early voting by personal appearance will be conducted beginning Monday, April 28, 2014 and continue through Tuesday, May 6, 2014, in accordance with the Joint Election Agreement and law. Any qualified voter for the Joint Election may also vote early by personal appearance at the main early voting location:

DALLAS COUNTY RECORDS BUILDING
509 Main Street
Dallas, TX 75202

; and at Addison Fire Station No. 1, 4798 Airport Parkway, Addison, Texas 75001; and at any of the branch locations set forth in the Joint Election Agreement (such locations being subject to change in accordance with law).

Dates and times of early voting by personal appearance are as follows (subject to change by the Administrator in accordance with law):

Monday, April 28, 2014 through Friday, May 2, 2014	8:00 a.m. to 5:00 p.m.
Saturday, May 3, 2014	8:00 a.m. to 5:00 p.m.
Sunday, May 4, 2014	1:00 p.m. to 6:00 p.m.

Monday, May 5, 2014 through Tuesday, May 6, 2014

7:00 a.m. to 7:00 p.m.

Applications for ballot for early voting by mail shall be requested from and mailed to the Dallas County Elections Department, 2377 N. Stemmons Fwy., Suite 820, Dallas, Texas 75207, and such applications must be received by a date and time in accordance with the Code. All requests for early voting ballots by mail that are received by authorities participating in the Joint Election Agreement (“participating authorities”) will be transported by runner on the day of receipt to the Dallas County Elections Department, 8th Floor, Health and Human Service Building, 2377 N. Stemmons Frwy, Dallas, Texas 75207 for processing. Persons voting by mail will send their voted ballots to the Dallas County Elections Department.

All early voting ballots will be prepared for counting by an Early Voting Ballot Board appointed in accordance with Section 87.001 of the Code. Addison hereby waives its right under the Joint Election Agreement to appoint a member to the Board, and will have Dallas County appoint a member for the Town. The participating authorities agree to appoint other deputy early voting judges/clerks.

A signature verification committee will be appointed in accordance with Section 87.027 of the Code. A list of the members of the signature verification committee will be furnished to each participating authority.

Section 12. Delivery of Returns; Preservation of Election Records. A general custodian of the voted ballots and all records of the joint Election as authorized by Section 271.010 of the Texas Election Code shall be appointed.

Access to the election records will be available to each participating authority as well as to the public in accordance with the Texas Public Information Act, Chapter 552, Government Code, at the Elections Department, 2377 N. Stemmons Freeway, Dallas, Texas, at any time during normal business hours. The Administrator shall ensure that the records are maintained in an orderly manner, so that records are clearly identifiable and retrievable per records storage container.

Records of the election will be retained and disposed of in accordance with the City’s records retention schedules, and in accordance with the provisions of Title 6, Subtitle C, Chapters 201 through 205 Texas Local Government Code, including the minimum retention requirements established by the Texas State Library and Archives Commission.

Section 13. Canvassing of Returns. In accordance with the Code, the City Council of the City shall convene in accordance with the Code to canvass the returns of the election.

Section 14. Necessary Actions. The Mayor, City Manager and the City Secretary of the City, in consultation with the City Attorney, are hereby authorized and directed to take any and all actions necessary to comply with the provisions of the Code in carrying out and conducting the election, whether or not expressly authorized herein.

Section 15. Effective Date. This Ordinance shall be in full force and effect from and after its passage.

DULY PASSED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, the 11th day of February, 2014

Todd Meier, Mayor

ATTEST:

By: _____
Matthew McCombs, City Secretary

Combined Meeting

R4

Meeting Date: 02/11/2014

Council Goals: N/A

AGENDA CAPTION:

PUBLIC HEARING Case 1684-SUP/NHS Restaurant. Public hearing, discussion, consider, and take action regarding an ordinance changing the zoning on property located at 5100 Belt Line Road, Suite 795, which property is currently zoned PD, Planned Development, through Ordinance 012-001, by approving for that property a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, on application from NHS Village, LLC represented by Mr. Nick Badovinus.

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting in regular session on January 24, 2014, voted to recommend approval of the request for approval of an ordinance changing the zoning on property located 5100 Belt Line Road, Suite 795, which property is currently zoned PD, Planned Development, through Ordinance 012-001, by approving for that property a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, subject to no conditions.

Voting Aye: Doherty, Groce, Hughes, Oliver, Stockard, Wheeler

Voting Nay: none

Absent: Hewitt

FINANCIAL IMPACT:

N/A

BACKGROUND:

N/A

RECOMMENDATION:

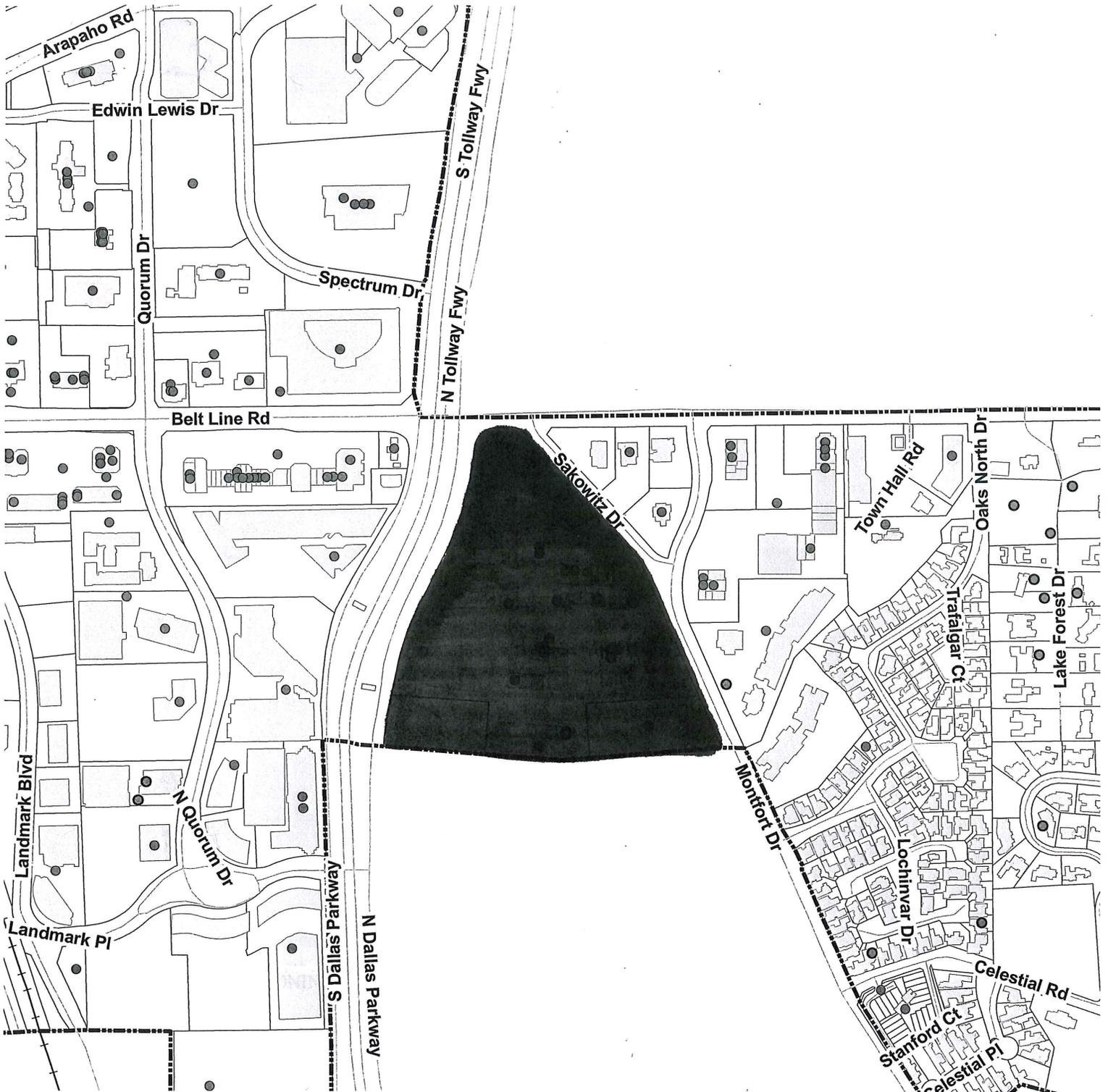
Administration recommends approval.

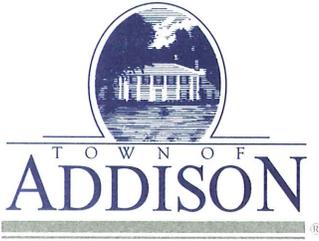
Attachments

docket map, staff, report and commission findings

1684-SUP

PUBLIC HEARING Case 1684-SUP/NHS Restaurant. Public hearing, discussion and consideration of approval of an ordinance changing the zoning on property located at 5100 Belt Line Road, Suite 795, which property is currently zoned PD, Planned Development, through Ordinance 012-001, by approving for that property a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, on application from NHS Village, LLC represented by Mr. Nick Badovinus.





January 23, 2014

STAFF REPORT

RE: Case 1684-SUP/NHS Restaurant

LOCATION: 5100 Belt Line Road, Suite 795

REQUEST: Approval of a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only

APPLICANT: NHS Village, LLC, represented by Mr. Nick Badovinus

DISCUSSION:

Background. This lease space is a part of the Village on the Parkway redevelopment. It is situated on the interior of the site in the same building as Sherlock's Pub.

Neighborhood Services Restaurant is a concept out of Dallas. They currently have three locations which feature different menus. The Original Neighborhood Services is located at 5027 West Lovers Lane and features a variety of upscale American cuisine. They also have a bar and grille concept located at 10720 Preston Rd., Suite 1101 and a burger bar concept located at 226 Irving Blvd.

Proposed Plan. The floor plan features a space of 4,145 square feet with no exterior patio. The floor plan shows a bar running along one wall of the restaurant. The plan contemplates seating for 135.

Exterior Facades. The new restaurant will not be making any changes to the existing stucco facades.

Parking. The parking requirement for the Village on the Parkway is at a mixed-use ratio of one space per 250 square feet, regardless of how the space is used. The plans show the center will provide 2,240 spaces, which is 512 spaces over the required number. 500 of those additional spaces will be a 4-level parking structure on the west

end of the theatre. Under the approved plan for the center, the parking spaces can be provided anywhere on the site, and do not have to be provided immediately in front of the tenant's lease space. This 4,145 square-foot space will require 17 parking spaces, which are provided on the site. Staff is beginning to be concerned because to date, the center appears to be filling up with mostly restaurants. For the mixed-use ratio of one space per 250 square feet to work, additional retail tenants must be brought into the site. Although the garage provides more spaces than are needed, it is not close to this restaurant.

Landscaping. The new landscaping at the center has been installed and inspected and is in compliance with the ordinance.

Food Service Code. The kitchen installation must meet all requirements of the Food Service Code. The Environmental Services Official has noted that the plans indicate a full-sized and good quality kitchen.

Fire and Building Code. Based on the occupancy, the building will have to be provided with fire sprinklers. This is a code requirement and does not need to be included as a condition.

Mechanical Equipment. The applicant should be aware that if any new mechanical equipment is added to the roof of the restaurant, it must be screened from all adjacent properties. The screening mechanism shall be architecturally compatible, and the Building Official shall make the determination of "architecturally compatible".

Signs. The applicant has not shown signs on the facades. While signs are not approved through this process, this site is interior to the Village on the Parkway shopping center, and the signs will not be visible from outside the Village on the Parkway property.

RECOMMENDATION:

The Town is pleased to have Neighborhood Services come to Addison, and recommends approval of this request subject to no conditions.

Respectfully submitted,



Charles Goff
Assistant to the City Manager

Carmen Moran

From: Lynn Chandler
Sent: Monday, January 13, 2014 3:48 PM
To: Carmen Moran
Cc: Charles Goff
Subject: The NHS Restaurant

Carmen,

The NHS restaurant to be located at 5100 Belt Line Rd Suite 795 will have an occupant load of 135. Therefore a fire sprinkler system will be required to be installed.

Lynn

Land Use Analysis

Attributes of Success Matrix

NHS Restaurant, 5100 Belt Line Road, Suite 795

1684-SUP

Attribute	Comment	Score
Competitive	This proposed restaurant will be a new restaurant for Addison and will help the Village on the Parkway become a destination for dining	
Safe	The project will be safe	
Functional	The space will be functional. Applicant has been advised that the site is reaching the maximum for restaurant uses as far as parking is concerned and that additional retail tenants should be investigated.	
Visually Appealing	The restaurant will be visually appealing.	
Supported with Amenities	The site is in a very amenity-rich area.	
Environmentally Responsible	The site will be a remodel of existing retail space and will provide a new, more energy efficient restaurant space.	
Walkable	The project is extremely walkable..	
Overall Assessment	This is a good-quality restaurant and will be an asset to the Town.	

Case 1684-SUP/NHS Restaurant
January 23, 2013

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting in regular session on January 24, 2014, voted to recommend approval of the request for approval of an ordinance changing the zoning on property located 5100 Belt Line Road, Suite 795, which property is currently zoned PD, Planned Development, through Ordinance 012-001, by approving for that property a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, subject to no conditions.

Voting Aye: Doherty, Groce, Hughes, Oliver, Stockard, Wheeler
Voting Nay: none
Absent: Hewitt

Combined Meeting

R5

Meeting Date: 02/11/2014

Council Goals: Brand Protection and Enhancement

AGENDA CAPTION:

Presentation, discussion, consider and take action regarding an ordinance amending Chapter 62, Signs, of the Code of Ordinances of the Town by providing for a Meritorious Exception to Article IV. requirements for Specific Types of Signs, Division 3 Attached Signs, Sec.62-162 Premises Signs, Item (c) and Sec. 62-163 Area, Item (1) and Item (5) in order to provide for a sign on the north facade with letters 28" in height and an area of approximately 28 Sq. Ft. and an additional sign on the north facade with a logo 6'4" in height and an area of approximately 46.5 Sq. Ft. at Pollo Tropical located at 5290 Belt Line Rd. Suite 100.

FINANCIAL IMPACT:

N/A

BACKGROUND:

Sec. 62-162. Premises Signs, Item (c) only allows one sign for each facade for each tenant. Sec. 62-163 Area. Item (1) allows one square foot of sign per linear foot of building frontage and Item (5) limits the base height of letters or logos on the north facade to 16" but allows 50% of the letters or logos a maximum height of 20" when located less than 100' from the street curb.

At the January 28th meeting the applicant had previously asked for two signs on the north facade. One with letters 36" in height and an area of approximately 41 Sq. Ft. and one with a logo 6'4" in height and an area of approximately 46.5 Sq. Ft. The request was denied but the Council directed the staff to have further discussions with the applicant to determine if there was an alternate to the requirements of the sign ordinance that would meet their needs and also maintain the integrity of the Addison Brand.

Staff recommends denial.

RECOMMENDATION:

Administration recommends approval.

Attachments

APPLICATION, DRAWINGS, OWNERS LETTER





BUILDING INSPECTION DEPARTMENT 16801 Westgrove Dr Addison Texas 75001 972/450-2881 fax: 972/450-2837

Application for Meritorious Exception to the Town of Addison Sign Ordinance

Application Date: 02.04.14

Filing Fee: \$200.00

Applicant: Barnett Signs, Inc. - Zeke Bullock

Address: 4250 Action Dr. Suite#: _____

Mesquite TX 75150 Phone#: 972-681-8800
City State Zip Fax#: 972-681-8824

Status of Applicant: Owner _____ Tenant _____ Agent X

Location where exception is requested:

Pollo Tropical - 5290 Belt Line Rd. #1028

Reasons for Meritorious Exception:

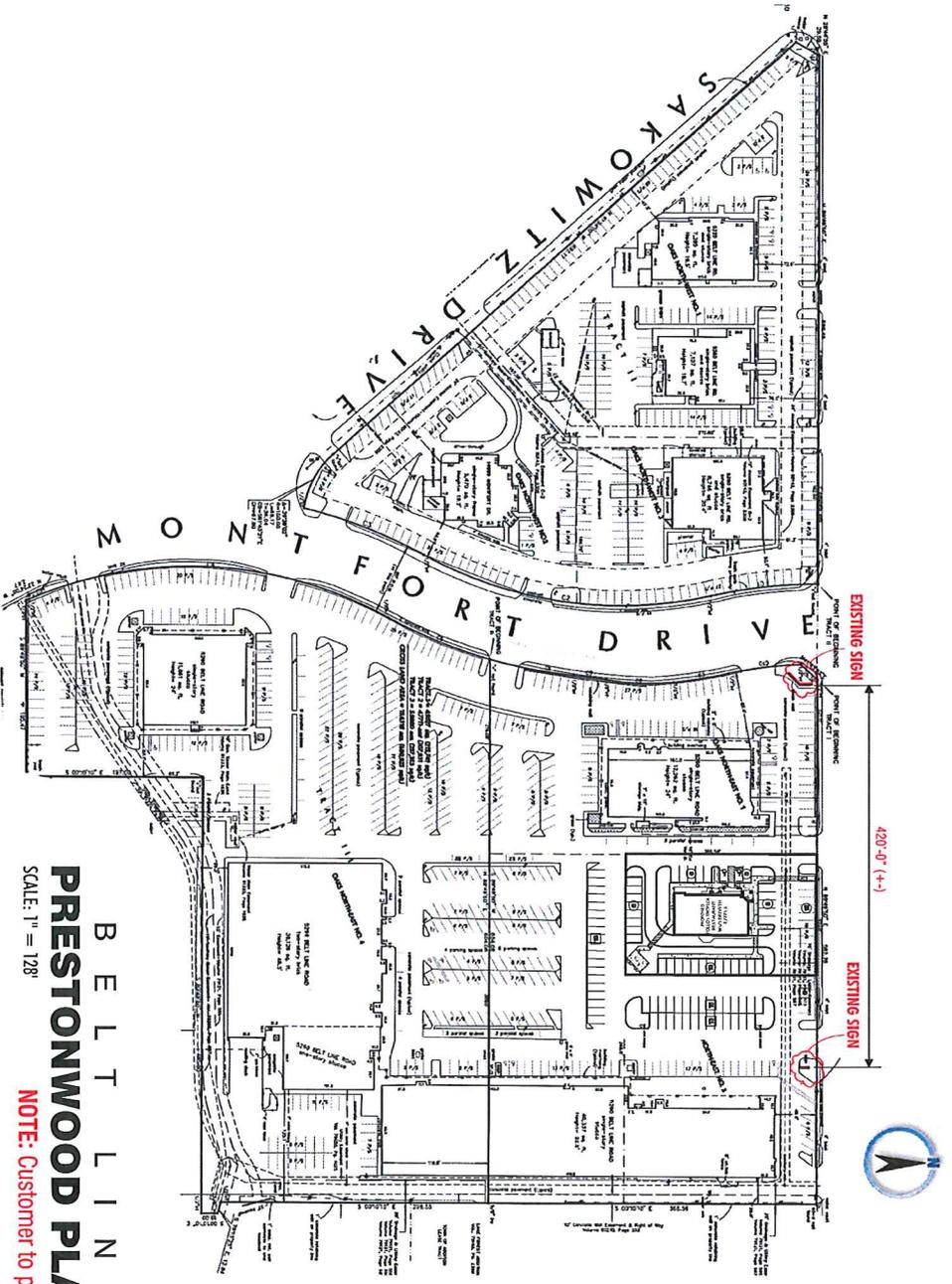
Pollo Tropical wishes for an exception to the Sign Ordinance in order to install building signs that adequately meet the visibility requirements of motorists traveling down Belt Line Rd. and that is aesthetically complimentary to their building. Pollo Tropical feels that the ordinance restriction of a 16" maximum letter height for the sign located on the North Front Elevation does not offer sufficient visibility to motorists and does not compliment the appearance of the building. Based on the distance of the building from the road and the speed of the traffic, they feel a 28" letter height for the North Front Elevation best serves the public and the city. In addition, they also wish to receive approval for a meritorious exception for the installation of a 6' 4" tall architectural feature depicting a palm tree.

YOU MUST SUBMIT THE FOLLOWING:

12 COPIES OF THE PROPOSED SIGN SHOWING:

- 1. Lot Lines
- 2. Names of Adjacent Streets
- 3. Location of Existing Buildings
- 4. Existing Signs
- 5. Proposed Signs
- 6. Sketch of Sign with Scale and Dimensions Indicated (8.5 x 11 PLEASE)

Date Fees Paid "NO FEE" Check # _____ Receipt # _____



BELT LINE ROAD
PRESTONWOOD PLACE SITE PLAN
 SCALE: 1" = 128'

NOTE: Customer to provide new building plan



12704 Durland Circle Tampa, FL 33626
 (813) 855-4415 (800) 286-3286 Fax (813) 654-3037
 www.federalheath.com

Manufacturing Plants:
 Commerce, CA; Dallas, TX; Indianapolis, IN; Oklahoma, OK
Other Locations:
 Atlanta, GA; Chicago, IL; Dallas, TX; Denver, CO; Houston, TX; Kansas City, MO; Las Vegas, NV; Louisville, KY; Memphis, TN; Miami, FL; Milwaukee, WI; New York, NY; Phoenix, AZ; St. Louis, MO; Tampa, FL; Washington, DC

Revisions: 88 DR 12/29/13 Add 3' x 3' sign on 2nd structure from rear Uppdale menu.
 85 DR 12/18/13 Delete additions made on 12-17.
 86 DR 1/22/14 Change to new color change from to new sign.
 88 DR 1/20/14 Change to size add rear to add pivot.
 89 DR 2/4/14 Delete option from package.
 Colors Specified in This Rendering May Not Match Actual Finished Materials. Refer to Product Samples for Exact Color Match.
 Client Approval/Date: _____
 Landlord Approval/Date: _____

Account Rep: MIKE ST. ONGE
 Project Manager: DENNIS RADTKE
 Drawn By: J. CARPENTER
 Underwritten by: ARDENIA TO USE ALL LINEAR
 ATTACHED AND TO BE USED IN CONNECTION WITH THE
 PERMITTED DEVELOPMENT AND SCHEDULING OF ALL ITEMS.

Project / Location:
Pollo Tropical
 5790 BELT LINE ROAD # 1028
 ADDISON, TX 75254

Job Number: 23-18858-10
 Date: APRIL 23 2013
 Sheet Number: 1 of 10
 Design Number: 23-18858-10-89

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17704 Dunbar Circle Tampa, FL 33626
 (813) 855-4415 (800) 204-3204 Fax (813) 854-3037
 WWW.FEDERALHEATH.COM

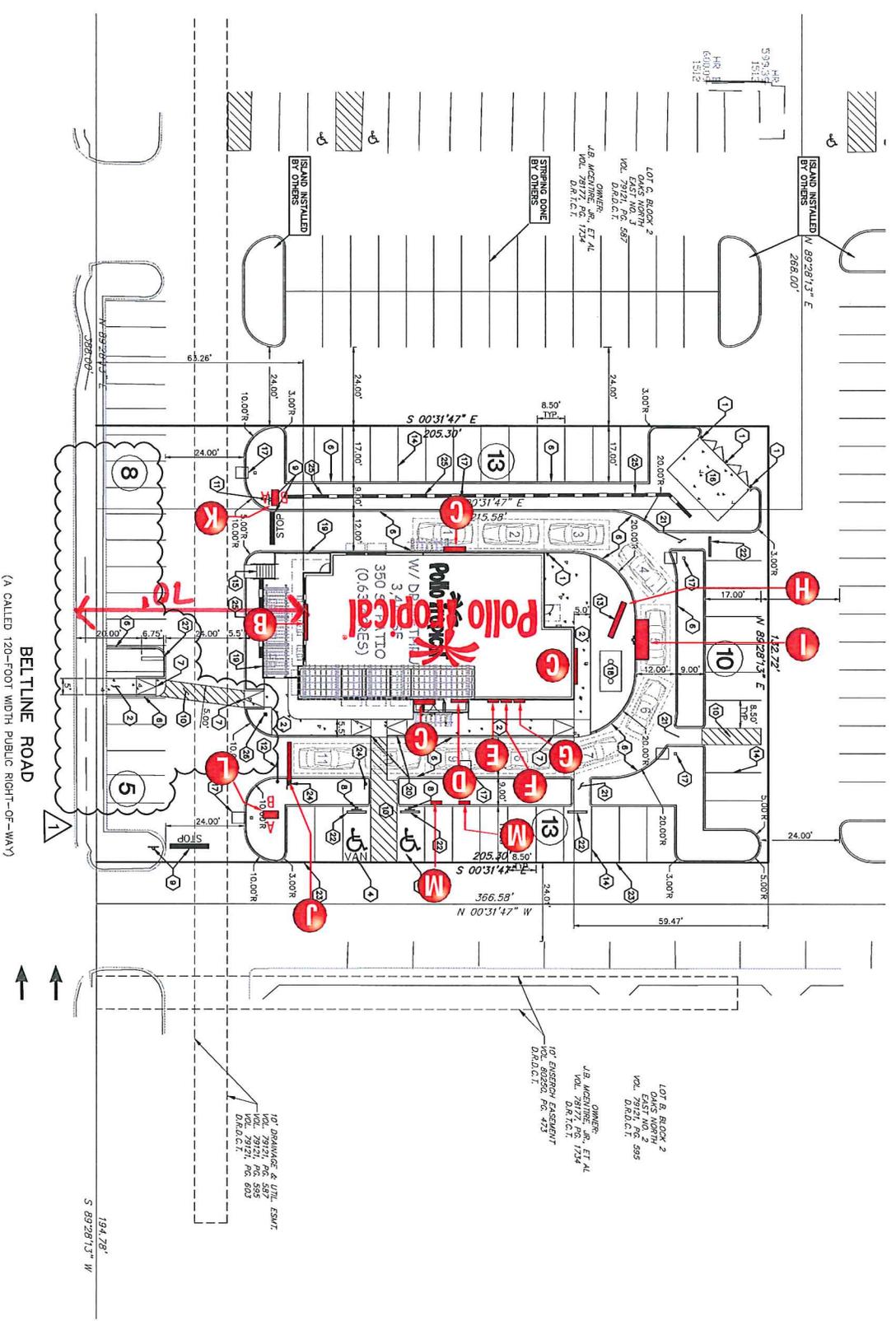
Manufacturing Plant:
 Orlando, FL; Clearwater, FL; Jacksonville, FL; Ocala, FL
 Other Locations:
 Clearwater, FL; Lakeland, FL; Leesville, FL; Marianna, FL; New Port Richey, FL; Panama City, FL; Sebring, FL; Tallahassee, FL; Titusville, FL; Winter Springs, FL; Yulee, FL

Product: **88 DR 11/2/13 signs 3 POP displays and 2 stumps sign** Update menu.
85 DR 12/8/13 Delete additional signs on 12-7
86 DR 12/8/13 Change to new style change **88 DR 12/8/13** Add sign "M"
88 DR 1/20/14 Change to new style change **88 DR 1/20/14** Add sign "M"
88 DR 2/14/14 Delete sign from package.
 Client: **Pollo Tropical**
 Client Approval/Date: _____

Account Rep: **MIKE ST. ONGE**
 Project Manager: **DENNIS RADTKE**
 Drawn By: **J. CARPENTER**
 11 UNDERSTANDS THE SIGN AND ITS LOCATION AND ALL NECESSARY PERMITS AND APPROVALS ARE IN PLACE.
 12 ALL LETTERS AND SIGNS ARE TO BE COMPLETED WITH ALL NECESSARY PERMITS AND APPROVALS IN PLACE.
 13 ALL SIGNAGE IS TO BE COMPLETED WITH ALL NECESSARY PERMITS AND APPROVALS IN PLACE.
 14 ALL SIGNAGE IS TO BE COMPLETED WITH ALL NECESSARY PERMITS AND APPROVALS IN PLACE.

Project/Location:
Pollo Tropical
5290 BELT LINE ROAD #1028
ADDISON, TX 75254
 Job Number: **23-18858-10**
 Date: **APRIL 23 2013**
 Sheet Number: **2** of **10**
 Design Number: **23-18858-10-09**

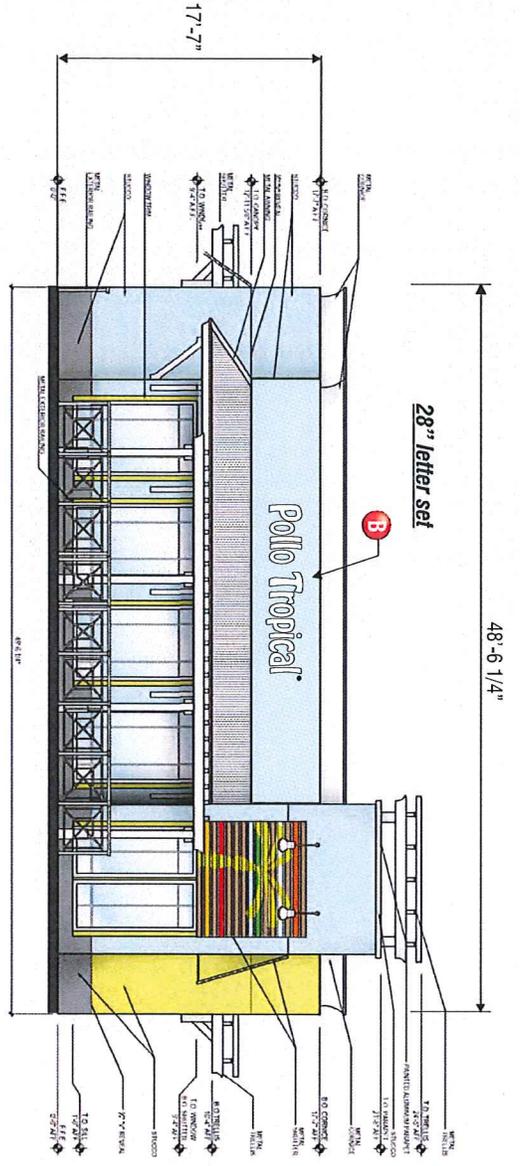
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SIGN SCHEDULE	
B	2-4" WALL LETTERS (1)
C	2-0" WALL LETTERS (3)
D	ENTRY DISPLAY
E	POP DISPLAY
F	POP DISPLAY
G	POP DISPLAY
H	DRIVE THRU MENU BOARD
I	ORDER POINT SPEAKER
J	CLEARANCE BAR (LEFT FACING)
K	DIRECTIONAL (DO NOT ENTER -THANK YOU)
L	DIRECTIONAL (DRIVE THRU)
M	SINGLE POST SIGN (TO GO)

SCALE: 1"=30'

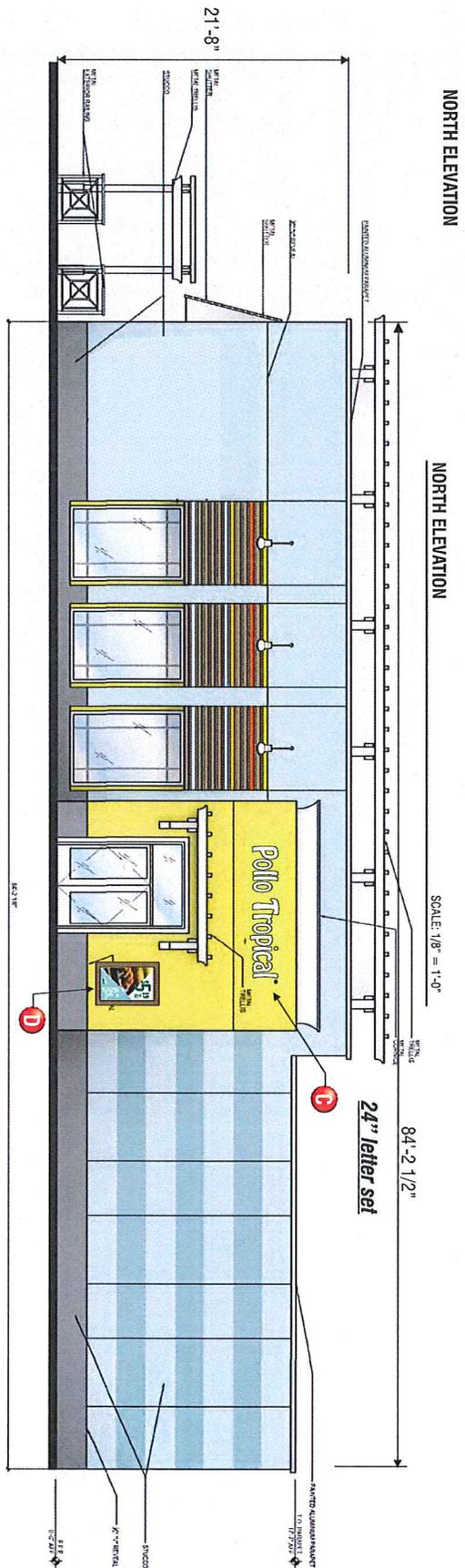




EXTERIOR MATERIAL:	
FINISH PERCENTAGES	100
STUCCO	

ROOF TOP EQUIPMENT WILL BE SCREENED BY THE PARAPET.

ACTUAL ELEVATION DRAWINGS ARE REQUIRED FOR DIMENSIONS (FEDERAL HEATH WILL NOT BUILD FROM THESE DRAWINGS) THEY ARE USED FOR DESIGN INTENT ONLY



FEDERAL HEATH SIGN COMPANY
 12704 DuPont Circle Tampa, FL 33626
 WWW.FEDERALHEATH.COM
 (813) 855-4415 (800) 284-3288 Fax: (813) 854-9037

Manufacturing Locations:
 Columbus, OH - Street View, Columbus, OH
 Other Locations:
 Lakeland, FL - Lakeland, FL
 Houston, TX - Houston, TX
 Tampa, FL - Tampa, FL

Revisions:
 R8 DR 1/20/13 Update sign and window sizes from package.
 R9 DR 1/27/13 Update sign and window sizes from package.
 R10 DR 1/27/13 Update sign and window sizes from package.
 R11 DR 1/27/13 Update sign and window sizes from package.
 R12 DR 1/27/13 Update sign and window sizes from package.
 R13 DR 1/27/13 Update sign and window sizes from package.
 R14 DR 1/27/13 Update sign and window sizes from package.
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 R96 DR 1/27/13 Update sign and window sizes from package.
 R97 DR 1/27/13 Update sign and window sizes from package.
 R98 DR 1/27/13 Update sign and window sizes from package.
 R99 DR 1/27/13 Update sign and window sizes from package.
 R100 DR 1/27/13 Update sign and window sizes from package.

Account Rep: MIKE ST. ONGE
 Project Manager: DENNIS KAUFTE
 Drawn By: J. CARPENTER
 Checked By: J. CARPENTER
 Date: APRIL 23, 2013

Project / Location:
Pollo Tropical
 5290 BELL LINE ROAD #102B
 ADDISON, TX 75254

Job Number: 23-18858-10
 Date: APRIL 23, 2013
 Sheet Number: 3 of 10
 Design Number: 23-18858-10-R9

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Lynn Chandler

From: Keith, Mitch [mkeith@frgi.com]
Sent: Monday, January 06, 2014 11:44 AM
To: Lynn Chandler
Subject: FW: Addison Signs: Please email me back Landlord's approval for Signage Submission: See Email regarding request.

Lynn,

This is an email from the landlord indicating their approval. Please let me know if they need to send anything to you directly.

The awning with the palm logo is 88" x 92". The palm portion of the awning is 76" x 88".

Thank you,

Mitch

Mitch Keith

Sr. Construction Manager
Fiesta Restaurant Group, Inc.
972.795.0005

From: Smith, Brad
Sent: Monday, January 06, 2014 11:24 AM
To: Keith, Mitch
Subject: FW: Addison Signs: Please email me back Landlord's approval for Signage Submission: See Email regarding request.

From our Landlord

From: Marc Reinisch [<mailto:MReinisch@rushmoreproperties.com>]
Sent: Monday, January 06, 2014 11:23 AM
To: Smith, Brad
Subject: RE: Addison Signs: Please email me back Landlord's approval for Signage Submission: See Email regarding request.

Your requested changes to the size of the signage is fine with us.

From: Smith, Brad [<mailto:bsmith@tacocabana.com>]
Sent: Monday, January 06, 2014 10:59 AM
To: Marc Reinisch
Cc: Keith, Mitch
Subject: Addison Signs: Please email me back Landlord's approval for Signage Submission: See Email regarding request.

Marc,
I left you a VM on this...sorry for the rush....Addison has requested we submit today w/ LL's approval regarding the building's Channel Letter signage. This is same size as the shown on pg 6 the Aug 7th email I sent you previously that you approved. We need in essence your approval to proceed w/ our Meritorious Exception Application. We are seeking what is called a Signage Meritorious Exception which is City is allowing us to proceed with submitting, but that requires Landlord's approval to enable our submission. The channel letters proposed for the submission are shown on the attachment.

North elevation proposed is 36" code is 20"

West elevation proposed is 32" code is 24"

Please email me back **today** (sorry for the short notice...the City requested it today) Landlord's acceptance of Pollo Tropical's Signage Meritorious Exception so we can proceed accordingly.

Thank you,

Bradley D. Smith

Vice President, Real Estate

P 210-283-5510

bsmith@tacocabana.com



From: Keith, Mitch

Sent: Monday, January 06, 2014 10:27 AM

To: Smith, Brad

Subject: Addison Signs

Brad,
Here's the package.

Combined Meeting

R6

Meeting Date: 02/11/2014

Council Goals: Enhance Public Safety

AGENDA CAPTION:

Presentation, discussion, consider and take action regarding (i) a Consulting Services Agreement in the amount of \$1,100,000, plus possible additional sums, between the Town and iXP Corporation to provide services to the Town and to the cities of Carrollton, Coppell, and Farmers Branch in connection with the formation and start-up of the Metrocrest Quad Cities Local Government Corporation and the construction, development, management, and operation of a consolidated public safety communications center, and (ii) an Interlocal Agreement between the Town and the cities of Carrollton, Coppell and Farmers Branch regarding the Consulting Services Agreement, including equal sharing by the cities of the cost thereof.

FINANCIAL IMPACT:

The total, fixed price for the services described in the iXP Consulting Services Agreement is \$1,100,000. This will be paid in twelve (12) equal monthly payments of \$85,000 each on the 10th of each month commencing on March 10, 2013. The remaining balance of \$80,000 will be paid following the completion of the testing of the backup communications center identified. The cost will be equally shared among the cities of Addison, Farmers Branch, Carrollton and Coppell with Addison's cost equaling approximately \$275,000.00.

This project is being funded by the Certificates of Obligation sold in 2012 and is within budget.

BACKGROUND:

Following completion of the Business Case process in July 2012, iXP was retained by the City of Carrollton to continue supporting the four cities as they considered various strategies for proceeding with a regional consolidation of emergency communications. This work included supporting Carrollton in their efforts to find a workable solution with Denco 9-1-1, examination of other 9-1-1 service provider options, and developing additional cost refinements with CyrusOne. This work resulted in the issuance of an Updated Business Case Report in April 2013 that reinforced the positive business case and operational advantages of consolidation.

Subsequent to that report, Carrollton continued to sponsor iXP's engagement with the four cities as they further deliberated formation of a new multi-jurisdictional

emergency communications organization. These efforts have resulted in the cities moving forward to formally adopt an Interlocal Agreement that establishes the Metrocrest Quad Cities Local Government Corporation (the “Corporation”), and the initiation of a series of projects directed at constructing and equipping a new communications center and establishing the organizational, operational, staffing, and support elements of a new free-standing emergency communications organization.

This PCR will formally engage iXP to manage these projects and provide overall program management services to the Corporation to allow it to bring the new consolidated communications center into operation in coordination with the Metrocrest Quad Cities Public Safety Radio System project. In addition, following the transition to live operations of the new organization, iXP will provide a blending of management and operational consulting and technology support to the new organization during the first full year of operations.

The Town of Addison will serve as the initial contracting entity for this work so that work can commence immediately. Once the formal filing processes are complete and the new Corporation is established this contract will be transferred to the Corporation.

RECOMMENDATION:

Administration recommends approval.

Attachments

Agreement with iXP

iXP Interlocal Agreement

iXP CONSULTING SERVICES AGREEMENT

This iXP Consulting Services Agreement (“Agreement”) is made and entered into as of ____ day of _____, 2014 (“Effective Date”) by and between iXP Corporation, a Delaware corporation, having its principal place of business at 1249 South River Road, Cranbury, NJ 08512 (“Consultant” or “iXP”), and the Town of Addison, Texas (“Client,” “Town of Addison,” or “Addison”) (Consultant and Client are sometimes referred to herein together as the “parties” and individually as a “party”).

Recitals:

1. Consultant is in the business of, among other things, analyzing the emergency communications systems of local governments, including emergency services dispatch systems, and facilitating the joint development and implementation of those systems by and among multiple local governments.

2. Client is one of four cities – the others being the City of Carrollton, Texas (“Carrollton”), the City of Coppell, Texas (“Coppell”), and the City of Farmers Branch, Texas (“Farmers Branch”) (collectively, the “Cities” and each being a home rule city) – that entered into an interlocal agreement entitled *Metrocrest Quad Cities Public Safety Radio System Interlocal Agreement* (effective June 26, 2013) (the “Radio System Interlocal Agreement”) for the purpose of establishing the Cities’ agreement regarding the purchase, installation, maintenance, operation, management, and use of a wide area, multi-site (“simulcast”) digital trunked radio system compliant with P-25 interoperability standards to be used jointly by the Cities for providing public safety dispatch and communications for the Cities’ respective Fire/EMS and Police departments (the “Radio System”).

3. In connection with and related to the Radio System and the Radio System Interlocal Agreement, the Cities commissioned a study, conducted by Consultant, regarding the method of public safety dispatching and communications conducted by each of the Cities, and the options, advantages, and disadvantages to consolidating the public safety dispatch and communications operations of the Cities into a single consolidated public safety communications center (the “Dispatch Study”).

4. The findings of the Dispatch Study indicated that the operation by the Cities of a consolidated public safety communications center (“Communications Center”) would result in significant efficiencies and savings in both human and financial resources and allow for a higher level of coordination of public safety services within the Cities that will enhance the safety of residents and other inhabitants of each of the Cities.

5. Following the Cities’ receipt and evaluation of the Dispatch Study, the Cities entered into an interlocal agreement entitled *Interlocal Cooperation Agreement Regarding Establishment of the Metrocrest Quad Cities Local Government Corporation* (the “LGC Interlocal Agreement”) that, among other things, provides for the creation of a local government corporation pursuant to the authority of Subchapter D of Chapter 431, Texas Transportation Code, to be known as *Metrocrest Quad Cities Local Government Corporation* (the “Corporation”), which will be organized for the purpose of assisting and acting on behalf of the

Cities in the performance of their governmental functions and services, including, but not limited to, the construction, development, management, and operation of the Communications Center and other joint projects as authorized in the Certificate of Formation and the Bylaws of the Corporation, as may be amended from time to time. The LGC Interlocal Agreement further provides for the development of agreements regarding the operation of the Corporation.

6. The Cities are, as of the Effective Date, in the process of carrying out the terms of the LGC Interlocal Agreement, including the creation of the Corporation, the development of its organizational, operational, staffing, and support elements, and the provision of the Communications Center, so that the Corporation will become an emergency communications organization that supports the Cities and their public safety functions.

7. In order to help implement the LGC Interlocal Agreement, the Cities desire to engage the services of iXP to provide temporary management and related services to facilitate the establishment and the initial start-up and operation of the Corporation and the Communications Center in coordination with the Radio System project, and to provide assistance with management, operations, and technology of the Communication Center during the first year of its operation. The services to be provided by iXP are set forth in this Agreement, below.

8. Though the Corporation has not yet been created and established as of the Effective Date, the Cities desire that iXP begin promptly to provide the services described in this Agreement. Accordingly, Addison is entering into this Agreement with iXP, but the parties recognize and agree that, once the Corporation has been created and established and at such time as Addison deems appropriate, this Agreement will be assigned to the Corporation and Addison will no longer be a party to it. Additionally, this Agreement is subject to and contingent upon the Cities entering into an interlocal agreement that approves this Agreement and that provides for the sharing of the costs of this Agreement by the Cities (the “iXP Interlocal Agreement”).

NOW, THEREFORE, for and in consideration of the above and foregoing Recitals, the benefits flowing to each of the parties hereto, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties mutually agree as follows:

Section 1. Consultant’s Work and Services; Standards of Performance; Consultant Services Manager; Independent Contractor.

A. Client engages Consultant to provide, and Consultant agrees to provide to Client (and to the other Cities), the professional work and services set forth in **Schedule A** attached hereto and incorporated into and made a part of this Agreement by this reference (the “Services”). During the Term (as defined in Section 2, below), Consultant agrees to provide the Services to Client in accordance with this Agreement and to Client’s satisfaction.

B. The Services shall be performed and provided by Consultant in a professional manner, consistent with that level of care and skill ordinarily exercised by reputable members of Consultant’s profession in Dallas County, Texas. Consultant represents that it has the skill and the professional expertise necessary to provide the Services to the Client.

In providing the Services, Consultant shall at all times comply with all applicable federal, state and local laws, statutes, ordinances, codes, rules, regulations and standards adopted by any governmental entity, agency, commission, or authority having jurisdiction over the Services, and with all applicable professional standards pertaining to the Services.

Consultant represents to Client that its execution and delivery of this Agreement and its performance of the Services does not and will not: (1) result in any violation or breach of, or constitute a default under, or require a consent or waiver under, any of the terms, conditions or provisions of any license, contract or other agreement to which Consultant is a party; or (2) materially conflict with or violate any franchise, license, judgment, order, statute, law, rule or regulation applicable to Consultant.

All persons provided by Consultant to perform the Services under this Agreement shall be adequately trained and capable of properly performing the Services.

C. Consultant will designate an employee to manage and oversee all of the Services, and Consultant will identify such person to Client in writing. Among other things, such employee will coordinate the Services and provide general direction and guidance in connection with Consultant's performance of the Services.

D. In the performance of Services contemplated under this Agreement, Consultant acknowledges and agrees that Consultant is acting as an independent contractor, and nothing in this Agreement creates, nor is intended nor shall be construed to create, an employer-employee relationship, a joint venture relationship, a joint enterprise, or to allow Client to exercise discretion or control over the manner in which Consultant performs the Services which are the subject matter of this Agreement. Consultant is solely responsible for all labor and expenses in connection with the Services provided under or in connection with this Agreement, and for any and all damages, injuries, liability, or other harm of whatever nature to the extent caused by, arising out of, or resulting from any act or omission of Consultant, or Consultant's directors, partners, officers, managers, employees, agents, contractors, subcontractors, or any person or entity for whom Consultant is legally liable, under or in connection with this Agreement.

Section 2. Term; Termination.

A. *Term.* The term of this Agreement will commence on the later of the (i) date this Agreement has been signed by both Consultant and Client, and (ii) the date that the last of the Cities approves and executes the iXP Interlocal Agreement, and, unless earlier terminated as set forth in this Agreement, will continue through and terminate on March 31, 2015 (but if Consultant has not provided all of the Services by March 31, 2015, Client may extend this Agreement to a later date or dates to allow the completion of all the Services) (the "Term"). If all of the Cities do not approve and execute the iXP Interlocal Agreement on or before March 1, 2014, this Agreement shall be null and void and have no force or effect.

B. *Termination.* This Agreement may be terminated prior to expiration of the Term as follows:

(a) Client may terminate this Agreement at any time and for any reason (or for no reason) by giving Consultant at least thirty (30) days written notice of such termination. Upon receipt of the termination notice, Consultant will stop work in an orderly and expeditious manner, place no further subcontracts or orders in connection with this Agreement, and terminate all subcontracts (if any).

(b) If either party (the “defaulting party”) defaults in the performance of or violates any material term or provision of this Agreement (a “default”), the other party (the “non-defaulting party”) shall have the right to terminate this Agreement upon giving to the defaulting party written notice of such default (specifying the default in such notice) at least ten (10) business days' prior to such termination; provided, however, that such right of termination shall not be exercised by the non-defaulting party unless and until a default remains uncured by the defaulting party for the said ten (10) business day period, but if the default cannot with diligence be cured within said ten (10) business day period, if within such ten (10) business day period the defaulting party provides the non-defaulting party written notice of the curative measures which it proposes to undertake, and proceeds promptly to initiate such measures to cure such default, and thereafter prosecutes the curing of such default with diligence and continuity, the time within which such default may be cured shall be extended for such period as may be necessary to complete the curing of such default with diligence and continuity, but not to exceed fifteen (15) business days following the receipt of the said notice. If the default is not cured within the said period of time (as applicable) to the satisfaction of the non-defaulting party, this Agreement shall terminate upon the expiration of the said period of time. For purposes hereof “business days” means Monday through Friday of each week, excluding the following holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, and Christmas Day.

Should this Agreement be terminated for any reason prior to the completion of the Services, Client shall pay Consultant for the Services properly provided through the date of termination, subject to and in accordance with other provisions of his Agreement.

Section 3. Compensation.

A. Client will pay Consultant, for Consultant’s provision and performance of items 1 (“Governance and Organizational Setup”) through 7 (“Planning and reconfiguration of Carrollton’s existing PSAP so it can be used as the backup PSAP for the Corporation’s new facility”) of the Services as set forth in the attached Schedule A and rendered in accordance with the terms of this Agreement, the total sum of One Million One Hundred Thousand and No/100 Dollars (\$1,100,000.00) (the “Contract Amount”). Payment of the Contract Amount will be made in accordance with the following:

- The sum of \$85,000.00 (“Monthly Amount”) will be paid each month for a period of 12 consecutive months (for a total amount of \$1,020,000.00) commencing with March, 2014 (the last such payment to be made for the month of February, 2015).
- The sum of \$80,000.00 (the “Final Amount”) will be paid following the completion of the testing of the backup communication center identified in item 7 set forth in the attached Schedule A (the “Completion of Testing”).

- With respect to each Monthly Amount, on or before the 10th day of each month (beginning with March, 2014) Consultant shall submit to Client an invoice for the Services performed and provided by Consultant during the immediately prior month. Each invoice shall include (i) a description of the Services performed (and specifically identifying which of items 1 through 7 included in the attached Schedule A is the subject of or included within the invoice), (ii) true and correct copies of any and all documents and/or materials in support of the invoice, and (iii) any additional documents or materials as the Client may request in connection with the invoice and/or the compensation paid to Consultant.
- With respect to the Final Amount, within 10 days following the Completion of Testing, Consultant shall submit to Client an invoice for the Services performed and provided by Consultant since the date of the immediately prior invoice. Such invoice shall include the information described in the bullet point above.
- Client will pay Consultant the amount of an invoice, to the extent that such amount is not in dispute, within thirty (30) days after the City's receipt of each such invoice (and all accompanying materials) as described above.

B. The services described in item 8 of the attached Schedule A above can be provided to Client, at Client's sole discretion and election, on either a fixed-price basis or a "Time & Material" basis. Prior to go-live, the parties will meet and confer on the appropriate post go-live support model and establish pricing and payment terms at that time through an amendment to this Agreement, if the parties are able to agree on such amendment.

C. Notwithstanding the foregoing, if Client requests and as an optional service, iXP will conduct the technology system procurements and title transfers as described in item 4.4 included in the attached Schedule A at the direct cost of acquisition plus 3% for administrative processing. If Client requests the same, payments for these purchases (including any incremental payments required as part of the order, installation, testing, and acceptance cycle) will be made within 30 days of iXP's invoice to Client for each purchase.

D. Notwithstanding any other provision of this Agreement (including the attached Schedule A) to the contrary, Client shall not be obligated to make payment to Consultant hereunder if:

- (a) Consultant is in default of any of its obligations under this Agreement or any documents in connection with the Services (and payment may be withheld to the extent of any such default) subject to the cure period provision in Section 6(b);
- (b) Any part of any payment is attributable to any Services of Consultant which are not performed in accordance with this Agreement, subject to the cure period provision in Section 6(b);
- (c) Consultant has failed to make payment promptly to consultants or other third parties used by Consultant in connection with Consultant's Services hereunder for which the Client has made payment to Consultant; or

(d) If Client, in its good faith judgment and after consultation with Consultant, determines that the portion of the compensation then remaining unpaid will not be sufficient to complete the Services of Consultant, no additional payments will be due Consultant hereunder unless and until Consultant performs a sufficient portion of the Services so that such portion of the compensation remaining unpaid is determined by Client to be sufficient to complete the Services.

Section 4. Records, Documents; Confidentiality.

A. All records, reports, documents, materials, and all other information whatsoever, in whatever form or format, prepared by, for, or on behalf of Consultant in connection with or related to this Agreement and the Services shall belong to and are owned exclusively by the Client for all purposes, and shall be provided and delivered to the Client upon the earlier of the termination or expiration of this Agreement or at the City's request. This provision shall survive the expiration or termination of this Agreement.

B. Consultant agrees that any documents, records, materials, or other information (collectively, "confidential information") received from Client (or any of the Cities) and identified in writing as confidential (or if not identified in writing, if it is clear from the circumstances that the documents, records, materials, or other information are confidential) will not be disclosed or used by the Consultant, except for the purpose(s) set forth herein, without the prior written consent of Client. The Consultant will use the same degree of care to avoid publication or dissemination of such confidential information of Client as the Consultant employs with respect to its own information of similar importance and will only disclose the confidential information to those employees of Consultant who have a "need to know." Consultant will take appropriate action by way of instructions or written agreements with its employees receiving such confidential information to advise such employees of all obligations under this Agreement.

The Consultant will not be liable for disclosure of information received from Client (or any of the other Cities) if it:

- (a) is contained in a printed publication generally available to the public without restriction;
- (b) becomes publicly known without breach of this Agreement or through no wrongful act of Consultant;
- (c) is approved in writing for disclosure without restriction by a duly authorized officer of the Client;
- (d) is already known by Consultant without restriction when received, or thereafter is developed independently by Consultant and the Consultant's records clearly establish such independent development; or
- (e) is required by a court or other governmental or judicial authority to be disclosed (and in the event Consultant receives notice that Client's (or any other Cities')

information is the subject of a governmental or judicial inquiry, directive, or order, Consultant shall immediately make Client aware of such inquiry, directive, or order, and Client may take such steps as Client may deem appropriate or necessary to protect such information).

In the event that Consultant fails to comply with the terms of this confidentiality provision, Client may suffer irreparable harm, and monetary damages may be inadequate to compensate for such breach. Accordingly, in addition to any other remedies available to Client at law, in equity, or otherwise, Client may be entitled to injunctive relief to enforce the terms of this Agreement, and such further relief as may be proper from a court of competent jurisdiction.

Termination or expiration of this Agreement will not be deemed to affect Consultant's obligations with respect to confidential information, and such obligations will continue in full force and effect for a period of two (2) years after termination or expiration of this Agreement. Upon such termination or expiration of this Agreement, at Client's request, Consultant will return to Client all of Client's (and any of the other Cities') information that Client deems confidential, including all originals and any copies, and will not retain any originals or any copies of any such information; this obligation shall survive the termination or expiration of this Agreement.

C. Consultant shall keep complete and accurate records of the Services performed pursuant to this Agreement and any records required by law or government regulation and shall make such records available to the Client upon request. Consultant shall assure the confidentiality of any records that are required by law to be so maintained.

Section 5. Insurance; CONSULTANT'S INDEMNIFICATION OBLIGATION.

A. In connection with this Agreement and at all time relevant hereto or in connection herewith, Consultant shall acquire and maintain in a company or companies lawfully authorized to do business in Texas at least the following insurance:

(1) Workers' Compensation insurance at statutory limits under the laws of Texas, including Employers' Liability coverage at minimum limits of \$1,000,000 each occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate;

(2) Commercial General Liability insurance, with combined single limits of not less than \$1,000,000 per-occurrence and \$1,000,000 general aggregate for bodily injury and property damage; \$1,000,000 for personal injury; and a \$1,000,000 annual aggregate for Products/Completed Operations. Coverage must include Contractual Liability and Products/Completed Operations (and if such commercial general liability insurance contains a general aggregate limit, it shall apply separately to the Services under this Agreement);

(3) Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including Owned,

Non-Owned and Hired Car Coverage. This coverage must be written on a standard and approved ISO form; and

(4) Professional Liability Insurance to protect from liability arising out of the performance of professional services under this Agreement. Such coverage shall be in the sum of not less than One Million and No/100 Dollars (\$1,000,000.00) per claim and Two Million and No/100 Dollars (\$2,000,000.00) aggregate. This coverage must be maintained for at least two (2) years after the Services are completed. If coverage is written on a claims-made basis, the retroactive date must not be later than the inception date of this Agreement.

With reference to the foregoing insurance requirement, Consultant shall specifically endorse applicable insurance policies as follows:

1. The Town of Addison, Texas (and all other Cities) shall be named as an additional insured with respect to all liability policies.
2. All liability policies shall contain no cross liability exclusions or insured versus insured restrictions applicable to the claims of the Town of Addison (and all other Cities).
3. A waiver of subrogation in favor of the Town of Addison, Texas, its officers, employees, and agents (and all other Cities and their respective officers, employees, and agents) shall be contained in each policy required herein.
4. All insurance policies shall be endorsed to the effect that the Town of Addison, Texas (and all other Cities) will receive at least thirty (30) days' notice prior to cancellation or non-renewal of the insurance.
5. All insurance policies, which name the Town of Addison, Texas (and other Cities) as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
6. Consultant may maintain reasonable and customary deductibles.
7. Insurance must be purchased from insurers that are financially acceptable to the Client and licensed to do business in the State of Texas.

All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent, delivered to Consultant and the Town of Addison prior to the commencement of any Services or work by Consultant hereunder, and shall:

1. List each insurance coverage described and required herein. Such certificates will also include a copy of the endorsements necessary to meet the requirements and instructions contained herein.

2. Specifically set forth the notice-of-cancellation or termination provisions to the Town of Addison (and the Cities).

Upon request, Consultant shall furnish the Client with complete copies of all insurance policies certified to be true and correct by the insurance carrier.

B. Consultant's Indemnity Obligation. Consultant covenants, agrees to, and shall DEFEND (with counsel reasonably acceptable to Client), INDEMNIFY, AND HOLD HARMLESS the Town of Addison, Texas and each of the other Cities, and the elected and appointed officials, and the officers, employees, agents, and representatives of the Town of Addison, Texas and of each of the other Cities, individually or collectively, in both their official and private capacities (the said Town of Addison, Texas and each of the other Cities, the elected and appointed officials, and officers, employees, agents, and representatives of the Town of Addison, Texas and of each of the other Cities each being an "Indemnified Person" and collectively the "Indemnified Persons"), from and against any and all claims, liabilities, judgments, lawsuits, demands, harm, losses, damages, proceedings, suits, actions, causes of action, liens, fees, fines, penalties, expenses, or costs, of any kind and nature whatsoever made upon or incurred by the Indemnified Persons or any of them, whether directly or indirectly, (the "Claims"), that arise out of, result from, or relate to: (i) the Services to be provided by Consultant pursuant to this Agreement as described herein, including in Section 1.A. above and the attached Schedule A, (ii) any representations and/or warranties by Consultant under this Agreement, (iii) any personal injuries (including but not limited to death) to any Consultant Persons (as hereinafter defined) and any third persons or parties arising out of or in connection with Consultant's provision of Services under this Agreement, and/or (iv) any act or omission under, in performance of, or in connection with this Agreement by Consultant or by any of its owners, directors, officers, managers, partners, employees, agents, contractors, subcontractors, invitees, patrons, guests, customers, licensees, sublicensees, or any other person or entity for whom Consultant is legally responsible, and their respective owners, directors, officers, directors, officers, managers, partners, employees, agents, contractors, subcontractors, invitees, patrons, guests, customers, licensees, sublicensees (collectively, "Consultant Persons"). SUCH DEFENSE, INDEMNITY AND HOLD HARMLESS SHALL AND DOES INCLUDE CLAIMS ALLEGED OR FOUND TO HAVE BEEN CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OR GROSS NEGLIGENCE OF ANY INDEMNIFIED PERSON, OR CONDUCT BY ANY INDEMNIFIED PERSON THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND. However, Consultant's liability under this section shall be reduced by that portion of the total amount of the Claims (excluding defense fees and costs) equal to the Indemnified Person or Indemnified Persons' proportionate share of the negligence, or conduct that would give rise to strict liability of any kind, that caused the loss. Likewise, Consultant's liability for Indemnified Person's defense costs and attorneys' fees shall be reduced by that portion of the defense costs and attorneys' fees equal to Indemnified Person or Persons' proportionate share of the negligence, or conduct that would give rise to strict liability of any kind, that caused the loss.

Consultant shall promptly advise the Client in writing of any claim or demand against any Indemnified Person related to or arising out of Consultant's activities under this Agreement

and shall see to the investigation and defense of such claim or demand at Consultant's sole cost and expense. The Indemnified Persons shall have the right, at the Indemnified Persons' option and own expense, to participate in such defense without relieving Consultant of any of its obligations hereunder. This defense, indemnity, and hold harmless provision shall survive the termination or expiration of this Agreement.

Section 6. Miscellaneous.

A. *Notice.* Any notice or statement required or permitted to be given or delivered shall be in writing and shall be deemed to have been properly given or delivered for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the third business day following the date of mailing. Addresses for any such notice, statement and/or report hereunder are as follows:

<u>To Client:</u>	<u>To Consultant:</u>
Town of Addison, Texas	_____
5300 Belt Line Road	_____
Dallas, Texas 75254	_____
Attn: City Manager	Attn: _____

Such addresses and addressees may be changed by giving notice of such change in accordance with this provision.

B. *Force Majeure.* In the event either the Consultant or the Client shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of fire, casualty, strikes, lockouts, labor trouble, inability to procure materials or supplies, failure of power, governmental authority, riots, insurrections, war or other reason of like nature, where such delay, hindrance or prevention of performance shall not be within the reasonable control of the party obligated to perform and not be avoidable by diligence, the party so delayed shall promptly give notice of such delay and the reasons therefor to the other party, and thereupon performance of such act shall be excused for such period of delay.

C. *Assignment.* Except as provided in this Agreement, neither party may assign, sell, transfer, subcontract, or otherwise convey (collectively, "assign") this Agreement or any of their rights or obligations hereunder, in any manner whatsoever (including by merger, consolidation, or by operation of law) to a third party without the prior written consent of the other party; and any such assignment without the other party's prior written consent shall be considered null and void *ab initio*.

Notwithstanding the foregoing provisions of this Section 6.C. or any other provision of this Agreement, Client may assign, in whole or in part and at any time whatsoever, this Agreement to the Corporation or to any of the other Cities; and if Client assigns this Agreement, Client shall be

fully released from, and shall have no further liability, responsibility, or obligations for or under, this Agreement.

D. *Binding Agreement; No Third Party Beneficiaries.* This Agreement shall be binding on and inure to the benefit of the parties, their respective permitted successors and permitted assigns. Except as provided herein, this Agreement and all of its provisions are solely for the benefit of the parties hereto and do not and are not intended to create or grant any rights, contractual or otherwise, to any third person or entity.

Each of Carrollton, Farmers Branch, Coppell, and the Corporation are third party beneficiaries of this Agreement and of the obligations, duties and responsibilities of Consultant under this Agreement, and shall be entitled to the same rights and benefits of this Agreement as if each of the said Cities and/or the Corporation was the Client under this Agreement.

E. *Governing Law; Venue.* This Agreement and performance hereunder shall be governed by and construed in accordance with the laws of the State of Texas, without regard to choice of laws rules of any jurisdiction. Any and all suits, actions or legal proceedings relating to this Agreement shall be maintained in the state or federal courts of Dallas County, Texas, which courts shall have exclusive jurisdiction for such purpose. Each of the parties submits to the exclusive jurisdiction of such courts for purposes of any such suit, action, or legal proceeding hereunder, and waives any objection or claim that any such suit, action, or legal proceeding has been brought in an inconvenient forum or that the venue of that suit, action, or legal proceeding is improper.

F. *Mutual Drafting; Headings; "Includes".* This Agreement is the joint product of Client and Consultant, and each provision has been subject to the mutual consultation, negotiation, and agreement of Consultant and Client, and will not be construed for or against any party. The section and subsection headings contained herein are for convenience only and shall not be used in interpretation of this Agreement and are not intended to define or limit the scope of any provision of this Agreement. For purposes of this Agreement, "includes" and "including" are terms of enlargement and not of limitation or exclusive enumeration, and use of the terms does not create a presumption that components not expressed are excluded.

G. *No Waiver of Immunity.* Notwithstanding any other provision of this Agreement, nothing in this Agreement shall or may be deemed to be, or shall or may be construed to be, a waiver or relinquishment of any immunity, defense, or tort limitation to which the Client, its officials, officers, employees, representatives, and agents are or may be entitled, including, without limitation, any waiver of immunity to suit.

H. *Rights, Remedies; Waiver.* Except as set forth in or otherwise limited by this Agreement, the remedies and rights set forth in this Agreement: (a) are and shall be in addition to any and all other remedies and rights either party may have at law, in equity, or otherwise, (b) shall be cumulative, and (c) may be pursued successively or concurrently as either party may elect. The exercise of any remedy or right by either party shall not be deemed an election of remedies or rights or preclude that party from exercising any other remedies or rights in the future. Any rights and remedies either party may have with respect to the other arising out of

this Agreement shall survive the expiration or termination of this Agreement, except as otherwise provided in this Agreement. All waivers must be in writing and signed by the waiving party.

I. *Entire Agreement; Amendment.* This Agreement represents the entire and integrated agreement between Consultant and Client with regard to the matters set forth herein and supersedes all prior negotiations, representations and/or agreements, either written or oral. Any amendment or modification of this Agreement must be in writing and signed by authorized representatives of Consultant and Client or it shall have no effect and shall be void.

J. *Severability.* The terms, conditions, and provisions of this Agreement are severable, and if any provision of this Agreement shall be held to be invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

K. *Recitals.* The above and foregoing recitals are true and correct and are incorporated into and made a part of this Agreement for all purposes.

L. *Authorized Persons.* The undersigned representatives of the parties hereto are the properly authorized persons and have the necessary authority to execute this Agreement on behalf of the respective parties hereto.

SIGNED by the parties on the dates set forth below.

TOWN OF ADDISON, TEXAS

iXP CORPORATION

By: _____
Ron Whitehead, City Manager

By: _____

Date: _____

Date: _____

Schedule A
to iXP Consulting Services Agreement

iXP shall provide to Addison and to the other Cities the following work and services in connection with the establishment and initial start-up and operation of the Corporation and the Communications Center and in coordination with the Radio System project. For purposes hereof, the work and services to be provided with respect to the Corporation will be provided even though the Corporation may not have yet been created.

1. Governance and Organizational Setup
 - 1.1. Work with the Cities to establish the governance and operational structures of the Corporation and the initial operations agreement used to define the service level expectations and cost allocation mechanisms between the Corporation and the Cities.
 - 1.2. Assist the Corporation in establishing the required service relationships for accounting and human resource/benefits administration.
 - 1.3. Provide support and staffing for standing meetings of the governing board, operations board and technology coordination committee for the first 12 months of the Corporation.

2. Establishing Operational Policies and Procedures
 - 2.1. Collect and review the current operational policies and procedures of each of the four existing communications centers and identify common practices across multiple operations as well as unique processes or operational requirements.
 - 2.2. Facilitate a series of workshops with the leadership groups for the law enforcement, fire service and communications center groups to establish the service level expectations and operational requirements for the consolidated organization.
 - 2.3. Develop draft policies and procedures for the consolidated organization that build on existing processes while also addressing new requirements for the consolidated operation.
 - 2.4. Facilitate a review and edit process with the law enforcement and fire service leadership teams.
 - 2.5. Facilitate a formal adoption process through the operational and policy boards established to govern the Corporation.

3. Staffing Processes for the Corporation
 - 3.1. Based on the operational concepts and service level expectations of the Corporation, iXP will develop draft position descriptions and required knowledge, skills and abilities for each position in the Corporation.
 - 3.2. Facilitate a formal review, edit and adoption process through the operational and policy boards established to govern the Corporation.
 - 3.3. Provide administrative and process support to the policy board for the recruitment and hiring of an executive director for the Corporation (“Executive Director”).
 - 3.4. Provide administrative and process support to the Executive Director for the recruitment and hiring of an administrative assistant to the Executive Director.
 - 3.5. Provide administrative and process support to the Executive Director for the recruitment and hiring of the training and QA (quality assurance) supervisors.
 - 3.6. Provide administrative and process support to the Executive Director for the recruitment and hiring of the operational supervisory team for the Corporation.

- 3.7. Provide administrative and process support in the recruitment and hiring of the technology support positions for the Corporation.
 - 3.8. Provide administrative and process support to the leadership team of the Corporation for the recruitment and hiring of telecommunicator and CTO personnel for the Corporation.
 - 3.9. Assist in the development and delivery of training to newly hired personnel on the administrative and operational policies and procedures of the Corporation.
4. Technology Systems Specifications, Procurement and Implementation Support
 - 4.1. Facilitate a series of workshops to define the functional and operational requirements for each of the individual systems required for the new Communications Center.
 - 4.2. Development of procurement specifications for each of these technology systems. This will include:
 - 4.2.1. Coordination with the North Central Texas Council of Governments for 9-1-1 systems and services.
 - 4.2.2. Development of specifications for an administrative phone system and services for the balance of the organization.
 - 4.2.3. Development of specifications for a Computer Aided Dispatch (CAD) system for the Corporation and either a common Records Management System (RMS) or the appropriate interfaces to legacy RMS systems.
 - 4.2.4. Development of specifications for mobile computer equipment to work with the selected CAD and RMS environment.
 - 4.2.5. Coordination with the regional radio system project to integrate logging and recording needs into the centralized logging and recording system used by the radio network and development of specifications of supplementary/backup logging and recording capability at the Communications Center.
 - 4.2.6. Coordination with the regional radio system project for the placement of radio console system equipment and backup radio equipment at the new Communications Center.
 - 4.2.7. Development of a network architecture and necessary network equipment to establish an independent domain for the new Communications Center.
 - 4.2.8. Development of specifications for the specialized furniture for the Communications Center and the general office furniture for the balance of the facility where the Communications Center will be located (such location is anticipated to be, as of the Effective Date, at the property generally located at 1649 W. Frankford Road, Carrollton, Denton County, Texas, which property is owned by Cyrusone, Inc (the "Facility Location" or "Facility") (the Facility Location is subject to change as determined by the Cities).
 - 4.2.9. Development of specifications for ancillary systems and equipment such as workstations, master time synchronization, display screens, headsets, warning siren controllers and similar systems used to support the Communications Center operation.
 - 4.3. Facilitate the procurement process for the Corporation for each technology system, including:
 - 4.3.1. Development and publication of Requests for Proposals for each system.
 - 4.3.2. Facilitating the RFP process including responding to vendor questions,
 - 4.3.3. Organizing and tabulating responses,
 - 4.3.4. Facilitating a scoring and selection process, and

- 4.3.5. Facilitating the Corporation's process of negotiating and executing contracts for system procurement.
 - 4.4. As an optional service (at the Cities' discretion), iXP will directly complete the contract negotiation and contracting process with vendors selected by the Corporation and then pass the contracts and titles for these systems and equipment through to the Corporation at the completion of the implementation cycle for each system.
 - 4.5. iXP will serve as the program and integration manager of the Corporation and facilitate the individual vendor's installation, configuration, testing, operational training, technical training and readiness of each system for live operations.
5. Facility Planning and Construction
 - 5.1. iXP will act as the Corporation's project manager and coordinate the finalization of the physical design of the Facility Location space. As part of this process iXP will provide CyrusOne's design and technical staff (if the Facility Location remains the location described in subsection 4.2.8, above, or if the Facility Location is changed from that location, the design and technical staff of the applicable entity having control over the Facility Location (the "Other Facility Location Entity") the information required to allow them to configure the electrical, mechanical and related building infrastructure systems to meet the needs of a public safety communications center.
 - 5.2. iXP will monitor the construction activities of CyrusOne (or the Other Facility Location Entity, as applicable) and their contractors and provide information to both CyrusOne (or the Other Facility Location Entity, as applicable) and the Corporation to make sure the Facility meets the intended design specifications and requirements.
6. Transition to Live Operations
 - 6.1. iXP will position a team of individuals on-site for the first full week of live operation to assist the Corporation's staff as they transition from existing operations to consolidated operations at the new Facility. This will include managerial, operational and technical personnel to assist all portions of the Corporation.
7. Planning and reconfiguration of Carrollton's existing PSAP (public safety answering point) so it can be used as the backup PSAP for the Corporation's new Facility. Activities will include:
 - 7.1. Planning the technology system backups to be used at the new Facility
 - 7.2. Coordination with the Corporations vendors and partners to purchase and configure equipment that will be placed at the backup facility.
 - 7.3. Assisting the Corporation's staff in the development of operational and technical policies, procedures and training processes for operating in the backup facility.
 - 7.4. Coordinate the installation and testing of systems once the Facility is available for this activity.
 - 7.5. Coordinate an initial test operational cycle at the backup facility to assure that systems and staff can function as planned at the facility and then transition back to operations at the Facility.
8. Optional post go-live consulting and assistance – Following go-live, iXP will keep a team of managerial, operational and technology personnel available to support the Corporation and its staff during their first year of operations. Services that are typically required during this period include:

- 8.1.1. Assistance in monitoring performance metrics and reporting.
- 8.1.2. Assistance in developing adjustments to policies, procedures, working schedules and position responsibilities to match the service level expectations of the field personnel as new ways of doing business change and adapt in the early months of consolidated operation.
- 8.1.3. Consulting and coaching for the Executive Director and the Executive Director's supervisory team as they settle into their responsibilities and new employee teams.
- 8.1.4. Consulting for the governing boards of the Corporation as they go through their initial months of overseeing the consolidated operations and adapting their policies and procedures to meet the new ways of doing business.
- 8.1.5. Assisting the Executive Director and governing boards as they develop their budget and rate models for the 2nd year of operations.

iXP INTERLOCAL AGREEMENT

This iXP Interlocal Agreement (“Agreement”) is made by and between the City of Carrollton, Texas (“Carrollton”), the City of Farmers Branch, Texas (“Farmers Branch”), the City of Coppell, Texas (“Coppell”), and the Town of Addison, Texas (“Addison”) (Carrollton, Farmers Branch, Coppell, and Addison are hereinafter sometimes referred to together as the “Cities” and individually as a “City”).

Recitals:

1. The Cities, which are neighboring home rule municipalities, provide public health and safety services to their respective citizens and inhabitants, including police protection, fire protection, and emergency medical services.

2. An emergency services dispatch system (the “System”) is integral to and a necessary part of providing those public health and safety services, and without such a System the public health and welfare could not be adequately provided for and protected.

3. The Cities, by and through a prior interlocal agreement, conducted a review and evaluation, including the possible integration, of their respective Systems into a unified System to be used cooperatively by the Cities. That review and evaluation was conducted on behalf of the Cities by iXP Corporation, a Delaware corporation (“iXP”). iXP’s review and evaluation (the “Dispatch Study”) indicated that the unification of the Systems of the Cities into a consolidated public safety communications center (“Communications Center”) would result in significant efficiencies and savings in both human and financial resources and allow for a higher level of coordination of public safety services within the Cities that will enhance the safety of residents and other inhabitants of each of the Cities.

4. Following the Cities’ receipt and evaluation of the Dispatch Study, the Cities entered into an interlocal agreement entitled *Interlocal Cooperation Agreement Regarding Establishment of the Metrocrest Quad Cities Local Government Corporation* (the “LGC Interlocal Agreement”) that, among other things, provides for the creation of a local government corporation pursuant to the authority of Subchapter D of Chapter 431, Texas Transportation Code, to be known as *Metrocrest Quad Cities Local Government Corporation* (the “Corporation”), which will be organized for the purpose of assisting and acting on behalf of the Cities in the performance of their governmental functions and services, including, but not limited to, the construction, development, management, and operation of the Communications Center and other joint projects as authorized in the Certificate of Formation and the Bylaws of the Corporation, as may be amended from time to time. The LGC Interlocal Agreement further provides for the development of agreements regarding the operation of the Corporation.

5. The Cities are, as of the Effective Date, in the process of carrying out the terms of the LGC Interlocal Agreement, including the creation of the Corporation, the development of its organizational, operational, staffing, and support elements, and the provision of the Communications Center, so that the Corporation will become an emergency communications organization that supports the Cities and their public safety functions.

6. In order to help implement the LGC Interlocal Agreement, the Cities desire to engage the services of iXP to provide temporary management and related services to facilitate the establishment and the initial start-up and operation of the Corporation and the

Communications Center, and to provide assistance with management, operations, and technology of the Communication Center during the first year of its operation. However, since the Corporation has not yet been created and established and in order to allow iXP to begin promptly to provide such services, the Cities desire that Addison enter into an agreement with iXP regarding those services (and a proposed agreement between Addison and iXP entitled “iXP Consulting Services Agreement” is attached hereto as Exhibit A and incorporated herein (the “iXP Agreement”).

7. Addison has or intends to approve the iXP Agreement, subject to and contingent upon, however, the approval and execution of this Agreement by each of the other Cities. Addison’s entering into the iXP Agreement, and the execution of this Agreement by the Cities, is with the understanding that, once the Corporation has been created and established, the iXP Agreement will be assigned to the Corporation and Addison will no longer be a party to it.

8. The provision of police, fire and emergency medical services, and the corresponding provision and operation of an emergency dispatch system that is essential to providing those services, are governmental functions and services as set forth in Chapter 791, Tex. Gov. Code (the “Interlocal Cooperation Act” or the “Act”). The Cities are authorized by the Interlocal Cooperation Act to enter into this Agreement and to provide a governmental function or service that each party to and interlocal agreement is authorized to perform individually.

9. The Cities agree that, to the extent any payments are required hereunder, such payments shall be from current revenues or other lawful funds available to the paying party.

NOW, THEREFORE, for and in consideration of the mutual benefits and obligations set forth in this Agreement, the City of Carrollton, Texas, the City of Farmers Branch, Texas, the City of Coppell, Texas, and the Town of Addison, Texas do hereby agree as follows:

Section 1. *Incorporation of Recitals.* The above and foregoing Recitals are true and correct and are incorporated into this Agreement and made a part hereof for all purposes.

Section 2. *Effective Date, End Date.* The Agreement shall become effective on the date it bears the signatures of authorized representatives of all of the Cities (the “Effective Date”) and shall continue until such time as Addison has assigned the iXP Agreement to the Corporation, at which time this Agreement shall end and be terminated without further act by any of the Cities.

Section 3. *Payment of iXP Agreement.* The Cities agree that they shall each pay one fourth of the total cost of the iXP Agreement as set forth therein. Addison will make the initial payments to iXP in accordance with the iXP Agreement, and each of Carrollton, Farmers Branch, and Coppell shall reimburse Addison their proportionate (one-fourth) share of each payment made by Addison. Such reimbursement shall be made by Carrollton, Farmers Branch, and Coppell not later than fifteen (15) days following their receipt of an invoice from Addison identifying the amount(s) paid by Addison and a copy of the iXP invoice and any supporting documentation received in support thereof from iXP.

The payments made by Carrollton and Farmers Branch to Addison pursuant to this Agreement shall be made from current revenues available to each of Carrollton, Farmers Branch and Coppell.

Section 4. *Notices.* For purposes of this Agreement, notices and other communications shall be in writing, addressed as provided hereinafter to the party to whom the notice or request is given, and shall be either (i) delivered personally, (ii) sent by United States certified mail, postage prepaid, return receipt requested, or (iii) placed in the custody of Federal Express Corporation or other nationally recognized carrier to be delivered overnight. Notice shall be deemed given upon receipt. Addresses for notices and other communications are as follows:

To Carrollton:

1945 E. Jackson Road
Carrollton, Texas 75006
Attn: City Manager

To Farmers Branch:

13000 William Dodson Parkway
Farmers Branch, TX 75234
Attn: City Manager

To Coppell:

255 Parkway Boulevard
Coppell, Texas 75019-9478
Attn: City Manager

To Addison:

5300 Belt Line Rd.
Dallas, Texas 75254
Attn: City Manager

From time to time each City may designate another address within its boundaries for purposes of this Agreement by giving the other party not less than ten (10) days advance notice of such change of address in accordance with the provisions hereof.

Section 5. *No Assignment.* A City shall not, and shall have no authority to, assign or otherwise transfer this Agreement or an portion hereof without the prior written consent of the other Cities. No assignment or other transfer by any City will be effective without the written consent of the other Cities.

Section 6. *Agreement Not Effective.* Unless this Agreement is approved and executed by an authorized representative of each of the Cities on or before March 1, 2014, this Agreement shall be null and void and of no force or effect.

Section 7. *Entire Agreement.* This Agreement represents the entire and integrated agreement between Carrollton, Farmers Branch, Coppell, and Addison, and supersedes all prior negotiations, representations and/or agreements, either written or oral with regard to the subject matter hereof. This Agreement may be amended and modified only by written instrument signed by authorized representatives of each of the Cities.

Section 8. *Governmental Immunity.* This Agreement is subject to the respective governmental immunity of each of the Cities. By its respective execution and performance hereof, no City waives its governmental or any other immunity, any defenses, or any tort limitations.

To the extent allowed by law, and without waiving any governmental immunity available to the Cities under Texas law, or any other defenses the Cities are able to assert under Texas law, each City agrees to be responsible for its own negligent or otherwise tortious acts or omissions in the course of performance of this Agreement.

Section 9. *Severability.* The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason

held by a court of competent jurisdiction to be contrary to the law or contrary to any rule or regulation having the force and effect of the law, such decisions shall not affect the remaining portions of the Agreement.

Section 10. *Governing Law, Venue.* This Agreement and the rights and duties of the Cities shall be governed by the laws of the State of Texas, without regard to the choice of laws provisions of any jurisdiction. This Agreement shall be enforceable in Dallas County, Texas, and, if legal action is necessary, exclusive venue shall lie in Dallas County, Texas.

Section 11. *Mutual Drafting.* This is a negotiated document. Should any part of this Agreement be in dispute, the Cities agree that the terms and provisions of this Agreement shall not be construed more favorably for or strictly against any City.

Section 12. *No Waiver; Pursuit of Remedies.* It is not a waiver of or consent to a breach, failure to perform, or default of this Agreement if the non-defaulting party fails to declare promptly a default or delays in taking any action. Pursuit of any rights or remedies set forth in this Agreement does not preclude pursuit of any other rights or remedies in this Agreement or available or provided by law, in equity, or otherwise.

Section 13. *No Third Party Beneficiaries.* This Agreement and all of its provisions are solely for the benefit of the Cities and, except as set forth herein, do not and are not intended to create or grant any rights, contractual or otherwise, to any third person or entity.

Section 14. *Counterparts.* This Agreement may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

Section 15. *Authorized Signatories.* The undersigned persons are the properly authorized representatives of each of the respective Cities and have the necessary authority to execute this Agreement on behalf of the Cities.

EXECUTED by each of the Cities as of the dates set forth below.

CITY OF CARROLLTON, TEXAS

CITY OF FARMERS BRANCH, TEXAS

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

CITY OF COPPELL, TEXAS

TOWN OF ADDISON, TEXAS

By: _____

By: _____

Ron Whitehead, City Manager

Title: _____

Date: _____

Date: _____

**Exhibit A
to iXP Interlocal Agreement**

[attach copy of iXP Agreement]

Combined Meeting

R7

Meeting Date: 02/11/2014

Council Goals: Infrastructure improvement and maintenance
Enhance Public Safety

AGENDA CAPTION:

Discussion, consider, and take action on the Second Amendment to a rooftop Telecommunications License Agreement between the Town and COP-Spectrum Center Partners. LLC regarding property generally located within the Town at or about 5080 Spectrum Drive.

FINANCIAL IMPACT:

The initial Monthly License Fee for the new term will be \$1,679.90. As the new system is installed on the East Tower, the Monthly License Fee shall increase to \$2,031.80 with the installation of two (2) new microwave dish antennas. The new Monthly License Fee shall be effective on the 1st of the month following the completion of the installation of the new equipment on the East Tower.

Funds are available out of the Addison Police Department's current budget.

BACKGROUND:

The Town of Addison, Addison Police Department, currently holds a rooftop agreement with Spectrum Center Partners, LP for the purpose of hosting our public safety radio tower site on their west tower. With the building of the new Harris P25 radio system we are adding microwave dishes and moving the entire site to their east tower to further improve the systems performance and reliability. The move, coupled with an increase in hosted equipment, will result in a slightly higher monthly lease rate of \$2,031.80 from the existing \$1,679.90.

All the new equipment for the site was previously approved by council and our partner cities of Farmers Branch, Carrollton and Coppell.

RECOMMENDATION:

Administration recommends approval.

Attachments

Rooftop Agreement

SECOND AMENDMENT TO ROOFTOP TELECOMMUNICATIONS LICENSE AGREEMENT

This SECOND AMENDMENT to the ROOFTOP TELECOMMUNICATIONS LICENSE AGREEMENT (this “**Amendment**”), dated effective November 13, 2013, is made and entered into by and between **COP SPECTRUM CENTER, LLC**, formerly known as **GPI SPECTRUM, LLC**, (“Owner), and **TOWN OF ADDISON** (Provider).

WITNESSETH:

WHEREAS, pursuant to that certain Telecom License Agreement between **SPECTRUM CENTER PARTNERS, L.P.** and **TOWN OF ADDISON** dated effective October 21, 2003 (the “**Agreement**”) and that certain First Amendment to Rooftop Telecommunications License Agreement dated effective October 1, 2008, Owner and Provider desire to amend the Agreement to extend the term of the original Telecom License Agreement and upgrade the Town of Addison public safety telecom equipment. The new telecom equipment will be installed in East Tower mechanical room. Upon completion of installation and testing of the new system, the existing telecom equipment will be removed from the West Tower.

NOW, THEREFORE, in consideration of the mutual obligations set forth in this Amendment and in the License Agreement, Owner and Provider hereby agree as follows:

1. The above recital is incorporated into this agreement
2. The Extended Term will be effective November 1, 2013 and will terminate on October 31, 2018 unless otherwise terminated under the terms of the original Telecom License Agreement.
3. The initial Monthly License Fee for the new term will be \$1679.90. As the new system is installed on the East Tower, the Monthly License Fee shall increase with the installation of two (2) new microwave dish antennas. The Monthly License Fee shall increase to \$2031.80. The new Monthly License Fee shall be effective on the 1st of the month following the completion of the installation of the new equipment on the East Tower.

Except as amended herein, this Agreement shall remain unchanged and in full force and effect for the Term of the Agreement as renewed and extended by this Amendment.

The undersigned officers and/or agents of the parties hereto are properly authorized and have the necessary authority to execute this Amendment on behalf of the parties hereto. Owner represents that it is the sole owner of the Building and that there are no other entities or persons with an interest in the Building, including (without limitation) any holder of a mortgage, who must, should, or may have the right to consider and/or consent to this Amendment.

Executed effective as of the date and year first written above.

PROVIDER:

TOWN OF ADDISON
a Texas municipality

By: _____

Name: _____

Its: _____

Date: _____

OWNER:

COP SPECTRUM CENTER, LLC
a Texas limited liability company

By: Granite Properties, Inc.
a Texas corporation, its manager

By: _____

Name: Clint Osteen

Its: Director, IT

Date: _____

Combined Meeting

R8

Meeting Date: 02/11/2014

Council Goals: Look for Operational Efficiencies without cutting services
Identify opportunities for improved governance

AGENDA CAPTION:

Discussion, consider, and take action amending Chapter 86 (Vehicles for Hire), Article II (Taxicabs, Limousines and Shuttles), Division 2 (Permit), Sections 86-61 (Required), 86-65 (Conditions and Terms) and 86-66 (Permits Non-Transferable Without Consent of Town) by amending sections requiring taxicab service, limousine service, or shuttle service to secure a permit from the Town which is to be permanently affixed to the windshield of each vehicle, regarding permit conditions and terms, and regarding permit transferability.

FINANCIAL IMPACT:

The proposed amendment will not change the current fee structure for vehicle for hire permits.

Application fee: \$500

Per decal: \$20

BACKGROUND:

Police department records staff identified several issues surrounding the vehicle for hire stickers issued to cab, limousine and shuttle companies. Allegations have arisen that certain companies may resell our stickers to employees and some employees may take stickers to other companies for use on their vehicles. As such, we recommend amending the current ordinance which will clarify the rules to those purchasing the stickers and allow our police officers to take greater enforcement action if violations are identified.

Our goal for the ordinance change is to emphasize that the permit sticker must be permanently attached to a vehicle, to emphasize that each permit is assigned to a particular VIN, and to ensure that permit holders know that it is an enforceable offense to sell, transfer or assign stickers.

RECOMMENDATION:

Administration recommends approval.

Taxicab Ordinance

TOWN OF ADDISON, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS AMENDING THE TOWN’S CODE OF ORDINANCES BY AMENDING CHAPTER 86 (VEHICLES FOR HIRE), ARTICLE II (TAXICABS, LIMOUSINES AND SHUTTLES), DIVISION 2 (PERMIT), SECTIONS 86-61 (REQUIRED), 86-65 (CONDITIONS AND TERMS) AND 86-66 (PERMITS NON-TRANSFERRABLE WITHOUT CONSENT OF TOWN) THEREOF BY AMENDING SAID SECTIONS REQUIRING TAXICAB SERVICE, LIMOUSINE SERVICE, OR SHUTTLE SERVICE TO SECURE A PERMIT FROM THE TOWN WHICH IS TO BE PERMANENTLY AFFIXED TO THE WINDSHIELD OF EACH VEHICLE, REGARDING PERMIT CONDITIONS AND TERMS, AND REGARDING PERMIT TRANSFERABILITY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

Section 1. Amendment. The Code of Ordinances of the Town of Addison, Texas (“City”) is hereby amended by amending Chapter 86 (Vehicles for Hire), Article II (Taxicabs, Limousines and Shuttles), Division 2 (Permit) thereof as set forth below, and no other chapters, articles, divisions, sections, paragraphs, sentences, phrases or words of the said Code of Ordinances are amended hereby:

A. Sections 86-61, 86-65 and 86-66 of the said Code of Ordinances are amended so that they shall hereafter read as follows (additions are underlined; deletions are ~~struck through~~; where asterisks (*****) are used, the same represents text of a section that is not included herein and is not amended or modified by this Ordinance):

Section 86-61. Required.

* * * * *

(b) No taxicab, limousine or shuttle shall be operated unless it meets all of the requirements of the town’s annual permit and the laws of the state.

(c) It shall be unlawful and an offense for a person to operate a taxicab, limousine, or shuttle without having a permit sticker, issued by the town and assigned to the taxicab, limousine, or shuttle for the current permit period, displayed and adhered in a permanent manner attached to the driver’s side of the front windshield. Such certificate permit sticker shall be designed and coded by town for each year. Any permit sticker not permanently adhered to the windshield in accordance with this provision may be confiscated by a peace officer.

* * * * *

Section 86-65. ~~Conditions and terms~~ Terms and Conditions.

A permit issued under this article:

* * * * *

(3) Is effective for a single vehicle, registered with the town by vehicle identification number;

(4)(3) ~~Vests~~ no property right in the permittee except to operate a taxicab service, shuttle service, or limousine service within the town in accordance with the terms and conditions of this article; and

(5)(4) Is non-transferable and non-assignable except ~~that~~ in the event of a vehicle being discontinued ~~in~~ from service for any reason, the owner of such vehicle may, within 30 days thereafter, apply to the police department for a transfer of such permit to another vehicle.

Section 86-66. Permits non-transferable without consent of town.

It shall be unlawful and an offense for:

- (a) The holder of an annual permit with the town to sell to another person or entity any permit issued by the town.
- (b) ~~No~~ The holder of an annual permit with the town shall be permitted to assign to another person or entity any right or privilege granted by such annual permit without the express written consent of the town.
- (c) The holder of an annual permit with the town to transfer an annual permit with the town from one person or entity to another person or entity without the express written consent of the town (e.g. the permit may not move with a driver from one taxicab service to another taxicab service).

Section 2. Severability. The provisions of these Ordinances are severable, and if any section or provision of these Ordinances or the application of any section or provision to any person, firm, corporation, entity, situation or circumstance is for any reason adjudged invalid or held unconstitutional by a court of competent jurisdiction, the same shall not affect the validity of any other section or provision of these Ordinances or the application of any other section or provision to any other person, firm, corporation, entity, situation or circumstance, and the City Council declares that it would have adopted the valid portions of this Ordinance adopted herein without the invalid or unconstitutional parts and to this end the provisions of this Ordinance adopted herein shall remain in full force and effect.

Section 3. Savings; Repealer. This Ordinance shall be cumulative of all other ordinances of the City and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those ordinances are in direct conflict with the provisions of this Ordinance.

Section 4. Effective Date. This Ordinance shall become effective from and after its passage and approval and its publication as may be required by the City Charter or by other law.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the ____ day of February, 2014.

Todd Meier, Mayor

ATTEST:

By: _____
Matt McCombs, City Secretary

APPROVED AS TO FORM:

By: _____
John Hill, City Attorney

Combined Meeting

R9

Meeting Date: 02/11/2014

Council Goals: N/A

AGENDA CAPTION:

Discussion, consider, and take action regarding an employment and/or compensation agreement with Lea Dunn, Deputy City Manager, as City Manager.

FINANCIAL IMPACT:

N/A

BACKGROUND:

N/A

RECOMMENDATION:

Combined Meeting**ES1****Meeting Date:** 02/11/2014**Council Goals:** Create raving fans of the Addison Experience.
Attract new businesses to Addison
Brand Protection and Enhancement

AGENDA CAPTION:

Closed (Executive) session of the Addison City Council pursuant to Section 551.087, Texas Government Code, to discuss or deliberate regarding commercial or financial information that the City Council has received from a business prospect or business prospects that the City Council seeks to have locate, stay, or expand in or near the territory of the Town of Addison and with which the City Council is conducting economic development negotiations, and/or to deliberate the offer of a financial or other incentive to such business prospect or business prospects.

FINANCIAL IMPACT:

N/A

BACKGROUND:

N/A

RECOMMENDATION:

Combined Meeting

R10

Meeting Date: 02/11/2014

Council Goals: Create raving fans of the Addison Experience.
Attract new businesses to Addison
Brand Protection and Enhancement

AGENDA CAPTION:

Discussion, consider, and take action regarding a business prospect or business prospects that the City Council seeks to have locate, stay, or expand in or near the territory of the Town of Addison and with which the City Council is conducting economic development negotiations, and/or regarding the offer of a financial or other incentive to such business prospect or business prospects.

FINANCIAL IMPACT:

N/A

BACKGROUND:

N/A

RECOMMENDATION:

Administration recommends approval
