



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

AGENDA

WORK SESSION OF THE CITY COUNCIL

6:00 P.M.

AND

REGULAR MEETING OF THE CITY COUNCIL

7:30 P.M.

JULY 8, 2008

TOWN HALL

5300 BELT LINE ROAD

WORK SESSION

Item #WS1 - Presentation and discussion regarding a heliport on Addison Airport.

Item #WS2 - Presentation and discussion regarding the Cavanaugh Flight Museum.

REGULAR SESSION

Item #R1 - Consideration of Old Business.

Item #R2 - Consent Agenda.

#2a - Approval of the Minutes for:

June 23, 2008, Special Meeting and Work Session

June 24, 2008, Regular City Council Meeting and Work Session

Item #R3 - Discussion regarding the appointment(s) by the City Council to the 20th Class of the Leadership Metrocrest Program.

Item #R4 - Presentation, briefing and discussion regarding the Town wide WiFi network upgrade by a representative from RedMoon.

Item #R5 - Presentation and discussion of Salary and Benefits Analysis by Waters Consulting.

Item #R6 - Discussion and consideration of approval of a contract with Sigma Surveillance, Inc., for the purchase and installation of a Video Camera Monitoring System at the Addison Conference Centre in the amount of \$38,918.00 and of authorizing the City Manager to execute the same, subject to the City Attorney's final approval.

Attachments:

1. Council Agenda Item Overview
2. Sigma Surveillance Proposal
3. Memorandum from Rob Bourestom
4. Copy of Contract

Administrative Recommendation:

Administration recommends approval.

Item #R7 - Discussion regarding and consideration of the rejection of all the received proposals for the purchase of a Land Management Software System.

Attachments:

1. Council Agenda Item Overview
2. Memorandum from Sheryl Donihoo

Administrative Recommendation:

Administration recommends approval of rejection.

Item #R8 - REPLAT/Westgrove and Airborn Addition. Discussion and consideration of approval of a replat of two lots located in Block A, Carroll Estates, one tract located at 4201 Airborn Drive, and the adjoining tract located at the southeast corner of Westgrove Drive and Sojourn Drive, on application from Kalisher Properties, Ltd., represented by Ms. Wendy Kalisher of Kalisher Properties, Ltd.

Attachments:

1. Docket map
2. Staff report
3. Plat

Planning and Zoning Commission Findings:

The Addison Planning and Zoning Commission, meeting in regular session on June 26, 2008, voted to recommend approval of the replat for Westgrove and Airborn Addition, subject to the following conditions:

1. Add a four foot (4') right-of-way dedication along Westgrove Drive.
2. Add a four foot (4') right-of-way dedication along Sojourn Drive.
3. Add a twenty foot (20') right-of-way dedication corner clip at the intersection of Westgrove and Sojourn.
4. Remove the fire lane easement and add a twenty-four foot (24') non-exclusive ingress/egress, drainage and utility easement along the lot line between Lots 1 & 2.
5. Fire hydrants are required on a 300' interval along a fire lane. As a result a looped water main is required. The water main must be centered in a fifteen foot (15') water easement and fire hydrants centered in a 10' x 10' water easement. Please add the easements to the face of the plat.

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6. Add a 10' x 20' water easement around the fire service vault.
 7. Add a detention area easement around the limits of the detention area and include the detention area easement statement.
 8. Show all recorded easements that affect the platted area. This includes the recent electric easement as well as the easements along the south property line.
 9. The one-hundred foot (100') ingress/egress easement can be abandoned by this plat. However, a new fifty-six foot (56') non-exclusive ingress/egress, drainage and utility easement must be added along the south property line.
 10. Label the Point of Beginning on the face of the plat.
 11. Show the existing adjoiners along the southern boundary of the platted property.
 12. Label Airborne Drive on the face of the plat.
 13. The Owner's Certificate does not appear to describe the entire platted property. Additionally, the Owner's Certificate must reference all owners.
 14. Revise the Dedication Statement to match the Dedication Statement contained in the Town of Addison Code of Ordinances.
 15. Add a signature block under the Dedication Statement for all owners.
 16. Change all references of the "City of Addison" to the "Town of Addison."
 17. Provide a closure sheet.

Voting Aye: Bernstein, Daseke, Gaines, Hewitt, Jandura, Lay, Wood

Voting Nay: None

Absent: None

Administrative Recommendation:

Administration recommends approval.

Item #R9 - Discussion and consideration of approval of a Resolution of the Town of Addison, Texas, expressing the support of the Addison City Council for a request to be made to the District Superintendent of the United States Postal Service to have the Addison, Texas 75001 address assigned to all postal addresses within the Town of Addison.

Attachments:

1. Council Agenda Item Overview
2. Resolution

Administrative Recommendation:

Administration recommends approval.

Item #R10 - Discussion and consideration of approval of award of bid to Concord Commercial Services, Inc., for the painting of three municipal facilities in the amount not to exceed of \$158,264.00.

Attachment:

1. Council Agenda Item Overview
2. Bid Tabulation

Administrative Recommendation:

Administration recommends approval.

Item #R11 - Discussion and consideration of approval of a contract with Reliable Paving, Inc., for \$57,736.40, for Sidewalk and Curb Replacement Bid 08-21.

Attachments:

1. Council Agenda Item Overview
2. Curb Locations
3. Bid Tabulation

Administrative Recommendation:

Administration recommends approval.

Item #R12 - Discussion and consideration of approval of a professional service agreement between the Town of Addison and Freese & Nichols, Inc., in the amount not to exceed \$64,980.00, for preparation of a Water Quality Action Plan.

Attachment:

1. Council Agenda Item Overview

Administrative Recommendation:

Administration recommends approval.

Item #R13 - Discussion and consideration of approval of a professional service agreement between the Town of Addison and Half Associates, Inc. in the amount of \$\$326,800.00 for preparation of a Phase I of a Stormwater Masterplan for the Town of Addison.

Attachment:

1. Council Agenda Item Overview

Administrative Recommendation:

Administration recommends approval.

Item #R14 - **PUBLIC HEARING** on and second reading of an Ordinance of the Town of Addison, Texas amending the existing gas franchise between the Town and Atmos Energy Corporation by increasing the consideration paid by Atmos Energy Corporation to the Town for the rights and privileges granted to Atmos Energy Corporation under the franchise from four percent (4%) to five percent (5%) of Gross Revenues as defined in the franchise ordinance; providing for acceptance of the Ordinance by Atmos Energy; providing an effective date and for other related matters.

Attachments:

1. Council Agenda Item Overview
2. Ordinance

Administrative Recommendation:

Administration recommends approval.

Item #R15 - Discussion and consideration of approval of an Ordinance amending the Town of Addison 2007-2008 annual budget and declaring an emergency.

Attachments:

1. Council Agenda Item Overview
2. Ordinance

Administrative Recommendation:

Administration recommends approval.

Item #R16 - Discussion and consideration of approval of a Resolution suspending the August 8, 2008, effective date of ONCOR electric delivery company requested rate change to permit the Town of Addison time to study the request and to establish reasonable rates.

Attachments:

1. Council Agenda Item Overview
2. Resolution

Administrative Recommendation:

Administration recommends approval.

EXECUTIVE SESSION

Item #ES1 - Closed (executive) session of the Addison City Council, pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with its attorney to seek the advice of its attorney about contemplated litigation, or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter, 551, Tex. Gov. Code, regarding and relating to the institution of eminent domain proceedings to acquire certain real property for street right-of-way and other public purposes.

Item #ES2 - Closed (executive) session of the Addison City Council pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with its attorney(s) to seek the advice of its attorney(s) about pending litigation, to wit: *Thielsch Engineering, Inc. v. Town of Addison, Texas*, Cause No. 08-00463, 95th District Court, Dallas County, Texas.

Item #R17 - Discussion and consideration of approval of a resolution authorizing the City Attorney to institute eminent domain proceedings to acquire certain real property within the Town of Addison located generally at the southwest corner of Brookhaven Club Drive and Spring Valley Road for street right-of-way and other public uses.

Attachment:

1. Resolution

Administrative Recommendation:

Administration recommends approval.

Adjourn Meeting

Posted:

July 3, 2008 at 5:00 P.M.

Mario Canizares - City Secretary

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

Council Agenda Item **#WS1**

There are no attachments for this Item.

Council Agenda Item **#WS2**

There are no attachments for this Item.

**OFFICIAL ACTIONS OF SPECIAL MEETING AND WORKSESSION
OF THE CITY COUNCIL**

June 23, 2008, 6:00 P.M.
Service Center, 16801 Westgrove
Addison, TX 75001

Present: Mayor Chow, Councilmembers Braun, Hirsch, Kraft, Meier, Mellow and Niemann

Absent: None

Mayor Chow left the room at 6:15P.M. Item #WS1 was postponed until his return at 6:55P.M. Item #WS1 followed Item #WS3.

Item #WS2 - Discussion regarding the following (submitted by Mayor Pro Tempore Roger Mellow):

- Update on 75001 Zip Code
- Oncor's new electric meters
- Status of RedMoon Broadband and service improvements
- Update on Arbor Foundation
- Update on City Council liaisons to non-profits agencies

Mayor Pro Tempore Roger Mellow led this discussion. No action was taken.

Item #WS3 - Discussion regarding the following (submitted by Councilmember Tom Braun):

- Train Depot

Councilmember Tom Braun led this discussion. No action was taken.

Mayor Chow returned to the meeting at 6:55P.M.

Item #WS1 was moved to follow Item #WS3.

Item #WS1 - Discussion regarding the following (submitted by Mayor Joe Chow):

Addison Airport Issues:

- Agreement for the Operation and Management of Addison Airport
- Fuel Farm update
- Real Estate Leasing
- Fuel Price
- Old Hangar Redevelopment

Mayor Joe Chow led this discussion. No action was taken.

Item #WS4 - Discussion regarding the following (submitted by Councilmember Greg Hirsch):

- Supporting and fostering neighborhood gatherings
- National Night Out in October
- Addison Athletic Club Pool hours
- Addison Parks maintenance
- Shade opportunities in Addison Parks
- Fountain Area at Midway Meadows
- New communication tools/marketing analysis
- The Addison ADDvocates program
- Street decorations

Councilmember Greg Hirsch led this discussion. No action was taken.

Item #WS6 - Discussion regarding the following (submitted by Councilmember Todd Meier):

- Planning and Zoning term limits
- Sale of alcoholic beverages for off-premise consumption
 - Airport issues:
 - Security
 - Fuel Farm review
- Minimum standards for residential areas

Councilmember Todd Meier led this discussion. No action was taken.

Item #WS5 - Discussion regarding the following (submitted by Councilmember Jimmy Niemann):

- Conflict of Interest Disclosures (including matters relating to Chapter 176, Tex. Loc. Gov. Code – disclosure of certain relationships with local government officers)
- City Charter and ordinance conflict provisions
- State Law conflict provisions & when a recusal and form is necessary (Chapter 171, Tex. Loc. Gov. Code – regulation of conflicts of interest of officers of municipalities, counties, and other local governments)

John Hill presented Item #WS5. No action was taken.

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

Mayor-Joe Chow

Attest:

City Secretary-Mario Canizares

**OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL
WORK SESSION**

June 24, 2008
6:00 P.M. – Town Hall
5300 Belt Line Road
Upstairs Conference Room

Present: Mayor Chow, Councilmembers Braun, Meier, Kraft, Hirsch and Mellow

Absent: Councilmember Niemann

Work Session

Item #WS1 - Presentation and Discussion of a Plan for the Possible Expansion of the Addison Conference and Theatre Centre and WaterTower Theatre.

Corky Cunningham led the discussion. There was no action taken.

Mayor-Joe Chow

Attest:

City Secretary-Mario Canizares

**OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL
REGULAR SESSION**

June 24, 2008
7:30 P.M. – Town Hall
5300 Belt Line Road
Council Chambers

Present: Mayor Chow, Councilmembers Braun, Hirsch, Kraft, Meier, Mellow and Niemann

Absent: None

Regular Session

Item #R1 - Consideration of Old Business.

The following employees were introduced to the Council: Keila Fairbanks with the Addison Athletic Club, Nathan Fox with the Public Works Department, Noel Ibarra with the Police Department and Campbell Stetter with the City Manager's Office.

Item #R2 - Consent Agenda.

#2a - Approval of the Minutes for:

June 7, 2008, Special Meeting and Work Session
June 10, 2008, Regular City Council Meeting and Work Session

Councilmember Niemann moved to duly approve the Minutes for:

June 7, 2008, Special Meeting and Work Session
June 10, 2008, Regular City Council Meeting and Work Session

Councilmember Mellow seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Kraft, Meier, Mellow, Niemann
Voting Nay: None
Absent: None

Items #R3 and #R4 followed Item #R15.

Item #R5 - Discussion and consideration of approval of an economic development incentive agreement between the Town of Addison and Authentix, Inc., relating to and

regarding the expansion of Authentix, Inc., located at 4355-4555 Excel Parkway within the Town.

Councilmember Kraft moved to duly approve an economic development incentive agreement between the Town of Addison and Authentix, Inc., relating to and regarding the expansion of Authentix, Inc., located at 4355-4555 Excel Parkway within the Town, subject to City Manager and City Attorney approval.

Councilmember Braun seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Kraft, Meier, Mellow, Niemann

Voting Nay: None

Absent: None

Item #R6 - Discussion of guidelines and policies for naming Addison parks, trails and facilities.

Ron Whitehead led the discussion of guidelines and policies for naming Addison parks, trails and facilities.

There was no action taken.

Item #R7 - Presentation and discussion regarding Addison Airport Noise, Operations Reporting System, and Revenues, and consideration of authorizing a request for proposals relating to the same.

Lisa Pyles led the presentation and discussion regarding Addison Airport Noise, Operations Reporting System, and Revenues, and consideration of authorizing a request for proposals relating to the same.

There was no action taken.

Item #R8 - Discussion and consideration of action on a Business Retention Pilot Program.

Bob Phillips led the discussion and consideration of action on a Business Retention Pilot Program.

There was no action taken.

Item #R9 - Discussion and consideration of approval of final payment totaling \$10,564.16, to American Landscape Systems, Inc., for landscape renovation and tree replacement planting in various parts of town.

Councilmember Kraft moved to duly approve final payment totaling \$10,564.16, to American Landscape Systems, Inc., for landscape renovation and tree replacement planting in various parts of town.

Councilmember Niemann seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Kraft, Meier, Mellow, Niemann
Voting Nay: None
Absent: None

Item #R10 - Discussion and consideration of approval of a professional service agreement for \$69,000, between the Town of Addison and Gershman, Brickner and Bratton to conduct a study of commercial business, multi-family and special event recycling.

Councilmember Meier moved to duly approve a professional service agreement for \$69,000, between the Town of Addison and Gershman, Brickner and Bratton to conduct a study of commercial business, multi-family and special event recycling, subject to City Attorney approval.

Councilmember Hirsch seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Kraft, Meier, Mellow, Niemann
Voting Nay: None
Absent: None

Item #R11 - Discussion and consideration of approval of a contract with Reliable Paving, Inc., for \$146,278.42, for Miscellaneous Pavement Repairs Bid 08-18.

Councilmember Niemann moved to duly approve a contract with Reliable Paving, Inc., for \$146,278.42, for Miscellaneous Pavement Repairs Bid 08-18.

Councilmember Braun seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Kraft, Meier, Mellow, Niemann
Voting Nay: None
Absent: None

Item #R12 - Discussion and consideration of approval of a contract with N.G. Painting, L.P., in an amount not to exceed \$76,000.00, for painting of the two ground storage reservoirs.

Councilmember Braun moved to duly approve a contract with N.G. Painting, L.P., in an amount not to exceed \$76,000.00, for painting of the two ground storage reservoirs.

Councilmember Kraft seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Kraft, Meier, Mellow, Niemann
Voting Nay: None
Absent: None

Item #R13 - Discussion and consideration of approval of award of a bid to Progressive Roofing for the re-roofing of the Surveyor Pump Station in the amount of \$29,569.00.

Councilmember Niemann moved to duly approve award of a bid to Progressive Roofing for the re-roofing of the Surveyor Pump Station in the amount of \$29,569.00.

Councilmember Kraft seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Kraft, Meier, Mellow, Niemann

Voting Nay: None

Absent: None

Item #R14 - Discussion and consideration of approval of award of a bid to Alpha Applicators, LTD., for roof repairs to the Addison Theatre Centre in the amount of \$76,395.00.

Councilmember Meier moved to duly approve award of a bid to Alpha Applicators, LTD., for roof repairs to the Addison Theatre Centre in the amount of \$76,395.00.

Councilmember Braun seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Kraft, Meier, Mellow, Niemann

Voting Nay: None

Absent: None

Item #R15 - Discussion and consideration of action on staff changes to Addison Municipal Court.

Councilmember Mellow moved to duly approve staff changes to Addison Municipal Court.

Councilmember Braun seconded. Motion carried.

Voting Aye: Chow, Braun, Hirsch, Kraft, Meier, Mellow, Niemann

Voting Nay: None

Absent: None

Items #R3 and #R4 followed Item #R15.

Item #R3 - Discussion of Airport Fund and Utility Fund Long Term Update.

Randy Moravec led the discussion of Airport Fund and Utility Fund Long Term Update.

There was no action taken.

Councilmember Niemann recused himself for Item #R4 and left Council Chambers.

Item #R4 - **PUBLIC HEARING** on and first reading of an Ordinance of the Town of Addison, Texas amending the existing gas franchise between the Town and Atmos Energy Corporation by increasing the consideration paid by Atmos Energy Corporation to the Town for the rights and privileges granted to Atmos Energy Corporation under the franchise from four percent (4%) to five percent (5%) of Gross Revenues as defined in the franchise ordinance; providing for acceptance of the Ordinance by Atmos Energy; providing an effective date and for other related matters.

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

There was no action required.

Councilmember Niemann returned to Council Chambers.

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

Mayor-Joe Chow

Attest:

City Secretary-Mario Canizares

Council Agenda Item **#R3**

There are no attachments for this Item.

Council Agenda Item **#R4**

There are no attachments for this Item.

Council Agenda Item **#R5**

There are no attachments for this Item.

Council Agenda Item: #R6

SUMMARY:

This item is to request the Council's approval of a contract with Sigma Surveillance, Inc. for the purchase and installation of a Video Monitoring Camera System at the Addison Conference Centre. We released a RFP in June of 2007 and received seven (7) proposals. Copy of the contract is attached.

FINANCIAL IMPACT:

Budgeted Amount: **\$60,000**

Cost: **\$38,918**

BACKGROUND:

In 2007, we released a RFP to solicit proposals for the purchase and installation of a Video Monitoring System for both the Athletic Club and the Conference Centre... However, in anticipation of receiving the Citizen Advisory Committees' final recommendation with regard to the future of the Conference Centre we postponed the Conference Centre system installation ... The Sigma Surveillance, Inc. offered the lowest bid for both the Athletic Club & the Conference Centre systems and they installed the Athletic Club's system.

The existing camera system (total of 4 cameras) at the Conference Centre is an outdated, home-grown analog system. The existing system has very limited inside coverage and it doesn't provide any coverage in the loading dock areas, Stone Cottage and parking lot areas at the East, West, and North sides. The proposed system is an integrated system with a total of twelve (12) indoor Mega Pixel cameras and ten (10) outdoor PTZs (pan, tilt, and zoom) cameras. We have contacted Sigma and they have honored their original proposal...

Proposals were evaluated using the following weighted criteria:

30 Points:

Meet the minimum hardware/software requirements.

Ease of use and operation of the system.

50 Points:

Total cost, which considers both initial acquisition and ongoing operating costs

20 Points:

Vendor's ability to support our users' needs (Qualifications of the Vendor's staff).

Results of reference checks (Vendor's reputation).

Level, quality, and type of client training and technical assistance provided.

RECOMMENDATION:

Staff recommends that the Council authorize the City Manager to enter into a contract with Sigma Surveillance, Inc. for the purchase, and installation of a Video Camera Monitoring System at the Conference Centre in the amount of \$38,918 subject to the City Attorney's final approval....



Town of Addison

Conference Center / Theatre IP – Mega pixel deployment

Scope of Work

Prepared By: Paul Avery
Project Manager **Date Prepared:** 5/19/2008 **Revision Number:** 1

Reference Quote

Map & Camera locations Document

Project Objective **To:** Install 18 IP based mega pixel cameras & 4 IP based PTZ camera into an IP Server (NVR) provided by City of Addison, for the Conference Center / Theatre including: camera licenses, POE / power integration, cameras, enclosures / mounting brackets, conduit, cabling & Misc equipment, (as needed) and a integration of cameras / licenses into the provided NVR to achieve proper working order as scoped out in this and reference documents for:

Addison Conference Theatre Center
15650 Addison Rd.
Addison, TX 75001

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In a way that: Is according to terms and conditions set forth by this agreed upon scope of work.

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So that: The Owner’s facilities are secured and the work is clean and in good working condition, and signed off for close out as complete by the Owner within 5 business days*.

Background

Project Scope Sigma Surveillance has been contracted by City of Addison, to perform a turnkey IP surveillance installation as demonstrated in the attached referenced map and camera location documents. Please review these and make sure they are in compliance w/ the site survey performed by our associates to make sure prior to installation that they are all

accurately placed and indicating the accurate fields of view.

- Providing and Hanging of Cameras (as per the quote)
- Integration of Cameras into OWNER provided NVR (Licenses)
- Providing and installing / configuring POE devices
- 5 standard business days of 2 man crew & certified OnSSI engineer
- 1 Year Warranty on Hardware / Labor
- OnSite Training half day for users / administrators
- All miscellaneous materials such as cable / conduit, etc... for full turnkey integration
- Project Management / Technical Project Management

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This base SOW does not include:

- NetCell / PDA configuration
- NetSwitcher / Emapping
- Work after standard operating hours (Mon – Fri 8am – 5pm)
- Server Hardware / NVR (to be provided by client w/ OnSSI Base Server NetDVMS already installed) **
- Loading NetDVMS onto NVR provided by client
- SUP's

Upon agreement & notification that the server is ready for integration, the project schedule will be provided to the OWNER by the project manager.

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Technical Team Leader will be on site throughout the project for spot checks

Costs:

The total Cost of the project is: \$38,918.00

Please note material will be invoiced upon delivery, and installation / labor upon final sign off / close out.

Recommendations / Disclaimers

* Work quoted is for a period of 8 business days, which will be sufficient for the SOW discussed. If the project goes over the estimated days allotted, and is the fault of Sigma Surveillance, or 'Acts of God', the OWNER will incur no additional charges. However, if delays are caused at the fault of the OWNER, there may be an hourly fee for additional time spent, charged at the rate of \$85.00 / hour

** OWNER to provide the Server (NVR) hardware, as specified by Sigma Surveillance based on hardware calculations deemed appropriate by OnSSI. Sigma takes no liability in the performance of the OWNER's provided hardware. We do encourage you to obtain

at Spec or better than Spec based on these hardware calculations, for both current hardware performance as well as allowing the City to expand and add more cameras without issue going forward into the future. Any deviation from these specifications may cause performance issues, which Sigma cannot be held liable for.

*** Please contact your Technical Project Manager, Usman Syal, w/ any questions related to the server configuration and future expansion.

**** It is necessary that you (OWNER) provide us with the desired resolutions for the cameras & recording time, so as to recommend the proper configuration for your server specifications. We recommend that you utilize mega pixel resolutions for any areas where facial and / or detailed recognition is desired, however all of the mega pixel cameras can be scheduled and / or dialed down or up to change resolution settings as and when you see fit throughout the ownership of the system. Therefore it is recommended you get a server that will accommodate more than the camera count you currently are installing, that it be capable of recording 30 days, and can accommodate storage / processing speeds for all cameras in mega pixel resolution for consideration of future use and expansion.

***** Network shall be ready to support all cameras and switches, and ports / racks shall be provided to the network by the customer in support of the hardware to be installed.

***** The OWNER must provide a firm date for when the server will be ready, before we commit to installation dates, in order to curtail delays on the project completion and detriment other projects scheduled thereafter.

Organization

Project Sponsor

Town of Addison, is the OWNER of the project

Sigma Surveillance, Inc., Plano, TX is the CONTRACTOR of the project

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All final acceptances will be performed by the OWNER, and signed off on before final billing.

Project Lead

Paul Avery will be the administrative project manager and will direct all standard communication through the OWNER.

Usman Syal will be the technical project manager, and will direct all technical communication to the OWNER.

No work will be deviated from original scope, OWNER equipment tampered with, etc... Any deviations will be addressed directly w/ the OWNER representative and Project Manager(s), and signed off on before technicians make any changes without approval.

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Below are the designated personnel for the OWNER as follows (please write in the personnel who will be responsible for the following):

will be communicating with Contractor for network access / configuration *person will be responsible for working with our personnel to achieve network connectivity, assist them with integration of equipment into existing rack spaces and approval on ports / switches, etc... No work will be performed in network closets without the express consent or presence of the network / technician for the OWNER represented here. Please indicate this/these person(s) in the space provided above, and their contact information.*

will be communicating with Contractor for general project management *This person will be responsible for working with the CONTRACTOR's Project Manager for all correspondence in relation to the project which will be disseminated to the team. This person will take the responsibility for approvals and any change orders, additions, deletions, weekly / daily status meetings as requested by OWNER, etc... on behalf of the OWNER and communicated to the PM at Sigma. Please indicate this person in the space provided above and their contact information.*

will be signing off on project acceptance *This person will be responsible for working with the CONTRACTOR's Project Manager to sign off on final project acceptance (usually is the same as project management contact, but not always). Please indicate this persons name and contact info on the space provided above*

will be main onsite contact for Sigma tech personnel *This person(s) will be the contact for our crew to sign in and sign out when arriving and leaving the job each day. They will not have the authority to designate any changes (unless otherwise indicated above), camera positions being moved, etc... unless expressly written and / or communicated by Owner PM and Contractor PM. This is usually maintenance or principal, etc... Please indicate this persons name and contact info on the space provided above.*

Resources & Responsibilities

Sigma Surveillance will have on site at all times 2 installers / helpers (level 2 engineers), and 1 CCP (level 1 engineer), to fulfill Scope of Work requirements within the allotted schedule

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All Contractor team members are expected to adhere to the requirements of the Scope of Work as well as provide daily reports to the project manager and /or technical project manager, for use in reporting and close out documentation to be provided by administrative Project Manager.

Schedule

Start Date	The Project is scheduled to begin 1 business week upon confirmation of server readiness.
End Date	8 business days, after commencement of work. This is a tentative schedule, barring “acts of God,” Owner schedule changes*, etc...
Final Product	<p>The project will be completed as and when all cameras, & related materials have all been installed & integrated, software configured and tested, and everything is in working order.</p> <ul style="list-style-type: none">• <p>Billing will occur in two phases 1) hardware will be billed upon delivery 2) installation/services will be billed upon project completion at each phased location.</p> <ul style="list-style-type: none">• <p>All documentation, training manuals, surveillance posted signs & any other related manuals, etc... will be provided during the final phased (location) meeting to the Owner.</p>
Project Approach	<p>A pre installation meeting will be held upon acceptance of this agreement with CONTRACTOR’s Technical Team along with designated (as above) OWNER representatives, to discuss the flow of the project.</p> <p>Your project will be project managed, meaning there will be a main constant POC for the OWNER to contact for any of their needs throughout the installation process.</p> <p>Within reason, after installation of cameras, all angles will be adjusted for maximizing desired view of areas. We can also move cameras if placed incorrectly or not covering the angles discussed and agreed upon in pre-installation meeting, as a fault of CONTRACTOR team. If any additional camera locations are moved at the post installation discretion of the client, for any other reason a fee <i>may</i> be incurred.</p> <p>All Sigma employees are licensed, fully insured and have been trained to fulfill the technical obligations of this project. With that in mind these are the rules for our tech team and if at any time the OWNER doesn’t see this being performed, is encouraged to contact the PM to address it immediately.</p> <ul style="list-style-type: none">○ <i>Must wear Sigma attire at all times.</i>○ <i>Must wear name badge at all times.</i>○ <i>Technical Must communicate all issues immediately to CONTRACTOR PM</i>○ <i>Must check in and out with designated ONSITE OWNER contacts</i>

- *Must make sure all locked areas are re- locked and the OWNER contact person has been notified that you are completed with that area.*
- *Must make sure all cable drops go to locations where cameras will be terminated.*
- *Make sure all materials & areas of installation are cleaned up after use & work is performed in a very clean manner, hiding any exposed cabling, etc..*
- *There is no smoking or other tobacco products allowed on the client facilities along with other unacceptable contraband to include but not be limited to: Firearms or other weapons, alcohol or drugs, adult oriented materials, etc...*
- *Must make sure that schedules are adhered to, if they are not, we must know ahead of time.*
- *Must be on Site EVERY DAY per the schedule...If you are not going to make it we need to know 1 day ahead of time so we can get out team in to do the job according to the schedules.*
- *Daily reporting will be required through the automated service system and /or manual reports submitted to Technology Dept for weekly meetings.*

Interim Products

For project close, the CONTRACTOR will convene a meeting with the project manager OWNER for a status report & close out.

-

Upon completion final reports, meeting minutes and invoices will be submitted for payment of that phase per the contract, as applies to the project.

Project Initiation Approvals

Owner Requester:

Date:

Project Manager:

Date:

Intelligent Video Surveillance Integrators



Phone: (972) 392-3635
 Fax: (866) 223-8167
 Email: jessica@sigmasurveillance.com

Account Rep: **Jessica Clark & Usman Syal**
 Address: 1081 Ohio Drive, Ste A
 Plano, TX 75093

Organization: *Town of Addison*
Attn: *Zeis / Hamid*
Date: *6/18/2008*

Phone:
Fax:
email:

DIR-SDD-566 / Turnkey OnSSI Deployment / Conference Center & Theatre

Product Description	Qty	Discount	Price	Extension
ONSSI SOFTWARE / LICENSES:				
NETDVMS1C NetDVMS 1 Camera License - Addison already owns base license Originally purchased 35 licenses, has used 22 thus far, balance 13 licenses already procured, will only need an additional 7 licenses)	9	11%	\$240.00	\$2,160.00
CAMERAS:				
AV2100M Arecont 2.0 Mega pixel 1600/2100	18	59%	\$749.00	\$13,482.00
WM40 Videolarm Heavy Duty Wall Mount & Ceiling Mount Brackets	18	32%	\$169.00	\$3,042.00
SNC-RZ30N Sony IP PTZ 340degree, 480TVL, 2.5x(cl) / .1lx (bw), JPEG, 30fpsVGA	4	31%	\$1,275.00	\$5,100.00
OUTDOOR Sony Outdoor Housing for PTZ (snc-rz30n)	4	29%	\$495.00	\$1,980.00
TURNKEY INTEGRATION / MISC. MATERIALS:				
INT0001 Custom Turnkey Integration of Megapixels & PTZ's into OnSSI Infrastructure in City of Addison's Conference Center & Theatre Center. Will include Labor, and materials & 1 year warranty for defect on hardware / labor. Materials include all power / network related equipment (POE Switches, Splitters, 8 Port Switch), conduit / cabling, monitoring station, etc... & lift rental The installation will be conducted and supported by licensed & certified OnSSI engineers.	1	20%	\$13,154.00	\$13,154.00
Total Investment				\$38,918.00
Freight				All Freight is FOB Destination

Please address all purchase orders or contracts resulting in the acceptance of this quote to *Sigma Surveillance, Inc.*

Send Purchase Orders Attn: Sales:
 Sigma Surveillance, Inc.
 1081 Ohio Drive, Suite A
 Plano, TX 75093
 (866) 223-8167 - Fax
 sales@sigmasurveillance.com

Remittance Address Attn: Account Receivables
 Sigma Surveillance, Inc.
 1081 Ohio Drive, Suite A
 Plano, TX 75093
 (972) 392-3635 - Ph
 team@sigmasurveillance.com

Platinum Partners :



Other Partners Include:



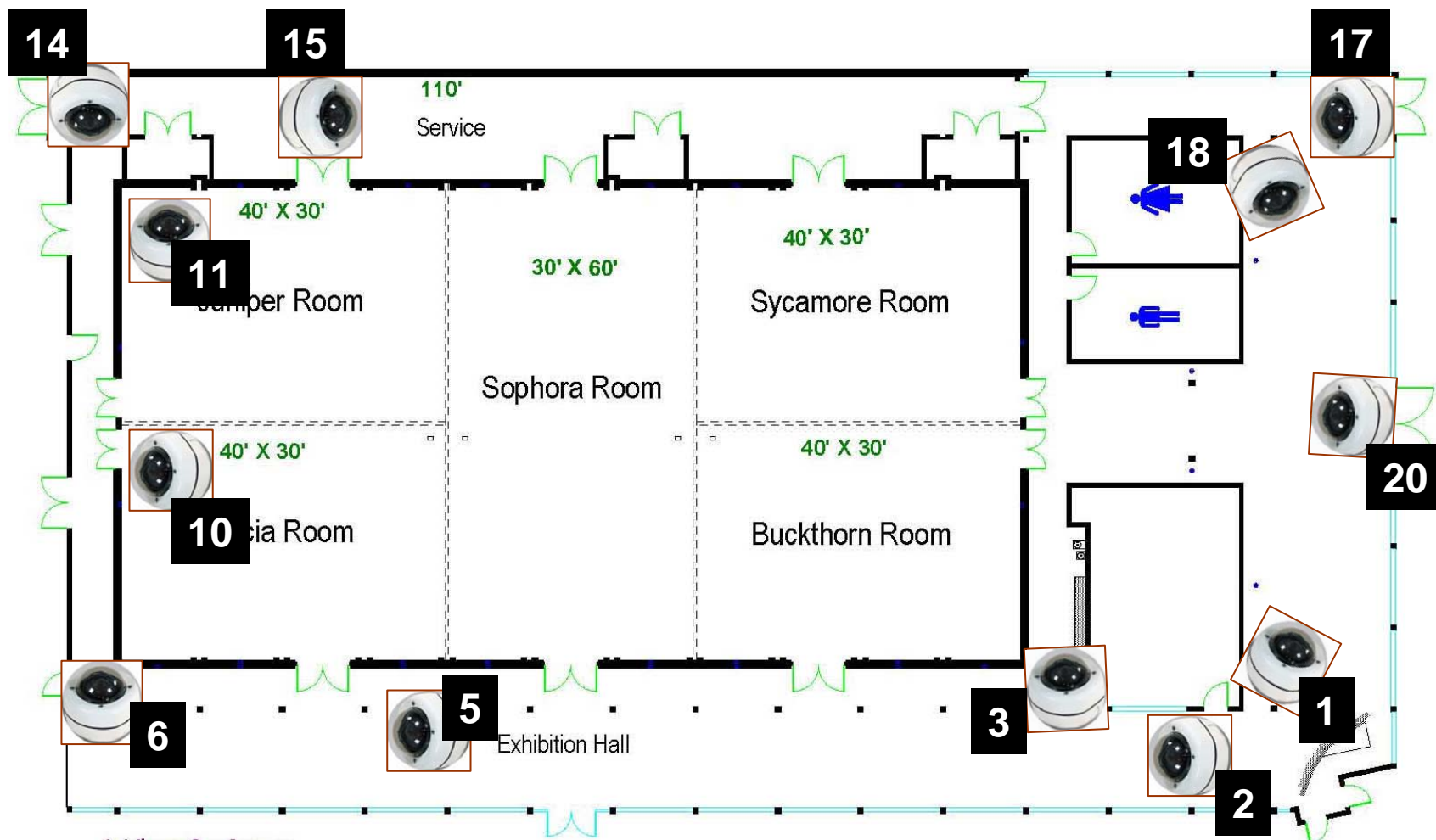
FOR YOUR REFERENCE :

<p><i>Business Size</i> BuyBoard Contract DIR Contract Number: Federal ID# Delivery Time FOB Local Offices: DUNS #</p>	<p>Small / Woman Owned / HUB 253-06 DIR-SDD-566 20-2542335 Per contract/Order requirements Destination MD / VA / FL / TX 62-376-2510</p>
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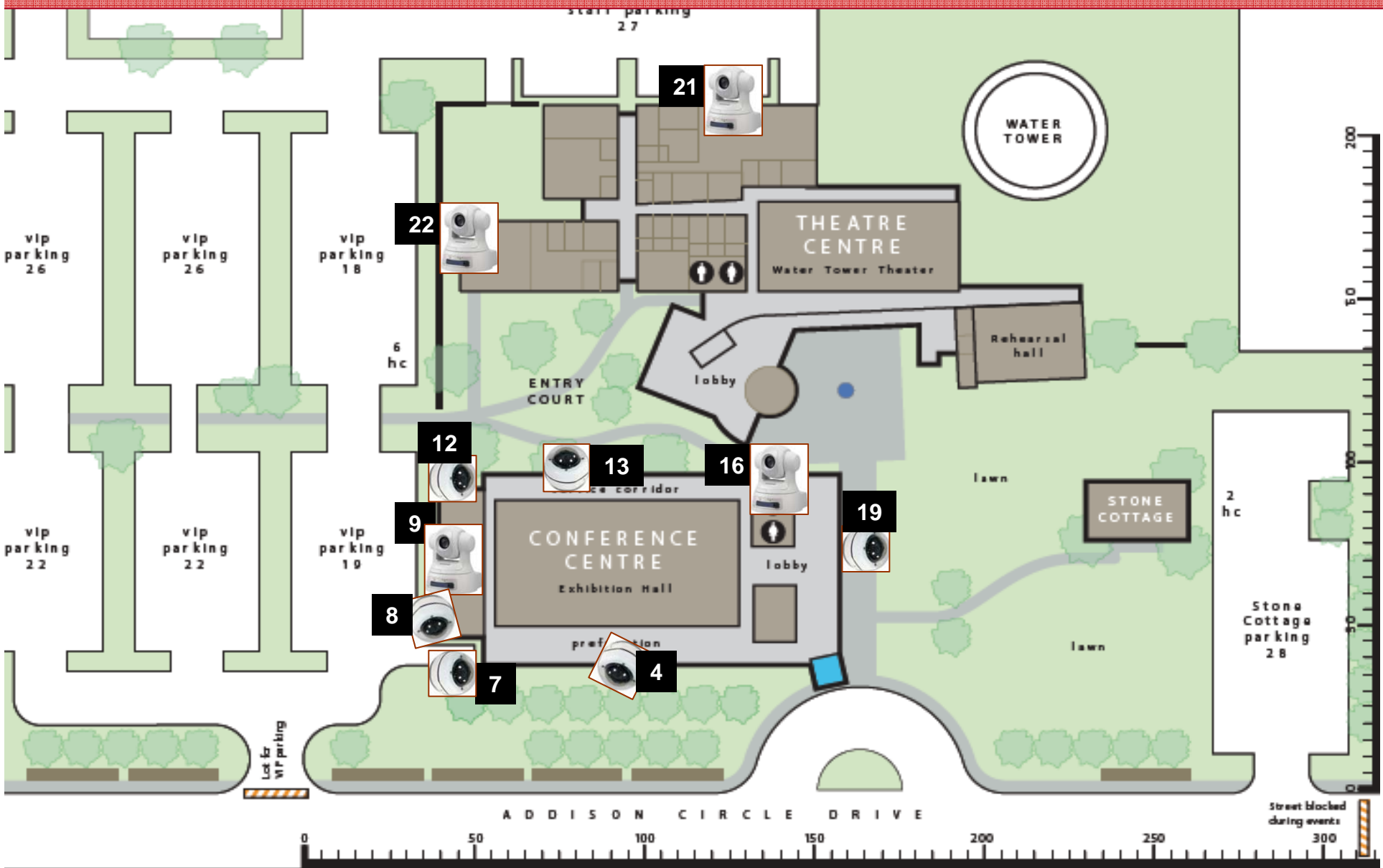
ADDISON CONFERENCE CENTER - Indoor

SIGMA Surveillance



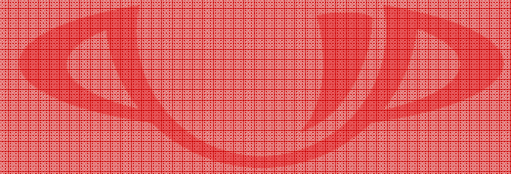
ADDISON CONFERENCE CENTER - outdoor

SIGMA Surveillance



ADDISON CONFERENCE CENTER

SIGMA Surveillance



- 1 Will Monitor people entering main lobby area.
- 2 Will Monitor Exhibition Hall way.
- 3 Will Monitor hallway between Buckthorn room and Block A.
- 4 Will Monitor entrance / exit into the main hallway (mounted on overhang)
- 5 Will Monitor dock area from inside.
- 6 Will Monitor rear hallway.
- 7 Will Monitor loading / dock area from the outside
8. Will Monitor room leading out to the dock area
- 9 Will Monitor back parking area
- 10 Will Monitor kitchen area.
- 11 Will Monitor storage area.
- 12 Will Monitor service area shutter door from outside.
- 13 Will Monitor the sculpture garden.
- 14 Will Monitor the service hallway (pointing South)
- 15 Will Monitor the service hallway (pointing East)
- 16 Will Monitor open yard, theatre lobby entrance and fountain area
- 17 Will Monitor people exiting from North side of building
- 18 Will Monitor lobby area from the North Side of building
- 19 Will Monitor Garden area / Stone Cottage
- 20 Will Monitor people exiting from the exhibition halls.
- 21 Will Monitor Staff Parking & Back Doors
- 22 Will Monitor VIP Parking (Lots 26 / 1B on map) near theatre Center

**Red writing signifies
outdoor cameras on
map 2**



Memo

To: Hamid Khalehipour
From: Rob Bourestom
Date: July 2, 2008
Re: Security Camera System Installation at ACTC

We have seen an increasing need for an enhanced security camera need within the ACTC property. We have had a four camera system for several years that allows us to see highlights of the building. Our current system allows us to have broad views of the key areas but do not allow us to identify an individual unless they are directly in front of the camera.

The camera system has proven useful on many occasions. We have had clients who have exceeded the time of their contract according to our staff but argued that they were out on time. We have proven through a review of the video that they did, in-fact, exceed their time. The cameras have helped us see the exits of the Conference Centre during load out of events and spot and recover ACTC equipment that was mistakenly taken by attendees or crew.

The need for a more extensive camera system has been driven home recently with an increase in the incidents. In March 2007 we had a meeting attendee fall in the parking lot prompting a TML representative to conduct a site visit. The representative from TML indicated that she was surprised that from a safety, security and liability perspective we did not have cameras covering the parking lot. She mentioned that, from a woman's perspective, the high bushes in our parking lot would cause her concern since they obstructed the view from the street and passers by.

We have had some items stolen, an employee's car broken into in our parking lot and the ACTC office had two file cabinets that were damaged when someone tried to access them with a screw driver or similar tool.

With the increased number of events we are hosting coupled with a corresponding increase in attendees we are in greater need of an effective and efficient way to see what is happening throughout the property or at least have the ability to review a recording if an incident arises. I have budgeted \$65,500 for this project in this fiscal year. The cost of this proposed project has reduced along with the scope of the project in that we are only covering specific areas of our parking lot as opposed to the entire area. The revised cost is estimated to be \$45,000. I believe this project is well worth the cost as it will save us time and money in lost equipment, act as a deterrent and potentially help us from a liability standpoint.

It is my recommendation that we proceed with this project.

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

VIDEO CAMERA MONITORING SYSTEM AGREEMENT

This Video Camera Monitoring System Agreement ("**Agreement**") is entered into this _____ ("**Effective Date**") by and between the Town of Addison, Texas (the "**City**") and Sigma Surveillance, Inc., a _____ ("**Sigma**") (the City and Sigma are sometimes referred to together herein as the "**Parties**" and individually as a "**Party**").

Recitals:

1. The City is the owner of certain property and facilities located within the Town of Addison, Texas generally described as the **Addison Conference Centre** (the "**Addison Conference Centre**"). The Addison Conference Centre is shown or described on the RFP (as hereinafter defined) attached to this Agreement as Exhibit 1.

2. The City heretofore sought bids for the purchase and installation of a video camera monitoring system (the "**Video Camera System**" or "**System**") for the purpose of remotely monitoring the Addison Conference Centre by issuance of a Request for Proposal dated February 9, 2007 (the "**RFP**"), a true and correct copy of which is attached hereto as Exhibit 1 and incorporated herein.. The Video Camera System includes video cameras, antennas, an LCD monitor, cables, video recording equipment, and other related equipment and materials, related software and licenses, and related installation training and support services, and is described in the RFP.

3. In response to the RFP, Sigma, with its principal offices at _____, Texas _____, submitted its proposal dated June 18, 2008 (the "**Sigma Proposal**" or "**Proposal**"), a true and correct copy of which is attached hereto as Exhibit 2 and incorporated herein.

4. Sigma warrants and represents that it has the skills, qualifications, expertise, experience and financial capability necessary to perform the services described in the RFP, the Sigma Proposal and this Agreement in an efficient and cost-effective manner with a high degree of quality and responsiveness and has performed and continues to perform the same and similar services for other buyers. Sigma further warrants and represents that it is licensed by the State of Texas to provide the System and the services described in this Agreement.

5. The City's objectives in entering into this Agreement include, among other things, obtaining (i) a high quality video monitoring and recording system for the Addison Conference Centre, and (ii) a relationship with Sigma under which Sigma will be responsive to the requests of the City and to changes in technology and methods for providing the System. Sigma has thoroughly reviewed and analyzed the City's requisite current and future needs and requirements as expressed in the RFP. Based on its review of the RFP, Sigma has proposed a System to the City that Sigma represents has the capability to achieve those objectives. Sigma shall provide the System and services described in this Agreement in a manner that will best support the City's ongoing objectives, considering the City's municipal status and the public constituency.

6. On the basis of and in reliance upon the inducements described above and in the Proposal and the representations and warranties made by Sigma in this Agreement, the City desires to engage Sigma to provide the System and perform the services described herein under the terms and conditions of this Agreement. The City has selected Sigma with the full expectation that Sigma will provide the System and services described herein in accordance with the performance levels and standards described in this Agreement.

NOW THEREFORE, for and in consideration of the mutual promises and covenants set forth below, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Town of Addison, Texas and Sigma Surveillance, Inc. hereby contract and agree as follows:

Section 1. **Incorporation of Premises.** The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. **Video Camera Monitoring System**

A. ***Sale and Purchase.*** Subject to the terms, conditions, provisions, standards, and contingencies set forth in this Agreement, the City does hereby purchase from Sigma, and Sigma does hereby sell to the City, the Video Camera System as described in the RFP attached hereto as Exhibit 1.

B. ***Delivery and Installation.***

1. Upon the City giving written notice to Sigma to proceed with the Addison Conference Centre System (the "**Notice to Proceed**"), Sigma shall thereafter promptly provide and cause all of the Video Camera System equipment, materials and supplies (including, without limitation, all cameras, cables, antennas, LCD displays, and software described in the RFP) (together, the "**System Equipment**") to be installed.

2. Sigma will retain risk of loss and damage for all Addison Conference Centre System Equipment while the same is in its possession or control and during any periods of delivery (whether initially or upon the return to Sigma of any Addison Conference Centre System Equipment) and installation. Sigma will be responsible for any damage caused by its officers, employees, contractors, subcontractors, agents, or representatives.

3. Sigma shall fully and finally complete to the City's satisfaction the installation of the System Equipment within ninety (90) days following Sigma's receipt of the Notice to Proceed. A list of requirements to be met and completed by Sigma under this agreement is set forth in Exhibit 3 attached hereto and incorporated herein...

If required for the work and services of Sigma hereunder, Sigma shall promptly submit to the City for its review shop drawings, product data, samples and similar submittals, and the City shall promptly review and consider approval of such submittals. Notwithstanding any other provision hereof, City's approval, acceptance, use of or payment for all or any part of Sigma's shop drawings, product data, samples, or similar materials, or any work or services hereunder or of the project itself or any portion thereof,

shall in no way alter Sigma's obligations or the City's rights hereunder. Approval, acceptance, use of, or payment by City of or for any of Sigma's shop drawings, product data, samples, or similar materials, or any work or services hereunder or of the project itself or any portion thereof, shall not constitute nor be deemed a release of the responsibility and liability of Sigma, its owners, employees, subcontractors, representatives, agents and consultants for the accuracy and competency of the same, nor shall such approval, acceptance, use or payment be deemed to be an assumption of or an indemnification for such responsibility or liability by City for any defect, error or omission in any shop drawings, product data, samples, or similar materials, or any work or services hereunder or of the project itself or any portion thereof, it being understood that City at all times is relying on Sigma's skill and knowledge in preparing and performing the same.

4. Sigma will develop, in consultation with and subject to the approval of the City, an acceptance test plan outlining the scope of, process for, and criteria for testing of the System. The purpose of the acceptance test ("**Acceptance Test**") is to demonstrate that the System meets all of the System specifications and the terms and conditions of this Agreement. Sigma shall manage the Acceptance Test and shall have primary responsibility for the testing.

5. If, upon the completion of the Acceptance Test, the System or any part thereof does not meet all of the specifications and the terms and conditions of this Agreement to the City's satisfaction, Sigma will correct the deficiencies and acceptance testing will be repeated to the extent necessary to demonstrate that the deficiencies have been corrected and approved by the City. If after ten (10) calendar days (unless further extended by the City) the System still has not met all of the specifications and the terms and conditions of this Agreement to the City's satisfaction, the City may elect to exercise any of its remedies under Section 6 of this Agreement.

6. No use of the System or any portion thereof by the City prior to the Final Acceptance Date (as hereinafter defined) shall constitute an acceptance of the System, any component thereof, or any of Sigma's services. The City's acceptance of the System may include a "punch list" of non-conforming items that are not material to the System performance, and Sigma agrees to use commercially reasonable efforts to promptly address all items on the punch list.

C. *Price and Payment; System Acceptance.*

1. Price. Subject to the terms, conditions, provisions, and contingencies set forth in this Agreement, Sigma will acquire, install, implement, warrant, and provide the services described in this Agreement related to the Video Camera System in accordance with this Agreement for the sum of Thirty Eight Thousand Nine Hundred Eighteen and No/100 Dollars (\$38,918) (the "**System Purchase Price**").

2. Payment; System Acceptance. Payment by the City to Sigma shall be in accordance with the following:

- (a) *Initial Payment.* Following the City's issuance of the Notice to Proceed, Sigma may thereafter submit to the City an invoice, in form and format satisfactory to the City, in the amount of Eleven Thousand Six Hundred Seventy Five and 40/100 Dollars (\$11,675.40), which amount represents thirty percent (30%) of the System Purchase Price. The City shall pay such invoice within thirty (30) days of its receipt of the invoice.
- (b) *Payment following Delivery of System Equipment.* Upon delivery of all of the System Equipment to the location of the work, as certified to the City by Sigma in form and format as the City may require, Sigma shall submit to the City an invoice, which is in form and format satisfactory to the City, for Fifteen Thousand Five Hundred Sixty Seven and 20/100 Dollars (\$15,567.20), which amount represents forty percent (40%) of the System Purchase Price. Such invoice shall include true and correct copies of any and all receipts, invoices, and other documents and materials in support of, and such additional documents, materials and information as the City may request in connection with, the invoice, the equipment, and the cost thereof. The City shall pay such invoice within thirty (30) days of its receipt of the invoice; provided the System Equipment has been properly delivered and is in good working order and to the City's satisfaction.
- (c) *Remaining Purchase Price Amounts; Acceptance.* Upon:
- (i) the completion of the installation of the System,
 - (ii) final completion of the Acceptance Test and any additional testing of the System to ensure that the System is fully functional and operates in accordance with this Agreement and as represented by Sigma and is to the City's satisfaction,
 - (iii) the completion of the start-up assistance and training for the System, and
 - (iv) the completion to the City's satisfaction of all of other terms and conditions of this Agreement relating to the installation of the System,

the City shall give written notice to Sigma that the System has been accepted (the date of such written notice being the "**System Final Acceptance Date**"). After its receipt of such written notice, Sigma shall submit an invoice to the City for Eleven Thousand Six Hundred Seventy Five and 40/100 Dollars (\$11,675.40), which amount represents thirty percent (30%) of the System Purchase Price, and the City shall pay the same within thirty (30) days following its receipt of an invoice which is in form and format satisfactory to the City. Such invoice shall include true and correct copies of any and all receipts, invoices, and other documents and materials in support of, and such additional documents, materials and information as the City may request in connection with, the invoice, the System Purchase Price and the work performed and services provided by Sigma hereunder.

Section 3. **Insurance; Indemnity; Bonds.**

A. ***Insurance.*** Sigma, at its own expense, shall purchase, maintain and keep in force such insurance as described and in the minimum amounts set forth below:

1. Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, which coverage shall include, without limitation, contractual liability and products/completed operations (\$1,000,000 products/ completed operations aggregate). Coverage for products/completed operations must be maintained for at least two (2) years after the work has been completed.

2. Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limits of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.

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.

With reference to the foregoing insurance requirements, Sigma shall specifically endorse applicable insurance policies as follows:

1. The Town of Addison, Texas shall be named as an additional insured with respect to General Liability and Automobile Liability, such additional insured status being with respect to liability arising out of the work and services of Sigma under this Agreement, but only to the extent of liabilities falling within the indemnity obligations of Sigma set forth in this Agreement.

2. All liability policies shall contain no cross liability exclusions or insured versus insured restrictions.

3. A waiver of subrogation in favor of the Town of Addison, Texas shall be contained in the Workers Compensation and all liability policies.

4. All insurance policies shall be endorsed to the effect that the Town of Addison, Texas 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 as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.

6. All insurance policies, which name The Town of Addison as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.

7. Required limits may be satisfied by any combination of primary and umbrella liability insurances.

8. Sigma may maintain reasonable and customary deductibles, subject to approval by the Town of Addison.

9. Insurance must be purchased from insurers that are financially acceptable to the Town of Addison.

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 the City immediately upon execution of this Agreement, and shall contain provisions representing and warranting the following:

1. Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.

2. Shall specifically set forth a 30 day notice-of-cancellation or termination provisions to the Town of Addison, with the exception of non-payment which is 12 days.

3. Upon request, Sigma shall furnish the Town of Addison with certified copies of all insurance policies.

B. *Indemnity.*

1. (a) **Sigma covenants and agrees to FULLY DEFEND, INDEMNIFY AND HOLD HARMLESS the Town of Addison, Texas and the elected officials, the officers, employees, representatives, and volunteers of the City, individually or collectively, in both their official and private capacities (such officials, officers, employees, representatives, and volunteers being the "City Persons"), from and against any and all costs, claims, liens, harm, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal bodily injury, death and property damage or destruction (together, "Damages"), made upon the City or any of the City Persons, directly or indirectly arising out of or resulting from Sigma's performance (including, without limitation, any breach of this Agreement), acts or omissions under, related to, or in connection with this Agreement, including any acts or omissions of Sigma, and/or any owner, shareholder, partner, officer, director, employee, agent, representative, consultant, subconsultant, licensee, invitee, contractor, or subcontractor of Sigma, or any other person or entity for whom Sigma is legally responsible, and their respective officers, employees, directors, agents, and representatives (together, "Sigma Persons"). IT IS THE EXPRESS INTENT OF THE PARTIES TO THIS AGREEMENT THAT THE DEFENSE, INDEMNITY AND HOLD HARMLESS PROVIDED FOR IN THIS AGREEMENT IS EXTENDED BY SIGMA TO INDEMNIFY, PROTECT AND HOLD HARMLESS THE CITY AND THE CITY PERSONS FROM THE CONSEQUENCES OF THE CITY'S AND/OR THE CITY PERSONS' (OR ANY OF THEM) OWN NEGLIGENCE, provided however, that the DEFENSE, INDEMNITY AND HOLD HARMLESS provided for in this section shall have no application when the negligent act of the City is the sole cause of the resultant**

injury, death, damage or destruction. Provided further, if the City or any of the City Persons suffer Damages (excluding defense fees and costs) arising out of or in connection with the performance of this Agreement that are caused by the concurrent negligence of both Sigma and the City, Sigma's indemnity and hold harmless obligation set forth in this section will be limited to that portion of the total Damages equivalent to Sigma's own percentage of responsibility; likewise, Sigma's liability for the City's defense costs and attorneys' fees shall be limited to a portion of the defense costs and attorneys' fees equal to Sigma's proportionate share of the negligence that caused the loss. This defense, hold harmless, and indemnity shall survive the expiration or termination of this Agreement.

(b) Sigma shall promptly advise the City in writing of any claim or demand against the City or Company known to Vendor related to or arising out of Sigma's activities under this Agreement and shall see to the investigation and defense of such claim or demand at Sigma's expense. The City shall have the right, at its option and at its own expense, to participate in such defense without relieving Vendor of any of its obligations under this defense, indemnity, and hold harmless.

(c) In the event that Sigma fails or refuses to provide a defense to any claim, lawsuit, judgment, or cause of action arising out of or in connection with this Agreement, the Town of Addison, Texas shall have the right to undertake the defense, compromise, or settlement of any such claim, lawsuit, judgment, or cause of action, through counsel of its own choice, on behalf of and for the account of, and at the risk of Sigma, and Sigma shall be obligated to pay the reasonable and necessary costs, expenses and attorneys' fees incurred by the Town of Addison, Texas in connection with handling the prosecution or defense and any appeal(s) related to such claim, lawsuit, judgment, or cause of action.

(d) The provisions of any defense, indemnity, and hold harmless obligation set forth in this Agreement shall survive the termination or expiration of this Agreement.

C. **Bonds.** Sigma shall furnish to the City bonds covering the faithful performance by Sigma of this Agreement and the payment of obligations arising hereunder (including, without limitation, the payment of all persons performing labor or providing materials under or in connection with this Contract) prior to beginning any work hereunder.

All such bonds shall be in a form and content, and issued by a surety company, satisfactory to Owner. All such bonds shall be in an amount equal to the Purchase Price (or applicable portion thereof) and all subsequent increases. Every bond required hereunder shall include a rider which (i) provides that the surety agrees that it consents to and waives notice of any addition, alteration, omission, change, extension of time, or other modification to this Agreement; (ii) that any addition, alteration, omission, change, extension of time, or other modification of this Agreement, or a forbearance of either the City or Sigma, shall not release the surety of its obligations hereunder, and notice to the surety of any such matters is waived.

Section 4. **Warranty and Representations.**

A. Sigma warrants that its services and work will be provided in a professional, good and workmanlike manner, consistent with the commercially accepted best practices and standards that are in use in Sigma's line of business as of the time such services and work are provided. Sigma covenants that its services and work shall meet the City's standard work rules, security regulations or similar requirements if Sigma is informed of same. Sigma warrants and represents that it has the skills, qualifications, expertise, experience and financial capability necessary to perform the services described in the RFP, the Sigma Proposal and this Agreement in an efficient and cost-effective manner with a high degree of quality and responsiveness and has performed and continues to perform the same and similar services for other business.

B. Sigma warrants its service and work as described in this Agreement for a period of one (1) year from and after the System Final Acceptance Date. If, during such time period, any of Sigma's work is found to be not in accordance with the requirements of this Agreement or is otherwise defective or improperly constructed, Sigma shall correct it promptly after receipt of written notice from the City to do so.

C. Sigma warrants the System and all components thereof, including all equipment, will perform in accordance with the applicable specifications therefor. This warranty is for a period of one (1) year from and after the System Final Acceptance Date. This warranty does not include damage to equipment caused solely by weather, vandalism, modifications of equipment not authorized or performed by Sigma or its authorized subcontractor or representative, or equipment misuse by the City.

D. Sigma represents and warrants that it has clear title to and the right to sell (or will have clear title to and the right to sell prior to and at the time of the sale of the items to the City) the equipment, materials, products, and other items to be delivered by Sigma hereunder. Sigma represents and warrants that it has clear title to and the right to sell or license any computer software, computer hardware and/or materials to be delivered hereunder.

E. In connection with this Agreement and prior to the System Final Acceptance Date, Sigma shall, with respect to the equipment, materials, and products described in this Agreement, assign to the City all benefits of the manufacturer's warranties on such equipment, materials, and products provided to the City, or any other guarantee which may apply to any such products, if Sigma has such benefits, warranty or guarantee. Any third party warranties shall begin on the applicable Final Acceptance Date. In addition, Sigma represents that:

1. Any third party products shall be of satisfactory quality and fit for any purpose held out by Sigma and its subcontractors;
2. Such third party products shall comply in every material respect with any specifications, drawings, samples or description provided by Sigma, and its subcontractors; and
3. Such third party products shall comply with all statutory requirements and regulations and all codes of conduct relating to the sale of such products.

F. Sigma warrants that all work performed under this Agreement shall be free and clear of liens, claims, security interests or encumbrances in favor of Sigma, its subcontractors,

material suppliers, or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to this Agreement. SIGMA EXPRESSLY UNDERTAKES TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE INDEMNIFIED PERSONS FROM AND AGAINST, AT THE CONTRACTOR'S SOLE COST AND EXPENSE, AGAINST ANY AND ALL ACTIONS, LAWSUITS, OR PROCEEDINGS BROUGHT AGAINST THE INDEMNIFIED PERSONS (OR ANY OF THEM) AS A RESULT OF LIENS FILED AGAINST THE WORK HEREUNDER, THE SITE OF ANY OF SUCH WORK, OR ANY OTHER PROPERTY OF THE CITY OR ANY THIRD PARTY, AND AGREES TO PAY ANY JUDGMENT OR LIEN RESULTING FROM ANY SUCH ACTIONS, LAWSUITS, OR PROCEEDINGS. Sigma shall, in connection with its work hereunder, keep the premises, improvements, and property (whether real or personal) of the City and any third party free and clear of all liens.

G. Prior to execution of this Agreement, Sigma evaluated and satisfied itself as to the conditions and limitations under which their work is to be performed, including, without limitation, the location, condition, layout and nature of the site and surrounding areas.

H. Sigma represents and warrants that it is and shall be during all time of this Agreement duly organized, validly existing, and authorized to do business and in good standing in all applicable governmental jurisdictions (including, without limitation, the State of Texas) in which the failure to so qualify would have a materially adverse effect on Sigma's ability to perform its obligations hereunder.

I. There are no actual or threatened suits or claims pending that would affect Sigma's performance under this Agreement, including any suit or claim involving Sigma's right to grant a license to use any software hereunder.

J. The City shall quietly and peacefully possess all equipment, hardware, software, and other materials provided under this Agreement, and the City's right of quiet enjoyment and use and possession of the same will not be interrupted or otherwise disturbed by Sigma, its officers, directors, employees, agents, successors or assigns or any person, firm or entity asserting a claim under or through Sigma.

K. To the extent of any conflict between this Section and the Sigma Proposal, the terms of this Section shall control.

L. EXCEPT AS OTHERWISE SET FORTH IN THIS AGREEMENT, THE RFP, OR THE SIGMA PROPOSAL, NO FURTHER WARRANTIES OR GUARANTIES, EXPRESS OR IMPLIED, ARE MADE WITH RESPECT TO ANY GOODS OR SERVICES PROVIDED UNDER THIS AGREEMENT.

Section 5. Safety of Persons and Property; City's Right to Stop Work; Cumulative Rights; Time.

A. In the performance of its work hereunder, Sigma shall take precautions for safety of, and shall provide protection to prevent damage, injury, harm or loss to:

1. employees on the work or other persons who may be affected thereby;

2. the work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody or control of Sigma or Sigma's subcontractors; and

3. other property at any work site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

B. Sigma shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of this Agreement.

C. Sigma shall give notices and comply with applicable laws, ordinances, rules, regulations and lawful orders of public authorities bearing on safety of persons or property or their protection from damage, injury, harm or loss.

D. Sigma shall erect and maintain, as required by existing conditions and performance of this Agreement, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent sites and utilities.

E. If Sigma fails to correct any of its work which is not in accordance with the requirements of this Agreement or fails to carry out or perform its work under this Agreement in accordance with this Agreement, the City, by written notice, may order Sigma to stop the work hereunder, or any portion thereof, until the cause for such order has been eliminated.

Section 6. **Termination; Damages.**

A. ***Termination for Convenience.*** The City, by written notice, may terminate this Agreement, in whole or in part at any time and for any reason whatsoever. Upon receipt of the termination notice, Sigma will stop work as specified in the notice in an orderly and expeditious manner, place no further subcontracts or orders in connection with this Agreement (except as necessary to complete the continuing portion of the Agreement, if any), terminate all subcontracts to the extent they relate to terminated work and, with the approval of City, settle all outstanding liabilities arising thereunder, deliver to City all equipment, materials, and products (including, without limitation, any computer hardware, software, and materials) in progress, and all applicable interests in and rights thereto, and complete performance of any work not terminated. City will pay Sigma for all equipment, materials, and products delivered and installed and all of Sigma's services properly provided and performed through the effective date of termination. In the event of such termination, Sigma shall promptly repay the City any amounts paid by the City to Sigma (i) for equipment or materials not yet ordered or for which an obligation to purchase has not yet been incurred, and (ii) for any services of Sigma not yet rendered to the City.

B. ***Termination for Cause.***

1. The City may terminate this Agreement:

- (a) if Sigma refuses or fails to supply enough properly skilled workers or proper equipment or materials;
- (b) if Sigma fails to make payment to a subcontractor for materials or labor in accordance with the respective agreements between Sigma and a subcontractor;
- (c) if Sigma disregards laws, ordinances, or rules, regulations or orders of the City or any public authority having jurisdiction over the subject matter hereof;
- (d) if Sigma otherwise breaches any provision of this Agreement, including any standard or provision regarding the services to be provided to the City during any warranty period;
- (e) for the institution against Sigma, or against a parent company or companies of Sigma, of bankruptcy, insolvency, reorganization, arrangement, debt adjustment, liquidation or receivership proceedings in which it is alleged that Sigma is insolvent or unable to meet its debts as they mature and the same is not satisfied or discharged within 90 days after such filing;
- (f) for the filing of a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any state thereof by Sigma, or adjudication as a bankrupt or insolvent in proceedings filed against Sigma;
- (g) for the appointment of a receiver or trustee for all or substantially all of the assets of Sigma;
- (h) if Sigma fails after commencement of the work hereunder to proceed continuously and with due diligence with the installation, construction and completion of the work.

2. When any of the above reasons exist, the City, without prejudice to any other rights or remedies of the City and after giving Sigma and Sigma's surety, if any, at least five (5) days' written notice, may, terminate this Agreement and may, subject to any prior rights of the surety and in addition to any other rights or remedies of the City:

- (a) take possession of the site and of all materials, equipment, tools and construction equipment and machinery thereon owned by the City; and
- (b) finish the work by whatever reasonable method the City may deem expedient.

The cost to the City to finish the work shall be deducted from the System Purchase Price.

In the event of such termination, Sigma shall promptly repay the City any amounts paid by the City to Sigma (i) for equipment or materials not yet ordered or for which an obligation to purchase has not yet been incurred, and (ii) for any services of Sigma not yet rendered to the City.

C. **Termination for Failure to Pass Acceptance Test.** In the event the System or any portion thereof does not pass the System Acceptance Test, the City may, in its sole discretion and in addition to any other remedy hereunder, elect any of the following remedies:

1. Require continued refinement and retesting;
2. Accept the System with an equitable price adjustment for the non-conforming part of the System; or
3. Return the System, in whole or in part, and receive from Sigma a repayment of any funds paid to Sigma by the City under this Agreement and any damages resulting from the failure of the System to pass the Acceptance Test (and Sigma shall at its cost remove the System).

Section 7. **Documents.** To the extent of a conflict which cannot be reconciled (as determined by the City) between this Agreement, the RFP, and the Sigma Proposal, this Agreement shall control over the RFP and the Sigma Proposal, and the RFP shall control over the Sigma Proposal.

Section 8. **Assignment.** Inasmuch as this Agreement is intended to secure the specialized services of Sigma, Sigma has no authority or power to and shall not assign, transfer, pledge, delegate, license, subcontract or otherwise convey this Agreement or any right, duty or obligation hereunder or any other part hereof without the prior written consent of the City, and any such assignment, transfer, pledge, delegation, license, subcontract or other conveyance without the City's prior written consent shall be considered null and void *ab initio* and shall be cause for the City to immediately terminate this Agreement.

Section 9. **Venue; Compliance With Laws.** In the event of any suit or action under this Agreement, venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The laws of the State of Texas shall govern and apply to the interpretation, validity and enforcement of this Agreement; and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and enforcement of this Agreement.

Sigma shall comply with and give notices required by all laws, ordinances, rules and regulations and lawful orders and all other requirements of public authorities bearing on its performance of and under this Agreement.

Section 10. **Entire Agreement and Modification; Severability.** This Agreement supersedes all previous agreements and constitutes the entire understanding of the Parties. Sigma shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both Parties. If any provision of this Agreement is held by a court of competent jurisdiction to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision is not a part hereof, and the remaining provisions hereof shall remain in full force and effect.

Section 11. **Survival; Rights and Remedies Cumulative.** All obligations arising prior to the termination of this Agreement allocating responsibility or liability of or between City and Sigma shall survive completion of the work and services hereunder and termination of this Agreement. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either Party shall not preclude or waive its right to use any or all other rights and remedies, and said rights and remedies are given in addition to any other rights and remedies the Parties or either or them may have in law, in equity, or otherwise.

Section 12. **Independent Contractor.** Sigma shall, during the entire term of this Agreement, be construed to be an independent contractor, and nothing in this Agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, a joint enterprise, or to allow the City to exercise discretion or control over the manner in which Sigma performs the services and work which are the subject matter of this Agreement; provided always however that the services to be provided by Sigma shall be provided in a manner consistent with all applicable standards and regulations governing such services and work. In no event shall the City have control over, charge of, or responsibility for construction means, methods, techniques, sequences, or procedures for safety precautions and programs in connection with the work of Sigma hereunder.

Section 13. **Force Majeure.** In the event either the City or Sigma 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 to the other Party, and thereupon performance of such act shall be excused for such period of delay.

Section 14. **Notices.** Any notice required to be given pursuant to the terms and provisions hereof shall be in writing and shall be sent first class mail or by hand-delivery (including by reputable overnight carrier, such as Federal Express) to:

To the City:

Town of Addison
5300 Belt Line Road
Dallas, Texas 75254
Attn: City Manager

To Sigma:

Sigma Surveillance, Inc.

Attn : _____

Notice shall be deemed to have been given upon receipt. The addresses and addressees for the purpose of this Section may be changed by giving notice of such change in the manner herein provided for giving notice. Unless and until such written notice is received the last addresses and addressee stated by written notice, or provided herein if no written notice of change has been sent or received, shall be deemed to continue in effect for all purposes hereunder.

Section 16. **Authority.** Each Party hereby represents that as of the date of execution of this Agreement that it has full power and authority to enter into and to perform this

Agreement, and that the undersigned officers and/or agents of the Parties are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of each of the respective Parties.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives to be effective as of the Effective Date.

TOWN OF ADDISON, TEXAS

SIGMA SURVEILLANCE, INC.

By: _____
Ron Whitehead, City Manager

By: _____

Printed/Typed Name: _____

ATTEST:

Title: _____

By: _____
Mario Canizares, City Secretary

EXHIBIT 1
TO VIDEO CAMERA MONITORING SYSTEM AGREEMENT

[Copy of Request for Proposal]

EXHIBIT 2
TO VIDEO CAMERA MONITORING SYSTEM AGREEMENT

See attached Sigma Proposal Quotation dated June 18, 2008

EXHIBIT 3
TO VIDEO CAMERA MONITORING SYSTEM AGREEMENT

SYSTEM ACCEPTANCE

OBJECTIVE

The purpose of this Exhibit is to provide the vendor with a list of requirements that will be met upon project completion. These requirements are to ensure that the design, performance, and operation of the Video Surveillance System placed in the Addison Conference Centre meets all of the expectations as stated in the RFP and agreed upon by the Town and Sigma Surveillance, Inc.

REQUIREMENTS TO BE MET

1. Cameras Field of View

- a. Cameras have Day/Night vision capability with automatic Color to B/W mode switching (camera must have lighting available to operate in Day/Night mode) Infrared not included
- b. Camera field of view is optimum for each installed location allowing for maximum PTZ coverage light pole placement not included in SOW for Conference Centre . *“Camera field of view for each installed location allowing for maximum Coverage both inside and outside the Conference Centre including PTZ, MPX & VD Cams.”*
- ☉ Cameras located at the . *“Conference Centre will be placed according to attachment B, including maps and placement explanation.”*

2. Video System Retention and Expandability

- a. System is able to store video for 14 days for all 22 cameras. Hard drives in storage server configured at 1.5TB RAID 5 will record 22 cameras for 8 days @ 4CIF, 5IPS in 24 hour recording mode. 14 days is attainable if video is not recorded 24 hours and lower resolution and IPS setting is utilized. City of Addison will provide server and PC client workstations.
- b. *(at least 10 more camera’s if expansion is needed at same specifications) “Due to the required rate 4CIF | 5IPS | JPEG/MPEG | 24hrs | 8days (14 if decreased resolution, IPS, and based recording on motion not continuous recording) it is recommended by On Net Surveillance Systems Inc. (ONSSI) that 20 cameras (expandable through 10 additional cameras totaling 30) that the Town of Addison need only 1 server with specification found in Attachment B. To reduce processor load Sigma / ONSSI also recommends viewing video from client workstations versus direct from server.”*
- c. Documentation from Sigma stating system is easily expanded if other Town buildings, parks, street intersections or the airport are added to the surveillance in the future. (Subject to design criteria of wireless mesh, RSM software capacities and availability of private WAN/LAN to provide multiple mesh backhaul and client workstation connections to central server/s .

3. Video System Monitoring and Control

- a. System is easily monitored/controlled from the EOC at Fire Station #1 by dispatchers and by remote systems located at the Addison Conference Centre. Once server is on private LAN/WAN remote client viewing stations can be utilized. System software is able to control each camera's features (PTZ) and is able to review video from video retention (Fast Forward, Rewind, Slow Motion)
- b. System uses diagram of Addison and Conference Centre to layout camera locations making for easy camera identification of viewable areas
Addison will need to provide clean electronic plans / diagrams of the architectural layout of the facility / floor plan.
- c. Recorded video is easily searched by date/time/camera
- d. Recorded video is easily exported to common formats for emailing or DVD burning. DVD burner or CD burner must be configured as part of PC workstation

4. Video System and Camera Configuration/Maintenance

- a. Final camera configuration is approved by Town
- b. User authentication to individual cameras and *ONSSI* is password protected
- c. Each camera is manually IP addressed and all unnecessary protocols are disabled
- d. Email/Pager notifications are sent if problem with video system or cameras per *ONSSI* software

5. Video System Training

- a. Training is held for Dispatchers, Police Administration, and IT staff (8 hours included)
- b. Training consisted of video storage maintenance, system monitoring, controlling cameras, reviewing/searching recorded video, and exporting recorded video

Council Agenda Item: **#R7**

SUMMARY:

This item is to request the Council's approval to reject all the received proposals for the purchase and installation of a Land Management Software Solution. We released an RFP and received three (3) proposals.

FINANCIAL IMPACT:

Budgeted Amount: \$60,000

Cost: N/A

BACKGROUND:

The town of Addison bought its existing Enterprise Financial System from GEMS (based in Saint Louis) in 2000, and Harris (based in Canada) bought GEMS in 2006... On June 9, 2008, Harris, Addison's existing Enterprise Financial vendor, announced that it was consolidating three of its divisions, *PG Govern*, *GEMS* and *SDI* into a single entity, *MS Govern*. MS Govern's system consists of three major modules: *FMS*, *HRMS* and *CMS* (Community Management System). The *CMS* module includes *property information, permits and inspections, business license, utility billing, code enforcement, and mobile inspection*. Furthermore, this announcement emphasized that due to this consolidation the existing *GEMS RMS* module (equivalent to MS Govern's *CMS* module) which the Town of Addison purchased in 2000 will be supported but not enhanced in the future. But to entice users, it was stated in the announcement that existing *GEMS RMS* users like *Addison* will have the option to migrate over to the new *CMS* at their leisure... This is extremely beneficial to Addison since "*Licensing fees*" will not be applicable as Harris has software for life policy. In another word, only data conversion, implementation and training costs apply to current customers.

RECOMMENDATION:

Due to *MS Govern's* recent announcement, staff recommends rejecting all the proposals and start negotiating directly with Harris.

INTEROFFICE MEMO

DATE: 6/12/2008
TO: HAMID KHALEGHIPOUR
FROM: SHERYL DONIHOO
RE: LAND MANAGEMENT SOFTWARE SOLTUION

In 2006, I began meeting with the Developmental Service Department to determine challenges they were encountering with the Permits and Inspection/Business License application and what tools could be provided to assist them in working more efficiently. The Environmental staff requested an electronic health inspection form that would replace the hand written form they were leaving with restaurants. I was able to create a form in house and the two Environmental Services employees were issued laptops and wireless printers to utilize. Building Inspection discussions centered on Voice, Web and Mobile interface applications. At that time, the department felt an IVR (Interactive Voice Response) system would be the most beneficial. The IVR application would interface with our existing Permits and Inspection/Business License application and would provide callers with telephone access for permit scheduling, inspection processing, zoning, and code enforcement. It could also provide inspection results, plan review status, and notify contractors when an inspection had been completed. In budget year 2006-2007, an amount of \$60,000 was requested and approved to acquire an IVR interface. The project was delayed and the amount was carried forward to the 2007-2008 budget.

As we began to look at implementing the project in 2007-2008 several occurrences took place. Our current Permits and Inspection software company, GEMS was acquired by Harris Computer Company. In November 2007, I attended the Harris User's Conference and learned Harris had acquired another software application, PG Govern. PG Govern specialized in Land Management and Revenue Management applications. At the conference, I learned that Addison is the only Harris customer that is utilizing the GEMS Permits and Inspection module. I also learned that Harris planned to merge the GEMS Financial and Human Resource applications to the PG Govern Land Management and Revenue application. However, there were no definite plans on when the products would be merged. Initial indications were that it could take up to two years. It was mentioned that while the GEMS Revenue Management application, that houses Permits & Inspection, Business License and Utility Billing, would not go away, there would not be any major enhancements or any investment of research and development funds. The PG Govern Land Management software was demonstrated at the conference and it was apparent that this application exceeded the GEMS application in regards to the utilization of current technology. It is written in .net which allows for total user customization. It has a web module and includes GIS and document imaging integration.

Due to these occurrences, Developmental Service Staff and IT concluded that instead of pursuing an IVR interface with our current application, which was becoming antiquated, we would look at the possibility of replacing the Permits and Inspection/ Business License modules. In January 2008, the Developmental Service staff and IT participated in demonstrations of three Land Management software packages. The decision was made to release an RFP seeking a Land Management Software Solution inclusive of permitting, planning, inspections, code enforcement and licensing system. The selected software solution should also integrate with the Town's GIS and document management systems and offer a mobile inspection and IVR solution in order to enable the citizens and professionals to apply, query, request and view the information via the internet and phone.

The RFP was released April 1, 2008 with a proposal due date of May 2nd. The Town received three qualified proposals from Harris - PG Govern, EnerGov - Enterprise License Suite and CRW - Trakit System. I evaluated the proposals and ranked them according to the criteria set forth in the RFP. Harris - PG Govern system scored the highest evaluation. Submitted costs are \$177,000 with maintenance costs averaging \$7,400 over the next five years.

On June 9, 2008, Harris announced that it was consolidating three of its divisions, PG Govern, GEMS and SDI into a single entity, MS Govern. MS Govern's software application consists of three major modules: FMS, HRMS and CMS (Community Management System). This announcement reiterated what I learned in November at the Users Conference. The GEMS RMS module will be supported, but not enhanced. It was stated in the announcement that existing RMS users will have the option to migrate over to the new CMS at their leisure. Licensing fees will not be applicable as Harris has software for life policy. Only data conversion, implementation and training costs apply to current customers. CMS includes property information, permits and inspections, business license, utility billing, code enforcement, and mobile inspection.

In light of the MS Govern announcement, I am recommending that we begin negotiations with Harris to replace our current RMS module with the new CMS module. As this changes the scope of the RFP requests, we should look at rejecting the three proposals we received.

I have outlined below my justifications for this recommendation. Final costs are not known at this time, but I've noted estimated costs and have indicated areas where savings can be realized.

RMS (Revenue Management Module) issues:

- Becoming obsolete
- No new development or enhancements will be added - support only
 - Utility Billing will have one major release scheduled for 3rd quarter 2008
- Does not contain Planning and Zoning
- Does not contain Code Enforcement

- Can not have parent - child permit relationships

MS Govern CMS (Community Management System) benefits:

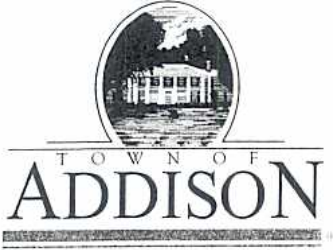
- Contains an extensive suite of modules
- Written in .net - fully customizable
- Web Module (can be used throughout the Town, not just for Permits and Inspections/ Business License)
- Integrates with GIS
- Integrates with Document Imaging and has the ability to attach multimedia links
- Property Summary Card - Summarizes all activity on a property
- Other Departments can utilize to enter their inspections (currently inspections from these departments are not electronically tied to the permit)
 - Fire, Parks, Utilities, Streets
- Ability to have parent - child permits. The child permit can be created without double entry. (This will be a benefit with the expansion of Addison Circle and the Vitruvian project)
- Workflow function that serves as a checklist of steps or tasks that must be done. Tasks and activities are designed by steps and the outcome of each step determines the next step.
- Full integration with our FMS module. Currently we run scripts to transfer transactions from our RMS module into the FMS module. The CMS module will automatically send the transactions to the general ledger in a batch that can then be updated.

Cost:

- Can implement in phases:
 - Phase I - Planning and Zoning, Permits and Inspections, Business License (estimated costs \$100,000)
 - Phase II - Code Enforcement, Mobile Inspections, Utility Billing,
 - Estimated costs: Code Enforcement \$20,000
Mobile Inspections \$10,000
Utility - costs unknown at this time
- By staying with Harris we will save licensing costs estimated at \$25,000 (does not include utility billing license cost savings). Software for life guarantee.
- Reduce costs by training via webex. Estimated reduction of \$19,500 in travel expenses.

INTEROFFICE MEMO

- Utilities staff wants to obtain City Works a GIS based work management system for public works. Upgrading to the CMS utility billing module will give them this functionality as well as eliminate deficiencies in our current utility billing application and bring it up to the latest technology (GIS integration, multimedia links, etc.) This negates implementing two separate systems and therefore reduces costs.
- To offset costs a flat fee could be charged for applications submitted via the web portal.



DEVELOPMENT SERVICES
(972) 450-2880 Fax: (972) 450-2837

16801 Westgrove
Post Office Box 9010 Addison, Texas 75001-9010

June 20, 2008

STAFF REPORT

RE: REPLAT/Westgrove and Airborn Addition

LOCATION: Replat for two lots located in Block A, Carroll Estates, one tract located at 4201 Airborn Drive and the adjoining tract located at the southeast corner of Westgrove Drive and Sojourn Drive

REQUEST: Approval of a replat

APPLICANT: Ms. Wendy Kalisher of Kalisher Properties, Ltd.

DISCUSSION:

Background. This property is occupied by Best Press, Inc. Ms. Kalisher is looking to expand her printing business by the addition of another building. The plat was submitted for the March meeting, but the civil plans were not submitted. At Ms. Kalisher's request, the plat was tabled for one month. In April, the civil drawings still were not submitted, so the plat was denied by the P&Z and Council.

Public Works Review. The Public Works staff had completed its review of the civil plans and plat and has the following comments.

1. Add a four foot (4') right-of-way dedication along Westgrove Drive.
2. Add a four foot (4') right-of-way dedication along Sojourn Drive.
3. Add a twenty foot (20') right-of-way dedication corner clip at the intersection of Westgrove and Sojourn.
4. Remove the fire lane easement and add a twenty-four foot (24') non-exclusive ingress/egress, drainage and utility easement along the lot line between Lots 1 & 2.
5. Fire hydrants are required on a 300' interval along a fire lane. As a result a looped water main is required. The water main must be centered in a

- fifteen foot (15') water easement and fire hydrants centered in a 10' x 10' water easement. Please add the easements to the face of the plat.
6. Add a 10' x 20' water easement around the fire service vault.
 7. Add a detention area easement around the limits of the detention area and include the detention area easement statement.
 8. Show all recorded easements that affect the platted area. This includes the recent electric easement as well as the easements along the south property line.
 9. The one-hundred foot (100') ingress/egress easement can be abandoned by this plat. However, a new fifty-six foot (56') non-exclusive ingress/egress, drainage and utility easement must be added along the south property line.
 10. Label the Point of Beginning on the face of the plat.
 11. Show the existing adjoiners along the southern boundary of the platted property.
 12. Label Airborne Drive on the face of the plat.
 13. The Owner's Certificate does not appear to describe the entire platted property. Additionally, the Owner's Certificate must reference all owners.
 14. Revise the Dedication Statement to match the Dedication Statement contained in the Town of Addison Code of Ordinances.
 15. Add a signature block under the Dedication Statement for all owners.
 16. Change all references of the "City of Addison" to the "Town of Addison."
 17. Provide a closure sheet.

RECOMMENDATION:

Staff recommends approval of the replat for Westgrove and Airborn Addition, subject to the conditions listed above.

Respectfully submitted,

A handwritten signature in black ink that reads "C Moran". The "C" is a large, stylized loop, and "Moran" is written in a cursive, slightly slanted font.

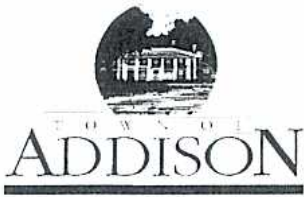
Carmen Moran
Director of Development Services

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting in regular session on June 26, 2008, voted to recommend approval of the replat for Westgrove and Airborn Addition, subject to the following conditions:

1. Add a four foot (4') right-of-way dedication along Westgrove Drive.
2. Add a four foot (4') right-of-way dedication along Sojourn Drive.
3. Add a twenty foot (20') right-of-way dedication corner clip at the intersection of Westgrove and Sojourn.
4. Remove the fire lane easement and add a twenty-four foot (24') non-exclusive ingress/egress, drainage and utility easement along the lot line between Lots 1 & 2.
5. Fire hydrants are required on a 300' interval along a fire lane. As a result a looped water main is required. The water main must be centered in a fifteen foot (15') water easement and fire hydrants centered in a 10' x 10' water easement. Please add the easements to the face of the plat.
6. Add a 10' x 20' water easement around the fire service vault.
7. Add a detention area easement around the limits of the detention area and include the detention area easement statement.
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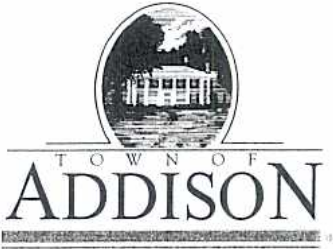
Voting Aye: Bernstein, Daseke, Gaines, Hewitt, Jandura, Lay, Wood
Voting Nay: None
Absent: None



Memorandum

To: Carmen Moran
CC: Nancy Cline
From: Clay Barnett
Date: 6/20/2008
Re: Westgrove and Sojourn

1. Add a four foot (4') right-of-way dedication along Westgrove Drive.
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3. Add a twenty foot (20') right-of-way dedication corner clip at the intersection of Westgrove and Sojourn.
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DEVELOPMENT SERVICES

(972) 450-2880 Fax: (972) 450-2837

16801 Westgrove

Post Office Box 9010 Addison, Texas 75001-9010

July 1, 2008

Ms. Wendy Kalisher
Best Press, Inc.
4201 Airborn Drive
Addison, TX 75001

RE: REPLAT/Westgrove and Airborn Addition

Dear Ms. Kalisher:

Please be advised that the Addison Planning and Zoning Commission, meeting in regular session on June 26, 2008, voted to recommend approval of the replat for Westgrove and Airborn Addition, subject to the following conditions:

1. Add a four foot (4') right-of-way dedication along Westgrove Drive.
2. Add a four foot (4') right-of-way dedication along Sojourn Drive.
3. Add a twenty foot (20') right-of-way dedication corner clip at the intersection of Westgrove and Sojourn.
4. Remove the fire lane easement and add a twenty-four foot (24') non-exclusive ingress/egress, drainage and utility easement along the lot line between Lots 1 & 2.
5. Fire hydrants are required on a 300' interval along a fire lane. As a result a looped water main is required. The water main must be centered in a fifteen foot (15') water easement and fire hydrants centered in a 10' x 10' water easement. Please add the easements to the face of the plat.
6. Add a 10' x 20' water easement around the fire service vault.
7. Add a detention area easement around the limits of the detention area and include the detention area easement statement.
8. Show all recorded easements that affect the platted area. This includes the recent electric easement as well as the easements along the south property line.
9. The one-hundred foot (100') ingress/egress easement can be abandoned by this plat. However, a new fifty-six foot (56') non-exclusive ingress/egress, drainage and utility easement must be added along the south property line.
10. Label the Point of Beginning on the face of the plat.
11. Show the existing adjoiners along the southern boundary of the platted property.
12. Label Airborne Drive on the face of the plat.

13. The Owner's Certificate does not appear to describe the entire platted property. Additionally, the Owner's Certificate must reference all owners.
14. Revise the Dedication Statement to match the Dedication Statement contained in the Town of Addison Code of Ordinances.
15. Add a signature block under the Dedication Statement for all owners.
16. Change all references of the "City of Addison" to the "Town of Addison."
17. Provide a closure sheet.

Your request has been scheduled for City Council action on:

TUESDAY, JULY 8, 2008
7:30 P.M.
COUNCIL CHAMBERS
ADDISON TOWN HALL
5300 BELT LINE ROAD

The agenda for this meeting is available on our web site at www.addisontx.gov at least 72 hours prior to the meeting. You or your representative should attend this meeting. Please contact me at 450-7018 if you need additional information.

Sincerely,

A handwritten signature in black ink that reads "CARMORAN". The signature is written in a cursive, slightly stylized font.

Carmen Moran
Director of Development Services

Council Agenda Item: #R9

SUMMARY:

Discussion and consideration of a Resolution expressing the support of the Addison City Council for all addresses in Addison to be designated as Addison, Texas 75001

FINANCIAL IMPACT:

None

BACKGROUND:

In 1998 the Town was successful in getting Addison mail delivery established out of the Addison Post Office, and an Addison, Texas 75001 zip code established for most of the Town. One area of Town, which is located south of Belt Line Road and east of Inwood Road, elected to stay with the Dallas, Texas 75240 zip code, which was later changed by the US Postal Service to Dallas, Texas 75254.

The Town had to wait 10 years before another request could be made to change the zip code, and another survey of postal customers could be conducted.

Ten years has passed, and the Town is now ready to again request that the zip code for those Addison residents and businesses in Dallas, Texas 75254 be changed to Addison, Texas 75001. A letter to the US Postal Service District Manager has been prepared for the Mayor's signature, which requests that the process for changing the zip code be initiated. A part of that process involves a survey of postal customers.

The Addison Business Association is prepared to assist the Town with this effort, and it is planning to make personal visits to office building managers and other postal customers located in the current Dallas, Texas 75254 zip code. The Addison Business Association has requested documentation of the Town's official support for the change from Dallas, Texas 75254 to Addison, Texas 75001. A proposed Resolution expressing the Council's support has been provided.

RECOMMENDATION:

Staff recommends approval of a Resolution expressing the support of the Addison City Council for all addresses in Addison to be designated as Addison, Texas 75001

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN OF ADDISON, TEXAS, EXPRESSING THE SUPPORT OF THE ADDISON CITY COUNCIL FOR A REQUEST TO BE MADE TO THE DISTRICT SUPERINTENDENT OF THE UNITED STATES POSTAL SERVICE TO HAVE THE ADDISON, TEXAS 75001 ADDRESS ASSIGNED TO ALL POSTAL ADDRESSES WITHIN THE TOWN OF ADDISON.

WHEREAS, at present, Addison has several streets that have a Dallas, Texas 75254 zip code, and

WHEREAS, the Addison citizens who live or work on these streets experience significant confusion in all parts of their personal and business lives because their address does not correspond with the municipality they are located in, and

WHEREAS, this confusion also makes it difficult for the Town to collect sales tax from businesses with the Dallas address. In addition it leads to confusion between Addison and Dallas over who is responsible for 911 responses to our citizens who may need emergency services, and

WHEREAS, ten years ago the Town was successful in getting the United States Postal Service to establish a distinct Addison zip code and Addison mail delivery out of the Addison Post Office, and the Town now enjoy excellent service from the new post office, and

WHEREAS, the Town would like to ensure the same excellent level of service for all its citizens,

NOW THEREFORE, the Addison City Council does hereby express its support for an official request from the Mayor of Addison to the United States Postal Service to begin the process needed to change all street addresses in Addison to Addison, Texas 75001.

DULY PASSED AND APPROVED BY THE ADDISON CITY COUNCIL THIS
THE 8th DAY OF JULY, 2008

MAYOR

CITY SECRETARY

Council Agenda Item: #R10

SUMMARY:

Consideration and approval of award of bid to Concord Commercial Services, Inc., for the painting of three municipal facilities in the amount not to exceed of \$158,264.00.

FINANCIAL IMPACT:

Budgeted Amount: \$170,000.00

Cost: \$158,264.00

Project Manager: Layne Court (Building Solutions, Inc.)

BACKGROUND:

As part of the 2008-09 fiscal year facilities maintenance projects, funds were budgeted for the interior and exterior painting of Town Hall; the interior painting of the Athletic Club to include the natatorium, second floor track area and lifeguard office; and the interior of the Service Center facility which includes the, Fleet shop and floor, and the exterior painting of all overhead & personnel doors. The paint and coatings specifications provided for each of these facilities include the use of low VOC content paint that does not exceed the VOC content limits established in Green Seal Standards GS-11.

Four bids were received. The low base bid is \$149,764.00. Alternates were bid at each facility and are included in the not to exceed amount of \$158,264.00.

RECOMMENDATION:

Staff received favorable references for this contractor and recommends award of bid to Concord Commercial Services.

Attachments: Bid Tab

Municipal Painting

BID NO 08-20

DUE: June 30, 2008

10:00 AM

BIDDER	Signed	Bid Bond	Bid Total
McCarter - Aldridge	Y	N	\$ 400,103.00
Concord Commercial Services	Y	Y	\$ 149,764.00
Smith's Painting	Y	Y	\$ 218,150.00
Allied Builders, Inc	Y	Y	\$ 169,480.00

Matthew E. McCombs

Matt McCombs, Management Analyst

Katie H. Roller

Witness

Council Agenda Item: #R11

SUMMARY:

This item is to award a contract to Reliable Paving, Inc. for Sidewalk and Curb Repairs to various streets.

FINANCIAL IMPACT:

Budgeted Amount: \$75,000

Contract Amount: \$57,736.40

This project is funded for 2007-08 in the Street Operations Budget.

Project Manager: Robin Jones

BACKGROUND:

Funds were made available in the Street Division Budget to repair broken curbs in the Midway Meadows Subdivision, and to replace failed sidewalks and curbs city-wide. This project repairs curbs at 109 locations in Midway Meadows and at nine other locations around Town. It also replaces failed sections of sidewalk at 64 locations on 11 streets.

On June 30, 2008 bids were opened for Sidewalk and Curb Replacement Bid # 80-21. The Town received eleven bids with the low bid (\$57,736.40) coming from Reliable Paving, Inc. Reliable has not worked for the Town before, but has successfully completed similar projects for other communities, and was recently awarded the Town of Addison Miscellaneous Pavement Repairs project.

RECOMMENDATION:

Staff recommends awarding this contract in the amount of \$57,736.40 for Sidewalk and Curb Repairs to Reliable Paving, Inc.

Sidewalk and Curb Replacement 2008

Street	Sidewalk	Address	Linear Feet	Square feet		
Belt Line	E/B	Block 3700	225' x 5'	1,125		
		3750	30' x 5'	150		
		3750	12' x 2'	24		
		3800	10' x 5'	50		
		4000	20' x 4'	80		
		4100	10' x 5'	50		
		4100	10' x 5'	50		
		4300	25' x 5'	125		
		4300	12' x 2'	24		
		4400	30' x 5'	150		
		4400	6' x 2'	12		
		4500	25' x 5'	125		
		4500	8' x 2'	16		
		4900	10' x 5' plus 14" wall	70		
			W/B	Block 4800	15' x 5'	75
				4800	12' x 1'	12
				4100	20' x 5'	100
4100	12' x 2'			24		
3900	11' x 5'			55		
3900	12' x 2'			24		
Midway	S/B	Block 15000	12' x 5'	60		
		15000	21' x 6'	126		
		15000	8' x 5'	40		
		14900	11' x 2'	22		
		14900	6' x 5'	30		
		14900	8' x 5'	40		
Midway	N/B	14900	29' x 5'	145		
Beltway	At Midway N/W Corner N/W Corner	Block 4100	10' x 5'	50		
		4100	12' x 3'	36		
		4100	41' x 7'	287		
Beltway	W/B	4100	10' x 5'	50		
		3900	10' x 5'	50		
		3900	7' x 4'	28		
		3900	14' x 4'	56		

		3800	33' x 4'	132	
Dome	W/B	3911	170' x 5'	850	
		3911	12' x 2'	24	
		3912	13' x 5'	65	
		3912	12' x 2'	24	
Quorum	S/B	16400	25' x 5	125	
		16400	20' x 5	100	
		16300	15' x 5	75	
		16200	5' x 5'	25	
		16200	10' x 5'	50	
		16100	10' x 5'	50	
		16100	5' x 5'	25	
		15300	5' x 5'	25	
		15200	10' x 5'	50	
		15100	20' x 5'	100	
		15100	10' x 10'	100	
		N/B	15100	10' x 10'	100
			15900	15' x 5'	75
			16100	15' x 5'	75
			16100	15' x 5'	75
			16301	40' x 5'	200
			16301	15' x 5'	75
			16400	15' x 5'	75
Lexus Ave		14605	5' x 4'	20	
		14605	5' x 3'	15	
Oaks North Drive		14929	5' x 5'	25 *	
Southfork sidewalk ramps		Location 1	11' x 5'	55	
		Location 2	11' x 5'	55	
		Location 3	11' x 5'	55	
		Location 4	11' x 5'	55	
Total				6,136	

Street	Curb	Address	Linear Feet
Spring Valley		Block 3700	17'
		3700	12'
Marsh		14900	14'
		14900	29'
Quorum at Arapaho		15300	4'

	15300	5'
Quorum Median	15800	4'
Edwin lewis	5100	7'
Midway	14900	25'
Midway Meadows	Various Locations	431' #
	Total	548

* Oaks North Drive repairs is exposed aggregate

Midway Meadows is a subdivision with 9 streets needing curb repairs. There are 109 locations on the following streets; Le Grande, Rush, Leadville, Pokolodi, Winter Park, Bobbin, Dome, Sherlock and Mormon. The majority of these failures are 3 or 4 feet long. A typical curb repair on these streets includes a 6" curb and 18" gutter

Sidewalk and Curb Repair

BID NO 08-21

DUE: June 30, 2008

10:30 AM

BIDDER	Signed	Bid Bond	Bid Total
Stark Built, LLC	Y	Y	\$ 79,746.60
F&F Concrete, LLC	Y	Y	\$ 74,572.00
Ken-Do Contracting, LP	Y	Y	\$ 86,296.00
B&K Industries	Y	Y	\$ 96,394.03
GLOBE Engineers, Inc	Y	Y	\$ 67,660.00
Jim Bowman Construction Co. L.P	Y	Y	\$ 79,920.80
Estrada Concrete Co, LLC		Y	\$ 157,392.06
Smith Contracting, Inc	Y	Y	\$ 95,650.00
GT Construction Inc	Y		\$ 75,083.56
Allied Builders Inc	Y	Y	\$ 122,736.00
Reliable Paving, Inc	Y	Y	\$ 57,736.40

Matthew E. McCombs

Matt McCombs, Management Analyst

Jerry L. Lewandowski

Witness

Council Agenda Item: #R12

SUMMARY:

This item is for the approval of a Professional Services Agreement with Freese & Nichols, Inc. in the amount not to exceed \$64,980.00 for a Water Quality Action Plan.

FINANCIAL IMPACT:

Budgeted Amount: \$0

Cost: \$64,980.00

Funds are available in the Salaries portion of the Utility Budget.

BACKGROUND:

In the last 10 years, drinking water standards have been modified that require water treatment plants to be retrofitted to eliminate some disinfectant by-products. As a result, the water leaving the treatment plants has more instability than in times past. In June 2006, the Town of Addison experienced nitrification for the first time in our ground storage tank at Surveyor. Nitrification is a bacterial conversion (oxidation) of ammonia to nitrite and then on to nitrate. Ammonia is used with chlorine (chloramines) for disinfection. Too much ammonia (free ammonia) and a combination of low chlorine residuals, water age, high water temperature and low ph are risk factors that will contribute to nitrification. Staff responded quickly after collecting a very low chlorine residual and was able to isolate the tank before the water was pumped into our system. Samples were taken and very high levels of nitrates were found. The tank was then disinfected with free chlorine (calcium hypochlorite) that kills bacteria.

Since June of 2006, staff has learned that most of the surrounding cities have been experiencing the same issues and similar to Addison have taken precautions to control nitrification in their systems. Such precautions have included increased collections of chlorine residuals from three a day to six a day, aggressively flushing dead end lines and low water usage areas, and managing tank levels. Staff's emphasis is to ensure that chlorine residuals are always above state minimums. The state mandates that all public water drinking suppliers must maintain a chlorine residual (chloramines) of minimum 0.5 mg/l and maximum of 4.0 mg/l. Once levels fall below 0.5 mg/l a boil water notice must be delivered to the water systems customers.

Staff met with engineering and water systems consulting firm Freese & Nichols, Inc. (FNI), who discussed the nitrification process with us on June 2, 2008 and then presented several ideas to help maintain stronger water quality in our distribution system. FNI has performed many case studies on distribution systems in the State of Texas in regards to nitrification modeling water age, tank operations, enhancing disinfection strategies, and

infrastructure renewal. Staff has pursued a contract with FNI to formulate a water quality action plan to address nitrification problems when they arise.

As part of the contract, Freese & Nichols will conduct three tasks. Task 1: Review historical water quality data & provide recommendations for focused water quality sampling plan. Task 2: Analyze water quality enhancement alternatives for Addison. Task 3: Create water quality action plan and phasing recommendations.

RECOMMENDATION:

Staff recommends approval of a Professional Services Agreement with Freese & Nichols, Inc. in the amount not to exceed \$64,980.00 to prepare a Water Quality Action Plan.

Council Agenda Item: #R13

SUMMARY:

This item is for the approval of a Professional Services Agreement with Halff Associates, Inc. in the amount not to exceed \$326,800.00 for a Phase I Stormwater Master Plan Study.

FINANCIAL IMPACT:

Budgeted Amount: \$0

Cost: \$326,800.00

Funds are being requested as a mid-year budget adjustment to Fund 411 under Professional Services.

BACKGROUND:

The Town of Addison is responsible for providing and maintaining safe, efficient and effective drainage systems throughout the Town. As the Town of Addison continues to develop, there are remaining parcels of land where there is inadequate downstream drainage capacity. Staff is recommending the development of a detailed Stormwater Management Plan to answer questions regarding the capacity of existing storm drainage facilities, the impact of providing or not providing detention facilities and a review and recommendations for Capital Improvements to the studied drainage areas in order to facilitate future development. Phase I of the program would address approximately 50 percent of the Town's drainage basins, including Upper DNT, Lower DNT and Rawhide Creek. The study will also analyze the capacity of the existing culverts under the Dallas North Tollroad in addition to the upstream drainage pipe systems.

Halff Associates, Inc. recently completed the update of the FEMA Region VI Dallas County Flood Insurance Rates Maps (FIRM). Halff Associates has also completed many drainage master plans throughout Texas. Halff Associates submitted the attached proposal for Phase I to conduct the analysis of the three drainage basins (Upper DNT, Lower DNT, and Rawhide Creek). The Stormwater Master Plan Study will include: Initial Phase / Data Collection, Drainage Basin Delineation, Interactive Stormwater GIS Database, Hydrology Analysis, Hydraulic Analysis, Existing Storm Drainage System Evaluation, Conceptual Alternatives and Cost Estimates, and Master Plan Recommendation for three drainage sub-basins. Staff is requesting authorization to begin the work with a mid-year budget adjustment in order to complete the study next summer.

RECOMMENDATION:

Staff recommends approval of a Professional Services Agreement with Halff Associates, Inc. in the amount not to exceed \$326,800.00 to prepare a Phase I Stormwater Master Plan (SWMP) Study of the Upper DNT, Lower DNT and Rawhide Creek Drainage Basins.

Council Agenda Item: #R14

SUMMARY:

Council will have the second reading of an ordinance amending a franchise agreement with Atmos Gas Company to increase the franchise fee from four percent of gross receipts to five percent of gross receipts.

FINANCIAL IMPACT:

Currently the amount the Town receives for allowing Atmos Gas Company to utilize the city's right-of-way is four percent of the company's annual gross receipts. The amount included in the 2008 budget is \$225,000, and the Town actually received \$241,342 this fiscal year. Based on the actual receipt, an increase of the franchise fee to five percent would generate an additional \$60,335. The franchise fee will be passed along to the company's customers in Addison.

BACKGROUND:

As part of the settlement agreed to between the company and the Atmos Cities Steering Committee, and approved by Council in January, the company agreed to increase the fees paid to cities for use of public right-of-way to a uniform five percent of gross receipts. One of the Town's financial policies is to seek diversification of revenue to protect the Town from declines in its two major revenues: property and sales taxes. Increasing the franchise fee will go towards the Town diversifying its revenue sources.

The process for approving franchise agreements is established in the Town's charter. On July 8 we will have the second reading of the ordinance and a public hearing. Council will give final approval of the ordinance at its August 12 meeting. The ordinance will then be published in the paper for the next four consecutive weeks and will finally become effective September 11, 2008.

RECOMMENDATION:

It is recommended Council entertain second reading of the attached franchise ordinance.

TOWN OF ADDISON, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS AMENDING THE EXISTING GAS FRANCHISE BETWEEN THE TOWN AND ATMOS ENERGY CORPORATION TO PROVIDE FOR A DIFFERENT CONSIDERATION; PROVIDING AN EFFECTIVE DATE; PROVIDING FOR ACCEPTANCE BY ATMOS ENERGY CORPORATION; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Atmos Energy Corporation (“Company”) is engaged in the business of furnishing and supplying gas to the general public in the Town of Addison, Texas (the “City”), including the transportation, delivery, sale, and distribution of gas in, out of, and through the City for all purposes, and is using the public streets, alleys, grounds and rights-of-ways within the City for that purpose under the terms of a franchise ordinance duly passed by the governing body of the City and duly accepted by Company or its predecessor in interest; and

WHEREAS, the City and Company desire to amend said franchise ordinance to provide for a different consideration.

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

Section 1. The consideration payable by Company for the rights and privileges granted to Company by the franchise ordinance duly passed by the governing body of the Town of Addison, Texas and accepted by Company or its predecessor in interest is hereby changed to be five percent (5%) of the Gross Revenues, as defined in the franchise ordinance.

Section 2. Franchise payments shall be made on the dates prescribed in the existing franchise and shall be for the rights and privileges as set forth in the existing franchise.

Section 3. In accordance with the City Charter and having conducted two readings of and two (2) public hearings on this Ordinance, this Ordinance shall take effect on September 11, 2008 (the said date being thirty (30) days after the date of passage of this Ordinance). Company shall, within thirty (30) days from the receipt of this Ordinance, file its written acceptance of this Ordinance with the Office of the City Secretary in substantially the following form:

To the Honorable Mayor and City Council:

Atmos Energy Corporation, acting by and through the undersigned authorized officer, hereby accepts in all respects, on this the ____ day of _____, 2008, Ordinance No. _____ amending the current gas franchise between the City and Atmos Energy Corporation.

Atmos Energy Corporation

By: _____
Vice President, Mid-Tex Division

Section 4. In all respects, except as specifically and expressly amended by this Ordinance, the existing franchise ordinance heretofore duly passed by the governing body of the City shall remain in full force and effect.

Section 5. The City shall provide a copy of this Ordinance to Mr. David Park, VP of Rates and Regulatory Affairs, Atmos Energy Corp., 5420 LBJ Freeway, Suite 1800, Dallas, Texas 75240, no later than ten (10) business days after its final passage and approval.

Section 6. It is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public as required by law and that public notice of the time, place and purpose of said meeting was given as required.

First Reading and Public Hearing Held and Conducted: _____, 2008

Second Reading and Public Hearing Held and Conducted: _____, 2008

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the ___ day of _____, 2008, at which meeting a quorum was present and voting.

Joe Chow, Mayor

ATTEST:

By: _____
Mario Canizares, City Secretary

APPROVED AS TO FORM:

By: _____
John Hill, City Attorney

Council Agenda Item: #R15

SUMMARY:

Council approval is requested of an ordinance amending the Town's Annual Budget for the fiscal year ending September 30, 2008.

FINANCIAL IMPACT:

There is no direct financial impact associated with this item. Details of the amendments are presented in the attached materials. Below is a summary of changes in total revenues, expenditures and fund balance.

	<u>Original</u>	<u>Amended</u>
Total Revenues	\$57,791,310	\$90,457,510
Decrease (Increase) in Fund Balance	<u>5,497,160</u>	<u>(29,619,710)</u>
Total Appropriations	<u>\$63,288,470</u>	<u>\$60,837,800</u>

BACKGROUND:

The annual budget is a blueprint of how financial resources are expected to be received and appropriated through the fiscal year. Inevitably, as the year progresses, variances with the budget occur in the various categories of revenue and expenditures. Each year the Financial & Strategic Services department reviews the budget to determine which items should be recognized with formal budget amendments. Although variances occur in almost every one of hundreds of detailed financial line items the Town maintains, budget amendments are presented to Council for only a few major categories using the following primary criteria:

- Appropriations for major cost centers (departments) will be exceeded. Finance staff maintains budgetary control over operating department expenditures. Excess expenditures in one cost category are usually addressed with transfers of surpluses in other categories. However, if the excess expenditures are so large that the total department budget may be exceeded, these items are addressed with a budget amendment.
- Revenues are significantly less than budgeted. A material shortage in a particular category may impact the ability to fund certain programs or significantly reduce fund balance.

In other words, any variance that has a detrimental impact on the Town's finances is addressed with a budget amendment. Other amendments may be presented to Council that acknowledge major increases in revenues and/or reductions in expenditures. However, these items are usually presented in context with detrimental variances. For example, a reduction in the collection of hotel occupancy taxes will be partially offset by a reduction in visitor services advertising.

Major changes proposed for the 2008 budget are:

- ◆ Recognition of \$34,500,000 in bond proceeds from the sale that took place last month. Of this amount, \$28,222,000 will be accounted for in a new 2008 Capital Projects fund to track Vitruvian and land acquisition costs. The remaining \$6,278,000 has been deposited in the Utility fund for the new overhead storage structure and Vitruvian utility lines.
- ◆ Recognition in the General fund of a reduction in property tax revenue (\$200,000) and net additional operating expenditures (\$35,000).
- ◆ Removal of the budgeted appropriations for a long-term parking garage lease that will reduce appropriations in the General fund by \$1,500,000 and \$500,000 in the Hotel fund.
- ◆ In the Hotel fund, hotel occupancy tax revenue projections have been reduced \$200,000 and operating expenditures have been increased \$140,500.
- ◆ The Airport fund budget reflects a reduction of \$140,000 in fuel flowage fee revenue and an increase in appropriations for the Town's contribution for pavement improvements related to the MSF Hangar (\$150,000) and general legal fees (\$140,000).
- ◆ The Utility fund budget has been adjusted to recognize reduced operating revenue (\$794,500) offset by reductions in water purchase and wastewater treatment expenses (\$323,200).

Exhibit A reflects the changes for all funds, Exhibit B shows how the changes impact the individual funds and, Exhibit C details the proposed budget changes.

RECOMMENDATION:

Staff recommends that Council approve the attached ordinance amending the Town's Annual Budget for the fiscal year ending September 30, 2008.

AN ORDINANCE # _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS AMENDING THE ANNUAL BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2008; PROVIDING THAT EXPENDITURES SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; PROVIDING FOR A REPEAL CLAUSE AND DECLARING AN EMERGENCY.

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

SECTION 1. That in accordance with Section 5.08 of the City Charter, Ordinance No. 003-026 of the Town of Addison, Texas, amending the 2007-08 annual budget, be amended to appropriate \$60,837,800 for budget expenditures in the particulars stated in Exhibits A, B, and C attached and made a part of this ordinance.

SECTION 2. That all ordinances of the City in conflict with the provisions of this ordinance be, and the same are hereby repealed and all other ordinances of the city not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3. The importance of this ordinance creates an emergency and an imperative public necessity, and the ordinance shall take effect and be in force from and after its adoption.

PASSED AND APPROVED BY MAJORITY VOTE OF THE CITY COUNCIL, this the eighth day of July, 2008.

Mayor Joe Chow

ATTEST:

Mario Canizares, City Secretary

TOWN OF ADDISON
COMBINED SUMMARY OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE
ALL FUNDS SUBJECT TO APPROPRIATION
Amended 2007-08 Annual Budget With Comparisons to 2006-07 Budget

	General Fund	Special Revenue Funds		Debt Service Funds		Capital Project Funds			Proprietary Funds			TOTAL	
		Hotel	Combined Other	General	Occupancy Tax Revenue	Streets	Parks	Combined Bonds	Airport	Utility	Replacement	2007-08	2006-07
BEGINNING BALANCES	\$ 10,684,270	\$ 5,378,010	\$ 356,310	\$ 1,575,170	\$ 862,940	\$ 2,758,290	\$ 862,540	\$ 2,785,320	\$ 1,693,060	\$ 3,502,740	\$ 5,080,606	\$ 35,539,256	\$ 30,647,790
REVENUES:													
Ad valorem tax	10,071,690	-	-	4,627,410	-	-	-	-	-	-	-	14,699,100	14,037,100
Non-property taxes	11,699,300	5,200,000	-	-	-	-	-	-	-	-	-	16,899,300	15,821,320
Franchise fees	2,590,000	-	-	-	-	-	-	-	-	-	-	2,590,000	2,691,660
Licenses and permits	557,900	-	-	-	-	-	-	-	-	-	-	557,900	524,900
Intergovernmental	-	-	-	-	-	972,000	-	-	50,000	-	-	1,022,000	881,000
Service fees	1,266,850	1,456,000	-	-	-	-	-	-	870,000	8,463,000	1,155,860	13,211,710	13,753,110
Fines and penalties	1,143,000	-	45,000	-	-	-	-	-	-	55,000	-	1,243,000	993,000
Rental income	146,500	604,000	-	-	-	-	-	-	3,012,000	-	-	3,762,500	3,853,000
Interest & other income	610,000	250,000	52,000	75,000	45,000	100,000	-	28,492,000	175,000	6,378,000	295,000	36,472,000	1,199,200
TOTAL REVENUES	28,085,240	7,510,000	97,000	4,702,410	45,000	1,072,000	-	28,492,000	4,107,000	14,896,000	1,450,860	90,457,510	53,754,290
Transfers from other funds	-	-	-	-	700,000	-	-	-	-	-	-	700,000	706,710
TOTAL AVAILABLE RESOURCES	38,769,510	12,888,010	453,310	6,277,580	1,607,940	3,830,290	862,540	31,277,320	5,800,060	18,398,740	6,531,466	126,696,766	85,108,790
EXPENDITURES:													
General Government	6,987,170	-	22,990	-	-	-	-	-	-	-	45,000	7,055,160	6,175,380
Public Safety	14,661,050	-	70,000	-	-	-	-	-	-	-	382,000	15,113,050	14,383,430
Urban Development	937,680	-	-	-	-	-	-	-	-	-	56,000	993,680	783,720
Streets	2,129,910	-	-	-	-	-	-	-	-	-	25,000	2,154,910	1,689,200
Parks & Recreation	4,306,460	-	30,000	-	-	-	-	-	-	-	175,000	4,511,460	3,939,240
Tourism	-	6,903,990	-	-	-	-	-	-	-	-	-	6,903,990	6,050,050
Aviation	-	-	-	-	-	-	-	-	3,684,320	-	-	3,684,320	3,677,260
Utilities	-	-	-	-	-	-	-	-	-	6,658,480	-	6,658,480	6,981,680
Debt service	-	-	-	4,721,880	712,010	-	-	-	388,670	2,609,290	-	8,431,850	8,396,030
Capital projects	-	-	-	-	-	2,537,000	51,000	775,000	987,500	980,400	-	5,330,900	5,579,900
TOTAL EXPENDITURES	29,022,270	6,903,990	122,990	4,721,880	712,010	2,537,000	51,000	775,000	5,060,490	10,248,170	683,000	60,837,800	57,655,890
Transfers to other funds	-	700,000	-	-	-	-	-	-	-	-	-	700,000	706,710
ENDING FUND BALANCES	\$ 9,747,240	\$ 5,284,020	\$ 330,320	\$ 1,555,700	\$ 895,930	\$ 1,293,290	\$ 811,540	\$ 30,502,320	\$ 739,570	\$ 8,150,570	\$ 5,848,466	\$ 65,158,966	\$ 26,746,190

Total Revenues \$ 90,457,510
Decrease (increase) in fund balance (29,619,710)
Total Appropriable funds \$ 60,837,800

Total Appropriations \$ 60,837,800

TOWN OF ADDISON
GENERAL FUND
SCHEDULE OF REVENUES BY SOURCE
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
Ad valorem taxes:				
Current taxes	\$ 9,173,157	\$ 10,244,110	\$ (200,000)	\$ 10,044,110
Delinquent taxes	(91,991)	3,450	-	3,450
Penalty & interest	54,886	24,130	-	24,130
Non-property taxes:				
Sales tax	10,508,257	10,732,900	-	10,732,900
Alcoholic beverage tax	1,007,699	966,400	-	966,400
Franchise / right-of-way use fees:				
Electric franchise	1,599,517	1,600,000	-	1,600,000
Gas franchise	228,325	225,000	-	225,000
Telecommunication access fees	657,617	631,800	-	631,800
Cable franchise	113,717	110,700	-	110,700
Wireless network fees	9,445	15,000	-	15,000
Street rental fees	6,883	7,500	-	7,500
Licenses and permits:				
Business licenses and permits	169,967	146,800	-	146,800
Building and construction permits	573,234	411,100	-	411,100
Service fees:				
General government	1,152	600	-	600
Public safety	663,562	724,700	-	724,700
Urban development	5,685	4,600	-	4,600
Streets and sanitation	318,731	296,900	-	296,900
Recreation	85,149	58,400	-	58,400
Interfund	165,012	181,650	-	181,650
Court fines	1,181,508	1,143,000	-	1,143,000
Interest earnings	568,276	561,000	-	561,000
Rental income	147,363	146,500	-	146,500
Other	139,638	49,000	-	49,000
TOTAL REVENUES	\$ 27,286,789	\$ 28,285,240	\$ (200,000)	\$ 28,085,240

TOWN OF ADDISON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 8,175,180	\$ 10,394,270	\$ 290,000	\$ 10,684,270
REVENUES:				
Ad valorem taxes	9,136,052	10,271,690	(200,000)	10,071,690
Non-property taxes	11,515,956	11,699,300	-	11,699,300
Franchise fees	2,615,504	2,590,000	-	2,590,000
Licenses and permits	743,201	557,900	-	557,900
Service fees	1,229,291	1,266,850	-	1,266,850
Fines and penalties	1,181,508	1,143,000	-	1,143,000
Interest earnings	568,276	561,000	-	561,000
Rental income	147,363	146,500	-	146,500
Other	139,638	49,000	-	49,000
TOTAL REVENUES	<u>27,276,789</u>	<u>28,285,240</u>	<u>(200,000)</u>	<u>28,085,240</u>
TOTAL RESOURCES AVAILABLE	<u>35,451,969</u>	<u>38,679,510</u>	<u>90,000</u>	<u>38,769,510</u>
EXPENDITURES:				
General Government:				
City Manager	1,190,325	1,379,920	-	1,379,920
Financial and Strategic Services	873,890	1,032,450	-	1,032,450
General Services	766,139	931,620	28,000	959,620
Municipal Court	425,008	457,320	-	457,320
Human Resources	399,152	450,730	-	450,730
Information Technology	1,048,921	1,573,200	(160,000)	1,413,200
Combined Services	698,828	912,550	75,000	987,550
Council Projects	296,943	284,380	22,000	306,380
Public Safety:				
Police	6,601,016	7,435,230	-	7,435,230
Emergency Communications	956,932	1,057,820	-	1,057,820
Fire	5,701,089	6,138,000	30,000	6,168,000
Development Services	770,557	937,680	-	937,680
Streets	1,476,582	2,089,910	40,000	2,129,910
Parks and Recreation:				
Parks	2,297,895	2,637,690	-	2,637,690
Recreation	1,264,527	1,668,770	-	1,668,770
TOTAL EXPENDITURES	<u>24,767,804</u>	<u>28,987,270</u>	<u>35,000</u>	<u>29,022,270</u>
OTHER FINANCING SOURCES (USES):				
Transfer to parks capital project fund	-	-	-	-
Parking lot long-term lease	-	(1,500,000)	1,500,000	-
ENDING FUND BALANCE	<u>\$ 10,684,165</u>	<u>\$ 8,192,240</u>	<u>\$ 1,555,000</u>	<u>\$ 9,747,240</u>

TOWN OF ADDISON
HOTEL SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 4,639,050	\$ 5,278,010	\$ 100,000	\$ 5,378,010
REVENUES:				
Hotel/Motel occupancy taxes	5,203,080	5,400,000	(200,000)	5,200,000
Intergovernmental	-	-	-	-
Proceeds from special events	1,419,562	1,456,000	-	1,456,000
Conference centre rental	465,720	516,000	-	516,000
Theatre centre rental	63,480	88,000	-	88,000
Interest earnings and other	339,045	250,000	-	250,000
TOTAL REVENUES	7,490,887	7,710,000	(200,000)	7,510,000
TOTAL AVAILABLE RESOURCES	12,129,937	12,988,010	(100,000)	12,888,010
EXPENDITURES:				
Visitor services administration	801,919	1,103,260	25,000	1,128,260
Marketing	986,684	1,216,480	-	1,216,480
Special events	2,726,306	2,655,940	115,500	2,771,440
Conference centre	942,884	1,097,370	-	1,097,370
Performing arts	583,124	690,440	-	690,440
Capital projects	-	500,000	(500,000)	-
TOTAL EXPENDITURES	6,040,917	7,263,490	(359,500)	6,903,990
OTHER FINANCING SOURCES (USES):				
Transfer to debt service fund	(706,710)	(700,000)	-	(700,000)
ENDING FUND BALANCE	\$ 5,382,310	\$ 5,024,520	\$ 259,500	\$ 5,284,020

TOWN OF ADDISON
PUBLIC SAFETY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 101,923	\$ 89,420	\$ -	\$ 89,420
REVENUES:				
Court awards	5,360	3,000	-	3,000
Interest earnings and other	6,071	4,500	-	4,500
TOTAL REVENUES	<u>11,431</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>
TOTAL AVAILABLE RESOURCES	<u>113,354</u>	<u>96,920</u>	<u>-</u>	<u>96,920</u>
EXPENDITURES:				
Supplies	30,807	5,000	-	5,000
Contractual services	7,712	15,000	-	15,000
Capital Equipment	-	50,000	-	50,000
TOTAL EXPENDITURES	<u>38,519</u>	<u>70,000</u>	<u>-</u>	<u>70,000</u>
ENDING BALANCE	<u>\$ 74,835</u>	<u>\$ 26,920</u>	<u>\$ -</u>	<u>\$ 26,920</u>

TOWN OF ADDISON
MUNICIPAL COURT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 106,552	\$ 145,560	\$ -	\$ 145,560
REVENUES:				
Court security fees	22,768	20,000	-	20,000
Court technology fees	30,237	25,000	-	25,000
Interest earnings and other	17,946	10,000	-	10,000
TOTAL REVENUES	<u>70,951</u>	<u>55,000</u>	<u>-</u>	<u>55,000</u>
TOTAL AVAILABLE RESOURCES	<u>177,503</u>	<u>200,560</u>	<u>-</u>	<u>200,560</u>
EXPENDITURES:				
Personal services	8,990	8,990	-	8,990
Supplies	-	4,000	-	4,000
Maintenance	2,150	-	-	-
Contractual Services	1,859	2,000	-	2,000
Capital outlay	8,363	8,000	-	8,000
TOTAL EXPENDITURES	<u>21,362</u>	<u>22,990</u>	<u>-</u>	<u>22,990</u>
ENDING BALANCE	<u>\$ 156,141</u>	<u>\$ 177,570</u>	<u>\$ -</u>	<u>\$ 177,570</u>

TOWN OF ADDISON
ARBOR SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 84,835	\$ 121,330	\$ -	\$ 121,330
REVENUES:				
Recycling proceeds	32,703	25,000	-	25,000
Contributions	14,814	6,000	-	6,000
Interest earnings and other	5,212	3,500	-	3,500
TOTAL REVENUES	<u>52,729</u>	<u>34,500</u>	<u>-</u>	<u>34,500</u>
TOTAL AVAILABLE RESOURCES	<u>137,564</u>	<u>155,830</u>	<u>-</u>	<u>155,830</u>
EXPENDITURES:				
Maintenance and materials	6,609	30,000	-	30,000
Contractual services	-	-	-	-
TOTAL EXPENDITURES	<u>6,609</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
ENDING BALANCE	<u>\$ 130,955</u>	<u>\$ 125,830</u>	<u>\$ -</u>	<u>\$ 125,830</u>

GENERAL OBLIGATION DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 1,649,428	\$ 1,575,170	\$ -	\$ 1,575,170
REVENUES:				
Ad valorem taxes	4,493,744	4,627,410	-	4,627,410
Interest earnings and other	126,716	75,000	-	75,000
TOTAL REVENUES	<u>4,620,460</u>	<u>4,702,410</u>	<u>-</u>	<u>4,702,410</u>
TOTAL AVAILABLE RESOURCES	<u>6,269,888</u>	<u>6,277,580</u>	<u>-</u>	<u>6,277,580</u>
EXPENDITURES:				
Debt Service - Principal	3,255,000	3,419,770	-	3,419,770
Debt Service - Interest	1,396,637	1,292,110	-	1,292,110
Fiscal fees	5,098	10,000	-	10,000
TOTAL EXPENDITURES	<u>4,656,735</u>	<u>4,721,880</u>	<u>-</u>	<u>4,721,880</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
TOTAL OTHER FINANCING (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING BALANCE	<u>\$ 1,613,153</u>	<u>\$ 1,555,700</u>	<u>\$ -</u>	<u>\$ 1,555,700</u>

TOWN OF ADDISON
OCCUPANCY TAX DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 810,936	\$ 862,940	\$ -	\$ 862,940
REVENUES:				
Interest earnings	53,397	45,000	-	45,000
TOTAL REVENUES	<u>53,397</u>	<u>45,000</u>	<u>-</u>	<u>45,000</u>
TOTAL AVAILABLE RESOURCES	<u>864,333</u>	<u>907,940</u>	<u>-</u>	<u>907,940</u>
EXPENDITURES:				
Debt Service - Principal	480,000	500,000	-	500,000
Debt Service - Interest	226,712	212,010	-	212,010
Fiscal fees	-	-	-	-
TOTAL EXPENDITURES	<u>706,712</u>	<u>712,010</u>	<u>-</u>	<u>712,010</u>
OTHER FINANCING SOURCES (USES):				
Transfer from Hotel fund	706,710	700,000	-	700,000
TOTAL OTHER FINANCING (USES)	<u>706,710</u>	<u>700,000</u>	<u>-</u>	<u>700,000</u>
ENDING BALANCE	<u><u>\$ 864,331</u></u>	<u><u>\$ 895,930</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 895,930</u></u>

TOWN OF ADDISON
STREET CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 3,989,289	\$ 2,758,290	\$ -	\$ 2,758,290
REVENUES:				
Intergovernmental grants	185,297	972,000	-	972,000
Interest earnings and other	211,936	100,000	-	100,000
TOTAL REVENUES	<u>397,233</u>	<u>1,072,000</u>	<u>-</u>	<u>1,072,000</u>
 TOTAL AVAILABLE RESOURCES	 <u>4,386,522</u>	 <u>3,830,290</u>	 <u>-</u>	 <u>3,830,290</u>
EXPENDITURES:				
Personal services	27,304	8,000	-	8,000
Engineering and contractual services	33,926	15,000	-	15,000
Construction and equipment	891,704	2,514,000	-	2,514,000
TOTAL EXPENDITURES	<u>952,934</u>	<u>2,537,000</u>	<u>-</u>	<u>2,537,000</u>
ENDING BALANCE	<u>\$ 3,433,588</u>	<u>\$ 1,293,290</u>	<u>\$ -</u>	<u>\$ 1,293,290</u>

TOWN OF ADDISON
PARKS CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 640,293	\$ 862,540	\$ -	\$ 862,540
REVENUES:				
Interest earnings and other	40,682	-	-	-
Developer contributions	184,247	-	-	-
TOTAL REVENUES	<u>224,929</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL AVAILABLE RESOURCES	<u>865,222</u>	<u>862,540</u>	<u>-</u>	<u>862,540</u>
EXPENDITURES:				
Administration:				
Personal services	-	1,000	-	1,000
Engineering, and contractual services	-	50,000	-	50,000
Construction and equipment	(26,613)	-	-	-
TOTAL EXPENDITURES	<u>(26,613)</u>	<u>51,000</u>	<u>-</u>	<u>51,000</u>
OTHER FINANCING SOURCES (USES):				
Transfer from General fund	-	-	-	-
Transfer from street capital project fund	-	-	-	-
TOTAL OTHER FINANCING (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING BALANCE	<u>\$ 891,835</u>	<u>\$ 811,540</u>	<u>\$ -</u>	<u>\$ 811,540</u>

TOWN OF ADDISON
2002 CAPITAL PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 2,148,181	\$ 2,052,130	\$ -	\$ 2,052,130
REVENUES:				
Intergovernmental grants	-	-	-	-
Interest earnings and other	108,578	60,000	-	60,000
TOTAL REVENUES	<u>108,578</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>
TOTAL AVAILABLE RESOURCES	<u>2,256,759</u>	<u>2,112,130</u>	<u>-</u>	<u>2,112,130</u>
EXPENDITURES:				
Personal services	25,000	25,000	-	25,000
Engineering and contractual services	83,050	430,000	-	430,000
Construction and equipment	96,900	-	-	-
TOTAL EXPENDITURES	<u>204,950</u>	<u>455,000</u>	<u>-</u>	<u>455,000</u>
ENDING FUND BALANCE	<u>\$ 2,051,809</u>	<u>\$ 1,657,130</u>	<u>\$ -</u>	<u>\$ 1,657,130</u>

TOWN OF ADDISON
2004 CAPITAL PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 396,767	\$ 408,290	\$ -	\$ 408,290
REVENUES:				
Intergovernmental grants	-	-		-
Interest earnings and other	98,291	20,000	-	20,000
TOTAL REVENUES	<u>98,291</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
TOTAL AVAILABLE RESOURCES	<u>495,058</u>	<u>428,290</u>	<u>-</u>	<u>428,290</u>
EXPENDITURES:				
Personal services	-	-	-	-
Engineering and contractual services	-	70,000	-	70,000
Construction and equipment	86,332	-	-	-
TOTAL EXPENDITURES	<u>86,332</u>	<u>70,000</u>	<u>-</u>	<u>70,000</u>
ENDING FUND BALANCE	<u>\$ 408,726</u>	<u>\$ 358,290</u>	<u>\$ -</u>	<u>\$ 358,290</u>

TOWN OF ADDISON
2006 CAPITAL PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ 378,897	\$ 324,900	\$ -	\$ 324,900
REVENUES:				
Interest earnings and other	18,452	15,000	-	15,000
TOTAL REVENUES	<u>18,452</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
TOTAL AVAILABLE RESOURCES	<u>397,349</u>	<u>339,900</u>	<u>-</u>	<u>339,900</u>
EXPENDITURES:				
Personal services	-	-	-	-
Engineering and contractual services	6,719	-	-	-
Construction and equipment	61,956	-	-	-
TOTAL EXPENDITURES	<u>68,675</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	-	-	-
TOTAL OTHER FINANCING (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 328,674</u>	<u>\$ 339,900</u>	<u>\$ -</u>	<u>\$ 339,900</u>

TOWN OF ADDISON
2008 CAPITAL PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
BEGINNING BALANCE	\$ -	\$ -	\$ -	\$ -
REVENUES:				
Interest earnings and other	-	-	175,000	175,000
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>175,000</u>	<u>175,000</u>
TOTAL AVAILABLE RESOURCES	<u>-</u>	<u>-</u>	<u>175,000</u>	<u>175,000</u>
EXPENDITURES:				
Personal services	-	-	-	-
Engineering and contractual services	-	-	250,000	250,000
Construction and equipment	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	-	28,222,000	28,222,000
TOTAL OTHER FINANCING (USES)	<u>-</u>	<u>-</u>	<u>28,222,000</u>	<u>28,222,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,147,000</u>	<u>\$ 28,147,000</u>

TOWN OF ADDISON
AIRPORT ENTERPRISE FUND
STATEMENT OF INCOME AND CHANGES IN WORKING CAPITAL
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
INCOME STATEMENT				
Operating revenues:				
Operating grants	-	\$ 50,000	\$ -	\$ 50,000
Fuel flowage fees	910,186	975,000	(140,000)	835,000
Rental	3,242,816	3,012,000	-	3,012,000
User fees	50,813	35,000	-	35,000
Total operating revenues	<u>4,203,815</u>	<u>4,072,000</u>	<u>(140,000)</u>	<u>3,932,000</u>
Operating expenses:				
Town - Personal services	258,772	283,610	-	283,610
Town - Supplies	16,560	23,800	-	23,800
Town - Maintenance	123,817	26,970	150,000	176,970
Town - Contractual services	622,403	526,620	140,000	666,620
Grant - Maintenance	-	100,000	-	100,000
Operator - Operations & Maintenance	1,585,502	1,488,720	-	1,488,720
Operator - Service Contract	931,872	944,600	-	944,600
Total operating expenses	<u>3,538,926</u>	<u>3,394,320</u>	<u>290,000</u>	<u>3,684,320</u>
Net operating income	<u>664,889</u>	<u>677,680</u>	<u>(430,000)</u>	<u>247,680</u>
Non-Operating revenues (expenses):				
Interest earnings and other	159,745	175,000	-	175,000
Interest on debt, fiscal fees, & other	(168,238)	(153,670)	-	(153,670)
Net non-operating revenues (expenses)	<u>(8,493)</u>	<u>21,330</u>	<u>-</u>	<u>21,330</u>
Net income (excluding depreciation)	<u>\$ 656,396</u>	<u>\$ 699,010</u>	<u>\$ (430,000)</u>	<u>\$ 269,010</u>
CHANGES IN WORKING CAPITAL				
Net income (excluding depreciation)	<u>\$ 656,396</u>	<u>\$ 699,010</u>	<u>\$ (430,000)</u>	<u>\$ 269,010</u>
Sources (uses) of working capital:				
Retirement of long-term debt	(225,000)	(235,000)	-	(235,000)
Net additions to fixed assets with grants	-	(200,000)	-	(200,000)
Other net additions to fixed assets	(719,400)	(787,500)	-	(787,500)
Net sources (uses) of working capital	<u>(944,400)</u>	<u>(1,222,500)</u>	<u>-</u>	<u>(1,222,500)</u>
Net increase (decrease) in working capital	(288,004)	(523,490)	(430,000)	(953,490)
Beginning fund balance	<u>1,981,507</u>	<u>1,346,060</u>	<u>347,000</u>	<u>1,693,060</u>
Ending fund balance	<u>\$ 1,693,503</u>	<u>\$ 822,570</u>	<u>\$ (83,000)</u>	<u>\$ 739,570</u>

TOWN OF ADDISON
UTILITY ENTERPRISE FUND
STATEMENT OF INCOME AND CHANGES IN WORKING CAPITAL
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
INCOME STATEMENT				
Operating revenues:				
Water sales	\$ 4,249,522	\$ 4,696,700	\$ (510,700)	\$ 4,186,000
Sewer charges	4,658,814	4,555,800	(283,800)	4,272,000
Tap fees	8,900	5,000	-	5,000
Penalties	133,522	55,000	-	55,000
Total operating revenues	<u>9,050,758</u>	<u>9,312,500</u>	<u>(794,500)</u>	<u>8,518,000</u>
Operating expenses:				
Water purchases	2,467,321	2,594,200	(209,700)	2,384,500
Wastewater treatment	2,168,904	2,148,300	(113,500)	2,034,800
Utility operations	2,121,025	2,239,180	-	2,239,180
Total operating expenses	<u>6,757,250</u>	<u>6,981,680</u>	<u>(323,200)</u>	<u>6,658,480</u>
Net operating income	<u>2,293,508</u>	<u>2,330,820</u>	<u>(471,300)</u>	<u>1,859,520</u>
Non-Operating revenues (expenses):				
Interest earnings and other	285,309	100,000	-	100,000
Interest on debt, fiscal fees, & other	(669,395)	(579,060)	-	(579,060)
Net non-operating revenues (expenses)	<u>(384,086)</u>	<u>(479,060)</u>	<u>-</u>	<u>(479,060)</u>
Net income (excluding depreciation)	<u>\$ 1,909,422</u>	<u>\$ 1,851,760</u>	<u>\$ (471,300)</u>	<u>\$ 1,380,460</u>
CHANGES IN WORKING CAPITAL				
Net income (excluding depreciation)	<u>\$ 1,909,422</u>	<u>\$ 1,851,760</u>	<u>\$ (471,300)</u>	<u>\$ 1,380,460</u>
Sources (uses) of working capital:				
Retirement of long-term debt	(1,997,373)	(2,030,230)	-	(2,030,230)
Proceeds from sale of certificates of obligation	-	-	6,278,000	6,278,000
Net additions to fixed assets	-	(980,400)	-	(980,400)
Net increase in other	(198,315)	-	-	-
Net sources (uses) of working capital	<u>(2,195,688)</u>	<u>(3,010,630)</u>	<u>6,278,000</u>	<u>3,267,370</u>
Net increase (decrease) in working capital	(286,266)	(1,158,870)	5,806,700	4,647,830
Beginning fund balance	<u>3,789,027</u>	<u>2,411,440</u>	<u>1,091,300</u>	<u>3,502,740</u>
Ending fund balance	<u>\$ 3,502,761</u>	<u>\$ 1,252,570</u>	<u>\$ 6,898,000</u>	<u>\$ 8,150,570</u>

TOWN OF ADDISON
INFORMATION TECHNOLOGY INTERNAL SERVICE FUND
STATEMENT OF INCOME AND CHANGES IN WORKING CAPITAL
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
INCOME STATEMENT				
Operating revenues:				
Department contributions:	\$ 419,520	\$ 435,070	\$ -	\$ 435,070
Total operating revenues	<u>419,520</u>	<u>435,070</u>	<u>-</u>	<u>435,070</u>
Operating expenses:				
Maintenance	148,179	-	-	
Contractual services	1,044	2,500	-	2,500
Total operating expenses	<u>149,223</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Net operating income	<u>270,297</u>	<u>432,570</u>	<u>-</u>	<u>432,570</u>
Non-operating Revenues:				
Interest earnings and other	124,121	100,000	-	100,000
Net non-operating revenues	<u>124,121</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Net income (exlcuding depreciation)	<u>\$ 394,418</u>	<u>\$ 532,570</u>	<u>\$ -</u>	<u>\$ 532,570</u>
CHANGES IN WORKING CAPITAL				
Net income (exlcuding depreciation)	\$ 394,418	\$ 532,570	\$ -	\$ 532,570
Sources (uses) of working capital:				
Capital hardware/software:				
General government	(23,305)	-	-	-
Public safety	(151,949)	(100,000)	-	(100,000)
Net sources (uses) of working capital	<u>(175,254)</u>	<u>(100,000)</u>	<u>-</u>	<u>(100,000)</u>
Net increase (decrease) in working capital	219,164	432,570	-	432,570
Beginning fund balance	2,131,464	2,283,480	-	2,283,480
Ending fund Balance	<u>\$ 2,350,628</u>	<u>\$ 2,716,050</u>	<u>\$ -</u>	<u>\$ 2,716,050</u>

TOWN OF ADDISON
CAPITAL REPLACEMENT INTERNAL SERVICE FUND
STATEMENT OF INCOME AND CHANGES IN WORKING CAPITAL
Amended 2007-08 Budget

	Actual 2006-07	Budget 2007-08	Amendments	Amended Budget 2007-08
INCOME STATEMENT				
Operating revenues:				
Department contributions	\$ 667,816	\$ 720,790	\$ -	\$ 720,790
Total operating revenues	<u>667,816</u>	<u>720,790</u>	<u>-</u>	<u>720,790</u>
Operating expenses:				
Other	1,044	2,500	-	2,500
Total operating expenses	<u>1,044</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Net operating income	<u>666,772</u>	<u>718,290</u>	<u>-</u>	<u>718,290</u>
Non-Operating revenues:				
Interest earnings and other	156,087	120,000	-	120,000
Proceeds from sale of assets	-	75,000	-	75,000
Net non-operating revenues	<u>156,087</u>	<u>195,000</u>	<u>-</u>	<u>195,000</u>
Net Income (Excluding depreciation)	<u>\$ 822,859</u>	<u>\$ 913,290</u>	<u>\$ -</u>	<u>\$ 913,290</u>
CHANGES IN WORKING CAPITAL				
Net income (excluding depreciation)	<u>\$ 822,859</u>	<u>\$ 913,290</u>	<u>\$ -</u>	<u>\$ 913,290</u>
Sources (uses) of working capital:				
Acquisition of capital equipment:				
General government	(207,613)	(40,000)	-	(40,000)
Development Services	-	(56,000)	-	(56,000)
Public safety	(465,344)	(282,000)	-	(282,000)
Streets	-	(25,000)	-	(25,000)
Parks and recreation	<u>(72,137)</u>	<u>(175,000)</u>	<u>-</u>	<u>(175,000)</u>
Net source (use) of working capital	<u>(745,094)</u>	<u>(578,000)</u>	<u>-</u>	<u>(578,000)</u>
Net increase (decrease) in working capital	77,765	335,290	-	335,290
Beginning fund balance	2,902,606	2,797,126	-	2,797,126
Ending fund balance	<u>\$ 2,980,371</u>	<u>\$ 3,132,416</u>	<u>\$ -</u>	<u>\$ 3,132,416</u>

TOWN OF ADDISON
DETAIL OF RECOMMENDED FY 07-08 JULY BUDGET AMENDMENTS

Fund / Category	Revenues and Other Funding Sources/Uses	Expenditures							Total Department
		Personal Services	Supplies	Maintenance	Contractual Services	Debt Service /Lease	Capital Outlay		
General Fund / Revenues & Other Funding									
Reduction in current year property tax collections	\$ (200,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (200,000)
Removal of planned parking garage lease	\$ 1,500,000								1,500,000
Net General Fund Revenues & Other	\$ 1,300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,300,000
General Fund / Financial & Strategic Services									
Savings associated with vacant positions	\$ -	\$ (40,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (40,000)
Replacing asst. finance director with chief financial officer		10,000							10,000
Executive search firm professional services					30,000				30,000
Total Financial & Strategic Services	\$ -	\$ (30,000)	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -
General Fund / General Services									
Burying of overhead electric cable	\$ -	\$ -	\$ -	\$ -	\$ 28,000	\$ -	\$ -	\$ -	\$ 28,000
Total General Services	\$ -	\$ -	\$ -	\$ -	\$ 28,000	\$ -	\$ -	\$ -	\$ 28,000
General Fund / Information Technology									
Deferral of document management project to FY09	\$ -	\$ -	\$ -	\$ (100,000)	\$ -	\$ -	\$ -	\$ -	\$ (100,000)
Deferral of community management project to FY09				\$ (60,000)					\$ (60,000)
Total Information Technology	\$ -	\$ -	\$ -	\$ (160,000)	\$ -	\$ -	\$ -	\$ -	\$ (160,000)
General Fund / Combined Services									
Legal fees	\$ -	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
Total Combined Services	\$ -	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
General Fund / Council Projects									
Supplies related to town meetings and citizen mailings	\$ -	\$ -	\$ 16,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,000
Additional food supplies for meetings			6,000						
Total Council Projects	\$ -	\$ -	\$ 22,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,000
General Fund / Fire									
Repair of engine 103	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Total Fire	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000
General Fund / Streets									
Funding of first phase of drainage study	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000
Total Streets	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000
Hotel Fund / Revenues & Other Funding									
Decrease in anticipated hotel occupancy tax	\$ (200,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (200,000)
Removal of planned parking garage lease	\$ 500,000								500,000
Total Hotel Fund Revenues	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000

**TOWN OF ADDISON
DETAIL OF RECOMMENDED FY 07-08 JULY BUDGET AMENDMENTS**

Fund / Category	Revenues and Other Funding Sources/Uses	Expenditures							Total Department
		Personal Services	Supplies	Maintenance	Contractual Services	Debt Service /Lease	Capital Outlay		
Hotel Fund / Visitor Services									
Stainback hotel support analysis	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Total Visitor Services	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Hotel Fund / Special Events									
Overtime for special events	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Additional electric service cost for Oktoberfest					30,000				30,000
Additional services related to Kaboom Town					20,000				20,000
Wireless mesh network for Addison Circle Park							42,000		42,000
Share of service center copier							3,500		3,500
Total Special Events	\$ -	\$ 20,000	\$ -	\$ -	\$ 50,000	\$ -	\$ 45,500	\$ -	\$ 115,500
2008 Capital Project Fund / Revenues									
Proceeds from sale of certificates of obligation	\$ 28,222,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,222,000
Interest income	\$ 175,000								\$ 175,000
Total 2008 Capital Project Fund	\$ 28,397,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,397,000
2008 Capital Project Fund / Expenditures									
Professional services	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
Total 2008 Capital Project Fund	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
Airport Fund									
Reduction in fuel flowage fee revenue	\$ (140,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (140,000)
Funding of MSF paving improvements					\$ 150,000				\$ 150,000
Unanticipated litigation expenses					140,000				140,000
Total Airport Fund	\$ (140,000)	\$ -	\$ -	\$ -	\$ 290,000	\$ -	\$ -	\$ -	\$ 150,000
Utility Fund									
Reduction in water sale revenue	\$ (510,700)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (510,700)
Reduction in sewer charges	(283,800)								(283,800)
Reduction in water purchases					(209,700)				(209,700)
Reduction in wastewater treatment expense					(113,500)				(113,500)
Proceeds from sale of certificates of obligation	6,278,000								6,278,000
Total Utility Fund	\$ 5,483,500	\$ -	\$ -	\$ -	\$ (323,200)	\$ -	\$ -	\$ -	\$ 5,160,300

Council Agenda Item: #R16

SUMMARY:

Council approval is requested of a resolution that suspends the June 27, 2008 rate filing of Oncor Electric Company (Oncor).

FINANCIAL IMPACT:

There is no direct financial impact associated with this item. The company will reimburse the Steering Committee of Cities for all reasonable costs associated with the Committee's evaluation of the rate filing.

BACKGROUND:

Oncor filed an application on June 27, 2008 with cities retaining original jurisdiction seeking to increase system-wide *transmission and distribution* rates by \$275 million. The Company is asking the Town to approve a 17.6% increase in residential rates, a 9.1% increases in commercial rates, and a 5.8% increase in street lighting rates. According to Oncor, annual rates would increase by approximately \$60 for an average residential customer.

The resolution suspends the August 8, 2008 effective date of the Company's rate increase for the maximum period permitted by law to allow the Town, working in conjunction with the Steering Committee of Cities Served by Oncor, to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue. The law provides that a rate request made by an electric utility cannot become effective until at least 35 days following the filing of the application to change rates. The law permits the City to suspend the rate change for 90 days after the date the rate change would otherwise be effective.

Oncor's recent filing is the result of a rate investigation started by the Steering Committee in 2004. That year, 20 members of the Steering Committee (including Addison) exercised their original jurisdiction to investigate the transmission and distribution rates charged by TXU. The Steering Committee negotiated a comprehensive settlement in 2005 that called for the Company to work with cities on certain items of concern to cities including municipal and street lighting rates, maintenance, undergrounding and relocation of TXU facilities, and to make cash payments to the Steering Committee for distribution to all members. In 2006, the Steering Committee voted to approve an agreement that extends the benefits of the earlier settlement and increases value to Cities. The settlement terms called for the Company to file a rate case in 2008. The total benefits of the Steering Committee settlement agreement are worth approximately \$85 million for the period 2005 – 2009. The Town's share of this settlement was approximately \$95,000.

RECOMMENDATION:

The Town has been very successful contesting rates through the Steering Committee of Cities, both for electric and natural gas utilities. It is recommended Council approve the resolution.

Council Agenda Item **#ES1**

There are no attachments for this Item.

Council Agenda Item **#ES2**

There are no attachments for this Item.

**TOWN OF ADDISON, TEXAS
RESOLUTION NO. _____**

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS DETERMINING THE NECESSITY OF ACQUIRING THE HEREINAFTER DESCRIBED REAL PROPERTY OWNED BY CRIMSON TIDE MANAGEMENT; AUTHORIZING THE CITY ATTORNEY, TO OBTAIN THROUGH JUDICIAL INTERVENTION PRE-CONDEMNATION ACCESS, IF NECESSARY TO THE SUBJECT PROPERTY FOR PURPOSES OF ALLOWING A DULY QUALIFIED APPRAISER TO INSPECT AND MAKE AN EVALUATION OF THE IMPROVEMENTS ON THE SUBJECT PROPERTY SO SUCH APPRAISER CAN COME TO A INFORMED DETERMINATION AS TO WHAT IS FAIR, JUST AND APPROPRIATE COMPENSATION IN THE APPRAISAL OF THE SUBJECT PROPERTY; AND AUTHORIZING ITS CONDEMNATION AND/OR APPROPRIATION FOR PUBLIC USE FOR STREET CONSTRUCTION, AND IMPROVEMENT IN THE TOWN OF ADDISON, TEXAS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Attorney, by direction of the City Council and the City Manager has been directed to institute a condemnation action for the acquisition of approximately 0.6319 acres of land for the mapping out, construction, paving, improving, maintaining and operating of a public road for the public's use for transportation at a location known as the southwest corner of Spring valley and Brookhaven Club Drive, the address of said land is 4087 Brookhaven Club Drive, an addition to the Town of Addison, which land is more fully described in said condemnation suit and to be used for the purpose of making improvements to Brookhaven Club Drive.

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

Section 1. For the purposes of this Resolution, the following definitions shall apply:

- "Offer Amount": To be determined by an appraisal of a duly qualified independent fee appraiser.
- "Landowner": Crimson Tide Management.
- "Project": Widening, construction, and improvement of Brookhaven Club Drive, Addison, Texas.
- "Property": The area described in Exhibit A attached hereto and made a part hereof for all purposes.
- "Property Interest": Fee simple title in and to the Property.

Section 2. It is hereby determined that public convenience and necessity requires that the Town of Addison, Texas ("Town") should acquire the Property Interest in and to the Property necessary for the Project.

Section 3. The Property is hereby determined to be necessary for the Project. For the purpose of acquiring the Property Interest in and fee simple title to the subject Property, the City Manager, or such employee as the City Manager may designate, is hereby authorized and directed to make to the Landowner an official amount, such offer shall provide to the Landowner full compensation and damages allowable by law.

Section 4. The Town of Addison determines to appropriate the Property for the Project under the laws of the State of Texas and the provisions of the Charter of the Town of Addison.

Section 5. To the extent necessary, the City Attorney, is authorized to obtain from the Landowners, their representatives, the right to inspect the subject property; in the event, that pre-condemnation access is denied, the City Attorney, is authorized to file suit and obtain pre-condemnation access to the subject property so as to allow for the inspection of the improvements on the subject property by a duly qualified appraiser; such appraiser thereafter within forty five (45) days of such inspection to return an appraisal of fair compensation to the City Attorney and to the Landowners, and/or to their duly authorized agents or representatives, such appraisal to determine and establish the amount of the Town of Addison's Official Offer to purchase the subject property from the Landowner.

Section 6: Prior to entering into negotiations with the Landowners, and prior to extending an official offer from the Town of Addison, it is understood ordered and directed by the Town of Addison's City Council that the Landowners be provided by first class mail the Landowners' Bill of Rights as provided by section 21.0112, Texas Property Code and 402.031 Government Code.

Section 7. In the event the Landowner accepts the Offer Amount as authorized herein, the City Manager be and is hereby authorized to draw a check in favor of the Landowner named above, or the current Landowners of record, in the Offer Amount.

Section 8. The Town is to have possession of the Property on closing; and the Town will pay any title expenses and closing costs; and the Town will pay court costs as may be assessed by the Special Commissioners or the court.

Section 9. Should the employee designated to make the official offer report to the City Attorney that the Landowner has refused to accept the Offer Amount as compensation for the hereinabove described taking from the Landowner under the laws of eminent domain, which amount the City Council deems to be the fair cash market value and all just compensation, in compliance with the laws of the State of Texas, this will be evidence that the Town of Addison cannot agree with the Landowner as to the damages legally allowable by law. In such case, the City Attorney is authorized and directed to file the necessary suit and take the necessary action

for the prompt acquisition of the Property and the Property Interest in condemnation or in any manner provided by law.

Section 10. In the event the Special Commissioners in Condemnation appointed by the court return an award that is the same amount or less than the Offer Amount, the City Manager is hereby authorized to issue a check not to exceed the amount of the Commissioners' award made payable to the County Clerk of Dallas County to be deposited into the registry of the court to enable the Town to take possession of the Property without further action of the City Council.

Section 11. In the event it is subsequently determined that additional persons other than those named herein have an interest in the Property, then the City Attorney is authorized and directed to join said persons as defendants in said condemnation suit.

Section 12. That this Resolution shall take effect immediately from and after its passage as provided by and in accordance with law.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this _____ day of _____, 2008.

Joe Chow, Mayor
Town of Addison, Texas

ATTEST:

By: _____
Mario Canizares, City Secretary
Town of Addison, Texas

APPROVED AS TO FORM:

By: _____
John M. Hill, City Attorney
Town of Addison, Texas

EXHIBIT A

[LEGAL DESCRIPTION OF THE PROPERTY]

Town of Addison, Texas

Resolution No. _____

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