



**REGULAR MEETING & WORK SESSION
OF THE CITY COUNCIL**

September 8, 2020

ADDISON TREEHOUSE

14681 MIDWAY RD., ADDISON, TX 75001

6:30 PM WORK SESSION

7:30 PM REGULAR MEETING

Notice is hereby given that the Addison City Council will conduct its REGULARLY SCHEDULED MEETING on Tuesday, September 8, 2020 at the Addison TreeHouse with a quorum of the City Council physically present. Limited seating for members of the public will be available using CDC recommended social distancing measures. The Town will utilize telephone or videoconference public meetings to facilitate public participation to mitigate the spread of COVID-19 by avoiding meetings that bring people into a group setting. Telephonic or videoconferencing capabilities will be utilized to allow individuals to address the Council. Email comments may also be submitted to: iparker@addisontx.gov by 3:00 pm the day of the meeting. Members of the public are entitled to participate remotely via Toll-Free Dial-in Number: 877.853.5247; Meeting ID: 409.327.0683 Participant ID: #. For more detailed instructions on how to participate in this meeting visit our Agenda Page. The meeting will be live streamed on Addison's website at: www.addisontexas.net.

Call Meeting to Order

Pledge of Allegiance

WORK SESSION

1. Present and Discuss Naming of the Future Parks located at the Addison Grove Development.
2. Present and Discuss an Update on the Restructuring of the Management, Operation, and Real Estate Services at Addison Airport.
3. Present and Discuss the Format for the Town Meeting on October 26, 2020.

REGULAR MEETING

Announcements and Acknowledgments Regarding Town and Council Events and Activities

Discussion of Meetings / Events

Public Comment

The City Council invites citizens to address the City Council on any matter, including items on the agenda, except public hearings that are included on the agenda. Comments related to public hearings will be heard when the specific hearing starts. Citizen comments are limited to three (3) minutes, unless otherwise required by law. To address the Council, please fill out a City Council Appearance Card and submit it to a staff member prior to the Public Comment item on the agenda. The Council is not permitted to take any action or discuss any item not listed on the agenda. The Council may choose to place the item on a future agenda.

Consent Agenda

All items listed under the Consent Agenda are considered routine by the City Council and will be enacted by one motion with no individual consideration. If individual consideration of an item is requested, it will be pulled from the Consent Agenda and discussed separately.

4. Consider Action to Approve the Minutes from the August 25, 2020 Regular Meeting.
5. Consider Action on a Resolution to Approve the North Dallas County Water Supply Corporation Operating Fund Budget for the Fiscal Year Beginning October 1, 2020 and Ending September 30, 2021.
6. Consider Action on a Resolution to Approve an Interlocal Agreement with Dallas Area Rapid Transit (DART) for Enhancements of Areas Along the Cotton Belt/Silver Line Alignment and Authorize the City Manager to Execute the Agreement in an Amount Not to Exceed \$43,660.16.
7. Consider Action on a Resolution to Approve the Third Amendment to the Concourse Plaza II LTD., Ground Lease for the Property Located at 16051 Addison Road at Addison Airport, and Authorize the City Manager to Execute the Agreement.
8. Consider Action on a Resolution Approving the Sale of 0.4332 Acres of Surplus Right-of-Way at the Southeast Corner of the Intersection of Vitruvian Way and Spring Valley Road, and Authorizing the City Manager to Execute the Special Warranty Deed.
9. Consider Action on a Resolution Authorizing the Sale of 0.1470 Acres of Surplus Right-of-Way at the Southwest Corner of the Intersection of Vitruvian Way and Spring Valley Road, and Authorizing the City Manager to Execute the Deed.
10. Consider Action on a Resolution to Approve an Interlocal Agreement with the Trinity River Authority for the Monitoring of Wastewater for Certain Industrial Uses and Authorize the City Manager to Execute the Agreement in an Amount Not to Exceed \$9,500.

Regular Items

11. Hold a Public Hearing, Present, Discuss, and Consider Action on an Ordinance to Levy Taxes for the Town of Addison, Texas, and to Fix and Adopt the Tax Rate of \$0.608676 for the Town on All Taxable Property for the Fiscal Year Beginning October 1, 2020 and Ending September 30, 2021.

12. Hold a Public Hearing, Present, Discuss, and Consider Action on an Ordinance of the Town of Addison, Texas Approving and Adopting the Annual Budget for the Fiscal year Beginning October 1, 2020 and Ending September 30, 2021, and Making Appropriations for Each Office, Department, Agency and Project of the Town, Providing That Expenditures for Said Fiscal Year Shall Be made in Accordance with the Adopted Budget, Unless Otherwise Authorized by an Ordinance Adopted By the City Council; Providing for Emergency Expenditures and Expenditures as Otherwise Allowed By Law.
13. Hold a Public Hearing, Present, Discuss, and Consider Action on an Ordinance Changing the Zoning on a 4.40-acre Property Located at 3990 Vitruvian Way, Which Property is Currently Zoned PD, Planned Development, Through Ordinance O07-034, as Previously Amended by Ordinances O13-026, O16-017, and O19-06, by Changing the Density of the Residential Development. Case 1817-Z/UDR Fiori.
14. Present, Discuss, and Consider Action on an Ordinance Granting a Meritorious Exception for Prestonwood Place, Located at 5290 Belt Line Road, from the Code of Ordinances, Chapter 62 Section 62-184. – Setback, effective area and height, and Section 62-185- Specifications, in Order to Permit Two Pylon Signs Exceeding the Allowed Area and Setback Requirements.
15. Present, Discuss, and Consider Action on a Resolution to Approve a Professional Services Agreement with Cobb, Fendley and Associates for a Utility Capacity Assessment Related to Future Development Adjacent to the Addison Transit Center and Silver Line Rail Station in an Amount Not to Exceed \$123,565.
16. Present, Discuss, and Consider Action on an Ordinance Amending Chapter 82 (Utilities), Section 82-76 and Section 82-77 of the Code of Ordinances of the Town by Amending Sewer Rates and Water Rates for All Customer Classifications; Providing that the Changes to the Sewer Rates and Water Rates Made Herein Shall be Applied to Monthly Customer Bills Beginning with the November 2020 Billing Cycle.
17. Present and Discuss the Finance Department Quarterly Financial Report of the Town of Addison for the Fiscal Year 2020 Third Quarter Ended June 30, 2020.

Adjourn Meeting

NOTE: The City Council reserves the right to meet in Executive Session closed to the public at any time in the course of this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551, including §551.071 (private consultation with the attorney for the City); §551.072 (purchase, exchange, lease or value of real property); §551.074 (personnel or to hear complaints against personnel); §551.076 (deployment, or specific occasions for implementation of security personnel or devices); and §551.087 (economic development negotiations). Any decision held on such matters will be taken or conducted in Open Session following the conclusion of the Executive Session.

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

POSTED BY: _____

Irma G. Parker, City Secretary

DATE POSTED: Thursday, September 3, 2020

TIME POSTED: 6:30 pm

DATE REMOVED FROM BULLETIN BOARD: _____

REMOVED BY: _____

Council Meeting

1.

Meeting Date: 09/08/2020

Department: Parks & Recreation

AGENDA CAPTION:

Present and Discuss **Naming of the Future Parks located at the Addison Grove Development.**

BACKGROUND:

On January 26, 2016 Council approved a letter of intent with Beltline Beltway Investments, Ltd. and Urban Intownhomes, LLC for the redevelopment of the former Sam's Club property for an amount not to exceed \$6.5 Million for the construction of public infrastructure as part of the development. Included in that funding was the construction of public parkland which includes three parks and two parklets. The Developer has assigned temporary names to the three parks to help reference them through design and construction. The two parklets have not been assigned a temporary name. The names assigned to the three parks are; The Grove Park, The Commons Park and The Plaza Park and these names could comply with the Naming and Recognition Policy which states town facilities could be named after man-made or natural features. Construction of the parks is beginning to mobilize and staff would like direction from Council regarding the permanent names of the parks / parklets.

To help facilitate this discussion a presentation of the park locations has been attached along with the Naming and Recognition Policy. The Naming & Recognition Policy states named facilities should utilize predominant characteristics related to the Town's natural environment, physical features or history from the following identifiers:

1. Hydrological Features
2. Natural Features
3. Man-Made Features
4. Significant Historical Events
5. Community Sponsored Name
6. Name of an Individual that has Made a Significant Contribution

Staff is requesting direction from Council on the following:

- Would Council prefer to make these names permanent or would Council like to consider different names?

RECOMMENDATION:

Staff requests direction from Council.

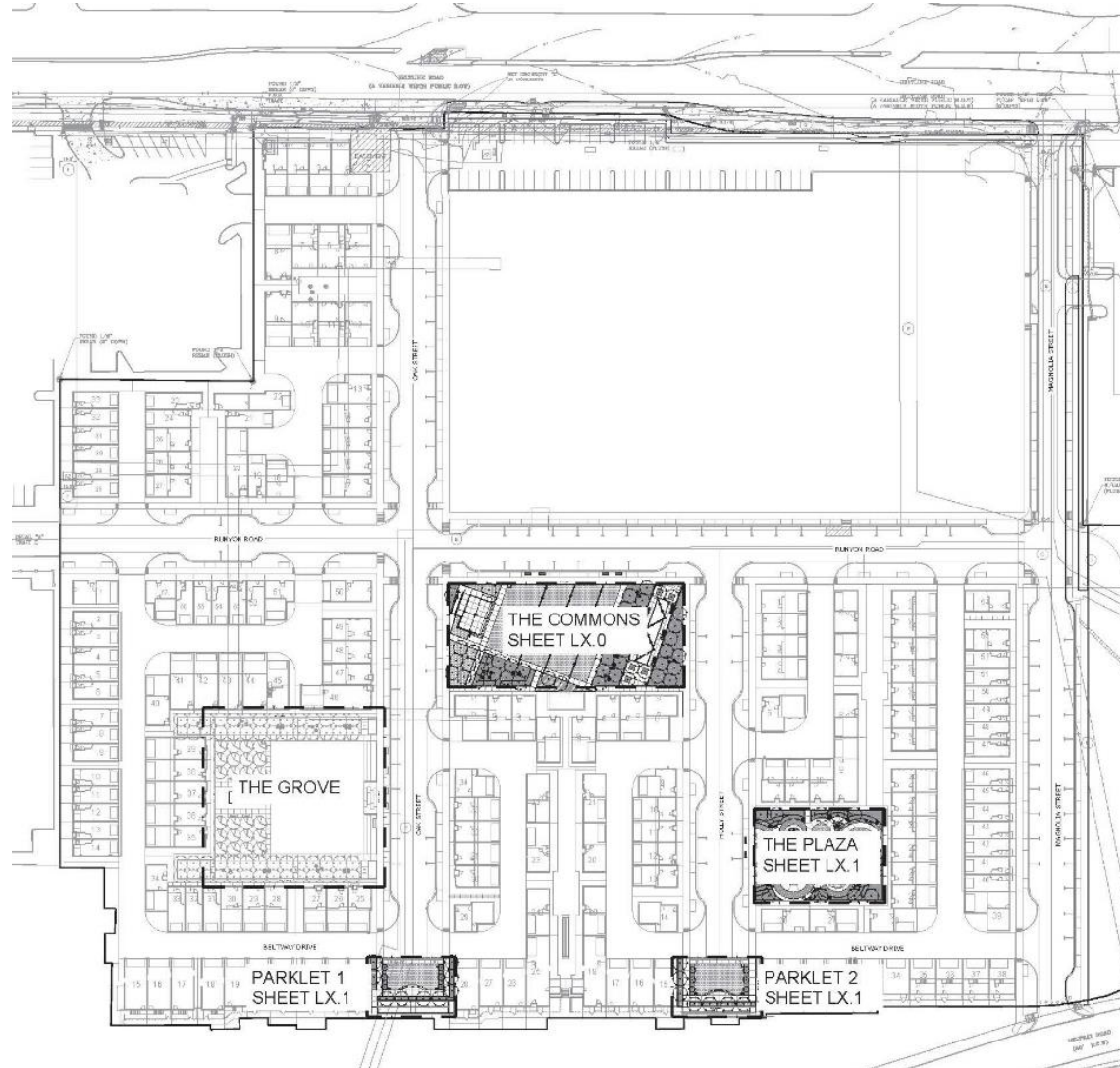
Attachments

Presentation - Addison Grove Park Naming
Policy - Naming & Recognition

Naming of the Future Parks Located at the Addison Grove Development



Addison Grove Development



The Addison Grove Development will include 3 parks and 2 parklets. Staff is seeking Council direction regarding the names of the parks.

- The Developer has assigned a temporary name to each of the parks so they could reference them more clearly.
- Would Council prefer to make these names permanent or would Council like to consider different names?

Naming & Recognition Policy

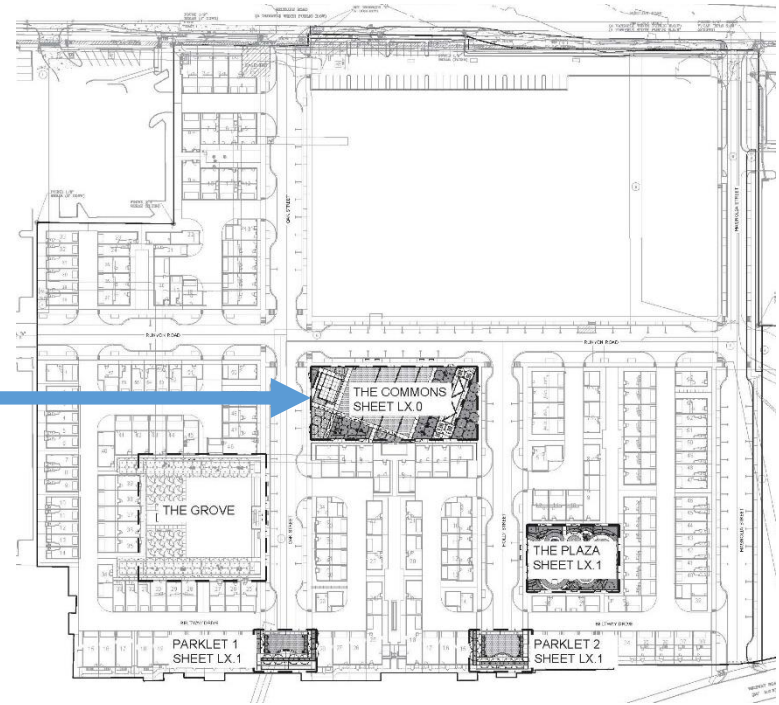


II. Naming Criteria

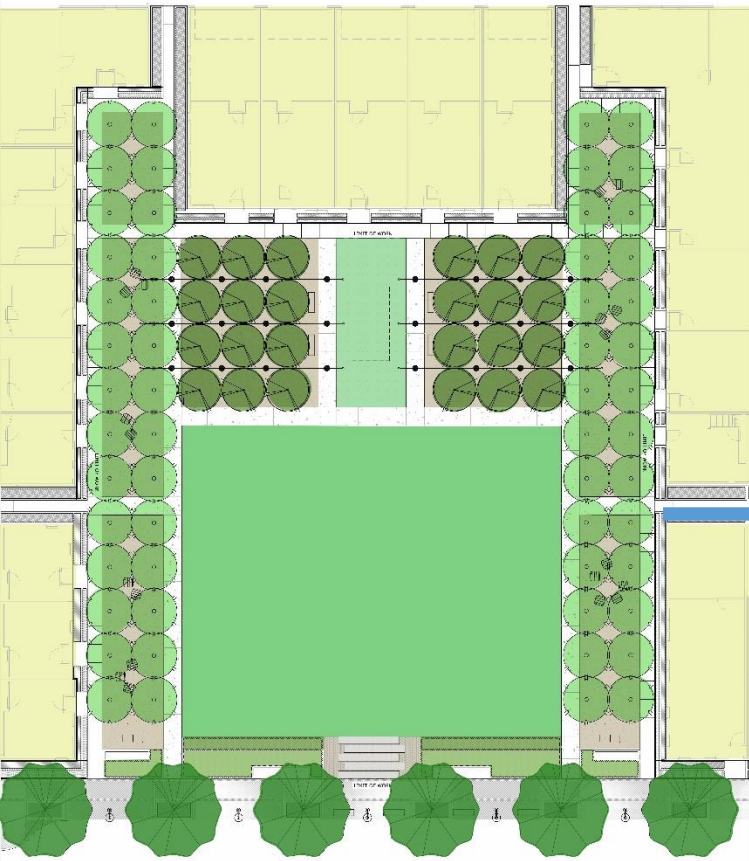
Structures, Parks, Trails and other Town-Owned Facilities (also referred to herein as a “facility”), for naming objects, should utilize predominant characteristics related to the Town’s natural environment, physical features or history:

1. Hydrological Features
2. Natural Features
3. Man-Made Features
4. Significant Historical Events
5. Community Sponsored Name
6. Name of an Individual That Has Made a Significant Contribution to the Town.

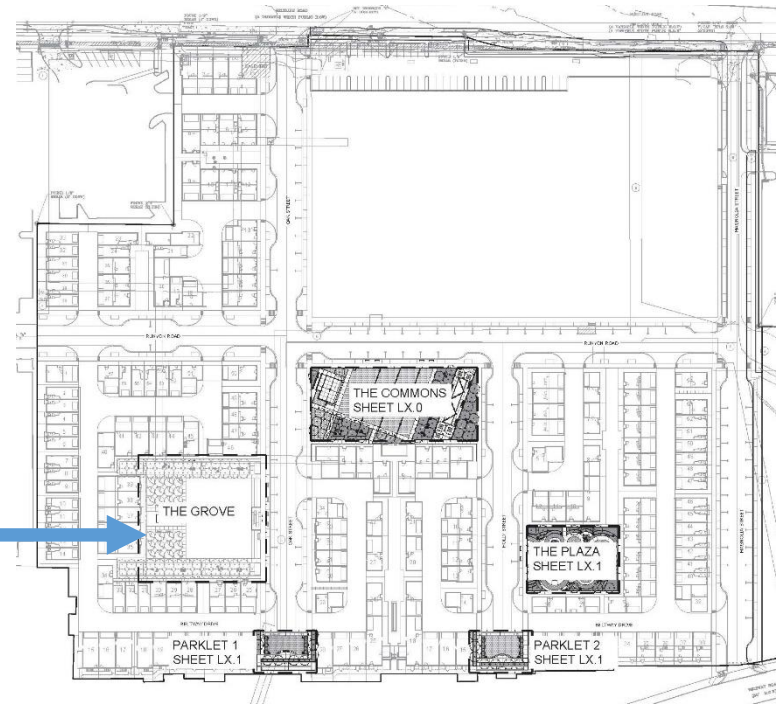
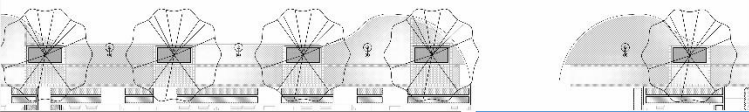
The Commons Park



The Grove Park



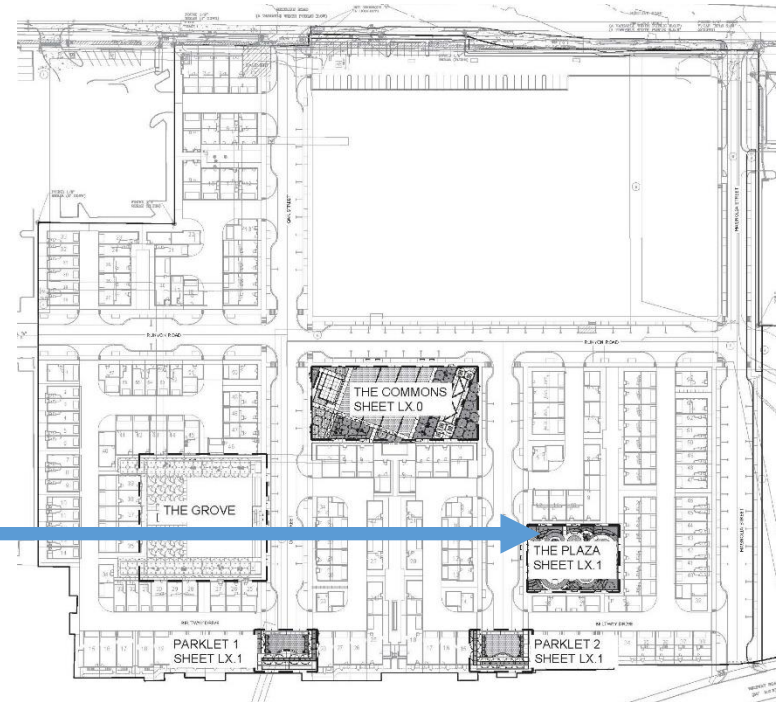
Addison Grove
The Grove



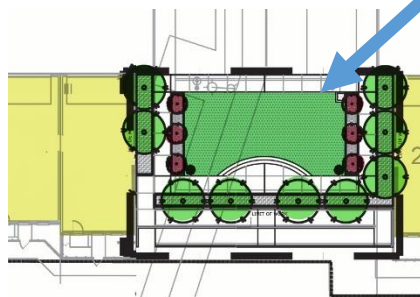
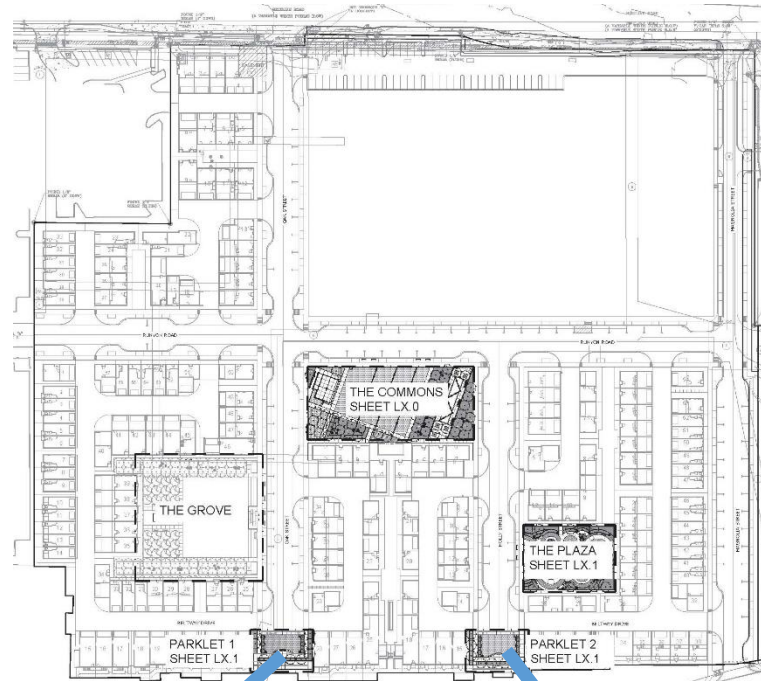
The Plaza Park



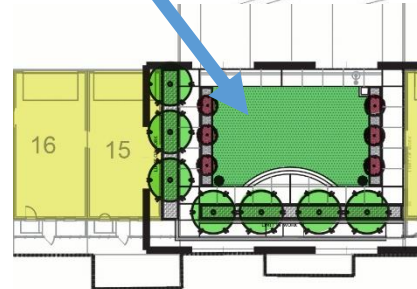
Addison Grove The Plaza



The Parklets 1 & 2



Addison Grove
Parklett -1



Addison Grove
Parklett -2

Questions



PROPOSED ADDISON NAMING AND RECOGNITION POLICY

I. PURPOSE

To establish uniform guidelines and procedures for the naming or renaming of Structures, Parks, Trails and other Town-Owned Facilities. The policy will also set guidelines for the acceptance of and recognition of contributions, including those not associated with naming. This policy excludes the naming of public art from the naming criteria section but allows for the recognition of donations for artworks. This policy does not replace the Theatre Centre Naming Policy and Spruill Dog Park Naming Policy.

II. NAMING CRITERIA

A. NAMING GUIDELINES

Structures, Parks, Trails and other Town-Owned Facilities (also referred to herein as a “facility”), for naming objects, should utilize predominant characteristics related to the Town’s natural environment, physical features or history listed below.

1. Hydrological features - streams, rivers, lakes, creeks or ponds.
2. Natural features - trees, vegetation, wildlife etc.
3. Man-Made features - landmarks, street names, subdivision names, architectural features etc.
4. Significant historical events
5. Community Sponsored Name – Any citizen, group of citizens, entity or organization may submit a proposal to name a park, trail or facility after and individual, group or community organization to honor and recognize significant contributions to the Town through public service, volunteering or outstanding achievement (based on the process set forth in Section B. Naming Process, below).
6. Name of an individual that has made a significant contribution to the Town by meeting one of the following criteria:
 - a. The person has or will make a minimum financial contribution of \$1,000,000. This contribution may include:
 - i. The donation of land, significant financial contributions to acquire land, or land sold to the Town at a price significantly below market value that meets or exceeds the minimum financial contribution.
 - ii. The construction of the park, trail or facility, or construction services at a price significantly below market value that meets or exceed the minimum financial contribution.

- b. The person has made significant and consistent long-term contributions to the Town through service.
 - c. The person was an employee of the Town and served for at least 20 years but has not been employed by the Town within the past 5 years.
 - d. The person has served as Mayor or City Council but shall not have been a City Council Member/Mayor of the Town of Addison within the last five years.
7. Public art is excluded from the naming guidelines.
 8. If a new road is built, the Town may request naming rights from the developer.

Different sections of parks and facilities may carry names that differ from that of the overall park, trail or town-owned structure. This may include the naming of individual items in a park or facility (such as a pavilion, plaza, meeting room, etc.). The above guidelines shall still apply in choosing a name at the discretion of City Council a lower monetary contribution may be accepted for the naming of individual items within a facility.

B. NAMING PROCESS

1. Consideration of a Proposed Name – The proposed facility name may be presented to Council for consideration by the Department Director responsible for oversight of the facility to be named. The Director will be responsible for presenting the proposal to Council and showing how the proposed facility name complies with the Naming Guidelines.
2. Approval of a Proposed Name - The naming or renaming of a Facility is at the sole discretion of the City Council and must comply with the naming guidelines. Approval of the proposed name must be approved by a 3/4 vote of the entire City Council (i.e., if all members of the City Council are eligible to vote, approval would require 6 out of 7 votes).

C. NAMING RECOGNITION

1. Named Structures, Parks, Trails or Town-Owned Facility - In addition to standard facility signage recognition of naming after, or dedicated for an individual will include one of the following designations:
 - a. Named or Dedicated Facility – May be recognized with a plaque, not to exceed 24" x 36" Plaque may include individual's name, graphic of the individual and a description of their contribution to the town. The plaque may be mounted to a free-standing support or an architectural feature.
 - b. Named or Dedicated Area or Item within a Facility - May be recognized with one of or a combination of the following elements:

- i. Plaque, not to exceed 24" x 36"
- ii. Paving Medallion, not to exceed 24" x 36"
- iii. Inscription on an existing feature within a facility.

Recognition shall include the person's name, years of service and a small inscription describing the person's service to the town.

III. RECOGNITION OF DONATIONS NOT ASSOCIATED WITH NAMING

A. RECOGNITION OF DONATIONS

1. Recognition of donations may be acknowledged in one of the following manners:
 - a. Single Mounted Plaque no larger than 10" x 12" (not including plaque base) - To be displayed in the facility receiving the donation or an area adjacent to the donated item.
 - b. Engraved Paver or Stone – To be grouped near the entrance or in a prominent location near the facility receiving the donation or an area adjacent to the donated item.
 - c. Inscription on a donated item, including engravings on metal.
2. Approved Wording – Wording to recognize donations must be limited to the following nomenclature:
 - a. Individual Name (May include a nickname)
 - b. Business Name
 - c. Pet Name (Where appropriate)
 - d. Organization or Group Name
 - e. May include a simple acknowledgement such as "Donated by" or "Support provided by".
 - f. May include a group descriptor such as "By the Friends and Family of"
3. Anonymous donations do not require recognition.

IV. REMOVAL OF A NAME

In the event the name of a structure, trail, park or Town-owned facility has previously been granted and the name later casts a negative image on Addison, the name may be removed at the determination and discretion of the City Council and approved by a 3/4 vote of the entire City Council.

V. EXCEPTIONS

City Council may make exceptions to this policy when it deems appropriate and approved by a 3/4 vote of the entire City Council.

Adopted – August 25, 2020

Council Meeting

2.

Meeting Date: 09/08/2020

Department: Consultant

AGENDA CAPTION:

Present and Discuss **an Update on the Restructuring of the Management, Operation, and Real Estate Services at Addison Airport.**

BACKGROUND:

In January 2020, the Council was briefed on the recommendation to change the structure of the management of Addison Airport from one provided by third-party contractors to one that is in-sourced to the Town of Addison.

On January 14th, the Council approved a contract with Landrum and Brown, Inc., (L&B) to negotiate contracts for the airport operations, management, and real estate services. The council also discussed the long-range goal of bringing the operations, management, and real estate management services of the airport in as Town functions.

At the January 28th meeting, the Council agreed with Staff's recommendation to:

- Negotiate a new agreement for real estate services at the airport with new terms and conditions
- In-source the airport operations, management, and financial management to the Town
- Early terminate the airport management and operations contract with AECOM and pay the early termination fee of \$42,500 and other reasonable demobilization costs, as provided for in the contract with AECOM.

On March 6, 2020, an early termination letter was sent to AECOM to formally terminate the contract on September 30, 2020.

In February/March 2020, a red-lined version of the current contract with SAMI Management, Inc., was drafted that considered and included new terms and conditions, an evaluation of the compensation, and assessment of liabilities, and the development of internal controls.

During this time, L&B and Staff also analyzed various management structure scenarios in order to facilitate negotiations and determine what steps may be in

the Town's best interest. In doing so, L&B and Staff came to the opinion that bringing the asset management and leasing management functions into the Town's structure would have a positive impact on reducing the airport's costs by eliminating the need for a management fee and incentive bonus, while not negatively affecting the efficiency of the real estate function. This would also provide stronger institutional knowledge within the Town and less risk of disruption to the real estate services.

After discussions with the City Manager, L&B and Staff spoke with the airport asset manager and leasing manager who expressed a desire to become Town employees. At this point, however, discussions with the real estate manager still centered on negotiating a third-party contract.

Subsequently, through discussions between the real estate manager and the airport director, and analysis by L&B and Staff, a recommendation emerged to in-source the real estate manager position at this time as well. This recommendation is based on the critical nature of the real estate manager's daily interaction with the airport director and the rest of the airport staff. Having the position be a Town employee would greatly simplify this interaction.

The in-sourcing of all the operations, management, and real estate functions at the airport reduces the annual cost of the management and operation of the airport by \$564,662.72. While this was not a viable option for SAMI in January, it is the one that has resulted after negotiations.

The briefing to Council will focus on the progress since January, an update on the contract discussion with SAMI Management, a review of the costs to on-board the airport staff, and a comparison of those costs to the Fiscal Year 2020 adopted budget cost for the third-party contracts.

The presentation that will be provided is included in this agenda item.

RECOMMENDATION:

Information only. No action required.

Attachments

Presentation - Airport Management Restructuring Briefing

**Addison Airport
Management Restructuring
Briefing
September 8, 2020**



ADDISON

- January 14, 2020 Council action
 - Authorized a contract with Landrum & Brown to negotiate a contracts for airport management services
 - Long-range goal to in-source the operations, management, and entire real estate functions of the airport

- January 28, 2020 Council action
 - Terminate AECOM contract that was set to expire on 9/30/2022
 - In-source airport operations, maintenance, and financial management functions
 - Renegotiate SAMI contract

Progress Since January 28, 2020

- AECOM: March 6, 2020 – Contract termination letter sent
- SAMI: January/February 2020 – L&B drafted issues matrix and redlined SAMI contract for internal strategy and discussions
 - Gain greater understanding of necessary duties, continued risks and potential savings under a new agreement
 - Initial discussion with SAMI on objectives
- March/April 2020 – L&B and Town staff evaluated deal package for new SAMI contract, including
 - Determination of contract terms
 - Evaluation of compensation
 - Assessment liabilities
 - Development of internal controls

Progress Since January 28, 2020

- March/April 2020 – L&B and Town staff further considered the personnel and costs associated with the real estate function, understanding that:
 - SAMI brings institutional knowledge to the Town with nearly two decades of real estate services
 - Over 80% of the airport revenue is derived from real estate
 - Multiple airport development deals in progress and a substantial number of leases expire in the next five years
 - SAMI employees are paid a salary, management fee, incentive, and modest benefits

Progress Since January 28, 2020

- April 2020 – L&B and staff analyzed Town potential for leverage in the negotiations
 - If negotiations with SAMI do not produce an agreement, the opportunity for re-competing or in-sourcing were also alternatives
 - L&B and Staff evaluated in-sourcing SAMI's asset manager and leasing manager
- Options were considered for stability (in transition), cost comparison (Town vs. SAMI), and opportunity timing
 - The real estate manager position was evaluated for contracting, issuing a Request for Proposal, and in-sourcing
 - Understood from SAMI's real estate manager that in-sourcing his position at that time was not an option

Progress Since January 28, 2020

- May 2020 – Framework presented to SAMI (without compensation)
 - L&B and Staff determined this framework was best for the Town in an acceptable contractual arrangement with SAMI
 - Real Estate Manager (REM) and Airport Director discussed scope of work for REM as a third-party contractor

Progress Since January 28, 2020

- May/June/July 2020 – Evolution of potential in-sourcing
 - Asset Manager and Leasing Manager show interest in potential in-sourcing
 - Discussion of salary and benefit packages ensue
 - Real Estate Manager negotiations ongoing
 - With all other positions potentially in-sourced, the Town sees benefit in in-sourcing the REM position as a Town employee
- July 23, 2020 – Employment offer as Assistant Director of Real Estate is extended to the REM
 - August 10, 2020 – Employment offer is accepted.

Progress Since January 28, 2020

- Employment offer letters have been sent to all airport staff members – AECOM and SAMI
 - All offers have been accepted
- On-boarding process scheduled to be completed by September 30, 2020
- Contracts with AECOM and SAMI will expire on September 30, 2020
- 14 Full Time Equivalent positions (FTEs) are proposed to be added to the Town's structure on October 1, 2020
- Town will maintain the real estate institutional knowledge and realize substantial cost savings on an annual basis

**On-Boarding Airport Staff -
Estimated Cost Presented in
January 2020 Compared to
Current Updated Cost and FY2020
Adopted Budget**

The logo for Addison, featuring the word "ADDISON" in a bold, blue, sans-serif font centered within a white circle. The circle is set against a blue background that has a white diagonal line running from the top-left to the bottom-right, creating a triangular shape on the right side of the slide.

Cost Comparison – January 2020 to August 2020

	AECOM & SAMI Financial Manager Pass-Through Costs (Presented January 2020)	Town of Addison Estimated Costs (Presented January 2020)	Town of Addison Updated Cost to On-board <u>AECOM and Financial Manager</u> as of August 2020
Total Salaries - AECOM and SAMI Financial Manager	\$785,730.43	\$785,730.43	\$796,049.57
Total Taxes and Benefits	\$604,686.64	\$491,678.90	\$504,713.36
Total Salary and Benefits	\$1,390,417.07	\$1,277,409.33	\$1,300,762.93
Total Charges and Equipment	\$565,891.40	\$17,505.00	\$17,505.00
Termination for Convenience Fee (one-time cost)	N/A	\$42,500.00	\$42,500.00
FY2020 Cost of SAMI Management Fee and Incentive Bonus	N/A	\$288,337.00	\$288,337.00
Total All Costs	\$1,956,308.47	\$1,625,751.33	\$1,649,104.93

Cost to On-Board Remaining Real Estate Staff

Town Costs to On-Board the Remaining Real Estate Management Staff

Salaries (Real Estate Manager, Asset Manager, Leasing Manager)	\$300,139.00
Benefits (Real Estate Manager, Asset Manager, Leasing Manager)	\$172,477.17
Total Charges and Equipment	\$4,500.00
Cost of SAMI Management Fee and Incentive Bonus	\$0.00
Total Costs	\$477,116.17

Cost to On-Board All Airport Staff

Costs to On-Board All Airport Operations, Management, and Real Estate Staff	
Salaries	\$1,096,188.77
Benefits	\$663,390.51
Total Salaries and Benefits	\$1,759,579.28
Total Charges and Equipment	\$22,005.00
Termination for Convenience Fee (one-time cost)	\$42,500.00
Cost of SAMI Management Fee and Incentive Bonus	\$0.00
Total Costs	\$1,824,084.28

FY2020 Contract Costs Compared to Town Costs

FY 2020 Budgeted Cost of Third-Party Contract Services Compared to Town of Addison On-Boarding Costs				
	AECOM and SAMI Finance Manager Cost - FY2020 Budget	SAMI Real Estate Manager, Asset Manager, and Leasing Manager Costs - FY2020 Budget	3rd Party Contract Cost - FY2020 Budget	ToA Cost to In-sourced Airport Operations, Management, and Real Estate Functions
Salaries	\$723,408.00	\$370,902.00	\$1,094,310.00	\$1,096,188.77
Taxes and Benefits	\$604,686.64	\$79,260.36	\$683,947.00	\$663,390.51
Total	\$1,328,094.64	\$450,162.36	\$1,778,257.00	\$1,759,579.28
Total Direct Charges and Insurance	\$116,371.00	\$36,760.00	\$153,131.00	\$22,005.00
Termination for Convenience Fee (one-time cost)		N/A	N/A	\$42,500.00
FY2020 Management Fee and Incentive Bonus	\$218,333.00	\$196,526.00	\$414,859.00	\$0.00
Total Costs	\$1,662,798.64	\$683,448.36	\$2,346,247.00	\$1,824,084.28
Minus One-time Early Termination Cost				(\$42,500.00)
Annual Cost of Airport Operations, Management, and Real Estate Functions				\$1,781,584.28
Total Savings to Town				\$564,662.72

Next Steps

ADDISON

Next Steps

- Complete the on-boarding process by September 30, 2020
- Pay AECOM early termination fee of \$42,500 and any reasonable demobilization costs

Questions / Discussion

ADDISON

Council Meeting

3.

Meeting Date: 09/08/2020

Department: Communications & Marketing

AGENDA CAPTION:

Present and Discuss **the Format for the Town Meeting on October 26, 2020.**

BACKGROUND:

Town Meetings are held twice a year in the spring and fall. This year, the fall meeting is scheduled for October 26, 2020. The purpose of this item is to discuss the format and topics for the presentation.

RECOMMENDATION:

Staff requests direction from Council.

Council Meeting

4.

Meeting Date: 09/08/2020

Department: City Secretary

AGENDA CAPTION:

Consider Action to Approve the Minutes from the August 25, 2020 Regular Meeting.

BACKGROUND:

The minutes for the August 25, 2020 Regular Meeting have been prepared for consideration.

RECOMMENDATION:

Administration recommends approval.

Attachments

Minutes - August 25, 2020 Council Meeting

DRAFT

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL REGULAR MEETING & WORK SESSION

August 25, 2020

**Addison TreeHouse, 14681 Midway Rd., Addison, TX 75001
5:30 p.m. Executive Session & Work Session
7:30 p.m. Regular Meeting**

The Addison City Council conducted its Regular Council Meeting on Tuesday, August 25, 2020 at the Addison TreeHouse with a quorum of the City Council physically present. Limited seating for members of the public was available using CDC recommended social distancing measures. The Town utilized telephone and videoconferencing to facilitate participation in the meeting. Interested parties were able to make public comments and address the Council via emailed comments submitted to the City Secretary at iparker@addisontx.gov by 3:00 pm on the meeting day. Members of the public were also entitled to participate remotely via Toll-Free Dial-in Number: 877.853.5247; Meeting ID: 409.327.0683 Participant ID: #. Detailed instructions on how to participate in this meeting were available on the Town's website on the Agenda Page. The meeting was live streamed on Addison's website at www.addisontexas.net.

Present: Mayor Joe Chow; Mayor Pro Tempore Lori Ward; Deputy Mayor Pro Tempore Guillermo Quintanilla ; Council Member Tom Braun; Council Member Ivan Hughes; Council Member Paul Walden; Council Member Marlin Willesen.

Call Meeting to Order: Mayor Chow called the meeting to order.

Pledge of Allegiance: Mayor Chow led the Pledge of Allegiance

EXECUTIVE SESSION

Closed (Executive) Session of the Addison City Council pursuant to: Section 551.071, Tex. Gov. Code, to conduct a private consultation with its attorney 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, pertaining to:

- Small Cell Deployment

Mayor Chow closed the Open Session to convene the City Council into Closed Executive Session at 5:34 p.m.

Reconvene into Regular Session: In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session to consider action, if any, on matters discussed in Executive Session.

Mayor Chow reconvened the City Council into Open Session at 6:23 p.m. No action was taken as a result of Executive Session.

WORK SESSION

1. Present and Discuss Any Action Necessary or New Information Regarding the COVID-19 Pandemic.

City Manager Wes Pierson advised that Governor Greg Abbott's July 2nd order regarding the wearing of face coverings is still in effect, and that the authority previously given to county judges is also still in effect. He noted that the Town facilities are still operating under the minimum health and safety protocols. Mr. Pierson added that Dallas County's positive case counts are improving. In response to Mayor Chow's question, Mr. Pierson said that information will be provided to the Council regarding the Business Assistance Program grant applications after the August 28th deadline.

2. Present and Discuss a Progress Update on the Trails Master Plan.

Jana Tidwell, Director of Parks and Recreation presented this item. She advised that Moore Iacofano Goltsman, Inc (MIG) is contracted to create a City-Wide Trails Master Plan. The project was determined to have four phases. Phase 2 is being completed, and this presentation by MIG representatives provided details of the Vision, Goals, and Strategies used to begin preparing the plan.

Included in the presentation was a review of existing trail networks in Addison that were divided into eight sections of Town. Each section's population and ethnicities were provided. It was noted that in Addison there are currently 12.8 miles of trails and the proposed plan will have a total of 27.2 miles of trails. A map of the proposed trails was provided. MIG representatives advised that the Town's Master Transportation Plan and Parks and Recreation Open Space Master Plan were used during preparation of the proposal. The types of bike and pedestrian paths were presented, including off-street paths.

The representatives advised that input for the presentation was collected from community outreach efforts, including surveys. Results of the survey were presented, and the evaluation criteria used to analyze the results was provided.

It was noted that Phase 3 should be completed by the end of November and Phase 4 is planned for December 2020 through February 2021. An updated presentation will be made to Council in October.

Ms. Tidwell advised that the City of Farmers Branch is connecting a trail to the corner of Landmark and that Addison should consider making that connection as well. It was noted that the COVID-19 pandemic has impacted the ability to have group community meetings, however MIG is preparing a cell phone app that residents can use to submit information and suggestions. It will be tested by the Advisory Committee. Zoom meetings may also be used. Mayor Chow asked that for the next presentation, the proposed number of miles of right-of-way on Midway and Beltline be included.

3. Present and Discuss Staff's preliminary Findings Regarding Expansion of the License Plate Recognition and Optical Camera Systems.

Police Chief Paul Spencer presented this item. He reviewed that a pilot program for license plate recognition (LPR) and optical cameras started in April 2019 and concluded in April 2020. The findings of the pilot program were presented to Council in May 2020. Based on Council's direction, expansion of the LPR and optical camera systems is being proposed. He advised that two of Addison's largest single-family residential areas, Addison North located near 17000 Westgrove Drive and Lake Forest Drive, are proposed for the LPR expansion. The Addison Circle and Vitruvian multi-family developments and three commercial areas along Beltline Road are also proposed for the LPR expansion. Graphics of these areas were presented.

Preliminary locations for optical camera expansion included:

- Addison Circle Park
- Spruill Park
- Celestial Park
- Community Garden
- Les Lacs Linear Park
- White Rock Creek Trail
- Beltway Trail (future location)
- Town Park
- Town Park Dog Run
- Vitruvian Park
- Redding Trail Dog Park
- Addison Grove
- Winnwood Park
- Bosque Park
- Oaks North Neighborhood

Chief Spencer reviewed operational concerns of adding this equipment. He advised adding this equipment in the single-family neighborhoods will not add to the volume of calls. However, in the multi-family areas the alerts will need to be filtered to keep the volume of alerts manageable. More stringent filters will be incorporated for the commercial areas to reduce the impact on patrol.

Chief Spencer advised that Requests for Proposals are being prepared. It was noted that the optical cameras proposal may come back to Council in January and the LPR cameras proposal will possibly be in March. City Manager Pierson advised that available funds will be used, but the Town may have to prioritize the list of locations based on costs.

4. Present and Discuss the Delivery of Funds to the Texas Department of Transportation (TxDOT) Aviation Division to Award a Bid and Provide for Construction of a Concrete Ramp to Serve the U.S. Customs Facility at Addison Airport in an Amount Not to Exceed \$1,167,457.58.

Airport Director Joel Jenkinson presented this item. He advised this item is to provide an update on the bidding process, bid award, and delivery of funding for construction of the concrete ramp and associated taxiway and taxi-lane connectors to serve the new U.S. Customs and Airport Administration facility.

Mr. Jenkinson reviewed that this project is partly funded by an Airport Improvement Program (AIP) Non-Primary Entitlement (NPE) grant through TxDOT Aviation. The grant award was accepted by Council Resolution adopted at the February 13, 2020 regular meeting. That Resolution also designated TxDOT Aviation to serve as Addison's agent to manage this project. Following approval of the Resolution, Addison was obligated to send \$66,667 in matching funds (10% of the combined total of Addison's matching funds plus the NPE grant amount of \$600,000) prior to the project going to bid. The grant amount is capped at \$600,000 with all additional costs for the project to be paid by Addison Airport. The remaining funding (including an amount for project contingencies) is to be provided to TxDOT Aviation following bid opening and award recommendation. The TxDOT estimate for total project cost, included in the Resolution, was \$1,666,666 (the \$600,000 NPE grant plus \$1,066,666 in funding from Addison Airport).

Mr. Jenkinson advised that the project was advertised by TxDOT Aviation with a bid opening date of August 4, 2020. Six (6) bids were received. All bids came in over the engineer's estimate of \$1,530,070. The low bidder was Fluor Heavy Civil LLC with a bid of \$1,707,457.58. It was noted that the engineer has identified potential cost savings in the project totaling \$96,389.40 based on pricing contained in Fluor Heavy Civil's bid (including \$21,400 for drainage revisions and \$74,989.40 for pavement section revisions and replacing lime treatment with geogrid). However, these changes (per TxDOT requirements) may only be implemented after the bid has been awarded.

Mr. Jenkinson said that to move the project forward, Addison will need to provide additional funding to TxDOT (in addition to the \$66,667.00 already provided) of \$1,100,790.58 which includes project contingency of \$60,000.00. This exceeds the amount previously authorized by Council by \$100,791.58. At the end of the project, 100% of any unexpended funds will be returned to Addison by TxDOT. City Manager Pierson reminded the Council that they had previously authorized him to execute all aspects of this project and this agenda item is only for informational purposes.

REGULAR MEETING

Announcements and Acknowledgements regarding Town and Council Events and Activities

Discussion of Events/Meetings

Public Comment: *The City Council invites citizens to address the City Council on any matter, including items on the agenda, except public hearings that are included on the agenda. Comments related to public hearings will be heard when the specific hearing starts. Citizen comments are limited to **three (3) minutes**, unless otherwise required*

by law. To address the Council, please fill out a **City Council Appearance Card** and submit it to a staff member prior to the Public Comment item on the agenda. The Council is not permitted to take any action or discuss any item not listed on the agenda. The Council may choose to place the item on a future agenda.

City Secretary Parker advised that no citizens had requested to address the City Council via telephonic means and no emails or other written correspondence was submitted.

Consent Agenda: All items listed under the Consent Agenda are considered routine by the City Council and will be enacted by one motion with no individual consideration. If individual consideration of an item is requested, it will be pulled from the Consent Agenda and discussed separately.

5. **Consider Action to Approve the Minutes from the August 5 and 6, 2020 Special Meetings and the August 11, 2020 Regular Meeting.**

6. **Consider Action on a Resolution to Accept a Grant Through the Fiscal Year 2019 Assistance to Firefighters Grant (AFG) in the Amount of \$180,952.38, and to Approve a Local Match in the Amount of Five Percent or \$9,047.62 of the Final Total Grant to Purchase Self Contained Breathing Apparatus, and Authorize the City Manager to Execute All Necessary Documents to Receive the Grant Funds.**

Mayor Chow asked if there were any requests to remove an item from the Consent Agenda for separate discussion. There were none.

MOTION: Council Member Hughes moved to approve Consent Agenda Items 5 and 6 as submitted. Mayor Pro Tempore Ward seconded the motion. Motion carried unanimously.

Resolution No. R20-061: Accept Assistance to Firefighters Grant and Authorize Local Match

Regular Items

7. **Present, Discuss, and Consider Action on a Resolution to Amend to the Town's Naming and Recognition Policy.**

Jana Tidwell, Director of Parks and Recreation presented this item. She reviewed that at the July 14, 2020 Council meeting staff reviewed the current Naming and Recognition Policy. She advised that more direction from Council was requested regarding the following concerning the current policy:

- A lack of clarity regarding acceptance and recognition of small donations made that are not associated with the naming of a facility.
- Does not align or support current fundraising methods implemented by non-profits to solicit funds on behalf of the Town.
- Does not address how the naming of a park after an individual is recognized or significant service is recognized, although there are standards being implemented.
- Needs more detail in defining the process for naming and renaming facilities.

Ms. Tidwell said that at that meeting Council requested that staff ensure that other Town policies do not conflict with this policy; to consider how other recognition items currently implemented would fit in this policy; and, to consider the plaque measurements to determine if they are not too prescriptive.

Ms. Tidwell reviewed the proposed changes to the amended policy that include minor edits and noted that a section regarding street signs is included. She advised Council that staff-led recognitions in honor of co-workers, such as those at the Fire stations, are not included in this policy. Discussion followed regarding allowable plaque sizes. Council Member Willesen expressed that he would like the policy to remain as is to allow some flexibility. Ms. Tidwell explained that a section on Exceptions is included and reviewed the reasons staff presented the proposed revisions.

MOTION: Council Member Hughes moved to approve as presented except for changing the allowable plaque signage to read “not to exceed 24” x 36”. Council Member Ward seconded the motion. Motion carried with a vote of 6-1. Council Member Willesen voted against the motion.

Resolution No. R20-057: Naming and Recognition Policy Amendment

8. Present, Discuss, and Consider Action on a Resolution to Amend to the Public Art Policy.

Jana Tidwell, Director of Parks and Recreation presented this item. She reviewed that at the July 14 Council meeting updates were proposed for the Public Art Policy to better align with the modifications being made to the Naming and Recognition Policy, and to align with the current practices of the Town and of the Addison Arbor Foundation. Ms. Tidwell reviewed the proposed policy revisions. It was noted that the Addison Arbor Foundation has reviewed the proposed revisions.

MOTION: Council Member Willesen moved to approve as presented. Council Member Walden seconded the motion. Motion carried unanimously.

Resolution No. R20-058: Public Art Policy Amendment

9. Present, Discuss and Consider Action on a Change Order to the Contract with McMahon Construction, LP for Reconstruction of George Haddaway Drive and Associated Pavements at Addison Airport to Include Reconstruction of the Landside Entry to the Fuel Farm From Addison Road and to Authorize the City Manager to Execute the Agreement in an Amount Not to Exceed \$99,074.26.

Airport Director Joel Jenkinson presented this item. He advised that the purpose of this item is to approve a change order to the contract with McMahon Construction, LP for reconstruction of George Haddaway Drive and associated pavements west and south of the fuel farm at Addison

Airport. The main portion of the change order is the reconstruction of the entry area of the fuel farm from Addison Road. Photos of the current failed concrete and degraded asphalt locations were provided. Mr. Jenkinson reviewed the original project bid and two alternate bids. The base bid and Alternate No. 1 were awarded to McMahon Construction in the amount of \$652,824.90, which is less than the budgeted amount of \$753,000. Alternate No. 2 was not selected at the time since a future redesign of the entire fuel farm area is needed to address drainage issues.

Mr. Jenkinson advised this change order includes the landside fuel farm entrance area between the Addison Road right-of way, the drive to the relocated Gate 3, and the landside entry gate to the fuel farm that is used by fuel delivery tankers. In addition, the Change Order includes some unanticipated fencing modifications and standard reconciliation of quantities of completed items within the current contract.

MOTION: Deputy Mayor Pro Tempore Quintanilla moved to approve this item as presented. Council Member Braun seconded the motion. Motion carried unanimously.

10. Present, Discuss, and Consider Action on a Resolution to Approve the Professional Services Agreement Between the Town of Addison and Texas Coalition for Affordable Power, Inc. for Power to be Provided on and After January 1, 2023 and Authorize the City Manager to Execute the Agreement.

Chief Financial Officer Steven Glickman presented this item. Margaret Somereve, Executive Director of the Texas Coalition for Affordable Power, was available for questions. Mr. Glickman advised that the Texas Coalition for Affordable Power (TCAP) aggregates the electric needs of 165 members and includes the Town of Addison. He advised that previously TCAP looked for an electric purchase that would last for up to five years. The purchase always included risk premiums since it was difficult to know when to lock-in the prices, which are largely based on natural gas prices.

Mr. Glickman advised that with the hope of reducing future electric costs, TCAP studied past natural gas cost trends to seek an opportunity to take advantage of trends in the natural gas futures market. This led to a new contracting proposal that is termed the TCAP "Strategic Hedging Program" (SHP). The program aims to look forward for advantageous future natural gas costs and over time award shorter-term electric supply contracts. TCAP's plan is to purchase electricity for needs that are a year and a half to two years in the future. Mr. Glickman reviewed that had this program been in place under the current contract, it would have saved the Town approximately \$70,000 to date.

In response to a question from Councilmember Willesen, City Manager Pierson clarified that the Town could wait until the current contract expires at the end of 2022 and obtain a fixed rate contract then. He reviewed that this proposal is a one-year contract that the Town would be purchasing for two years in advance in hopes of obtaining better rates.

Mr. Glickman advised that Agenda Item 11 is related to this Item 10. Mayor Chow read Item 11 and the discussion of both continued. Mr. Glickman advised that Item 11 is for a Commercial

Electric Service Agreement (CESA) between the Town and GEXA Energy, the current Retail Electric Provider (REP) of the Texas Coalition for Affordable Power (TCAP). GEXA schedules the purchased electricity on the ERCOT grid to meet member demands, bills member cities, settles the market at ERCOT, assists with new individual account establishment and account termination, and interfaces with Addison's Transmission and Distribution Company, ONCOR Electric.

Council Member Willeesen expressed that he is in favor of locking in prices since natural gas prices are at historic lows. Mr. Pierson advised that cannot be done now since the current contract does not end until 2022. Ms. Somereve provided an illustrative slide showing the possible long-term effect of natural gas pricing and explained the averaging process. She advised that if this agreement is entered into now the Town could still lock-in rates later when gas prices start to increase. She provided information to the Council regarding the number of organizations/cities that have already approved the agreement and stated that several are currently considering it.

MOTION: Council Member Walden moved to approve as presented. Council Member Hughes seconded the motion. Motion carried with a vote of 6-1. Council Member Willeesen voted against the motion.

Resolution No. R20-060: Texas Coalition for Affordable Power, Inc. Professional Services Agreement

11. **Present, Discuss, and Consider Action on a Resolution to Approve the Commercial Electricity Service Agreement Between the Town of Addison and GEXA Energy, LP for Power to be Provided on and After January 1, 2023, and Authorize the City Manager to Execute the Agreement.**

MOTION: Council Member Walden moved to approve as presented. Council Member Hughes seconded the motion. Motion carried with a vote of 6-1. Council Member Willeesen voted against the motion.

Resolution No. R20-059: GEXA Energy, LP Commercial Electric Service Agreement

Adjourn Meeting

There being no further business to come before the Council, Mayor Chow adjourned the meeting.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

Irma G. Parker, City Secretary

Council Meeting

5.

Meeting Date: 09/08/2020

Department: Infrastructure- Development Services

AGENDA CAPTION:

Consider Action on a **Resolution to Approve the North Dallas County Water Supply Corporation Operating Fund Budget for the Fiscal Year Beginning October 1, 2020 and Ending September 30, 2021.**

BACKGROUND:

The North Dallas County Water Supply Corporation (NDCWSC) is a Texas non-profit corporation established in 1991 with the approval of the City Councils of the Town of Addison and City of Farmers Branch. The purpose of the corporation, as set forth in Article Four of the Articles of Incorporation, is to furnish and provide sewer services to the cities of Addison and Farmers Branch, as well as to other towns and cities. This resolution would approve the North Dallas County Water Supply Corporation Operating Fund Budget for Fiscal Year 2021.

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution - NDCWSC Budget Approval

TOWN OF ADDISON, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING THE NORTH DALLAS COUNTY WATER SUPPLY CORPORATION OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021 AND APPROVING AN EFFECTIVE DATE.

WHEREAS, the North Dallas County Water Supply Corporation was created by the City of Farmers Branch and the Town of Addison (collectively, the “Cities”) for the purpose of joint construction, financing, and administration of certain sewer system improvements; and,

WHEREAS, the Bylaws of the Corporation require the Board of Directors to adopt a budget of expected revenues and proposed expenditures for the ensuing fiscal year; and,

WHEREAS, the Bylaws of the Corporation state that the budget is not effective until the same has been approved by the Cities.

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

Section 1. The Operating Fund Budget for the North Dallas County Water Supply Corporation for the year beginning October 1, 2020 and ending September 30, 2021, attached hereto as Exhibit A, is hereby approved.

Section 2. This resolution shall be effective from and after its date of passage.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the 8th day of September 2020.

Joe Chow, Mayor

ATTEST:

By: _____
Irma Parker, City Secretary

APPROVED AS TO FORM:

By: _____
Brenda McDonald, City Attorney

**NORTH DALLAS COUNTY WATER SUPPLY CORPORATION
OPERATING FUND
2020-2021 Proposed BUDGET**

EXHIBIT A

	YEAR TO DATE ACTUAL AT 09/30/19	ADOPTED BUDGET 2019-2020	YEAR TO DATE ACTUAL AT 06/30/2020	PROPOSED BUDGET 2020-2021
EST. BEGINNING FUND BALANCE	\$32,585	\$26,505	\$32,585	\$30,085
<i>REVENUES:</i>				
Charges to participant cities				
Addison	\$0	\$0	\$0	\$0
Farmers Branch	0	0	0	0
Interest and miscellaneous	0	0	0	0
Transfer from Capital Projects fund	0	0	0	0
TOTAL REVENUES	\$0	\$0	\$0	\$0
TOTAL AVAILABLE RESOURCES	\$32,585	\$26,505	\$32,585	\$30,085
<i>EXPENDITURES:</i>				
General Maintenance	\$0	\$5,000	\$0	\$5,000
Total Maintenance	\$0	\$5,000	\$0	\$5,000
General Overhead				
Project Administration	\$0	\$0	\$0	\$0
Supplies	0	0	0	0
Legal Fees	0	520	0	520
Insurance	0	0	0	0
Audit Fees	0	2,500	2,500	0
Bank Fees	0	200	0	200
Miscellaneous	0	275	0	275
Total Overhead	\$0	\$3,495	\$2,500	\$995
Transfer to Capital Projects Fund	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$8,495	\$2,500	\$5,995
ENDING FUND BALANCE	\$32,585	\$18,010	\$30,085	\$24,090

Council Meeting

6.

Meeting Date: 09/08/2020

Department: Development Services

Pillars: Excellence in Transportation Systems

Milestones: Promote Silver Line Development

AGENDA CAPTION:

Consider Action on a **Resolution to Approve an Interlocal Agreement with Dallas Area Rapid Transit (DART) for Enhancements of Areas Along the Cotton Belt/Silver Line Alignment and Authorize the City Manager to Execute the Agreement** in an Amount Not to Exceed \$43,660.16.

BACKGROUND:

This agenda item is to approve an Interlocal Agreement that will provide funding from the Town to supplement DART's betterment program for aesthetic enhancements along the Cotton Belt/Silver Line corridor adjacent to the Addison Circle and future transit-oriented development area.

The DART Board's Betterments Policy for Residential Areas provides a basic level of funding for aesthetic enhancements based on the length of residential adjacency to the rail corridor. The policy typically requires that any funds be spent only where residential adjacencies exist. In Addison, there is currently 530 linear feet of multi-family residential property on the north side of the Cotton Belt/Silver Line corridor from Quorum Drive to Spectrum Drive. Based on this distance, the Betterment Policy provides \$79,000 for enhancements to the Cotton Belt/Silver Line project.

Additionally, in August of 2018, the DART Board approved additional betterments funding to an amount equal to the cost of providing noise walls in locations with residential adjacencies that did not meet DART's criteria for sound mitigation. The 530 linear feet of residential adjacency did not meet the criteria for sound mitigation and qualified for \$433,000 in additional funding.

These two programs together provide \$512,000 to fund betterments in Addison. Town staff has worked with DART staff to develop a plan for spending these funds. First, the Town has requested, and DART has agreed to allow the Town to apply these funds beyond just the 530 linear feet between Quorum Drive and Spectrum Drive. Instead, the funds can be spent from Addison Road to Dallas Parkway along the entirety of Addison Circle and the future transit-oriented development area. Second, the Town has requested that the funds be utilized to replace the standard chain link fencing proposed as part of the project with the

same 6 foot decorative fence that is used throughout the rest of the Addison Circle district to improve aesthetics and create continuity within the district. Additionally, the Town requested the installation of a concrete mow strip at the base of the fencing to allow for easier landscape maintenance in the future.

The total cost to install these improvements from Addison Road to Dallas Parkway exceeds DART's betterment budget and creates a funding gap of \$43,660.16. The Town can either reduce the length of fencing and switch to a chain link fence in the area between the rail station and Addison Road or contribute the funds necessary to complete the enhanced fencing and mow strip in this area. Staff believes that it would be beneficial to utilize DART's contractor to complete the fencing at one time along the entire span from Addison Road to Dallas Parkway. This will create a cohesive look that will help blend the rail station and future transit-oriented development area in with the existing character of the Addison Circle district.

The attached Interlocal Agreement would commit the Town to providing the \$43,660.16 so that DART's contractor could complete this work. This is an unbudgeted item, but the cost can be covered by funds remaining from other capital projects.

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution - DART ILA

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING AN INTERLOCAL AGREEMENT WITH DALLAS AREA RAPID TRANSIT FOR ENHANCEMENTS OF AREAS ALONG THE SILVER LINE ALIGNMENT; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. The Interlocal Agreement with Dallas Area Rapid Transit for enhancements of areas along the Silver Line alignment, attached as **Exhibit A** and incorporated herein, is hereby approved and the City Manager is authorized to execute the agreement.

SECTION 2. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the **8th** day of **SEPTEMBER** 2020.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma Parker, City Secretary

Brenda N. McDonald, City Attorney

EXHIBIT A

INTERLOCAL AGREEMENT
between
TOWN OF ADDISON AND DALLAS AREA RAPID TRANSIT
for
ENHANCEMENTS OF AREAS ALONG SILVER LINE ALIGNMENT

This Interlocal Agreement ("Agreement") is made and entered into by and between DALLAS AREA RAPID TRANSIT ("DART"), a regional transportation authority organized and existing pursuant to Chapter 452, Texas Transportation Code, and TOWN OF ADDISON (the "TOWN"), a Texas home rule municipal corporation and shall be effective on the date signed by the last of the parties to sign (the "Effective Date"). DART and the TOWN are referred to collectively herein as "the Parties" and each individually as a "Party".

RECITALS

WHEREAS, regional passenger rail service substantially benefits regional mobility and improves air quality initiatives; and

WHEREAS, development of the Dallas Area Rapid Transit (DART) Silver Line Corridor Regional Rail Project (Silver Line Project or Project) will provide connectivity from Terminal B at Dallas/Fort Worth International Airport (DFW Airport) to Shiloh Road in Plano, Texas and will travel through the Town of Addison; and

WHEREAS, Addison has strongly supported transit-oriented development (TOD) and regional mobility initiatives and projects including the Silver Line on the Cotton Belt Corridor; and

WHEREAS, the TOWN intends to contribute funds to support the design and construction of the Silver Line Regional Rail Project; and

WHEREAS, the TOWN and DART desire to enter into this Agreement providing for the respective duties and responsibilities of the TOWN and DART in relation to design, construction and financing of the Silver Line Regional Rail Project.

NOW, THEREFORE, in consideration of the premises and mutual promises and covenants contained herein to be performed by the parties, DART and TOWN agree as follows:

ARTICLE 1 DART'S RESPONSIBILITIES

- 1.01 DART shall develop the Silver Line Corridor Regional Rail Project in congruence with the DART Service Plan.
- 1.02 Single Point of Contact. DART shall designate by Notice and provide to the TOWN the name and contact information for the single point of contact for communication and other interface regarding all aspects of the Silver Line Corridor Regional Rail Project.
- 1.03 Development and Construction. DART shall construct the Cotton Belt Regional Rail Project in congruence with the DART Service Plan as amended, the applicable Financial Plan(s) and construction and engineering documents. DART shall, subject to events of Force Majeure, cause Completion of Construction of the Project, to occur in accordance with the Revenue Service Date

EXHIBIT A

approved by DART. All work shall be provided in accordance with applicable federal, state and local laws, regulations and ordinances.

- 1.04 Expenditure of Funds. DART shall only expend funds provided by the TOWN under this Agreement for costs of projects meeting the requirements in Section 374.036 of the Local Government Code.
- 1.05 Project Plans. TOWN shall have opportunity to review construction plans and documents related to the following items of interest to TOWN prior to DART issuing such documents for construction. TOWN shall provide their responses/feedback, in writing, within ten working days following issuance from DART. The plans shall include what is in Section 3.01.

ARTICLE 2 TOWN'S OBLIGATIONS

- 2.01 Single Point of Contact. TOWN shall designate by Notice and provide to DART the name and contact information for the single point of contact for communication and other interface regarding all aspects of the Silver Line Corridor Regional Rail Project.
- 2.02 Expedited Reviews. As may be practical, TOWN shall provide a good faith effort to expedite reviews and approvals of all DART submittals and applications, including, but not limited for, all required permits, traffic control, road and street closures that are in any way, directly or indirectly, related to the Silver Line Corridor Regional Rail Project.
- 2.03 Waiver of Fees. TOWN agrees to waive all fees and charges, if any, for permits, applications, platting, zoning, construction, or any other TOWN services that are in any way, directly or indirectly, related to the Silver Line Corridor Regional Rail Project.
- 2.04 Real Estate Acquisition. TOWN agrees to fully cooperate and will support DART with the acquisition of any easements, rights of way, property rights or real estate required for the Silver Line Corridor Regional Rail Project within the corporate limits.
- 2.05 Full Funding. The TOWN shall pay DART in full as follows:

The TOWN shall deposit in full the amount of forty three thousand six hundred sixty dollars and sixteen cents (\$43,660.16) which represents the total project cost of the Enhancements of Areas Along Silver Line Alignment within thirty (30) days of execution of this Agreement. Exhibit B includes cost breakdown of each enhancement. The total project cost includes design, construction, construction contingency, construction management, testing, and other capital project support costs (soft costs)

Refunds. If DART and the TOWN determine that the amount of a Reimbursement Payment was less or greater than the correct amount to which the DART was entitled (together with such records, reports and other information necessary to support the determination), the TOWN shall pay DART, or DART shall pay to the TOWN within thirty (30) days of the applicable adjustment.

If at the time of the final accounting, TOWN has paid more than actual costs incurred for the Project Costs, DART shall reimburse TOWN no later than thirty (30) days after date of the final invoice for the same.

Upon written request, TOWN may review all documents supporting the amounts invoiced by DART, for a period of one year after the date of the final payment.

EXHIBIT A

ARTICLE 3 DART OBLIGATION

- 3.01 DART shall provide the following:
- Design and construct six (6) foot tall steel decorative fence with mow strip at a length of 4,112 linear feet located between Addison Center Station and Addison Road on both sides of the rail line, 12-foot from center of nearest track. (Exhibit A)
- 3.02 DART will inform the TOWN in writing of the proposed final costs. DART will provide TOWN with periodic reports reflecting the actual costs, including changes from the current budget provided in Exhibit B. Cost and schedule impacts resulting from any changes in the documents and design made during construction, requested by the TOWN, will be the responsibility of the TOWN. DART will process change orders less than \$1,450.12 resulting from any changes in the design or construction that are within the authorized contingency provided in Exhibit B, without prior notification from DART to the TOWN. DART will notify TOWN of any individual cost impacts resulting from any change orders of \$1,450.12 or more, and DART will provide TOWN a copy of the proposed change order for review, prior to execution of the change order. In the event of unforeseen conditions that result in the increase in costs identified in Exhibit B, DART will notify TOWN, and the change order causing that impact and any additional change orders causing further increases in costs identified in Exhibit B shall be provided by DART to the TOWN for review and consideration for funding by the TOWN. DART will not approve any change order causing or allowing an increase in costs identified in Exhibit B without the consent of the TOWN. The Parties acknowledge that in the event of a change order exceeding \$1,450.12 or an increase in costs identified in Exhibit B, time will be of the essence to reach mutual agreement regarding funding and to obtain TOWN Council and DART Board action, as necessary, to avoid delay in implementation of the Project.
- 3.03 DART will maintain full ownership, control and all rights to design and construction of the Project. Notwithstanding any other provision herein, if Project is completed for less than costs identified in Exhibit B, then DART shall refund to TOWN the amount calculated as the difference between costs identified in Exhibit B and actual final Project costs, not to exceed the amount of TOWN contribution.

ARTICLE 4 TERMINATION

- 4.01 If either party believes the other party is in default of this Agreement, the non-defaulting party shall provide written notice to the other party specifying the basis for such default and allowing the defaulting Party thirty (30) days from receipt of the notice to cure such default. In the event the default is not cured within such period, the non-defaulting party shall notify the defaulting party of termination of this Agreement.
- 4.02 Should a court of competent jurisdiction determine the TOWN'S or DART'S immunity from suit is waived in any manner other than as provided in Subchapter I of Chapter 271, TEXAS LOCAL Government Code, as amended, the TOWN and DART hereby acknowledge and agree that in a suit against either party for breach of this Agreement:
- a) The total amount of money awarded is limited to actual damages in an amount not to exceed the balance due and owed by either party under this Agreement;
 - b) The recovery of damages against either party may not include consequential damages or exemplary damages;
 - c) Neither party may recover attorney's fees; and
 - d) Neither party is entitled to specific performance or injunctive relief against the other party.

EXHIBIT A

- 4.03 If TOWN does not provide the funding as specified in Exhibit B, this Agreement shall automatically terminate without further action of the Parties.

ARTICLE 5 GENERAL TERMS

- 5.01 All recitals are hereby incorporated into this Agreement as if fully set forth herein.
5.02 Notice. Notices by or to either party provided under this Agreement shall be in writing and delivered by certified mail return receipt requested, or customarily used hand or overnight delivery with proof of delivery to the addresses shown below.

If to DART:	Gary C. Thomas, President/Executive Director	If to TOWN:	Wes Pierson, City Manager
Mailing Address:	PO Box 660163 Dallas, Texas 75266- 7213	Mailing Address:	PO Box 9010 Addison, Texas 75001
Physical Address:	1401 Pacific Avenue Dallas, Texas 75202	Physical Address:	5300 Belt Line Road Dallas, Texas 75254

The above contact information may be modified in writing by a party on behalf of that party by notice given in accordance with this section.

- 5.03 Audits by DART and the TOWN. DART and the TOWN reserves the right to perform audits of records related to this Agreement. Audits may encompass an examination of all financial transactions, all accounts and reports, as well as an evaluation of compliance with the terms and conditions of this Agreement.
- 5.04 Contractual Relationship. It is understood and agreed that the relationship described in this Agreement between the parties is contractual in nature and is not to be construed to create a partnership of joint venture or agency relationship between the parties. No party shall be liable for any debts incurred by the other party in the conduct of such other party's business or functions.
- 5.05 Subcontracting. Nothing in this agreement shall prevent DART from using a contractor or agent to perform the duties and responsibilities contemplated by this Agreement. If DART contracts with another entity or individual to perform any or all of its obligations under this Agreement, DART shall enter into written contractual agreements requiring such entity or individual to comply with the applicable provisions of this Agreement.
- 5.06 Compliance with Regulations. During the performance of this Agreement, each party, for itself, its assignees, and successors agrees to comply with all applicable local, state, and federal regulations.
- 5.07 No Third-Party Beneficiaries. Nothing in this Agreement shall be construed as creating any liability in favor of any third party against DART or the TOWN. Additionally, this Agreement shall not be construed as relieving any third party from any liability to DART or TOWN.
- 5.08 Assignment. Neither party shall assign this Agreement in whole or in part without first obtaining written consent from the other party, which may be withheld for any reason.
- 5.09 Responsibility. TOWN and DART agree that each shall be responsible for the acts or omissions of its officials, officers, employees or agents as provided by Texas law, in the performance of this Agreement.
- 5.10 Immunity Retained. Nothing contained in this Agreement shall be construed as constituting a waiver of the TOWN's or DART's governmental immunity from suit or liability, which is expressly reserved to the extent allowed by law.
- 5.11 Captions. The captions, headings, and arrangements used in this Agreement are for convenience only and shall not in any way affect, limit, amplify, or modify its terms and provisions.

EXHIBIT A

- 5.12 Governing Law and Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas. The Parties agree venue shall lie in Dallas County, Texas.
- 5.13 Number and Gender. Whenever used herein, unless the context otherwise provides, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders.
- 5.14 Severability and Legal Construction. In the event any one or more of the provisions contained in this Agreement shall be for any reason held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision(s) hereof, and this Agreement shall be revised so as to cure such invalid, illegal, or unenforceable provision(s) to carry out as near as possible the original intent of the Parties.
- 5.15 Merger and Agreement. This instrument constitutes the entire agreement of the parties with respect to the matters contemplated herein and supersedes any prior dealings between the parties on this subject matter. This Agreement may be modified or amended only in writing, signed by both Parties.
- 5.16 Nondiscrimination. In its performance of this Agreement, DART and the TOWN each warrant that it shall not discriminate against any person on account of race, color, religion, national origin, sex, age, disability, genetic information, veteran status, sexual orientation, gender identity or any other characteristic protected by law.
- 5.17 No Waiver. Neither of the parties shall be deemed, by any act or omission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the waiving party, and then only to the extent specifically set forth in such writing. A waiver with reference to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy as to a subsequent event.
- 5.18 Authorization to Act. By their signatures below, the representatives of the TOWN and DART state that they are authorized to enter into this Agreement. The TOWN and DART will each provide documentation that this Agreement has been authorized by its respective governing body.

IN WITNESS, WHEREOF, the Parties have executed this Agreement in multiple originals effective as of the date of the last signed by a Party.

EXECUTED this ____ day of _____, 2020 by Authority of Town of Addison City Council Resolution No. _____, adopted on _____;

TOWN OF ADDISON

BY: _____
Wes Pierson, City Manager

Attest:

Irma Parker, City Secretary

Approved as to form:

Brenda McDonald, City Attorney

Page 5 of 8

EXHIBIT A

EXECUTED this ____ day of _____, 2020 by Authority of DART Board of Directors Resolution No. _____, adopted on _____;

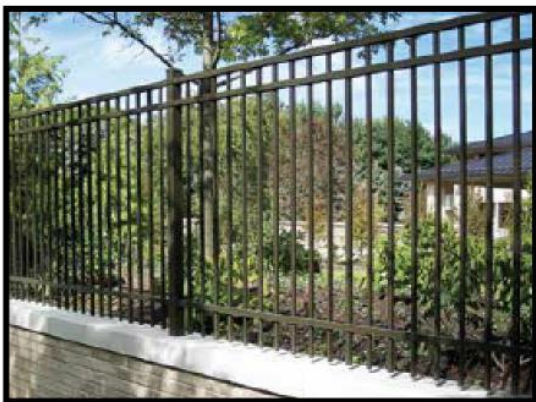
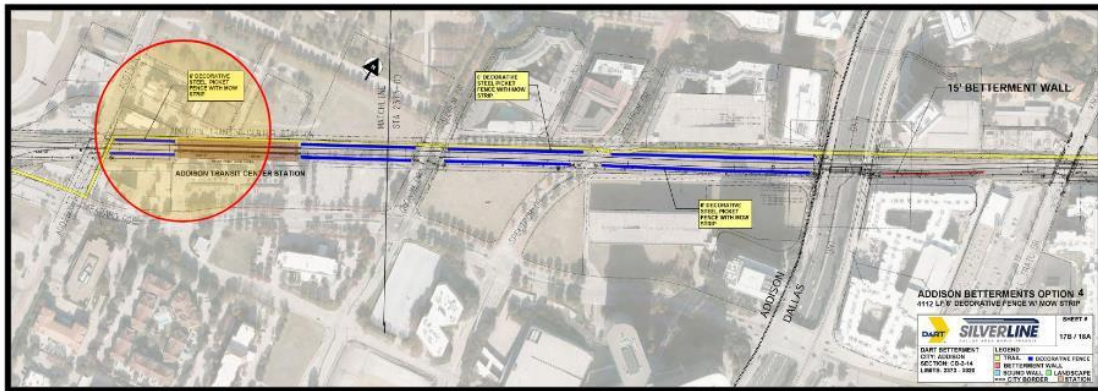
DALLAS AREA RAPID TRANSIT

BY: _____
Gary C. Thomas
President/Executive Director

EXHIBIT A

EXHIBIT A REPRESENTATIVE ENHANCEMENTS

Note: Final selections and other specifications will be determined by mutual agreement between DART and TOWN.



MAJESTIC™

Echelon Plus Majestic has a *contemporary feel* that incorporates a *flush top rail* which produces a stately and streamlined appearance. This fence style *highlights the landscape* by blending with the surrounding architectural design.

- *3 Rail / 4 Rail options available*
- *Flush or Standard bottom options available*

EXHIBIT A

EXHIBIT B COST ITEMIZATION

Town of Addison Betterments

Total Budget		Betterment Funds				Town Contribution				
\$512,000.00		Quantity	Unit	Unit Price	Total	Remaining Funds	AWH Price	4% Contingency	DART Fee for Service	Extended Price
Option 4										
6' Steel Decorative Fence		4112	LF	\$103.90	\$427,236.80					
Mow Strip		4112	LF	\$29.43	\$121,016.16					
Total Option 4					\$548,252.96	-\$36,252.96	\$36,252.96	\$1,450.12	\$5,957.09	\$43,660.16

Council Meeting

7.

Meeting Date: 09/08/2020

Department: Airport

Pillars: Excellence in Transportation Systems

AGENDA CAPTION:

Consider Action on a **Resolution to Approve the Third Amendment to the Concourse Plaza II LTD., Ground Lease for the Property Located at 16051 Addison Road at Addison Airport, and Authorize the City Manager to Execute the Agreement.**

BACKGROUND:

Concourse Plaza II, LTD., the owner of the leasehold improvements located at 16051 Addison Road at Addison Airport, is requesting the Town of Addison's consent to a proposed Third Amendment to the Ground Lease to extend the lease term by an additional six years.

On August 14, 2018, the council approved the Second Amendment to Ground Lease which, among other things, required the tenant to complete no less than \$1,500,000 in capital repairs and improvements necessary to renovate the existing office building improvements within the first 36- months of the amendment's effective date. Concourse Plaza satisfactorily completed the required capital repairs and improvements with their actual construction costs exceeding the stipulated amount by \$492,270 (33%), which is the basis and justification for the Tenant's request for the additional six years of lease term.

This Third Amendment extends the current lease term by 72 months to September 30, 2060 and all other terms and conditions remain the same. The City Attorney has approved this Third Amendment to Ground Lease as to form.

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution - Concourse Plaza II LTD., Ground Lease

Recommendation Memo

Map

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING THE THIRD AMENDMENT TO GROUND LEASE BETWEEN THE TOWN OF ADDISON AND CONCOURSE PLAZA II, LTD. FOR PROPERTY LOCATED AT 16051 ADDISON ROAD, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT, AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. The Third Amendment to Ground Lease between the Town of Addison and Concourse Plaza II, Ltd. for property located at 16051 Addison Road, a copy of which is attached to this Resolution as **Exhibit A**, is hereby approved. The City Manager is hereby authorized to execute the agreement.

SECTION 2. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the **8th** day of **SEPTEMBER** 2020.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma Parker, City Secretary

Brenda N. McDonald, City Attorney

EXHIBIT A

STATE OF TEXAS §
 § **THIRD AMENDMENT TO GROUND LEASE**
COUNTY OF DALLAS §

This Third Amendment to Ground Lease (hereinafter referred to as the "Third Amendment") is made effective as of October 1, 2020, (the "Effective Date") at Addison, Texas, by and between the Town of Addison, Texas, a home-rule municipality (hereinafter sometimes referred to as the "Landlord" or the "City"), and Concourse Plaza II, LTD., a Texas limited liability company ("Tenant") (Landlord and Tenant are sometimes referred to as the "parties" or "party").

WHEREAS, a Ground Lease (with Addendum To Ground Lease) was first made and entered into October 11, 1983 between the City of Addison, Texas (the same being the Town of Addison, Texas, and sometimes referred to herein as the "City") and Addison Airport of Texas, Inc. ("AATI") as Landlord, and Bunnell Properties, Inc., a Texas corporation, as Tenant, by the terms of which Landlord leased to Tenant a certain 1.661 acre tract of land at Addison Airport (which tract of land is referred to in the Ground Lease and herein as the "Demised Premises" or "demised premises") as recorded in the Official Public Records of Dallas County, Texas ("OPR") in Book 83252, Page 7439 (Instrument #198302521079) (the "Ground Lease" or "Lease", a true and correct copy as amended and modified as described herein is attached hereto as **Exhibit "A"**), which said real property is commonly referred to as 16051 Addison Road at Addison Airport within the Town Addison, Texas, and owned by the City, and

WHEREAS, the Ground Lease provides that upon the expiration or termination of that certain agreement referred to and defined in the Ground Lease as the "Base Lease" (and being an Agreement for Operation of the Addison Airport between the City and AATI), the City is entitled to all of the rights, benefits and remedies, and will perform the duties, covenants, and obligations, of the Landlord under the Ground lease; and

WHEREAS, the said Base Lease has expired and the City alone is the Landlord under the Ground Lease; and

WHEREAS, by that Assignment of Lease dated December 1, 1983 and recorded in the OPR in Book 83252, Page 7456 (Instrument #198302521080), the Ground Lease was assigned from Bunnell Properties, Inc., as assignor, to Concourse Plaza, LTD., a Texas limited partnership, as assignee; and

WHEREAS, the said Ground Lease was then modified by that Settlement and First Amendment to Lease Agreement dated April 22, 1997 as recorded in Book 97214, Page 2291 (instrument #199702140412) of the OPR with a corrected document recorded in Book 97247, Page 3370 (Instrument #19907024170809) of the Official Public Records of Dallas County, Texas on December 22, 1997, wherein, among other things, the Demised Premises was modified to include 78,506 square feet of land as described in Exhibit C to the Agreement (the same being as shown in the Boundary Survey prepared by Shimek, Jacobs & Finklea, LLP dated February 19, 1997, which a true and correct copy is attached hereto as **Exhibit "B"**); and

Third Amendment to Ground Lease 0950-5101 – Page 1 of 10

WHEREAS, by that Assignment of Lease entered into and made effective December 31, 1997 as recorded as Book 98063, Page 3557 (Instrument #199800090587) in the OPR, the Ground Lease was assigned from Concourse Plaza, LTD, as assignor, to Concourse Plaza II, LTD, a Texas limited partnership, as assignee; and

WHEREAS, said Ground Lease was then modified by that Second Amendment to Ground Lease dated and made effective August 14, 2018, so evidenced by that Memorandum of Lease of same date recorded in the OPR as Instrument #201800245457; whereby, among other things, the Term was extended to expire on September 30, 2054; and

WHEREAS, by virtue of such conveyances and assignments, Concourse Plaza II, LTD is the Tenant under the Ground Lease (and is hereinafter referred to as "Tenant"); and

WHEREAS, Tenant has achieved Construction Completion of the Second Amendment Building Improvements to Landlord's satisfaction pursuant to Section 6.B of the Second Amendment in excess of the stipulated Second Amendment Capital Improvement Costs of One Million Five Hundred and No/100 Dollars (\$1,500,000.00) evidenced by that certain signed and witnessed Application and Certification For Payment #9 dated March 2, 2020 ("Second Amendment Construction Costs Evidence") with the actual total contract sum paid in the amount of \$1,992,270.03; and

WHEREAS, in consideration of the actual construction costs incurred by Tenant exceeding the stipulated Second Amendment Capital Improvement Costs, and in connection therewith, Landlord and Tenant desire to amend the Ground Lease in the manner set forth below.

NOW, THEREFORE, for and in consideration of the above and foregoing premises, the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Town of Addison, Texas and Concourse Plaza II, LTD., a Texas limited liability company, do hereby agree as follows:

Section 1. Incorporation of Premises. The above and foregoing recitals are true and correct and are incorporated herein and made a part hereof.

Section 2. Amendments and Modifications to Ground Lease. The Ground Lease, as described in the above and foregoing recitals, is hereby amended and modified as follows:

A. Amendment to Section 3, Term. Section 3, Term of the Ground Lease is hereby amended as follows:

3. Term: The initial term hereof, which commenced October 1, 1984 and is due to expire September 30, 2054 as modified by the Second Amendment, is hereby extended an additional seventy-two (72) full calendar months so that it shall now expire on September 30, 2060.

Section 3. No Other Amendments. Except to the extent modified or amended herein, all other terms and obligations of the Ground Lease shall remain unchanged and in full force and effect.

Section 4. Applicable Law; Venue. In the event of any action under this Third Amendment, exclusive venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The parties agree that the laws of the State of Texas shall govern and apply to the interpretation, validity and enforcement of this Third Amendment; 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 the State of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and enforcement of this Third Amendment. All obligations of the parties created by this Third Amendment are performable in Dallas County, Texas.

Section 5. No Third-Party Beneficiaries. This Third Amendment and each of its provisions are solely for the benefit of the parties hereto and are not intended to and shall not create or grant any rights, contractual or otherwise, to any third person or entity.

Section 6. Authority to Execute. The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Third Amendment on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

IN WITNESS WHEREOF, the undersigned parties execute this Agreement this _____ day of _____, 2020.

TENANT:

CONCOURSE PLAZA II, LTD.,
a Texas limited partnership

By: Harkinson Investment Corporation
a Texas corporation, General Partner

By: 
William J. Harkinson, President

LANDLORD:

TOWN OF ADDISON, TEXAS,
a home rule municipality

By: _____

Wesley S. Pierson, City Manager

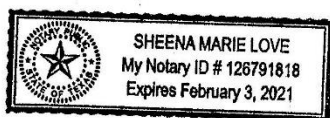
ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared William J. Harkinson, President of Harkinson Investment Corporation, General Partner of Concourse Plaza II, LTD, a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this 24th day of August, 2020.

[SEAL]



Sheena M. Love
Notary Public, State of Texas

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Wesley S. Pierson, city manager of the Town of Addison, a home-rule municipality, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 2020.

[SEAL]

Notary Public, State of Texas

EXHIBIT "A"

COPY OF GROUND LEASE AS AMENDED AND MODIFIED

THE STATE OF TEXAS
COUNTY OF DALLAS

GROUND LEASE

This Ground Lease (hereinafter referred to as the "Lease") is made and entered into as of October 11, 1983, by and among the City of Addison, Texas, a municipal corporation (hereinafter sometimes referred to as the "City"), Addison Airport of Texas, Inc., a Texas Corporation (hereinafter sometimes referred to as "AATI") and Bunnell Properties, Inc., a Texas Corporation (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, AATI leases that certain real property (hereinafter referred to as the "demised premises") described in attached Exhibit A from the City pursuant to that certain instrument captioned Agreement for Operation of the Addison Airport (hereinafter referred to as the "Base Lease") between the City and Addison Airport, Inc. (predecessor at AATI); and

WHEREAS, the demised premises are situated at Addison Airport (hereinafter referred to as the "Airport") in Dallas County, Texas, the Airport being delineated in a plat attached hereto as Exhibit B; and

WHEREAS, the City and AATI hereby lease and demise the demised premises to Tenant, and Tenant hereby leases and takes the demised premises from the City and AATI, upon the terms and conditions set forth herein;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

1. **Base Lease.** All of the terms and conditions of the Base Lease are incorporated into this Lease by reference as if written verbatim herein, and Tenant by Tenant's execution hereof acknowledges that AATI has furnished Tenant with a copy of the Base Lease. Tenant agrees to fully comply at all times and in all respects with the terms and conditions of the Base Lease insofar as the same relate to the demised premises and/or the use and operation thereof, except that Tenant shall not be responsible for the payment of any rental due under the Base Lease which shall be paid by AATI.

2. **Definition of Landlord and Effect of Default under the Base Lease.** The term "Landlord" as hereinafter used in this Lease shall mean either AATI or the City. So long as the Base Lease is in effect, AATI shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. Upon the expiration or termination of the Base Lease, the City shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. The City agrees that (i) until such time as the City notifies Tenant to the contrary in writing, Tenant is fully authorized to make all payments due under this Lease to AATI, and (ii) that default by AATI under the Base Lease shall have no effect on this Lease so long as Tenant pays and performs its duties, covenants and obligations under this Lease.

3. **Term.** The term hereof shall commence on the earlier of October 1, 1984, or the first day of the first calendar month after Tenant completes the construction hereinbelow described and opens for business at the demised premises (the applicable date being hereinafter referred to as the "Commencement Date"), and shall end four hundred eighty (480) months thereafter; provided, however, that any entry upon the demised premises by Tenant prior to the Commencement Date shall be subject to all of the terms and conditions hereof except that rental shall not accrue.

4. **Rental:** Subject to adjustment as hereinbelow provided, Tenant agrees to pay to Landlord, without offset or deduction, rent for the demised premises at the rate of SIXTEEN HUNDRED SEVENTY-SIX AND 07/100 per month in advance. The first of such monthly installment shall be due and payable on or before the Commencement Date, and a like installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

5. **Adjustment of Rental:** Commencing on the second anniversary of the Commencement Date and on every bi-annual anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under paragraph 4 shall be adjusted as follows:

(i) A comparison shall be made between the Consumers' price Index-All Items for the Dallas, Texas Metropolitan Area (hereinafter referred to as the "Price Index") as it existed on the Commencement Date and as it exists on the first day of the calendar month preceding the then applicable Adjustment Date.

(ii) The monthly rental for the two (2) year period beginning with and following the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of increase or decrease in the Price Index between the Commencement Date and the then applicable Adjustment Date, but in no event shall such monthly rental ever be decreased below the monthly rental set forth in paragraph 4.

(iii) In the event that the Price Index is unavailable for whatever reason for the computations set forth hereinabove, another index approximating the Price Index as closely as feasible shall be substituted therefor.

6. **Use of Demised Premises and Construction of Improvements.** The demised premises shall be used and occupied by Tenant only for the following purposes: sale of aircraft and aircraft parts; aircraft maintenance and repair; aircraft storage; aircraft training; aircraft charter; and aircraft rentals; and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications.

These improvements consist of a combination office/airplane hangar facility containing approximately 42,600 square feet of office space and five airplane hangars, the preliminary plans for which have been prepared by Bogard Architects, Inc. Construction prints to be approved by Addison Municipal Airport prior to the start of construction.

All construction shall be strictly in accordance with such plans and specifications, and such construction shall be performed in a first class, workmanlike manner. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection with such construction.

7. **Acceptance of Demised Premises.** Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the purpose for which the same are leased in their present condition.

8. **Securing Governmental Approvals and Compliance with Law.** Tenant at Tenant's sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises. Tenant shall comply at all times with all governmental laws, ordinances and regulations applicable to the use of the demised premises, and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with the demised premises, all at Tenant's sole cost and expense.

9. **Assignment, Subletting and Mortgaging of Leasehold Estate:**

A. Without the prior written consent of Landlord, Tenant may not assign this Lease or any rights of Tenant hereunder (except to a leasehold mortgage as hereinbelow provided) or sublet the whole or any part of the demised premises. Any assignment or subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions of paragraph 6 pertaining to the use of the demised premises. In the event of any assignment or subletting, Tenant shall not assign Tenant's rights hereunder or sublet the demised premises without first obtaining a written agreement from each such assignee or sublessee whereby each such assignee or sublessee agrees to be bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a novation. In the event of the occurrence of an event of default while the demised premises are assigned or sublet, Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all rents becoming due under such assignment or subletting and apply such rent against any sums due to Landlord hereunder. No direct collection by Landlord from any such assignee or subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder.

B. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of obtaining funds for the construction of the improvements described in paragraph 6 or for other construction upon the demised premises approved from time to time by Landlord in writing. In the event that Tenant pursuant to mortgages or deeds of trust mortgages the leasehold estate of Tenant created hereby, the leasehold mortgagee shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgagee become the owner of the leasehold estate pursuant to foreclosure, transfer in lieu of foreclosure, or otherwise, and thereafter said leasehold mortgagee shall remain liable for such obligations only so long as such mortgagee remains the owner of the leasehold estate. Notwithstanding the foregoing, it is specifically understood and agreed that no such mortgaging by Tenant and/or any actions taken pursuant to the terms of such mortgage shall ever relieve Tenant of Tenant's obligation to pay the rental due hereunder and otherwise fully perform the terms and conditions of this Lease.

C. All mortgages and/or deeds of trust which by Tenant mortgages the leasehold estate of Tenant created hereby shall contain provisions (i) requiring the leasehold mortgagee to give Landlord fifteen (15) days written notice prior to accelerating the debt of Tenant to such mortgagee and/or initiating foreclosure proceedings under said mortgages or deeds of trust, and (ii) allowing Landlord during such fifteen (15) day notice period to cure Tenant's default and prevent said acceleration and/or foreclosure proceedings, and thereafter at Landlord's option to assume Tenant's position under said mortgages or deeds of trust.

D. Landlord agrees, if and so long as the leasehold estate of Tenant is encumbered by a leasehold mortgage and written notice to such effect has been given to Landlord, to give the holder of such leasehold mortgagee at such address or addresses as may be specified in such written notice to Landlord for the giving of notices to the leasehold mortgagee, or as otherwise may be specified by the leasehold mortgagee to Landlord in writing, written notice of any default hereunder by Tenant, simultaneously with the giving of such notice to Tenant, and the holder of any such leasehold mortgage shall have the right, for a period of fifteen (15) days after its receipt of such notice or within any longer period of time specified in such notice, to take such action or to make payment as may be necessary or appropriate to cure any such default so specified, it being the intention of the parties hereto that Landlord shall not exercise Landlord's right to terminate this lease without first giving any such leasehold mortgagee the notice provided for herein and affording any such leasehold mortgagee the right to cure such default as provided for herein.

E. Landlord further agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will (i) recognize such mortgagee and its successors and assigns after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such mortgagee or its successors and assigns performs all of the obligations of Tenant hereunder. Landlord also agrees to execute and deliver to such proposed leasehold mortgagee any other documents which such proposed leasehold mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby; provided, however, that Landlord shall never be required to subordinate Landlord's interest in the demised premises to the mortgage of such proposed leasehold mortgagee.

10. **Property Taxes and Assessments:** Tenant shall pay any and all property taxes or assessments levied or assessed on the improvements on the demised premises, the personal property and fixtures on the demised premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord's "paid receipts" or other written evidence that all such taxes have been paid by Tenant.

11. Maintenance and Repair of Demised Premises:

A. Tenant shall, throughout the term hereof, maintain in good repair and condition all the demised premises and all fixtures, equipment and personal property on the demised premises and keep them free from waste or nuisance and, at the expiration or termination of this Lease, deliver up the demised premises clean and free of trash and in good repair and condition, with all fixtures and equipment situated in the demised premises in working order, reasonable wear and tear excepted.

B. In the event Tenant shall fail to so maintain the demised premises and the fixtures, equipment and personal property situated thereon, Landlord shall have the right (but not the obligation) to cause all repairs or other maintenance to be made and the reasonable costs therefor expended by Landlord plus interest thereon as provided in paragraph 37 shall be paid by Tenant on demand.

12. **Alterations, Additions and Improvement.** After completion of the improvements described in paragraph 6, Tenant shall not create any openings in the roof or exterior walls, or make any alterations, additions or improvements to the demised premises without the prior written consent of Landlord. Consent to non-structural alterations, additions or improvements shall not be unreasonably withheld by Landlord. Tenant shall have the right to erect or install shelves, bins, machinery, air conditioning or heating equipment and trade fixtures, provided that Tenant complies with all applicable governmental laws, ordinances and regulations.

All alterations, additions and improvements in and to the demised premises shall be performed in a first class, workmanlike manner, and Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection therewith.

13. **Insurance.** Tenant shall during the term hereof maintain at Tenant's sole cost and expense insurance relating to the demised premises as follows:

(i) Insurance against loss or damage to improvements by fire, lightning, and other risks from time to time included under standard extended coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than eighty percent (80%) of the full insurable value of the demised premises. The term "full insurable value" as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser, a copy of whose findings shall be submitted to Landlord, and, therefore, proper adjustment in the limits of insurance coverage shall be effected.

(ii) General public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the demised premises, such insurance to afford protection to Landlord of not less than \$500,000.00 with respect to any one person, \$1,000,000.00 with respect to any one accident and not less than \$200,000.00 with respect to property damage.

(iii) Workmen's compensation insurance covering all persons employed by Tenant in connection with any work done on or about the demised premises with respect to which claims for death or bodily injury could be asserted against Landlord or the demised premises, or in lieu of such workmen's compensation insurance, a program of self-insurance complying with the rules, regulations and requirements of the appropriate state agency of the State of Texas.

(iv) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of \$100,000.00 for damage to property resulting from such perils.

(v) Such other insurance on improvements in such amounts and against such other insurable hazard which at the time are commonly obtained in the case of property similar to such improvements.

(vi) Hangar keeper's liability insurance providing for coverage in the following limits: \$200,000.00 per aircraft and \$400,000.00 per occurrence on property damage to aircraft in the care, custody or control of Tenant.

(vii) During any period of construction, a Builder's Risk Completed Value policy with an all risks endorsement.

All such policies of insurance (i) shall be issued by insurance companies acceptable to Landlord, (ii) shall name Landlord as an additional insured or loss payee, as the case may be, and (iii) shall provide for at least ten (10) days written notice to Landlord prior to cancellation or modification. Tenant shall provide Landlord with duplicate originals of all insurance policies required by this paragraph.

14. Casualty Damage or Destruction:

A. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant will promptly give written notice thereof to Landlord, generally describing the nature and extent of such damage and/or destruction.

B. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant, whether or not the insurance proceeds, if any, payable on account of such damage and/or destruction shall be sufficient for such purpose, at Tenant's sole cost, risk and expense will promptly commence and complete the restoration, repair and replacement of said buildings, structures and equipment as nearly as possible to their value, condition and character immediately prior to such damage and/or destruction, with such alterations in and additions thereto as may be approved in writing by Landlord (hereinafter sometimes referred to as the "Restoration").

C. All insurance proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the demised premises shall be held by Landlord. Landlord shall be protected in acting upon any certificate believed by Landlord to be genuine and to have been executed by the proper party and shall receive such certificate as conclusive evidence of any fact or as to any matter therein set forth. Such certificate shall be full warranty, authority and protection to Landlord in acting thereon, and Landlord shall be under no duty to take any action other than as set forth in this paragraph 14.

D. Insurance proceeds received by Landlord on account of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof (less the costs, fees and expenses incurred by Landlord and Tenant in the collection thereof, including, without limitation, adjuster's and attorney's fees and expenses) shall be applied as follows:

(i) Net insurance proceeds as above defined shall be paid to Tenant or as Tenant may direct from time to time as Restoration progresses to pay (or reimburse Tenant for) the cost of Restoration, upon written request of Tenant to Landlord accompanied by (a) certificate of a supervising architect or engineer approved by Landlord, describing in reasonable detail the work and material in question and the cost thereof, stating that the same were necessary or appropriate to the Restoration and constitute a complete part thereof, and that no part of the cost thereof has theretofore been reimbursed, and specifying the additional amount, if any, necessary to complete the Restoration, and (b) an opinion of counsel satisfactory to Landlord that there exist no mechanics', materialmen's or similar liens for labor or materials except such, if any, as are discharged by the payment of the amount requested.

(ii) Upon receipt by Landlord of evidence of the character required by the foregoing clauses (i)(a) and (b) that Restoration has been completed and the cost thereof paid in full, and that there are no mechanics', materialmen's or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such proceeds shall be paid to Tenant or as Tenant may direct.

E. In the event that Tenant does not promptly commence Restoration, or after commencement Tenant does not diligently proceed to the completion of same, Landlord shall have the right to commence or complete Restoration after Landlord has given Tenant thirty (30) days prior written notice requesting the commencement of Restoration or that Tenant diligently proceeds to the completion of same if Tenant during such thirty (30) day period does not so commence or proceed to diligently complete Restoration. In such event, Landlord shall retain the insurance proceeds, and Tenant shall pay any deficiency if such proceeds are not sufficient for Restoration.

15. Condemnation:

A. If during the term hereof, any part of the demised premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, or are sold to a condemning authority under threat of condemnation, and after such taking by or sale to said condemning authority the remainder of the demised premises is not susceptible to efficient and economic occupation and operation by Tenant, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the demised premises, and Landlord shall refund to Tenant any prepaid but unaccrued rental less any sum then owing by Tenant to Landlord.

B. If after such taking by or sale to said condemning authority the remainder of the demised premises is susceptible to efficient and economic occupation and operation by Tenant, this Lease shall not terminate but the rental due hereunder shall be adjusted so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly rental installment due hereunder, as adjusted from time to time pursuant to paragraph 5, by a fraction, the numerator of which shall be the number of square feet remaining in the demised premises after the taking by or sale to said condemning authority and denominator of which shall be the square footage originally contained in the demised premises. The rental adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the demised premises.

C. If this Lease is not terminated pursuant to Section A, Tenant shall promptly restore the improvements on the demised premises, and the condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid first to cover the costs and expenses for restoring the remaining portion of the demised premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any remaining proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant, as their interest may appear. If this Lease is terminated pursuant to Section A, condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interests may appear.

16. **Utilities.** Tenant shall be responsible at Tenant's sole cost and expense for obtaining all utility connections at or for the demised premises and Tenant shall pay all charges for water, electricity, gas, sewer, telephone or any other utility connections, tap-in fees and services furnished to the demised premises during the term hereof. Landlord shall in no event be liable or responsible for any cessation or interruption in any such utility services.

17. **Common Facilities.** Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use all common facilities, improvements, equipment and services which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of Landlord's customers and tenants, including landing and takeoff facilities, means of ingress and egress to the demised premises, other airport installations, and all other reasonable services which may be provided without charge from time to time by Landlord in operating the Airport. All such common facilities shall at all times be under the exclusive control and management of Landlord and may be rearranged, modified, changed or terminated from time to time at Landlord's sole discretion.

18. **Rules and Regulations.** Landlord has adopted Rules and Regulations (hereinafter referred to as the "Rules and Regulations") which shall govern Tenant in the use of the demised premises and all common facilities, a copy of which has been furnished to Tenant. The Rules and Regulations are incorporated by reference as if written verbatim herein, and Tenant agrees to comply fully at all times with the Rules and Regulations. Landlord shall have the right to amend, notify and alter the Rules and Regulations from time to time in a reasonable manner for the purpose of assuring the safety, welfare and convenience of Landlord, Tenant and all other Tenants and customers of the Airport.

19. **Signs and Equipment.** After first securing Landlord's approval which will not be unreasonably withheld, Tenant shall have the right from time to time to install and operate advertising signs and radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the demised premises that may be reasonably necessary for the operation of Tenant's business.

20. **Landlord's Right of Entry.** Landlord and Landlord's authorized representatives shall have the right, during the normal business hours, to enter the demised premises (i) to inspect the general condition and state of repair thereof, (ii) to make repairs permitted under this Lease, (iii) to show the demised premises to any prospective tenant or purchaser or (iv) for any other reasonable and lawful purpose.

During the final one hundred eighty (180) days of the term hereof, Landlord and Landlord's authorized representatives shall have the right to erect and maintain on or about the demised premises customary signs advertising the demised premises for lease or for sale.

21. Indemnity and Exculpation:

A. Landlord shall not be liable to Tenant or to Tenant's employees, agents, servants, customers, invitees, or to any other person whomsoever, for any injury to persons or damage to property on or about the demised premises or any adjacent area owned by Landlord caused by the negligence or misconduct of Tenant, Tenant's employees, servants, customers, invitees, subtenants, licensees or concessionaires or any other person entering the demised premises under express or implied invitation of Tenant, or arising out of the use of the demised premises by Tenant and the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations hereunder; and Tenant hereby agrees to indemnify Landlord and hold Landlord harmless from any loss, expense or claims arising out of such damage or injury.

B. Landlord and Landlord's agents and employees shall not be liable to Tenant for any injury to persons or damage to property resulting from the demised premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the demised premises, regardless of the source, or dampness or by fire, explosion, falling plaster or ceiling or for any other reason whatsoever. Landlord shall not be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in construction of any private, public or quasi-public work, or of any other persons whomsoever, excepting only duly authorized agents and employees of Landlord.

22. Default by Tenant. The following events shall be deemed to be events of default by Tenant under this Lease:

A. Failure of Tenant to pay any installment of rent or any other sum payable to Landlord hereunder on the date that same is due and such failure shall continue for a period of ten (10) days.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of rent or other sum of money, and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant.

C. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

D. 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 Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor.

E. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.

F. Abandonment by Tenant of any substantial portion of the demised premises or cessation of use of the demised premises for the purpose leased.

23. **Remedies of Landlord.** Upon the occurrence of any of the events of default listed in paragraph 22, Landlord shall have the option to pursue any one or more of the following remedies without the notice or demand whatsoever:

A. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or arrearages in rent, enter upon and take possession of the demised premises and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for prosecution or any claim for damages therefor. Tenant shall pay to Landlord on demand the amount of all loss and damages which Landlord may suffer by reason of such termination, whether through inability to relet the demised premises on satisfactory terms or otherwise.

B. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or arrearages in rent, enter upon and take possession of the demised premises and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for prosecution or any claim for damages therefor. Tenant shall pay to Landlord on the date of such termination damages in any amount equal to the excess, if any, of the total amount of all monthly rental and other amounts to be paid by Tenant to Landlord hereunder for the period which would otherwise have constituted the unexpired portion of the term of this Lease over the then fair market rental value of the demised premises for such unexpired portion of the term of this Lease.

C. Enter upon and take possession of the demised premises without terminating this Lease and without being liable for prosecution or for any claim for damages therefor, and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof. Landlord may relet the demised premises and receive the rent therefor. Tenant agrees to pay to Landlord on demand the amount of all loss and damages which Landlord may suffer by reason of such termination, whether through inability to relet the demised premises on satisfactory terms or otherwise.

deducted from time to time any deficiency that may arise by reason of any such defaulting. In determining the amount of such deficiency, brokerage commissions, attorneys' fees, remodeling expenses and other costs of reletting shall be subtracted from the actual amount of rent received under such reletting.

D. Upon the demise of the demised premises without terminating this Lease and without being liable for prosecution or for any claim for damages therefor, and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to pay Landlord on demand for expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, together with interest thereon at the rate of ten percent (10%) per annum from the date expended until paid. Landlord shall not be liable for any damages resulting to Tenant from such action, whether caused by negligence of Landlord or otherwise.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, conditions and covenants herein contained.

24. Default by Landlord. No default by Landlord hereunder shall constitute an eviction or disturbance of Tenant's use and possession of the demised premises or render Landlord liable for damages or entitle Tenant to be relieved from any of Tenant's obligations hereunder (including the obligation to pay rent) or grant Tenant any right of deduction, abatement, set-off or recoupment or entitle Tenant to take any action whatsoever with regard to the demised premises or Landlord until thirty (30) days after Tenant has given Landlord written notice specifically setting forth such default by Landlord, and Landlord has failed to cure such default within said thirty (30) day period, or in the event such default cannot be cured within said thirty (30) day period then within an additional reasonable period of time so long as Landlord has commenced curative action within said thirty (30) day period and thereafter is diligently attempting to cure such default. In the event that Landlord fails to cure such default within said thirty (30) day period, or within said additional reasonable period of time, Tenant shall have the right to:

(i) Proceed to cure such default and deduct the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum from the next succeeding rental installment(s) due by Tenant to Landlord hereunder; or

(ii) Proceed to cure such default and bring suit against Landlord for the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum.

If any mortgagee of Landlord has given Tenant its address for notices and specifically requests such notice, Tenant agrees to give the notice required hereinabove to such mortgagee at the time Tenant gives same to Landlord, and to accept curative action, if any, undertaken by such mortgagee as if such curative action had been taken by Landlord.

25. Waiver of Subrogation. Each party hereto waives any and every claim which arises or may arise in such party's favor against the other party hereto during the term of this Lease for any and all loss of, or damage to, any of such party's property located within or upon, or constituting a part of, the demised premises, which loss or damage is covered by valid and collectible fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Such mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Lease with respect to any loss of, or damage to, property of the parties hereto. Inasmuch as such mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation or otherwise to an insurance company (or any other person), each party hereby agrees immediately to give to each insurance company which has issued to such party policies of fire and extended coverage insurance, written notice of the terms of such mutual waivers, and to cause such insurance policies to be properly endorsed, if necessary, to prevent the invalidation of such insurance coverages by reason of such waivers.

26. Title to Improvements. Any and all improvements on the demised premises shall become the property of Landlord upon the expiration or termination of this Lease; provided, however: (i) if Tenant is not then in default hereunder, Tenant shall have the right to remove all personal property and trade fixtures owned by Tenant from the demised premises, but Tenant shall be required to repair any damage to the demised premises caused by such removal in a good and workmanlike manner and at Tenant's sole cost and expense; and (ii) Landlord may elect to require Tenant to remove all improvements from the demised premises and restore the demised premises to the condition in which the same existed on the date hereof, in which event Tenant shall promptly perform such removal and restoration in a good and workmanlike manner and at Tenant's sole cost and expense.

27. Mechanics' and Materialmen's Liens. Tenant agrees to indemnify and hold Landlord harmless of and from all liability arising out of the filing of any mechanics' or materialmen's liens against the demised premises by reason of any act or omission of Tenant or anyone claiming under Tenant, and Landlord, at Landlord's option, may satisfy such liens and collect the amount expended from Tenant together with interest thereon as provided in paragraph 37 as additional rent; provided, however, that Landlord shall not so satisfy such liens until fifteen (15) days after written notification to Tenant of Landlord's intention to do so and Tenant's failure during such fifteen (15) day period to bond such liens or escrow funds with appropriate parties to protect Landlord's interest in the demised premises.

28. Title. Tenant accepts the demised premises subject to: (i) the Base Lease; (ii) the Rules and Regulations; (iii) easements and rights-of-way and (iv) zoning ordinances and other ordinances, laws, statutes or regulations now in effect or hereafter promulgated by any governmental authority having jurisdiction over the demised premises.

29. Quiet Enjoyment and Subordination. Landlord covenants, represents and warrants that Landlord has full right and power to execute and perform this Lease and to grant the estate demised herein, and that Tenant, upon payment of the rents herein reserved, and performance of the terms, conditions, covenants and agreements herein contained, shall peaceably and quietly have, hold and enjoy the demised premises during the full term of this Lease; provided, however, that Tenant accepts this Lease subject and subordinate to any recorded mortgage, deed of trust or other lien presently existing upon the demised premises. Landlord further is hereby irrevocably vested with full power and authority by Tenant to subordinate Tenant's interest hereunder to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises or to declare this Lease prior and superior to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises; provided, however, that all of the rights of Tenant shall remain in full force and effect during the full term of this Lease on condition that Tenant attorn to the mortgagee, its successors and assigns, and perform all of the covenants and conditions required by the terms of this lease, and (ii) in the event of foreclosure or any enforcement of any such mortgage, the rights of Tenant hereunder shall expressly survive and this Lease shall in all respects continue in full force and effect so long as Tenant shall fully perform all Tenant's obligations hereunder and attorn to the purchaser. Tenant also agrees upon demand to execute further instruments declaring this Lease prior and superior to any mortgage, deed of trust or other lien and specifically providing that this Lease shall survive the foreclosure of such mortgage, deed of trust or other lien.

30. Rent on Net Return Basis. Except for the rental due under the Base Lease during the time that AATI is the Landlord hereunder, it is intended that the rent provided for in this Lease shall be an absolutely net return to Landlord for the term of this Lease, free of any loss, expenses or charges with respect to the demised premises, including, without limitation, maintenance, repairs, replacement, insurance, taxes and assessments, and this Lease shall be construed in accordance with and to effectuate such intention.

31. Holding Over. Should Tenant, or any of Tenant's successors in interest fail to surrender the demised premises, or any part thereof, on the expiration of the term of this Lease, such holding over shall constitute a tenancy from month to month only terminable at any time by either Landlord or Tenant after thirty (30) days prior written notice to the other, at a monthly rental equal to two hundred percent (200%) of the rent paid for the last month of the term of this Lease.

32. Waiver of Default. No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Lease shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein.

33. Release of Landlord Upon Transfer. All of Landlord's personal liability for the performance of the terms and provisions of this Lease (except for any liability accruing prior to such transfer) shall terminate upon a transfer of the demised premises by Landlord, provided that the obligations of Landlord under this Lease are covenants running with the land and shall be binding upon the transferee of Landlord's interest in this Lease and the demised premises.

34. Attorneys' Fees. If, on account of any breach or default by Landlord or Tenant of their respective obligations under this Lease, it shall become necessary for the other to employ an attorney to enforce or defend any of such party's rights or remedies hereunder, and should such party prevail, such party shall be entitled to collect reasonable attorneys' fees incurred in such connection from the other party.

35. Financial Information. Tenant agrees that Tenant will from time to time upon the written request of Landlord during the term of this Lease furnish to Landlord such credit and banking references as Landlord may reasonably request.

36. Estoppel Certificates. Tenant agrees that from time to time, upon not less than ten (10) days' prior written request by Landlord, Tenant will deliver to Landlord a statement in writing certifying that:

A. This Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease as modified is in full force and effect and stating the modifications).

B. The dates to which rent and other charges have been paid.

C. Landlord is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

D. If requested by Landlord, Tenant will not pay rent for more than one (1) month in advance and that this Lease will not be amended without notice to Landlord's mortgagee and that the same will not be terminated without the same notice required by the Lease to

furnished to Landlord also being furnished to Landlord's mortgagee and Landlord's mortgagee fails to cure such default within the curative period allowed Landlord under this Lease.

Landlord agrees that from time to time, upon not less than ten (10) days' prior written request by Tenant, Landlord will deliver to Tenant a statement in writing certifying that:

A. This Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease as modified is in full force and effect and stating the modifications).

B. The dates to which rent and other charges have been paid.

C. Tenant is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

37. Interest on Tenant's Obligations and Manner of Payment. All monetary obligations of Tenant to Landlord under this Lease remaining unpaid ten (10) days after the due date of the same (if no due date has been established under other provisions hereof, the "due date" shall be the date upon which Landlord demands payment from Tenant in writing) shall bear interest at the rate of ten percent (10%) per annum from and after said tenth (10th) day until paid. If more than twice during the term of the Lease Tenant's personal or corporate check is not paid by the bank on which it is drawn for whatever reason, Landlord may require by giving written notice to Tenant that the payment of all future monetary obligations of Tenant under this Lease are to be made on or before the due date by cash, cashier's check, certified check or money order, and the delivery of Tenant's personal or corporate check will no longer constitute payment of such monetary obligations. Any acceptance by Landlord of a personal or corporate check after such notice shall not be deemed or construed as a waiver or estoppel of Landlord to require other payments as required by said notice.

38. Independent Contractor. It is understood and agreed that in leasing and operating the demised premises, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer or employee of Landlord.

39. Force Majeure. In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

40. Exhibits. All exhibits, attachments, annexed instruments and addenda referred to herein shall be considered a part hereof for all purposes with the same force and effect as if copied verbatim herein.

41. Use of Language. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular shall be held to include the plural, unless the context otherwise requires.

42. Captions. The captions or headings or paragraphs in this Lease are inserted for convenience only, and shall not be considered in construing the provisions hereof if any question of intent should arise.

43. Successors. The terms, conditions and covenants contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities and duties of Landlord under this Lease, including, but not limited to, any notices required or permitted to be delivered by Landlord to Tenant hereunder, may, at Landlord's option, be exercised or performed by Landlord's agent or attorney.

44. Severability. If any provision in this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

45. Notices. Any notice or document required or permitted to be delivered hereunder may be delivered in person or shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to the parties at the addresses indicated below, or at such other addresses as may have theretofore been specified by written notice delivered in accordance herewith.

LANDLORD:

TENANT:

Addison Airport of Texas, Inc.
P. O. Box 34067
Dallas, Texas 75234

Bunnell Properties, Inc.
14951 Dallas Parkway, Suite 900
Dallas, Texas 75240

City of Addison, Texas

980-7704

P. O. Box 144

Addison, Texas 75001

46. Fees or Commissions. Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers', agents' or finders' fees or commissions agreed to by such party arising from the execution of this Lease or the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

47. Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

48. Governing Law and Venue. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, and Landlord and Tenant both irrevocably agree that venue for any dispute concerning this Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas.

49. Entire Agreement and Amendments. This Lease, consisting of forty-nine (49) paragraphs and Exhibits A through B attached hereto, embodies the entire agreement between Landlord and Tenant and supercedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise specifically provided herein, no agreement hereafter made shall be effective to change, modify, discharge or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by or in behalf of the party against whom enforcement of the change, modification, discharge or abandonment is sought.

EXECUTED as of the day month and year first above written.

* * * *

The additional provisions contained in the Addendum attached hereto are hereby incorporated herein for all purposes.

* * * *

LANDLORD:

ADDISON AIRPORT OF TEXAS, INC.

By: _____

Its: _____

CITY OF ADDISON, TEXAS

By: _____

Its: _____

TENANT: Bunnell Properties, Inc.

By: _____

Its: President

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Henry Stuart
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 1923.

Martha E. Jensen
Notary Public
Dallas
County, Texas

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Jackie Kidding
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purpose and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 29th day of November, 1923.

Walter Gray
Notary Public
Dallas
County, Texas



STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared David Bunnell
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 1923.

Martha E. Jensen
Notary Public
Dallas
County, Texas

ADDENDUM TO GROUND LEASE,
dated October 11, 1983,
by and among
the City of Addison, Texas,
Addison Airport of Texas, Inc.
and Bunnell Properties, Inc.

This Addendum is attached to and made a part of the foregoing and above referenced Lease for all purposes. In the event of conflict or inconsistency between the printed portion of this Lease and this Addendum, the terms of this Addendum shall control.

A. The words "general office uses" are added to the list of the purposes for which Tenant may use and occupy the demised premises contained in paragraph 6 of the printed portion of this Lease.

B. To induce Landlord to allow use and occupancy of the demised premises for general office purposes, Tenant agrees to give preference to prospective office tenants whose businesses are aeronautically related (hereinafter referred to as "preferred tenant") conditioned upon (i) availability of space, (ii) willingness of the preferred tenant to pay market rental rates, (iii) the preferred tenant's credit standing favorably comparing to those of other prospective tenants, and (iv) willingness of the preferred tenant to enter into a term of agreement comparable to those offered by other prospective tenants.

C. Landlord agrees to remove the electrical lines and poles presently running along the western boundary of the demised premises.

D. Tenant shall have the option to terminate this Lease by delivering written notice of such election to Landlord before April 30, 1984, if Tenant has been unable to obtain revenue bond financing for the improvements which Tenant proposes to construct on the demised premises. If Tenant does not timely deliver such written notice of election to terminate, all rights of Tenant to terminate this Lease pursuant to the foregoing shall lapse and be null and void.

ASSIGNMENT OF LEASE

THIS AGREEMENT is made as of this the 1st day of December, 1983, at Addison, Texas, between BUNNELL PROPERTIES, INC., a Texas corporation, hereinafter called "Assignor", and CONCOURSE PLAZA, LTD., a Texas limited partnership, hereinafter called "Assignee".

WHEREAS, a lease executed on October 11, 1983, between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor, and the Assignor, as the Lessee, by the terms of which certain real property located on the Addison Airport was leased to the Assignor as Lessee upon the terms and conditions provided therein; and

WHEREAS, the Assignor now desires to assign the Lease to the Assignee, and the Assignee desires to accept an assignment thereof;

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), receipt of which is hereby acknowledged, and the agreement of the Assignee, hereinafter set forth, the Assignor hereby assigns and transfers to the Assignee, its successors and assigns, all of its right, title and interest in and to the Lease hereinbefore described, a copy of which is attached hereto as Exhibit "A", and the Assignee hereby agrees to and does accept the assignment, and in addition expressly assumes and agrees to keep, perform and fulfill all the terms, covenants, conditions and obligations required to be kept, performed and fulfilled by the Assignor as the Lessee thereunder, including the making of all payments due to or payable on behalf of the Lessor under said Lease when due and payable.

This Agreement shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

EXECUTED as of the day and year first above written.

ASSIGNOR:

Bunnell Properties, Inc.

By: 

ASSIGNEE:

Concourse Plaza, Ltd.

By: Bunnell Properties, Inc., Managing
General Partner

By: 

CONSENT OF LESSOR

The undersigned is the Lessor under the Lease described in the foregoing Assignment and hereby consents to the assignment of the Lease to the Assignee, waiving none of their rights thereunder as to the Lessee or the Assignee.

LESSOR:

CITY OF ADDISON

By: 

ADDISON AIRPORT OF TEXAS, INC.

By: 

STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared David A. Bunnell, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of Bunnell Properties, Inc., a Texas corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27th day of December, 1983.

Kay F. Robertson Rudick
Notary Public

My Commission Expires:
3-7-84



STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared David A. Bunnell, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of Bunnell Properties, Inc., a Texas corporation, as managing general partner of Concourse Plaza, Ltd., a Texas limited partnership, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27th day of December, 1983.

Kay F. Robertson Rudick
Notary Public

My Commission Expires:
3-7-84



TE OF TEXAS
OF DALLAS

GROUND LEASE

This Ground Lease (hereinafter referred to as the "Lease") is made and entered into as of October 11, 1983, by and among the City of Addison, Texas, a municipal corporation (hereinafter sometimes referred to as the "City"), Addison Airport of Texas, Inc., a Texas Corporation (hereinafter sometimes referred to as "AATI") and Bunnell Properties, Inc., a Texas Corporation (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, AATI leases that certain real property (hereinafter referred to as the "demised premises") described in attached Exhibit A from the City pursuant to that certain instrument captioned Agreement for Operation of the Addison Airport (hereinafter referred to as the "Base Lease") between the City and Addison Airport, Inc. (predecessor of AATI); and

WHEREAS, the demised premises are situated at Addison Airport (hereinafter referred to as the "Airport") in Dallas County, Texas, the Airport being delineated in a plat attached hereto as Exhibit B; and

WHEREAS, the City and AATI hereby lease and demise the demised premises to Tenant, and Tenant hereby leases and takes the demised premises from the City and AATI, upon the terms and conditions set forth herein;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

1. **Base Lease:** All of the terms and conditions of the Base Lease are incorporated into this Lease by reference as if written verbatim herein, and Tenant by Tenant's execution hereof acknowledges that AATI has furnished Tenant with a copy of the Base Lease. Tenant agrees to fully comply at all times and in all respects with the terms and conditions of the Base Lease insofar as the same relate to the demised premises and/or the use and operation thereof, except that Tenant shall not be responsible for the payment of any rental due under the Base Lease which shall be paid by AATI.

2. **Definition of Landlord and Effect of Default under the Base Lease:** The term "Landlord" as hereinafter used in this Lease shall mean either AATI or the City. So long as the Base Lease is in effect, AATI shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. Upon the expiration or termination of the Base Lease, the City shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. The City agrees that (i) until such time as the City notifies Tenant to the contrary in writing, Tenant is fully authorized to make all payments due under this Lease to AATI, and (ii) that default by AATI under the Base Lease shall have no effect on this Lease so long as Tenant pays and performs its duties, covenants and obligations under this Lease.

3. **Term:** This term hereof shall commence on the earlier of October 1, 1984, or the first day of the first calendar month after Tenant completes the construction hereinbelow described and opens for business at the demised premises (the applicable date being hereinafter referred to as the "Commencement Date"), and shall end four hundred eighty (480) months thereafter; provided, however, that any entry upon the demised premises by Tenant prior to the Commencement Date shall be subject to all of the terms and conditions hereof except that rental shall not accrue.

4. **Rental:** Subject to adjustment as hereinbelow provided, Tenant agrees to pay to Landlord, without offset or deduction, rent for the demised premises at the rate of SIXTEEN HUNDRED SEVENTY-SIX AND 07/100 per month in advance. The first of such monthly installment shall be due and payable on or before the Commencement Date, and a like installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

5. **Adjustment of Rental:** Commencing on the second anniversary of the Commencement Date and on every bi-annual anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under paragraph 4 shall be adjusted as follows:

(i) A comparison shall be made between the Consumers' price index-All Items for the Dallas, Texas Metropolitan Area (hereinafter referred to as the "Price Index") as it existed on the Commencement Date and as it exists on the first day of the calendar month preceding the then applicable Adjustment Date.

(ii) The monthly rental for the two (2) year period beginning with and following the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of increase or decrease in the Price Index between the Commencement Date and the then applicable Adjustment Date, but in no event shall such monthly rental ever be decreased below the monthly rental set forth in paragraph 4.

(iii) In the event that the Price Index is unavailable for whatever reason for the computations set forth hereinabove, another index approximating the Price Index as closely as feasible shall be substituted therefor.

6. **Use of Demised Premises and Construction of Improvements.** The demised premises shall be used and occupied by Tenant only for the following purposes: sale of aircraft and aircraft parts; aircraft maintenance and repair; aircraft storage; aircraft training; aircraft charter; and aircraft rentals; and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications.

These improvements consist of a combination office/airplane hangar facility containing approximately 42,600 square feet of office space and five airplane hangars, the preliminary plans for which have been prepared by Bogard Architects, Inc. Construction prints to be approved by Addison Municipal Airport prior to the start of construction.

All construction shall be strictly in accordance with such plans and specifications, and such construction shall be performed in a first class, workmanlike manner. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection with such construction.

7. **Acceptance of Demised Premises.** Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the purpose for which the same are leased in their present condition.

8. **Securing Governmental Approvals and Compliance with Law.** Tenant at Tenant's sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises. Tenant shall comply at all times with all governmental laws, ordinances and regulations applicable to the use of the demised premises, and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with the demised premises, all at Tenant's sole cost and expense.

9. **Assignment, Subletting and Mortgaging of Leasehold Estate:**

A. Without the prior written consent of Landlord, Tenant may not assign this Lease or any rights of Tenant hereunder (except to a leasehold mortgagee as hereinbelow provided) or sublet the whole or any part of the demised premises. Any assignment or subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions of paragraph 6 pertaining to the use of the demised premises. In the event of any assignment or subletting, Tenant shall not assign Tenant's rights hereunder or sublet the demised premises without first obtaining a written agreement from each such assignee or sublessee whereby each such assignee or sublessee agrees to be bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a novation. In the event of the occurrence of an event of default while the demised premises are assigned or sublet, Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all rents becoming due under such assignment or subletting and apply such rent against any sums due to Landlord hereunder. No direct collection by Landlord from any such assignee or subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder.

B. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of obtaining funds for the construction of the improvements described in paragraph 6 or for other construction upon the demised premises approved from time to time by Landlord in writing. In the event that Tenant pursuant to mortgages or deeds of trust mortgages the leasehold estate of Tenant created hereby, the leasehold mortgagee shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgagee become the owner of the leasehold estate pursuant to foreclosure, transfer in lieu of foreclosure, or otherwise, and thereafter said leasehold mortgagee shall remain liable for such obligations only so long as such mortgagee remains the owner of the leasehold estate. Notwithstanding the foregoing, it is specifically understood and agreed that no such mortgaging by Tenant and/or any actions taken pursuant to the terms of such mortgage shall ever relieve Tenant of Tenant's obligation to pay the rental due hereunder and otherwise fully perform the terms and conditions of this Lease.

All mortgages or deeds of trust whereby Tenant mortgages the leasehold estate of Tenant created hereby shall contain provisions giving the leasehold mortgagee to give Landlord fifteen (15) days written notice prior to accelerating the debt of Tenant to such mortgagee and/or initiating foreclosure proceedings under said mortgages or deeds of trust, and (ii) allowing Landlord during such fifteen day notice period to cure Tenant's default and prevent said acceleration and/or foreclosure proceedings, and thereafter at Landlord's expense assume Tenant's position under said mortgages or deeds of trust.

D. Landlord agrees, if and so long as the leasehold estate of Tenant is encumbered by a leasehold mortgage and written notice of such effect has been given to Landlord, to give the holder of such leasehold mortgage at such address or addresses as may be specified in such written notice to Landlord the giving of notices to the leasehold mortgagee, or as otherwise may be specified by the leasehold mortgage to Landlord in writing, written notice of any default hereunder by Tenant, simultaneously with the giving of such notice to Tenant, and the holder of any such leasehold mortgage shall have the right, for a period of fifteen (15) days after its receipt of such notice or within any longer period of time specified in such notice, to take such action or to make payment as may be necessary or appropriate to cure any such default so specified, it being the intention of the parties hereto that Landlord shall not exercise Landlord's right to terminate this Lease without first giving any such leasehold mortgagee the notice provided for herein and affording any such leasehold mortgagee the right to cure such default as provided for herein.

E. Landlord further agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will (i) recognize such mortgagee and its successors and assigns after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such mortgagee or its successors and assigns performs all of the obligations of Tenant hereunder. Landlord also agrees to execute and deliver to such proposed leasehold mortgagee any other documents which such proposed leasehold mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby; provided, however, that Landlord shall never be required to subordinate Landlord's interest in the demised premises to the mortgage of such proposed leasehold mortgagee.

10. Property Taxes and Assessments: Tenant shall pay any and all property taxes or assessments levied or assessed on the improvements on the demised premises, the personal property and fixtures on the demised premises, and, if applicable, on the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord's "paid receipts" or other written evidence that all such taxes have been paid by Tenant.

11. Maintenance and Repair of Demised Premises:

A. Tenant shall, throughout the term hereof, maintain in good repair and condition all the demised premises and all fixtures, equipment and personal property on the demised premises and keep them free from waste or nuisance and, at the expiration or termination of this Lease, deliver up the demised premises clean and free of trash and in good repair and condition, with all fixtures and equipment situated in the demised premises in working order, reasonable wear and tear excepted.

B. In the event Tenant shall fail to so maintain the demised premises and the fixtures, equipment and personal property situated thereon, Landlord shall have the right (but not the obligation) to cause all repairs or other maintenance to be made and the reasonable costs thereof expended by Landlord plus interest thereon as provided in paragraph 37 shall be paid by Tenant on demand.

12. Alterations, Additions and Improvement. After completion of the improvements described in paragraph 6, Tenant shall not create any openings in the roof or exterior walls, or make any alterations, additions or improvements to the demised premises without the prior written consent of Landlord. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld by Landlord. Tenant shall have the right to erect or install shelves, bins, machinery, air conditioning or heating equipment and trade fixtures, provided that Tenant complies with all applicable governmental laws, ordinances and regulations.

All alterations, additions and improvements in and to the demised premises shall be performed in a first class, workmanlike manner, and Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection therewith.

13. Insurance. Tenant shall during the term hereof maintain at Tenant's sole cost and expense insurance relating to the demised premises as follows:

(i) Insurance against loss or damage to improvements by fire, lightning, and other risks from time to time included under standard extended coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to prevent Landlord or Tenant from becoming co-insurers of any loss under the applicable policies but in any event in amounts not less than eighty percent (80%) of the full insurable value of the demised premises. The term "full insurable value" as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser, a copy of whose findings shall be submitted to Landlord, and, therefore, proper adjustment in the limits of insurance coverage shall be effected.

(ii) General public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the demised premises, such insurance to afford protection to Landlord of not less than \$500,000.00 with respect to any one person, \$1,000,000.00 with respect to any one accident and not less than \$200,000.00 with respect to property damage.

(iii) Workmen's compensation insurance covering all persons employed by Tenant in connection with any work done on or about the demised premises with respect to which claims for death or bodily injury could be asserted against Landlord or the demised premises, or in lieu of such workmen's compensation insurance, a program of self-insurance complying with the rules, regulations and requirements of the appropriate state agency of the State of Texas.

(iv) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of \$100,000.00 for damage to property resulting from such perils.

(v) Such other insurance on improvements in such amounts and against such other insurable hazard which at the time are commonly obtained in the case of property similar to such improvements.

(vi) Hangar keeper's liability insurance providing for coverage in the following limits: \$200,000.00 per aircraft and \$400,000.00 per occurrence on property damage to aircraft in the care, custody or control of Tenant.

(vii) During any period of construction, a Builder's Risk Completed Value policy with an all risks endorsement.

All such policies of insurance (i) shall be issued by insurance companies acceptable to Landlord, (ii) shall name Landlord as an additional insured or loss payee, as the case may be, and (iii) shall provide for at least ten (10) days written notice to Landlord prior to cancellation or modification. Tenant shall provide Landlord with duplicate originals of all insurance policies required by this paragraph.

14. Casualty Damage or Destruction:

A. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant will promptly give written notice thereof to Landlord, generally describing the nature and extent of such damage and/or destruction.

B. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant, whether or not the insurance proceeds, if any, payable on account of such damage and/or destruction shall be sufficient for such purpose, at Tenant's sole cost, risk and expense will promptly commence and complete the restoration, repair and replacement of said buildings, structures and equipment as nearly as possible to their value, condition and character immediately prior to such damage and/or destruction, with such alterations in and additions thereto as may be approved in writing by Landlord (hereinafter sometimes referred to as the "Restoration").

C. All insurance proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the demised premises shall be held by Landlord. Landlord shall be protected in acting upon any certificate believed by Landlord to be genuine and to have been executed by the proper party and shall receive such certificate as conclusive evidence of any fact or as to any matter therein set forth. Such certificate shall be full warranty, authority and protection to Landlord in acting thereon, and Landlord shall be under no duty to take any action other than as set forth in this paragraph 14.

D. Insurance proceeds received by Landlord on account of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof (less the costs, fees and expenses incurred by Landlord and Tenant in the collection thereof, including, without limitation, adjuster's and attorney's fees and expenses) shall be applied as follows:

(i) Net insurance proceeds as above defined shall be paid to Tenant or as Tenant may direct from time to time as Restoration progresses to pay (or reimburse Tenant for) the cost of Restoration, upon written request of Tenant to Landlord accompanied by (a) certificate of a supervising architect or engineer approved by Landlord, describing in reasonable detail the work and material in question and the cost thereof, stating that the same were necessary or appropriate to the Restoration and constitute a complete part thereof, and that no part of the cost thereof has theretofore been reimbursed, and specifying the additional amount, if any, necessary to complete the Restoration, and (b) an opinion of counsel satisfactory to Landlord that there exist no mechanics', materialmen's or similar liens for labor or materials except such, if any, as are discharged by the payment of the amount requested.

(ii) Upon receipt by Landlord of evidence of the character required by the foregoing clauses (i)(a) and (b) that Restoration has been completed and the cost thereof paid in full, and that there are no mechanics', materialmen's or similar liens for labor or materials supplied in connection therewith, the balance, if any, of such proceeds shall be paid to Tenant or as Tenant may direct.

E. In the event that Tenant does not promptly commence Restoration, or after commencement Tenant does not diligently proceed to the completion of same, Landlord shall have the right to commence or complete Restoration after Landlord has given Tenant thirty (30) days prior written notice requesting the commencement of Restoration or that Tenant diligently proceeds to the completion of same. If Tenant during such thirty (30) day period does not so commence or proceed to diligently complete Restoration, in such event, Landlord shall retain the insurance proceeds, and Tenant shall pay any deficiency if such proceeds are not sufficient for Restoration.

15. Condemnation:

A. If during the term hereof, any part of the demised premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, or are sold to a condemning authority under threat of condemnation, and after such taking by or sale to said condemning authority the remainder of the demised premises is not susceptible to efficient and economic occupation and operation by Tenant, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the demised premises, and Landlord shall refund to Tenant any prepaid but unaccrued rental less any sum then owing by Tenant to Landlord.

B. If after such taking by or sale to said condemning authority the remainder of the demised premises is susceptible to efficient and economic occupation and operation by Tenant, this Lease shall not terminate but the rental due hereunder shall be adjusted so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly rental installment due hereunder, as adjusted from time to time pursuant to paragraph 5, by a fraction, the numerator of which shall be the number of square feet remaining in the demised premises after the taking by or sale to said condemning authority and denominator of which shall be the square footage originally contained in the demised premises. The rental adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the demised premises.

C. If this Lease is not terminated pursuant to Section A, Tenant shall promptly restore the improvements on the demised premises, and the condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid first to cover the costs and expenses for restoring the remaining portion of the demised premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any remaining proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant, as their interest may appear. If this Lease is terminated pursuant to Section A, condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interests may appear.

16. Utilities. Tenant shall be responsible at Tenant's sole cost and expense for obtaining all utility connections at or for the demised premises and Tenant shall pay all charges for water, electricity, gas, sewer, telephone or any other utility connections, tap-in fees and services furnished to the demised premises during the term hereof. Landlord shall in no event be liable or responsible for any cessation or interruption in any such utility services.

17. Common Facilities. Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use all common facilities, improvements, equipment and services which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of Landlord's customers and tenants, including landing and takeoff facilities, means of ingress and egress to the demised premises, other airport installations, and all other reasonable services which may be provided without charge from time to time by Landlord in operating the Airport. All such common facilities shall at all times be under the exclusive control and management of Landlord and may be rearranged, modified, changed or terminated from time to time at Landlord's sole discretion.

18. Rules and Regulations. Landlord has adopted Rules and Regulations (hereinafter referred to as the "Rules and Regulations") which shall govern Tenant in the use of the demised premises and all common facilities, a copy of which has been furnished to Tenant. The Rules and Regulations are incorporated by reference as if written verbatim herein, and Tenant agrees to comply fully at all times with the Rules and Regulations. Landlord shall have the right to amend, notify and alter the Rules and Regulations from time to time in a reasonable manner for the purpose of assuring the safety, welfare and convenience of Landlord, Tenant and all other Tenants and customers of the Airport.

19. Signs and Equipment. After first securing Landlord's approval which will not be unreasonably withheld, Tenant shall have the right from time to time to install and operate advertising signs and radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the demised premises that may be reasonably necessary for the operation of Tenant's business.

20. Landlord's Right of Entry. Landlord and Landlord's authorized representatives shall have the right, during the normal business hours, to enter the demised premises (i) to inspect the general condition and state of repair thereof, (ii) to make repairs permitted under this Lease, (iii) to show the demised premises to any prospective tenant or purchaser or (iv) for any other reasonable and lawful purpose.

During the final one hundred eighty (180) days of the term hereof, Landlord and Landlord's authorized representatives shall have the right to erect and maintain on or about the demised premises customary signs advertising the demised premises for lease or for sale.

21. Indemnity and Exculpation:

A. Landlord shall not be liable to Tenant or to Tenant's employees, agents, servants, customers, invitees, or to any other person whomsoever, for any injury to persons or damage to property on or about the demised premises or any adjacent area owned by Landlord caused by the negligence or misconduct of Tenant, Tenant's employees, servants, customers, invitees, subtenants, licensees or concessionaires or any other person entering the demised premises under express or implied invitation of Tenant, or arising out of the use of the demised premises by Tenant and the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations hereunder; and Tenant hereby agrees to indemnify Landlord and hold Landlord harmless from any loss, expense or claims arising out of such damage or injury.

B. Landlord and Landlord's agents and employees shall not be liable to Tenant for any injury to persons or damage to property resulting from the demised premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the demised premises, regardless of the source, or dampness or by fire, explosion, falling plaster or ceiling or for any other reason whatsoever. Landlord shall not be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in construction of any private, public or quasi-public work, or of any other persons whomsoever, excepting only duly authorized agents and employees of Landlord.

22. Default by Tenant. The following events shall be deemed to be events of default by Tenant under this Lease:

A. Failure of Tenant to pay any installment of rent or any other sum payable to Landlord hereunder on the date that same is due and such failure shall continue for a period of ten (10) days.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of rent or other sum of money, and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant.

C. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

D. 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 Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor.

E. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.

F. Abandonment by Tenant of any substantial portion of the demised premises or cessation of use of the demised premises for the purpose leased.

23. Remedies of Landlord. Upon the occurrence of any of the events of default listed in paragraph 22, Landlord shall have the option to pursue any one or more of the following remedies without the notice or demand whatsoever:

A. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or arrearages in rent, enter upon and take possession of the demised premises and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for prosecution or any claim for damages therefor. Tenant shall pay to Landlord on demand the amount of all loss and damages which Landlord may suffer by reason of such termination, whether through inability to relet the demised premises on satisfactory terms or otherwise.

B. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or arrearages in rent, enter upon and take possession of the demised premises and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for prosecution or any claim for damages therefor. Tenant shall pay to Landlord on the date of such termination damages in any amount equal to the excess, if any, of the total amount of all monthly rental and other amounts to be paid by Tenant to Landlord hereunder for the period which would otherwise have constituted the unexpired portion of the term of this Lease over the then fair market rental value of the demised premises for such unexpired portion of the term of this Lease.

C. Enter upon and take possession of the demised premises without terminating this Lease and without being liable for prosecution or for any claim for damages therefor, and expel or remove Tenant and any other person who may be occupying the demised premises or any part thereof. Landlord may relet the demised premises and receive the rent therefor. Tenant agrees to pay to Landlord on

DAS

demand from time to time any deficiency that may arise by reason of any such letting. In determining the amount of such deficiency, brokerage commissions, attorneys' fees, remodeling expenses and other costs of letting shall be subtracted from the amount of rent received under such letting.

D. Enter upon the demised premises without terminating this Lease and without being liable for prosecution or for any claim for damages therefor, and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to pay Landlord on demand for expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, together with interest thereon at the rate of ten percent (10%) per annum from the date expended until paid. Landlord shall not be liable for any damages resulting to Tenant from such action, whether caused by negligence of Landlord or otherwise.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of the violation of any of the terms, conditions and covenants herein contained.

24. **Default by Landlord.** No default by Landlord hereunder shall constitute an eviction or disturbance of Tenant's use and possession of the demised premises or render Landlord liable for damages or entitle Tenant to be relieved from any of Tenant's obligations hereunder (including the obligation to pay rent) or grant Tenant any right of deduction, abatement, set-off or recoupment or entitle Tenant to take any action whatsoever with regard to the demised premises or Landlord until thirty (30) days after Tenant has given Landlord written notice specifically setting forth such default by Landlord, and Landlord has failed to cure such default within said thirty (30) day period, or in the event such default cannot be cured within said thirty (30) day period then within an additional reasonable period of time so long as Landlord has commenced curative action within said thirty (30) day period and thereafter is diligently attempting to cure such default. In the event that Landlord fails to cure such default within said thirty (30) day period, or within said additional reasonable period of time, Tenant shall have the right to:

(i) Proceed to cure such default and deduct the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum from the next succeeding rental installment(s) due by Tenant to Landlord hereunder; or

(ii) Proceed to cure such default and bring suit against Landlord for the cost of curing same plus interest thereon at the rate of ten percent (10%) per annum.

If any mortgagee of Landlord has given Tenant its address for notices and specifically requests such notice, Tenant agrees to give the notice required hereinabove to such mortgagee at the time Tenant gives same to Landlord, and to accept curative action, if any, undertaken by such mortgagee as if such curative action had been taken by Landlord.

25. **Waiver of Subrogation.** Each party hereto waives any and every claim which arises or may arise in such party's favor against the other party hereto during the term of this Lease for any and all loss of, or damage to, any of such party's property located within or upon, or constituting a part of, the demised premises, which loss or damage is covered by valid and collectible fire and extended coverage insurance policies, to the extent that such loss or damage is recoverable under such insurance policies. Such mutual waivers shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Lease with respect to any loss of, or damage to, property of the parties hereto. Inasmuch as such mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation or otherwise to an insurance company (or any other person), each party hereby agrees immediately to give to each insurance company which has issued to such party policies of fire and extended coverage insurance, written notice of the terms of such mutual waivers, and to cause such insurance policies to be properly endorsed, if necessary, to prevent the invalidation of such insurance coverages by reason of such waivers.

26. **Title to Improvements.** Any and all improvements on the demised premises shall become the property of Landlord upon the expiration or termination of this Lease; provided, however: (i) if Tenant is not then in default hereunder, Tenant shall have the right to remove all personal property and trade fixtures owned by Tenant from the demised premises, but Tenant shall be required to repair any damage to the demised premises caused by such removal in a good and workmanlike manner and at Tenant's sole cost and expense, and (ii) Landlord may elect to require Tenant to remove all improvements from the demised premises and restore the demised premises to the condition in which the same existed on the date hereof, in which event Tenant shall promptly perform such removal and restoration in a good and workmanlike manner and at Tenant's sole cost and expense.

27. **Mechanics' and Materialmen's Liens.** Tenant agrees to indemnify and hold Landlord harmless of and from all liability arising out of the filing of any mechanics' or materialmen's liens against the demised premises by reason of any act or omission of Tenant or anyone claiming under Tenant, and Landlord, at Landlord's option, may satisfy such liens and collect the amount expended from Tenant together with interest thereon as provided in paragraph 37 as additional rent; provided, however, that Landlord shall not so satisfy such liens until fifteen (15) days after written notification to Tenant of Landlord's intention to do so and Tenant's failure during such fifteen (15) day period to bond such liens or escrow funds with appropriate parties to protect Landlord's interest in the demised premises.

28. **Title.** Tenant accepts the demised premises subject to: (i) the Base Lease; (ii) the Rules and Regulations; (iii) easements and rights-of-way and (iv) zoning ordinances and other ordinances, laws, statutes or regulations now in effect or hereafter promulgated by any governmental authority having jurisdiction over the demised premises.

29. **Quiet Enjoyment and Subordination.** Landlord covenants, represents and warrants that Landlord has full right and power to execute and perform this Lease and to grant the estate demised herein, and that Tenant, upon payment of the rents herein reserved, and performance of the terms, conditions, covenants and agreements herein contained, shall peaceably and quietly have, hold and enjoy the demised premises during the full term of this Lease; provided, however, that Tenant accepts this Lease subject and subordinate to any recorded mortgage, deed of trust or other lien presently existing upon the demised premises. Landlord further is hereby irrevocably vested with full power and authority by Tenant to subordinate Tenant's interest hereunder to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises or to declare this Lease prior and superior to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises; provided, however, any such subordination shall be upon the express conditions that (i) this Lease shall be recognized by the mortgagee and that all of the rights of Tenant shall remain in full force and effect during the full term of this Lease on condition that Tenant attorn to the mortgagee, its successors and assigns, and perform all of the covenants and conditions required by the terms of this lease, and (ii) in the event of foreclosure or any enforcement of any such mortgage, the rights of Tenant hereunder shall expressly survive and this Lease shall in all respects continue in full force and effect so long as Tenant shall fully perform all Tenant's obligations hereunder and attorn to the purchaser. Tenant also agrees upon demand to execute further instruments declaring this Lease prior and superior to any mortgage, deed of trust or other lien and specifically providing that this Lease shall survive the foreclosure of such mortgage, deed of trust or other lien.

30. **Rent on Net Return Basis.** Except for the rental due under the Base Lease during the time that AATI is the Landlord hereunder, it is intended that the rent provided for in this Lease shall be an absolutely net return to Landlord for the term of this Lease, free of any loss, expenses or charges with respect to the demised premises, including, without limitation, maintenance, repairs, replacement, insurance, taxes and assessments, and this Lease shall be construed in accordance with and to effectuate such intention.

31. **Holding Over.** Should Tenant, or any of Tenant's successors in interest fail to surrender the demised premises, or any part thereof, on the expiration of the term of this Lease, such holding over shall constitute a tenancy from month to month only terminable at any time by either Landlord or Tenant after thirty (30) days prior written notice to the other, at a monthly rental equal to two hundred percent (200%) of the rent paid for the last month of the term of this Lease.

32. **Waiver of Default.** No waiver by the parties hereto of any default or breach of the same or any other term, condition or covenant of this Lease shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein.

33. **Release of Landlord Upon Transfer.** All of Landlord's personal liability for the performance of the terms and provisions of this Lease (except for any liability accruing prior to such transfer) shall terminate upon a transfer of the demised premises by Landlord, provided that the obligations of Landlord under this Lease are covenants running with the land and shall be binding upon the transferee of Landlord's interest in this Lease and the demised premises.

34. **Attorneys' Fees.** If, on account of any breach or default by Landlord or Tenant of their respective obligations under this Lease, it shall become necessary for the other to employ an attorney to enforce or defend any of such party's rights or remedies hereunder, and should such party prevail, such party shall be entitled to collect reasonable attorneys' fees incurred in such connection from the other party.

35. **Financial Information.** Tenant agrees that Tenant will from time to time upon the written request of Landlord during the term of this Lease furnish to Landlord such credit and banking references as Landlord may reasonably request.

36. **Estoppel Certificates.** Tenant agrees that from time to time, upon not less than ten (10) days' prior written request by Landlord, Tenant will deliver to Landlord a statement in writing certifying that:

A. This Lease is unmodified and in full force and effect (if there have been modifications, that this Lease as modified is in full force and effect and stating the modifications).

B. The dates to which rent and other charges have been paid.

C. Landlord is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto

D. If requested by Landlord, Tenant will not pay rent for more than one (1) month in advance and that this Lease will not be amended without notice to Landlord's mortgagee and that the same will not be terminated without the same notice required by the Lease to be

furnished to Landlord also being furnished to Landlord's mortgagee and Landlord's mortgagee fails to cure such default within the curative period allowed Landlord under this Lease.

Landlord agrees that from time to time, upon not less than ten (10) days' prior written request by Tenant, Landlord will deliver to Tenant a statement in writing certifying that:

A. This Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease as modified is in full force and effect and stating the modifications).

B. The dates to which rent and other charges have been paid.

C. Tenant is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

37. Interest on Tenant's Obligations and Manner of Payment. All monetary obligations of Tenant to Landlord under this Lease remaining unpaid ten (10) days after the due date of the same (if no due date has been established under other provisions hereof, the "due date" shall be the date upon which Landlord demands payment from Tenant in writing) shall bear interest at the rate of ten percent (10%) per annum from and after said tenth (10th) day until paid. If more than twice during the term of the Lease Tenant's personal or corporate check is not paid by the bank on which it is drawn for whatever reason, Landlord may require by giving written notice to Tenant that the payment of all future monetary obligations of Tenant under this Lease are to be made on or before the due date by cash, cashier's check, certified check or money order, and the delivery of Tenant's personal or corporate check will no longer constitute payment of such monetary obligations. Any acceptance by Landlord of a personal or corporate check after such notice shall not be deemed or construed as a waiver or estoppel of Landlord to require other payments as required by said notice.

38. Independent Contractor. It is understood and agreed that in leasing and operating the demised premises, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer or employee of Landlord.

39. Force Majeure. In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

40. Exhibits. All exhibits, attachments, annexed instruments and addenda referred to herein shall be considered a part hereof for all purposes with the same force and effect as if copied verbatim herein.

41. Use of Language. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular shall be held to include the plural, unless the context otherwise requires.

42. Captions. The captions or headings or paragraphs in this Lease are inserted for convenience only, and shall not be considered in construing the provisions hereof if any question of intent should arise.

43. Successors. The terms, conditions and covenants contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities and duties of Landlord under this Lease, including, but not limited to, any notices required or permitted to be delivered by Landlord to Tenant hereunder, may, at Landlord's option, be exercised or performed by Landlord's agent or attorney.

44. Severability. If any provision in this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

45. Notices. Any notice or document required or permitted to be delivered hereunder may be delivered in person or shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to the parties at the addresses indicated below, or at such other addresses as may have theretofore been specified by written notice delivered in accordance herewith.

LANDLORD:

TENANT:

Addison Airport of Texas, Inc.
P. O. Box 34067
Dallas, Texas 75234

Bunnell Properties, Inc.
14951 Dallas Parkway, Suite 900
Dallas, Texas 75240

City of Addison, Texas

980-7704

P. O. Box 194

Addison, Texas 75001

46. Fees or Commissions. Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers', agents' or finders' fees or commissions agreed to by such party arising from the execution of this Lease or the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

47. Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

48. Governing Law and Venue. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, and Landlord and Tenant both irrevocably agree that venue for any dispute concerning this Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas.

49. Entire Agreement and Amendments. This Lease, consisting of forty-nine (49) paragraphs and Exhibits A through B attached hereto, embodies the entire agreement between Landlord and Tenant and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise specifically provided herein, no agreement hereafter made shall be effective to change, modify, discharge or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by or in behalf of the party against whom enforcement of the change, modification, discharge or abandonment is sought.

EXECUTED as of the day month and year first above written.

* * * *

The additional provisions contained in the Addendum attached hereto are hereby incorporated herein for all purposes.

* * * *

LANDLORD:

ADDISON AIRPORT OF TEXAS, INC.

By: [Signature]

Its: President

CITY OF ADDISON, TEXAS

By: [Signature]

Its: Mayor

TENANT: Bunnell Properties, Inc.

By: [Signature]

Its: President

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Henry Stuart
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purpose and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 19 83.

Dorothy L. James
Notary Public
Dallas
County, Texas

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Jerry Redding
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purpose and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 27th day of November, 19 83.



Jacques Sharp
Notary Public
Dallas
County, Texas

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared David Bunnell
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purpose and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 19 83.

Dorothy L. James
Notary Public
Dallas
County, Texas

ADDENDUM TO GROUND LEASE,
dated October 11, 1983,
by and among
the City of Addison, Texas,
Addison Airport of Texas, Inc.
and Bunnell Properties, Inc.

This Addendum is attached to and made a part of the foregoing and above referenced Lease for all purposes. In the event of conflict or inconsistency between the printed portion of this Lease and this Addendum, the terms of this Addendum shall control.

A. The words "general office uses" are added to the list of the purposes for which Tenant may use and occupy the demised premises contained in paragraph 6 of the printed portion of this Lease.

B. To induce Landlord to allow use and occupancy of the demised premises for general office purposes, Tenant agrees to give preference to prospective office tenants whose businesses are aeronautically related (hereinafter referred to as "preferred tenant") conditioned upon (i) availability of space, (ii) willingness of the preferred tenant to pay market rental rates, (iii) the preferred tenant's credit standing favorably comparing to those of other prospective tenants, and (iv) willingness of the preferred tenant to enter into a term of agreement comparable to those offered by other prospective tenants.

C. Landlord agrees to remove the electrical lines and poles presently running along the western boundary of the demised premises.

D. Tenant shall have the option to terminate this Lease by delivering written notice of such election to Landlord before April 30, 1984, if Tenant has been unable to obtain revenue bond financing for the improvements which Tenant proposes to construct on the demised premises. If Tenant does not timely deliver such written notice of election to terminate, all rights of Tenant to terminate this Lease pursuant to the foregoing shall lapse and be null and void.

21
4049187K(176)
6/9/97

THIS INSTRUMENT OF BEING RE-FILED TO REPLACE A NEW EXHIBIT "C", TO ADD EXHIBIT'S "A" AND "B" AND TO REFLECT ALL CHANGES AS TO EXHIBIT "C"-ATTACHMENT-3.

STATE OF TEXAS §
§
COUNTY OF DALLAS §

SETTLEMENT AND FIRST AMENDMENT TO LEASE AGREEMENT 2140412

Deed 11/03/97 728168 \$27.00

This Settlement and First Amendment to Lease Agreement (the "Agreement") is made and entered into this 22 day of April, 1997 by and between the Town of Addison, Texas (the "City"), Addison Airport of Texas, Inc. ("AATI") (the City and AATI are hereinafter referred to together as the "Landlord"), and Concourse Plaza, Ltd., a Texas limited partnership (the "Tenant").

2470809

Deed 12/22/97 788016 \$89.00

WHEREAS, Landlord and Bunnell Properties, Inc., Tenant's predecessor in interest, entered into a Ground Lease dated October 11, 1983 (copy attached as Exhibit A and hereinafter referred to as the "Ground Lease") of certain real property (the "demised premises" as defined and described in the Ground Lease, and herein referred to as the "Original Demised Premises) located within the Addison Airport and adjacent to Keller Springs Road, and

WHEREAS, the rights, duties and obligations of Bunnell Properties, Inc. under the Ground Lease were assigned to Tenant by that Assignment of Lease dated December 1, 1983 (copy attached as Exhibit B); and

WHEREAS, a portion of the Original Demised Premises is to be taken (the "Part Taken", and being Area B on Attachment ~~B~~ ^C Exhibit C attached hereto and incorporated herein) by the Texas Turnpike Authority for the purpose of constructing a toll tunnel under the Addison Airport in order to connect the eastern and western termini of Keller Springs Road (the "Toll Tunnel Project"); and

WHEREAS, as a result of the taking of the Part Taken by the TTA for the Toll Tunnel Project, Landlord and Tenant desire to amend the Ground Lease by amending the description of the Original Demised Premises to provide for a continuation of the Ground Lease; and

WHEREAS, Landlord and Tenant acknowledge and agree that in the absence of their cooperation and agreement as set forth herein, the TTA would exercise its power of eminent domain to acquire the Part Taken; and

WHEREAS, in order to expedite the Toll Tunnel Project and to avoid the costs, expenses and inconvenience of prosecuting an eminent domain lawsuit, Landlord and Tenant have worked together to reach a full and final agreement and settlement of all issues regarding the interests of Landlord and Tenant in the demised premises and the extent of damages incurred by Tenant as a result of the Toll Tunnel Project, the terms of which agreement and settlement are set forth herein.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, the benefits flowing to the parties hereto, and other good

97214 02291

97247 03370

and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by both parties, Landlord and Tenant contract and agree as follows:

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.
2. **Amendment to Ground Lease.** The Ground Lease is hereby modified and amended as follows:
 - A. **Demised Premises:** Exhibit A to the Ground Lease, being the description of the Original Demised Premises, is amended to read as set forth in Exhibit C (the "Amended Demised Premises") attached hereto and incorporated herein. ^{**new re-filled Exhibit "C" and as shown on Exhibit "C" - attachment I.}
 - B. Except to the extent modified or amended herein, all other terms and obligations of the Ground Lease shall remain unchanged and in full force and effect.
3. **Landscaping.** As a result of the Toll Tunnel Project, a portion of the landscaping along the most northerly property line of the demised premises (and being adjacent to the proposed Keller Springs right-of-way) will be damaged. In conjunction with the construction of the Toll Tunnel Project, the City shall, at its sole cost and expense, replace the damaged landscaping along the Keller Springs right-of-way line to as good a condition as before the construction of the Toll Tunnel Project. Trees that require removal as a result of the Toll Tunnel Project will be replaced with 6-8 inch (measured 4 feet from the ground) caliper trees of similar type. Upon completion of the Toll Tunnel Project, the City will restore irrigation to cover the entire greenway between the parking lot and the southern curb of Keller Springs.
4. **Curbing and Parking.** City shall add curbs and stripe the parking lot at its sole cost and expense. Tenant shall have the right to approve curbing and striping before it is started, provided such approval shall not be unreasonably withheld. Parking spaces shall be a minimum 9'x18'.
5. **Access.** The City shall not block access to the rear of the building. The Demised Premises will not be used for general access to the Airport during the period that Keller Springs is not usable or during any construction period.
6. **Dumpster.** The City will relocate the dumpster enclosure at its sole cost and expense. Tenant shall have the right to approve the location of the dumpster enclosure. The dumpster enclosure shall be constructed using brick and shall retain its current appearance.

7. **Release; Indemnity.** Tenant does hereby fully and completely compromise, settle, remise, release and forever discharge Landlord of and from any and all claims, actions, causes of action, liability or lawsuit of any kind whatsoever (including any claim, action, cause of action, or lawsuit for any fees, costs or expenses), known or unknown, in law or in equity, which Tenant has or may have against either Landlord relating to, in whole or in part, the value of or damages to the Original Demised Premises, or any part thereof, as a result of the taking of the Part Taken for the Toll Tunnel Project.

Tenant shall indemnify the City and AATI, their officials, officers, employees and agents against, and hold the City and AATI, their officials, officers, employees and agents harmless from, any and all costs, expenses, charges or fees in the event any person ever institutes suit or files a claim against the City or AATI with respect to the value of or damages to the Original Demised Premises, or any part thereof, as a result of the taking of the Part Taken for the Toll Tunnel Project; such indemnification shall include, but is not limited to, the amounts of said claims, and the cost of defending them, including attorneys fees and court costs. The provisions of this Paragraph 7 shall survive the termination of this Agreement.

8. **Landlord Indemnity.** The City shall, at its own cost and expense, defend, indemnify and hold harmless the Tenant, its directors, officers, partners, agents, employees and assigns, and successors in interest, from and against any and all liability, damages, losses, claims, demands, actions, causes of action, costs including reasonable attorneys' fees and expenses (including reasonable attorneys' fees and expenses on appeal), or any of them, resulting from the death or injury to persons (including employees of Landlord) or damage to any property, caused by the construction of the Toll Tunnel Project.

Landlord shall, at its own cost and expense, reimburse Tenant for any and all costs and expenses (including property replacements costs) arising from damage to or loss of Tenant's property or third party property at Concourse Plaza caused by the construction of the Toll Tunnel Project.


9. **Miscellaneous.**

- A. ***Governing Law; Venue.*** This Agreement shall be construed under, and in accordance with, the laws of the State of Texas, and all obligations of the parties created by this Agreement are performable in Dallas County, Texas. Venue for any action under this Agreement shall be in Dallas County, Texas.

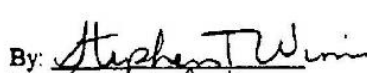
- B. *Legal Construction.* In case any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of the Agreement, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.
- C. *Entire Agreement.* This Settlement Agreement represents the entire and integrated agreement between Landlord and Tenant relative to the Toll Tunnel Project and the damages resulting therefrom and supersedes all prior negotiations, representations and/or agreements, either written or oral.
- D. *Amendment.* This Settlement Agreement may not be altered, waived, amended or extended except by an instrument in writing signed by the City, AATI and the Grantee.
- F. *Authority to execute.* The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Settlement Agreement on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

EXECUTED at Dallas County, Texas on the day and year first written above.

LANDLORD
TOWN OF ADDISON, TEXAS

By: 
Ron Whitehead, City Manager

TENANT
CONCOURSE PLAZA, LTD.

By: 
Its: General Partner

ADDISON AIRPORT OF TEXAS, INC.


By: 
Sam Stuart, President 3/29/97

EXHIBIT C

**FIELD NOTE DESCRIPTION
CONCOURSE PLAZA LAND LEASE
ADDISON MUNICIPAL AIRPORT**

Being a tract of land situated in the E. Cook Survey, Abstract No. 326, Dallas County, Texas and located on Addison Municipal Airport, Addison, Texas and being more particularly described as follows:

BEGINNING at a point for corner, said point being the intersection of the west right-of-way line of Addison Road and the south right-of-way line of Keller Springs Road as evidenced by a 1/2-inch iron rod;

THENCE departing the west right-of-way line of said Addison Road, a distance of 2.29 feet to a 5/8-inch iron rod found in the south right-of-way of Keller Springs Road and continuing S 69°35'33" W along the south right-of-way of said Keller Springs Road, 108.70 feet for a total distance of 110.99 feet to a point for a corner as evidenced by an "X" in concrete;

THENCE S 64°05'33" W along the south right-of-way of said Keller Springs Road, a distance of 78.03 feet to a point for a corner;

THENCE S 22°07'10" E, a distance of 64.73 feet to a point for a corner;

THENCE S 20°33'10" E, a distance of 43.25 feet to a point for a corner;

THENCE S 13°45'43" E, a distance of 204.27 feet to a point for a corner;

THENCE S 1°20'34" W, a distance of 130.52 feet to a point for a corner;

THENCE N 69°36'51" E, a distance of 145.35 feet to a point for a corner, said point being in the west right-of-way line of said Addison Road and in the east line of Addison Municipal Airport, as evidenced by a 1/2-inch iron rod found;

THENCE N 0°22'50" W along the west right-of-way line of said Addison Road and the east line of Addison Municipal Airport, a distance of 298.44 feet to a point in a curve to the left as evidenced by a 1/2-inch iron rod, said curve to the left having a central angle of 15°17'42", a radius of 788.51 feet and chord bearing distance of N 14°58'43" W, 209.87;

THENCE along said curve to the left of said west right-of-way line and the east line of said Addison Municipal Airport, a distance of 210.49 feet to the POINT OF BEGINNING and containing 78.506 square feet of land.

97247 03374

EXHIBIT A

97247 03375

83-147-10711-PPS 12-00-CTE 1
THE STATE OF TEXAS
COUNTY OF DALLAS
GROUND LEASE
This Ground Lease (hereinafter referred to as the "Lease") is made and entered into as of October 11, 1983, by and between the City of Addison, Texas, a municipal corporation (hereinafter sometimes referred to as the "City"), Addison Airport of Texas, Inc., a Texas Corporation (hereinafter sometimes referred to as "AATI") and Rummett Property Co., Inc., a Texas Corporation (hereinafter referred to as "Tenant").
WITNESSETH:
WHEREAS, AATI has certain real property (hereinafter referred to as the "demised premises") described in attached Exhibit A from the City pursuant to the certain instrument captioned Agreement for Operation of the Addison Airport (hereinafter referred to as the "Base Lease") between the City and Addison Airport, Inc. (referred to as "AATI") and
WHEREAS, the demised premises are situated at Addison Airport (hereinafter referred to as the "Airport") in Dallas County, Texas, and the Airport being delineated in a plat attached hereto as Exhibit B, and
WHEREAS, the City and AATI hereby lease and demise the demised premises to Tenant, and Tenant hereby leases and takes the demised premises from the City and AATI, upon the terms and conditions set forth herein.
NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:
1. Base Lease: All of the terms and conditions of the Base Lease incorporated into this Lease by reference as if written verbatim herein, and Tenant or Tenant's assign or assigns acknowledge that AATI has furnished Tenant with a copy of the Base Lease. Tenant agrees to fully comply at all times and in all respects with the terms and conditions of the Base Lease insofar as the same relate to the demised premises and/or the use and operation thereof, except that Tenant shall not be responsible for the payment of any rental due under the Base Lease which shall be paid by AATI.
2. Definition of Landlord and Effect of Default under the Base Lease: The term "Landlord" as hereinafter used in this Lease shall mean either AATI or the City. So long as the Base Lease is in effect, AATI shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. Upon the expiration or termination of the Base Lease, the City shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. The City agrees that it, with such time as the City notifies Tenant to the contrary in writing, Tenant is fully authorized to make all payments due under this Lease to AATI, and all that shall be paid by AATI under the Lease shall have no effect on this Lease so long as Tenant pays and performs its duties, covenants and obligations under this Lease.
3. Term: This term Lease shall commence on the earlier of October 1, 1988, or the first day of the first calendar month after Tenant completes the construction hereinafter described and opens for business at the demised premises (the applicable date being hereinafter referred to as the "Commencement Date"), and shall end four hundred and eighty (480) months thereafter, provided, however, that any term of the demised premises by Tenant due to the Commencement Date shall be subject to all of the terms and conditions hereof except the rental shall not accrue.
4. Rental: Subject to adjustment as hereinafter provided, Tenant agrees to pay to Landlord, within a period of production, rent for the demised premises at the rate of SIXTEEN HUNDRED SEVENTY-SIX AND 23/100 PERCENT per month in advance the first of each month, and thereafter on or before the first day of each calendar month thereafter during the term hereof.
5. Adjustment of Rental: Commencing on the second anniversary of the Commencement Date and on every subsequent anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under paragraph 4 shall be adjusted as follows:
(i) A comparison shall be made between the Consumer's Price Index as then for the Dallas, Texas Metropolitan Area (hereinafter referred to as the "Price Index") as published on the Commencement Date and as it exists on the last day of the calendar month succeeding the then applicable Adjustment Date.
(ii) The monthly rental for the two (2) year period beginning with and following the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of increase or decrease in the Price Index between the Commencement Date and the then applicable Adjustment Date, but in no event shall such monthly rental ever be decreased below the monthly rental set forth in paragraph 4.
(iii) In the event that the Price Index is unavailable for whatever reason for the comparisons set forth hereinabove, another index approximating the Price Index as closely as feasible shall be substituted therefor.
6. Use of Demised Premises and Construction of Improvements: The demised premises shall be used and occupied by Tenant only for the following purposes: sale of aircraft and aircraft parts, aircraft maintenance and repair, aircraft storage, aircraft training, aircraft charter, and aircraft rental, and no other use without the prior written consent of Landlord.
In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications.
These improvements consist of a combination office/airplane hangar facility containing approximately 41,600 square feet of office space and five airplane hangars, the preliminary plans for which have been prepared by Bogard Architects, Inc. Construction prints to be approved by Addison Municipal Airport prior to the start of construction.
All construction shall be strictly in accordance with such plans and specifications, and such construction shall be performed in a fast, clean, workmanlike manner. Tenant agrees to promptly pay and discharge all debts, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection with such construction.
7. Acceptance of Demised Premises: Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the purposes for which the same are leased in their present condition.
8. Keeping Governmental Approvals and Compliance with Law: Tenant at Tenant's sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises. Tenant shall comply at all times with all governmental laws, ordinances and regulations applicable to the use of the demised premises, and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances or in violation of the demised premises, all at Tenant's sole cost and expense.
9. Assignment, Subleasing and Delegation of Leasehold Estate:
a. Without the prior written consent of Landlord, Tenant may not assign this Lease or any right of Tenant hereunder (except to a leasehold mortgage as hereinafter provided) or sublet the whole or any part of the demised premises. Any assignment or subleasing shall be expressly prohibited to the terms and provisions of this Lease, including the provisions of paragraph 9 hereof, on the part of the demised premises in the event of any assignment or subleasing. Tenant shall not assign Tenant's rights hereunder or sublet the demised premises without first obtaining a written agreement from Landlord. In no event shall Tenant's rights hereunder or sublet the demised premises be bound by the terms and provisions of this Lease. The written agreement or subleasing shall constitute a novation in the event of an assignment or subleasing of the demised premises or any part thereof. Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, without delay from such assignment or subleasing of the demised premises, but under such assignment or subleasing shall remain Tenant from the payment or performance of Tenant's obligations hereunder.
b. Tenant shall have the right to mortgage the leasehold estate of Tenant or any part thereof in order to secure a mortgage loan for the purchase of additional funds for the construction of the improvements described in paragraph 6 or for other construction upon the demised premises approved from time to time by Landlord in writing. In the event that Tenant hereunder mortgages or assigns all or part of the leasehold estate of Tenant or any part thereof, the leasehold mortgage shall in no event become a lien in favor of the mortgagee or any other person of Tenant upon this Lease unless and until said mortgage becomes the subject of the assignment or subleasing of the demised premises to a third party in violation of the terms and provisions of this Lease. The mortgagee shall remain liable for such obligations as long as such obligations remain the subject of the leasehold estate hereunder and the mortgagee is specifically understood and agreed that such mortgage by Tenant or any other person hereunder in no event shall constitute an assignment or subleasing of the demised premises to a third party in violation of the terms and provisions of this Lease.
10. 33252 7439

97247 03376

12-29-83

C. All mortgages of record in the public records of the County of Tarrant, Texas, created by or for the benefit of the Lessor, shall be subject to the terms of this lease and shall be deemed to be subject to the terms of this lease and shall be deemed to be subject to the terms of this lease.

D. Landlord agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" which shall recognize such mortgage and the successors and assigns thereof and shall provide for the protection of such mortgagee and the successors and assigns thereof.

E. Landlord further agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" which shall recognize such mortgage and the successors and assigns thereof and shall provide for the protection of such mortgagee and the successors and assigns thereof.

F. Landlord further agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" which shall recognize such mortgage and the successors and assigns thereof and shall provide for the protection of such mortgagee and the successors and assigns thereof.

10. Property Taxes and Assessments: Tenant shall pay any and all property taxes or assessments levied or assessed on the premises of the leased premises, the personal property and fixtures on the leased premises, and, if applicable, upon the leased premises of Tenant created hereby.

11. Maintenance and Repair of Leased Premises:
 A. Tenant shall, throughout the term hereof, maintain in good repair and condition all the leased premises and all fixtures, equipment and personal property on the leased premises and keep them free from waste or nuisance and, at the expiration or termination of this lease, deliver up the leased premises clean and free of trash and in good repair and condition, with all fixtures and equipment situated on the leased premises in the same good repair and condition as when received.

B. In the event Tenant fails to so maintain the leased premises and its fixtures, equipment and personal property situated thereon, Lessor shall have the right (but not the obligation) to cause all repairs or other maintenance to be made and the reasonable costs thereof to be paid by Tenant.

12. Alterations, Additions and Improvements: After completion of the improvements provided for in paragraph 8, Tenant shall not create any openings in the roof or exterior walls, or make any alterations, additions or improvements to the leased premises without the prior written consent of Lessor. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld by Lessor.

13. Insurance: Tenant shall during the term hereof maintain at Tenant's sole cost and expense insurance relating to the leased premises as follows:

(a) General public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the leased premises, such insurance to afford protection to Lessor of not less than \$500,000.00 with respect to any one person, \$1,000,000.00 with respect to any one accident and not less than \$100,000.00 with respect to property damage.

(b) Such other insurance as may be required by law.

(c) Such other insurance as may be required by law.

(d) Such other insurance as may be required by law.

(e) Such other insurance as may be required by law.

(f) Such other insurance as may be required by law.

(g) Such other insurance as may be required by law.

(h) Such other insurance as may be required by law.

(i) Such other insurance as may be required by law.

(j) Such other insurance as may be required by law.

(k) Such other insurance as may be required by law.

(l) Such other insurance as may be required by law.

(m) Such other insurance as may be required by law.

(n) Such other insurance as may be required by law.

(o) Such other insurance as may be required by law.

(p) Such other insurance as may be required by law.

(q) Such other insurance as may be required by law.

(r) Such other insurance as may be required by law.

(s) Such other insurance as may be required by law.

(t) Such other insurance as may be required by law.

(u) Such other insurance as may be required by law.

(v) Such other insurance as may be required by law.

(w) Such other insurance as may be required by law.

(x) Such other insurance as may be required by law.

(y) Such other insurance as may be required by law.

(z) Such other insurance as may be required by law.

71247 03377

16. If the demised premises are primarily for business, professional, or other commercial purposes, the Tenant shall not be entitled to any special or preferential treatment in the event of condemnation or other acquisition of the demised premises by a governmental authority. If the demised premises are primarily for residential purposes, the Tenant shall not be entitled to any special or preferential treatment in the event of condemnation or other acquisition of the demised premises by a governmental authority. The Tenant shall not be entitled to any special or preferential treatment in the event of condemnation or other acquisition of the demised premises by a governmental authority.

17. If during the term hereof, any part of the demised premises shall be acquired or condemned by a governmental authority for any public or quasi-public use or purpose, or the public or quasi-public use or purpose of the demised premises shall be acquired or condemned by a governmental authority for any public or quasi-public use or purpose, or the public or quasi-public use or purpose of the demised premises shall be acquired or condemned by a governmental authority for any public or quasi-public use or purpose, the Tenant shall not be entitled to any special or preferential treatment in the event of condemnation or other acquisition of the demised premises by a governmental authority.

18. If at any time during the term hereof, the demised premises shall be acquired or condemned by a governmental authority for any public or quasi-public use or purpose, or the public or quasi-public use or purpose of the demised premises shall be acquired or condemned by a governmental authority for any public or quasi-public use or purpose, the Tenant shall not be entitled to any special or preferential treatment in the event of condemnation or other acquisition of the demised premises by a governmental authority.

19. If the lease is not terminated pursuant to Section 16, the Tenant shall promptly restore the demised premises to the condition in which the same were received by the Tenant, and shall be responsible for the cost of such restoration, including the cost of any materials and labor required for such restoration, and shall be responsible for the cost of any materials and labor required for such restoration.

20. Utilities. Tenant shall be responsible for the cost of obtaining all utility connections at or for the demised premises and for the maintenance and repair of such utility connections during the term hereof. Landlord shall not be liable or responsible for any interruption or any such utility services.

21. Common Facilities. Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use the common facilities, improvements, equipment and service, which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of the tenants and customers of the demised premises, including the use of the common facilities, improvements, equipment and service, which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of the tenants and customers of the demised premises.

22. Rules and Regulations. Landlord has adopted Rules and Regulations (hereinafter referred to as the "Rules and Regulations") which shall govern the use of the demised premises and the common facilities, improvements, equipment and service, which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of the tenants and customers of the demised premises.

23. Signs and Equipment. After first securing Landlord's approval, which shall not be unreasonably withheld, Tenant shall have the right from time to time to install and use signs, notices, communications, advertising, and other equipment and facilities in or on the demised premises that may be reasonably necessary for the operation of Tenant's business.

24. Landlord's Right of Entry. Landlord and Landlord's authorized representatives shall have the right during the normal business hours to enter the demised premises to inspect the general condition and state of repair thereof, (1) to make repairs permitted under the Rules and Regulations, (2) to inspect the demised premises for the purpose of carrying out the duties, notice and compliance of Landlord, Tenant and all other tenants and customers of the A-Robot.

25. Indemnity and Exclusion. Landlord shall not be liable to Tenant or to Tenant's employees, agents, servants, customers, invitees, or to any other person whatsoever for any injury to persons or property or damage to property on or about the demised premises or any adjacent area caused by Landlord or caused by the negligence, misconduct, or willful or wanton act of Landlord, Tenant's employees, agents, servants, customers, invitees, subtenants, licensees or concessionaires or any other person entering the demised premises under express or implied invitation of Tenant, or arising out of the use of the demised premises by Tenant and the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations hereunder, and Tenant hereby agrees to indemnify Landlord and hold Landlord harmless from any loss, expense or claim arising out of such damage or injury.

26. Landlord and Landlord's agents and employees shall not be liable to Tenant for any injury to persons or property or damage to property resulting from the demised premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring, or broken glass or by the escape, discharge, or spillage, or by fire, explosion, falling matter or falling or falling into the demised premises, regardless of whether the injury or damage to persons or property is caused in whole or in part by the negligence, misconduct, or willful or wanton act of Landlord or caused by the negligence, misconduct, or willful or wanton act of Landlord's agents and employees, or of any other persons whatsoever, excepting only such authorized agents and employees of Landlord.

27. Default by Tenant. The following events shall be deemed to be events of default by Tenant under this Lease:
A. Failure of Tenant to pay any installment of rent or any other sum payable to Landlord hereunder on the date that same is due and such failure shall continue for a period of ten (10) days.
B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of rent or other sum of money, and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant.
C. Insolvency, the making of an assignment in favor of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.
D. 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 Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor.
E. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.
F. Assignment by Tenant of any substantial portion of the demised premises or cessation of use of the demised premises for the purpose stated.

28. Remedies of Landlord. Upon the occurrence of any of the events of default listed in paragraph 27, Landlord shall have the option to forfeit any one or more of the following remedies without the notice or demand whatsoever:
A. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord if Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or damages thereon, enter upon and take possession of the demised premises and use or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for possession or any claim for damages thereon. Tenant shall pay to Landlord on demand the amount of all loss and damages which Landlord may suffer by reason of such termination, whether through inability to re-let the demised premises on satisfactory terms or otherwise.
B. Surrender this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord if Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or damages thereon, enter upon and take possession of the demised premises and use or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for possession or any claim for damages thereon. Tenant shall pay to Landlord on demand the amount of all loss and damages which Landlord may suffer by reason of such termination, whether through inability to re-let the demised premises on satisfactory terms or otherwise.
C. Enter upon and take possession of the demised premises without terminating this Lease and without being liable for possession of the demised premises or damages thereon, and use or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for possession or any claim for damages thereon. Tenant shall pay to Landlord on demand the amount of all loss and damages which Landlord may suffer by reason of such termination, whether through inability to re-let the demised premises on satisfactory terms or otherwise.

97267 03378
746
67
68

to the date of the last payment made by Tenant to Landlord in full, and Tenant shall be liable to pay such amount with the balance of the amount due to Landlord.

37. Interest on Tenant Obligations and Manner of Payment. All monetary obligations of Tenant to Landlord under this Lease shall be due on the date of the due date of the same (or due date has been established under other provisions here of, the "due date") shall be due to Landlord and payment from Tenant is required. Interest shall be at the rate of ten percent (10%) per annum from and after said term (10% per annum) if more than five days during the term of the Lease for any reason. Tenant shall check or pay by the bank on which it is a bank or other financial institution, and shall be required to provide written notice to Landlord that the payment has been made. Interest shall be due on the date of the due date of the same (or due date has been established under other provisions here of, the "due date") shall be due to Landlord and payment from Tenant is required. Interest shall be at the rate of ten percent (10%) per annum from and after said term (10% per annum) if more than five days during the term of the Lease for any reason. Tenant shall check or pay by the bank on which it is a bank or other financial institution, and shall be required to provide written notice to Landlord that the payment has been made.

38. Force Majeure. In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, riot, outbreak of war, labor restriction by any governmental authority, civil war, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

39. Independent Contractor. It is understood and agreed that in leasing and operating the premises hereinafter, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer or employee of Landlord.

40. Entirety. All other agreements, amendments, assignments and other instruments which may be executed or otherwise made by either party hereto in connection with this Lease shall be void and unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected hereby.

41. Successors. The terms, conditions and covenants contained in this Lease shall apply to the successors of, and be binding upon the Tenant here and their respective successors in interest and legal representatives, except as otherwise herein expressly provided. All the covenants, conditions, terms and conditions of Landlord under this Lease, including but not limited to any notice required or furnished to be observed by Tenant or Landlord hereunder, shall apply to and be binding upon the Tenant here and their respective successors in interest and legal representatives, except as otherwise herein expressly provided.

42. Notices. All notices or communications to be given by either party to the other shall be given in writing and shall be deemed to have been given if delivered in person to the addressee or if mailed in a registered or certified mail, return receipt requested, addressed to the address in this Lease, or if delivered to such other address as may be specified by written notice delivered in accordance herewith.

43. Notices. All notices or communications to be given by either party to the other shall be given in writing and shall be deemed to have been given if delivered in person to the addressee or if mailed in a registered or certified mail, return receipt requested, addressed to the address in this Lease, or if delivered to such other address as may be specified by written notice delivered in accordance herewith.

44. Notices. All notices or communications to be given by either party to the other shall be given in writing and shall be deemed to have been given if delivered in person to the addressee or if mailed in a registered or certified mail, return receipt requested, addressed to the address in this Lease, or if delivered to such other address as may be specified by written notice delivered in accordance herewith.

45. Notices. All notices or communications to be given by either party to the other shall be given in writing and shall be deemed to have been given if delivered in person to the addressee or if mailed in a registered or certified mail, return receipt requested, addressed to the address in this Lease, or if delivered to such other address as may be specified by written notice delivered in accordance herewith.

46. Fees or Commissions. Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers, agents or lenders fees or commissions agreed to by both parties arising from the execution of this Lease or the performance of the term and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

47. Governing Law and Venue. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, and Landlord and Tenant both irrevocably agree that venue for any dispute concerning the Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas.

48. Entire Agreement and Amendments. This Lease, consisting of ten (10) paragraphs and Exhibits A through B attached hereto, embodies the entire agreement between Landlord and Tenant and supercedes all other agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise specifically provided herein, no agreement hereto shall be effective to change, modify, discharge or alter in any manner the terms, conditions or covenants of this Lease, in whole or in part, unless such agreement is in writing and agreed to in behalf of the party against whom enforcement of the change, modification or discharge or attachment is sought.

EXECUTED as of the day month and year first above written.

The additional provisions contained in the Addendum attached hereto are hereby incorporated herein for all purposes.

LANDLORD
ADDISON AIRPORT OF TEXAS
By: [Signature]
Title: President
CITY OF ADDISON, TEXAS
By: [Signature]
Title: President
Bunnell Properties, Inc.
By: [Signature]
Title: President

ADDISON, TEXAS 75001

ADDISON, TEXAS 75001

ADDISON, TEXAS 75001

ADDISON, TEXAS 75001

ADDISON, TEXAS 75001

ADDISON, TEXAS 75001

ADDISON, TEXAS 75001

ADDISON, TEXAS 75001

ADDISON, TEXAS 75001

97247 03380

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Henry Stuart
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of October, 1953

Samuel J. James
Notary Public
Dallas
County, Texas



STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Julia Peddie
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 29th day of November, 1953

Henry Sharp
Notary Public
Dallas
County, Texas



STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared David Russell
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of October, 1953

Samuel J. James
Notary Public
Dallas
County, Texas



33252 7444

97247 03381

ADDENDUM TO GROUND LEASE,
dated October 11, 1981,
by and among
the City of Addison, Texas,
Addison Airport of Texas, Inc.
and Sennell Properties, Inc.

This Addendum is attached to and made a part of the foregoing and above referenced lease for all purposes. In the event of conflict or inconsistency between the printed portion of this lease and this Addendum, the terms of this Addendum shall control.

A. The words "general office uses" are added to the list of the purposes for which Tenant may use and occupy the desired premises contained in paragraph 6 of the printed portion of this Lease.

B. To induce Landlord to allow use and occupancy of the desired premises for general office purposes, Tenant agrees to give preference to prospective office tenants whose businesses are aeronautically related (hereinafter referred to as "preferred tenant") conditioned upon (i) availability of space, (ii) willingness of the preferred tenant to pay market rental rates, (iii) the preferred tenant's credit standing favorably comparing to those of other prospective tenants, and (iv) willingness of the preferred tenant to enter into a term of agreement comparable to those offered by other prospective tenants.

C. Landlord agrees to remove the electrical lines and poles presently running along the western boundary of the desired premises.

D. Tenant shall have the option to terminate this Lease by delivering written notice of such election to Landlord before April 30, 1984, if Tenant has been unable to obtain revenue bond financing for the improvements which Tenant proposes to construct on the desired premises. If Tenant does not timely deliver such written notice of election to terminate, all rights of Tenant to terminate this Lease pursuant to the foregoing shall lapse and be null and void.

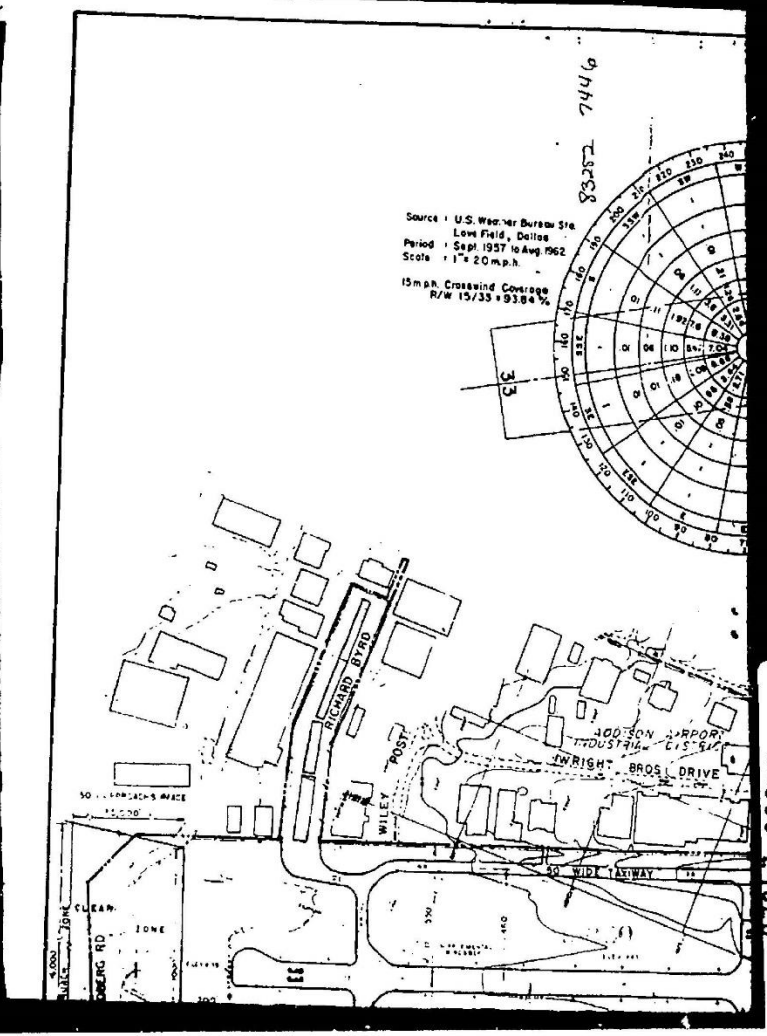
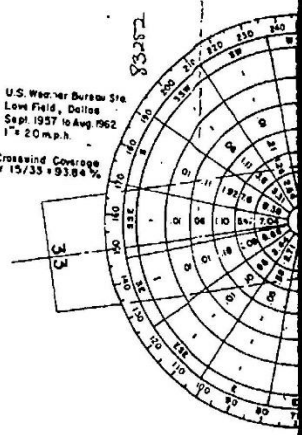
18245

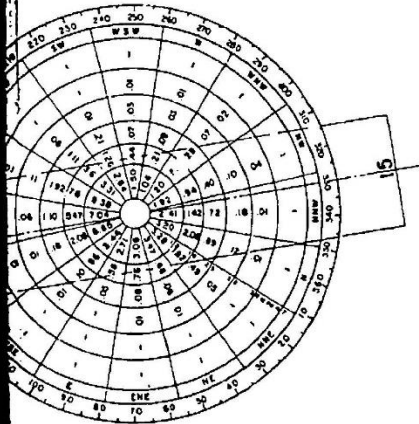
83252 7445

97247 03382

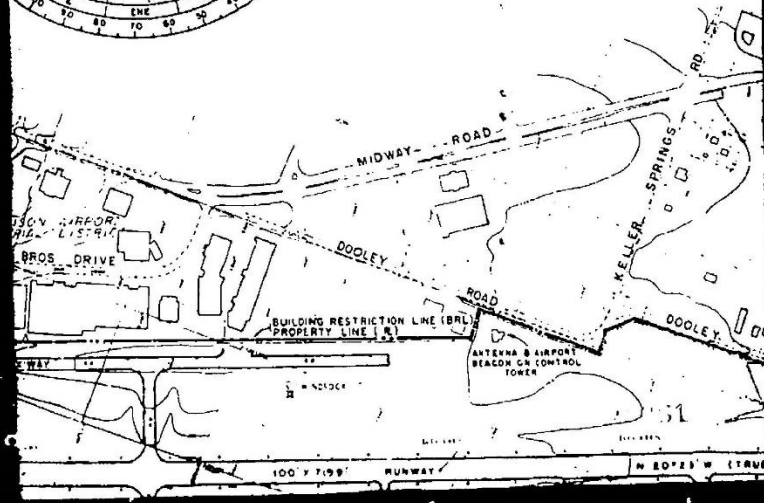
ATS 10039

Source : U.S. Weather Bureau Sta
Low Field, Dallas
Period : Sept. 1937 to Aug. 1962
Scale : 1" = 20 m.p.h.
15 m.p.h. Crosswind Coverage
R/W 15/35 = 93.84 %

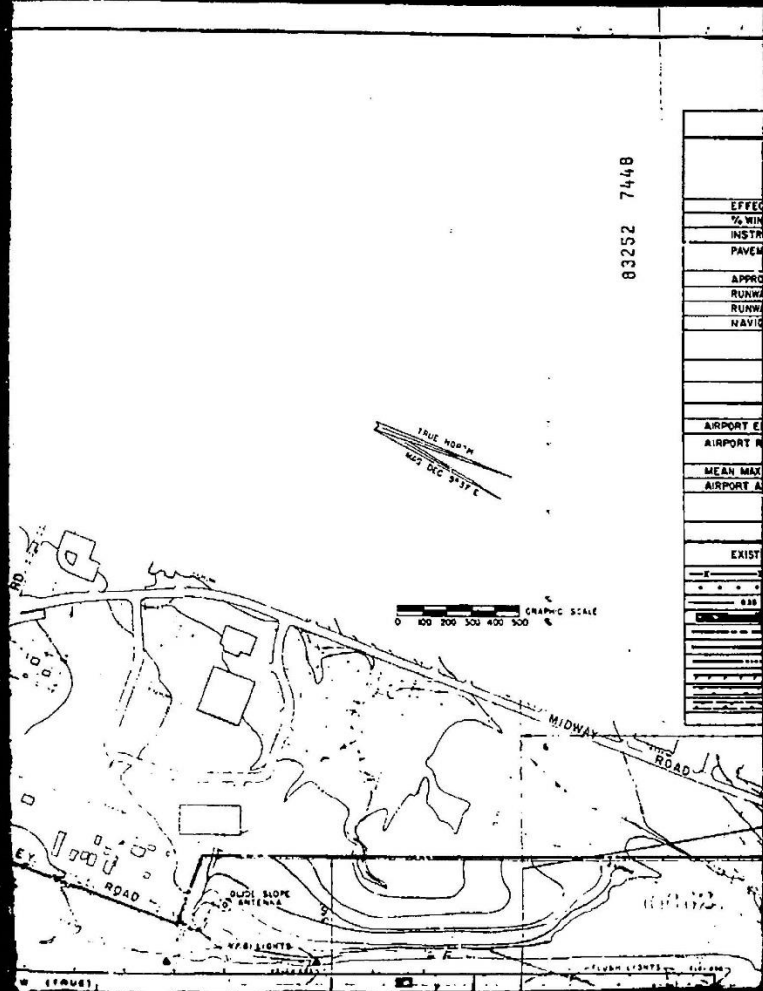




83252 7447



97247 03384



83252 7448

EFFEC
INSTR
PAVEM
APPRO
RUNW
RUNW
NAVIC
AIRPORT E
AIRPORT R
MEAN MAX
AIRPORT A
EXIST
0 30

97247 03385

ET. B

83252 7440

BASIC RUNWAY DATA TABLE

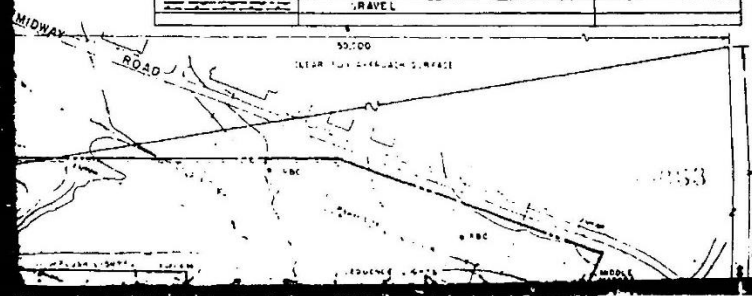
	RUNWAY 15/33	
	EXISTING	ULTIMATE
EFFECTIVE GRAD. ENTIRE %	0.03	SAME
% WIND COVERAGE	93.84	SAME
INSTRUMENT RUNWAY	YES	YES
PAVEMENT STRENGTH	BOS. 1000 16007	SAME
APPROACH SURFACE	50:1 BOTH	SAME
RUNWAY LIGHTING	MIRL	SAME
RUNWAY MARKINGS	ALL WEATHER	SAME
NAVIGATIONAL AIDS	ILS	SAME

BASIC AIRPORT DATA TABLE

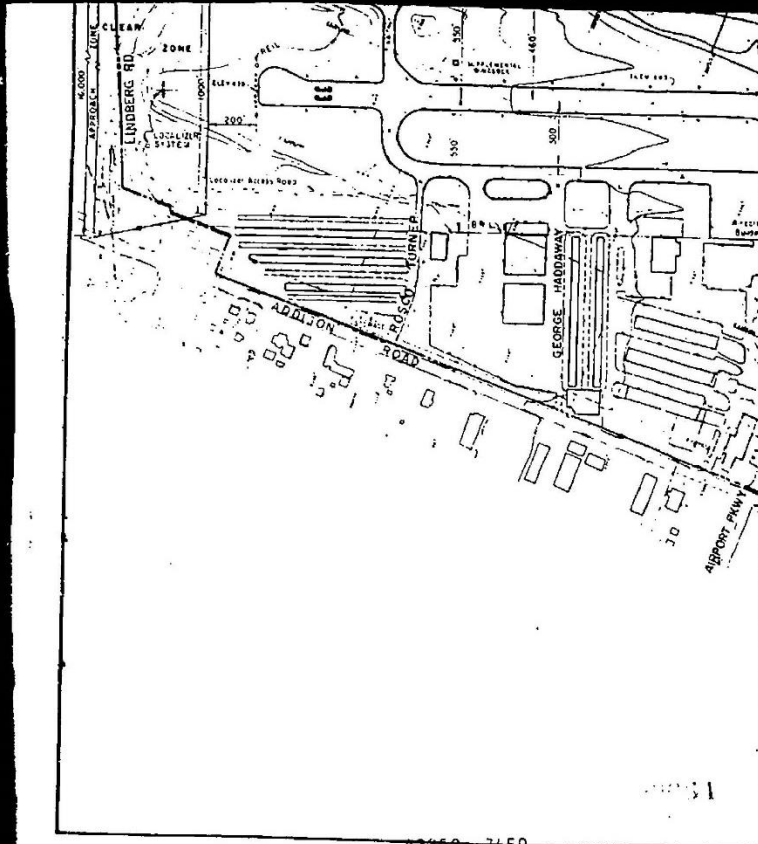
	EXISTING	ULTIMATE
AIRPORT ELEVATION - M.S.L.	643.00	
AIRPORT REFERENCE POINT (AR) COORDINATES	LAT 32° 58' 10.565" LNG 96° 50' 08.482"	SAME
MEAN MAX TEMP. OF HOTTEST MONTH	96.1° F	SAME
AIRPORT AND TERMINAL NAVIGATIONAL AIDS	ILS	SAME

LEGEND

EXISTING	
[Symbol]	FENCE
[Symbol]	RUNWAY LIGHTS
[Symbol]	GROUND CONTOURS
[Symbol]	BUILDINGS PERTAINING TO AIRPORT
[Symbol]	EXISTING PROPERTY LINE
[Symbol]	PROPERTY ACQUIRED THIS PROJECT
[Symbol]	BUILDING RESTRICTION LINE (BRL)
[Symbol]	EASEMENTS
[Symbol]	ASPHALT PAVEMENT
[Symbol]	GRAVEL

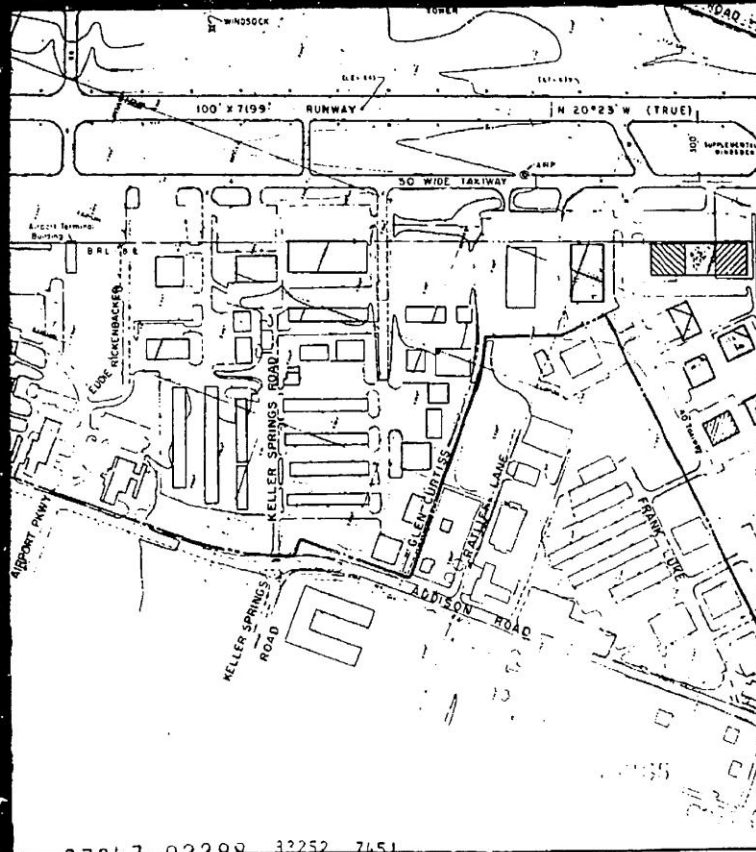


97247 03386

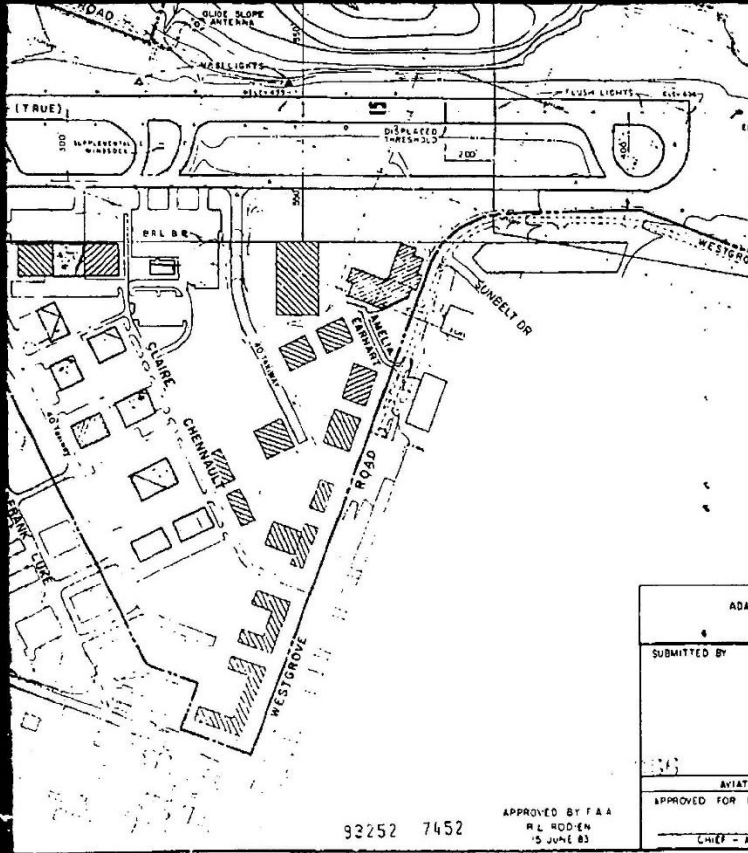


93252 7450

97247 03387



97247 03388 32252 7451

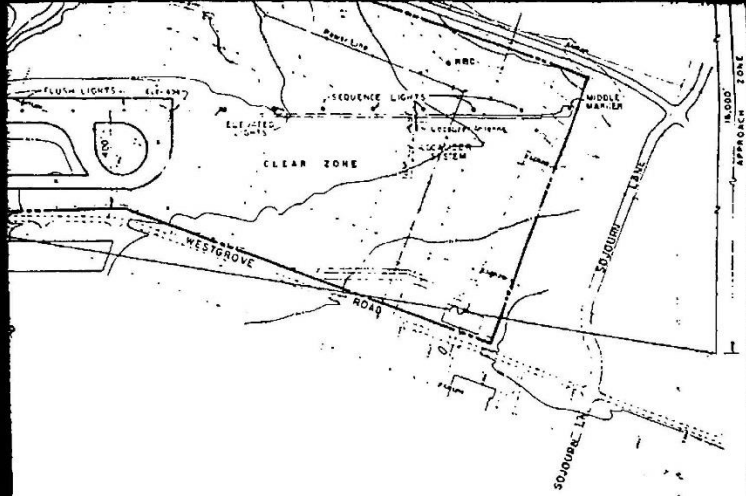


93252 7452

APPROVED BY FAA
R.L. HODGEN
15 JUNE 83

ADAP
SUBMITTED BY
APPROVED FOR F
CHIEF - AIR

97247 03389



ADAP Project No.					
SUBMITTED BY		DATE	ADDISON MUNICIPAL AIRPORT AIRPORT LAYOUT PLAN ADDISON, TEXAS GINN, INC. Consulting Engineers Dallas, Texas		
APPROVED FOR F.A.A.		AVIATION DIRECTOR	DESIGNED	DATE	TRACED
CHECKED BY FAA L. RODEN 15 JUNE 83		APPROVED FOR F.A.A. _____ CHIEF - AIRPORTS BRANCH	DRAWN	DATE	CHECKED
			302521	11/1/83	FILE NO.
					SCALE 1" = 300'
					SHEET 1 of 1

97247 03390

EXHIBIT A
REAL PROPERTY DESCRIPTION

SITUATED in Dallas County, Texas, and BEING a tract of land situated in the E. COOK SURVEY, ABSTRACT 326, and located on Addison Municipal Airport, Addison, Texas, and being more particularly described as follows:

COMMENCING at the intersection of the centerline of Airport Parkway and the West right-of-way of Addison Road;

THENCE, North $00^{\circ}22'50''$ West, along said West right-of-way a distance of 358.67 feet to the POINT OF BEGINNING;

THENCE, South $89^{\circ}37'10''$ West, a distance of 145.27 feet;

THENCE, North $1^{\circ}45'47''$ East, a distance of 169.44 feet;

THENCE, North $0^{\circ}38'48''$ West, a distance of 136.86 feet;

THENCE, North $20^{\circ}14'53''$ West, a distance of 180.00 feet;

THENCE, North $71^{\circ}51'57''$ East, a distance of 147.04 feet to a point on a curve to the right, said curve having a central angle of $16^{\circ}46'21''$, a radius of 788.51 feet and a chord bearing South $45^{\circ}41'02''$ East, 230 feet;

THENCE, along an arc length of 230.82 feet to a point;

THENCE, South $0^{\circ}22'50''$ East, along the West right-of-way of Addison Road, a distance of 298.48 feet to the POINT OF BEGINNING, containing 1.661 acres (72,348.19 square feet) of land, more or less.

97247 03391

83252 7454

FILED FOR RECORD
THU 29th Dec 1953
1953 at 3:51 P.M.
Earl D. Smith, County Clerk
DeKalb County, Tenn
Richard L. McVitt

CHICAGO TITLE INSURANCE COMPANY
3000 NORTH LAUREL STREET
CHICAGO, ILL. 60641
[Signature]

STATE OF TENN. DEEDS AND RECORDS
I hereby certify that the foregoing was filed in the
office of the County Clerk of DeKalb County, Tenn. on the
29th day of December, 1953, at 3:51 P.M.

DEC 29 1953
Earl D. Smith
COUNTY CLERK, DeKalb County, Tenn.

97247 03392

83252 7455

EXHIBIT B

97247 03393

13.145-10911-FF211-00 (2) CTIC

ASSIGNMENT OF LEASE

1980 0 21.00 DECD
2 12/30/83

THIS AGREEMENT is made as of this the 1st day of December, 1983, at Addison, Texas, between BUNNELL PROPERTIES, INC., a Texas corporation, hereinafter called "Assignor", and CONCOURSE PLAZA, LTD., a Texas limited partnership, hereinafter called "Assignee".

WHEREAS, a lease executed on October 11, 1983, between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor, and the Assignor, as the Lessee, by the terms of which certain real property located on the Addison Airport was leased to the Assignor as Lessee upon the terms and conditions provided therein; and

WHEREAS, the Assignor now desires to assign the Lease to the Assignee, and the Assignee desires to accept an assignment thereof;

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), receipt of which is hereby acknowledged, and the agreement of the Assignee, hereinafter set forth, the Assignor hereby assigns and transfers to the Assignee, its successors and assigns, all of its right, title and interest in and to the Lease hereinbefore described, a copy of which is attached hereto as Exhibit "A", and the Assignee hereby agrees to and does accept the assignment, and in addition expressly assumes and agrees to keep, perform and fulfill all the terms, covenants, conditions and obligations required to be kept, performed and fulfilled by the Assignor as the Lessee thereunder, including the making of all payments due to or payable on behalf of the Lessor under said Lease when due and payable.

This Agreement shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

Grantee:

Suite 900
First Texas Tower
14951 Dallas Parkway
Dallas, TX 75240

10000

83252.7456

12-29-83

97247 03394

EXECUTED as of the day and year first above written.

ASSIGNOR:

Bunnett Properties, Inc.

By: 

ASSIGNEE:

Concourse Plaza, Ltd.

By: Bunnett Properties, Inc., Managing
General Partner

By: 

CONSENT OF LESSOR

The undersigned is the Lessor under the Lease described in the foregoing Assignment and hereby consents to the assignment of the Lease to the Assignee, waiving none of their rights thereunder as to the Lessor or the Assignee.

LESSOR:

CITY OF ADDISON

By: 

ADDISON AIRPORT OF TEXAS, INC.

By: 

97247 03395

83252 7457

STATE OF TEXAS §
COUNTY OF DALLAS §

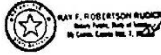
BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared David A. Bunnell, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of Bunnell Properties, Inc., a Texas corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27th day of December, 1983.

Kay P. Robertson/Kudich
Notary Public

My Commission Expires:

3-7-84



STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared David A. Bunnell, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of Bunnell Properties, Inc., a Texas corporation, as managing general partner of Concourse Plaza, Ltd., a Texas limited partnership, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27th day of December, 1983.

Kay P. Robertson/Kudich
Notary Public

My Commission Expires:

3-7-84

97247

03396

83252 7458

10 YEARS
OF DALLAS
GROUND LEASE

This Ground Lease (hereinafter referred to as the "Lease") is made and entered into as of October 11, 1961, by and among the City of Addison, Texas, a municipal corporation (hereinafter referred to as the "City"), Addison Airport, Texas, Inc., a Texas Corporation (hereinafter sometimes referred to as "AAI") and Bunnett Properties, Inc., a Texas Corporation (hereinafter referred to as "Tenant").

WITNESSETH:

That ADDISON certain real property (hereinafter referred to as the "demised premises") described in attached Exhibit A from the City pursuant to the certain instrument captioned Agreement for Operation of the Addison Airport (hereinafter referred to as the "Base Lease") between the City and Addison Airport, Inc. (predecessor of AAI), and

That AS A RESULT, the demised premises are situated at Addison Airport (hereinafter referred to as the "Airport") in Dallas County, Texas, the Airport being owned and operated by AAI.

Whereas the City and AAI hereby lease and demise the demised premises to Tenant, and Tenant hereby leases and takes the demised premises from the City and AAI, upon the terms and conditions set forth herein.

NOW, THEREFORE, ALL MEN BY THESE PRESENTS:

1. Base Lease. All of the terms and conditions of the Base Lease are incorporated into this Lease by reference as if written herein verbatim, and Tenant, by its execution hereof, acknowledges that AAI has furnished Tenant with a copy of the Base Lease. Tenant agrees to fully comply with, and in all respects with the terms and conditions of the Base Lease insofar as the same relate to the demised premises and/or the use and operation thereof, except that Tenant shall not be responsible for the payment of any rental due under the Base Lease which shall be paid by AAI.

2. Definition of Landlord and Effect of Default under the Base Lease. The term "Landlord" as hereinafter used in this Lease shall mean either the City or the City's successor in title in the demised premises and shall perform all of the duties, obligations and covenants of the Landlord under the Base Lease. Upon the expiration or termination of the Base Lease, the City shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. The City agrees that it shall such time as the City notifies Tenant in writing, Tenant is fully authorized to make all payments due under this Lease to AAI, and shall take such action under the Base Lease that shall have no effect on this Lease so long as Tenant pays and performs its duties, covenants and obligations under this Lease.

3. Term. This term hereof shall commence on the 1st day of October, 1961, or the last day of the first calendar month after Tenant completes the construction hereof as hereinafter provided and operated for business at the demised premises (the calendar month after Tenant completes the construction hereof being referred to as the "Commencement Date"), and shall end one hundred eighty (180) months thereafter; provided, however, that any year, upon the demised premises by Tenant prior to the Commencement Date shall be subject to all of the terms and conditions hereof except that rental shall not accrue.

4. Rental. Subject to adjustment as hereinafter provided, Tenant agrees to pay to Landlord, without offset or deduction, rent for the demised premises at the rate of SIXTEEN HUNDRED SEVENTY-SIX AND 02/100 dollars per month in advance. The first such monthly payment shall be due and payable on or before the Commencement Date, and said installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

5. Adjustment of Rental. Commencing on the second anniversary of the Commencement Date and on every of annual anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under the Lease shall be adjusted as follows:
(i) A Comparison shall be made between the Consumer Price Index-All Items for the Dallas, Texas Metropolitan Area (hereinafter referred to as the "Price Index") as published by the Bureau of Economic Warfare, United States Department of Commerce, and the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of increase or decrease in the Price Index between the Commencement Date and the then applicable Adjustment Date, but in no event shall such monthly rental be decreased below the monthly rental set forth in Paragraph 4.

(ii) In the event that the Price Index is unavailable for whatever reason for the computations set forth hereinabove, and the index determining the Price Index as closely as feasible shall be substituted herefor.

6. Use of Demised Premises and Construction of Improvements. The demised premises shall be used and occupied by Tenant only for the following purposes, sale of aircraft and aircraft parts, aircraft maintenance and repair, aircraft storage, aircraft training, aircraft charter, and a retail terminal, and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications. These improvements consist of a combination office/airplane hangar facility containing approximately 62,000 square feet of office space and five airplane hangars, the preliminary plans for which have been prepared by Bogard Architects, Inc. Construction prints to be approved by Addison Municipal Airport prior to the start of construction.

All construction shall be promptly and accurately in accordance with such plans and specifications, and such construction shall be performed in a first class workmanlike manner. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection with such construction.

7. Acceptance of Demised Premises. Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the purpose for which the same are leased in their present condition.

8. Securing Governmental Licenses, Permits and Compliance with Law. Tenant at Tenant's sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises. Tenant shall comply at all times with all governmental laws, ordinances and regulations applicable to the use of the demised premises and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with the demised premises, as at Tenant's sole cost and expense.

9. Assignment, Subletting and Mortgaging of Leasehold Estate. A. Without the prior written consent of Landlord, Tenant may not assign, sublet, lease or any rights of Tenant hereunder, in part or in whole or mortgage, or be otherwise encumbered, or subject the whole or any part of the demised premises. Any assignment or subletting hereunder shall be expressly subject to the terms and provisions of this Lease, including the provisions of Paragraph 8 pertaining to the use of the demised premises. In the event of any assignment or subletting, Tenant shall not assign, sublet, lease or mortgage or otherwise encumber the demised premises without first obtaining a written agreement from each such assignee or sublettee, or sublessee whereby each such assignee or sublessee agrees to be bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a breach of this Lease in the event of any breach of this Lease which is caused by the assignee or sublettee, or sublessee, in addition to any other remedies available to Landlord. B. In the event of any assignment or subletting, or subletting, or mortgage, or otherwise encumbering the demised premises, Tenant shall remain bound by the terms and provisions of this Lease. C. Tenant shall remain bound by the terms and provisions of this Lease in the event of any assignment, subletting, or mortgage, or otherwise encumbering the demised premises, even if the assignee, sublettee, or sublessee, or mortgagee, or other party claiming under any such assignment, subletting, or mortgage, or otherwise encumbering the demised premises, should be released by Landlord from any such assignment, subletting, or mortgage, or otherwise encumbering the demised premises, or if the assignee, sublettee, or sublessee, or mortgagee, or other party claiming under any such assignment, subletting, or mortgage, or otherwise encumbering the demised premises, should be released by Landlord from any such assignment, subletting, or mortgage, or otherwise encumbering the demised premises, or if the assignee, sublettee, or sublessee, or mortgagee, or other party claiming under any such assignment, subletting, or mortgage, or otherwise encumbering the demised premises, should be released by Landlord from any such assignment, subletting, or mortgage, or otherwise encumbering the demised premises.

10. Tenant shall have the right to manage the leasehold estate of Tenant created hereby in, upon, or under the demised premises for the purpose of sale and lease of the same. In the event of any assignment, subletting, or mortgage, or otherwise encumbering the demised premises, the assignee, sublettee, or sublessee, or mortgagee, or other party claiming under any such assignment, subletting, or mortgage, or otherwise encumbering the demised premises, shall be bound by the terms and provisions of this Lease. In the event of any breach of this Lease which is caused by the assignee, sublettee, or sublessee, or mortgagee, or other party claiming under any such assignment, subletting, or mortgage, or otherwise encumbering the demised premises, Tenant shall remain bound by the terms and provisions of this Lease. In the event of any breach of this Lease which is caused by the assignee, sublettee, or sublessee, or mortgagee, or other party claiming under any such assignment, subletting, or mortgage, or otherwise encumbering the demised premises, Tenant shall remain bound by the terms and provisions of this Lease.

97247 03397 83252 7459

97247 03399

In the event that Tenant exercises its option to purchase the Premises, or the Government or Landlord exercises its option to purchase the Premises, the purchase price shall be the fair market value of the Premises as determined by an independent appraiser selected by the parties to this Lease.

15. Contingent:

A. If, during the term hereof, any part of the demised premises shall be acquired or concerned by eminent domain for any public or quasi-public purpose, or if and in such event, the interest of condemnation, and after such taking by or sale to and condemnation of any part of the demised premises is not susceptible to efficient and economic occupation and operation by Tenant, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the demised premises, and Landlord shall refund to Tenant any prepaid but unexpired rental less any sum then owing by Tenant to Landlord.

B. If, after such taking by or sale to said condemning authority, the remainder of the demised premises is susceptible to efficient and economic occupation and operation by Tenant, this case shall not terminate but the rental due hereunder shall be reduced so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly rental installment due hereunder by a fraction the numerator of which shall be the number of square feet remaining in the demised premises after the taking by or sale to said condemning authority and the denominator of which shall be the square footage originally contained in the demised premises. The rental adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the demised premises.

C. If a lease is not conformant pursuant to Section 8, Tenant shall promptly restore the improvements on the demised premises, and the restoration proceeds to which Landlord and Tenant are entitled shall be applied and paid to cover the costs and expenses for restoring the demised premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any such improvements to which Landlord and Tenant are entitled shall be assigned and paid to Landlord and Tenant, at their interest may agree. If this Lease is terminated pursuant to Section 8, condemnation proceeds to which Landlord and Tenant are entitled shall be assigned and paid to Landlord and Tenant as their interests may appear.

16. Utilities: Tenant shall be responsible for the cost and expense of obtaining all utility connections at or to the demised premises and Tenant shall pay all charges for water, electricity, gas, sewer, telephone or any other utility connections, plus all fees and services furnished to the demised premises during the term hereof. Landlord shall not be liable or responsible for any cessation or interruption in any such utility services.

17. Common Facilities: Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use all common facilities, improvements, equipment and services which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of Landlord's customers and tenants, including landing and tie-off facilities, means of ingress and egress to the demised premises, other airport facilities, and all other improvements which may be provided without charge from time to time by Landlord in operating the Airport. All such common facilities shall at all times be under the exclusive control and management of Landlord and may be altered, modified, changed or terminated from time to time at Landlord's sole discretion.

18. Rules and Regulations: Landlord has adopted Rules and Regulations hereinafter referred to as the "Rules and Regulations" which shall govern Tenant in the use of the demised premises and all common facilities, a copy of which has been furnished to Tenant. The Rules and Regulations are incorporated by reference as if written herein, and Tenant agrees to comply fully at all times with the Rules and Regulations. Landlord shall have the right to amend, nullify and revise the Rules and Regulations from time to time and reasonable in furtherance of the safety, welfare and convenience of Landlord, Tenant and all other tenants and invitees of the Airport.

19. Signs and Equipment: After first securing Landlord's approval which will not be unreasonably withheld, Tenant shall have the right from time to time to place and operate advertising signs and radio, communications, telegraphical, aerial navigation and other equipment and facilities on or in the demised premises that may be reasonably necessary for the operation of Tenant's business.

20. Landlord's Right of Entry: Landlord and Landlord's authorized representatives shall have the right, during the normal business hours, to enter the demised premises to inspect the general condition and state of repair thereof. This right shall not be construed as a right to enter the demised premises for any other purpose, and Tenant shall not be liable for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in connection with any private, public or quasi-public work, or of any other persons whatsoever, excepting only such authorized agents and employees of Landlord.

21. Indemnity and Exculpation:

A. Landlord shall not be liable to Tenant or to Tenant's employees, agents, servants, customers, invitees, or to any other person whatsoever, for any amount of loss or damage to property or to the demised premises or any structure thereon owned by Landlord caused by the negligence or misconduct of Tenant, Tenant's employees, servants, customers, invitees, subcontractors, licensees or concessionaires or any other person entering the demised premises under license or express permission of Tenant, or arising out of the use of the demised premises by Tenant and the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations hereunder, and Tenant hereby agrees to indemnify Landlord and hold Landlord harmless from any loss, expense or claims arising out of such damage or injury.

B. Landlord and Landlord's agents and employees shall not be liable to Tenant for any injury to persons or damage to property resulting from the demised premises becoming out of repair or by defect in or failure of fuel, gas, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the demised premises, regardless of the source, or compass or by fire, explosion, falling matter or falling or for any other reason whatsoever. Landlord shall not be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in connection with any private, public or quasi-public work, or of any other persons whatsoever, excepting only such authorized agents and employees of Landlord.

22. Default by Tenant: The following events shall be deemed to be events of default by Tenant under this Lease:

A. Failure of Tenant to pay any installment or any other sum payable to Landlord hereunder on the date that same is due and such failure shall continue for a period of ten (10) days.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of rent or other sum of money, and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant.

C. Insolvency, the making of an assignment in fraud of creditors or in the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

D. 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 in respect to Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor.

E. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.

F. Abandonment by Tenant of any substantial portion of the demised premises or cessation of use of the demised premises for the purpose hereof.

23. Remedies of Landlord: Upon the occurrence of any of the events of default listed in paragraph 22, Landlord shall have the option to pursue any one or more of the following remedies without the notice of demand whatsoever:

A. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. In Tenant's right to do so, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or premises thereon, enter upon and take possession of the demised premises and repair or remove Tenant and any other person who may be occupying the demised premises at any such time, without being liable for possession or any sum for damages therefor. Tenant shall also be liable for the demised premises for any such time, without being liable for possession or any sum for damages therefor. Tenant shall also be liable for the demised premises for any such time, without being liable for possession or any sum for damages therefor. Tenant shall also be liable for the demised premises for any such time, without being liable for possession or any sum for damages therefor.

B. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to do so, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or premises thereon, enter upon and take possession of the demised premises and repair or remove Tenant and any other person who may be occupying the demised premises at any such time, without being liable for possession or any sum for damages therefor. Tenant shall also be liable for the demised premises for any such time, without being liable for possession or any sum for damages therefor. Tenant shall also be liable for the demised premises for any such time, without being liable for possession or any sum for damages therefor.

C. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to do so, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or premises thereon, enter upon and take possession of the demised premises and repair or remove Tenant and any other person who may be occupying the demised premises at any such time, without being liable for possession or any sum for damages therefor. Tenant shall also be liable for the demised premises for any such time, without being liable for possession or any sum for damages therefor. Tenant shall also be liable for the demised premises for any such time, without being liable for possession or any sum for damages therefor.

5252 7451

97247 03400

... shall be deemed to be a condition of such lease... in determining the amount of such...
 20. Except on the premises... without being liable for possession or for any claim for...
 21. Pursuant to the... shall not produce...
 22. Default by Landlord... shall constitute a...
 23. If...
 24. If...
 25. If...
 26. If...
 27. If...
 28. If...
 29. If...
 30. If...
 31. If...
 32. If...
 33. If...
 34. If...
 35. If...
 36. If...
 37. If...
 38. If...
 39. If...
 40. If...
 41. If...
 42. If...
 43. If...
 44. If...
 45. If...
 46. If...
 47. If...
 48. If...
 49. If...
 50. If...
 51. If...
 52. If...
 53. If...
 54. If...
 55. If...
 56. If...
 57. If...
 58. If...
 59. If...
 60. If...
 61. If...
 62. If...
 63. If...
 64. If...
 65. If...
 66. If...
 67. If...
 68. If...
 69. If...
 70. If...
 71. If...
 72. If...
 73. If...
 74. If...
 75. If...
 76. If...
 77. If...
 78. If...
 79. If...
 80. If...
 81. If...
 82. If...
 83. If...
 84. If...
 85. If...
 86. If...
 87. If...
 88. If...
 89. If...
 90. If...
 91. If...
 92. If...
 93. If...
 94. If...
 95. If...
 96. If...
 97. If...
 98. If...
 99. If...
 100. If...

3252 7452

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Henry Stuart
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 11th day of October, 1954

Rosely P. Jarnal
Notary Public
Dallas
County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Walter Padden
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 11th day of November, 1953



Walter Padden
Notary Public
Dallas
County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared David Burnett
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 11th day of October, 1953

Rosely P. Jarnal
Notary Public
Dallas
County, Texas

97247 03402

83252 7464

ADDENDUM TO GROUND LEASE,
dated October 11, 1983,
by and among
the City of Addison, Texas,
Addison Airport of Texas, Inc.
and Sunnell Properties, Inc.

This Addendum is attached to and made a part of the foregoing and above referenced Lease for all purposes. In the event of conflict or inconsistency between the printed portion of this Lease and this Addendum, the terms of this Addendum shall control.

A. The words "general office uses" are added to the list of the purposes for which Tenant may use and occupy the demised premises contained in paragraph 6 of the printed portion of this Lease.

B. To induce Landlord to allow use and occupancy of the demised premises for general office purposes, Tenant agrees to give preference to prospective office tenants whose businesses are economically related (hereinafter referred to as "preferred tenants") conditioned upon (i) availability of space, (ii) willingness of the preferred tenant to pay market rental rates, (iii) the preferred tenant's credit standing favorably comparing to those of other prospective tenants, and (iv) willingness of the preferred tenant to enter into a term of agreement comparable to those offered by other prospective tenants.

C. Landlord agrees to remove the electrical lines and poles presently running along the western boundary of the demised premises.

D. Tenant shall have the option to terminate this Lease by delivering written notice of such election to Landlord before April 30, 1984, if Tenant has been unable to obtain revenue bond financing for the improvements which Tenant proposes to construct on the demised premises. If Tenant does not timely deliver such written notice of election to terminate, all rights of Tenant to terminate this Lease pursuant to the foregoing shall lapse and be null and void.

18245

97247 03403

ETS
83252 7465

CHICAGO TITLE INSURANCE COMPANY
12750 LAUREL DRIVE
SUITE 102
DALLAS, TEXAS 75251

STATE OF TEXAS COUNTY CLERK, DALLAS
I, _____, County Clerk of Dallas County, Texas, do hereby certify that the foregoing is a true and correct copy of the original record as the same appears in the records of Dallas County, Texas as required by law.

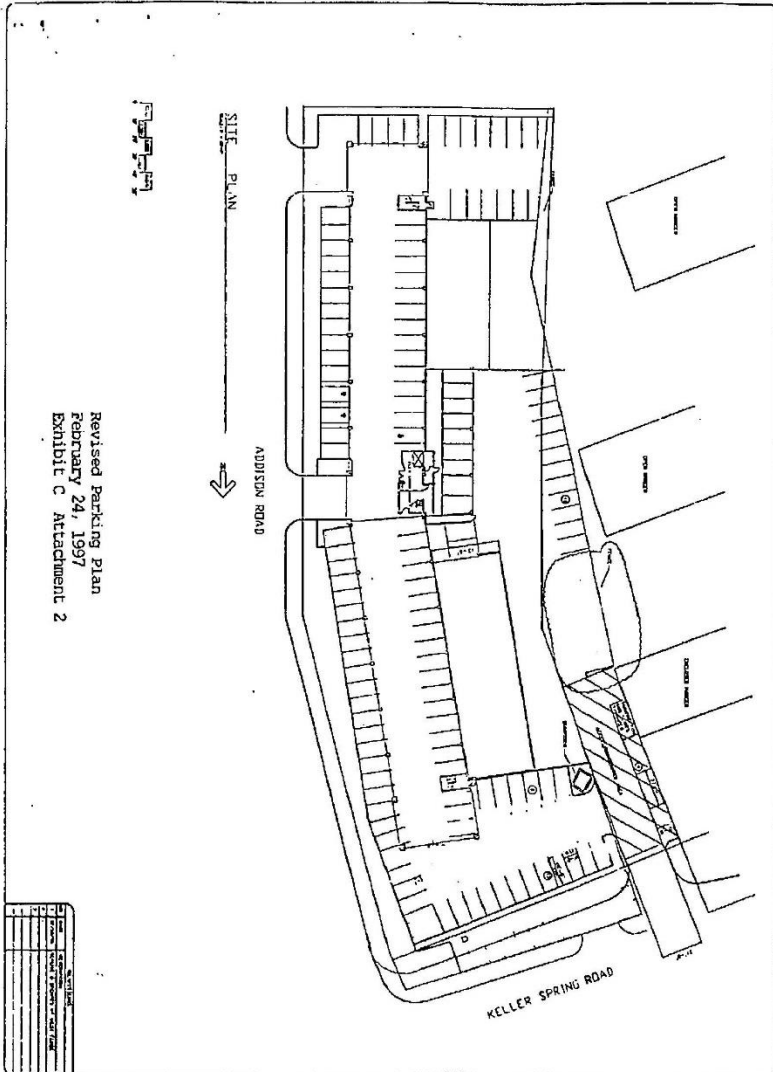
DEC 30 1983

Car Bunch
COUNTY CLERK, Dallas County, Texas

88 : 0 44 22 330 88.

93252 7466

97247 03404



Revised Parking Plan
 February 24, 1997
 Exhibit C Attachment 2

NO.	DATE	REVISIONS
1	1/24/97	ISSUED FOR PERMITTING
2	2/24/97	REVISED FOR COMMENTS
3	2/24/97	REVISED FOR COMMENTS
4	2/24/97	REVISED FOR COMMENTS
5	2/24/97	REVISED FOR COMMENTS
6	2/24/97	REVISED FOR COMMENTS
7	2/24/97	REVISED FOR COMMENTS
8	2/24/97	REVISED FOR COMMENTS
9	2/24/97	REVISED FOR COMMENTS
10	2/24/97	REVISED FOR COMMENTS

PROJECT NUMBER
 PSP-1

CONCOURSE PLAZA
 16051 ADDISON ROAD
 DALLAS, TEXAS 75248

DANNY J. ISH - ARCHITECT & PLANNER
 16991 ABERNETHY ROAD, SUITE 300
 DALLAS, TEXAS 75248-1172 PHONE 972-4178

97214 02296 97247 03405

**FIELD NOTE DESCRIPTION
CONCOURSE PLAZA LAND LEASE
ADDISON MUNICIPAL AIRPORT**

BEING a tract of land situated in the E. Cook Survey, Abstract No. 518, Dallas County, Texas and located at Addison Municipal Airport, Addison, Texas and being more particularly described as follows:

BEGINNING at a point for a corner, said point being the intersection of the west right-of-way line of Addison Road and the south right-of-way line of Keller Springs Road as evidenced by a 1/2-inch iron rod;

THENCE departing the west right-of-way line of said Addison Road, a distance of 8.29 feet to a 5/8-inch iron rod found in the south right-of-way of Keller Springs Road and continuing S 87°13.3' W along the south right-of-way of said Keller Springs Road, 106.70 feet for a total distance of 110.99 feet to a point for a corner as evidenced by an "I" in concrete;

THENCE S 84°03.12' W, along the south right-of-way of said Keller Springs Road, a distance of 78.03 feet to a point for a corner;

THENCE S 27°01'10" E, a distance of 81.73 feet to a point for a corner;

THENCE S 20°32'10" E, a distance of 43.23 feet to a point for a corner;

THENCE S 12°45'45" E, a distance of 204.27 feet to a point for a corner;

THENCE S 17°03'14" W, a distance of 130.32 feet to a point for a corner;

THENCE N 89°34.33' E, a distance of 143.35 feet to a point for a corner, said point being in the west right-of-way line of said Addison Road and in the west line of Addison Municipal Airport, as evidenced by a 1/2-inch iron rod found;

THENCE N 87°23'50" W, along the west right-of-way line of said Addison Road and the west line of Addison Municipal Airport, a distance of 238.44 feet to a point in a curve to the left as evidenced by a 1/2-inch iron rod, said curve to the left having a central angle of 151°14', a radius of 788.51 feet and chord bearing, distance of N 14°58.41' W, 209.82;

THENCE along said curve to the left of said west right-of-way line and the west line of said Addison Municipal Airport, a distance of 218.48 feet to the POINT OF BEGINNING and containing 78,506 square feet of land.

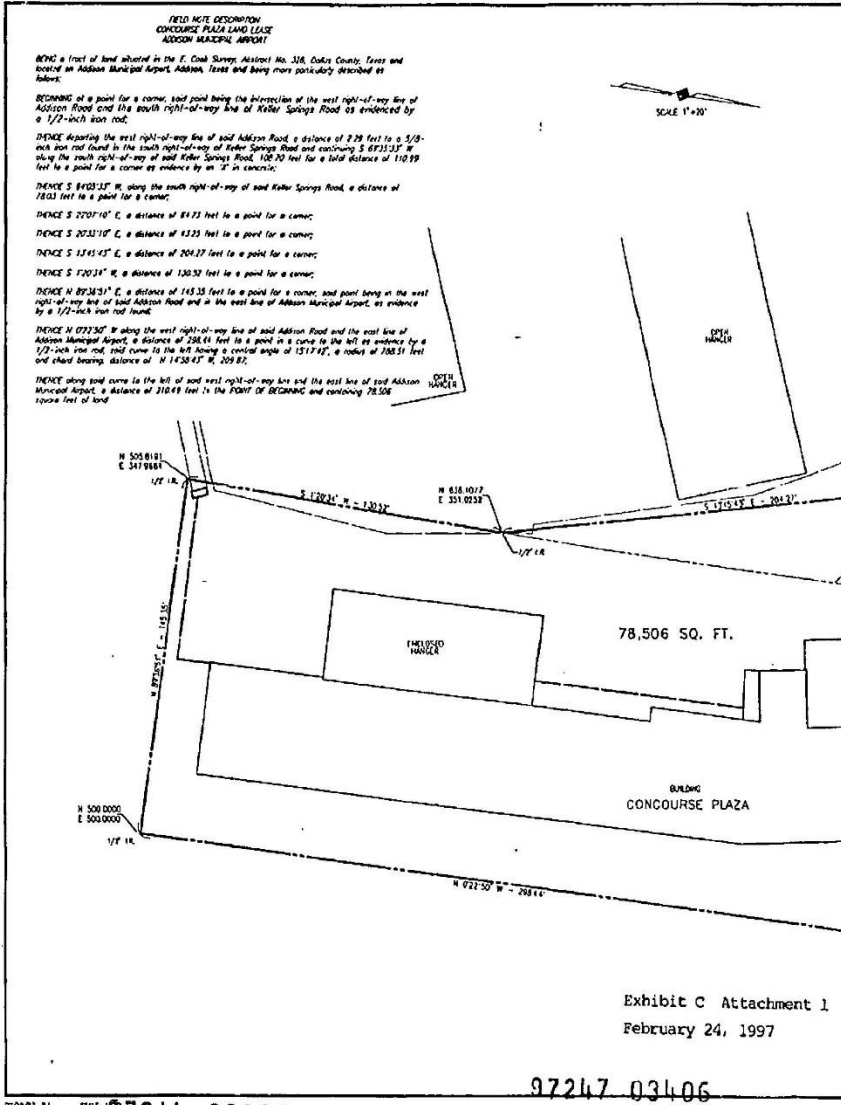
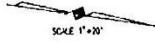
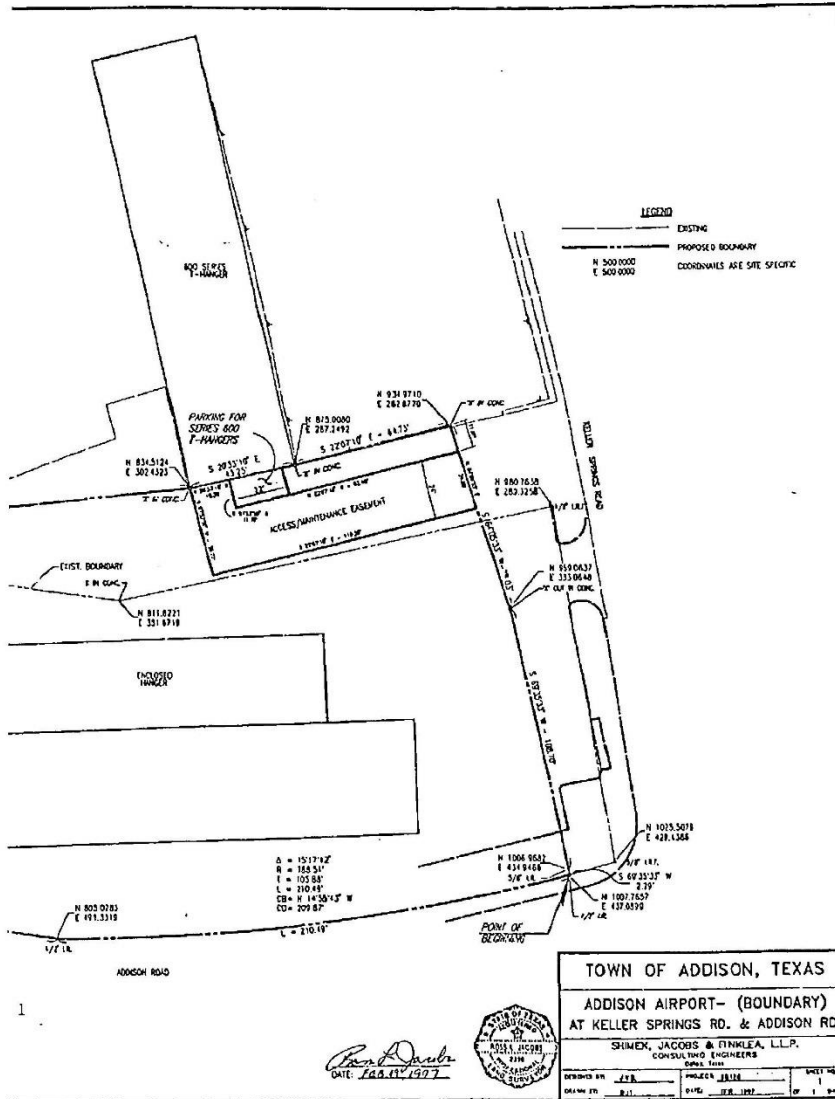


Exhibit C Attachment 1
February 24, 1997

97214 03406

02/19/97 PL SCALE 97214 02297



A = 1517.12'
 B = 185.51'
 C = 103.84'
 L = 110.49'
 CB = N 14°58'43" W
 CD = 299.87'
 L = 210.19'



DESIGNED BY	JTB	PROJECT	ADDISON AIRPORT	SHEET NO.	1
DRAWN BY	JTB	DATED	10.01.1997	OF	1 SHEETS

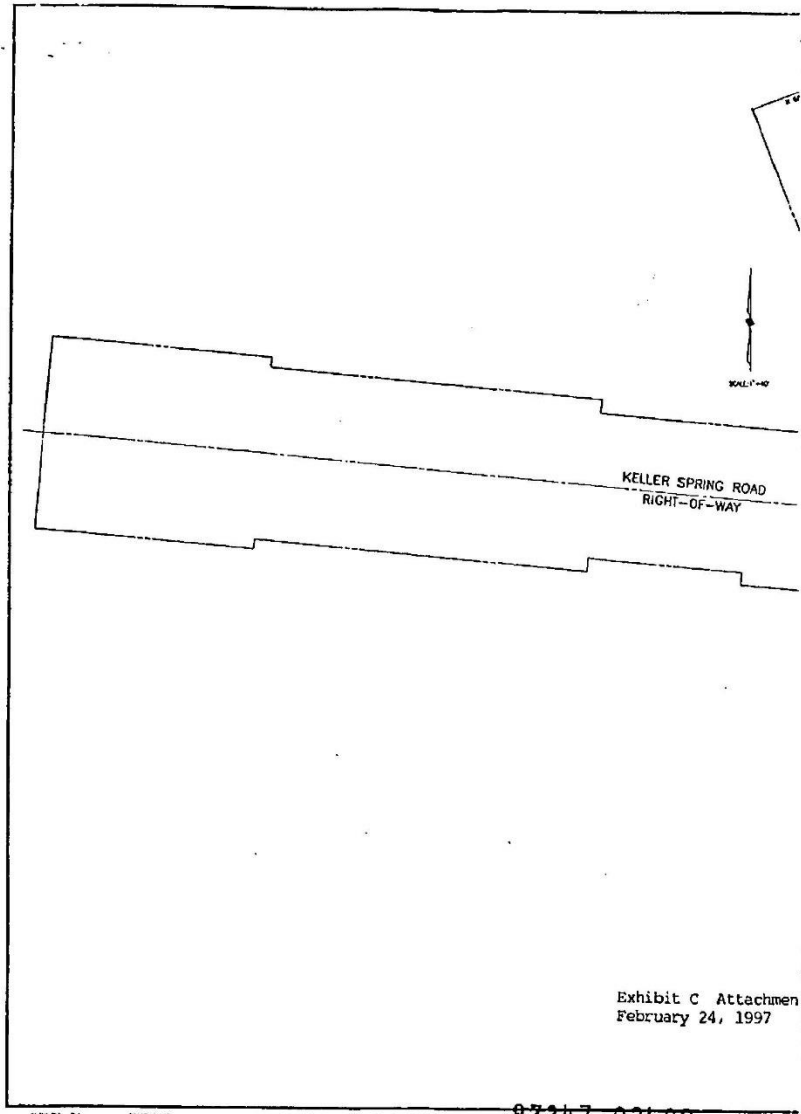
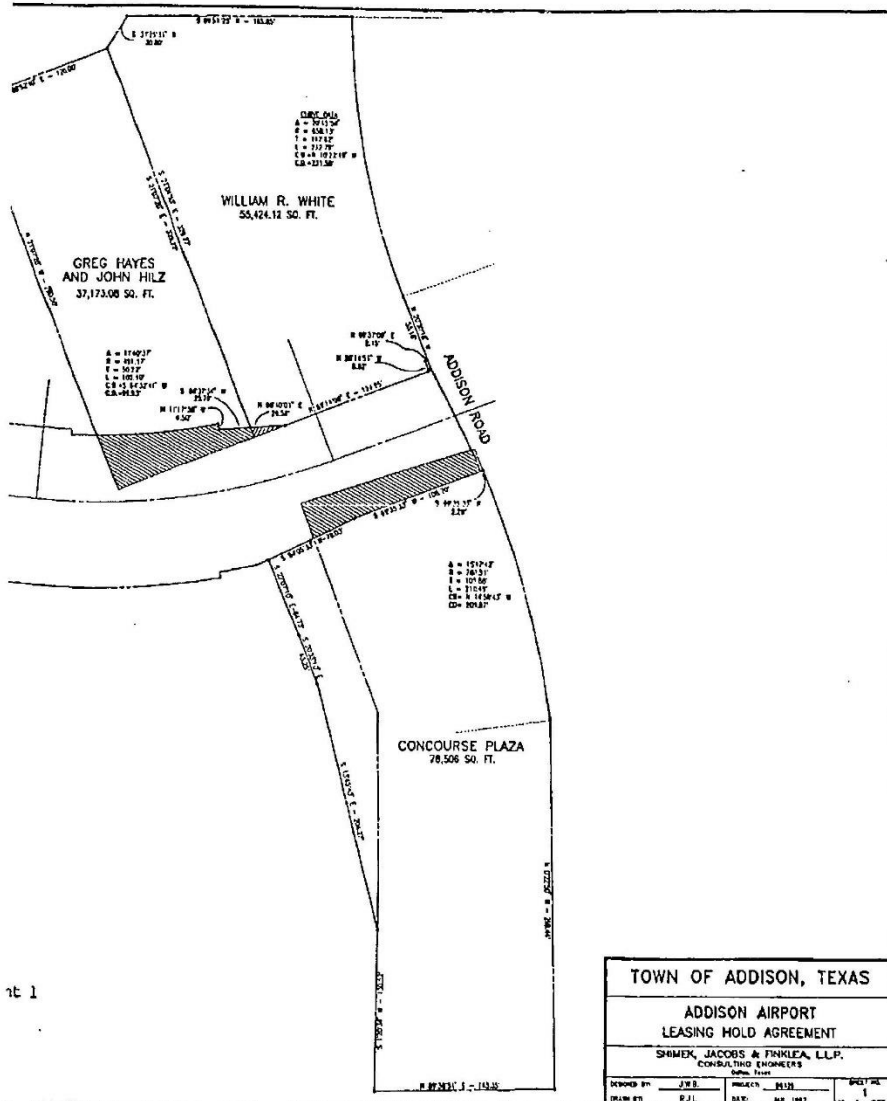


Exhibit C Attachment
February 24, 1997

9/20/97 RL SCALE 1"=40'

97214 02299

97247 03408



97214 02300

97247 03409

01480 14226
97217 03410

Return to: (176)

AMERICAN TITLE COMPANY
6029 Bellino Road, Suite 250
Dallas, TX 75240

FILED
Cory Burch
COUNTY CLERK
DALLAS COUNTY
97 NOV -3 AM 10:57

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is voided and unenforceable under Federal law.
STATE OF TEXAS COUNTY OF DALLAS
I hereby certify this instrument was filed as this date and has a stamped fee paid by the addressee of this page of the instrument and page of the named records of Dallas County, Texas as stamped hereon by me.

DEC 22 1997



Cory Burch
COUNTY CLERK, Dallas County, Texas

FILED
Cory Burch
COUNTY CLERK
DALLAS COUNTY
97 DEC 22 PM 12:23

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is voided and unenforceable under Federal law.
STATE OF TEXAS COUNTY OF DALLAS
I hereby certify this instrument was filed as this date and has a stamped fee paid by the addressee of this page of the instrument and page of the named records of Dallas County, Texas as stamped hereon by me.



NOV 3 1997
Cory Burch
COUNTY CLERK, Dallas County, Texas

97214 02301

ASSIGNMENT OF LEASE

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

THIS ASSIGNMENT OF GROUND LEASE (the "Assignment") entered into and effective as of the 31st day of December, 1997, at Addison, Texas, between CONCOURSE PLAZA, LTD., a Texas limited partnership (hereinafter called "Assignor") and CONCOURSE PLAZA II, LTD., a Texas limited partnership (hereinafter called "Assignee").

WHEREAS, Assignor is the Lessee under that certain Ground Lease (as amended, the "Ground Lease") executed on October 11, 1983 between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor, and BUNNELL PROPERTIES, INC. ("Bunnell"), as the Lessee, by the terms of which certain real property located on the Addison Airport was leased to the Assignor as Lessee upon the terms and conditions provided therein, which lease was (a) assigned by Bunnell to Assignor pursuant to an Assignment of Lease dated December 1, 1993 recorded in Volume 83252, Page 7456, et seq. of the Real Property Records of Dallas County, Texas, and (ii) amended by a Settlement Agreement and First Amendment to Lease Agreement dated April 22, 1997, and recorded in the real Property Records of Dallas County, Texas, as more particularly described on the attached Exhibit A; and

WHEREAS, the Assignor now desires to assign the Ground Lease to the Assignee, and the Assignee desires to accept the Assignment thereof;

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions contained herein, the sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, agree as follows:

1. Assignor hereby assigns, bargains, sells and conveys to Assignee, effective as of the date above, all Assignor's rights, title and interest in and to the Ground Lease.
2. Prior to the effective date of this Assignment, Assignee agrees to pay an assignment fee in the amount of Four Hundred Fifty and no/100 Dollars (\$450.00) to Landlord.

Address of Assignee:
4560 Beltline Road
Suite 201
Dallas, Texas 75244

3. Assignee hereby agrees to be bound by and comply with the terms of the Ground Lease.
4. This Agreement shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

Address of Assignee:
4560 Beltline Road
Suite 201
Dallas, Texas 75244

EXECUTED as of the day and year first above written.

ASSIGNOR:

CONCOURSE PLAZA, LTD., a Texas
limited partnership

By: Winn Development, Inc.,
General Partner

By: Stephen T. Winn
Stephen T. Winn, President

ASSIGNEE:

CONCOURSE PLAZA II, LTD., a Texas
limited partnership

By: Harkinson Investment Corporation,
General Partner

By: William J. Harkinson
William J. Harkinson, President

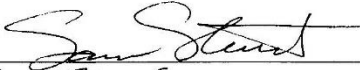
Address of Assignee:
4560 Beltline Road
Suite 201
Dallas, Texas 75244

CONSENT OF LANDLORD

The undersigned Landlord and Owner in the Ground Lease described in the foregoing Assignment and hereby consent to the Assignment of the Ground Lease to Assignee, waiving none of their rights thereunder as to the Assignor or Assignee.

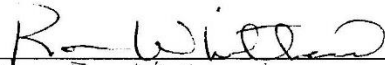
LANDLORD:

ADDISON AIRPORT OF TEXAS, INC.

By: 
Name: SAM STUART
Title: President

OWNER:

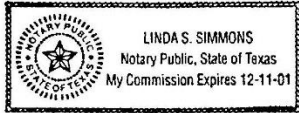
CITY OF ADDISON

By: 
Name: Ron Whitehead
Title: City Manager

Address of Assignee:
4560 Beltline Road
Suite 201
Dallas, Texas 75244

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on December 23, 1997, by STEPHEN T. WINN, President of Winn Development, Inc., as general partner of and on behalf of Concourse Plaza, Ltd., a Texas limited partnership, on behalf of such corporation and partnership.



Linda S. Simmons
Notary Public in and for the State of Texas

My Commission Expires:
12-11-01

Print Name of Notary:
LINDA S. SIMMONS

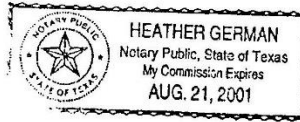
STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on December 23, 1997, by WILLIAM J. HARKINSON, President of Harkinson Investment Corporation, as general partner of and on behalf of Concourse Plaza II, Ltd., a Texas limited partnership, on behalf of such corporation and partnership.

Heather German
Notary Public in and for the State of Texas

My Commission Expires:
Aug. 21, 2001

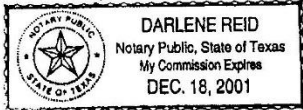
Print Name of Notary:
Heather German



Address of Assignee:
4560 Beltline Road
Suite 201
Dallas, Texas 75244

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on SEPT 11th, 1998, by SAM STUART, President of Addison Airport of Texas, Inc., on behalf of such corporation and partnership.



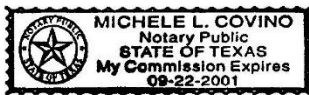
Darlene Reid
Notary Public in and for the State of Texas

My Commission Expires:

Print Name of Notary:
DARLENE REID

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on SEPTEMBER 17, 1998, by RON WHITEHEAD, CITY MANAGER of the Town of Addison, Texas, a municipal corporation, on behalf of such corporation.



Michele L. Covino
Notary Public in and for the State of Texas

My Commission Expires:
9/22/2001

Print Name of Notary:
MICHELE L. COVINO

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on Dec 30, 1997, by Sam Stuart President of Addison Airport of Texas, Inc., on behalf of such corporation and partnership.



Heather German
Notary Public in and for the State of Texas

My Commission Expires:
August 21, 2001

Print Name of Notary:
Heather German

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on August 5, 1998, by Ron Whitehead, City Manager of the Town of Addison, Texas, a municipal corporation, on behalf of such corporation.



Michele L. Covino
Notary Public in and for the State of Texas

My Commission Expires:
09.22.2001

Print Name of Notary:
Michele L. Covino

EXHIBIT A

93-165-109211-4423-00-CTE
STATE OF TEXAS
COUNTY OF DALLAS

GROUND LEASE

This Ground Lease (hereinafter referred to as the "Lease") is made and entered into as of October 11, 1984, by and among the City of Addison, Texas, a municipal corporation (hereinafter sometimes referred to as the "City"), Addison Airport, Texas, Inc., a Texas Corporation (hereinafter sometimes referred to as "AATI") and Bunnell Properties, Inc., a Texas Corporation (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, AATI leases that certain real property (hereinafter referred to as the "demised premises") described in attached Exhibit A from the City pursuant to that certain instrument captioned Agreement for Operation of the Addison Airport (hereinafter referred to as the "Base Lease") between the City and Addison Airport, Inc. (predecessor of AATI); and

WHEREAS, the demised premises are situated at Addison Airport (hereinafter referred to as the "Airport") in Dallas County, Texas, the Airport being delineated in a plat attached hereto as Exhibit B; and

WHEREAS, the City and AATI hereby lease and demise the demised premises to Tenant, and Tenant hereby leases and demises the demised premises from the City and AATI, upon the terms and conditions set forth herein;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS,

1. Base Lease: All of the terms and conditions of the Base Lease are incorporated into this Lease by reference as if they were set forth herein, and Tenant's execution hereof acknowledges that AATI has furnished Tenant with a copy of the Base Lease. Tenant agrees to fully comply at all times and in all respects with the terms and conditions of the Base Lease insofar as the same affect the demised premises and/or the use and operation thereof, except that Tenant shall not be responsible for the payment of any rental due under the Base Lease which shall be paid by AATI.

2. Definition of Landlord and Effect of Default under the Base Lease: The term "Landlord" as hereinafter used in this Lease shall mean either AATI or the City. So long as the Base Lease is in effect, AATI shall be entitled to all of the rights, benefits and remedies of a Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. Upon the expiration or termination of the Base Lease, the City shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. The City agrees that, upon the expiration or termination of the Base Lease, it shall be fully authorized to make all payments due under this Lease, and (ii) that default by AATI under the Base Lease shall have no effect on this Lease as long as Tenant pays and performs its duties, covenants and obligations under this Lease.

3. Term: The term hereof shall commence on the earlier of October 1, 1984, or the first day of the next calendar month after Tenant commences the construction hereunder described and opens for business at the demised premises. The first of such monthly installments shall be due and payable on or before the Commencement Date, and a like installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

4. Rental: Subject to adjustment as hereinafter provided, Tenant agrees to pay to Landlord, without offset or deduction, the demised premises at the rate of SIXTEEN HUNDRED SEVENTY-SIX AND 07/100ths per month, payable in advance and in equal installments, and the first of such monthly installments shall be due and payable on or before the Commencement Date, and a like installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

5. Adjustment of Rental: Commencing on the second anniversary of the Commencement Date and on every biennial anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under paragraph 4 shall be adjusted as follows:

- (i) A comparison shall be made between the Consumer's Price Index All Items for the Dallas, Texas Metropolitan Area (hereinafter referred to as the "Price Index") as it existed on the Commencement Date and as it exists on the first day of the calendar month preceding the then applicable Adjustment Date.
- (ii) The monthly rental for the two (2) year period beginning with and following the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of increase or decrease in the Price Index between the Commencement Date and the then applicable Adjustment Date, but in no event shall such monthly rental be decreased below the monthly rental set forth in paragraph 4.
- (iii) In the event that the Price Index is unavailable for whatever reason for the computations set forth hereinabove, an index approximating the Price Index as closely as feasible shall be substituted therefor.

6. Use of Demised Premises and Construction of Improvements: The demised premises shall be used and occupied by Tenant for the following purposes: sale of aircraft and aircraft parts, aircraft maintenance and repair, aircraft storage, aircraft rental, charter and aircraft rentals, and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications attached hereto as Exhibit C. These improvements consist of a combination office/airplane hangar facility containing approximately 42,600 square feet of office space and five airplane hangars, the preliminary plans for which have been prepared by Bogard Architects, Inc. Construction plans to be approved by Addison Municipal Airport prior to the start of construction.

All construction shall be strictly in accordance with such plans and specifications, and such construction shall be performed in a neat and workmanlike manner. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages, liens and other liabilities and obligations which arise in connection with such construction.

7. Acceptance of Demised Premises: Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the purposes for which the same are leased in their present condition.

8. Securing Governmental Approvals and Compliance with Law: Tenant shall obtain all necessary governmental approvals, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises. Tenant shall comply at all times with all governmental laws, ordinances and regulations applicable to the use of the demised premises, and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with the demised premises, all at Tenant's sole cost and expense.

9. Assignment, Subletting and Mortgage of Leasehold Estate:

A. Without the prior written consent of Landlord, Tenant may not assign this Lease or any rights of Tenant hereunder, or create a leasehold mortgage as hereinafter provided, or sublet the whole or any part of the demised premises. Any assignment of this Lease shall be expressly subject to the terms and provisions of this Lease, including the provisions of paragraph 8 pertaining to the demised premises. In the event of any assignment or subletting, Tenant shall not assign Tenant's rights hereunder, and Tenant shall remain bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a violation of the provisions hereof or be deemed a default under the demised premises are assigned or sublet. Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all rents becoming due under this Lease, and may, at Landlord's option, collect such rents directly from such assignee or subtenant. No direct collection by Landlord from such assignee or subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder.

B. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of obtaining funds for the construction of the improvements described in paragraph 6 or for other construction purposes. The mortgage shall be approved from time to time by Landlord in writing. In the event that Tenant pursuant to mortgage or deed of trust, the leasehold estate of Tenant created hereby, the leasehold mortgage shall in no event become personally liable to the lender for the performance of the obligations of Tenant under this Lease or any and unpaid mortgage shall remain liable for such obligations. The mortgage shall be transferred in the event of foreclosure or otherwise, and thereafter said mortgage shall remain liable for such obligations. The mortgage shall be such mortgage by Tenant and any actions taken pursuant to the terms of such mortgage shall be the responsibility of Tenant, and Tenant shall be obligated to pay the rents due hereunder and otherwise fully perform the terms and conditions of this Lease.

10-29-83

32752 7439

Ed

9. Landlord agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will recognize such mortgage and its successors and assigns after foreclosure of the leasehold mortgage as Tenant's mortgage and will continue to perform all of Landlord's obligations hereunder so long as such mortgagee is its successor and assigns performs all of the obligations of Tenant hereunder. Landlord also agrees to execute and deliver to any proposed leasehold mortgagee any other documents which such proposed leasehold mortgagee may reasonably request for the purpose of perfecting its mortgage on the leased premises hereunder, provided, however, that Landlord shall never be required to execute any document which would constitute an admission of liability on the part of Landlord or its successors and assigns.

10. Property Taxes and Assessments: Tenant shall pay any and all property taxes or assessments levied or assessed on the improvements on the demised premises, the personal property and fixtures on the demised premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord a "true receipt" or other written evidence that all such taxes have been paid by Tenant.

11. Maintenance and Repair of Demised Premises:

A. Tenant shall, throughout the term hereof, maintain in good repair and condition all the demised premises and all fixtures, equipment and personal property on the demised premises and keep them free from waste or nuisance and, at the expiration or termination of this Lease, deliver to the demised premises in good repair and condition, with all fixtures and equipment situated in the demised premises in good, reasonable wear and tear excepted.

B. In the event Tenant shall fail to so maintain the demised premises and the fixtures, equipment and personal property situated thereon, Landlord shall have the right (but not the obligation) to cause all repairs or other maintenance to be made and the reasonable costs thereof expended by Landlord plus interest thereon as provided in paragraph 17 shall be paid by Tenant on demand.

12. Alterations, Additions and Improvements: After completion of the improvements described in paragraph 6, Tenant shall not make any alterations in the demised premises or make any additions or improvements to the demised premises without the prior written consent of Landlord. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld by Landlord. Tenant shall have the right to erect or install shelves, bins, machinery, air conditioning or heating equipment and fixtures, and provided that Tenant complies with all applicable governmental laws, ordinances and regulations.

All alterations, additions and improvements in and to the demised premises shall be performed in a first class workmanlike manner and Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection therewith.

13. Insurance: Tenant shall during the term hereof maintain all of Tenant's sole cost and expense insurance relating to the demised premises as follows:

(i) Insurance against loss or damage to improvements by fire, lightning and other risks from time to time included under standard extended coverage policies, and sprinkler, windstorm and miscellaneous perils, all in amounts sufficient to prevent Landlord or Tenant from becoming contributors of any loss under the applicable policies but in any event in amounts not less than 80% of the full insurable value of the demised premises. The term "full insurable value" as used herein means the replacement value at the time of such loss. Coverage under such policy shall be deemed to be a qualified agreement for all purposes of whose benefits shall be submitted to Landlord and there shall be proper adjustment in the limits of insurance coverage should the effect.

(ii) General public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the demised premises, including but not limited to the use of the premises, in the amount of \$500,000.00 with respect to any one occurrence and \$1,000,000.00 with respect to any one accident and not less than \$200,000.00 with respect to property damage.

(iii) Workmen's compensation insurance covering persons employed by Tenant in connection with any work done on or about the demised premises with respect to which claims for death or bodily injury could be asserted against Landlord or the demised premises, or in lieu of such workmen's compensation insurance, a program of self-insurance complying with the rules, regulations and requirements of the appropriate state agency of the State of Texas.

(iv) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached to connected thereto which by reason of their use or residence are capable of bursting, exploding, collapsing, imploding or exploding in the minimum amount of \$100,000.00 for damage to property resulting from such perils.

(v) Such other insurance or improvements in such amounts and against such other insurable hazard which at the time are commonly obtained in the case of property similar to such improvements.

(vi) Manager/keeper's liability insurance providing for coverage in the following limits: \$700,000.00 per accident and \$400,000.00 per occurrence on property damage to aircraft in the care, custody or control of Tenant.

(vii) During any period of construction a Builder's Risk Completed Value policy with an all risks endorsement.

All such policies of insurance shall be issued by insurance companies acceptable to Landlord. The shall name Landlord as an additional insured or loss payee, as the case may be, and the shall provide for at least ten (10) days written notice to Landlord of cancellation or modification. Tenant shall provide Landlord with true, correct copies of all such policies of insurance required by this paragraph.

14. Casualty, Damage or Destruction:

A. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises or any part thereof, Tenant will promptly give written notice thereof to Landlord, generally describing the nature and extent of such damage and destruction.

B. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises or any part thereof, Tenant, whether or not the insurance proceeds, if any, available on account of such damage and destruction shall be sufficient to pay the full cost of repair and expense with respect to the demised premises and complete the loss of repair, repair and replacement of the buildings, structures and equipment as nearly as possible in their value, condition and character immediately prior to such damage and destruction, with such alterations and additions thereto as may be approved in writing by Landlord therefor, unless otherwise provided in the Restoration.

C. All insurance proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the demised premises shall be held by Landlord. Landlord shall be entitled in writing upon any certificate being issued by the insurance carrier and to have been executed by the proper party and shall receive such certificate as conclusive evidence of any fact which may matter therein set forth. Such certificate shall be furnished to Tenant and protection of Landlord in using thereon, and Landlord shall be under no duty to take any action other than as set forth in this paragraph.

D. Insurance proceeds received by Landlord on account of any damage to or destruction of the buildings, structures and equipment on the demised premises or any part thereof shall be held by Landlord and Tenant in the same manner as set forth in this paragraph, including without limitation, adjuster's and attorney's fees and expenses, shall be applied as to:

(i) Net insurance proceeds as above defined shall be paid to Tenant plus Tenant may, at any time to time after the date of such damage to or destruction of the buildings, structures and equipment on the demised premises, request Landlord to pay for the cost of repair, repair and replacement of the buildings, structures and equipment on the demised premises or any part thereof, as the case may be, and the shall provide for at least ten (10) days written notice to Landlord of cancellation or modification. Tenant shall provide Landlord with true, correct copies of all such policies of insurance required by this paragraph.

(ii) Upon receipt by Landlord of proceeds of insurance received by the foregoing provisions and after the Restoration has been completed and the demised premises and equipment thereon have been maintained in a condition similar to that in which they were in at the time of such damage and destruction, the balance of such proceeds shall be paid to Tenant over the term of the Lease.

70
208

The terms "Landlord" and "Tenant" shall include their heirs, assigns and legal representatives, and their successors in interest, and their respective legal representatives and assigns.

Landlord agrees that from time to time, upon not less than ten (10) days prior written notice by Tenant, Landlord will provide a copy of this Lease to Tenant for review and signature, and Tenant's signature shall constitute acceptance of the Lease.

A. This Lease is modified and its force and effect shall be as if there have been modifications, if the Lease as modified is signed and dated and signed by both parties.

B. The date to which rent and other charges have been paid.

C. Tenant is not in default under any term or provision of this Lease or if in default the nature thereof in default accordance with Exhibit attached thereto.

37. **Interest; Tenant's Obligations and Manner of Payment.** All monetary obligations of Tenant to Landlord under this Lease shall remain due until 15 days after the due date of the same (if no due date has been established under other provisions hereof, the due date shall be the date upon which Landlord demands payment from Tenant in writing) shall bear interest at the rate of ten percent (10%) per annum from and after said term 15 days until paid. If more than twice during the term of the Lease Tenant is in default of its obligations under this Lease, the date on which it is in default shall be the date on which Landlord may require by giving written notice to Tenant the payment of its monetary obligations of Tenant under this Lease to be made on or before the due date by cash, cashier's check, certified check or money order, and the delivery of Tenant's cash, or corporate check will no longer constitute payment of such monetary obligations. Any acceptance by Landlord of personal or corporate check after such notice shall not be deemed a payment of such obligations of Tenant to Landlord for the purpose of this Lease.

38. **Independent Contractor.** It is understood and agreed that in leasing and occupying the demised premises, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer or employee of Landlord.

39. **Force Majeure.** In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, civil riot, flood or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

40. **Exhibits, Attachments, Amendments and Addenda.** Exhibits and addenda referred to herein shall be deemed a part hereof for all purposes with the same force and effect as if copied verbatim herein.

41. **Use of Language.** Words of any gender used in this Lease shall be held and construed to include any other gender and will apply to the singular as well as to the plural, unless the context otherwise requires.

42. **Captions.** The captions or headings or paragraphs in this Lease are inserted for convenience only and shall not be deemed to control in the provisions hereof if any question of intent should arise.

43. **Successors.** The terms, conditions and covenants contained in this Lease shall apply to and bind the heirs, assigns and legal representatives of the parties hereto and their respective successors in interest and legal representatives except as to the extent otherwise provided. All rights, interests, privileges, immunities and claims of Landlord under this Lease, including this Addendum, shall survive and shall be deemed to be conveyed by Landlord to Tenant hereunder may, at Landlord's option, be exercised prior to the death of Landlord or its agent or attorney.

44. **Severability.** If any provision in this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

45. **Notices.** All notices and documents required or permitted to be delivered hereunder may be delivered in person or by registered mail, return receipt requested, addressed to the parties at the addresses indicated hereon or at such other address as may have been specified by written notice delivered in accordance therewith.

LANDLORD	TENANT
Address: 1101 East Texas, Inc. P.O. Box 1459 Dallas, Texas 75204	Bunnell Properties, Inc. 1465 Dallas Parkway, Suite 310 Dallas, Texas 75240
City of Addison, Texas	950-7704
P.O. Box 144	
Addendum, Texas 75001	

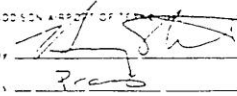
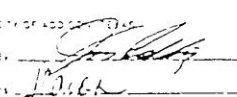
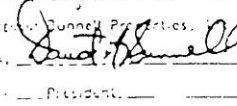




46. **Fees or Commissions.** Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers', agents' or lenders' fees or commissions agreed to by such party arising from the execution of this Lease and the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

47. **Counterparts.** This Lease may be executed in multiple counterparts, each of which shall be deemed an original, and all of them shall constitute but one and the same instrument.

48. **Governing Law and Venue.** This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, and Landlord and Tenant hereby irrevocably agree that venue for any dispute arising out of this Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas.

49. **Entire Agreement and Amendments.** This Lease, together with Exhibits A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z, AA, AB, AC, AD, AE, AF, AG, AH, AI, AJ, AK, AL, AM, AN, AO, AP, AQ, AR, AS, AT, AU, AV, AW, AX, AY, AZ, BA, BB, BC, BD, BE, BF, BG, BH, BI, BJ, BK, BL, BM, BN, BO, BP, BQ, BR, BS, BT, BU, BV, BW, BX, BY, BZ, CA, CB, CC, CD, CE, CF, CG, CH, CI, CJ, CK, CL, CM, CN, CO, CP, CQ, CR, CS, CT, CU, CV, CW, CX, CY, CZ, DA, DB, DC, DD, DE, DF, DG, DH, DI, DJ, DK, DL, DM, DN, DO, DP, DQ, DR, DS, DT, DU, DV, DW, DX, DY, DZ, EA, EB, EC, ED, EE, EF, EG, EH, EI, EJ, EK, EL, EM, EN, EO, EP, EQ, ER, ES, ET, EU, EV, EW, EX, EY, EZ, FA, FB, FC, FD, FE, FF, FG, FH, FI, FJ, FK, FL, FM, FN, FO, FP, FQ, FR, FS, FT, FU, FV, FW, FX, FY, FZ, GA, GB, GC, GD, GE, GF, GG, GH, GI, GJ, GK, GL, GM, GN, GO, GP, GQ, GR, GS, GT, GU, GV, GW, GX, GY, GZ, HA, HB, HC, HD, HE, HF, HG, HH, HI, HJ, HK, HL, HM, HN, HO, HP, HQ, HR, HS, HT, HU, HV, HW, HX, HY, HZ, IA, IB, IC, ID, IE, IF, IG, IH, II, IJ, IK, IL, IM, IN, IO, IP, IQ, IR, IS, IT, IU, IV, IW, IX, IY, IZ, JA, JB, JC, JD, JE, JF, JG, JH, JI, JJ, JK, JL, JM, JN, JO, JP, JQ, JR, JS, JT, JU, JV, JW, JX, JY, JZ, KA, KB, KC, KD, KE, KF, KG, KH, KI, KJ, KK, KL, KM, KN, KO, KP, KQ, KR, KS, KT, KU, KV, KW, KX, KY, KZ, LA, LB, LC, LD, LE, LF, LG, LH, LI, LJ, LK, LL, LM, LN, LO, LP, LQ, LR, LS, LT, LU, LV, LW, LX, LY, LZ, MA, MB, MC, MD, ME, MF, MG, MH, MI, MJ, MK, ML, MM, MN, MO, MP, MQ, MR, MS, MT, MU, MV, MW, MX, MY, MZ, NA, NB, NC, ND, NE, NF, NG, NH, NI, NJ, NK, NL, NM, NN, NO, NP, NQ, NR, NS, NT, NU, NV, NW, NX, NY, NZ, OA, OB, OC, OD, OE, OF, OG, OH, OI, OJ, OK, OL, OM, ON, OO, OP, OQ, OR, OS, OT, OU, OV, OW, OX, OY, OZ, PA, PB, PC, PD, PE, PF, PG, PH, PI, PJ, PK, PL, PM, PN, PO, PP, PQ, PR, PS, PT, PU, PV, PW, PX, PY, PZ, QA, QB, QC, QD, QE, QF, QG, QH, QI, QJ, QK, QL, QM, QN, QO, QP, QQ, QR, QS, QT, QU, QV, QW, QX, QY, QZ, RA, RB, RC, RD, RE, RF, RG, RH, RI, RJ, RK, RL, RM, RN, RO, RP, RQ, RR, RS, RT, RU, RV, RW, RX, RY, RZ, SA, SB, SC, SD, SE, SF, SG, SH, SI, SJ, SK, SL, SM, SN, SO, SP, SQ, SR, SS, ST, SU, SV, SW, SX, SY, SZ, TA, TB, TC, TD, TE, TF, TG, TH, TI, TJ, TK, TL, TM, TN, TO, TP, TQ, TR, TS, TT, TU, TV, TW, TX, TY, TZ, UA, UB, UC, UD, UE, UF, UG, UH, UI, UJ, UK, UL, UM, UN, UO, UP, UQ, UR, US, UT, UY, UV, UW, UX, UY, UZ, VA, VB, VC, VD, VE, VF, VG, VH, VI, VJ, VK, VL, VM, VN, VO, VP, VQ, VR, VS, VT, VY, VZ, WA, WB, WC, WD, WE, WF, WG, WH, WI, WJ, WK, WL, WM, WN, WO, WP, WQ, WR, WS, WT, WY, WZ, XA, XB, XC, XD, XE, XF, XG, XH, XI, XJ, XK, XL, XM, XN, XO, XP, XQ, XR, XS, XT, XU, XV, XW, XX, XY, XZ, YA, YB, YC, YD, YE, YF, YG, YH, YI, YJ, YK, YL, YM, YN, YO, YP, YQ, YR, YS, YT, YU, YV, YW, YX, YZ, ZA, ZB, ZC, ZD, ZE, ZF, ZG, ZH, ZI, ZJ, ZK, ZL, ZM, ZN, ZO, ZP, ZQ, ZR, ZS, ZT, ZY, ZZ.

EXECUTED as of the day month and year first above written.

<p>*****</p> <p>The additional provisions contained in the Addendum attached hereto are hereby incorporated herein for all purposes.</p> <p>*****</p>	<p>LANDLORD</p> <p>ADDENDUM</p> <p>By: </p> <p>By: </p> <p>By: </p> <p>By: </p> <p>By: </p> <p>By: </p> <p>By: </p> <p>President</p>
---	--

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Henry Stuart
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 1955

Rebecca P. Jordan
Notary Public
Dallas
County, Texas



STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Wiley Piddin
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 23rd day of November, 1955



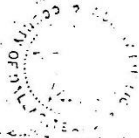
Wiley Piddin
Notary Public
Dallas
County, Texas

STATE OF TEXAS }
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared David Russell
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 1955

Rebecca P. Jordan
Notary Public
Dallas
County, Texas



ADDENDUM TO GROUND LEASE,
dated October 11, 1983,
by and among
the City of Addison, Texas,
Addison Airport of Texas, Inc.
and Sunnell Properties, Inc.

This Addendum is attached to and made a part of the foregoing and above referenced Lease for all purposes. In the event of conflict or inconsistency between the printed portion of this Lease and this Addendum, the terms of this Addendum shall control.

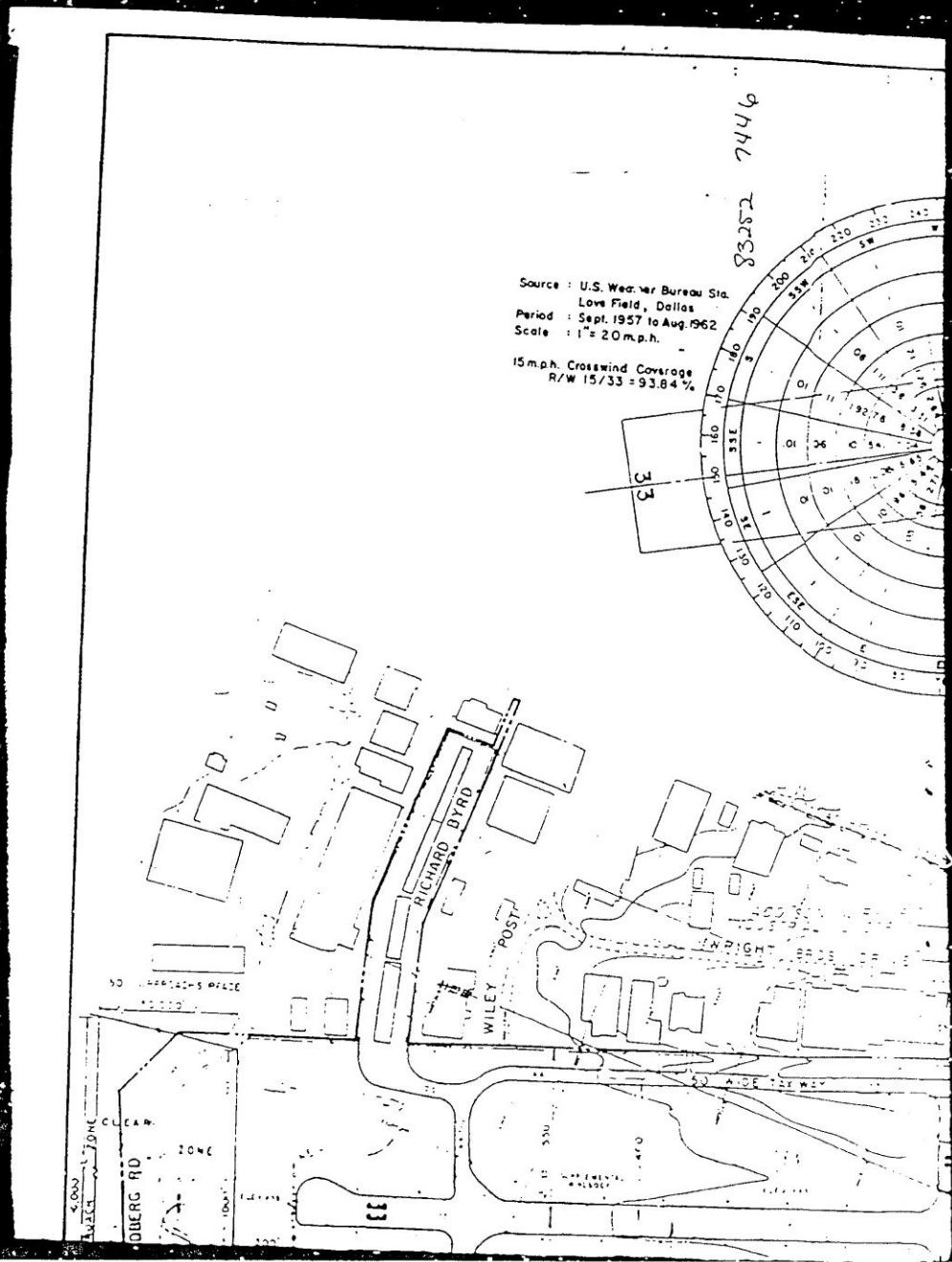
A. The words "general office uses" are added to the list of the purposes for which Tenant may use and occupy the demised premises contained in paragraph 6 of the printed portion of this Lease.

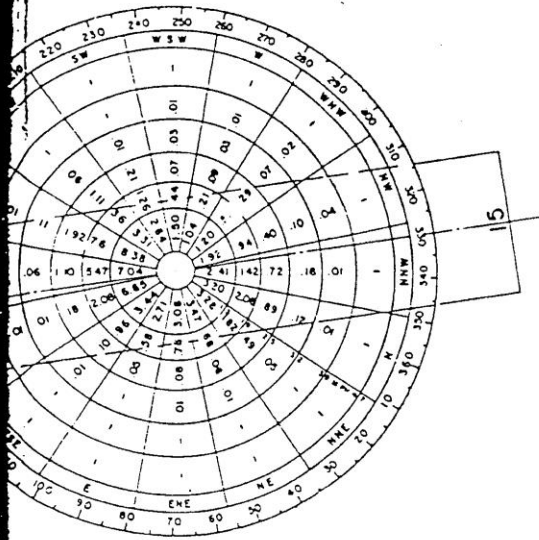
B. To induce Landlord to allow use and occupancy of the demised premises for general office purposes, Tenant agrees to give preference to prospective office tenants whose businesses are aeronautically related (hereinafter referred to as "preferred tenant") conditioned upon (i) availability of space, (ii) willingness of the preferred tenant to pay market rental rates, (iii) the preferred tenant's credit standing favorably comparing to those of other prospective tenants, and (iv) willingness of the preferred tenant to enter into a term of agreement comparable to those offered by other prospective tenants.

C. Landlord agrees to remove the electrical lines and poles presently running along the western boundary of the demised premises.

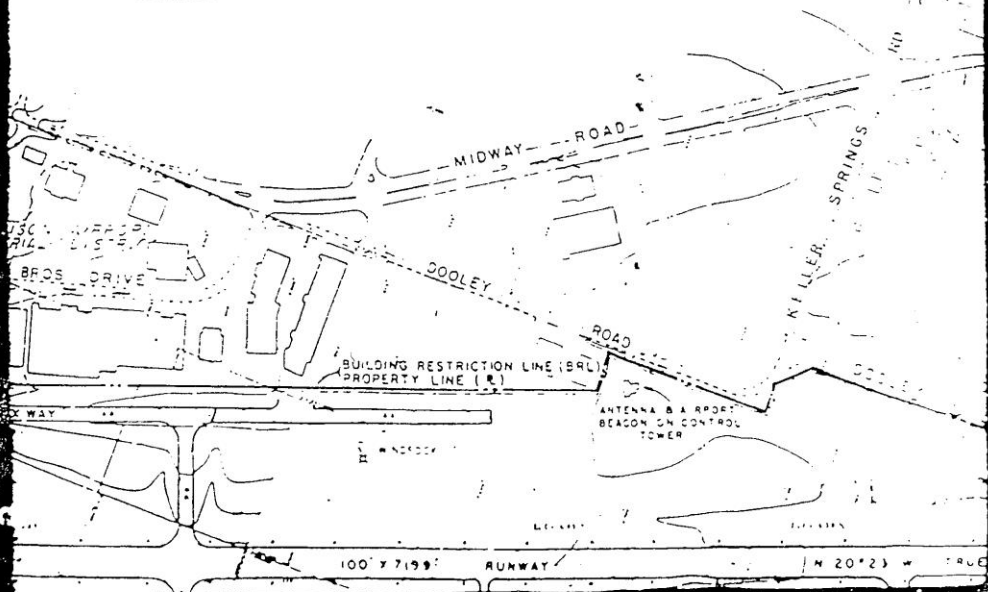
D. Tenant shall have the option to terminate this Lease by delivering written notice of such election to Landlord before April 30, 1984, if Tenant has been unable to obtain revenue bond financing for the improvements which Tenant proposes to construct on the demised premises. If Tenant does not timely deliver such written notice of election to terminate, all rights of Tenant to terminate this Lease pursuant to the foregoing shall lapse and be null and void.

ETS





83252 7447



EX. B

83252 744B

BASIC RUNWAY DATA TABLE

	RUNWAY 15/33	
	EXISTING	ULTIMATE
EFFECTIVE GRAC. ENT (IN%)	0.03	SAME
% WIND COVERAGE	93.84	SAME
INSTRUMENT RUNWAY	YES	YES
PAVEMENT STRENGTH	BOS, 1000 1600T	SAME
APPROACH SURFACE	50:1 BOTH	SAME
RUNWAY LIGHTING	MIRL	SAME
RUNWAY MARKINGS	ALL WEATHER	SAME
NAVIGATIONAL AIDS	ILS	SAME

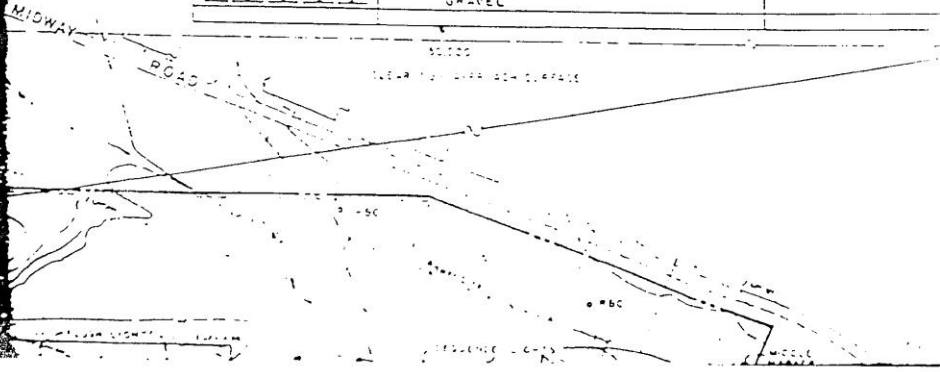
BASIC AIRPORT DATA TABLE

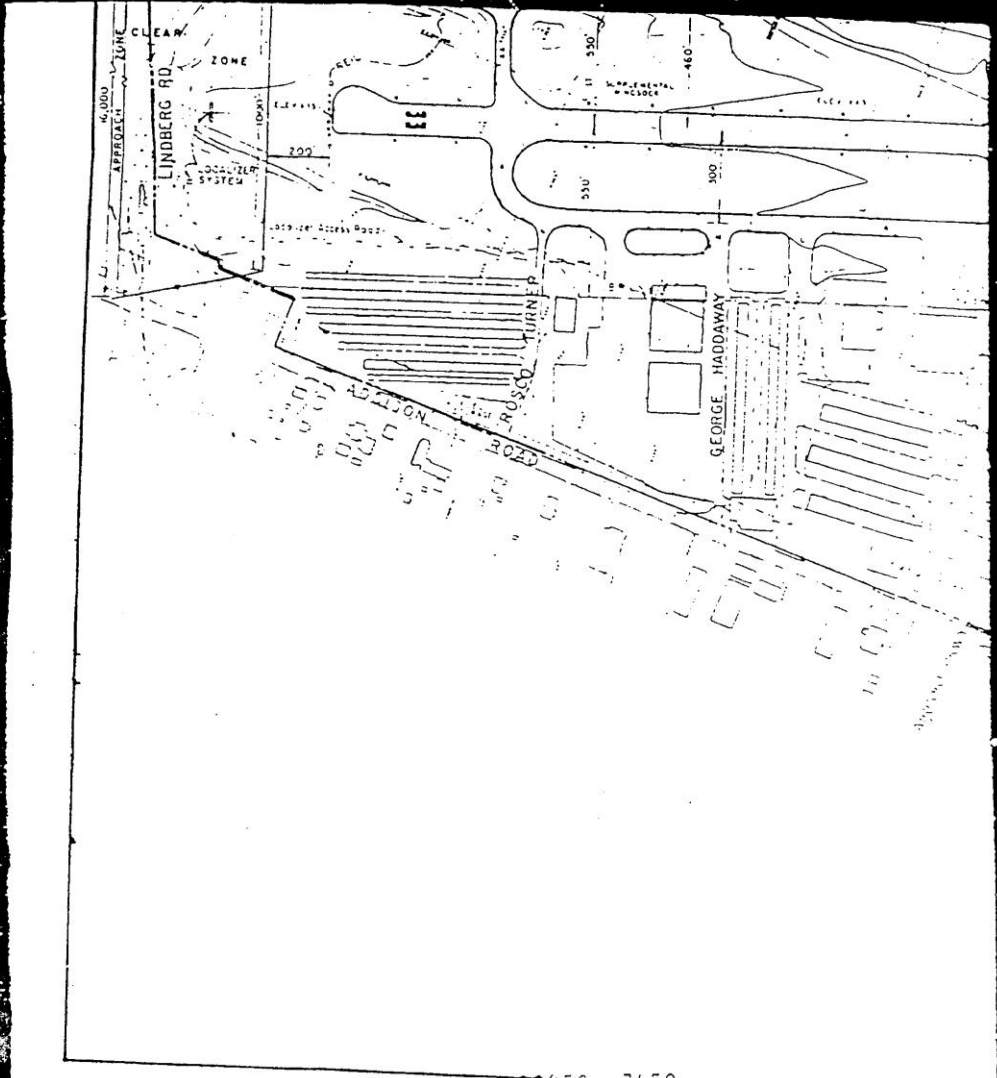
	EXISTING	ULTIMATE
AIRPORT ELEVATION, M.S.L.	643.00	
AIRPORT REFERENCE POINT (ARP) COORDINATES	LAT 32° 58' 10.525" LNG. 96° 50' 08.482"	SAME
MEAN MAX TEMP OF HOTTEST MONTH	96.1° F	SAME
AIRPORT AND TERMINAL NAVIGATIONAL AIDS	ILS	SAME

LEGEND

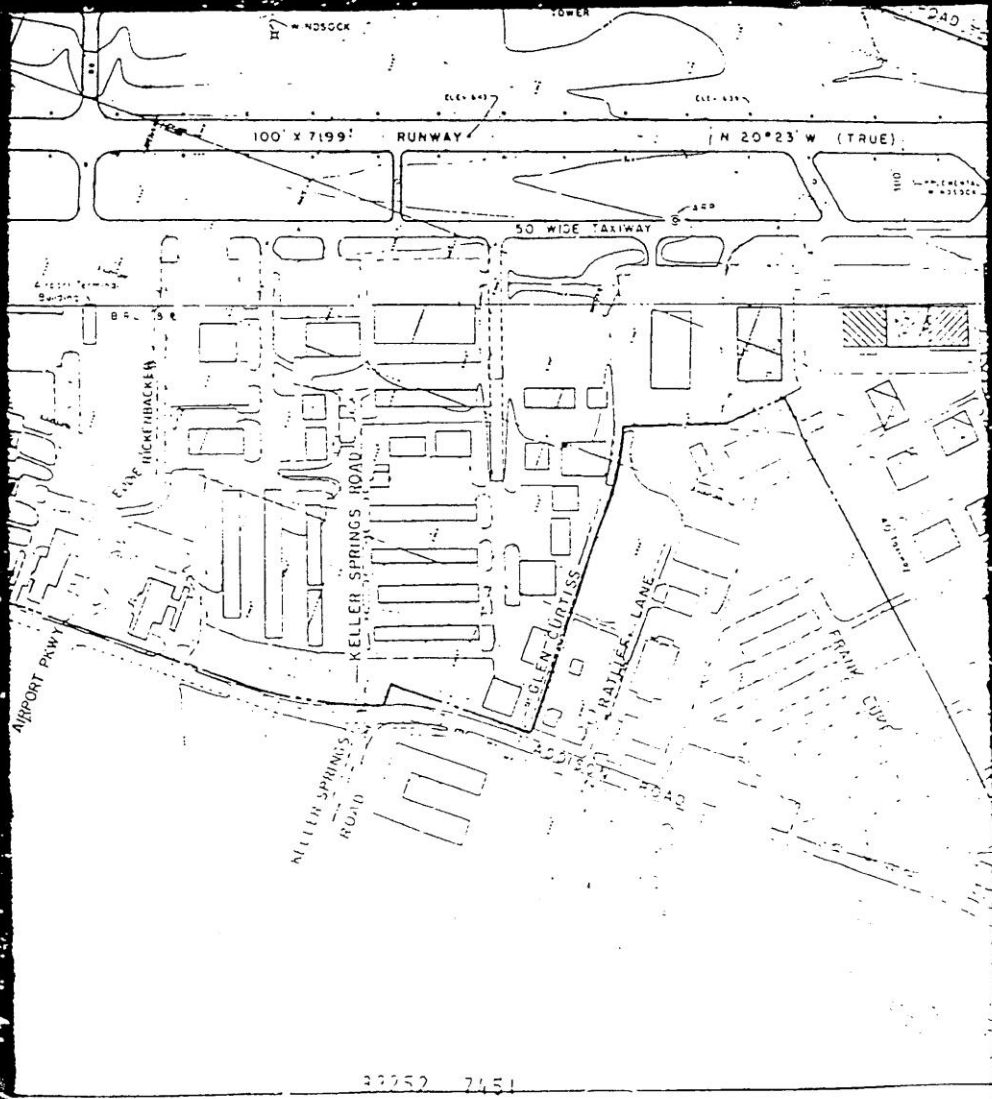
EXISTING	
—X—X—X—X—	FENCE
* * * * *	RUNWAY LIGHTS
— — — — —	GROUND CONTOURS
— — — — —	BUILDINGS PERTAINING TO AIRPORT
— — — — —	EXISTING PROPERTY LINE
— — — — —	PROPERTY ACQUIRED THIS PROJECT
— — — — —	BUILDING RESTRICTION LINE (BRL)
— — — — —	EASEMENTS
— — — — —	ASPHALT PAVEMENT
— — — — —	GRAVEL

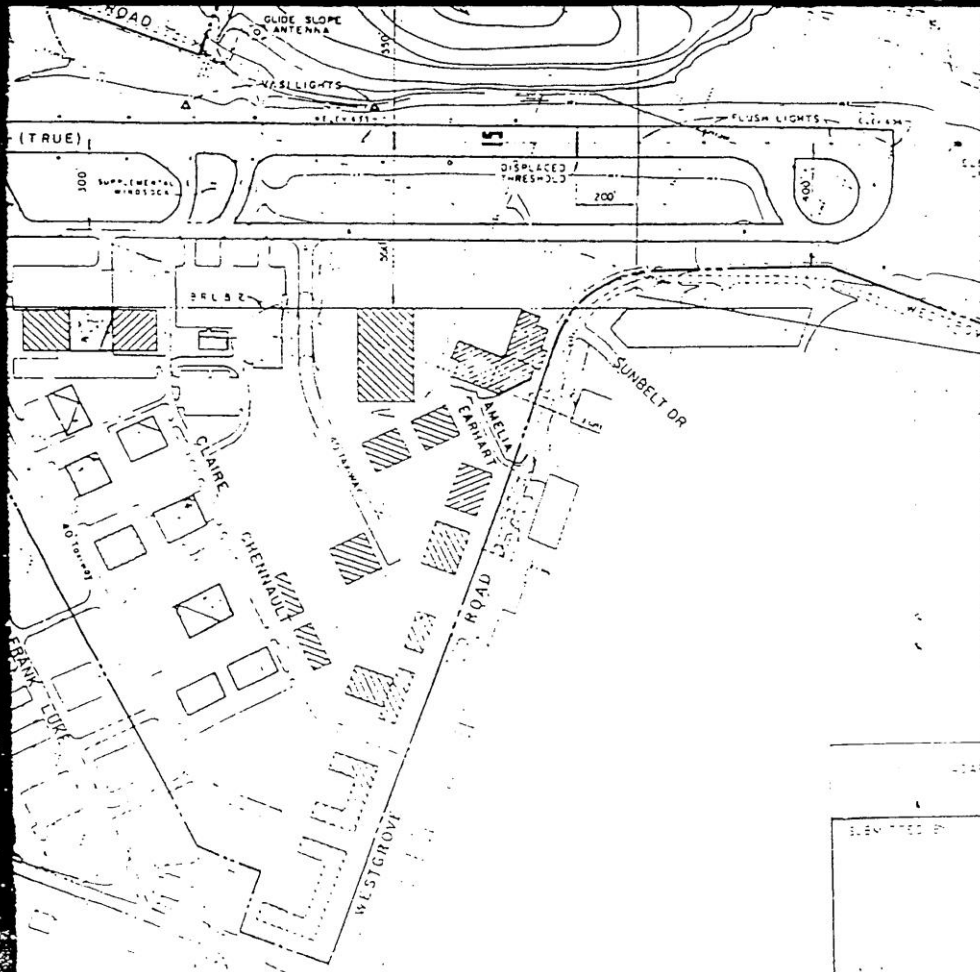
PHIC SCALE





63252 7450

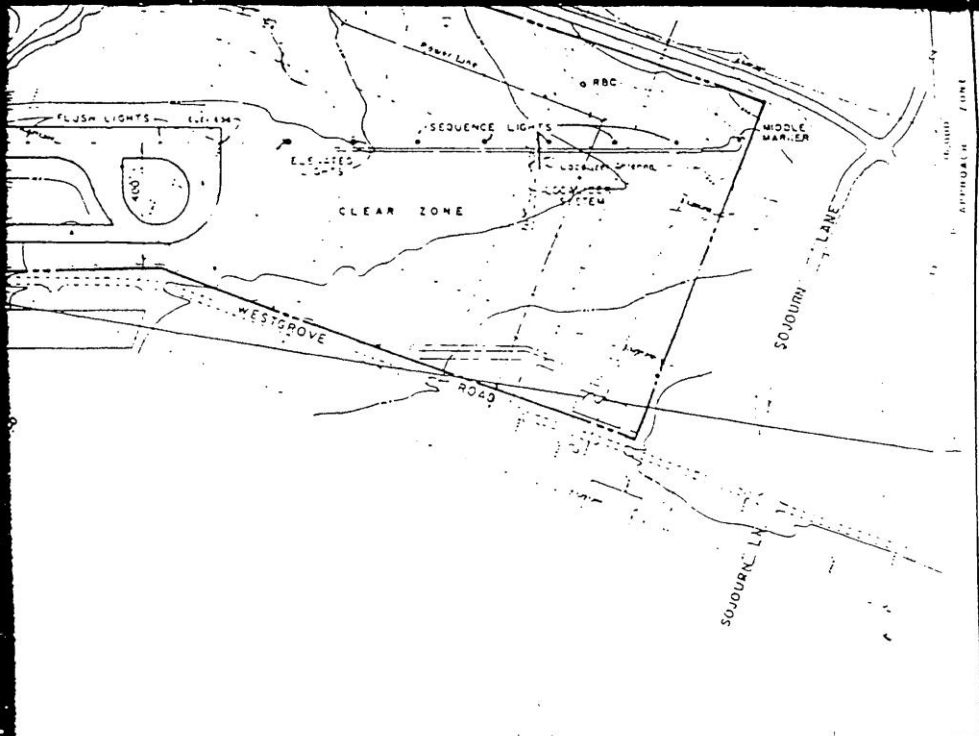




33252 7452

APPROVED BY FAA
 PL RODDEN
 5 JUNE 83

4049
REMITTED BY
APPROVED BY
DATE



ACAP Project No		No 1		Revision		By: Name: Date			
SUBMITTED BY		DATE		ADDISON MUNICIPAL AIRPORT <u>AIRPORT LAYOUT PLAN</u> ADDISON, TEXAS GINN, INC. Consulting Engineers Dallas Texas					
AVIATION DIRECTOR		DESIGNED						DATE	
APPROVED FOR F.A.A.		DRAWN		DATE		CHECKED		DATE	
CHIEF - AIRPORTS BRANCH		82321-7453		FILE No		SCALE		SHEET	

APPROVED BY F.A.A.
 R.L. RODEN
 15 JUNE 83

EXHIBIT A

REAL PROPERTY DESCRIPTION

SITUATED in Dallas County, Texas, and BEING a tract of land situated in the E. TWO SURVEY, ABSTRACT 326, and located on Addison Municipal Airport, Addison, Texas, and being more particularly described as follows:

BEGINNING at the intersection of the centerline of Airport Parkway and the West right-of-way of Addison Road;

THENCE, North 00°22'50" West, along said West right-of-way a distance of 352.97 feet to the POINT OF BEGINNING;

THENCE, South 89°37'10" West, a distance of 145.27 feet;

THENCE, North 1°45'47" East, a distance of 169.44 feet;

THENCE, North 0°39'48" West, a distance of 135.88 feet;

THENCE, North 20°14'53" West, a distance of 180.00 feet;

THENCE, North 71°51'57" East, a distance of 147.04 feet to a point on a curve to the right, said curve having a central angle of 16°46'21", a radius of 788.51 feet and a chord bearing South 45°41'02" East, 230 feet;

THENCE, along an arc length of 230.82 feet to a point;

THENCE, South 0°22'50" East, along the West right-of-way of Addison Road, a distance of 298.48 feet to the POINT OF BEGINNING, containing 1.661 acres (72,348.15 square feet) of land, more or less.

FILED FOR RECORD
THE 14th of December
1932 at 10:30 AM
Earl G. Clark County Clerk
Dallas, Texas
Robert L. Hamilton

CHICAGO TITLE INSURANCE COMPANY
1330 MERRILL DRIVE
SUITE 102
DALLAS, TEXAS 75201

STATE OF TEXAS
COUNTY OF DALLAS
I hereby certify that the foregoing was filed for record
and that the same is now on file and open for public inspection
in the office of the County Clerk at Dallas, Texas, on the 14th day
of December, 1932.

DEC 14 1932



Earl G. Clark
COUNTY CLERK, Dallas County, Texas

83252 7455

83-115-10711- FF 21.00 (2) C.T.C.

ASSIGNMENT OF LEASE

1620

THIS AGREEMENT is made as of this the 1st day of December, 1983, at Addison, Texas, between BUNNELL PROPERTIES, INC., a Texas corporation, hereinafter called "Assignor", and CONCOURSE PLAZA, LTD., a Texas limited partnership, hereinafter called "Assignee".

WHEREAS, a lease executed on October 11, 1983, between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC., as the Lessor, and the Assignor, as the Lessee, by the terms of which certain real property located on the Addison Airport was leased to the Assignor as Lessee upon the terms and conditions provided therein; and

WHEREAS, the Assignor now desires to assign the Lease to the Assignee, and the Assignee desires to accept an assignment thereof;

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), receipt of which is hereby acknowledged, and the agreement of the Assignee, hereinafter set forth, the Assignor hereby assigns and transfers to the Assignee, its successors and assigns, all of its right, title and interest in and to the Lease hereinbefore described, a copy of which is attached hereto as Exhibit "A", and the Assignee hereby agrees to and does accept the assignment, and in addition expressly assumes and agrees to keep, perform and fulfill all the terms, covenants, conditions and obligations required to be kept, performed and fulfilled by the Assignor as the Lessee thereunder, including the making of all payments due to or payable on behalf of the Lessor under said Lease when due and payable.

This Agreement shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

WITNESSES:

Suite 900
First Texas Tower
14051 Dallas Parkway
Dallas, TX 75240

EXECUTED as of the day and year first above written.

ASSIGNOR:

Bunnell Properties, Inc.

By: 

ASSIGNEE:

Concourse Plaza, Ltd.

By: Bunnell Properties, Inc., Managing
General Partner

By: 

CONSENT OF LESSOR

The undersigned is the Lessor under the Lease described in the foregoing Assignment and hereby consents to the assignment of the Lease to the Assignee, waiving none of their rights thereunder as to the Lessee or the Assignee.

LESSOR:

CITY OF ADDISON

By: 

ADDISON AIRPORT OF TEXAS, INC.

By: 

EXHIBIT A

REAL PROPERTY DESCRIPTION

SITUATED in Dallas County, Texas, and BEING a tract of land situated in the E. 1/4 of SURVEY, ABSTRACT 126, and located on Addison Municipal Airport, Addison, Texas, and being more particularly described as follows:

COMMENCING at the intersection of the centerline of Airport Parkway and the West right-of-way of Addison Road;

THENCE, North 00°22'50" West, along said West right-of-way a distance of 356.77 feet to the POINT OF BEGINNING;

THENCE, South 89°37'10" West, a distance of 145.27 feet;

THENCE, North 1°45'47" East, a distance of 169.44 feet;

THENCE, North 0°33'45" West, a distance of 136.88 feet;

THENCE, North 20°14'53" West, a distance of 180.00 feet;

THENCE, North 71°51'57" East, a distance of 147.04 feet to a point on a curve to the right, said curve having a central angle of 16°46'21", a radius of 788.51 feet and a chord bearing South 45°41'02" East, 230 feet;

THENCE, along an arc length of 230.82 feet to a point;

THENCE, South 0°22'50" East, along the West right-of-way of Addison Road, a distance of 298.48 feet to the POINT OF BEGINNING, containing 1.661 acres (72,348.15 square feet) of land, more or less.

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared David A. Bunnell, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of Bunnell Properties, Inc., a Texas corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27th day of December, 1983.

Katy F. Robertson-Rueden
Notary Public

My Commission Expires:

3-7-84



STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared David A. Bunnell, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of Bunnell Properties, Inc., a Texas corporation, as managing general partner of Concourse Plaza, Ltd., a Texas limited partnership, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27th day of December, 1983.

Katy F. Robertson-Rueden
Notary Public

My Commission Expires:

3-7-84

STATE OF TEXAS
COUNTY OF DALLAS

GROUND LEASE

This Ground Lease (hereinafter referred to as the "Lease") is made and entered into as of October 11, 1984, by and among the City of Addison, Texas, a municipal corporation (hereinafter sometimes referred to as the "City," "Addison," "Addison Texas, Inc.," a Texas Corporation (hereinafter sometimes referred to as "AATI") and Bunnell Properties, Inc., a Texas Corporation (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, AATI leases that certain real property (hereinafter referred to as the "demised premises") described in attached Exhibit A from the City pursuant to that certain instrument captioned Agreement for Operation of the Addison Airport (hereinafter referred to as the "Base Lease") between the City and Addison Airport, Inc. (predecessor of AATI); and

WHEREAS, the demised premises are situated at Addison Airport (hereinafter referred to as the "Airport") in Dallas County, Texas, the Airport being delineated in a plan attached hereto as Exhibit B; and

WHEREAS, the City and AATI hereby lease and demise the demised premises to Tenant, and Tenant hereby accepts and leases the demised premises from the City and AATI, upon the terms and conditions set forth herein.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

1. **Base Lease.** All the terms and conditions of the Base Lease are incorporated into this Lease by reference as if they were set forth herein, and Tenant by Tenant's execution hereof, acknowledges that AATI has furnished Tenant with a copy of the Base Lease. Tenant agrees to fully comply at all times and in all respects with the terms and conditions of the Base Lease insofar as the same relate to the demised premises and/or the use and operation thereof, except that Tenant shall not be responsible for the payment of any rent due under the Base Lease which shall be paid by AATI.

2. **Definition of Landlord and Effect of Default under the Base Lease.** The term "Landlord" as hereinafter used in this Lease shall mean either AATI or the City. So long as the Base Lease is in effect, AATI shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. Upon the expiration or termination of the Base Lease, the City shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. The City agrees that in the event the City notifies Tenant to the contrary in writing, Tenant is fully authorized to make all payments due under this Lease, and that such default by AATI under the Base Lease shall have no effect on this Lease so long as Tenant pays and complies with all the covenants and obligations under this Lease.

3. **Term.** The term hereof shall commence on the earlier of October 1, 1984, or the first day of the calendar month after Tenant commences the construction hereof now described and opens for business at the demised premises. The first such monthly payment shall be due and payable on or before the Commencement Date, and all payments thereafter shall be provided, however, that any rent, upon the demised premises by Tenant prior to the Commencement Date shall be subject to all the terms and conditions hereof except that rental shall not accrue.

4. **Rental.** Subject to adjustment as hereinafter provided, Tenant agrees to pay to Landlord, without offset or deduction, on the demised premises at the rate of SIXTEEN HUNDRED SEVENTY-SIX AND 07/100 per month in advance. The first such monthly payment shall be due and payable on or before the Commencement Date, and all payments thereafter shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

5. **Adjustment of Rental.** Commencing on the second anniversary of the Commencement Date and on every bi-annual anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under paragraph 4 shall be adjusted as follows:

(i) A comparison shall be made between the Consumers' Price Index-All Items for the Dallas, Texas Metropolitan Area which is published in the Dallas Morning News and the Consumer Price Index-All Items for the Dallas, Texas Metropolitan Area which is published in the Dallas Morning News immediately preceding the then applicable Adjustment Date;

(ii) The monthly rental for the two (2) year period beginning with and following the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of increase or decrease in the Price Index, but in no event shall such monthly rental ever be decreased below the monthly rental set forth in paragraph 4;

(iii) In the event that the Price Index is unavailable for whatever reason for the computations set forth herein, the then applicable Price Index as closely as possible shall be substituted therefor.

6. **Use of Demised Premises and Construction of Improvements.** The demised premises shall be used and occupied by Tenant for the following purposes: sale of aircraft and aircraft parts, aircraft maintenance and repair, aircraft storage, aircraft repair shop, charter, and aircraft rentals, and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted on the plans and specifications.

These improvements consist of a combination office/airplane hangar facility containing approximately 91,600 square feet of office space and five airplane hangars, the preliminary plans for which have been prepared by Bogard Architects, Inc. Construction plans to be approved by Addison Municipal Airport prior to the start of construction.

All construction shall be strictly in accordance with such plans and specifications, and such construction shall be completed in a safe, workmanlike manner. Tenant agrees to comply with and discharge all costs, expenses, claims for damages, liens and other liabilities and obligations which arise in connection with such construction.

7. **Acceptance of Demised Premises.** Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as to be for the purpose for which the same are leased in their present condition.

8. **Securing Government Approvals and Compliance with Law.** Tenant as Tenant's sole cost and expense shall obtain all necessary government licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises. Tenant shall comply at all times with all governmental laws, ordinances and regulations applicable to the demised premises and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with the demised premises, all at Tenant's sole cost and expense.

9. **Assignments, Subleasing and Mortgaging of Leasehold Estate.**

A. Without the prior written consent of Landlord, Tenant may not assign this lease or any rights of Tenant hereunder, in whole or in part, or mortgage or otherwise encumber or subject the whole or any part of the demised premises. Any assignment or mortgage shall be express in substance and shall be subject to the approval of Landlord. No such assignment or mortgage shall be effective unless it is in writing and is subject to the approval of Landlord. In the event of any assignment or subletting, Tenant shall not assign Tenant's rights hereunder to sublease the demised premises without first obtaining a written agreement from each such assignee or sublessee whereby each such assignee or sublessee agrees to be bound by the terms and provisions of this lease. No such assignment or subletting shall constitute an assignment or subletting for the purposes of this lease. The demised premises shall be leased to Tenant by Landlord on a non-exclusive basis, and the occurrence of an event of default under this lease shall not constitute an assignment or subletting for the purposes of this lease. The demised premises shall be leased to Tenant by Landlord on a non-exclusive basis, and the occurrence of an event of default under this lease shall not constitute an assignment or subletting for the purposes of this lease. No direct collection of rent by Landlord shall constitute an assignment or subletting for the purposes of this lease.

B. Tenant shall have the right to mortgage the leased premises of Tenant owned hereby in order to secure a mortgage loan for the purpose of obtaining funds for the construction of the improvements described hereunder. The mortgage shall be subject to the approval of Landlord. The demised premises shall be leased to Tenant by Landlord on a non-exclusive basis, and the occurrence of an event of default under this lease shall not constitute an assignment or subletting for the purposes of this lease. The demised premises shall be leased to Tenant by Landlord on a non-exclusive basis, and the occurrence of an event of default under this lease shall not constitute an assignment or subletting for the purposes of this lease. No direct collection of rent by Landlord shall constitute an assignment or subletting for the purposes of this lease.

4. The holders of deeds of trust who have mortgaged the leasehold estate of Tenant created hereby shall, upon the proposal of Landlord, execute and deliver to Landlord a deed of trust in favor of Landlord, and give fifteen (15) days written notice prior to accelerating the debt of Tenant under said deed of trust and of initiating foreclosure proceedings under said mortgage or deed of trust, and the following Landlord during such period of fifteen (15) days shall have the right to cure Tenant's default and prevent said acceleration and/or foreclosure proceedings, and the holder of such deed of trust shall assume Tenant's position under said mortgage or deed of trust.

5. Landlord agrees, if and so long as the leasehold estate of Tenant is encumbered by a leasehold mortgage and written notice of such effect has been given to Landlord, to give the holder of such leasehold mortgage at such address or addresses as may be specified in such written notice to Landlord for the giving of notices to the leasehold mortgagee, or as otherwise may be specified by the leasehold mortgage to Landlord in writing, written notice of any default hereunder by Tenant, simultaneously with the giving of such notice to Tenant, and the holder of any such leasehold mortgage shall have the right, for a period of fifteen (15) days after its receipt of such notice or within any longer period of time specified in such notice, to take such action or to make payment as may be necessary or appropriate to cure any such default as so specified, it being the intention of the parties hereto that Landlord shall not exercise Landlord's right to terminate this lease if and unless, giving any such leasehold mortgage the notice provided for herein and allowing any such leasehold mortgagee the right to cure such default as provided for herein.

6. Landlord further agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will recognize such mortgagee and its successors and assigns after foreclosure or liquidation of such mortgagee as Tenant's lender, and will continue to perform all of Landlord's obligations hereunder so long as such mortgagee and its successors and assigns perform all of the obligations of Tenant hereunder. Landlord also agrees to execute and deliver to any proposed leasehold mortgagee any other documents which such proposed leasehold mortgagee may reasonably request concerning the mortgage of Tenant of the leasehold estate created hereby, provided, however, that Landlord shall never be required to subordinate Landlord's first in time lien to the mortgage of any proposed leasehold mortgagee.

7. Property Taxes and Assessments: Tenant shall pay any and all property taxes or assessments levied or assessed on the improvements on the demised premises, the personal property and fixtures on the demised premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord copies of receipts or other written evidence that all such taxes have been paid by Tenant.

8. Maintenance and Repair of Demised Premises:
A. Tenant shall, throughout the term hereof, maintain in good repair and condition all the demised premises and all fixtures, equipment and personal property on the demised premises, and keep them free from waste or nuisance and, at the expiration or termination of this lease, in and free of the demised premises in good repair and condition, with all fixtures and equipment situated in the demised premises in working order, reasonable wear and tear excepted.

B. In the event Tenant shall fail to so maintain the demised premises and the fixtures, equipment and personal property situated thereon, Landlord shall have the right (but not the obligation) to cause all repairs or other maintenance to be made and the reasonable costs there of extended by Landlord plus interest thereon as provided in paragraph 37 shall be paid by Tenant to Landlord.

9. Alterations, Additions and Improvements: After completion of the improvements described in paragraph 6, Tenant shall not make any alterations, additions or improvements, or make any alterations, additions or improvements to the demised premises without the prior written consent of Landlord. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld by Landlord. Tenant shall have the right to erect or install shelves, bins, machinery, air conditioning or heating equipment and fixtures, provided that Tenant complies with all applicable governmental laws, ordinances and regulations.

All alterations, additions and improvements on and to the demised premises shall be performed in a first class, workmanlike manner, and Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection therewith.

10. Insurance: Tenant shall during the term hereof maintain at Tenant's sole cost and expense insurance relating to the demised premises as follows:

(i) Insurance against loss or damage to improvements by fire, lightning and other risks from time to time included under standard extended coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to replace Landlord or Tenant from deductibles, co-payments or any loss under the applicable policies, but in any event in amounts not less than the present actual full replacement value of the full insured value of the demised premises. The term "full insurable value" as used herein means full replacement value after a total loss. Upon request, such replacement value shall be determined by a qualified appraiser, and all of whose findings shall be submitted to Landlord, and, therefore, proper adjustment in the limits of insurance coverage shall be effected.

(ii) General public liability insurance against claims for bodily injury, death or property damage occurring on or about the demised premises, with respect to each accident to at least \$500,000.00 per occurrence, with respect to any one occurrence of \$1,000,000.00 with respect to any one accident and not less than \$200,000.00 with respect to property damage.

(iii) Workmen's compensation insurance covering all persons employed by Tenant in connection with any work done on or about the demised premises, or in lieu of such workmen's compensation insurance, a program of self-insurance complying with the rules, regulations and requirements of the appropriate state agency of the State of Texas.

(iv) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, exploding, collapsing, imploding or exploding in the minimum amount of \$100,000.00 for damage to property resulting from such risks.

(v) Such other insurance on improvements in such amounts and against such other insurable hazard which at the time is commonly obtained in the case of property similar to such improvements.

(vi) Managerial liability insurance providing for coverage in the following limits: \$200,000.00 per accident and \$400,000.00 per occurrence on property damage to accruals in the care, custody or control of Tenant.

(vii) During any period of construction a Builder's Risk Completed Value policy with an all risks endorsement.

All such policies of insurance shall be issued by insurance companies acceptable to Landlord, and shall name Landlord as additional insured and insured, as the case may be, and shall provide for at least ten (10) days written notice to Landlord of any change in or modification. Tenant shall provide Landlord with duplicate originals of all insurance policies required by this paragraph.

11. Casualty Damage or Destruction:

A. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or if and when Tenant will promptly give written notice to Landlord, generally describing the nature and extent of such damage or destruction.

B. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or if and when Tenant will promptly give written notice to Landlord, generally describing the nature and extent of such damage or destruction, the purpose of this paragraph is to provide that Landlord and Tenant shall cooperate and complete the restoration, repair and reconstruction of the buildings, structures and equipment as nearly as possible to their value, condition and character immediately prior to such damage or destruction, with such alterations and additions thereto as may be approved in writing by Landlord. The restoration, repair and reconstruction shall be completed within the time specified in the Restipulation.

C. All loss or proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the demised premises shall be held by Landlord. Landlord shall be prohibited in acting upon any certificate or demand for payment or proceeds payable by the property party and shall receive such certificate as conclusive evidence of any and all claims made thereunder. Such certificate shall be full warranty, authority and protection to Landlord in accepting and disbursing the proceeds payable thereunder. If any such certificate or demand is not received by Landlord within the time specified in this paragraph, then the proceeds shall be held by Landlord and shall be applied as follows:

(i) Net insurance proceeds as above defined shall be paid to Tenant or Tenant may direct from time to time as the proceeds progresses to pay or reimburse Tenant for the cost of Restoration, upon written request of Tenant to Landlord accompanied by a certificate of a supervising architect or engineer approved by Landlord, describing in reasonable detail the work to be done, the cost of the work to be done, and the same will be necessary or appropriate to the Restoration and reconstruction of the buildings, structures and equipment on the demised premises, and for the payment of the cost thereof. The proceeds shall be used for the purpose of completing the Restoration, and to an amount not to exceed the actual cost of the work to be done, and shall be paid by the payment of the amount received from the insurance proceeds or other source of funds, if any, as discharged by the payment of the amount received.

14. Restoration. Tenant shall promptly commence Restoration, or after commencement Tenant shall, at its expense, promptly commence or complete Restoration after Landlord has given Tenant written notice of its intent to require restoration, the commencement of Restoration or that Tenant diligently proceeds to the commencement of Restoration. If Tenant fails to commence or complete Restoration in such event, Landlord may, at its expense, commence or complete Restoration. In such event, Landlord shall be entitled to reimbursement of its costs and Tenant shall pay any deficiency if such proceeds are not sufficient for Restoration.

15. Condemnation.

A. If during the term hereof, any part of the demised premises shall be acquired or condemned by eminent domain for the public use, the public use or otherwise, or if a condemning authority under threat of condemnation, and after such taking by a condemning authority the remainder of the demised premises is not susceptible to efficient and economic occupation and operation, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the demised premises and Landlord shall refund to Tenant any prepaid but unaccrued rental less any sum then owing by Tenant to Landlord.

B. If after such taking by a public or private condemning authority the remainder of the demised premises is susceptible to efficient and economic occupation and operation by Tenant, this Lease shall not terminate but the rental hereunder shall be adjusted so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly rental installment due hereunder, as adjusted from time to time pursuant to paragraph 5, by a fraction, the numerator of which shall be the number of square feet remaining in the demised premises at the taking by a public or private condemning authority and the denominator of which shall be the total square footage originally contained in the demised premises. The rental adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the demised premises.

C. If this Lease is not terminated pursuant to Section A, Tenant shall promptly restore the improvements on the demised premises and the cost thereof shall be borne by Landlord and Tenant and Tenant shall be required to pay first to cover the costs and expenses for restoring the remaining portion of the demised premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any remaining proceeds by which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interest may appear. If this Lease is terminated pursuant to Section A, condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interests may appear.

16. Utilities. Tenant shall be responsible for Tenant's sole cost and expense for obtaining all utility connections at or for the demised premises and Tenant shall pay all charges for water, electricity, gas, sewer, telephone or any other utility connections, including any and all services furnished to the demised premises during the term hereof. Landlord shall in no event be liable or responsible for any suspension or interruption in any such utility services.

17. Common Facilities. Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use all common facilities, improvements, equipment and services which may now exist or which may hereafter be provided by Landlord for the use and convenience of Landlord's customers and tenants, including landing and takeoff areas, ramps, stairs, ingress and egress to the demised premises, other airport installations, and all other reasonable services which may be provided without charge from time to time by Landlord in operating this airport. All such common facilities shall at all times be under the exclusive control and management of Landlord and may be rearranged, modified, changed or terminated from time to time at Landlord's sole discretion.

18. Rules and Regulations. Landlord has applied Rules and Regulations (hereinafter referred to as the "Rules and Regulations") which shall govern Tenant in the use of the demised premises and all common facilities, a copy of which has been furnished to Tenant. The Rules and Regulations are hereby adopted by reference as if written herein and Tenant agrees to comply fully with all provisions of the Rules and Regulations. Landlord shall have the right to amend, modify and alter the Rules and Regulations from time to time in a reasonable manner for the purpose of assuring the safety, welfare and convenience of Landlord, Tenant and all other tenants and customers of the airport.

19. Signs and Equipment. After first securing Landlord's approval which will not be unreasonably withheld, Tenant shall have the right to erect, install and operate advertising signs and radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the demised premises that may be reasonably necessary for the operation of Tenant's business.

20. Landlord's Right of Entry. Landlord and Landlord's authorized representatives shall have the right, during the normal business hours, to enter the demised premises (a) to inspect the general condition and state of repair thereof, (b) to make repairs or alterations to the structure, fixtures, equipment and contents of the demised premises, (c) to inspect the demised premises for any prospective tenant or purchaser or (d) for any other reasonable and lawful purpose. During the time here provided in this paragraph, Landlord and Landlord's authorized representatives shall have the right to erect and maintain on or about the demised premises customary signs advertising the demised premises for lease or to display.

21. Indemnity and Exclusion.

A. Landlord shall not be liable to Tenant or to Tenant's employees, agents, servants, customers, invitees, or to any other person, whatsoever, for any injury to persons or damage to property or about the demised premises or any adjacent areas or property, or for any loss caused by the negligence or misconduct of Tenant, Tenant's employees, agents, servants, invitees, subcontractors, independent contractors, licensees or other persons entering the demised premises under express or implied invitation of Landlord or arising out of the use of the demised premises by Tenant and the conduct of Tenant's business thereon, or arising out of any breach or default of Tenant or the performance of Tenant's obligations hereunder, and Tenant hereby agrees to indemnify Landlord and hold Landlord harmless from all loss, expense or claims arising out of such damage or injury.

B. Landlord and Landlord's agents and employees shall not be liable to Tenant for any injury to persons or damage to property resulting from the demised premises becoming, out of repair or by defect in or failure of equipment, pipes, or wiring, or by overloading, the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the demised premises, or by fire, or by the source of damages or by fire, explosion, falling object or falling or for any other reason whatsoever. Landlord shall not be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in construction of any private, public or quasi-public work, or of any other persons whatsoever, excepting those caused by authorized agents and employees of Landlord.

22. Default by Tenant.

The following events shall be deemed to be events of default by Tenant under this Lease:

A. Failure of Tenant to pay any installment or rent or any other sum payable to Landlord hereunder on the date that same is due and such failure shall continue for a period of ten (10) days.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of rent, which is not money, and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant.

C. Insolvency, the making of an assignment for the benefit of creditors, or the making of an assignment for the benefit of creditors by Tenant, or the liquidation of Tenant's operations.

D. Failure of a creditor under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law of the United States to discharge the debt owed by Tenant or any guarantor of Tenant's obligations or adjudication as a bankrupt or insolvent proceeding filed against Tenant or such guarantor.

E. Appointment by a receiver, liquidator, trustee or administrator of all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.

F. Appointment by Tenant of any substantial portion of the demised premises or possession of use of the demised premises for a purpose other than that intended by the lease.

23. Remedies of Landlord. Upon the occurrence of any of the events of default listed in paragraph 22, Landlord shall have the right to pursue any one or more of the following remedies without the notice or demand of any other person:

A. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may take to enforce its rights, cause the demised premises to be entered, leased and have possession of the demised premises and deliver the premises to any other person who may be occupying the demised premises at any time hereof, and Landlord shall be entitled to recover the amount of any damages which Landlord may be liable to pay to such third person, whether through liability to the demised premises or as a result of other law.

B. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may take to enforce its rights, cause the demised premises to be entered, leased and have possession of the demised premises and deliver the premises to any other person who may be occupying the demised premises at any time hereof, and Landlord shall be entitled to recover the amount of any damages which Landlord may be liable to pay to such third person, whether through liability to the demised premises or as a result of other law.

C. Cause the demised premises to be entered, leased and have possession of the demised premises and deliver the premises to any other person who may be occupying the demised premises at any time hereof, and Landlord shall be entitled to recover the amount of any damages which Landlord may be liable to pay to such third person, whether through liability to the demised premises or as a result of other law.

D. Cause the demised premises to be entered, leased and have possession of the demised premises and deliver the premises to any other person who may be occupying the demised premises at any time hereof, and Landlord shall be entitled to recover the amount of any damages which Landlord may be liable to pay to such third person, whether through liability to the demised premises or as a result of other law.

36. The Tenant shall be responsible for the maintenance and repair of the premises and shall be liable for the cost of such maintenance and repair. The Tenant shall be responsible for the maintenance and repair of the premises and shall be liable for the cost of such maintenance and repair. The Tenant shall be responsible for the maintenance and repair of the premises and shall be liable for the cost of such maintenance and repair.

37. Interest on Tenant's obligations and Manner of Payment. All monetary obligations of Tenant to Landlord under this Lease shall bear interest at the rate of ten percent (10%) per annum from and after said term (10%) due until paid. If more than two (2) days after the due date of any such payment, the Tenant shall be liable for the payment of such interest. All monetary obligations of Tenant under this Lease are to be made on or before the due date by cash, check, or money order, and the delivery of Tenant's personal or corporate check will no longer constitute payment of any monetary obligations. Any advance by Landlord of personal or corporate check after such notice shall not be deemed payment of a value or receipt of Landlord to require other payments as required by said notice.

38. Independent Contractor. It is understood and agreed that in leasing and operating the premises, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer, or employee of Landlord.

39. Force Majeure. In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, riot, shortage of materials or labor, restriction by any governmental authority, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

40. Exhibits. All exhibits, attachments, and instruments and documents referred to herein shall be considered a part hereof and shall have the same force and effect as if copied verbatim herein.

41. Use of Language. Words of any gender used in this Lease shall be held and construed to include any other gender and the singular shall be held to include the plural, unless the context otherwise requires.

42. Captions. The captions, headings or paragraphs in this Lease are inserted for convenience only and shall not be deemed to constitute the provisions of this Lease or any question of its interpretation.

43. Successors. The terms, conditions and covenants contained in this Lease shall apply to and bind the heirs, assigns, successors, assigns, and legal representatives of both parties to this Lease, including but not limited to the parties named herein, and their heirs, assigns, successors, assigns, and legal representatives, and shall be deemed to have been accepted by the parties named herein and their heirs, assigns, successors, assigns, and legal representatives.

44. Severability. If any provision in this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

45. Notices. Any notice or communication required or permitted to be delivered hereunder may be delivered in person or by registered mail, return receipt requested, addressed to the parties at the addresses indicated below or at such other addresses as may be designated by written notice or filed in accordance herewith.

<p>LANDLORD</p> <p>Addison Airport of Texas, Inc. P. O. Box 24257 Dallas, Texas 75224 City of Addison, Texas</p> <p><u>P. O. Box 144</u> <u>Addison, Texas 75001</u></p>	<p>“TENANT”</p> <p>Bunnell Properties, Inc. 14851 Dallas Parkway, Suite 500 Dallas, Texas 75240</p> <p>950-7704</p>
--	---

46. Fees or Commissions. Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any broker's, agents' or finder's fees or commissions agreed to by such party arising from the execution of this Lease and the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

47. Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

48. Governing Law and Venue. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, and Landlord and Tenant both irrevocably agree that venue for any dispute concerning this Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas.

49. Entire Agreement and Amendments. This Lease, consisting of forty-nine (49) paragraphs and Exhibits A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z, shall embody the entire agreement between Landlord and Tenant and supersede all prior agreements and understandings, written or oral, and all contemporaneous oral agreements and understandings relating to the leased premises, except to the extent specifically provided herein, no agreement or understanding shall be effective in changing, modifying, amending, supplementing or otherwise altering this Lease in whole or in part unless such agreement is in writing and signed by both parties in the presence of the other party, and such agreement shall be subject to the same terms, conditions and provisions as this Lease, and shall be deemed to have been accepted by the parties named herein and their heirs, assigns, successors, assigns, and legal representatives.

EXECUTED as of the day, month and year first above written.

<p>*****</p> <p>The additional provisions contained in the Addendum attached hereto are hereby incorporated herein for all purposes.</p> <p>*****</p>	<p>LANDLORD</p> <p>ADDISON AIRPORT OF TEXAS, INC.</p> <p>By: <u>[Signature]</u></p> <p>Ts: <u>[Signature]</u></p> <p>CITY OF ADDISON, TEXAS</p> <p>By: <u>[Signature]</u></p> <p>Ts: <u>[Signature]</u></p> <p>TENANT: BUNNELL PROPERTIES, INC.</p> <p>By: <u>[Signature]</u></p>
---	---

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Henry Stuart
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 1951

Connelly L. James
Notary Public
Dallas
County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Julius Padden
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purpose and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of November, 1951



Henry Stuart
Notary Public
Dallas
County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared David Russell
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 1951

Connelly L. James
Notary Public
Dallas
County, Texas

ADDENDUM TO GROUND LEASE,
dated October 11, 1983,
by and among
the City of Addison, Texas,
Addison Airport of Texas, Inc.
and Bunnell Properties, Inc.

This Addendum is attached to and made a part of the foregoing and above referenced Lease for all purposes. In the event of conflict or inconsistency between the printed portion of this Lease and this Addendum, the terms of this Addendum shall control.

A. The words "general office uses" are added to the list of the purposes for which Tenant may use and occupy the demised premises contained in paragraph 6 of the printed portion of this Lease.

B. To induce Landlord to allow use and occupancy of the demised premises for general office purposes, Tenant agrees to give preference to prospective office tenants whose businesses are aeronautically related (hereinafter referred to as "preferred tenant") conditioned upon (i) availability of space, (ii) willingness of the preferred tenant to pay market rental rates, (iii) the preferred tenant's credit standing favorably comparing to those of other prospective tenants, and (iv) willingness of the preferred tenant to enter into a term of agreement comparable to those offered by other prospective tenants.

C. Landlord agrees to remove the electrical lines and poles presently running along the western boundary of the demised premises.


D. Tenant shall have the option to terminate this Lease by delivering written notice of such election to Landlord before April 15, 1984, if Tenant has been unable to obtain revenue bond financing for the improvements which Tenant proposes to construct on the demised premises. If Tenant does not timely deliver such written notice of election to terminate, all rights of Tenant to terminate this Lease pursuant to the foregoing shall lapse and be null and void.

Sett

CHICAGO TITLE INSURANCE COMPANY
12750 MERIT DRIVE
SUITE 132
DALLAS, TEXAS 75251

STATE OF TEXAS COUNTY CLERK
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED
DATE AND TIME SHOWN HEREON BY ME AND WAS duly re-
corded in the volume and page of the general records
of Dallas County, Texas as shown herein by me.

DEC 30 1983

 *Earl Ballou*
COUNTY CLERK, Dallas County, Texas

83 DEC 29 PM 3:58

83252 7468

404918-K (176)

STATE OF TEXAS §
§
COUNTY OF DALLAS §

SETTLEMENT AND FIRST AMENDMENT
TO LEASE AGREEMENT 2140412

Deed 11/03/97 728168 \$27.00

This Settlement and First Amendment to Lease Agreement (the "Agreement") is made and entered into this 22 day of April, 1997 by and between the Town of Addison, Texas (the "City"), Addison Airport of Texas, Inc. ("AATI") (the City and AATI are hereinafter referred to together as the "Landlord"), and Concourse Plaza, Ltd., a Texas limited partnership (the "Tenant").

WHEREAS, Landlord and Bunnell Properties, Inc., Tenant's predecessor in interest, entered into a Ground Lease dated October 11, 1983 (copy attached as Exhibit A and hereinafter referred to as the "Ground Lease") of certain real property (the "demised premises" as defined and described in the Ground Lease, and herein referred to as the "Original Demised Premises) located within the Addison Airport and adjacent to Keller Springs Road and

WHEREAS, the rights, duties and obligations of Bunnell Properties, Inc. under the Ground Lease were assigned to Tenant by that Assignment of Lease dated December 1, 1983 (copy attached as Exhibit B); and

WHEREAS, a portion of the Original Demised Premises is to be taken (the "Part Taken", and being Area B on Attachment 1 to Exhibit C attached hereto and incorporated herein) by the Texas Turnpike Authority for the purpose of constructing a toll tunnel under the Addison Airport in order to connect the eastern and western termini of Keller Springs Road (the "Toll Tunnel Project"); and

WHEREAS, as a result of the taking of the Part Taken by the TTA for the Toll Tunnel Project, Landlord and Tenant desire to amend the Ground Lease by amending the description of the Original Demised Premises to provide for a continuation of the Ground Lease; and

WHEREAS, Landlord and Tenant acknowledge and agree that in the absence of their cooperation and agreement as set forth herein, the TTA would exercise its power of eminent domain to acquire the Part Taken; and

WHEREAS, in order to expedite the Toll Tunnel Project and to avoid the costs, expenses and inconvenience of prosecuting an eminent domain lawsuit, Landlord and Tenant have worked together to reach a full and final agreement and settlement of all issues regarding the interests of Landlord and Tenant in the demised premises and the extent of damages incurred by Tenant as a result of the Toll Tunnel Project, the terms of which agreement and settlement are set forth herein.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, the benefits flowing to the parties hereto, and other good

and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by both parties, Landlord and Tenant contract and agree as follows:

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.
2. **Amendment to Ground Lease.** The Ground Lease is hereby modified and amended as follows:
 - A. *Demised Premises:* Exhibit A to the Ground Lease, being the description of the Original Demised Premises, is amended to read as set forth in Exhibit C (the "Amended Demised Premises") attached hereto and incorporated herein.
 - B. Except to the extent modified or amended herein, all other terms and obligations of the Ground Lease shall remain unchanged and in full force and effect.
3. **Landscaping.** As a result of the Toll Tunnel Project, a portion of the landscaping along the most northerly property line of the demised premises (and being adjacent to the proposed Keller Springs right-of-way) will be damaged. In conjunction with the construction of the Toll Tunnel Project, the City shall, at its sole cost and expense, replace the damaged landscaping along the Keller Springs right-of-way line to as good a condition as before the construction of the Toll Tunnel Project. Trees that require removal as a result of the Toll Tunnel Project will be replaced with 6-8 inch (measured 4 feet from the ground) caliper trees of similar type. Upon completion of the Toll Tunnel Project, the City will restore irrigation to cover the entire greenway between the parking lot and the southern curb of Keller Springs.
4. **Curbing and Parking.** City shall add curbs and stripe the parking lot at its sole cost and expense. Tenant shall have the right to approve curbing and striping before it is started, provided such approval shall not be unreasonably withheld. Parking spaces shall be a minimum 9'x18'.
5. **Access.** The City shall not block access to the rear of the building. The Demised Premises will not be used for general access to the Airport during the period that Keller Springs is not usable or during any construction period.
6. **Dumpster.** The City will relocate the dumpster enclosure at its sole cost and expense. Tenant shall have the right to approve the location of the dumpster enclosure. The dumpster enclosure shall be constructed using brick and shall retain its current appearance.

7. **Release; Indemnity.** Tenant does hereby fully and completely compromise, settle, remise, release and forever discharge Landlord of and from any and all claims, actions, causes of action, liability or lawsuit of any kind whatsoever (including any claim, action, cause of action, or lawsuit for any fees, costs or expenses), known or unknown, in law or in equity, which Tenant has or may have against either Landlord relating to, in whole or in part, the value of or damages to the Original Demised Premises, or any part thereof, as a result of the taking of the Part Taken for the Toll Tunnel Project.

Tenant shall indemnify the City and AATI, their officials, officers, employees and agents against, and hold the City and AATI, their officials, officers, employees and agents harmless from, any and all costs, expenses, charges or fees in the event any person ever institutes suit or files a claim against the City or AATI with respect to the value of or damages to the Original Demised Premises, or any part thereof, as a result of the taking of the Part Taken for the Toll Tunnel Project; such indemnification shall include, but is not limited to, the amounts of said claims, and the cost of defending them, including attorneys fees and court costs. The provisions of this Paragraph 7 shall survive the termination of this Agreement.

8. **Landlord Indemnity.** The City shall, at its own cost and expense, defend, indemnify and hold harmless the Tenant, its directors, officers, partners, agents, employees and assigns, and successors in interest, from and against any and all liability, damages, losses, claims, demands, actions, causes of action, costs including reasonable attorneys' fees and expenses (including reasonable attorneys' fees and expenses on appeal), or any of them, resulting from the death or injury to persons (including employees of Landlord) or damage to any property, caused by the construction of the Toll Tunnel Project.

Landlord shall, at its own cost and expense, reimburse Tenant for any and all costs and expenses (including property replacements costs) arising from damage to or loss of Tenant's property or third party property at Concourse Plaza caused by the construction of the Toll Tunnel Project.


9. **Miscellaneous.**

- A. ***Governing Law; Venue.*** This Agreement shall be construed under, and in accordance with, the laws of the State of Texas, and all obligations of the parties created by this Agreement are performable in Dallas County, Texas. Venue for any action under this Agreement shall be in Dallas County, Texas.

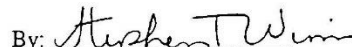
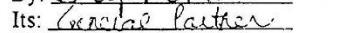
- B. *Legal Construction.* In case any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of the Agreement, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.
- C. *Entire Agreement.* This Settlement Agreement represents the entire and integrated agreement between Landlord and Tenant relative to the Toll Tunnel Project and the damages resulting therefrom and supersedes all prior negotiations, representations and/or agreements, either written or oral.
- D. *Amendment.* This Settlement Agreement may not be altered, waived, amended or extended except by an instrument in writing signed by the City, AATI and the Grantee.
- E. *Authority to execute.* The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Settlement Agreement on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

EXECUTED at Dallas County, Texas on the day and year first written above.

LANDLORD
TOWN OF ADDISON, TEXAS

By: 
Ron Whitehead, City Manager

TENANT
CONCOURSE PLAZA, LTD.

By: 
Its: 

ADDISON AIRPORT OF TEXAS, INC.


By: 
Sam Stuart, *President 3/29/11*

EXHIBIT A

83-147-109211-FF 13-00 - CTLE ①
THE STATE OF TEXAS
COUNTY OF DALLAS

GROUND LEASE

This Ground Lease (hereinafter referred to as the "Lease") is made and entered into as of October 11, 1988, by and among the City of Addison, Texas, a municipal corporation (hereinafter sometimes referred to as the "City," Addison Airport, Texas, Inc., a Texas Corporation (hereinafter sometimes referred to as "AATI") and Bunnell Properties, Inc., a Texas Corporation (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, AATI leases that certain real property (hereinafter referred to as the "demised premises") described in attached Exhibit A to the City pursuant to that certain instrument captioned Agreement for Operation of the Addison Airport (hereinafter referred to as the "Base Lease") between the City and Addison Airport, Inc. (predecessor of AATI); and

WHEREAS, the demised premises are situated at Addison Airport (hereinafter referred to as the "Airport") in Dallas County, Texas, the Airport being delineated in a plat attached hereto as Exhibit B; and

WHEREAS, the City and AATI hereby lease and demise the demised premises to Tenant, and Tenant hereby leases and takes the demised premises from the City and AATI, upon the terms and conditions set forth herein;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

1. Base Lease: All of the terms and conditions of the Base Lease are incorporated into this Lease by reference as if written verbatim herein, and Tenant by Tenant's execution hereof acknowledges that AATI has furnished Tenant with a copy of the Base Lease. Tenant agrees to fully comply at all times and in all respects with the terms and conditions of the Base Lease insofar as the same relate to the demised premises and/or the use and operation thereof, except that Tenant shall not be responsible for the payment of any rental due under the Base Lease which shall be paid by AATI.

2. Definition of Landlord and Effect of Default under the Base Lease: The term "Landlord" as hereinafter used in this Lease shall mean either AATI or the City. So long as the Base Lease is in effect, AATI shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. Upon the expiration or termination of the Base Lease, the City shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. The City agrees that (i) until such time as the City notifies Tenant to the contrary in writing, Tenant is fully authorized to make all payments due under this Lease to AATI; and (ii) that default by AATI under the Base Lease shall have no effect on this Lease so long as Tenant pays and performs its duties, covenants and obligations under this Lease.

3. Term: The term hereof shall commence on the earlier of October 1, 1988, or the first day of the first calendar month after Tenant completes the construction hereinafter described and opens for business at the demised premises. The applicable date being hereinafter referred to as the "Commencement Date", and shall end four hundred eighty (480) months thereafter, provided, however, that any entry upon the demised premises by Tenant prior to the Commencement Date shall be subject to all of the terms and conditions hereof except that rental shall not accrue.

4. Rental: Subject to adjustment as hereinafter provided, Tenant agrees to pay to Landlord, without offset or deduction, for the demised premises at the rate of SIXTEEN HUNDRED SEVEN DOLLARS AND 00/100 per month, the first of such monthly installment shall be due and payable on or before the Commencement Date, and a like installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

5. Adjustment of Rental: Commencing on the second anniversary of the Commencement Date and on every bi-annual anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under paragraph 4 shall be adjusted as follows:

(i) A comparison shall be made between the Consumers' Price Index: All Items for the Dallas, Texas Metropolitan Area (hereinafter referred to as the "Price Index") as it existed on the Commencement Date and as it exists on the first day of the calendar month preceding the then applicable Adjustment Date.

(ii) The monthly rental for the two (2) year period beginning with and following the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of increase or decrease in the Price Index between the Commencement Date and the then applicable Adjustment Date, but in no event shall such monthly rental ever be decreased below the monthly rental set forth in paragraph 4.

(iii) In the event that the Price Index is unavailable for whatever reason for the computations set forth hereinabove, another index approximating the Price Index as closely as feasible shall be substituted hereof.

6. Use of Demised Premises and Construction of Improvements: The demised premises shall be used and occupied by Tenant only for the following purposes: sale of aircraft and aircraft parts, aircraft maintenance and repair, aircraft storage, aircraft training, aircraft charter, and aircraft rentals, and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications.

These improvements consist of a combination office/airplane hangar facility containing approximately 42,500 square feet of office space and five airplane hangars, the preliminary plans for which have been prepared by Bogard Architects, Inc. Construction prints to be approved by Addison Municipal Airport prior to the start of construction.

All construction shall be strictly in accordance with such plans and specifications, and such construction shall be performed in a first class, workmanlike manner. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection with such construction.

7. Acceptance of Demised Premises: Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the purpose for which the same are leased in their present condition.

8. Securing Governmental Approvals and Compliance with Law: Tenant at Tenant's sole cost and expense shall obtain any and all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises. Tenant shall comply at all times with all governmental laws, ordinances and regulations applicable to the use of the demised premises, and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with the demised premises, all at Tenant's sole cost and expense.

9. Assignment, Subletting and Mortgaging of Leasehold Estate:

A. Without the prior written consent of Landlord, Tenant may not assign this Lease or any rights of Tenant hereunder (except to a leasehold mortgage as hereinafter provided) or sublet the whole or any part of the demised premises. Any assignment or subletting shall be expressly subject to all the terms and provisions of this Lease, including the provisions of paragraph 6 pertaining to the use of the demised premises. In the event of any assignment or subletting, Tenant shall not assign Tenant's rights hereunder or sublet the demised premises without first obtaining a written agreement from each such assignee or sublessee whereby each such assignee or sublessee agrees to be bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a novation. In the event of the occurrence of an event of default while the demised premises are assigned or sublet, Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all rents becoming due under this Lease, and assignee or subtenant shall remain liable to Landlord hereunder. No direct collection by Landlord from any such assignee or subtenant shall release Tenant from the payment or performance of Tenant's obligations hereunder.

B. Tenant shall have the right to mortgage the leasehold estate of Tenant created hereby in order to secure a mortgage loan for the purpose of obtaining funds for the construction of the improvements described in paragraph 6 or for other construction upon the demised premises approved from time to time by Landlord in writing. In the event that Tenant pursuant to mortgages or deeds of trust mortgages the leasehold estate of Tenant created hereby, the leasehold mortgages shall in no event become personally liable to perform the obligations of Tenant under this Lease unless and until said mortgage becomes the owner of the leasehold estate pursuant to foreclosure or transfer in lieu of foreclosure or otherwise, and thereafter said leasehold mortgage shall remain liable for such obligations only as long as such mortgage remains the owner of the leasehold estate. Notwithstanding the foregoing, it is specifically understood and agreed that such mortgaging by Tenant and/or any actions taken pursuant to the terms of such mortgage shall never release Tenant from its obligation to pay the rental due hereunder and otherwise fully perform the terms and conditions of this Lease.

C. All mortgages of lands of trust already Tenant mortgages the leased estate of Tenant created hereby shall continue in full effect until the expiration of the term hereof and fifteen (15) days written notice prior to accelerating the debt of Tenant or such mortgage and/or initiating foreclosure proceedings or deeds of trust, and until the Landlord during such fifteen (15) day notice period to cure Tenant's default and prevent acceleration and/or foreclosure proceedings, and thereafter in Landlord's option to assume Tenant's position under said mortgages or deeds of trust.

D. Landlord agrees, if and so long as the leasehold estate of Tenant is encumbered by a leasehold mortgage and written notice to such effect has been given to Landlord, to give the holder of such leasehold mortgage at such address or addresses as may be specified in such written notice to Landlord for the giving of notices to the leasehold mortgagee at such address or addresses as may be specified in such written notice to Landlord in writing, written notice of any default hereunder by Tenant, simultaneously with the giving of such notice to Tenant, and the holder of any such leasehold mortgage shall have the right, for a period of fifteen (15) days after its receipt of such notice or within any longer period of time specified in such notice, to take such action or to make payment as may be necessary or appropriate to cure any such default so specified, it being the intention of the parties hereto that Landlord shall not exercise Landlord's right to terminate this Lease without first giving any such leasehold mortgage the notice provided for herein and affording any such leasehold mortgagee the right to cure such default as provided for herein.

E. Landlord further agrees to execute and deliver to any proposed leasehold mortgagee of Tenant a "Non-Disturbance Agreement" wherein Landlord agrees that Landlord will (i) recognize such mortgage and its successors and assigns after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such mortgagee or its successors and assigns performs all of the obligations of Tenant hereunder. Landlord also agrees to execute and deliver to such proposed leasehold mortgagee any other documents which such proposed leasehold mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby, provided, however, that Landlord shall never be required to subordinate Landlord's interest in the demised premises to the mortgage of such proposed leasehold mortgagee.

10. Property Taxes and Assessments: Tenant shall pay any and all property taxes or assessments levied or assessed on the improvements on the demised premises, the personal property and fixtures on the demised premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord a "paid receipt" or other written evidence that all such taxes have been paid by Tenant.

11. Maintenance and Repair of Demised Premises:

A. Tenant shall, throughout the term hereof, maintain in good repair and condition all the demised premises and all fixtures, equipment and personal property on the demised premises and keep them free from waste or nuisance and, at the expiration or termination of this Lease, deliver up the demised premises clean and free of trash and in good repair and condition, with all fixtures and equipment situated in the demised premises in working order, reasonable wear and tear excepted.

B. In the event Tenant shall fail to so maintain the demised premises and the fixtures, equipment and personal property situated thereon, Landlord shall have the right (but not the obligation) to cause all repairs or other maintenance to be made and the reasonable costs thereof expended by Landlord plus interest thereon as provided in paragraph 37 shall be paid by Tenant on demand.

12. Alterations, Additions and Improvements: After completion of the improvements described in paragraph 6, Tenant shall not make any openings in the roof or exterior walls, or make any alterations, additions or improvements to the demised premises without the prior written consent of Landlord. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld by Landlord. Tenant shall have the right to erect or install shelves, bins, machinery, air conditioning or heating equipment and trade fixtures provided that Tenant complies with all applicable governmental laws, ordinances and regulations.

All alterations, additions and improvements made to the demised premises shall be performed in a first class, workmanlike manner and Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection therewith.

13. Insurance: Tenant shall during the term hereof maintain at Tenant's sole cost and expense insurance relating to the demised premises as follows:

(i) Insurance against loss or damage to improvements by fire, lightning, and other risks from time to time included under standard extended coverage policies, and sprinkler, vandalism and malicious mischief, all in amounts sufficient to prevent Landlord or Tenant from becoming contributors of any loss under the applicable policies but in any event in amounts not less than eighty percent (80%) of the full insurable value of the demised premises. The term "full insurable value" as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser, a copy of whose findings shall be submitted to Landlord, and, therefore, proper adjustment in the limits of insurance coverage shall be effected.

(ii) General public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the demised premises, such insurance to afford protection to Landlord of not less than \$500,000.00 with respect to any one person; \$1,000,000.00 with respect to any one accident and not less than \$200,000.00 with respect to property damage.

(iii) Workmen's compensation insurance covering all persons employed by Tenant in connection with any work done on or about the demised premises with respect to which claims for death or bodily injury could be asserted against Landlord or the demised premises, or in lieu of such workmen's compensation insurance a program of self-insurance complying with the rules, regulations and requirements of the appropriate state agency of the State of Texas.

(iv) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, erupting, collapsing, imploding or exploding, in the minimum amount of \$100,000.00 for damage to property resulting from such perils.

(v) Such other insurance on improvements in such amounts and against such other insurable hazard which at the time are commonly obtained in the case of property similar to such improvements.

(vi) Manager/keeper's liability insurance providing for coverage in the following limits: \$200,000.00 per accident and \$400,000.00 per occurrence on property damage to aircraft in the care, custody or control of Tenant.

(vii) During any period of construction, a Builder's Risk Completed Value policy with an all risks endorsement.

All such policies of insurance (i) shall be issued by insurance companies acceptable to Landlord, (ii) shall name Landlord as an additional insured or loss payee, as the case may be, and (iii) shall provide for at least ten (10) days written notice to Landlord prior to cancellation or modification. Tenant shall provide Landlord with duplicate originals of all insurance policies required by this paragraph.

14. Casualty Damage or Destruction:

A. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant will promptly give written notice thereof to Landlord, generally describing the nature and extent of such damage and/or destruction.

B. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, whether or not the insurance proceeds, if any, payable or account of such damage and/or destruction shall be sufficient for such purpose, at Tenant's sole cost, risk and expense will promptly commence and complete the restoration, repair and replacement of such buildings, structures and equipment as nearly as possible in their original condition and character immediately prior to such damage and destruction, with such alterations and additions thereto as may be approved in writing by Landlord thereinafter sometimes referred to as the "Restoration".

C. All insurance proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the demised premises shall be held by Landlord. Landlord shall be protected in acting upon any certificate believed by Landlord to be genuine and to have been executed by the proper party and shall receive such certificate as conclusive evidence of any factor as to any matter therein set forth. Such certificate shall be full warranty, authority and protection to Landlord in acting thereon, and Landlord shall be under no duty to take any action other than as set forth in this paragraph 14.

D. Insurance proceeds received by Landlord on account of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, less the costs, fees and expenses incurred by Landlord and Tenant in the collection thereof, including, without limitation, adjuster's and attorney's fees and expenses, shall be applied as follows:

(i) Net insurance proceeds as above defined shall be paid to Tenant or as Tenant may direct from time to time as Restoration proceeds to pay (or reimburse Tenant for the cost of Restoration) upon written request of Tenant to Landlord accompanied by a certificate of a supervising architect or engineer approved by Landlord, describing in reasonable detail the work and materials, in question and the cost thereof, stating that the same were necessary or appropriate to the Restoration and constitute a complete part thereof, and that no part of the cost thereof has theretofore been reimbursed, and specifying the additional amount, if any, necessary to complete the Restoration and (ii) an opinion of counsel satisfactory to Landlord that there exists no mechanics, materialmen and liens for labor or materials except such, if any, as are satisfied by the payment of the amount requested.

(iii) Upon receipt by Landlord of proceeds of the Restoration incurred by the foregoing adjuster's and Landlord's Restoration costs

15. If in any event Tenant does not promptly commence Restoration, or after commencement Tenant does not diligently prosecute the completion of same, Landlord shall have the right to commence or complete Restoration after Landlord has given Tenant thirty (30) days prior written notice requesting the commencement of Restoration or that Tenant diligently prosecute to the completion of same. Tenant during such thirty (30) day period does not so commence or proceed to diligently complete Restoration. In such event, Landlord shall retain the insurance proceeds, and Tenant shall pay any deficiency if such proceeds are not sufficient for Restoration.

15. Condemnation:

15.1. If during the term hereof, any part of the demised premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, or are sold to a condemning authority under threat of condemnation, and after such taking by or sale to said condemning authority the remainder of the demised premises is not susceptible to efficient and economic occupation and operation by Tenant, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the demised premises and Landlord shall refund to Tenant any prepaid but unaccrued rental less any sum then owing by Tenant to Landlord.

15.2. If after such taking by or sale to said condemning authority the remainder of the demised premises is susceptible to efficient and economic occupation and operation by Tenant, this Lease shall not terminate but the rental due hereunder shall be adjusted so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly rental installment due hereunder, as adjusted from time to time pursuant to paragraph 5, by a fraction, the numerator of which shall be the number of square feet remaining in the demised premises after the taking by or sale to said condemning authority and denominator of which shall be the square footage originally contained in the demised premises. The rental adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the demised premises.

15.3. If this Lease is not terminated pursuant to Section A, Tenant shall promptly restore the improvements on the demised premises and the condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid first to cover the cost and expenses for restoring the remaining portion of the demised premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any remaining proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interest may appear. If this Lease is terminated pursuant to Section A, condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interests may appear.

16. Utilities. Tenant shall be responsible at Tenant's sole cost and expense for obtaining all utility connections at or for the demised premises and to Tenant shall pay all charges for water, electricity, gas, sewer, telephone or any other utility connections, tap-in fees and services furnished to the demised premises during the term hereof. Landlord shall in no event be liable or responsible for any cessation or interruption in any such utility services.

17. Common Facilities. Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use: common facilities, improvements, equipment and services, which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of Landlord's customers and tenants, including landing and takeoff facilities, means of ingress and egress to the demised premises, other airport installations, and all other reasonable services which may be provided without charge from time to time by Landlord in operating the Airport. All such common facilities shall at all times be under the exclusive control and management of Landlord and may be rearranged, modified, changed or terminated from time to time at Landlord's sole discretion.

18. Rules and Regulations. Landlord has adopted Rules and Regulations (hereinafter referred to as the "Rules and Regulations") which shall govern Tenant in the use of the demised premises and all common facilities, a copy of which has been furnished to Tenant. The Rules and Regulations are incorporated by reference as if written verbatim herein, and Tenant agrees to comply fully at all times with the Rules and Regulations. Landlord shall have the right to amend, notify and alter the Rules and Regulations from time to time in a reasonable manner for the purpose of assuring the safety, welfare and convenience of Landlord, Tenant and all other Tenants and customers of the Airport.

19. Signs and Equipment. After first securing Landlord's approval which will not be unreasonably withheld, Tenant shall have the right from time to time to install and operate advertising signs and radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the demised premises that may be reasonably necessary for the operation of Tenant's business.

20. Landlord's Right of Entry. Landlord and Landlord's authorized representatives shall have the right, during the normal business hours, to enter the demised premises (i) to inspect the general condition and state of repair thereof, (ii) to make repairs deemed under this Lease to be necessary, and (iii) to inspect the demised premises for any prospective tenant or purchaser or (iv) for any other reasonable and lawful purpose.

During the final one hundred eighty (180) days of the term hereof, Landlord and Landlord's authorized representatives shall have the right to erect and maintain on or about the demised premises customary signs advertising the demised premises for lease or for sale.

21. Indemnity and Exculpation:

A. Landlord shall not be liable to Tenant or to Tenant's employees, agents, servants, customers, invitees or to any other person whatsoever for any injury to persons or damage to property on or about the demised premises or any adjacent area owned by Landlord caused by the negligence or misconduct of Tenant, Tenant's employees, servants, customers, invitees, subcontractors, licensees, or concessionaires or any other person entering the demised premises under express or implied invitation of Tenant, or arising out of the use, performance of Tenant's obligations hereunder, or the conduct of Tenant's business thereon, or arising out of any other cause in whole or in part, expense or claims arising out of such damage or injury.

B. Landlord and Landlord's agents and employees shall not be liable to Tenant for any injury to persons or damage to property resulting from the demised premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the demised premises, regardless of the source, or dampness or fire, explosion, falling plaster or ceiling or for any other reason whatsoever. Landlord shall not be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in construction of any private, public or quasi-public work, or of any other persons whatsoever, excepting only such authorized agents and employees of Landlord.

22. Default by Tenant.

The following events shall be deemed to be events of default by Tenant under this Lease:

- A. Failure of Tenant to pay any installment of rent or any other sum payable in Landlord hereunder on the date that same is due and such failure shall continue for a period of ten (10) days.
- B. Failure of Tenant to comply with any term, condition or covenant of this Lease, other than the payment of rent or other sum of money, and such failure shall not be cured within thirty (30) days after written notice thereof to Tenant.
- C. Insolvency, the making of a transfer in fraud of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.
- D. 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 Tenant or any guarantor of Tenant's obligations, or adjudication as a bankrupt or insolvent in proceedings filed against Tenant or such guarantor.
- E. Abandonment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.
- F. Abandonment by Tenant of any substantial portion of the demised premises or cessation of use of the demised premises for the purpose leased.

23. Remedies of Landlord.

Upon the occurrence of any of the events of default listed in paragraph 22, Landlord shall have the option to pursue any one or more of the following remedies without the notice or demand whatsoever:

- A. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or arrears in rent, enter upon and take possession of the demised premises and evict or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for possession of any claim for damages therefor. Tenant shall pay to Landlord on demand the amount of all loss and damages which Landlord may suffer by reason of such termination, whether through inability to relet the demised premises on satisfactory terms or otherwise.
- B. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to so surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have for possession of the demised premises or arrears in rent, enter upon and take possession of the demised premises and evict or remove Tenant and any other person who may be occupying the demised premises or any part thereof, without being liable for possession of any claim for damages therefor. Tenant shall pay to Landlord on demand the amount of all loss and damages which Landlord may suffer by reason of such termination, whether through inability to relet the demised premises on satisfactory terms or otherwise. In addition, Tenant shall be liable for the total amount of all monthly rents and other amounts, to be paid by Tenant to Landlord hereunder for the period which would otherwise have constituted the unexpired portion of the term of this Lease over the fair market rental value of the demised premises set forth upon the unexpired portion of the term of this Lease.
- C. Enter upon and take possession of the demised premises without terminating this Lease and without being liable for possession of any claim for damages therefor, and evict or remove Tenant and any other person who may be occupying the demised premises or any part thereof.

11/1/77

percentage of the total amount of such costs shall be borne by each of any such parties in determining the amount of such costs. The amount of such costs shall be determined by the arbitrator. The arbitrator's award shall be final and binding on all parties. The amount of such costs shall be borne by each of any such parties in determining the amount of such costs. The amount of such costs shall be determined by the arbitrator. The arbitrator's award shall be final and binding on all parties.

20. **Waiver of Subrogation.** Each party hereto waives any and every claim which arises or may arise in such party's favor against the other party hereto during the term of this lease for any and all loss of, or damage to, any of such party's property located within the leased premises or constituting a part of the demised premises, which loss or damage is covered by valid and collectible fire and extended coverage insurance policies to the extent that such loss or damage is covered by such insurance policies. Such mutual waivers shall be in addition to, and not in limitation of, any other waiver or release contained in this Lease with respect to any loss of, or damage to, property of the parties hereto inasmuch as such mutual waivers will preclude the assignment of any proceeds of any such insurance policy to the other party hereto (or any other persons). Each party hereto agrees immediately to provide each party hereto with a copy of the policy of such insurance company which has issued to such party policies of fire and extended coverage insurance, written notice of the terms of such insurance policies, and to cause such insurance policies to be properly endorsed, if necessary, to prevent the invalidation of such insurance coverage by reason of such waivers.

21. **Title to Improvements.** Any and all improvements on the demised premises shall become the property of Landlord upon the expiration or termination of this Lease, provided, however, (i) if Tenant is not then in default hereunder, Tenant shall have the right to remove all personal property and these fixtures owned by Tenant from the demised premises, but Tenant shall be required to repair any damage to the demised premises caused by such removal in a good and workmanlike manner and at Tenant's sole cost and expense, and (ii) Landlord may, at its option, require Tenant to remove all improvements from the demised premises and restore the demised premises to the condition in which the same existed on the date hereof, in which event Tenant shall promptly perform such removal and restoration in a good and workmanlike manner and at Tenant's sole cost and expense.

22. **Mechanics' and Materialmen's Liens.** Tenant agrees to indemnify and hold Landlord harmless of and from all liability arising out of the filing of any mechanics' or materialmen's liens against the demised premises by reason of any willful or negligent act or omission of Tenant or the other party hereto, and to pay the reasonable costs of defense and collection of such liens and to collect the amount expended from Tenant's general account, with interest thereon as provided in paragraph 37 as additional rent, provided, however, that Landlord shall not be liable for such liens until fifteen (15) days after written notification to Tenant of such liens and Tenant's failure to do so and Tenant's failure during such fifteen (15) day period to bond such liens or to secure funds with appropriate parties to protect Landlord's interest in the demised premises.

23. **Title.** Tenant accepts the demised premises subject to: (i) the Base Lease; (ii) the Rules and Regulations, Ordinance and rights of way, and zoning ordinances and other ordinances, laws, statutes or regulations now in effect or hereafter promulgated by any governmental authority having jurisdiction over the demised premises.

24. **Quiet Enjoyment and Subordination.** Landlord covenants, represents and warrants that Landlord has full right and power to execute and perform this Lease and to warrant the estate demised herein, and that Tenant, upon payment of the rent herein reserved, and performance of the terms, conditions, covenants and agreements herein contained, shall peacefully and quietly have, hold and enjoy the demised premises during the full term of this Lease, provided, however, that Tenant accepts this Lease subject and subordinate to any recorded mortgage, deed of trust or other lien presently existing upon the demised premises. Landlord further is hereby irrevocably vested with full power and authority by Tenant to subordinate Tenant's interest hereunder to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises or to declare this Lease prior and superior to any mortgage, deed of trust or other lien now existing or hereafter placed on the demised premises, provided, however, any such subordination shall be upon the express and clear conditions that (i) this Lease shall be recognized by the mortgagee and that all of the rights of Tenant shall remain in full force and effect during the full term of this Lease on condition that Tenant accede to the mortgagee, its successors and assigns, and perform all of the covenants and conditions required by the terms of this lease, and (ii) in the event of foreclosure or any enforcement of any such mortgage, the rights of Tenant hereunder shall expressly survive and this Lease shall in all respects continue in full force and effect so long as Tenant shall fully perform all Tenant's obligations hereunder and accede to the purchaser. Tenant also agrees upon demand to execute further instruments declaring this Lease prior and superior to any mortgage, deed of trust or other lien and specifically providing that this Lease shall survive the foreclosure of such mortgage, deed of trust or other lien.

25. **Rent on Net/Reimburse Basis.** Except for the rental due under the Base Lease during the time that AAT is the Landlord hereunder, it is intended that the rent provided for in this Lease shall be an absolutely net/reimburse to Landlord for the term of this Lease, free of any, cost, expenses or charges with respect to the demised premises, including, without limitation, maintenance, repairs, replacement, insurance taxes and assessments, and this Lease shall be construed in accordance with and to effectuate such intention.

26. **Holding Over.** Should Tenant, or any of Tenant's successors in interest fail to surrender the demised premises, or any part thereof, on the expiration of the term of this Lease, such holding over shall constitute a tenancy from month to month on the same terms as any time by either Landlord or Tenant after thirty (30) days prior written notice to the other, at a monthly rental equal to two hundred and twenty (220%) of the rent paid for the last month of the term of this Lease.

27. **Waiver of Default.** No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Lease shall be deemed to be a waiver of any subsequent default or breach of the same or any other term, condition or covenant contained herein.

28. **Release of Landlord Upon Transfer.** All of Landlord's personal liability for the performance of the terms and conditions of this Lease (except for any liability accruing prior to such transfer) shall terminate upon a transfer of the demised premises to a third party, provided that the obligations of Landlord under this Lease are covenants running with the land and shall be binding upon the transferee, Landlord's interest in this Lease and the demised premises.

29. **Attorneys' Fees.** If on account of any breach of default by Landlord or Tenant of their respective obligations under this Lease, shall become necessary for the other to employ an attorney to enforce or defend any of such party's rights or remedies hereunder, and should such party prevail, such party shall be entitled to collect reasonable attorneys' fees incurred in such connection from the other party.

30. **Financial Information.** Tenant agrees that Tenant will, from time to time upon the written request of Landlord, provide to Landlord the financial information to Landlord such as profit and loss statements as Landlord may reasonably request.

31. **Escrow Certificates.** Tenant agrees that from time to time upon demand from Landlord, Tenant shall deliver to Landlord a statement in writing certifying that:

A. This Lease is unimpaired and in full force and effect and there have been no modifications, amendments, assignments, transfers, and effect and stating the modifications.

B. The taxes which have and other charges have been paid.

C. Landlord is not in default under any term, condition or covenant of this Lease and in default, the nature thereof and of all remedies available to Landlord.

D. There are no suits, claims or demands pending or threatened against or by any party to this Lease.

Landlord and Tenant, with the following exceptions: (1) the parties' mutual agreement and (2) the parties' mutual agreement to modify or amend this Lease.

Landlord agrees that from time to time, upon notice that ten (10) days prior to which must be given by Tenant, Landlord will provide to Tenant a statement in writing certifying that:

- A. This Lease is unmodified and in full force and effect for all there have been modifications, that the Lease is modified in its whole or effect and stating the modifications;
- B. The dates to which rent and other charges have been paid;
- C. Tenant is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached thereto.

37. Interest on Tenant's Obligations and Manner of Payment. All monetary obligations of Tenant to Landlord under this Lease remaining unpaid ten (10) days after the due date of the same (if no due date has been established under other provisions hereof, the "due date" shall be the date upon which Landlord demands payment from Tenant) in whole or in part shall bear interest at the rate of ten percent (10%) per annum from and after said tenth (10th) day until paid. If more than twice during the term of the Lease Tenant is notified in writing that a check is not paid by the bank on which it is drawn for whatever reason, Landlord may require by giving written notice to Tenant that the payment of all monetary obligations of Tenant under this Lease here to be made on or before the due date by cash, cashier's check, certified check or money order, and the delivery of Tenant's personal or corporate check will no longer constitute payment of such monetary obligations. Any acceptance by Landlord of a personal or corporate check after such notice shall not be deemed or construed as a waiver or estoppel of Landlord to require other payments as required by said notice.

38. Independent Contractor. It is understood and agreed that in leasing and operating the demised premises, Tenant is acting as an independent contractor and is not acting as agent, partner, joint venturer or employee of Landlord.

39. Force Majeure. In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by any Act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

40. Exhibits. All exhibits, attachments, annexed instruments and addenda referred to herein shall be considered part hereof for all purposes with the same force and effect as if copied verbatim herein.

41. Use of Language. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular shall be held to include the plural, unless the context otherwise requires.

42. Captions. The captions or headings of paragraphs in this Lease are inserted for convenience only and shall not be considered in construing the provisions hereof if any question of intent should arise.

43. Successors. The terms, conditions and covenants contained in this Lease shall apply to and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities and duties of Landlord under this Lease, including, but not limited to, any rights required or permitted to be delivered by Landlord to Tenant hereunder, may at Landlord's option, be exercised or performed by Landlord's agent or attorney.

44. Severability. If any provision in this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

45. Notices. Any notice or document required or permitted to be delivered hereunder may be delivered in person or shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to the parties at the addresses indicated below, or at such other addresses as may have been previously specified by written notice delivered in accordance herewith.

LANDLORD Addison Avion of Texas, Inc. P. O. Box 34367 Dallas, Texas 75234 City of Addison, Texas P. O. Box 144 Addison, Texas 75001	TENANT Bunnell Properties, Inc. 1495 Dallas Parkway, Suite 500 Dallas, Texas 75240 980-1704
---	---

46. Fees or Commissions. Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers', agents' or finders' fees or commissions agreed to by such party arising from the negotiation of this Lease or the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

47. Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

48. Governing Law and Venue. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, and Landlord and Tenant both irrevocably agree that venue for any dispute concerning this Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas.

49. Entire Agreement and Amendments. This Lease, consisting of forty-nine (49) paragraphs and Exhibits A through E attached hereto, embodies the entire agreement between Landlord and Tenant and supersedes all prior agreements and understandings, written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise specifically provided herein, no agreement hereafter made shall be effective to change, modify, discharge or effect an amendment to this Lease, in whole or in part, unless such agreement is in writing and signed by or in behalf of the party against whom enforcement of such change, modification, discharge or amendment is sought.

EXECUTED as of the day month and year first above written.

.....

The additional provisions contained in the Addendum attached hereto are hereby incorporated herein for all purposes.

.....

LANDLORD ADDISON AVION OF TEXAS, INC. By: <u>[Signature]</u> Its: <u>President</u> City of Addison, Texas By: <u>[Signature]</u> Its: <u>[Signature]</u> Bunnell Properties, Inc. By: <u>[Signature]</u>	1/16/03 1/16/03
--	--------------------

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Henry Stuart
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 19 52

Beatty P. Jones
Notary Public
Dallas
County, Texas



STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Jerry Piddin
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purpose and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of November, 19 53



Beatty P. Jones
Notary Public
Dallas
County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared David Lunnell
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 19 53



Beatty P. Jones
Notary Public
Dallas
County, Texas

7466

ADDENDUM TO GROUND LEASE,
dated October 11, 1983,
by and among
the City of Addison, Texas,
Addison Airport of Texas, Inc.
and Bunnell Properties, Inc.

This Addendum is attached to and made a part of the foregoing and above referenced Lease for all purposes. In the event of conflict or inconsistency between the printed portion of this Lease and this Addendum, the terms of this Addendum shall control.

A. The words "general office uses" are added to the list of the purposes for which Tenant may use and occupy the demised premises contained in paragraph 6 of the printed portion of this Lease.

B. To induce Landlord to allow use and occupancy of the demised premises for general office purposes, Tenant agrees to give preference to prospective office tenants whose businesses are aeronautically related (hereinafter referred to as "preferred tenant") conditioned upon (i) availability of space, (ii) willingness of the preferred tenant to pay market rental rates, (iii) the preferred tenant's credit standing favorably comparing to those of other prospective tenants, and (iv) willingness of the preferred tenant to enter into a term of agreement comparable to those offered by other prospective tenants.

C. Landlord agrees to remove the electrical lines and poles presently running along the western boundary of the demised premises.

D. Tenant shall have the option to terminate this Lease by delivering written notice of such election to Landlord before April 30, 1984, if Tenant has been unable to obtain revenue bond financing for the improvements which Tenant proposes to construct on the demised premises. If Tenant does not timely deliver such written notice of election to terminate, all rights of Tenant to terminate this Lease pursuant to the foregoing shall lapse and be null and void.

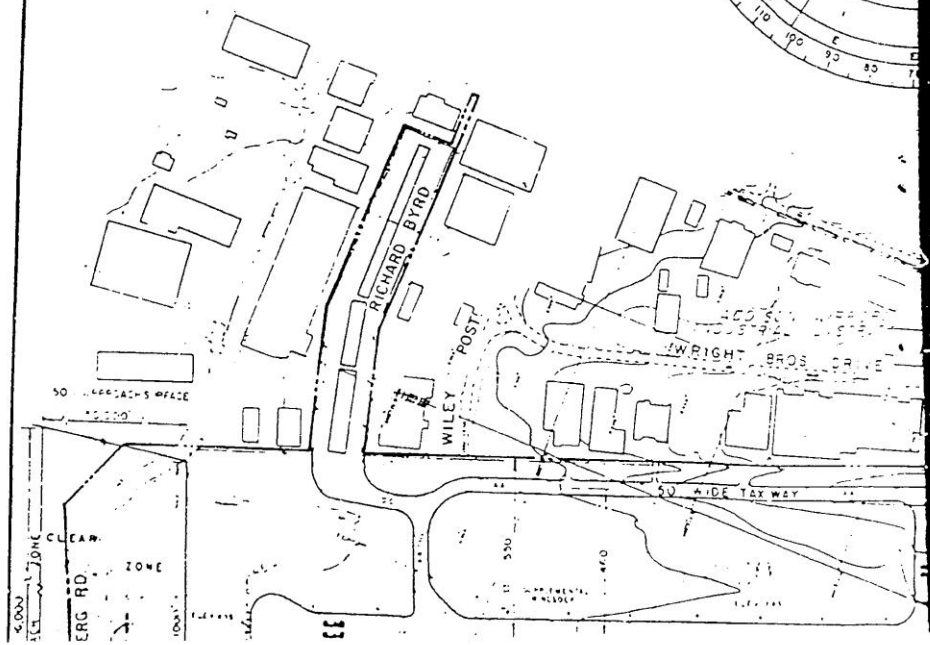
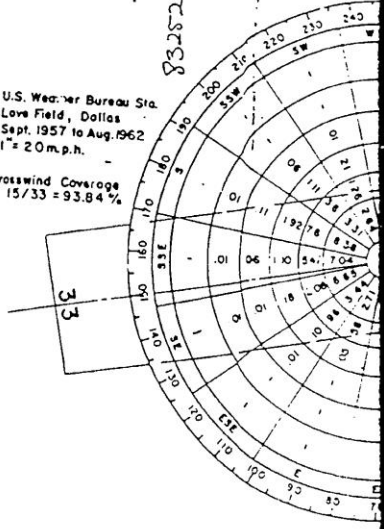
10/11/83

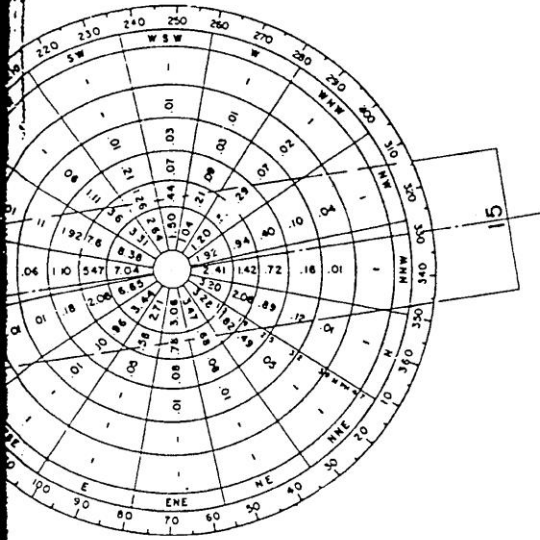
[Handwritten Signature]

83382 7446

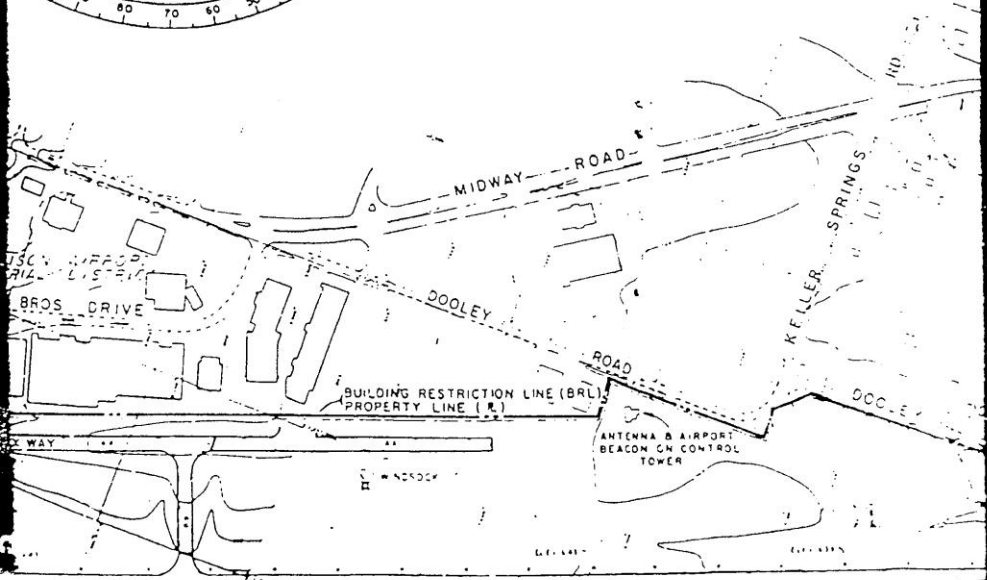
Source : U.S. Weather Bureau Sta.
Love Field, Dallas
Period : Sept. 1957 to Aug. 1962
Scale : 1" = 20 m.p.h.

15 m.p.h. Crosswind Coverage
R/W 15/33 = 93.84%





83252 7147



EX. B

83252 7440

BASIC RUNWAY DATA TABLE

	RUNWAY 15/33	
	EXISTING	ULTIMATE
EFFECTIVE GRAD. ENT. (IN%)	0.03	SAME
% WIND COVERAGE	93.84	SAME
INSTRUMENT RUNWAY	YES	YES
PAVEMENT STRENGTH	805,1000 1600T	SAME
APPROACH SURFACE	50:1 BOTH	SAME
RUNWAY LIGHTING	MIRL	SAME
RUNWAY MARKINGS	ALL WEATHER	SAME
NAVIGATIONAL AIDS	ILS	SAME

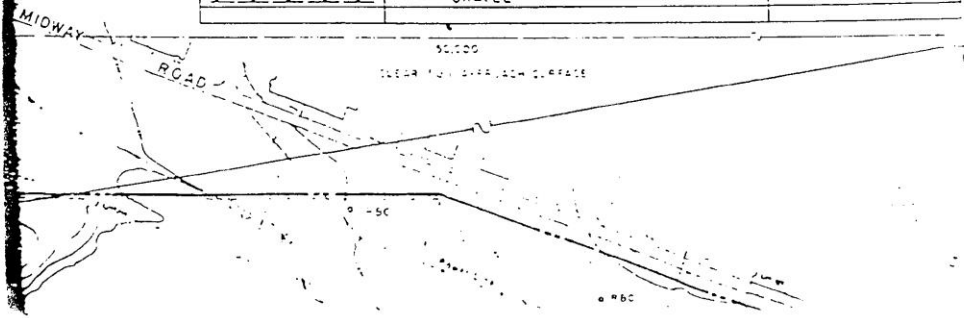
BASIC AIRPORT DATA TABLE

	EXISTING	ULTIMATE
AIRPORT ELEVATION, M.S.L.	643.00	
AIRPORT REFERENCE POINT (ARP) COORDINATES	LAT 32° 58' 10.585" LNG. 96° 50' 08.482"	SAME
MEAN MAX TEMP. OF HOTTEST MONTH	96.1° F	SAME
AIRPORT AND TERMINAL NAVIGATIONAL AIDS	ILS	SAME

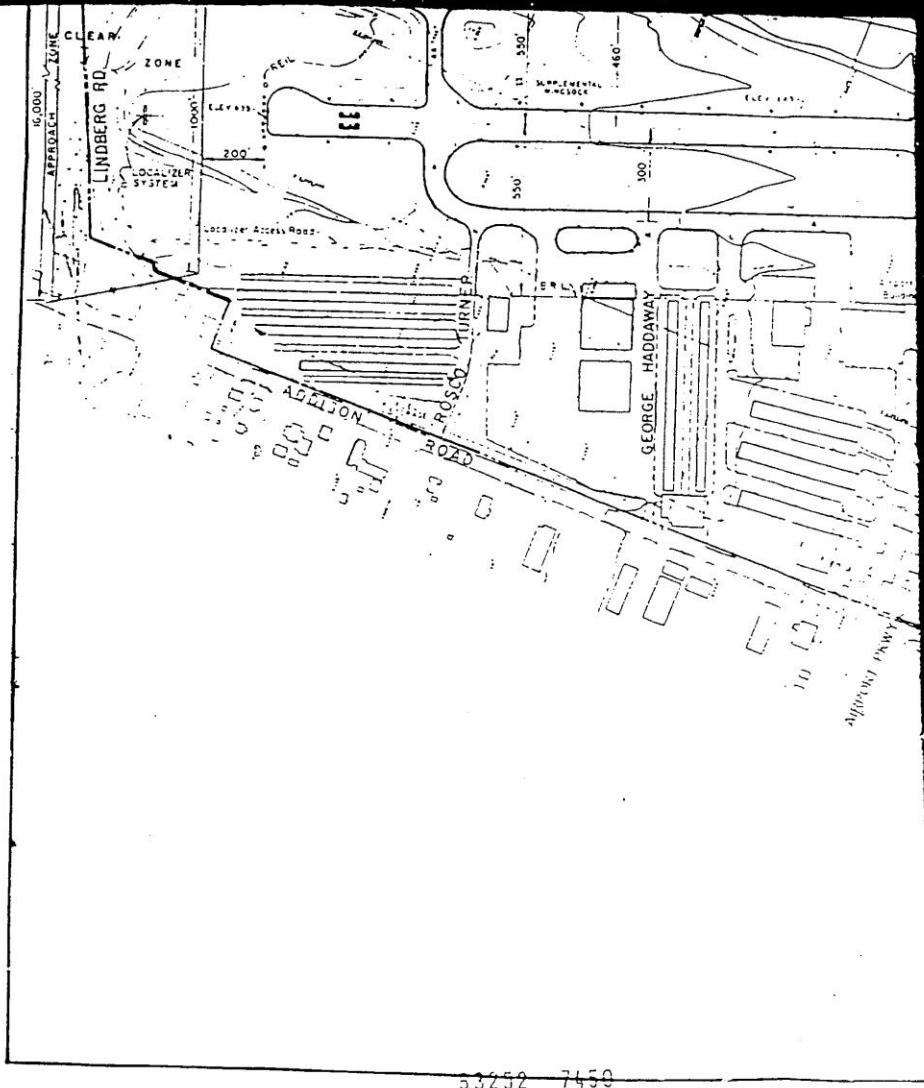
LEGEND

EXISTING		
—x—x—x—	FENCE	
* * * * *	RUNWAY LIGHTS	
433	GROUND CONTOURS	
	BUILDINGS PERTAINING TO AIRPORT	
— — — — —	EXISTING PROPERTY LINE	
— — — — —	PROPERTY ACQUIRED THIS PROJECT	
— — — — —	BUILDING RESTRICTION LINE (BRL)	
	EASEMENTS	
=====	ASPHALT PAVEMENT	
-----	GRAVEL	

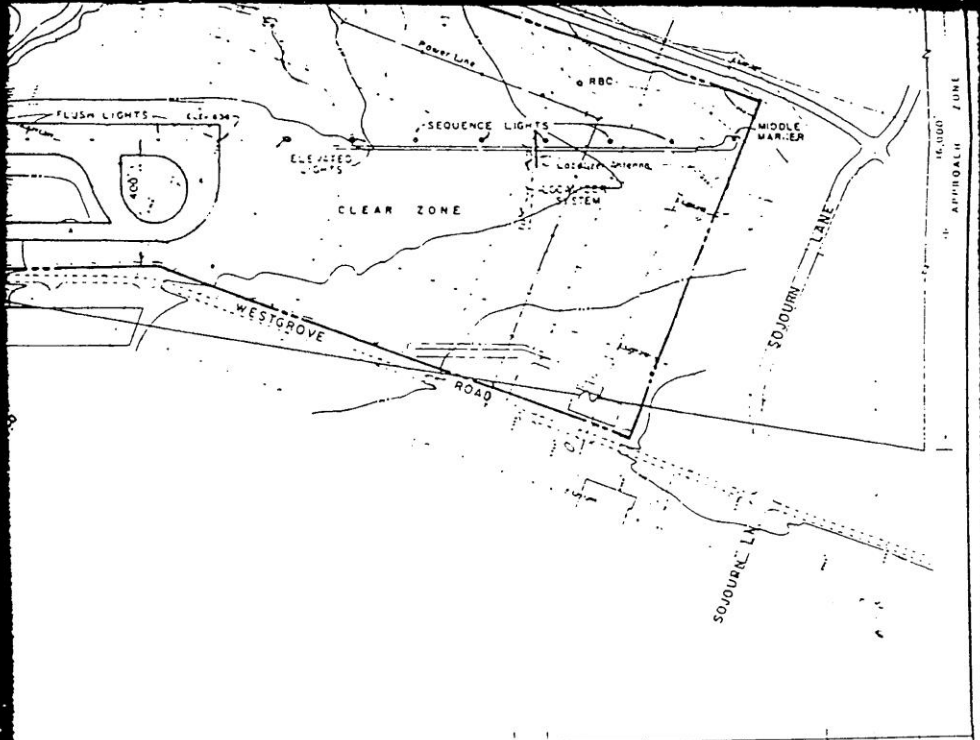
PHIC SCALE



11



53252 7450



ADAP Project No		No		Revision		By		Date			
SUBMITTED BY		DATE		ADDISON MUNICIPAL AIRPORT <u>AIRPORT LAYOUT PLAN</u> ADDISON, TEXAS GINN, INC. Consulting Engineers Dallas, Texas							
AVIATION DIRECTOR		DATE									
APPROVED FOR F A A		DATE		DESIGNED		DATE		TRACED		DATE	
CHIEF - AIRPORTS BRANCH		DATE		DRAWN		DATE		CHECKED		DATE	
APPROVED BY F A A L RODIEN 15 JUNE 83		82852 N7453		FILE No		SCALE 1"=300'		SHEET 1 of			

EXHIBIT A

REAL PROPERTY DESCRIPTION

SITUATED in Dallas County, Texas, and BEING a tract of land situated in the E. COOK SURVEY, ABSTRACT 326, and located on Addison Municipal Airport, Addison, Texas, and being more particularly described as follows:

COMMENCING at the intersection of the centerline of Airport Parkway and the West right-of-way of Addison Road;

THENCE, North 00°22'50" West, along said West right-of-way a distance of 358.67 feet to the POINT OF BEGINNING;

THENCE, South 89°37'10" West, a distance of 145.27 feet;

THENCE, North 1°45'47" East, a distance of 169.44 feet;

THENCE, North 0°38'48" West, a distance of 136.88 feet;

THENCE, North 20°14'53" West, a distance of 180.00 feet;

THENCE, North 71°51'57" East, a distance of 147.04 feet to a point on a curve to the right, said curve having a central angle of 16°46'21", a radius of 788.51 feet and a chord bearing South 45°41'02" East, 230 feet;

THENCE, along an arc length of 230.82 feet to a point;

THENCE, South 0°22'50" East, along the West right-of-way of Addison Road, a distance of 298.48 feet to the POINT OF BEGINNING, containing 1.661 acres (72,348.15 square feet) of land, more or less.

FILED FOR RECORD
This 29th day of December
1933 at 3 59 o'clock P. M.
Earl D. Lusk, County Clerk
Dallas County, Texas
Alfred L. ...

CHICAGO TITLE INSURANCE COMPANY
1750 MERRITT DRIVE
SUITE 112
DALLAS, TEXAS 75201

STATE OF TEXAS COUNTY OF DALLAS
I hereby certify that the instrument was filed on the
date and time stamped hereon on the 29th day of Dec
corded in the volume and p. of the public records
of Dallas County, Texas at 3:59 P. M. of 1933 by me.
DEC 29 1933
Earl D. Lusk
COUNTY CLERK, DALLAS COUNTY, TEXAS

83252 7455

EXHIBIT B

83-165-10911- FF 11.00 (2) CTIC

ASSIGNMENT OF LEASE

1680

11/12/83

THIS AGREEMENT is made as of this the 1st day of December, 1983, at Addison, Texas, between BUNNELL PROPERTIES, INC., a Texas corporation, hereinafter called "Assignor", and CONCOURSE PLAZA, LTD., a Texas limited partnership, hereinafter called "Assignee".

WHEREAS, a lease executed on October 1983, between CITY OF ADDISON and ADDISON AIRPORT OF TEXAS, INC. as the Lessor, and the Assignor, as the Lessee, by the terms of which certain real property located on the Addison Airport was leased to the Assignor as Lessee upon the terms and conditions provided therein; and

WHEREAS, the Assignor now desires to assign the Lease to the Assignee, and the Assignee desires to accept an assignment thereof;

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), receipt of which is hereby acknowledged, and the agreement of the Assignee, hereinafter set forth, the Assignor hereby assigns and transfers to the Assignee, its successors and assigns, all of its right, title and interest in and to the Lease hereinbefore described, a copy of which is attached hereto as Exhibit "A", and the Assignee hereby agrees to and does accept the assignment, and in addition expressly assumes and agrees to keep, perform and fulfill all the terms, covenants, conditions and obligations required to be kept, performed and fulfilled by the Assignor as the Lessee thereunder, including the making of all payments due to or payable on behalf of the Lessor under said Lease when due and payable.

This Agreement shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest, and assigns.

Witness my hand and seal this 1st day of December, 1983.
BUNNELL PROPERTIES, INC.
1100 Texas Tower
1100 Dallas Parkway
Addison, TX 75103

EXECUTED as of the day and year first above written.

ASSIGNOR:

Bunnett Properties, Inc.

By: *David H. Bunnett*

ASSIGNEE:

Concourse Plaza, Ltd.

By: Bunnett Properties, Inc., Managing
General Partner

By: *David H. Bunnett*

CONSENT OF LESSOR

The undersigned is the Lessor under the Lease described in the foregoing Assignment and hereby consents to the assignment of the Lease to the Assignee, waiving none of their rights thereunder as to the Lessee or the Assignee.

LESSOR:

CITY OF ADDISON

By: *John Kelly*

ADDISON AIRPORT OF TEXAS, INC.

By: *Robert Lee, Vice President*

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared David A. Bunnell, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of Bunnell Properties, Inc., a Texas corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27th day of December, 1983.

Kay F. Robertson Rudick
Notary Public

My Commission Expires:

3-7-84



KAY F. ROBERTSON RUDICK
Notary Public, State of Texas
By Comm. Expires 03-07-84

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared David A. Bunnell, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of Bunnell Properties, Inc., a Texas corporation, as managing general partner of Concourse Plaza, Ltd., a Texas limited partnership, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27th day of December, 1983.

Kay F. Robertson Rudick
Notary Public

My Commission Expires:

3-7-84

STATE OF TEXAS
COUNTY OF DALLAS

GROUND LEASE

This Ground Lease (hereinafter referred to as the "Lease") is made and entered into as of October 11, 1983, by and among the City of Addison, Texas, a municipal corporation (hereinafter sometimes referred to as the "City"), Addison Airport, Inc., a Texas Corporation (hereinafter sometimes referred to as "AATI") and Gunnell Properties, Inc., a Texas Corporation (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, AATI leases that certain real property (hereinafter referred to as the "demised premises") described in attached Exhibit A from the City pursuant to that certain instrument captioned "Agreement for Operation of the Addison Airport (hereinafter referred to as the "Base Lease")" between the City and Addison Airport, Inc. (predecessor of AATI), and

WHEREAS, the demised premises are situated at Addison Airport (hereinafter referred to as the "Airport") in Dallas County, Texas the Airport being delineated in a plat attached hereto as Exhibit B, and

WHEREAS, the City and AATI hereby lease and demise the demised premises to Tenant, and Tenant hereby leases and takes the demised premises from the City and AATI, upon the terms and conditions set forth herein;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

1. **Base Lease.** All of the terms and conditions of the Base Lease are incorporated into this Lease by reference as if written verbatim herein, and Tenant by Tenant's execution hereof acknowledges that AATI has furnished Tenant with a copy of the Base Lease. Tenant agrees to fully comply at all times and in all respects with the terms and conditions of the Base Lease insofar as the same relate to the demised premises and/or the use and operation thereof, except that Tenant shall not be responsible for the payment of any rental due under the Base Lease which shall be paid by AATI.

2. **Definition of Landlord and Effect of Default under the Base Lease.** The term "Landlord" as hereinafter used in this Lease shall mean either the City. So long as the Base Lease is in effect, AATI shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. Upon the expiration or termination of the Base Lease, the City shall be entitled to all of the rights, benefits and remedies of the Landlord under this Lease, and shall perform all of the duties, covenants and obligations of the Landlord under this Lease. The City agrees that for the term of this Lease, and for the term of the Base Lease, Tenant is fully authorized to make all payments due under this Lease to AATI and that default by AATI under the Base Lease shall have no effect on this Lease so long as Tenant pays and performs its duties, covenants and obligations under this Lease.

3. **Term.** The term hereof shall commence on the earlier of October 1, 1984, or the first day of the first calendar month after Tenant completes the construction hereinafter described and opens for business at the demised premises, the applicable date being hereinafter referred to as the "Commencement Date", and shall end four hundred eighty (400) months (hereinafter referred to as "Term") after the Commencement Date, and a like installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

4. **Rental.** Subject to adjustment as hereinafter provided, Tenant agrees to pay to Landlord, without offset or reduction, rent for the demised premises at the rate of SIXTEEN HUNDRED SEVENTY-SIX AND 07/100 per month in advance. The first such monthly installment shall be due and payable on or before the Commencement Date, and a like installment shall be due and payable on or before the first day of each calendar month thereafter during the term hereof.

5. **Adjustment of Rental.** Commencing on the second anniversary of the Commencement Date and on every other anniversary thereafter (hereinafter referred to as the "Adjustment Date"), the monthly rental due under paragraph 4 shall be adjusted as follows:

(i) A comparison shall be made between the Consumers' Price Index-All Items for the Dallas, Texas Metropolitan Area (the "CPI") as published in the "Price Index" as it existed on the Commencement Date and as it exists on the first day of the calendar month immediately preceding the then applicable Adjustment Date.

(ii) The monthly rental for the two (2) year period beginning with and following the then applicable Adjustment Date shall be either increased or decreased, as the case may be, by the percentage of increase or decrease in the Price Index between the Commencement Date and the then applicable Adjustment Date, but in no event shall such monthly rental ever be decreased below the monthly rental set forth in paragraph 4.

(iii) In the event that the Price Index is unavailable for whatever reason for the computations set forth hereinabove, the monthly rental for the then applicable Adjustment Date shall be the monthly rental for the immediately preceding Adjustment Date, or such other amount as the parties shall mutually agree to approximate the Price Index as closely as feasible shall be substituted therefor.

6. **Use of Demised Premises and Construction of Improvements.** The demised premises shall be used and occupied by Tenant for the following purposes: sale of aircraft and aircraft parts, aircraft maintenance and repair, aircraft storage, aircraft hangar, aircraft charter, and aircraft rentals, and not otherwise without the prior written consent of Landlord.

In connection with such use and occupancy, Tenant intends to construct upon the demised premises the improvements depicted in the plans and specifications.

These improvements consist of a combination office/airplane hangar facility containing approximately 42,600 square feet of office space and five airplane hangars, the preliminary plans for which have been prepared by Bogard Architects, Inc. Construction prints to be approved by Addison Municipal Airport prior to the start of construction.

All construction shall be strictly in accordance with such plans and specifications, and such construction shall be performed in a first class, workmanlike manner. Tenant agrees to promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other liabilities and obligations which arise in connection with such construction.

7. **Acceptance of Demised Premises.** Tenant acknowledges that Tenant has fully inspected the demised premises and accepts the demised premises as suitable for the purpose for which the same are leased in their present condition.

8. **Securing Governmental Approvals and Compliance with Law.** Tenant at Tenant's sole cost and expense shall obtain all governmental licenses, permits and approvals necessary for the construction of improvements and for the use and occupancy of the demised premises, and shall promptly comply with all governmental laws, ordinances and regulations applicable to the use of the demised premises and shall promptly comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon or connected with the demised premises, all at Tenant's sole cost and expense.

9. **Assignment, Subletting and Mortgaging of Leasehold Estate:**

A. Without the prior written consent of Landlord, Tenant may not assign this lease or any rights of Tenant hereunder in whole or in part, or mortgage or otherwise encumber the demised premises or any part of the demised premises. Any assignment or subletting shall be expressly subject to the terms and provisions of this Lease, including the provisions of paragraph 8 pertaining to the use of the demised premises. In the event of any assignment or subletting, Tenant shall not assign Tenant's rights hereunder to such assignee or subtenant without first obtaining a written agreement from each such assignee or subtenant whereby each such assignee or subtenant agrees to be bound by the terms and provisions of this Lease. No such assignment or subletting shall constitute a breach of this Lease, and the occurrence of an event of default under the demised premises are assigned or subletted. Landlord, in addition to any other remedies provided herein or by law, may at Landlord's option, collect directly from such assignee or subtenant all sums due to Landlord hereunder, including direct collection by Landlord of any sums due to Landlord hereunder, and may, at Landlord's option, collect directly from such assignee or subtenant any sums due to Landlord hereunder, including direct collection by Landlord of any sums due to Landlord hereunder.

B. Tenant shall have the right to mortgage the leasehold estate of Tenant covered hereby in order to secure a mortgage loan for the purpose of obtaining funds for the construction of the improvements described in paragraph 6 or for other construction upon the demised premises as provided herein in writing by Landlord in writing. In the event that Tenant pursuant to mortgage or other financing obtains the leasehold estate of Tenant covered hereby, the leasehold mortgage shall in no event become a priority lien to the detriment of the obligations of Tenant under this Lease unless and until said mortgage becomes a part of the leasehold estate. Such mortgage shall not be a lien in the demised premises or any part thereof, and the mortgage shall be subject to the terms and conditions of this Lease, including the provisions of paragraph 8, and shall not be a lien in the demised premises or any part thereof.

10. Lender, holder or deeds of trust whereby Tenant mortgages the leasehold estate of Tenant created hereby shall not have the right to accelerate the debt of Tenant to cure the mortgagee's default or to foreclose proceedings under said mortgage or deeds of trust, and (ii) allowing Landlord to cure such default within 15 days after the date of such default and prevent said acceleration and/or foreclosure proceedings, and the holder of said mortgage or deeds of trust to assume Tenant's position under said mortgage or deeds of trust.

11. Landlord agrees, if and so long as the leasehold estate of Tenant is encumbered by a leasehold mortgage and written notice of such defect has been given to Landlord, to give the holder of such leasehold mortgage at such address or addresses as may be specified in such written notice to Landlord for the giving of notices to the leasehold mortgagee, or its successors and assigns after foreclosure, or transfer in lieu of foreclosure, as Tenant hereunder, and (ii) continue to perform all of Landlord's obligations hereunder so long as such mortgagee or its successors and assigns performs all of the obligations of Tenant hereunder. Landlord also agrees to execute and deliver to such mortgagee or its successors and assigns any other documents which such proposed leasehold mortgagee may reasonably request concerning the mortgaging by Tenant of the leasehold estate created hereby, provided, however, that Landlord shall never be required to subordinate its interest in the demised premises to the mortgage of such proposed leasehold mortgagee.

12. Property Taxes and Assessments: Tenant shall pay any and all property taxes or assessments levied or assessed on the improvements on the demised premises, the personal property and fixtures on the demised premises, and, if applicable, upon the leasehold estate of Tenant created hereby. Upon the request of Landlord, Tenant shall from time to time furnish to Landlord "true and correct" receipts or other written evidence that all such taxes have been paid by Tenant.

13. Maintenance and Repair of Demised Premises:
A. Tenant shall, throughout the term hereof, maintain in good repair and condition all the demised premises and all fixtures, equipment and personal property on the demised premises and keep them free from waste or nuisance and, at the expiration or termination of this lease, deliver up the demised premises clean, free of trash and in good repair and condition, with all fixtures and equipment situated in the demised premises in working order, reasonable wear and tear excepted.

B. In the event Tenant shall fail to so maintain the demised premises and the fixtures, equipment and personal property situated thereon, Landlord shall have the right (but not the obligation) to cause all repairs or other maintenance to be made and the reasonable costs therefor extended by Landlord plus interest thereon as provided in paragraph 37 shall be paid by Tenant on demand.

14. Alterations, Additions and Improvements: After completion of the improvements described in paragraph 6, Tenant shall not make any openings in the floor or exterior walls or make any alterations, additions or improvements to the demised premises without the prior written consent of Landlord. Consent for non-structural alterations, additions or improvements shall not be unreasonably withheld by Landlord. Tenant shall have the right to erect or install shelves, bins, machinery, air conditioning or heating equipment and trade fixtures, provided that Tenant complies with all applicable governmental laws, ordinances and regulations.

All alterations, additions and improvements in and to the demised premises shall be performed in a first class, workmanlike manner and Tenant shall promptly pay and discharge all costs, expenses, claims for damages, liens and any and all other obligations and obligations which arise in connection therewith.

15. Insurance: Tenant shall during the term hereof maintain at Tenant's sole cost and expense insurance relating to the demised premises as follows:

(i) Insurance against loss or damage to improvements by fire, lightning and other risks from time to time included under standard evidenced coverage policies and sprinkler, vandalism and malicious mischief, in amounts sufficient to prevent Landlord or Tenant from becoming co-insured of any loss under the applicable policies but in any event in amounts not less than 80 percent (80%) of the full insurable value of the demised premises. The term "full insurable value" as used herein means actual replacement value at the time of such loss. Upon request, such replacement value shall be determined by a qualified appraiser. 20% of whose findings shall be submitted to Landlord, and, therefore, proper adjustment in the limits of insurance coverage shall be effected.

(ii) General public liability insurance against claims for bodily injury, death or property damage occurring on or in addition to the demised premises, such insurance shall also provide coverage to Landlord in the limits of \$500,000.00 with respect to any one person, \$1,000,000.00 with respect to any one accident and not less than \$200,000.00 with respect to property damage.

(iii) Workmen's compensation insurance covering all persons employed by Tenant in connection with any work done on or in the demised premises with respect to which claims for death or bodily injury could be asserted against Landlord or the demised premises, or in lieu of such workmen's compensation insurance, a program of self-insurance complying with the rules, regulations and requirements of the appropriate state agency of the State of Texas.

(iv) If applicable, boiler and pressure vessel insurance on all steam boilers, parts thereof and appurtenances attached or connected thereto which by reason of their use or existence are capable of bursting, rupturing, collapsing, imploding or exploding, in the minimum amount of \$100,000.00 for damage to property resulting from such perils.

(v) Such other insurance on improvements in such amounts and against such other insurable hazard which at the time is commonly obtained in the case of property similar to such improvements.

(vi) Storage keeper's liability insurance providing for coverage in the following limits: \$200,000.00 per annual and \$400,000.00 per occurrence on property damage to aerials in the care, custody or control of Tenant.

(vii) During any period of construction a Builder's Risk Completed Value policy with an all risks endorsement.

All such policies of insurance (ii) shall be issued by insurance companies acceptable to Landlord, (iii) shall name Landlord as an additional insured or loss payee, as the case may be, and (vii) shall provide for at least ten (10) days written notice to Landlord of any cancellation or modification. Tenant shall provide Landlord with duplicate originals of all insurance policies required by this paragraph.

16. Casualty Damage or Destruction:
A. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant will promptly give written notice thereof to Landlord, generally describing the nature and extent of such damage and destruction.

B. In case of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, Tenant, whether or not the insurance proceeds, if any, payable on account of such damage and/or destruction shall be sufficient to fully reimburse Landlord, shall promptly commence and complete the restoration, repair and replacement of such buildings, structures and equipment as nearly as possible to their value, condition and character immediately prior to such damage and/or destruction, with such alterations and additions thereto as may be approved in writing by Landlord therefor, some limitations being the "Restoration".

C. An insurance proceeds, if any, payable on account of such damage to or destruction of the buildings, structures and equipment on the demised premises shall be held by Landlord. Landlord shall be preferred in acting upon any certificate or claim of such insurance and to have been executed by the proper party and shall receive such certificate as constructive evidence of any fact or as to the matter therein set forth. Such certificate shall be full warranty, authority and protection to Landlord in acting thereon, and Landlord shall be under no duty to take any action other than as set forth in this paragraph 16.

D. Insurance proceeds received by Landlord on account of any damage to or destruction of the buildings, structures and equipment on the demised premises, or any part thereof, less the costs, fees and expenses incurred by Landlord and Tenant in the restoration, including, without limitation, adjusters and attorneys' fees and expenses shall be applied as follows:

(i) Net insurance proceeds as above defined shall be paid to Tenant or as Tenant may direct from time to time as Restoration proceeds to pay to reimburse Tenant for the cost of Restoration, upon written request of Tenant to Landlord accompanied by a certificate of a supervising architect or engineer approved by Landlord, describing in reasonable detail the work to be done, the cost thereof and the cost of the work, stating that the same work is necessary or appropriate to the Restoration and that the same is to be completed in accordance with the cost thereof. No other proceeds or proceeds of Restoration and construction shall be used to complete the Restoration, and to an opinion of counsel satisfactory to Landlord that there existing mechanical, material or other conditions for Restoration make a direct such of any as are discharged by the payment of the amount requested.

...in determining the amount of such damages...
...shall be substituted from the amount of...
...under such ruling.

23. Entry upon the demised premises without terminating this Lease and without being liable for prosecution or for any claim...
...shall be deemed to be a breach of this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

24. Default by Landlord. No default by Landlord hereunder shall constitute an eviction or disturbance of Tenant's use and possession...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

25. Waiver of Subrogation. Each party hereto waives any and every claim which arises or may arise in such party's favor against the other party...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

26. Title to Improvements. Any and all improvements on the demised premises shall become the property of Landlord upon the expiration or termination of this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

27. Mechanics' and Materialmen's Liens. Tenant agrees to indemnify and hold Landlord harmless of and from all liabilities and claims...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

28. Title. Tenant accepts the demised premises subject to: (a) the Base Lease; (b) the Rules and Regulations; (c) all easements and rights of way...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

29. Quiet Enjoyment and Subordination. Landlord covenants, represents and warrants that Landlord has full right and power to execute and perform this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

30. Tenant Not Return Basis. Except for the rental due under the Base Lease during the time that AAT is the Landlord hereunder...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

31. Holding Over. Should Tenant, or any of Tenant's successors in interest, fail to surrender the demised premises...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

32. Waiver of Default. The waiver by the parties hereto of any default or breach of any term, condition or covenant of this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

33. Release of Landlord Upon Transfer. All of Landlord's personal liability for the performance of the terms and conditions of this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

34. Attorneys Fees. If on account of any breach or default by Landlord or Tenant of their respective obligations under this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

35. Franchise Information. Tenant agrees that Tenant will from the expiration upon the written request of Landlord during the term of this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

36. Extended Contract. Tenant agrees that the term of this Lease shall terminate upon the expiration of the term of this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

A. This Lease is subject to the terms and conditions of the Base Lease and shall be deemed to be a part of this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

B. The parties to this Lease and other parties hereto shall be bound by the terms and conditions of this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

C. Landlord is not liable under this Lease for any breach of the terms and conditions of this Lease...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...
...shall be liable for the cost of such action...

If the Tenant does not promptly commence Restoration, or after commencement Tenant does not promptly commence Restoration, Landlord shall have the right to commence or complete Restoration after Landlord has given Tenant notice of its intent to commence Restoration, and the commencement of Restoration by Landlord shall not constitute a breach of this Lease. If the Tenant does not commence or proceed to diligently complete Restoration in such event, Landlord shall retain the insurance proceeds, and Tenant shall pay any deficiency if such proceeds are not sufficient for Restoration.

15. Condemnation:

A. During the term hereof, any part of the demised premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, or be sold to a condemning authority under threat of condemnation, and after such taking by or sale to a condemning authority, the remainder of the demised premises is not susceptible to efficient and economic occupation and operation by Tenant, this Lease shall automatically terminate as of the date that said condemning authority takes possession of the demised premises and Landlord shall refund to Tenant any prepaid but unaccrued rental less any sum then owing by Tenant to Landlord.

B. If after such taking by or sale to said condemning authority the remainder of the demised premises is susceptible to efficient and economic occupation and operation by Tenant, this Lease shall not terminate but the rental due hereunder shall be adjusted so that Tenant shall be required to pay for the remainder of the term hereof the sum obtained by multiplying each monthly rental installment due hereunder, as adjusted from time to time pursuant to paragraph 5, by a fraction, the numerator of which shall be the number of square feet remaining in the demised premises after the taking by or sale to said condemning authority and denominator of which shall be the square footage originally contained in the demised premises. The rental adjustment called for herein shall not commence until said condemning authority actually takes possession of the condemned portion of the demised premises.

C. If this Lease is not terminated pursuant to Section A, Tenant shall promptly restore the improvements on the demised premises, and the condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid first to cover the costs and expenses for restoring the remaining portion of the demised premises to a condition susceptible to efficient and economic occupation and operation by Tenant, and any remaining proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant, as their interests may appear. If this Lease is terminated pursuant to Section A, condemnation proceeds to which Landlord and Tenant are entitled shall be awarded and paid to Landlord and Tenant as their interests may appear.

16. Utilities: Tenant shall be responsible at Tenant's sole cost and expense for obtaining all utility connections at or for the demised premises and Tenant shall pay all charges for water, electricity, gas, sewer, telephone or any other utility connections, taxes and services furnished to the demised premises during the term hereof. Landlord shall in no event be liable or responsible for any cessation or interruption in any such utility services.

17. Common Facilities: Tenant and Tenant's employees, agents, servants, customers and other invitees shall have the non-exclusive right to use all common facilities, improvements, equipment and services which may now exist or which may hereafter be provided by Landlord for the accommodation and convenience of Landlord's customers and tenants, including landing and takeoff facilities, ingress and egress to the demised premises, other airport installations, and all other reasonable services which may be provided in the future from time to time by Landlord in operating the Airport. All such common facilities shall at all times be under the exclusive control and management of Landlord and may be substituted, modified, changed or terminated from time to time at Landlord's sole discretion.

18. Rules and Regulations: Landlord has adopted Rules and Regulations (hereinafter referred to as the "Rules and Regulations") which shall govern Tenant in the use of the demised premises and all common facilities, a copy of which has been furnished to Tenant. The Rules and Regulations are incorporated by reference as if written herein, and Tenant agrees to comply fully at all times with the Rules and Regulations. Landlord shall have the right to amend, modify and alter the Rules and Regulations from time to time in a reasonable manner for the purpose of assuring the safety, welfare and convenience of Landlord, Tenant and all other Tenants and customers of the Airport.

19. Signs and Equipment: After first securing Landlord's approval which will not be unreasonably withheld, Tenant shall have the right from time to time to install and operate advertising signs and radio, communications, meteorological, aerial navigation and other equipment and facilities in or on the demised premises that may be reasonably necessary for the operation of Tenant's business.

20. Landlord's Right of Entry: Landlord and Landlord's authorized representatives shall have the right, during the normal business hours, to enter the demised premises in order to inspect the general condition and state of repair thereof, (a) to make repairs permitted under this Lease, (b) to check for compliance with any prospective tenant or purchaser of (b) for any other reasonable and lawful purpose.

During the final one hundred (100) days of the term hereof, Landlord and Landlord's authorized representatives shall have the right to enter and maintain on or about the demised premises customary signs advertising the demised premises for lease or for sale.

21. Indemnity and Exculpation:

A. Landlord shall not be liable to Tenant or to Tenant's employees, agents, tenants, customers, invitees, or to any other person whatsoever, for any injury to persons or damage to property on or about the demised premises or any adjacent area owned by Landlord caused by the negligence or misconduct of Tenant, Tenant's employees, tenants, customers, invitees, subcontractors, licensees, concessionaires or any other person entering the demised premises under express or implied invitation of Tenant, or arising out of the use of the demised premises by Tenant and the conduct of Tenant's business thereon, or arising out of any breach or default by Tenant in the performance of Tenant's obligations hereunder, and Tenant hereby agrees to indemnify Landlord and hold Landlord harmless from any loss, expense or claims arising out of such damage or injury.

B. Landlord and Landlord's agents and employees shall not be liable to Tenant for any injury to persons or damage to property resulting from the demised premises becoming out of repair or by defect in or failure of equipment, pipes, or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity or oil leaking, escaping or flowing into the demised premises, regardless of the source, or dampness or by fire, explosion, falling plaster or ceiling or for any other reason whatsoever. Landlord shall not be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of other tenants of Landlord or caused by operations in connection with any private, public or quasi-public work, or of any other persons whatsoever, excepting only the authorized agents and employees of Landlord.

22. Default by Tenant. The following events shall be deemed to be events of default by Tenant under this Lease:

A. Failure of Tenant to pay any installment of rent or any other sum payable to Landlord hereunder on the date that same is due and such failure shall continue for a period of ten (10) days.

B. Failure of Tenant to comply with any term, condition or covenant of this Lease other than the payment of rent or other sum of money, and such failure shall not be cured within ninety (90) days after the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

C. Insolvency: the making of an assignment for the benefit of creditors, or the making of an assignment for the benefit of creditors by Tenant or any guarantor of Tenant's obligations.

D. Filing of a petition under any section or chapter of the National Bankruptcy Act as amended, or under any similar law of the United States or any State in which Tenant or any guarantor of Tenant's obligations or adjudication as a bankrupt or insolvent, or proceedings for liquidation of such guarantor.

E. Appointment of a receiver or trustee for all or substantially all of the assets of Tenant or any guarantor of Tenant's obligations.

F. Abandonment by Tenant of any substantial portion of the demised premises or possession of use of the demised premises for the purpose leased.

23. Remedies of Landlord: Upon the occurrence of any of the events of default listed in paragraph 22, Landlord shall have the right to pursue any one or more of the following remedies without the notice or demand of Tenant:

A. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have, take possession of the demised premises or any part thereof and have possession of the demised premises and exercise or remove or cause to be exercised or removed any other person who may be occupying the demised premises or any part thereof, without prejudice to the right of Landlord to recover damages therefor. Tenant shall pay to Landlord upon demand the amount of all costs and damages which Landlord may sustain as a result of such termination, whether or not such liability is due to the demised premises on any existing terms or otherwise.

B. Terminate this Lease, in which event Tenant shall immediately surrender the demised premises to Landlord. If Tenant fails to surrender the demised premises, Landlord may, without prejudice to any other remedy which Landlord may have, take possession of the demised premises or any part thereof and have possession of the demised premises and exercise or remove or cause to be exercised or removed any other person who may be occupying the demised premises or any part thereof, without prejudice to the right of Landlord to recover damages therefor. Tenant shall pay to Landlord upon demand the amount of all costs and damages which Landlord may sustain as a result of such termination, whether or not such liability is due to the demised premises on any existing terms or otherwise. Landlord shall have the right to re-let the demised premises and to let the same for the period of the unexpired term of this Lease, and the net proceeds of such re-letting shall be applied to the payment of the rent and other sums due to Landlord under this Lease, and the balance, if any, shall be paid to Tenant. Landlord shall have the right to re-let the demised premises and to let the same for the period of the unexpired term of this Lease, and the net proceeds of such re-letting shall be applied to the payment of the rent and other sums due to Landlord under this Lease, and the balance, if any, shall be paid to Tenant.

C. From time to time, subject to the provisions of this Lease, Landlord may, without prejudice to any other remedy which Landlord may have, take possession of the demised premises or any part thereof and have possession of the demised premises and exercise or remove or cause to be exercised or removed any other person who may be occupying the demised premises or any part thereof, without prejudice to the right of Landlord to recover damages therefor. Tenant shall pay to Landlord upon demand the amount of all costs and damages which Landlord may sustain as a result of such termination, whether or not such liability is due to the demised premises on any existing terms or otherwise.

... and shall be subject to Landlord's mortgage and tax liens mortgage tax liens and other liens in addition to the above listed. Under this Lease...

Landlord agrees to furnish to the Tenant, upon request in writing (10 days prior to written request by Tenant) Landlord will provide a copy of the lease as modified, if any, and effect and making the modifications.

A. This Lease is unmodified and in full force and effect if there have been modifications that the Lease as modified is in full force and effect and making the modifications.

B. The dates to which rent and other charges have been paid.

C. Tenant is not in default under any term or provision of this Lease or if in default the nature thereof in detail in accordance with an exhibit attached hereto.

37. Interest on Tenant's Obligations and Manner of Payment. All monetary obligations of Tenant to Landlord under this Lease remaining undischarged 10 days after the due date of the same (if no due date has been established under other provisions hereof, the due date) shall bear interest from the date Landlord demands payment from Tenant (in writing) shall bear interest at the rate of ten percent (10%) per annum from and after said tenth (10th) day until paid. If more than twice during the term of the Lease Tenant's personal or corporate check is not paid by the date on which it is drawn for a valid reason, Landlord may require by giving written notice to Tenant that all future monetary obligations of Tenant under this Lease are to be made on or before the due date by cash, cash on order, certified check or money order, and the delivery of Tenant's personal or corporate check will no longer constitute payment of such monetary obligations. An acceptance by Landlord of a personal or corporate check after such notice shall not be deemed or construed as a waiver or excuse of Landlord to require other payments as required by said notice.

38. Independent Contractor. It is understood and agreed that in leasing and operating the demised premises, Tenant is acting as an independent contractor. It is not acting as agent, partner, joint venturer or employee of Landlord.

39. Force Majeure. In the event performance by Landlord of any term, condition or covenant in this Lease is delayed or prevented by any act of God, strike, lockout, shortage of material or labor, restriction by any governmental authority, civil riot, flood, or any other cause not within the control of Landlord, the period for performance of such term, condition or covenant shall be extended for a period equal to the period Landlord is so delayed or hindered.

40. Exhibits. All exhibits, attachments, amended instruments and addenda referred to herein shall be considered a part hereof for all purposes with the same force and effect as if copied verbatim herein.

41. Use of Language. Words of any gender used in this Lease shall be held and construed to include any other gender, and words of the singular shall be held to include the plural, unless the context otherwise requires.

42. Captions. The captions, headings and other subjects in this Lease are inserted for convenience only and shall not be taken into account in construing the provisions hereof if any doubt of intent should arise.

43. Successors. The terms, conditions and covenants contained in this Lease shall apply to and inure to the benefit of and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities and duties of Landlord under this Lease, including but not limited to, shall not be required or permitted to be exercised by Landlord or Tenant hereunder, may, at Landlord's option, be exercised or performed by Landlord's agent or attorney.

44. Severability. If any provision in this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

45. Notices. Any notice or documents required or permitted to be delivered hereunder may be delivered in person or shall, if so directed, be delivered, whether actually received or not, when deposited in the United States mail postage prepaid, and the addressee thereof may return receipt requested, addressed to the parties at the addresses indicated below, or at such other addresses as may hereinafter have been specified by written notice of record in accordance herewith.

LANDLORD "EVAN"

Addison Avenue of Texas, Inc.
P. O. Box 34057
Dallas, Texas 75234
City of Addison, Texas

Bunnell Properties, Inc.
14551 Dallas Parkway, Suite 900
Dallas, Texas 75248
980-7704

P. O. Box 139
Addison, Texas 75001

46. Fees or Commissions. Each party hereto hereby covenants and agrees with the other that such party shall be solely responsible for the payment of any brokers' agents or funders' fees or commissions agreed to by such party arising from the execution of this Lease or the performance of the terms and provisions contained herein, and such party agrees to indemnify and hold the other party harmless from the payment of any such fees or commissions.

47. Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

48. Governing Law and Venue. This Lease and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas, and Landlord and Tenant both irrevocably agree that venue for any dispute concerning this Lease or any of the transactions contemplated herein shall be in any court of competent jurisdiction in Dallas County, Texas.

49. Entire Agreement and Amendments. This Lease, consisting of forty-nine (49) paragraphs and Exhibits A through E attached hereto, embodies the entire agreement between Landlord and Tenant and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter hereof. Except as otherwise specifically provided herein, no agreement or understanding shall be effective in, nor modify, discharge or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by or in behalf of the party against whom enforcement of the change, modification or discharge or abandonment is sought.

EXECUTED as of the day and year first above written.

The additional provisions contained in the Addendum attached hereto are hereby incorporated herein for all purposes.

LANDLORD

ADDISON AVENUE OF TEXAS, INC.

By: *[Signature]*

TS: *[Signature]*

CITY OF ADDISON, TEXAS

By: *[Signature]*

TS: *[Signature]*

"EVAN" BUNNELL PROPERTIES, INC.

By: *[Signature]*

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Henry Stuart
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 1952

Renee L. James
Notary Public
Dallas
County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared James Padden
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purpose and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 22nd day of November, 1953



James Sharp
Notary Public
Dallas
County, Texas

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared David Buane
known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same
for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 11 day of October, 1952

Renee L. James
Notary Public
Dallas
County, Texas

ADDENDUM TO GROUND LEASE,
dated October 11, 1983,
by and among
the City of Addison, Texas,
Addison Airport of Texas, Inc.
and Bunnell Properties, Inc.

This Addendum is attached to and made a part of the foregoing and above referenced Lease for all purposes. In the event of conflict or inconsistency between the printed portion of this Lease and this Addendum, the terms of this Addendum shall control.

A. The words "general office uses" are added to the list of the purposes for which Tenant may use and occupy the demised premises contained in paragraph 6 of the printed portion of this Lease.

B. To induce Landlord to allow use and occupancy of the demised premises for general office purposes, Tenant agrees to give preference to prospective office tenants whose businesses are aeronautically related (hereinafter referred to as "preferred tenant") conditioned upon (i) availability of space, (ii) willingness of the preferred tenant to pay market rental rates, (iii) the preferred tenant's credit standing favorably comparing to those of other prospective tenants, and (iv) willingness of the preferred tenant to enter into a term of agreement comparable to those offered by other prospective tenants.

C. Landlord agrees to remove the electrical lines and poles presently running along the western boundary of the demised premises.

D. Tenant shall have the option to terminate this Lease by delivering written notice of such election to Landlord before April 30, 1984, if Tenant has been unable to obtain revenue bond financing for the improvements which Tenant proposes to construct on the demised premises. If Tenant does not timely deliver such written notice of election to terminate, all rights of Tenant to terminate this Lease pursuant to the foregoing shall lapse and be null and void.

[Handwritten Signature]

CHICAGO TITLE INSURANCE CO. & AHT
SUITE 132
12250 MERIT DRIVE
DALLAS, TEXAS 75251

STATE OF TEXAS COUNTY CLERK, DALLAS
I hereby certify that this instrument was filed
with me and that the same has been duly re-
corded in the volume and page of the record records
of Dallas County, Texas as stated herein by me.

DEC 30 1983

 *Earl Bunk*
COUNTY CLERK, Dallas County, Texas

83 DEC 29 PM 3:15

93252 7466

EXHIBIT C

**FIELD NOTE DESCRIPTION
CONCOURSE PLAZA LAND LEASE
ADDISON MUNICIPAL AIRPORT**

Being a tract of land situated in the E. Cook Survey, Abstract No. 326, Dallas County, Texas and located on Addison Municipal Airport, Addison, Texas and being more particularly described as follows:

BEGINNING at a point for corner, said point being the intersection of the west right-of-way line of Addison Road and the south right-of-way line of Keller Springs Road as evidenced by a 1/2-inch iron rod;

THENCE departing the west right-of-way line of said Addison Road, a distance of 2.29 feet to a 5/8-inch iron rod found in the south right-of-way of Keller Springs Road and continuing S 69°35'33" W along the south right-of-way of said Keller Springs Road, 108.70 feet for a total distance of 110.99 feet to a point for a corner as evidenced by an "X" in concrete;

THENCE S 64°05'33" W along the south right-of-way of said Keller Springs Road, a distance of 78.03 feet to a point for a corner;

THENCE S 22°07'10" E, a distance of 64.73 feet to a point for a corner;

THENCE S 20°33'10" E, a distance of 43.25 feet to a point for a corner;

THENCE S 13°45'43" E, a distance of 204.27 feet to a point for a corner;

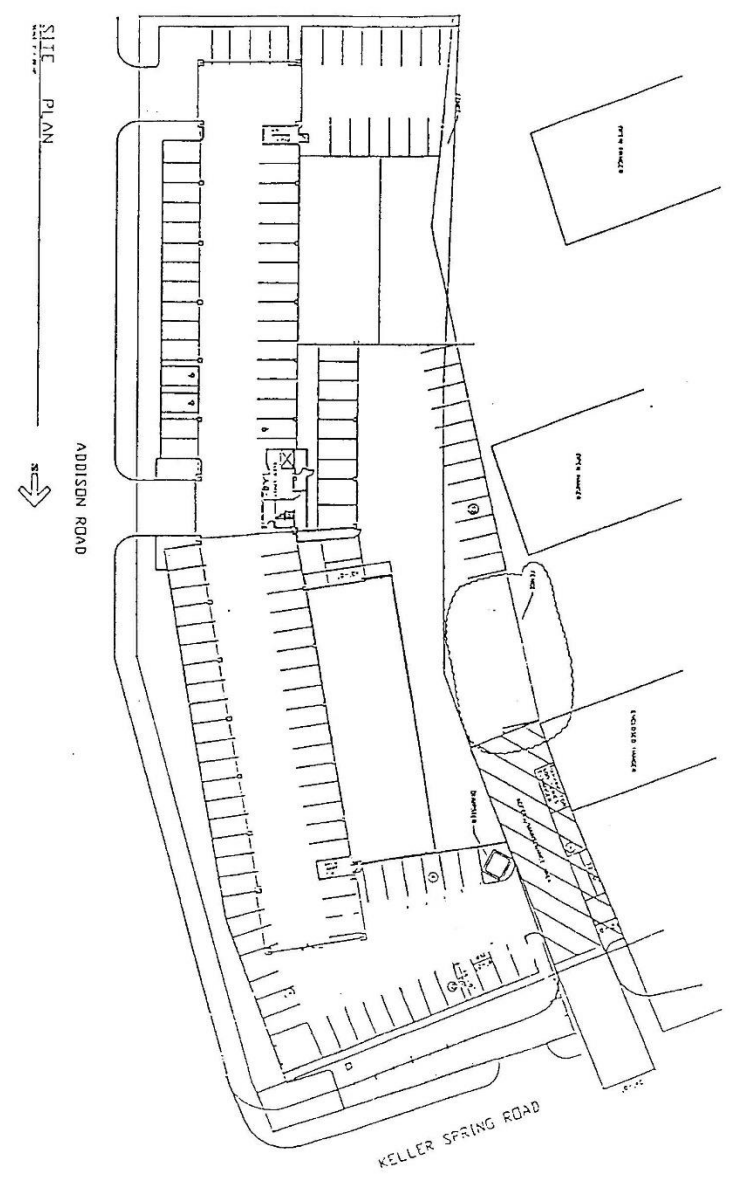
THENCE S 1°20'34" W, a distance of 130.52 feet to a point for a corner;

THENCE N 89°36'51" E, a distance of 145.35 feet to a point for a corner, said point being in the west right-of-way line of said Addison Road and in the east line of Addison Municipal Airport, as evidenced by a 1/2-inch iron rod found;

THENCE N 0°22'50" W along the west right-of-way line of said Addison Road and the east line of Addison Municipal Airport, a distance of 298.44 feet to a point in a curve to the left as evidenced by a 1/2-inch iron rod, said curve to the left having a central angle of 15°17'42", a radius of 788.51 feet and chord bearing distance of N 14°58'43" W, 209.87;

THENCE along said curve to the left of said west right-of-way line and the east line of said Addison Municipal Airport, a distance of 210.49 feet to the POINT OF BEGINNING and containing 78.506 square feet of land.

20000 71670



Revised Parking Plan
 February 24, 1997
 Exhibit C Attachment 2

NO. 1	DATE	BY	REVISION
1	1/24/97	DJT	REVISED PARKING PLAN
2	2/24/97	DJT	REVISED PARKING PLAN

PROJECT NO. 16051
 DRAWN BY DJT
 CHECKED BY DJT
 DATE 2/24/97
 SHEET NO. 1
 PSP

CONCOURSE PLAZA
 16051 ADDISON ROAD

DANNY J. TOSH - ARCHITECT & PLANNER
 16051 ADDISON ROAD SUITE 204

EXHIBIT "B"

**PROPERTY SURVEY AND LEGAL DESCRIPTION
OF DEMISED PREMISES**

*FIELD NOTE DESCRIPTION
CONCOURSE PLAZA LAND LEASE
ADDISON MUNICIPAL AIRPORT*

BEING a tract of land situated in the E. Cook Survey, Abstract No. 326, Dallas County, Texas and located on Addison Municipal Airport, Addison, Texas and being more particularly described as follows:

BEGINNING at a point for a corner, said point being the intersection of the west right-of-way line of Addison Road and the south right-of-way line of Keller Springs Road as evidenced by a 1/2-inch iron rod;

THENCE departing the west right-of-way line of said Addison Road, a distance of 2.29 feet to a 5/8-inch iron rod found in the south right-of-way of Keller Springs Road and continuing S 69°35'33" W along the south right-of-way of said Keller Springs Road, 108.70 feet for a total distance of 110.99 feet to a point for a corner as evidence by an 'X' in concrete;

THENCE S 64°05'33" W, along the south right-of-way of said Keller Springs Road, a distance of 78.03 feet to a point for a corner;

THENCE S 22°07'10" E, a distance of 64.73 feet to a point for a corner;

THENCE S 20°33'10" E, a distance of 43.25 feet to a point for a corner;

THENCE S 13°45'43" E, a distance of 204.27 feet to a point for a corner;

THENCE S 1°20'34" W, a distance of 130.52 feet to a point for a corner;

THENCE N 89°36'51" E, a distance of 145.35 feet to a point for a corner, said point being in the west right-of-way line of said Addison Road and in the east line of Addison Municipal Airport, as evidence by a 1/2-inch iron rod found;

THENCE N 0°22'50" W along the west right-of-way line of said Addison Road and the east line of Addison Municipal Airport, a distance of 298.44 feet to a point in a curve to the left as evidence by a 1/2-inch iron rod, said curve to the left having a central angle of 15°17'42", a radius of 788.51 feet and chord bearing, distance of N 14°58'43" W, 209.87;

THENCE along said curve to the left of said west right-of-way line and the east line of said Addison Municipal Airport, a distance of 210.49 feet to the POINT OF BEGINNING and containing 78,506 square feet of land.

OPEN
HANGER

EXHIBIT "C"

MEMORANDUM OF LEASE

This Memorandum of Lease is dated as of _____, 20__, and executed by and between the Town of Addison, Texas ("Landlord" or "City") and Concourse Plaza II, LTD. ("Tenant").

WHEREAS, a Ground Lease (with Addendum To Ground Lease) was first made and entered into October 11, 1983 between the City of Addison, Texas (the same being the Town of Addison, Texas and sometimes referred to herein as the "City") and Addison Airport of Texas, Inc. ("AATI"), as Landlord, and Bunnell Properties, Inc., a Texas corporation, as tenant, by the terms of which Landlord leased to tenant a certain 1.661 acre tract of land at Addison Airport (which tract of land is referred to in the Ground Lease herein as the "Demised Premises" or "demised premises") as recorded in the Official Public Records of Dallas County, Texas in Book 83252, Page 7439 (Instrument #198302521079) of which certain real property now commonly referred to as 16051 Addison Road at Addison Airport within the Town of Addison, Texas and owned by the City (which the demised is more specifically described in Exhibit "A" attached hereto and incorporated herein by reference); and;

WHEREAS, the Ground Lease provides that, upon the expiration or termination of that certain agreement referred to and defined in the Ground Lease as the "Base Lease" (and being an Agreement for Operation of the Addison Airport between the City and AATI), the City is entitled to all of the rights, benefits and remedies, and will perform the duties, covenants, and obligations, of the Landlord under the Ground lease; and

WHEREAS, the said Base Lease has expired and the City alone is the Landlord under the Lease; and

WHEREAS, by that Assignment of Lease dated December 1 1983 and recorded in the Official Public Records of Dallas County, Texas in Book 83252, Page 7456 (Instrument #198302521080), the Ground Lease was assigned from Bunnell Properties, Inc., as assignor, to Concourse Plaza, LTD., a Texas limited partnership, as assignee; and

WHEREAS, the said Ground Lease was then modified by that Settlement and First Amendment to Lease Agreement dated April 22, 1997 as recorded in Book 97214, Page 2291 (instrument #199702120412) of the Official Public Records of Dallas County, Texas, with a corrected document recorded in Book 97247, Page 3370 (Instrument #19907024170809) of the Official Public Records of Dallas County, Texas on December 22, 1997, and

WHEREAS, by that Assignment of Lease entered into and made effective December 31, 1997 as recorded as Book 98063, Page 3557 (Instrument #199800090587) in the Official Public Records of Dallas County, Texas, the Ground Lease was assigned from Concourse Plaza, LTD, as assignor, to Concourse Plaza II, LTD, a Texas limited partnership, as assignee, and

WHEREAS, said Ground Lease was then modified by that Second Amendment to Ground Lease dated and made effective August 14, 2018, so evidenced by that Memorandum of Lease of same date recorded in the OPR as Instrument #201800245457; whereby, among other things, the Term was extended to expire on September 30,2054; and

NOW LET IT BE KNOWN, the said Ground Lease is further amended by that Third Amendment to Ground Lease, entered into on _____ and made effective October 1, 2020, which, among other things, extends the Term so the Ground Lease shall expire on September 30, 2060 unless otherwise earlier terminated or extended.

This Memorandum of Lease is solely for recording and notice purposes and shall not be construed to alter, modify, expand, diminish or supplement the provisions of the Ground Lease, as amended. In the event of any inconsistency between the provisions of this Memorandum of Lease and the provisions of the Ground Lease (as amended), the provisions of the Ground Lease, as amended, shall govern. Reference should be made to the Ground Lease (and all amendments thereto) for the full description of the rights and duties of Landlord and Tenant thereunder, and this Memorandum of Lease shall in no way affect the terms and conditions of the Ground Lease (including all amendments thereto) or the interpretation of the rights and duties of Landlord and Tenant thereunder.

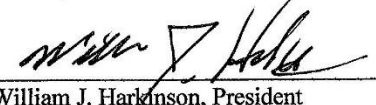
Upon the expiration or earlier termination of the Ground Lease, Landlord and Tenant agree that they shall execute and record a termination of this Memorandum of Lease.

IN WITNESS WHEREOF, the undersigned parties execute this Agreement this _____ day of _____, 2020.

TENANT:

CONCOURSE PLAZA II, LTD.
a Texas limited partnership

By: Harkinson Investment Corporation
a Texas corporation, General Partner

By: 
William J. Harkinson, President

LANDLORD:

TOWN OF ADDISON, TEXAS

By: _____

Wesley S. Pierson, City Manager

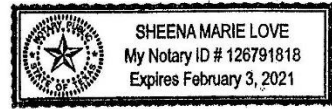
ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared William J. Harkinson, President of Harkinson Investment Corporation, General Partner of Concourse Plaza II, LTD, a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this 24th day of August, 2020.

[SEAL]



Sheena M. Love
Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Wesley S. Pierson, city manager of the Town of Addison, a home-rule municipality, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated.

GIVEN under my hand and seal of office this _____ day of _____, 2020.

[SEAL]

Notary Public, State of Texas

EXHIBIT A
to Memorandum of Lease

LEGAL DESCRIPTION OF DEMISED PREMISES

*FIELD NOTE DESCRIPTION
CONCOURSE PLAZA LAND LEASE
ADDISON MUNICIPAL AIRPORT*

BEING a tract of land situated in the E. Cook Survey, Abstract No. 326, Dallas County, Texas and located on Addison Municipal Airport, Addison, Texas and being more particularly described as follows:

BEGINNING at a point for a corner, said point being the intersection of the west right-of-way line of Addison Road and the south right-of-way line of Keller Springs Road as evidenced by a 1/2-inch iron rod;

THENCE departing the west right-of-way line of said Addison Road, a distance of 2.29 feet to a 5/8-inch iron rod found in the south right-of-way of Keller Springs Road and continuing S 69°35'33" W along the south right-of-way of said Keller Springs Road, 108.70 feet for a total distance of 110.99 feet to a point for a corner as evidence by an 'X' in concrete;

THENCE S 64°05'33" W, along the south right-of-way of said Keller Springs Road, a distance of 78.03 feet to a point for a corner;

THENCE S 22°07'10" E, a distance of 64.73 feet to a point for a corner;

THENCE S 20°33'10" E, a distance of 43.25 feet to a point for a corner;

THENCE S 13°45'43" E, a distance of 204.27 feet to a point for a corner;

THENCE S 1°20'34" W, a distance of 130.52 feet to a point for a corner;

THENCE N 89°36'51" E, a distance of 145.35 feet to a point for a corner, said point being in the west right-of-way line of said Addison Road and in the east line of Addison Municipal Airport, as evidence by a 1/2-inch iron rod found;

THENCE N 0°22'50" W along the west right-of-way line of said Addison Road and the east line of Addison Municipal Airport, a distance of 298.44 feet to a point in a curve to the left as evidence by a 1/2-inch iron rod, said curve to the left having a central angle of 15°17'42", a radius of 788.51 feet and chord bearing, distance of N 14°58'43" W, 209.87;

THENCE along said curve to the left of said west right-of-way line and the east line of said Addison Municipal Airport, a distance of 210.49 feet to the POINT OF BEGINNING and containing 78,506 square feet of land.

OPEN
HANGER



William M. Dyer
Real Estate Manager
16051 Addison Road
Suite #220
Addison, Texas 75001

Main: 972-392-4850
Direct: 972-392-4856
Fax: 972-788-9334
bill.dyer@addisonairport.net

~ MEMORANDUM ~

To: Ashley D. Mitchell, Deputy City Manager

From: Bill Dyer, Real Estate Manager

Cc: Joel Jenkinson, Airport Director

Date: August 4, 2020

Re: A Request for the Consideration and Consent of the Town of Addison for a Proposed Third Amendment to Ground Lease #0950-5101 (Concourse Plaza II, LTD., as “Tenant”) commonly known as Addison Airport Office Center located at 16051 Addison Road at Addison Airport, Texas (the “Demised Premises”)

Requested Action

Concourse Plaza II, LTD., Tenant to the above-referenced Ground Lease, is requesting the Town of Addison's consent to a proposed Third Amendment to Ground Lease (the “Amendment”) that will extend the current lease term by 6 years to September 30, 2060.



On August 14, 2018, the council approved a Second Amendment extending the current Ground Lease term by 360 months to September 30, 2054. That Second Amendment required Concourse Plaza complete no less than \$1,500,000 in certain capital repairs and improvements within the first 36-months of the Second Amendment effective date. That Second Amendment also, amongst other things, increased Concourse Plaza’s rental rate by 22.6% to be in alignment with the prevailing market rental rates.

Concourse Plaza has satisfactorily completed all required capital repairs and improvements pursuant to the Second Amendment with the Second Amendment Construction Cost Evidence¹ totaling \$1,992,270, exceeding the minimum required sum of \$1,500,000 by \$492,270. It is the overage, which serves as the basis and justification for the Tenant's request for the added 6-year term. The proposed Third Amendment provides for extending the current lease term the additional 6- years to September 30, 2060 (see Exhibit “A”).

Airport Management recommends the City Council give its consent to the proposed Third Amendment by authorizing the City Manager to sign the Amendment on behalf of the Landlord. The city attorney has reviewed the proposed Amendment and finds it to be acceptable to form for the City's purposes.

Background Information

The Demised Premises is located at the southwest corner of Addison Road and Keller Springs Road, at 16051 Addison Road, and consists of 1.80 acres of land. It is improved with a 42,916 square-foot, two-story, multi-tenant office building with five attached box hangars consisting of 8,359 square feet. Commercially it is known as Addison Airport Office Center.

The Ground Lease was originally entered into on October 11, 1983 with Bunnell Properties, Inc. as tenant. Attached to the Ground Lease and made a part thereof is the “Addendum to Ground Lease” whereby among other things, the term “general office use” is included among the permitted uses of the Demised Premises and the Tenant shall give priority to qualifying aviation-oriented sub-leases when practical. On April 22, 1997, landlord and tenant entered into a Settlement and First Amendment Agreement that, among other things, modified the Demised Premises by reducing the square footage of land to the current 78,506 square feet (1.80 acres) to accommodate the Addison Airport Tunnel alignment. By way of various assignments over the term Concourse Plaza II, LTD., a Texas limited partnership, is now the Tenant with Harkinson Investment Corporation as the General Partner.

Summary of Ground Lease Terms

<i>Name of Tenant</i>	<i>Description</i>
Name of Tenant	Concourse Plaza II, LTD
Lease #	0950-5101
Lease Type	Ground Lease
Ramp #	S12
Property Name	Addison Airport Office Center
Legal Address (1)	16051 Addison Rd., Addison, TX 75001
	Addison Airport Office Center
Primary Contact	Jeff Harkinson, Harkinson Investment Corp. GP
Lease Commencement Date	10/01/1983
Lease Expiration Date	09/30/2054
Years Remaining	34.27
Current Monthly Ground Rent	\$4,252.41
Current Annual Ground Rent	\$51,028.92 (\$0.65/SFL)

¹ As defined in the Second Amendment, being that Application for Payment #9, signed and notarized dated March 2, 2020 held on file in the Airport archives.

Next Rental Adjustment	09/1/2020
DCAD Est. Value of Improvements	\$2,130,000
Brief Description of Improvements	SWC of Addison Road and Keller Springs. 2-story structure consisting of @ 42,600 sf of multi-tenant office space, 5 box hangars and covered parking.
Year Built	1984
Land Area	78,506
Building Area	51,275 SF (excluding covered parking)
Rentable Office Area	42,916 RSF
Hangar/Air Serv.	8,359 SF
Ramp Area	7,700 SF

Current Status

The primary use of the leased premises is multi-tenant, general administrative offices with five (5) box aircraft hangars attached averaging about 1,680 rentable square feet each. The airport administrative offices have been in Addison Airport Office Center since October 2004 pursuant to a separate sub-lease agreement.

The tenant is in good standing with the City. There are no extraordinary legal, environmental, or strategic considerations to report currently.

Summary of Proposed Lease Amendment Terms

The proposed Third Amendment to Ground Lease provides for a term extension of 72-months or, to September 30, 2060 in recognition of the actual cost of capital repairs and improvements made more than the Second Amendment stipulated minimum..

Conclusion and Recommendation

Concourse Plaza II, LTD.'s Ground Lease is scheduled to expire September 30, 2054. The Tenant is requesting the Town of Addison's consent to the proposed Third Amendment to Ground Lease (see Exhibit "A"). The proposed Third Amendment to Ground Lease will extend the current lease term by 6 years, or 72 months, making the new proposed expiration date September 30, 2060.

The Second Amendment provided for additional lease term based on \$50,000 in approved capital repairs and improvements for each year of added term ($\$1,500,000/30 \text{ years} = \$50,000/\text{year}$). On this same basis, the Tenant would be eligible for an additional 9.8 years of term based upon the \$492,270 in qualified expenditures more than the Second Amendment minimum requirement. Because, the 9.8 years would cause the total remaining lease term to exceed the statutory limit of 40-years, the proposed term modification for this Third Amendment is limited to 6-years.

The requested action has little or no direct economic impact to the Airport.

The requested action is consistent with the 2013 Addison Airport Strategic Plan. The 2016 Airport Master Plan does not contemplate any material changes in the vicinity of the Demised Premises at the east end of Taxiway Sierra during its twenty (20) year planning horizon.

Airport management recommends the Town of Addison give its consent to the requested action and authorize the city manager to execute the Third Amendment to Ground on behalf of the City. The City Attorney has reviewed the Third Amendment and finds it to be acceptable to form for the City's purposes.

A copy of the Ground Lease is available upon request.

TO OWNER/CLIENT:
 Concourse Plaza II, Ltd. c/o Herfinkson Investment
 16057 Addison Road
 Addison, Texas 75001

PROJECT:
 Addison Airport Office Center
 16057 Addison Road
 Addison, Texas 75001

FROM CONTRACTOR:
 Drive Construction GC, LLC
 4275 Kellie Road, Suite 180
 Addison, Texas 75001

CONTRACT FOR: Addison Airport Office Center Prime Contract

APPLICATION NO: 9
INVOICE NO: 9
PERIOD: 02/01/20 - 02/29/20
PROJECT NO: 19007
CONTRACT DATE:

CONTRACTOR'S APPLICATION FOR PAYMENT
 Application is made for payment, as shown below, in connection with this Contract. Continuation Sheet is attached.

The undersigned certifies that to the best of the Contractor's knowledge, information and belief, the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work which previous Certificates for payment were issued and payments received from the Owner/Client, and that current payments shown herein is now due.

CONTRACTOR: Drive Construction GC, LLC

By: *J. Wood* Date: 3/2/2020

State of: Texas
 County of: Dallas
 Subscribed and sworn to before me this 2 day of March 2020
 Notary Public: Kathleen Wondol
 My commission expires: 2/1/23



1. Original Contract Sum	\$1,792,591.00
2. Net change by change orders	\$209,689.03
3. Contract Sum to date (Line 1 ± 2)	\$1,992,270.03
4. Total completed and stored to date (Column 5 on detail sheet)	\$1,992,270.03
5. Retainage:	
a. 0.00% of completed work	\$0.00
b. 0.00% of stored material	\$0.00
Total retainage (Line 5a + 5b or total in column 1 of detail sheet)	\$0.00
Total earned less retainage (Line 4 less Line 5 Total)	\$1,992,270.03
Less previous certificates for payment (Line 6 from prior certificates)	\$1,742,156.65
8. Current payment due:	\$250,113.38
9. Balance to finish, including retainage (Line 3 less Line 6)	\$0.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner/Client:	\$522,595.99	\$(12,906.96)
Total approved this month:	\$0.00	\$0.00
Totals:	\$522,595.99	\$(12,906.96)
Net change by change orders:	\$209,689.03	

Owner: *W. Wood* Date: 3/20/2020

CONTINUATION SHEET

DOCUMENT DETAIL SHEET

Document SUMMARY SHEET, APPLICATION AND CERTIFICATE FOR PAYMENT, containing Contractor's signed Certification is attached.
Use Column I on Contracts where variable retainage for line items apply.

APPLICATION NUMBER: 9
APPLICATION DATE: 3/2/2020
PERIOD: 02/01/20 - 02/29/20

Contract Lines

ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D + E + F)	% (G / C)	BALANCE TO FINISH (C - G)	RETAINAGE
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD					
1	Lobby General Conditions	\$78,385.00	\$78,385.00	\$0.00	\$0.00	\$78,385.00	100.00%	\$0.00	\$0.00
2	Lobby Demo	\$24,451.00	\$24,451.00	\$0.00	\$0.00	\$24,451.00	100.00%	\$0.00	\$0.00
3	Lobby Concrete	\$21,278.00	\$21,278.00	\$0.00	\$0.00	\$21,278.00	100.00%	\$0.00	\$0.00
4	Lobby Insulation	\$68,750.00	\$68,750.00	\$0.00	\$0.00	\$68,750.00	100.00%	\$0.00	\$0.00
5	Lobby ACM	\$27,834.00	\$27,834.00	\$0.00	\$0.00	\$27,834.00	100.00%	\$0.00	\$0.00
6	Lobby Doors	\$7,055.00	\$7,055.00	\$0.00	\$0.00	\$7,055.00	100.00%	\$0.00	\$0.00
7	Lobby Glass	\$40,910.00	\$40,910.00	\$0.00	\$0.00	\$40,910.00	100.00%	\$0.00	\$0.00
8	Lobby Drywall	\$63,135.00	\$63,135.00	\$0.00	\$0.00	\$63,135.00	100.00%	\$0.00	\$0.00
9	Lobby Flooring	\$49,818.00	\$49,818.00	\$0.00	\$0.00	\$49,818.00	100.00%	\$0.00	\$0.00
10	Lobby Painting	\$81,156.00	\$69,465.52	\$0.00	\$11,690.48	\$81,156.00	100.00%	\$0.00	\$0.00
11	Lobby Fire Protection	\$64,407.00	\$64,407.00	\$0.00	\$0.00	\$64,407.00	100.00%	\$0.00	\$0.00
12	Lobby Elevators	\$7,500.00	\$7,500.00	\$0.00	\$0.00	\$7,500.00	100.00%	\$0.00	\$0.00
13	Lobby Mechanical	\$38,330.00	\$38,330.00	\$0.00	\$0.00	\$38,330.00	100.00%	\$0.00	\$0.00
14	Lobby Electrical	\$115,000.00	\$115,000.00	\$0.00	\$0.00	\$115,000.00	100.00%	\$0.00	\$0.00
15	Lobby OH&P	\$37,800.00	\$37,800.00	\$0.00	\$0.00	\$37,800.00	100.00%	\$0.00	\$0.00
16	Lobby Tax	\$59,863.00	\$59,863.00	\$0.00	\$0.00	\$59,863.00	100.00%	\$0.00	\$0.00
17	Exterior General Conditions	\$17,259.00	\$17,259.00	\$0.00	\$0.00	\$17,259.00	100.00%	\$0.00	\$0.00
18	Exterior Demo	\$5,300.00	\$5,300.00	\$0.00	\$0.00	\$5,300.00	100.00%	\$0.00	\$0.00
19	Exterior Carpentry	\$27,255.00	\$27,255.00	\$0.00	\$0.00	\$27,255.00	100.00%	\$0.00	\$0.00
20	Exterior Misc Metals	\$31,160.00	\$31,160.00	\$0.00	\$0.00	\$31,160.00	100.00%	\$0.00	\$0.00
21	Exterior Doors	\$10,900.00	\$10,900.00	\$0.00	\$0.00	\$10,900.00	100.00%	\$0.00	\$0.00
22	Exterior Glass	\$24,105.00	\$24,105.00	\$0.00	\$0.00	\$24,105.00	100.00%	\$0.00	\$0.00
23	Exterior Drywall	\$14,000.00	\$14,000.00	\$0.00	\$0.00	\$14,000.00	100.00%	\$0.00	\$0.00
24	Exterior Flooring	\$22,068.00	\$22,068.00	\$0.00	\$0.00	\$22,068.00	100.00%	\$0.00	\$0.00
25	Exterior Painting	\$82,000.00	\$82,000.00	\$0.00	\$0.00	\$82,000.00	100.00%	\$0.00	\$0.00
26	Exterior Fire Protection	\$14,936.00	\$14,936.00	\$0.00	\$0.00	\$14,936.00	100.00%	\$0.00	\$0.00
27	Exterior Mechanical	\$12,126.00	\$12,126.00	\$0.00	\$0.00	\$12,126.00	100.00%	\$0.00	\$0.00
28	Exterior Electrical	\$33,243.00	\$33,243.00	\$0.00	\$0.00	\$33,243.00	100.00%	\$0.00	\$0.00
29	Exterior OH&P	\$13,290.00	\$13,290.00	\$0.00	\$0.00	\$13,290.00	100.00%	\$0.00	\$0.00
30	Exterior Tax	\$25,380.00	\$25,380.00	\$0.00	\$0.00	\$25,380.00	100.00%	\$0.00	\$0.00
31	HVAC RTU's	\$160,278.00	\$160,278.00	\$0.00	\$0.00	\$160,278.00	100.00%	\$0.00	\$0.00
32	HVAC Controls	\$78,575.00	\$78,575.00	\$0.00	\$0.00	\$78,575.00	100.00%	\$0.00	\$0.00
33	Allowance for Replacement of Hanger Panels	\$100,000.00	\$100,000.00	\$0.00	\$0.00	\$100,000.00	100.00%	\$0.00	\$0.00
34	ADA Modifications - Restrooms	\$183,206.00	\$183,206.00	\$0.00	\$0.00	\$183,206.00	100.00%	\$0.00	\$0.00

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D + E + F)		H BALANCE TO FINISH (C - G)	I RETAINAGE
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		%	(G / C)		
35	Signage Allowance	\$60,000.00	\$60,000.00	\$0.00	\$0.00	\$60,000.00	100.00%	\$0.00	\$0.00
36	Contingency	\$82,028.00	\$82,028.00	\$0.00	\$0.00	\$82,028.00	100.00%	\$0.00	\$0.00
TOTALS:		\$1,782,581.00	\$1,770,890.52	\$0.00	\$11,690.48	\$1,782,581.00	100.00%	\$0.00	\$0.00

Change Orders

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D + E + F)		H BALANCE TO FINISH (C - G)	I RETAINAGE
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		%	(G / C)		
37	PCCO#001 Change Order #1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	100.00%	\$0.00	\$0.00
38	PCCO#002 Requested Changes for Garage Ceiling; Slab Stone; RTU Condensate	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	100.00%	\$0.00	\$0.00
39	PCCO#003 Change Order #3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	100.00%	\$0.00	\$0.00
40	PCCO#004 Change Order #4 Credits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	100.00%	\$0.00	\$0.00
41	PCCO#005 Change Order #5: Bollards; FEC's;	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	100.00%	\$0.00	\$0.00
42	PCCO#006 Change Order #6 - Paint Sprinkler & Electrical Pipes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	100.00%	\$0.00	\$0.00
43	PCCO#007 Change Order #7 - Flat Roofing; Plumbing Main; Lighting; Car Charger	\$18,712.84	\$18,712.84	\$0.00	\$0.00	\$18,712.84	100.00%	\$0.00	\$0.00
44	PCCO#008 Change Order #8	\$27,143.00	\$27,143.00	\$0.00	\$0.00	\$27,143.00	100.00%	\$0.00	\$0.00
45	PCCO#009 Change Order #9 - Mac Bottom	\$12,090.00	\$12,090.00	\$0.00	\$0.00	\$12,090.00	100.00%	\$0.00	\$0.00
46	PCCO#010 Change Order #10 - Stairwell	\$6,587.00	\$0.00	\$6,587.00	\$0.00	\$6,587.00	100.00%	\$0.00	\$0.00
47	PCCO#011 Change Order #11 - 3rd Floor Suites 300; 304; 305; Lighting at South Parking Canopy	\$103,451.00	\$77,004.00	\$26,447.00	\$0.00	\$103,451.00	100.00%	\$0.00	\$0.00
48	PCCO#012 Change Order #12 - Pendants Lights	\$2,620.00	\$2,620.00	\$0.00	\$0.00	\$2,620.00	100.00%	\$0.00	\$0.00
49	PCCO#013 Change Order #13 - East Roof & Gutter	\$34,500.00	\$34,500.00	\$0.00	\$0.00	\$34,500.00	100.00%	\$0.00	\$0.00
50	PCCO#014 Change Order #14 - Credit Signage	\$(60,000.00)	\$(60,000.00)	\$0.00	\$0.00	\$(60,000.00)	100.00%	\$0.00	\$0.00
51	PCCO#015 Change Order #15- Window replacement, Water heaters, Sprinkler heads, Lighting, LVT	\$29,452.68	\$14,586.87	\$14,865.81	\$0.00	\$29,452.68	100.00%	\$0.00	\$0.00
TOTALS:		\$174,556.52	\$126,656.71	\$47,899.81	\$0.00	\$174,556.52	100.00%	\$0.00	\$0.00

Grand Totals

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D + E + F)		H BALANCE TO FINISH (C - G)	I RETAINAGE
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		%	(G / C)		
GRAND TOTALS:		\$1,992,270.03	\$1,921,261.49	\$59,318.06	\$11,690.48	\$1,992,270.03	100.00%	\$0.00	\$0.00

NOTICE:

This document waives rights unconditionally and states that you have been paid for giving up those rights. It is prohibited for a person to require you to sign this document if you have not been paid the payment amount set forth below. If you have not been paid, use a conditional release form; and below the notice, read:

UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project Addison Airport Office Center

Job No. 19007

The signer of this document has been paid and has received progress payments in the sum of \$1,742,156.65 for all labor, services, equipment, or materials furnished to the property or to Concourse Plaza II, Ltd. (person with whom signer contracted) on the property of Harkinson Investment Corporation (owner) located at 16051 Addison Road, Addison, Texas 75001 (location) to the following extent: Commercial Construction (job description). The signer therefore waives and releases any mechanic's lien right, any right arising from a payment bond that complies with a state or federal statute, any common law payment bond right, any claim for payment, and any rights under any similar ordinance, rule, or statute related to claim or payment rights for persons in the signer's position that the signer has on the above referenced project to the following extent:

This release covers a progress payment for all labor, services, equipment, or materials furnished to the property or to Concourse Plaza II, Ltd. (person with whom signer contracted) as indicated in the attached statement(s) or progress payment request(s), except for unpaid retention, pending modifications and changes, or other items furnished.

The signer warrants that the signer has already paid or will use the funds received from

this progress payment to promptly pay in full all of the signer's laborers, subcontractors, materialmen, and suppliers for all work, materials, equipment, or services provided for or to the above referenced project in regard to the attached statement(s) or progress payment request(s).

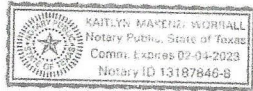
Date 3/2/2020

Drive Construction (Company name)

By *Steve Worrell* (Signature)

President (Title)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME by the said *Steve Worrell* on this the 2 day of March, 2020 to certify which witness my hand and official seal of office.



Kaitlyn M. Worrell
Notary Public, State of Texas

CONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT

Project Addison Airport Office Center

Job No. 19007

On receipt by the signer of this document of a check from Concourse Plaza II, Ltd. (maker of check) in the sum of \$250,113.38 payable to Drive Construction (payee or payees of check) and when the check has been properly endorsed and has been paid by the bank on which it is drawn, this document becomes effective to release any mechanic's lien right, any right arising from a payment bond that complies with a state or federal statute, any common law payment bond right, any claim for payment, and any rights under any similar ordinance, rule, or statute related to claim or payment rights for persons in the signer's position that the signer has on the property of Concourse Plaza II, Ltd. (owner) located at 16051 Addison Road, Addison, Texas 75001 (location) to the following extent: Commercial Construction (job description).

This release covers the final payment to the signer for all labor, services, equipment, or materials furnished to the property or to Concourse Plaza II, Ltd. (person with whom signer contracted).

Before any recipient of this document relies on this document, the recipient should verify evidence of payment to the signer.

The signer warrants that the signer has already paid or will use the funds received from this final payment to promptly pay in full all of the signer's laborers, subcontractors, materialmen, and suppliers for all work, materials, equipment, or services provided for or to the above referenced project up to the date of this waiver and release.

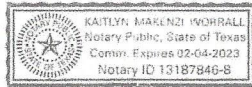
Date 3/2/2020

Drive Construction (Company name)

By [Signature] (Signature)

President (Title)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED BEFORE ME by the said Steve Worrall on this the 2 day of MARCH, 2020 to certify which witness my hand and official seal of office.



[Signature]

Notary Public, State of Texas

Concourse Plaza - 16051 Addison Road



Council Meeting

8.

Meeting Date: 09/08/2020

Department: Development Services

AGENDA CAPTION:

Consider Action on a **Resolution Approving the Sale of 0.4332 Acres of Surplus Right-of-Way at the Southeast Corner of the Intersection of Vitruvian Way and Spring Valley Road, and Authorizing the City Manager to Execute the Special Warranty Deed.**

BACKGROUND:

This item seeks the City Council's approval for the sale of 0.4332 acres of surplus Right-of-Way (ROW) at the southeast corner of the intersection of Vitruvian Way and Spring Valley Road to UDR, the adjacent property owner.

Vitruvian Way is a public street that runs through the Vitruvian Park development and terminates at an intersection with Spring Valley Road. In 2011, George H. W. Bush Elementary School was under construction. Planning for the increase in traffic anticipated from the Vitruvian Park Development and to align the street with the driveway of the new school, the Town purchased a small commercial property at the southwest corner of the Vitruvian Way and Spring Valley Road intersection and realigned the road in order to shift the intersection to the west by about 150 feet. While the ROW for the street was extended to the west to encompass the acquired property, the ROW associated with the prior alignment was never abandoned. This resulted in surplus ROW at this intersection beyond what is needed for the street and associated pedestrian improvements. This can be seen in the attached exhibit. It should be noted that the existing public art installation and plaza area will remain within the Town's ROW and will not be impacted by the abandonment.

The approved concept plan for Vitruvian Park assumes that the Town will abandon the surplus ROW to be included in the private development on either side of Vitruvian Way. UDR is currently in the early stages of exploring developing the property at the southeast corner of the intersection. Therefore, the timing is appropriate to formally abandon the surplus ROW and transfer ownership to UDR.

State law stipulates that surplus ROW can be abandoned to the adjacent property owner(s) in exchange for a market rate compensation. In the Fall of 2019, the Town contracted with Pyles Whatley Corporation to appraise the surplus ROW area at both the southeast and southwest corners of the

intersection to determine their market value. Pyles Whatley determined that the value of the 0.4332 acres as the southeast corner is valued at \$283,080.00. UDR has agreed to pay the Town this amount.

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution - Special Warranty Deed - Southeast Corner
Property Exhibit

RESOLUTION NO. R20-____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING A SPECIAL WARRANTY DEED BETWEEN THE TOWN OF ADDISON AND DCO REALTY, INC., FOR THE SURPLUS PROPERTY LOCATED AT THE SOUTHEAST CORNER OF VITRUVIAN WAY AND SPRING VALLEY ROAD, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT, AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. The Special Warranty Deed between the Town of Addison and DCO Realty, Inc., for the surplus property located at the southeast corner of Vitruvian Way and Spring Valley Road, a copy of which is attached to this Resolution as **Exhibit A**, is hereby approved. The City Manager is hereby authorized to execute the Deed.

SECTION 2. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the **8th** day of **SEPTEMBER 2020**.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma Parker, City Secretary

Brenda N. McDonald, City Attorney

EXHIBIT A

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS § KNOW ALL PERSONS BY THESE PRESENTS:

THAT the **TOWN OF ADDISON, TEXAS**, a Texas home rule municipality, whose mailing address is 5300 Belt Line Rd., Dallas, Texas 75254 (hereinafter called "*Grantor*"), on behalf of Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), together with other good and valuable consideration, to Grantor cash in hand paid by **DCO REALTY, INC.**, a Delaware corporation (hereinafter called "*Grantee*"), the receipt of which is hereby acknowledged, has DEDICATED, GRANTED, SOLD and CONVEYED, and by these presents does DEDICATE, GRANT, SELL and CONVEY unto the said Grantee, that certain tract of land described on **EXHIBIT A** attached hereto and incorporated herein by reference (the "*Land*"), together with all improvements thereon, fixtures affixed thereto, and appurtenances thereto; including all of Grantor's right, title and interest, if any, in and to all roads, alleys, easements, streets, and ways adjacent to such Land (collectively, the "*Property*").

This conveyance is expressly made and accepted by Grantee subject to the terms, conditions and provisions hereof, and further subject to restrictions, covenants, easements, conditions, mineral or royalty interests, mineral reservations, surface waivers, utility conveyances, encumbrances, regulations or orders of municipal or other governmental authorities, if any, and/or other matters now in force and existing of record in the office of the County Clerk of Dallas County, Texas, to which reference is hereby made for all purposes.

TO HAVE AND TO HOLD the above described Property, together with all and singular, the rights and appurtenances thereto in anywise belonging, unto the said Grantee, its successors and assigns forever, and Grantor does hereby bind its successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the said Property unto the said Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under the Grantor, but not otherwise, and subject to the terms set forth herein.

The conveyance of the Property hereby is subject to standby fees, taxes and assessments by any taxing authority for the 2020 calendar year, and subsequent years, the payment of which Grantee assumes.

GRANTEE ACKNOWLEDGES AND AGREES THAT EXCEPT FOR THE SPECIAL WARRANTY OF TITLE CONTAINED HEREIN, GRANTOR HAS NOT MADE, AND GRANTOR HEREBY SPECIFICALLY DISCLAIMS, ANY REPRESENTATION OR WARRANTY OF ANY KIND, ORAL OR WRITTEN, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, WITH RESPECT TO THE PROPERTY TO BE CONVEYED HEREUNDER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OR REPRESENTATIONS AS TO HABITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, ZONING, PHYSICAL OR ENVIRONMENTAL CONDITION, UTILITIES, VALUATION, THE COMPLIANCE OF THE PROPERTY WITH GOVERNMENTAL LAWS, OR ANY OTHER MATTER OR THING REGARDING THE

PROPERTY. GRANTEE ACCEPTS THE PROPERTY AND ACKNOWLEDGES THAT THE DEDICATION, CONVEYANCE AND SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE BY GRANTOR ON AN "AS IS, WHERE IS, AND WITH ALL FAULTS" BASIS. GRANTEE ACKNOWLEDGES THAT IT HAS MADE ITS OWN INDEPENDENT INVESTIGATION OF THE PROPERTY.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXECUTED this _____ day of _____, 2020.

GRANTOR:

TOWN OF ADDISON, TEXAS:

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §

COUNTY OF _____ §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared _____, _____ of the Town of Addison, Texas, a Texas home rule municipality, Grantor herein, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____ day of _____, 2020.

Notary Public-State of Texas

ACCEPTED BY DCO REALTY, INC. (Grantee):

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §

COUNTY OF _____ §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared _____, _____ of DCO Realty, Inc., a Delaware corporation, Grantor herein, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____ day of _____, 2020.

Notary Public-State of Texas

AFTER RECORDING PLEASE RETURN TO:
Town of Addison
City Secretary
5300 Belt Line Road
Dallas, Texas 75254

EXHIBIT A

LEGAL DESCRIPTION OF THE LAND

LEGAL DESCRIPTION

SURPLUS PROPERTY
NOAH GOOD SURVEY, ABSTRACT NO. 520
TOWN OF ADDISON, DALLAS COUNTY, TEXAS

Being a tract of land in the Noah Good Survey, Abstract No. 520, Dallas County, Texas, and being located in the Town of Addison, Texas, said tract being a part of the existing right of way of Vitruvian Way at the intersection with Spring Valley Road, and being more particularly described as follows:

BEGINNING at the east corner of a circular right of way clip at the intersection of the southeast line of Vitruvian Way (a 100 foot right of way) with the south line of Spring Valley Road (a variable width right of way), said point being in the north line of a tract of land conveyed to DCO Realty, Inc. by deed recorded in Instrument No. 201100337076, Deed Records of Dallas County, Texas and said point the beginning of a non-tangent curve to the left with a central angle of 63°04'31", a radius of 150.00 feet, a chord bearing of S 57°54'31" W and a chord distance of 156.92 feet;

THENCE, Southwesterly, with the said circular right of way corner clip and along said curve, an arc distance of 165.13 feet to a set 5/8 inch iron rod at the point of tangency, said point being N 26°22'15" E, a distance of 3.34 feet from a found 1/2 inch rod;

THENCE, S 26°22'15" W, with the existing southeast line of Vitruvian Way, a distance of 337.39 feet to a set 5/8 inch iron rod for a corner, said point being the intersection of the existing southeast line of Vitruvian Way with the proposed right of way line of Vitruvian Way, said point the beginning of a non-tangent curve to the left with a central angle of 13°21'54", a radius of 434.00 feet, a chord bearing of N 19°41'18" E and a chord distance of 101.01 feet;

THENCE, the following courses and distances with the proposed southeast and east line of Vitruvian Way:

- Northeasterly, along said curve, an arc distance of 101.24 feet to the beginning of a tangent compound curve to the left with a central angle of 04°19'47", a radius of 971.08 feet, a chord bearing of N 10°50'28" E and a chord distance of 73.36 feet;
- Northeasterly, along said curve, an arc distance of 73.38 feet to the beginning of a tangent compound curve to the left with a central angle of 08°29'14", a radius of 160.00 feet, a chord bearing of N 04°25'58" E and a chord distance of 23.68 feet;
- Northeasterly, along said curve, an arc distance of 23.70 feet to a point at the end of said curve;

Page 1 of 3

LEGAL DESCRIPTION - continued

SURPLUS PROPERTY
NOAH GOOD SURVEY, ABSTRACT NO. 520
TOWN OF ADDISON, DALLAS COUNTY, TEXAS

- N 00°15'46" E, a distance of 104.90 feet to the beginning of a tangent curve to the right with a central angle of 14°07'20", a radius of 90.00 feet, a chord bearing of N 07°19'26" W and a chord distance of 22.13 feet;
- Northeasterly, along said curve, an arc distance of 22.17 feet to the beginning of a non-tangent curve to the left with a central angle 13°43'01", a radius of 233.48 feet, a chord bearing of N 73°26'28" E and a chord distance of 55.76 feet;
- Easterly, along said curve, an arc distance of 55.90 feet to the beginning of a non-tangent curve to the left with a central angle 07°56'56", a radius of 332.30 feet, a chord bearing of N 02°38'16" E and a chord distance of 46.06 feet;
- Northerly, along said curve, an arc distance of 46.10 feet to the beginning of a non-tangent curve to the right with a central angle 20°23'52", a radius of 90.00 feet, a chord bearing of N 79°38'19" W and a chord distance of 31.87 feet;
- Easterly, along said curve, an arc distance of 32.04 feet;
- N 89°50'16" E, a distance of 142.92 feet to the POINT OF BEGINNING and Containing 18,872 square feet or 0.433 acre of land.


(The bearing basis for this exhibit is the deed to DCO Clipper Pointe, LP as recorded in County Clerk Instrument No. 20070170325, Deed Records of Dallas County, Texas.)

(A sketch of even survey date herewith accompanies this description.)

SURVEYOR'S CERTIFICATE

The undersigned hereby certifies the above legal description was prepared from an on the ground survey performed under the supervision of the undersigned and that the legal description accurately sets out the meets and bounds of the tract described.

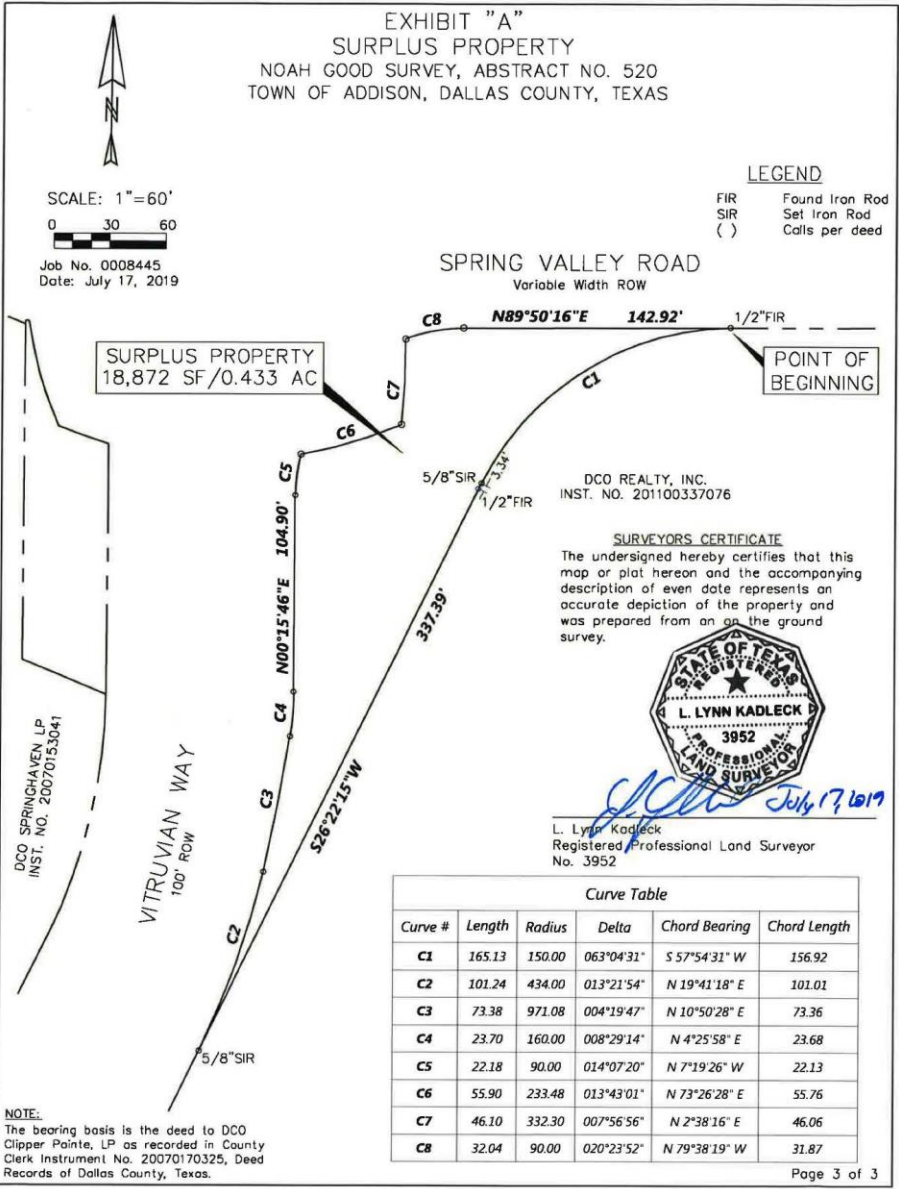
Dated: July 17, 2019


L. Lynn Kadleck
Registered Professional
Land Surveyor No. 3952



Page 2 of 3

EXHIBIT "A"
 SURPLUS PROPERTY
 NOAH GOOD SURVEY, ABSTRACT NO. 520
 TOWN OF ADDISON, DALLAS COUNTY, TEXAS



SCALE: 1"=60'
 0 30 60
 Job No. 0008445
 Date: July 17, 2019

LEGEND
 FIR Found Iron Rod
 SIR Set Iron Rod
 () Calls per deed

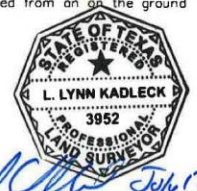
SPRING VALLEY ROAD
 Variable Width ROW

SURPLUS PROPERTY
 18,872 SF/0.433 AC

POINT OF BEGINNING

DCO REALTY, INC.
 INST. NO. 201100337076

SURVEYORS CERTIFICATE
 The undersigned hereby certifies that this map or plat hereon and the accompanying description of even date represents an accurate depiction of the property and was prepared from an on the ground survey.



L. Lynn Kadleck July 17, 2019
 L. Lynn Kadleck
 Registered Professional Land Surveyor
 No. 3952

Curve Table					
Curve #	Length	Radius	Delta	Chord Bearing	Chord Length
C1	165.13	150.00	063°04'31"	S 57°54'31" W	156.92
C2	101.24	434.00	013°21'54"	N 19°41'18" E	101.01
C3	73.38	971.08	004°19'47"	N 10°50'28" E	73.36
C4	23.70	160.00	008°29'14"	N 4°25'58" E	23.68
C5	22.18	90.00	014°07'20"	N 7°19'26" W	22.13
C6	55.90	233.48	013°43'01"	N 73°26'28" E	55.76
C7	46.10	332.30	007°56'56"	N 2°38'16" E	46.06
C8	32.04	90.00	020°23'52"	N 79°38'19" W	31.87

NOTE:
 The bearing basis is the deed to DCO Clipper Pointe, LP as recorded in County Clerk Instrument No. 20070170325, Deed Records of Dallas County, Texas.



.147
acres

.433
acres

DCO
Talisker, LP
Property

DCO
Realty, Inc.
Property

Vitruvian Way

Spring Valley Rd

Spring Valley Rd

Council Meeting

9.

Meeting Date: 09/08/2020

Department: Development Services

AGENDA CAPTION:

Consider Action on a **Resolution Authorizing the Sale of 0.1470 Acres of Surplus Right-of-Way at the Southwest Corner of the Intersection of Vitruvian Way and Spring Valley Road, and Authorizing the City Manager to Execute the Deed.**

BACKGROUND:

This item seeks the City Council's approval for the sale of 0.1470 acres of surplus Right-of-Way (ROW) at the southwest corner of the intersection of Vitruvian Way and Spring Valley Road to UDR, the adjacent property owner.

Vitruvian Way is a public street that runs through the Vitruvian Park development and terminates at an intersection with Spring Valley Road. In 2011, George H. W. Bush Elementary School was under construction. Planning for the increase in traffic anticipated from the Vitruvian Park Development and to align the street with the driveway of the new school, the Town purchased a small commercial property at the southwest corner of the Vitruvian Way and Spring Valley Road intersection and realigned the road in order to shift the intersection to the west by about 150 feet. While the ROW for the street was extended to the west to encompass the acquired property, the ROW associated with the prior alignment was never abandoned. This resulted in surplus ROW at this intersection beyond what is needed for the street and associated pedestrian improvements. This can be seen in the attached exhibit. It should be noted that the existing plaza area will remain within the ROW and will not be impacted by the abandonment.

The approved concept plan for Vitruvian Park assumes that the Town will abandon the surplus ROW to be included in the private development on either side of Vitruvian Way. UDR is currently in the early stages of exploring developing the property at the southeast corner of the intersection. Therefore, the timing is appropriate to formally abandon the surplus ROW and transfer ownership to UDR. Since the parties are going through the process for the southeast corner, it makes sense to go ahead and address the southwest corner as well.

State law stipulates that surplus ROW can be abandoned to the adjacent property owner(s) in exchange for a market rate compensation. In the Fall of

2019, the Town contracted with Pyles Whatley Corporation to appraise the surplus ROW area at both the southeast and southwest corners of the intersection to determine their market value. Pyles Whatley determined that the value of the 0.1470 acres as the southwest corner is valued at \$76,752.00. UDR has agreed to pay the Town this amount.

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution - Special Warranty Deed - Southwest Corner
Property Exhibit

RESOLUTION NO. R20-____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING A SPECIAL WARRANTY DEED BETWEEN THE TOWN OF ADDISON AND DCO TALISKER, LP, FOR THE SURPLUS PROPERTY LOCATED AT THE SOUTHWEST CORNER OF VITRUVIAN WAY AND SPRING VALLEY ROAD, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT, AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. The Special Warranty Deed between the Town of Addison and DCO Talisker, LP, for the surplus property located at the southwest corner of Vitruvian Way and Spring Valley Road, a copy of which is attached to this Resolution as **Exhibit A**, is hereby approved. The City Manager is hereby authorized to execute the Deed.

SECTION 2. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the **8th** day of **SEPTEMBER 2020**.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma Parker, City Secretary

Brenda N. McDonald, City Attorney

EXHIBIT A

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

THE STATE OF TEXAS
COUNTY OF DALLAS

§
§
§

KNOW ALL PERSONS BY THESE PRESENTS:

THAT the **TOWN OF ADDISON, TEXAS**, a Texas home rule municipality, whose mailing address is 5300 Belt Line Rd., Dallas, Texas 75254 (hereinafter called "*Grantor*"), on behalf of Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), together with other good and valuable consideration, to Grantor cash in hand paid by **DCO TALISKER, LP**, a Delaware limited partnership (hereinafter called "*Grantee*"), the receipt of which is hereby acknowledged, has DEDICATED, GRANTED, SOLD and CONVEYED, and by these presents does DEDICATE, GRANT, SELL and CONVEY unto the said Grantee, that certain tract of land described on **EXHIBIT A** attached hereto and incorporated herein by reference (the "*Land*"), together with all improvements thereon, fixtures affixed thereto, and appurtenances thereto; including all of Grantor's right, title and interest, if any, in and to all roads, alleys, easements, streets, and ways adjacent to such Land (collectively, the "*Property*")

This conveyance is expressly made and accepted by Grantee subject to the terms, conditions and provisions hereof, and further subject to restrictions, covenants, easements, conditions, mineral or royalty interests, mineral reservations, surface waivers, utility conveyances, encumbrances, regulations or orders of municipal or other governmental authorities, if any, and/or other matters now in force and existing of record in the office of the County Clerk of Dallas County, Texas, to which reference is hereby made for all purposes.

TO HAVE AND TO HOLD the above described Property, together with all and singular, the rights and appurtenances thereto in anywise belonging, unto the said Grantee, its successors and assigns forever, and Grantor does hereby bind its successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the said Property unto the said Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under the Grantor, but not otherwise, and subject to the terms set forth herein.

The conveyance of the Property hereby is subject to standby fees, taxes and assessments by any taxing authority for the 2020 calendar year, and subsequent years, the payment of which Grantee assumes.

GRANTEE ACKNOWLEDGES AND AGREES THAT EXCEPT FOR THE SPECIAL WARRANTY OF TITLE CONTAINED HEREIN, GRANTOR HAS NOT MADE, AND GRANTOR HEREBY SPECIFICALLY DISCLAIMS, ANY REPRESENTATION OR WARRANTY OF ANY KIND, ORAL OR WRITTEN, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, WITH RESPECT TO THE PROPERTY TO BE CONVEYED HEREUNDER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OR REPRESENTATIONS AS TO HABITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, ZONING, PHYSICAL OR ENVIRONMENTAL CONDITION, UTILITIES, VALUATION, THE COMPLIANCE OF THE PROPERTY WITH GOVERNMENTAL LAWS, OR ANY OTHER MATTER OR THING REGARDING THE PROPERTY. GRANTEE ACCEPTS THE PROPERTY AND ACKNOWLEDGES THAT THE DEDICATION, CONVEYANCE AND SALE OF THE PROPERTY AS PROVIDED FOR

HEREIN IS MADE BY GRANTOR ON AN “AS IS, WHERE IS, AND WITH ALL FAULTS” BASIS. GRANTEE ACKNOWLEDGES THAT IT HAS MADE ITS OWN INDEPENDENT INVESTIGATION OF THE PROPERTY.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXECUTED this _____ day of _____, 2020.

GRANTOR:

TOWN OF ADDISON, TEXAS:

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §

COUNTY OF _____ §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared _____, _____ of the Town of Addison, Texas, a Texas home rule municipality, Grantor herein, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____ day of _____, 2020.

Notary Public-State of Texas

ACCEPTED BY DCO TALISKER, LP (Grantee):

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §

COUNTY OF _____ §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared _____ of DCO Talisker LP, a Delaware limited partnership, Grantor herein, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____ day of _____, 2020.

Notary Public-State of Texas

AFTER RECORDING PLEASE RETURN TO:
Town of Addison
City Secretary
5300 Belt Line Road
Dallas, Texas 75254

EXHIBIT A

LEGAL DESCRIPTION OF THE LAND

LEGAL DESCRIPTION

SURPLUS PROPERTY
NOAH GOOD SURVEY, ABSTRACT NO. 520
TOWN OF ADDISON, DALLAS COUNTY, TEXAS

Being a tract of land in the Noah Good Survey, Abstract No. 520, Dallas County, Texas, and being located in the Town of Addison, Texas, said tract being part of a tract of land conveyed to Crimson Tide Management, Inc. by deed recorded in Volume 98060, Page 3378, Deed Records of Dallas County, Texas and being more particularly described as follows:

COMMENCING at a found "x" cut on concrete pavement at the south corner of a circular right of way corner clip at the intersection of the northwest line of Vitruvian Way (a 100 foot right of way) with the south line of Spring Valley Road (a variable width right of way); Thence, S 26°22'15" W, with the northwest line of Vitruvian Way, a distance of 221.93 feet to a found ½ inch iron rod at the southeast corner of the said Crimson Tide Management, Inc. tract and the most easterly northeast corner of Springhaven Apartment Addition as recorded in Volume 78015, Page 1834, Deed Record Dallas County, Texas; Thence, N 67°26'00"W, departing the northwest line of Vitruvian Way, a distance of 29.27 feet to set "x" cut on concrete pavement for the POINT OF BEGINNING;

THENCE, N 67°26'00" W, continuing with the common line of the said Crimson Tide Management tract and the northeast line of said Springhaven Apartment Addition, a distance of 48.85 feet to a found "x" cut on concrete pavement for a corner;

THENCE, N 00°15'46" E, continuing with the said common line, passing at a distance of 179.20 feet the northeast corner of the said Springhaven Apartment Addition and the south line of Spring Valley Road, continuing in all a distance of 180.82 feet to a set 5/8 inch iron rod for a corner;

THENCE S 89°45'14" E, a distance of 1.78 feet to a set "x" cut on concrete pavement for a point for a corner at the beginning of a non-tangent curve to the left with a central angle of 15°22'09", a radius of 219.20 feet, a chord bearing of S 15°55'45" E and a chord distance of 58.62 feet;

THENCE, Southeasterly, along said curve, an arc distance of 58.80 feet to a point for a corner at the beginning of a non-tangent curve to the left with a central angle of 07°01'36", a radius of 233.51 feet, a chord bearing of S 70°44'17" E and a chord distance of 28.62 feet;

THENCE, Southeasterly, along said curve, an arc distance of 28.64 feet to a point for a corner;

THENCE, S 00°15'46" W, a distance of 133.75 feet to the POINT OF BEGINNING and Containing 6,396 square feet or 0.147 acre of land.

Page 1 of 3

LEGAL DESCRIPTION - continued

SURPLUS PROPERTY
NOAH GOOD SURVEY, ABSTRACT NO. 520
TOWN OF ADDISON, DALLAS COUNTY, TEXAS

(The bearing basis for this exhibit is the deed to DCO Clipper Pointe, LP as recorded in County Clerk Instrument No. 20070170325, Deed Records of Dallas County, Texas.)

(A sketch of even survey date herewith accompanies this description.)

SURVEYOR'S CERTIFICATE

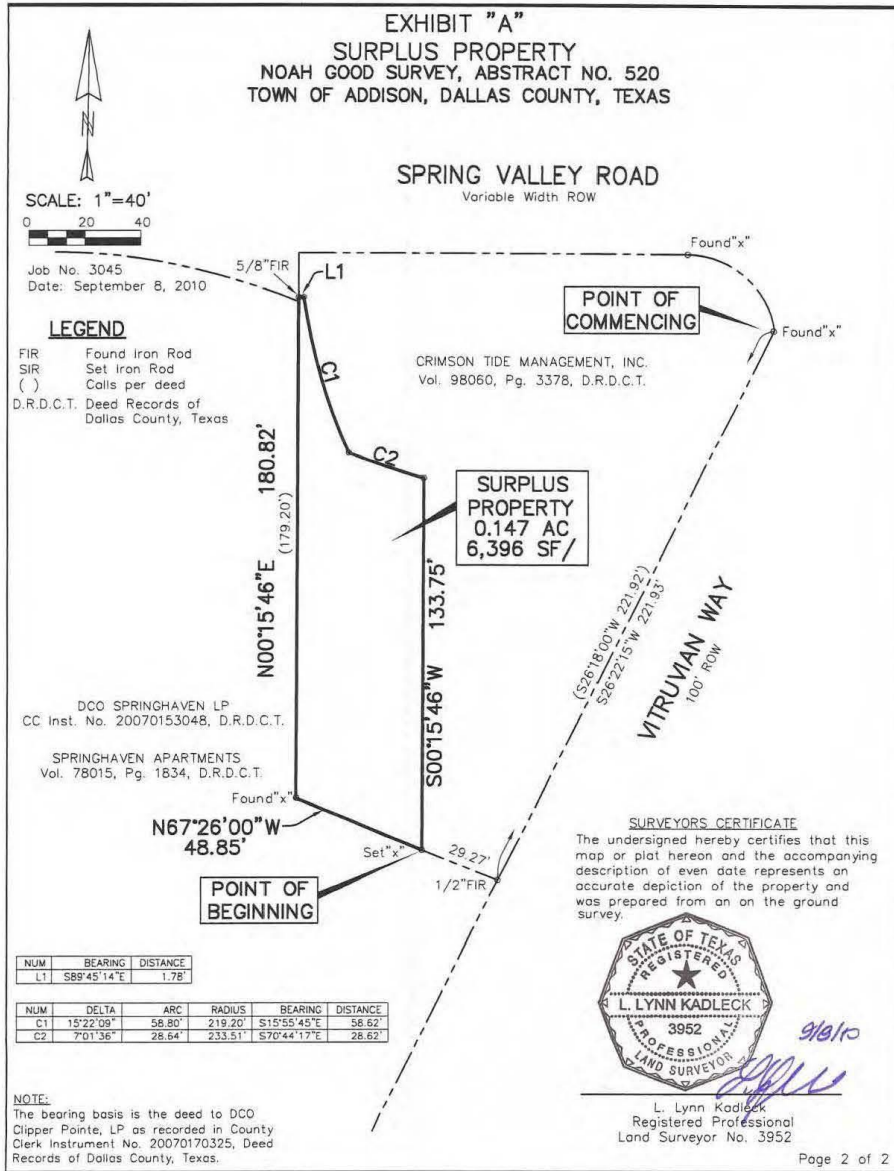
The undersigned hereby certifies the above legal description was prepared from an on the ground survey performed under the supervision of the undersigned and that the legal description accurately sets out the meets and bounds of the right of way dedication tract described.

Dated: September 8, 2010



Lynn Kadleck
Registered Professional
Land Surveyor No. 3952







.147
acres

.433
acres

DCO
Talisker, LP
Property

DCO
Realty, Inc.
Property

3818

3939

3959

Vitruvian Way

Spring Valley Rd

3965

3973

Spring Valley Rd

3940

4099

4063

Council Meeting

10.

Meeting Date: 09/08/2020

Department: Development Services

AGENDA CAPTION:

Consider Action on a **Resolution to Approve an Interlocal Agreement with the Trinity River Authority for the Monitoring of Wastewater for Certain Industrial Uses and Authorize the City Manager to Execute the Agreement** in an Amount Not to Exceed \$9,500.

BACKGROUND:

The Environmental Protection Agency (EPA) requires that uses categorized as Significant Industrial Users (SIU) be monitored at the local level to ensure that they are disposing of wastewater in compliance with Federal regulations. An example of a SIU in Addison is Plastech Corporation at 15606 Wright Brothers Drive. They form plastics into a variety of products, some of which co-mingle pesticides with plastics for products like flea collars. The wastewater generated in the industrial areas of Addison flows to and is treated by the Trinity River Authority (TRA). For this reason, the Town has historically contracted with the TRA to conduct the necessary inspections, sampling and testing of these SIUs.

This annual agreement, provided as an exhibit in the attached resolution, is for a not to exceed amount of \$9,500. This is equal to the amount of the Fiscal Year 2020 Interlocal Agreement. There is no budget impact to the Town as the cost of the inspections are charged to the SIUs.

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution - Interlocal Agreement Trinity River Authority

TOWN OF ADDISON, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE TOWN OF ADDISON AND TRINITY RIVER AUTHORITY OF TEXAS FOR WATER AND WASTEWATER ANALYSIS AND SURVEYS OF INDUSTRIAL USERS IN AN AMOUNT NOT TO EXCEED \$9,500.00 FOR FY2020-21, AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT, AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. The Interlocal Agreement for Technical Services between the Town of Addison and Trinity River Authority of Texas for water and wastewater analysis and surveys of industrial users in an amount not to exceed \$9,500.00, a copy of which is attached to this Resolution as **Exhibit A**, is hereby approved. The City Manager is hereby authorized to execute the agreement.

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

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the 8th day of September, 2020.

Joe Chow, Mayor

ATTEST:

By: _____
Irma Parker, City Secretary

APPROVED AS TO FORM:

By: _____
Brenda N. McDonald, City Attorney

EXHIBIT A

CONTRACT FOR TECHNICAL SERVICES

I. CONTRACTING PARTIES

The Receiving Agency: City of Town of Addison, whose authorized address is

P.O. Box 9010,
Addison, Texas 75001
Attn: Development Services.

The Performing Agency: Trinity River Authority of Texas, whose authorized address is 5300 South Collins, P. O. Box 240, Arlington, Texas 76004-0240, Attention: J. Kevin Ward, General Manager (or his designated representative).

II. STATEMENT OF SERVICES TO BE PERFORMED

In order to discharge the responsibilities associated with the enforcement of Federal, State, and municipal regulations, the Receiving Agency requires services of a laboratory qualified to perform water and wastewater analysis, and of personnel to conduct industrial inspection and/or sampling services, such services detailed in Section A, Subsection(s) 1.2 & 3, below.

A. PERFORMANCE OF SERVICES

1. Non-Significant Industrial User Inspection and Classification Services:

The Receiving Agency employs the Performing Agency and the Performing Agency agrees to perform industrial user survey services and inspections for non-significant industrial users within the parameters listed on the attached schedule sheet and in accordance with the Receiving Agency's Industrial Waste Ordinances and Sewer Ordinances Numbers 003-003.

The Performing Agency shall perform all industrial user survey activities including organization of users to be surveyed utilizing the Texas Manufacturing Guide, notification to industrial users that require completion of the Receiving Agency's Industrial User Survey Form, industrial user inspections as needed, and proper classification and documentation of industrial users' discharge practices. Performing Agency will provide on behalf of the Receiving Agency updates to the Texas Commission on Environmental Quality (TCEQ) when required. Industrial user survey procedures are established by the Trinity River Authority to meet industrial discharge notification requirements found in the Texas Pollutant Discharge Elimination System Permits issued to the Trinity River Authority and in accordance with 40 CFR § 403.8. Documentation associated with the industrial user survey shall be maintained as required by EPA General Pretreatment Regulations, 40 CFR § 403.12.

2. Significant Industrial User Permit and Inspection Services:

The Receiving Agency employs the Performing Agency and the Performing Agency agrees to perform permitting and industrial inspection services for significant industrial users within the parameters listed on the attached schedule sheet.

The Performing Agency shall perform all Industrial Pretreatment Inspections, review permit applications and prepare for submittal Permits to Discharge Industrial Wastes

EXHIBIT A

to the Sanitary Sewer in accordance with procedures established by the Trinity River Authority of Texas in accordance with 40 CFR § 403.8. Industrial Pretreatment Inspections, Application reviews and permit preparations and submittals shall be in compliance with the Receiving Agency's Industrial Waste Ordinances, Sewer Ordinance Numbers 003-003, and EPA General Pretreatment Regulations for Existing and New Sources. Records of Inspections, Applications and Permits shall be maintained as required by EPA General Pretreatment Regulations, 40 CFR § 403.12.

3. Industrial User Sampling Services:

The Receiving Agency employs the Performing Agency and the Performing Agency agrees to perform industrial user sampling services within the parameters listed on the attached schedule sheet and in accordance with the Receiving Agency's Industrial Waste Ordinances and Sewer Ordinance Numbers 003-003.

The Performing Agency shall perform all sample collections, sample preservation, and maintenance of chain-of-custody records in accordance to the approved procedures set forth in Test Methods for Evaluating Solid Waste, EPA Manual SW-846, Methods for Chemical Analysis of Water and Wastes, EPA Manual EPA-600/4-79-020, and the Handbook for Sampling and Sample Preservation of Water and Wastewater, EPA Manual EPA-600/4-82-029. The samples shall be properly collected, preserved and delivered by the Performing Agency to the Performing Agency's laboratory located at 6500 West Singleton Blvd., Dallas, Texas. When feasible, the Performing Agency will conduct flow or time composited sampling. When composited sampling is not feasible, grab sampling will be performed.

4. Analytical Services:

The Receiving Agency employs the Performing Agency and the Performing Agency agrees to perform analytical services within the parameters listed on the attached schedule sheet.

The Receiving Agency will collect samples and deliver them to the laboratory for analysis. It is understood that these samples will be properly collected and preserved in accordance with applicable sections of A Practical Guide to Water Quality Studies of Streams, Federal Water Pollution Control Administration publication and Methods for Chemical Analysis for Water and Wastes, EPA manual, as well as the latest edition of Standard Methods for the Examination of Water and Wastewater. Additionally, requirements set by the National Environmental Laboratory Accreditation Conference will be followed as mandated by the Texas Commission on Environmental Quality for state accreditation. A chain-of-custody procedure shall be maintained in the field and the laboratory in accordance with procedures to be established by the Receiving Agency. The Receiving Agency will furnish chain-of-custody.

The Performing Agency will perform all analyses according to the approved procedures set forth in Standard Methods for the Examination of Water and Wastewater, current edition or the latest edition of Methods for Chemical Analysis of Water and Wastes, EPA manual. Additionally, requirements set by the National Environmental Laboratory Accreditation Conference will be followed as mandated by the Texas Commission on Environmental Quality for state accreditation. Samples will be analyzed by these methods on the production basis, to include appropriate analytical quality assurance procedures. Records will be kept for documentation of the Performing Agency's quality assurance program and copies will be available to the Receiving Agency upon request. Unusual interferences and problems will be reported

EXHIBIT A

to the Receiving Agency at its authorized address noted above. Research into specific techniques to overcome these difficulties will be undertaken when practical, and by mutual agreement. The chain-of-custody sheet submitted with each sample will designate the particular analysis or analyses to be made of each sample submitted. The laboratory will be operated in such a manner as to ensure the legal sufficiency of the sample handling; analytical and reporting procedures; and to remedy defects in the procedures should such be discovered.

The various laboratory personnel shall be directed upon receipt of written notice from the Receiving Agency 72 hours in advance, to appear and testify in enforcement actions. In such event, travel and per diem expenses for such employees shall be paid by the Receiving Agency. Travel and per diem for court appearances hereunder shall be based on current Texas law.

Receiving Agency may deliver to Performing Agency samples for analyses separate and apart from those samples collected by the Performing Agency. When the Receiving Agency delivers samples to the Performing Agency for analyses, the Receiving Agency shall indicate the nature and extent of the analysis it desires to be conducted. Performing Agency shall not be responsible for the manner of collection or chain-of-custody or sheets which are matters entirely outside Performing Agency's control. Performing Agency shall receive, log and perform such analyses of samples in accordance with that part of the chain-of-custody procedures identified as Transfer of Custody and Storage attached hereto.

Samples analyzed to maintain the normal quality assurance program which the Performing Agency presently maintains in its laboratory will be charged to the Receiving Agency at the same rate as submitted samples.

B. TERMINATION

Either party to this Contract may terminate the Contract by giving the other party thirty days' notice in writing at their authorized address as noted previously. Upon delivery of such notice by either party to the other and before expiration of the thirty-day period, the Performing Agency will proceed promptly to cancel all existing orders, contracts, and obligations which are chargeable to this Contract. As soon as practicable after notice of termination is given, the Performing Agency will furnish Receiving Agency an invoice for work performed under this Contract through its termination. The Receiving Agency will pay the Performing Agency for the work performed less all prior payments. Copies of all completed or partially completed reports, documents, and studies prepared under this Contract will be delivered by the Performing Agency to the Receiving Agency when and if this Contract is terminated prior to the completion of the prescribed work.

C. AMENDING THE CONTRACT

The parties hereto may alter or amend this Contract upon advance written agreement of both parties to exclude work being performed or to include additional work to be performed and to adjust the consideration to be paid hereunder by virtue of alterations or amendments.

III. BASIS FOR CALCULATING REIMBURSABLE COSTS

The financial basis for calculating reimbursable costs shall be as stated in Attachment A. Said Attachment A shall be revised and updated annually. Any revisions will be incorporated by reference herein. A cost analysis shall be prepared each year by the Trinity River Authority of

EXHIBIT A

Texas and shall be approved by the Trinity River Authority of Texas Board of Directors prior to effective date of said revision.

The expenditures by the Trinity River Authority of Texas of funds paid to it under this Contract shall be subject to such State or Federal audit procedures as may be required by law and by accepted practices of the State or Federal auditor, or both, if requested. The Trinity River Authority of Texas shall be responsible for maintaining books of account that clearly, accurately and currently reflect financial transactions. The financial records must include all documents supporting entries on the account records which substantiate costs. The Trinity River Authority of Texas must keep the records readily available for examination for a period of three years after the close of the last expenditure.

IV. CONTRACT AMOUNT

The total costs charged by the Authority to the Receiving Agency shall not exceed Nine Thousand Five Hundred Dollars (\$9,500) per annum during the term of this Contract, unless mutually agreed by the parties hereto.

V. PAYMENT FOR SERVICES

The Performing Agency shall bill the Receiving Agency monthly for services performed. Charges for these services shall be based on the attached cost schedules.

The Receiving Agency shall pay the monthly billings of the Performing Agency within thirty days of their receipt.

VI. TERM OF CONTRACT

This Contract is to begin October 1, 2020 and shall terminate September 30, 2021, subject to Section II, paragraph B of this contract.

VII. INTERLOCAL AGREEMENT

Inasmuch as the Receiving Agency and the Performing Agency are political subdivisions of this state, and inasmuch as the testing of water and wastewater are critical to the maintenance of public health and such testing is therefore, a governmental function and service, this contract is entered into pursuant to the Interlocal Cooperation Act, Chapter 791, Texas Government Code.

Receiving Agency:

TOWN OF ADDISON

BY: _____

TITLE: Wesley S. Pierson, City Manager

DATE: _____

ATTEST: _____
(SEAL)

Performing Agency:

TRINITY RIVER AUTHORITY OF TEXAS

BY: _____

TITLE: GENERAL MANAGER

DATE: _____

ATTEST: _____
(SEAL)

EXHIBIT A

CHAIN-OF-CUSTODY PROCEDURES

Sample Collection and Shipment

1. To the maximum extent achievable, as few people as possible should handle a sample.
2. Stream and effluent samples should be obtained using standard field sampling techniques and preservation procedures.
3. Chain-of-Custody sheets should be attached to each sample at the time it is collected. Sample containers must be appropriate for requested testing with appropriate preservation and legibly labeled. The tag or sheet contains basically laboratory (requested parameters) information; however, certain identifying items including City, City Code, Contact Name and Phone Number, Type Sample Matrix, Material Sampled, and Method of Preservation must be completed by the field personnel collecting the sample. In completing the Chain-of-Custody tag or sheet, care should be utilized to insure that all necessary information is correctly and legibly entered onto the form. A black ballpoint with water proof ink should be used at all times.
4. During shipment, samples should be appropriately cooled. TRA lab receiving technician will check temperature.

Transfer of Custody and Storage

1. All samples should be handled by the minimum possible number of persons.
2. All incoming samples shall be received by the laboratory technician or his alternate, and logged into a database. Information to be entered into the database shall include the client sample number, date received, source, time(s) sampled, date(s) sampled, and analyses requested and comments from the Chain of Custody.
3. Promptly after logging, the custodian technician will distribute the sample to an analyst or place the sample in the secure sample vault, which will be locked at all times except when samples are removed or returned by analysts. The sample will be tracked internally in the lab.
4. Samples shall be kept in the sample storage security area at all times when not actually being used by analysts, such as during overnight absences. The technician shall ensure that heat-sensitive samples, or other sample materials having unusual physical characteristics, or requiring special handling, are properly stored and maintained.
5. A log of sample removal and replacement will be kept in the secure sample vault and be retained as a permanent record of the laboratory.
6. The original Chain of Custody and a Sample Evaluation/Variance record shall be sent by the laboratory to the appropriate Receiving Agency control point as part of the final data report.

EXHIBIT A

EXHIBIT A

TECHNICAL SERVICES FEE SCHEDULE

FOR

LABORATORY ANALYSES,

INDUSTRIAL INSPECTIONS

AND

INDUSTRIAL SAMPLING

FISCAL YEAR 2021

December 1, 2020 through November 30, 2021

NELAP CERTIFICATE T104704287-10-TX

EXHIBIT A

CHEMICAL ANALYSES

Liquid Samples

Alkalinity:		Phosphorus:	
Total (*) (**)	\$13.00	Ortho (*)	\$15.50
		Total (*)	\$20.00
Biochemical Oxygen Demand:		Solids Testing (Gravimetric):	
5-Day (*)	\$34.90	Total (TS)	\$16.00
5-Day Carbonaceous (*)	\$38.00	Total Dissolved (TDS) (*)	\$27.00
5-Day Filtered (Dissolved)	\$48.00	Total Suspended (TSS) (*)	\$19.70
7-Day	\$44.00	Volatile Suspended (VSS) (*)	\$11.00
Extra Dilution (Each)	\$ 2.50	(after TSS)	
		Percent Solids, Total and Volatile	\$18.50
Chlorophyll "a"	\$23.00	Sulfate (*)	\$15.40
Chlorophyll "a" and Pheophytin	\$33.00	Turbidity (*) (**)	\$9.50
Chemical Oxygen Demand (*)	\$22.00	UV254	\$25.00
Chloride (*)	\$15.40	Mercury (*) (**)	\$30.00
Conductance, Specific (*) (**)	\$10.50		
Cyanide:		Metals (EPA 200.8) (*) (**) (***):	\$16.00 ea.
Total (*)	\$56.00	Aluminum	
Amenable to Chlorination (*)	\$65.60	Arsenic	Lead
Fluoride, Total (**)	\$15.40	Antimony	Manganese
Glycols	\$21.70	Barium	Molybdenum
Hardness (*) (**)	\$24.00	Beryllium	Nickel
Nitrogen:		Boron	Selenium
Ammonia (*)	\$20.00	Cadmium	Silver
Ammonia by Distillation (*)	\$30.00	Chromium	Thallium
Kjeldahl, Total (*)	\$28.00	Cobalt	Tin
Nitrate (*)	\$15.40	Copper	Titanium
Nitrite (*)	\$15.40	Iron	Vanadium
Total	\$40.00		Zinc
Oil and Grease (*)	\$70.00	Minerals (*):	\$16.00 ea.
Organic Carbon:		Calcium	
Dissolved	\$23.00	Magnesium	
Total (*) (**)	\$15.75	Potassium (***)	
pH (*)	\$11.30	Silica	
		Sodium	

Solid Samples

Ammonia (***)	\$28.50
Chemical Oxygen Demand	\$35.00
Nitrogen, Kjeldahl, Total	\$35.50
Phosphorus, Total (***)	\$24.25
pH (***)	\$21.00
Mercury (***)	\$66.50
Metals Preparation	\$35.00

NELAP Accreditation
 *Non-Potable Water
 **Drinking Water
 *** Solids

EXHIBIT A

MICROBIOLOGICAL ANALYSES

Drinking Water:

Total Coliform (MMO/MUG) (**)	\$22.00
Heterotrophic Plate Count	\$22.00

Wastewater:

Coliform, Fecal (Membrane Filter (*))	\$20.00
Coliform, Fecal (MPN (***))	\$63.00
Coliform, Total (MPN-Q Tray)	\$21.35
E. Coli (MPN-Q Tray) (*)	\$21.35
Streptococcus, Fecal (Membrane. Filter) (*)	\$19.00
Heterotrophic Plate Count	\$22.00
Microscopic General Examination	\$25.00

TRACE ORGANIC (GC-GC/MS) ANALYSES

EPA 624 (*):

3-Day (unpreserved)	\$171.00
BTEX (only)	\$175.00
Trip Blanks	\$103.00
Geosmin/MIB	\$107.00

EPA 625 (*):

Total Semi-Volatiles	\$211.00
Semi-Volatile Trip Blank	\$181.00

Pesticides/PCB

EPA 608 (*):

Full List	\$343.00
Chlorinated Pesticides (only)	\$226.50
PCB (aqueous)	\$226.50

EPA 8082:

Polychlorinated Biphenyls (PCB)	\$165.36
---------------------------------	----------

BY QUOTE

Chromium Hexavalent
Oil and Grease (solids)
Organophosphate Pesticide
Phenols
TCLP Metals
TCLP Organic Compounds
Total Petroleum Hydrocarbons (solids and liquids)

NELAP Accreditation
*Non-Potable Water
**Drinking Water
*** Solids

EXHIBIT A

INDUSTRIAL PRETREATMENT SERVICES

SAMPLING

Composite Sample	\$ 210.00
Additional Composite Sample	\$ 105.00
Grab Sample	\$ 87.00
Additional Grab Sample	\$ 25.00
pH only	\$ 87.00
Field pH	\$ 29.00
Field Measurement	\$ 47.00
Sampling Event Cost for a Failed Sample	\$ 113.00
Industry Split Sample	\$ 29.00
Boat Fee	\$ 105.00
QA/QC Fee	\$ 23.00

PRETREATMENT ASSISTANCE

Inspection (permitted users)	\$ 700.00
Inspection (unpermitted users)	\$ 100.00
Permit Preparation (5yr permit)	\$2,000.00
Field Surveillance Event	\$1,063.00
Industrial User Survey Fee	Formula

Industrial User Survey Fee Formula:

(No. of Survey Entities¹ X \$3.75) + (No. of identified industrial users² X \$16.00)

Formula Footnotes:

¹ Users from the Texas Manufactures Guide List for Contracting Party's jurisdiction.

² Users that require further manufacturing process and discharge classification

PRETREATMENT SERVICES INCLUDE

- Grab Sampling
- Installation of Automatic Composite Samplers
- Field Testing Available
- Proper Field QA/QC
- Industry Split Sampling
- Sample Preservation
- Proper Chain of Custody
- Delivery to TRA Laboratory
- Sample Data Review with Report Summaries
- Appropriate Industrial User Pretreatment Classification
- Verification of Permit Application Data
- Chemical Inventory Review
- Permit Drafting
- Semiannual Report Review
- Appropriate Inspection Documentation
- Enforcement Guidance
- Consultation with Industries on Industrial Pretreatment

NELAP Accreditation
*Non-Potable Water
**Drinking Water
*** Solids

EXHIBIT A

GENERAL SERVICE INFORMATION

1. Effective Date: December 1, 2020. All prices listed are per sample and subject to review.
2. All analyses are performed in accordance with "Standard Methods for the Examination of Water and Wastewater," 20th Edition, 1998 or most recent approved and/or EPA "Manual of Methods for Chemical Analysis of Water and Wastes," 1983 and the "3rd Edition of Solid Waste Manual SW 846."
3. Prices include a 10 percent charge added to the analyses cost to maintain the normal quality assurance program.
4. Standard turn-around time is considered 15 business days for most testing. Priority is half of the standard time. Customer requiring PRIORITY turn-around time will be billed at one and one-half (1 ½) times the routine rate. Customer requiring RUSH turn-around time, run immediately on the next or a special run, will be billed at two times the normal rate. It is recommended to call in advance of sample submission or inquire at the time of submission for estimated turn-around time.
5. The Laboratory will follow instructions as stated on the Chain-of-Custody submitted with samples. The Customer may be contacted by the lab representative on any variance issues and written instruction may be requested concerning the variance.
6. For EPA624 VOC 3 day analysis, do not lower the pH of the sample.
7. Sampling supplies will be provided upon request at a reasonable charge. Bacteriological sampling supplies are included in the cost of analyses.
8. Samples other than bacteriological samples should be delivered to the laboratory before 4:00 p.m. on weekdays. Samples cannot be accepted on weekends or holidays unless special arrangements are made in advance. Bacteriological samples should be delivered prior to 2:00 p.m. unless special arrangements are made in advance. For after-hour samples, please call and arrange for leaving in cold storage vault with analyses request form.
9. A monthly invoice for completed analyses is mailed the following month.
10. Laboratory hours are weekdays 7:00 a.m. to 4:30 p.m. To contact the lab about emergency samples use the number below.
11. Environmental Field, Engineering Field and Pretreatment Services office hours are Monday through Friday, 8:00 a.m. to 5:00 p.m. For after-hour emergencies, leave message with computer operator.
12. Environmental Field and Engineering Field Services are requested to be scheduled a minimum of 72 hours in advance.
13. Laboratory Certificate Number T104704287-10-2.

FOR MORE INFORMATION, CONTACT:

METRO: (972) 263-2251

FAX: (972) 975- 4414

WILLIAM B. CYRUS
Manager
Technical Services

JOHN DURBIN
Manager
Collection System Group

CRAIG HARVEY
Laboratory Division
Chief

JENNIFER MOORE
Environmental Service
Coordinator

JACOB RODGERS
Technical Services
Engineer

CATHY SIEGER
Quality Assurance
Coordinator

NELAP Accreditation
*Non-Potable Water
**Drinking Water
*** Solids

Council Meeting

11.

Meeting Date: 09/08/2020

Department: Finance

Pillars: Gold Standard for Financial Health

Milestones: Continue development and implementation of Long Term Financial Plan

AGENDA CAPTION:

Hold a Public Hearing, Present, Discuss, and Consider Action on **an Ordinance to Levy Taxes for the Town of Addison, Texas, and to Fix and Adopt the Tax Rate of \$0.608676 for the Town on All Taxable Property for the Fiscal Year Beginning October 1, 2020 and Ending September 30, 2021.**

BACKGROUND:

This is the second of two public hearings regarding the proposed tax rate for the Town of Addison.

The proposed property tax rate for the Fiscal Year (FY) 2021 is \$0.608676 per \$100 of valuation. The proposed rate is made of the following components:

Tax Rate Component	Amount (per \$100 of valuation)
Maintenance & Operations: General Fund	\$0.411192
Maintenance & Operations: Economic Development	\$0.023716
Maintenance & Operations: Infrastructure Investment	\$0.006201
Interest & Sinking (Debt)	\$0.167567
Total Proposed Rate for the FY 2021	\$0.608676

The State's Truth-in-Taxation law also requires calculation and publication of each taxing entity's no-new revenue tax rate, voter-approval tax rate, and de minimus rate:

Tax Rate	Definition	Amount (per \$100 of valuation)

No-New Revenue Tax Rate	The no-new-revenue tax rate is the tax rate for the 2020 tax year that will raise the same amount of property tax revenue for Town of Addison from the same properties in both the 2019 tax year and the 2020 tax year.	\$0.637851
Voter-Approval Tax Rate	The voter-approval tax rate is the highest tax rate that Town of Addison may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for Town of Addison exceeds the voter-approval tax rate for Town of Addison.	\$0.701933
De Minimis Rate	The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for Town of Addison, the rate that will raise \$500,000, and the current debt rate for Town of Addison.	\$0.675536

These rates were published in the August 29, 2020 edition of the Dallas Morning News. Included with this agenda item is a copy of the publication notice.

The proposed budget recommends a property tax rate of \$0.608676 per \$100 valuation, which does not exceed the no-new revenue tax rate. This proposed rate is higher than last year's adopted rate of \$0.583500 per \$100 of valuation.

The average home value for the Town of Addison is \$335,597, which generates a tax bill of \$2,043. Last year, the average home value was \$329,891 which generated a tax bill of \$1,925. The average tax payer would pay about \$118 more in property taxes than last year. Individual taxes may increase or decrease depending on the change in the taxable value of your property.

RECOMMENDATION:

Administration recommends approval.

Attachments

- Notice of Vote on the Tax Rate
 - Presentation - Fiscal Year 2021 Tax Rate Adoption
 - Ordinance - Fiscal Year 2021 Tax Rate Adoption
-

NOTICE OF MEETING TO VOTE ON TAX RATE

A tax rate of .616878 per \$100 valuation has been proposed by the governing body of Town of Addison.

PROPOSED TAX RATE	\$0.616878 per \$100
NO-NEW REVENUE TAX RATE	\$0.637851 per \$100
VOTER-APPROVAL TAX RATE	\$0.701933 per \$100
DE MINIMIS RATE	\$0.675536 per \$100

The no-new-revenue tax rate is the tax rate for the 2020 tax year that will raise the same amount of property tax revenue for Town of Addison from the same properties in both the 2019 tax year and the 2020 tax year.

The voter-approval tax rate is the highest tax rate that Town of Addison may adopt without holding an election to seek voter approval of the rate, unless the de minimis rate for Town of Addison exceeds the voter-approval tax rate for Town of Addison.

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate for Town of Addison, the rate that will raise \$500,000, and the current debt rate for Town of Addison.

The proposed tax rate is not greater than the no-new-revenue tax rate. This means that Town of Addison is not proposing to increase property taxes for the 2020 tax year.

A public meeting to vote on the proposed tax rate will be held on September 8th, 2020 at 7:30 pm at 14681 Midway Road Addison TX 75201.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, Town of Addison is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the Town of Addison at their offices or by attending the public meeting mentioned above.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS
FOLLOWS:

$$\text{property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

The members of the governing body voted on the proposed tax rate as follows:

FOR:

AGAINST:

PRESENT and not voting:

ABSENT:

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by Town of Addison last year to the taxes proposed to be imposed on the average residence homestead by Town of Addison this year:

	2019	2020	Change
Total Tax Rate (per \$100 of value)	\$0.583500	\$0.616878	increase of \$0.033378 OR 5.72%
Average homestead taxable value	\$329,891	\$336,985	increase of 2.15%
Tax on average homestead	\$1,925	\$2,079	increase of \$154 OR 7.99%
Total tax levy on all properties	\$26,778,332	\$26,597,391	increase of \$180,941 OR -0.68%

For assistance with tax calculations, please contact the tax assessor for Town of Addison at 214.653.7811 or TNTHELP@dallascounty.org, or visit www.dallascounty.org/tax/ for more information.



Tax Rate Adoption FY2021

Property Tax Rate Approval Process

Key Dates	Council Action
Monday, July 27 th	Receipt of Certified Estimate from DCAD.
Thursday, Aug. 20 th	Receipt of Certified Values from DCAD.
Saturday, Aug. 29 th	Publication of Notice of Proposed Tax Rate.
Tuesday, Sept. 1 st	First public hearing on budget and tax rate.
Tuesday, Sept. 8 th	Second public hearing on budget and tax rate.
Tuesday, Sept. 8 th	Adoption of FY2021 Budget and Tax Rate.
Thursday, Oct. 1 st	Begin Fiscal Year.



Property Tax Values and Tax Rate

Certified Assessed Value FY2021 ~\$4.93B

Current Certified Assessed Value FY2020 ~\$4.82B

Current Property Tax Rate FY2020 \$.583500/100

Proposed Property Tax Rate FY2021 \$.608676/100



Property Tax Rates

	FY2019	FY2020	FY2021
No-New-Revenue (Effective)	\$0.527064/100	\$0.552371/100	\$0.593260/100
Voter-approval (Rollback)	\$0.553323/100	\$0.591133/100	\$0.627315/100
Proposed	\$0.550000/100	\$0.583500/100	\$0.608676/100

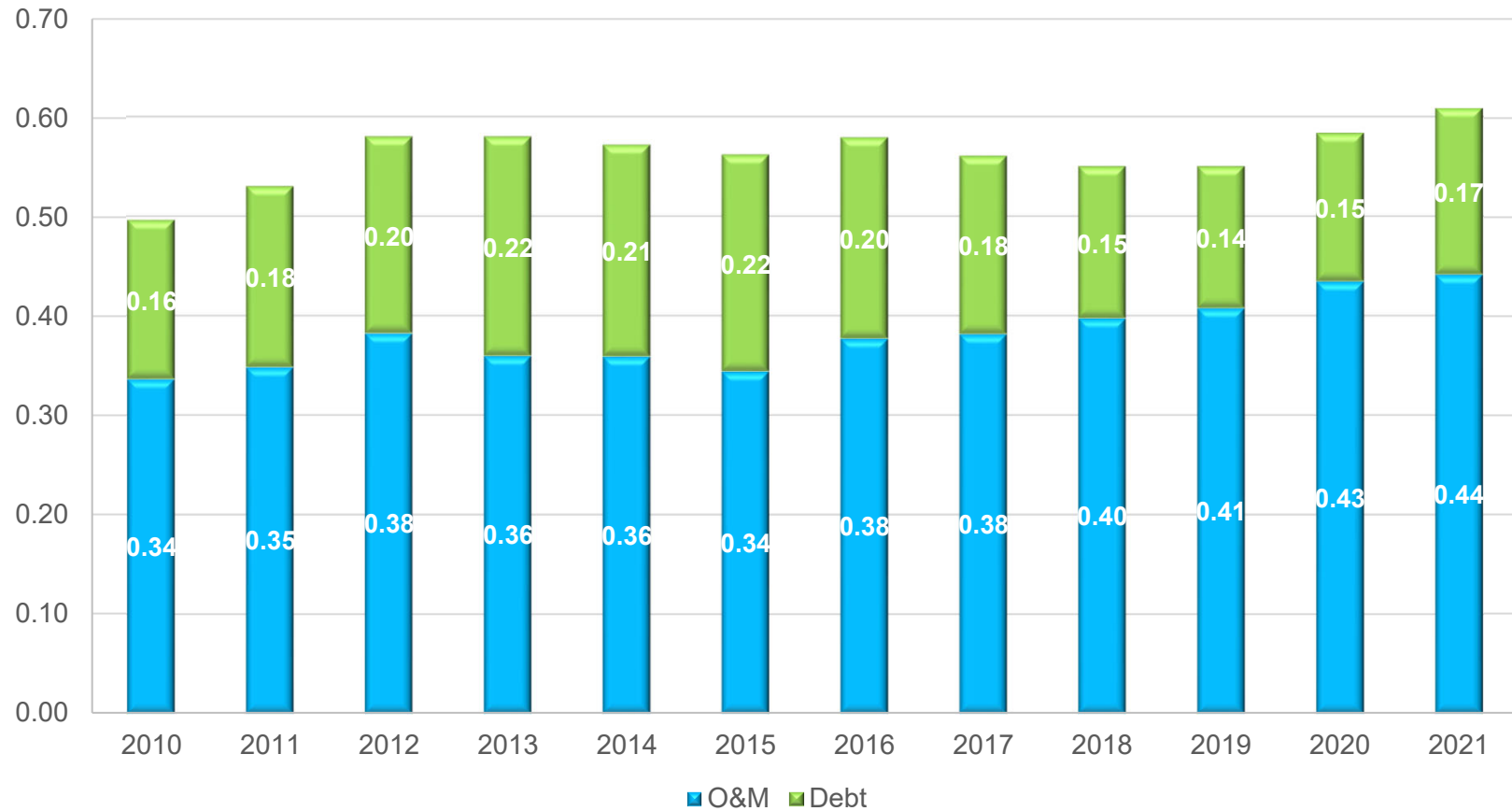


Property Tax Revenues

	FY2019 Actual	FY2020 Budget	FY2021 Proposed	% Change FY20 to FY21
General Fund (O&M)	\$17,296,733	\$18,781,674	\$19,546,156	4.1%
Economic Development Fund (O&M)	1,090,118	1,103,081	1,127,348	2.2%
Infrastructure Investment Fund (O&M)	285,032	288,421	294,767	2.2%
Debt Service Fund (I&S)	6,606,889	6,966,638	7,965,369	14.3%
Total Tax Revenue	\$25,278,773	\$27,139,814	\$28,933,627	6.6%



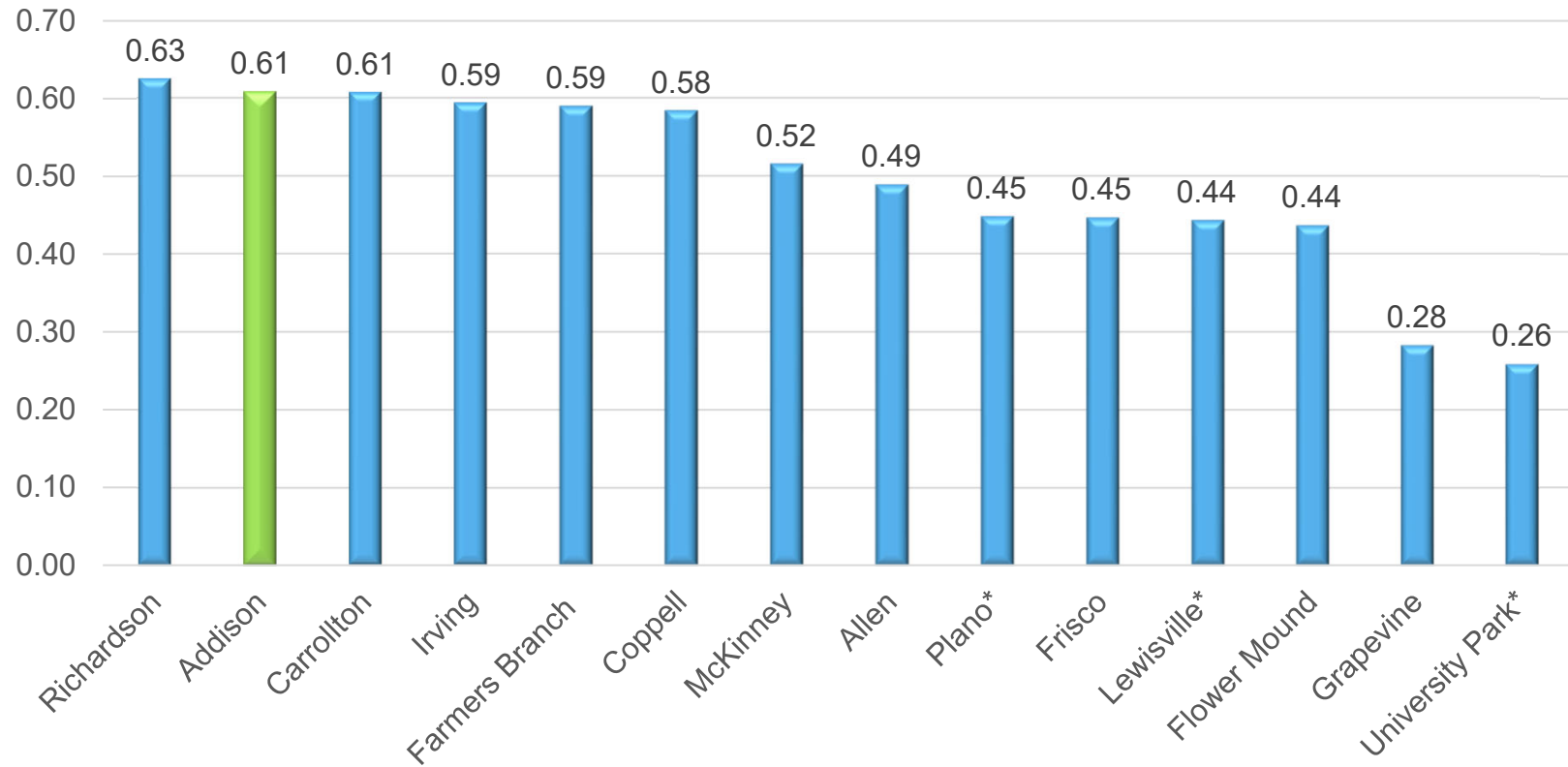
Property Tax Rates



* Rates are rounded to the nearest penny.



FY2021 Tax Rates - Comparison Cities

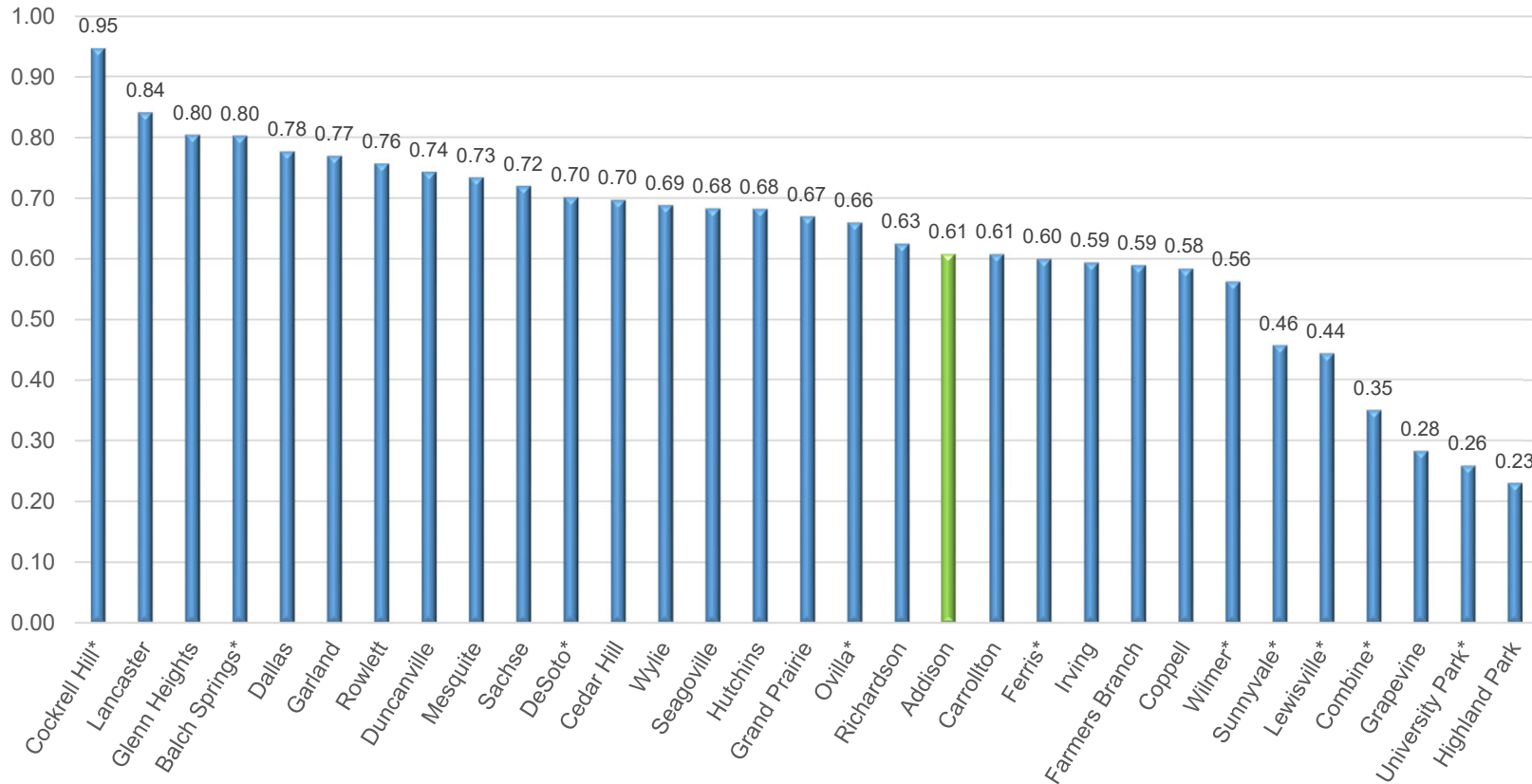


*FY2021 Tax rates unavailable;
FY2020 Tax rate presented.



Median: 0.502300
Mean: 0.495004

FY2021 Tax Rates – Dallas County



*FY2021 Tax rates unavailable;
FY2020 Tax rate presented.



Median: 0.669998
Mean: 0.628142

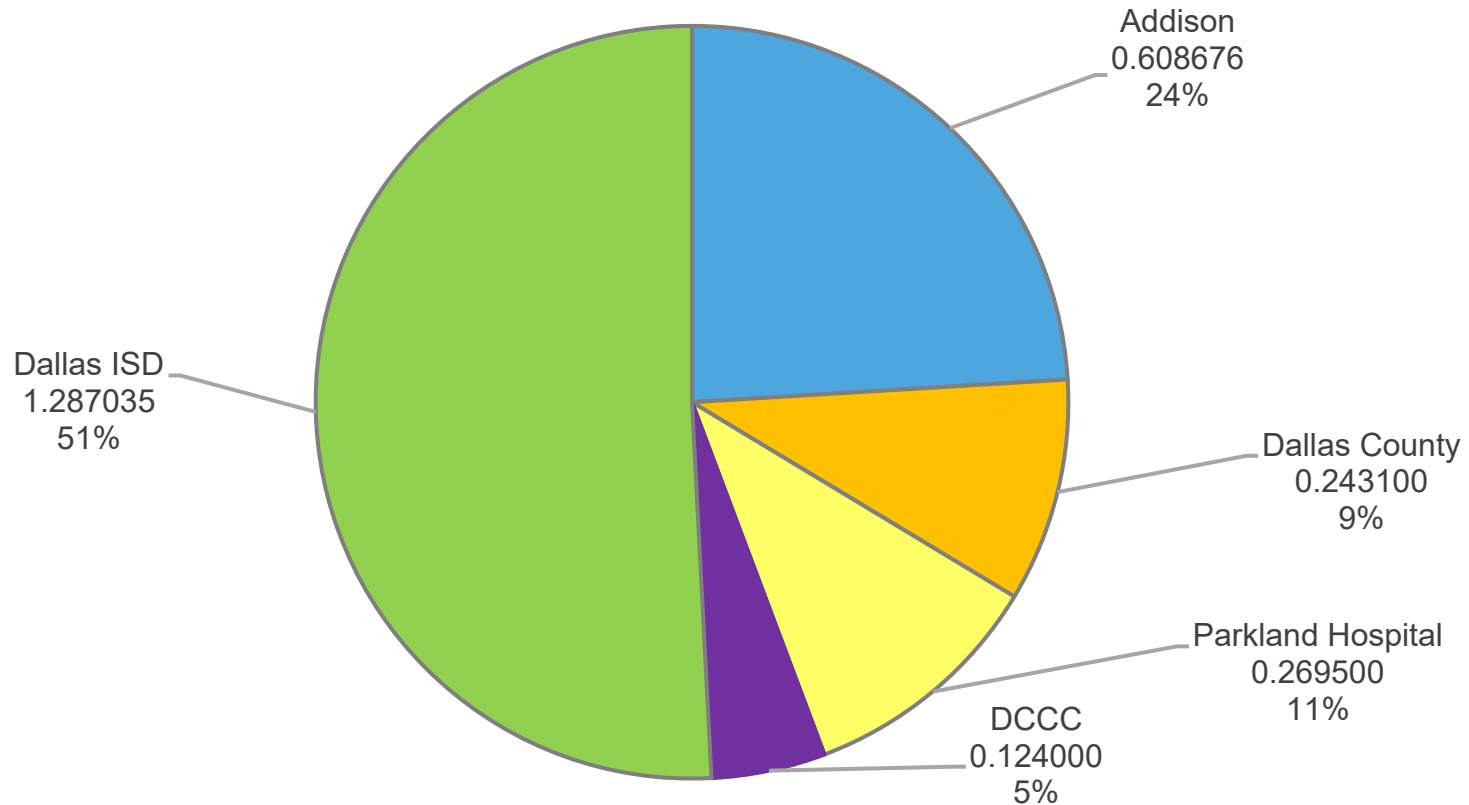
Impact on Average Homeowner

	FY2020	FY2021
Average Home Value	\$430,632	\$432,871
Tax Rate	0.583500	0.608676
Average Taxable Value	\$329,891	\$335,597
Annual Tax Bill	\$1,925	\$2,043

Based on the average taxable home value of \$335,597, the average residential taxpayer would pay \$118 (≈\$9.83 per month) more than last year.



FY2021 Property Tax Rates Combined



*Note: All other entities tax rates are the current year tax rate or proposed tax rates



Combined Tax Rate
\$2.532311



Questions?

Tax Code 26.05

- “I move that the property tax rate be increased by the adoption of a tax rate of \$0.608676 per \$100 valuation, which does not exceed the no-new revenue tax rate”.



TOWN OF ADDISON, TEXAS

ORDINANCE NO. _____

AN ORDINANCE LEVYING TAXES FOR THE TOWN OF ADDISON, TEXAS AND FIXING AND ADOPTING THE TAX RATE ON ALL TAXABLE PROPERTY FOR THE YEAR 2020 AT A RATE OF \$0.608676 PER ONE HUNDRED DOLLARS (\$100.00) VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE TOWN OF ADDISON AS OF JANUARY 1, 2020, THE SAID TAX RATE HAVING A MAINTENANCE AND OPERATIONS COMPONENT AND A DEBT SERVICE COMPONENT; PROVIDING FOR A PENALTY AND INTEREST FOR DELINQUENT TAXES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to Texas Tax Code Chapter 26, the Tax Assessor-Collector for the Town of Addison, Texas (the “City”) has calculated the tax rate for the fiscal year 2020-2021 which cannot be exceeded without requisite publications and public hearings; and

WHEREAS, the tax rate for the fiscal year 2020-2021 as initially contemplated (proposed) by the City Council did not, and as adopted herein does, exceed the said rate calculated by the Tax Assessor-Collector; and

WHEREAS, the Town of Addison complied with the State of Texas Truth-in-Taxation laws and advertised the proposed tax rate and conducted two public hearings on the tax rate, and all notices and hearings and other applicable steps required by law as a prerequisite to the passage, approval, and adoption of this Ordinance have been timely and properly given and held; and

WHEREAS, Section 26.05(a), Tex. Tax Code, provides that the tax rate consists of two components (one of which will impose the amount of taxes needed to pay debt service, and the other of which will impose the amount of taxes needed to fund maintenance and operation expenses for the next year), and each of such components must be approved separately, the tax rate set forth herein consists of those two components and they are approved separately; and

WHEREAS, upon full review and consideration of the matter, the City Council is of the opinion that the tax rate for the year 2020 set, fixed and adopted herein below is proper.

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

ORDINANCE NO. _____

Section 1. That there is hereby levied and ordered to be assessed and collected an ad valorem tax rate of \$0.608676 on each One Hundred Dollars (\$100.00) of assessed valuation for all taxable property located in the Town of Addison on the 1st day of January 2020, and not exempted from taxation by the constitution and laws of the State of Texas to provide for the expenses of the Town of Addison for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021. The said tax is made up of five components, as set forth in Section 2 and Section 3 of this Ordinance.

Section 2. That \$0.441109 of said taxes shall be for the maintenance and operations of the Town of Addison, of which \$0.411192 of said taxes shall be for the purposes of the General Fund, \$0.023716 shall be for the purposes of economic development, and \$0.006201 shall be for the purposes of the Infrastructure Investment Fund.

Section 3. That \$0.167567 of said taxes shall be for the purpose of paying interest and principal on the General Obligation and Certificates of Obligation debt for the Town of Addison.

Section 4. That the Tax Assessor-Collector or his /her designee is hereby authorized to assess and collect the tax rates and amounts herein levied.

Section 5. That the taxes levied by this Ordinance shall be due and payable on October 1, 2020 and shall become delinquent on February 1, 2021. Penalty and interest will attach and accrue on delinquent taxes as provided by Section 33.01 of the Texas Tax Code.

Section 6. Taxes that are and remain delinquent on July 1, 2021 incur an additional penalty not to exceed twenty percent (20%) of the amount of delinquent taxes, penalty and interest collected; such additional penalty is to defray the costs of collection due to pursuant to the contract with the Town's attorney authorized by Section 6.30 of the Texas Tax Code, as amended.

Section 7. The above and foregoing recitals are true and correct and are incorporated into this Ordinance and made a part hereof for all purposes.

Section 8. That this Ordinance shall take effect and be in force from and after its adoption and publication as may be required by applicable law, including the Town Charter.

On the following motion by _____: "I move that the property tax rate be increased by the adoption of a tax rate of \$0.608676 per \$100 valuation, which does not exceed the no-new revenue tax rate"; seconded by _____, the above and foregoing ordinance was passed and approved by roll call vote as follows:

Mayor Joe Chow _____

Mayor Pro Tempore Lori Ward _____

Deputy Mayor Pro Tempore Guillermo Quintanilla _____

Councilmember Tom Braun _____

Councilmember Ivan Hughes _____

Councilmember Paul Walden _____

Councilmember Marlin Willesen _____

_____ voted in favor of the motion _____ voted against the motion

Motion carried _____

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the 8th day of September, 2020.

Joe Chow, Mayor

ATTEST:

By: _____
Irma Parker, City Secretary

APPROVED AS TO FORM:

By: _____
Brenda N. McDonald, City Attorney

Council Meeting

12.

Meeting Date: 09/08/2020

Department: Finance

Pillars: Gold Standard for Financial Health

Milestones: Continue development and implementation of Long Term Financial Plan

AGENDA CAPTION:

Hold a Public Hearing, Present, Discuss, and Consider Action on **an Ordinance of the Town of Addison, Texas Approving and Adopting the Annual Budget for the Fiscal year Beginning October 1, 2020 and Ending September 30, 2021, and Making Appropriations for Each Office, Department, Agency and Project of the Town, Providing That Expenditures for Said Fiscal Year Shall Be made in Accordance with the Adopted Budget, Unless Otherwise Authorized by an Ordinance Adopted By the City Council; Providing for Emergency Expenditures and Expenditures as Otherwise Allowed By Law.**

BACKGROUND:

This is the first public hearing regarding the Town of Addison’s Annual Budget for Fiscal Year (FY) 2021. The proposed FY 2021 operating budget requests an appropriation of \$84,747,215. Listed below is a breakdown of funds:

Fund	Expenditure Amount
General	\$39,440,786
Hotel	5,838,564
Debt Service Combined	7,648,653
Economic Development	2,019,815
Airport	7,154,116
Utility	14,406,405
Stormwater	3,596,943
Combined Replacement	3,049,275
Combined Grants	13,700
Combined Special Revenues	1,578,959
Total	\$84,747,215

Significant items included in the proposed operating budget include:

- Significant items included in the proposed operating budget include:
Revenues for all funds total approximately \$78.9 million, a reduction of \$4.6M compared to FY 2020. Primary revenues sources are property tax (\$28.8 million), sales tax (\$12.3 million), hotel occupancy tax (\$4.2 million) and utility service fees (\$13.9 million).
- Staffing level of 299.8 Full-time Equivalent (FTE) positions. This is an increase of 9.0 FTE's over FY 2020. Employee compensation allocation of approximately \$512 thousand in all funds for merit increases plus benefits. This provides a pool equivalent to a 2 percent merit increase.
- Significant decision packages include:
 - Celestial Park Improvements (\$103 thousand),
 - Irrigation Management System Upgrade (\$75 thousand),
 - Risk and Resilience Assessment and Emergency Response Plan (\$100 thousand),
 - Facilities Maintenance Funds (\$180 thousand),
 - Public Safety Facility Maintenance Funds (\$85 thousand),
 - Water Quality Supervisor (\$85 thousand),
 - Design and Construction Details Standards Upgrade (\$200 thousand),
 - Addison Circle Transit Oriented Development Funds (\$318 thousand),
 - Special Area Study Funds (\$140 thousand),
 - Funds for Enhanced Street Maintenance (\$292 thousand).
- The FY 2021 proposed five-year capital improvements budget totals \$37.2 million. Significant projects include:
 - Midway Road Reconstruction (\$10.4 million),
 - Vitruvian Development Next Phase (\$3.9 million),
 - HVAC Replacements (\$1.1 million),
 - Roof Replacements (\$2.9 million),
 - Keller Springs Reconstruction (\$4.0 million),
 - License Plate Recognition System Expansion (\$1.4 million),
 - Completion of Airport Customs Facility Construction (\$2.6 million),
 - Celestial Ground Storage Tank Rehabilitation (\$1.7 million),
 - Chlorine Booster Station (\$1.0 million),
 - Water System Improvements (\$1.4 million),
 - Stormwater Assessment Basin Improvements (\$2.8 million).

Texas Local Government Code (LGC) Sec. 102.006 requires the governing body of a municipality to hold a public hearing on the proposed budget and provide for public notice of the date, time, and location of the hearing. This notice was published in the Dallas Morning News on Friday, August 16, 2019.

The proposed budget can be found at the following link: <https://addisontexas.net/finance/budget>

RECOMMENDATION:

Administration recommends approval.

Attachments

Advertisement - Public Hearing

Presentation - Fiscal Year 2021 Budget Adoption

Ordinance - Fiscal Year 2021 Budget Adoption

**Notice of Public Hearings on Fiscal Year 2021
Budget and Tax Rate**

The Town of Addison will hold two public hearings on the Town's annual budget and tax rate for the fiscal year beginning October 1, 2020 and ending September 30, 2021. The public hearings will be conducted at a special meeting of the City Council at 5:00 pm on Tuesday, September 1, 2020 and at a regular meeting of the City Council at 7:30 pm on Tuesday, September 8, 2020. Both meetings will be held at The Addison Treehouse located at 14681 Midway Road, Suite 200, Addison, TX 75001. This budget will raise more total property taxes than last year's budget by \$1,812,478, or 6.7 percent, and of that amount \$722,182 is tax revenue to be raised from new property added to the tax roll this year.

The Town of Addison is accessible to person with disabilities. Please call 972-450-2819 at least 48 hours in advance of the meeting if you need assistance. The budget document is on file with the City Secretary and is available for public inspection.



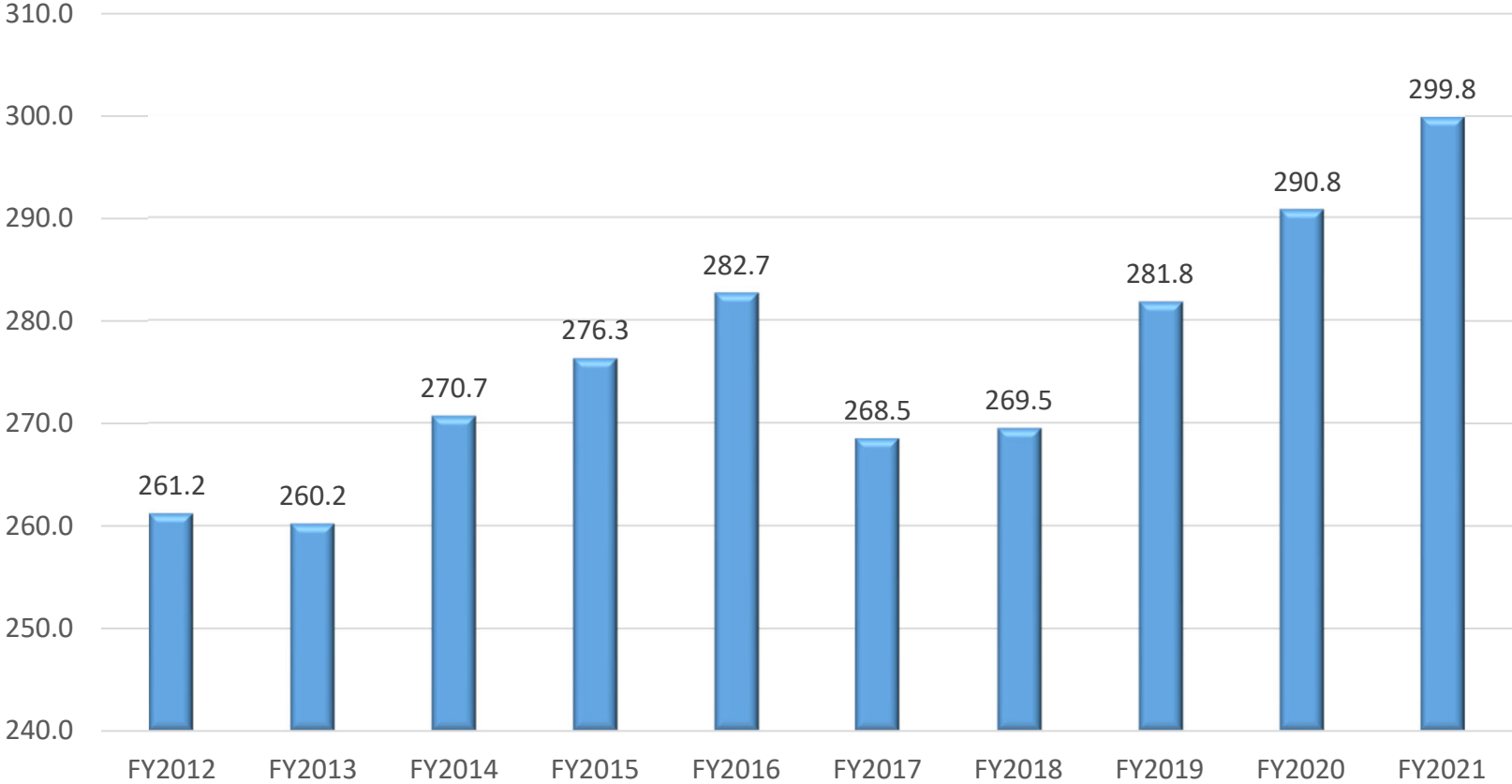
Budget Public Hearing FY2021

Staffing Summary

	2017	2018	2019	2020	2021
General Fund	223.2	224.2	231.2	235.2	232.8
Hotel Fund	16.7	16.7	17.0	17.0	9.0
Eco. Devo. Fund	4.0	4.0	4.0	4.0	4.0
Airport Fund	3.4	3.4	4.4	4.4	19.6
Utility Fund	19.2	19.2	22.2	25.2	27.4
Stormwater Fund	2.0	2.0	4.0	4.0	4.0
Cap. Proj. Fund	-	-	-	1.0	3.0
TOTAL	268.5	269.5	281.8	290.8	299.8



All Funds Staffing History

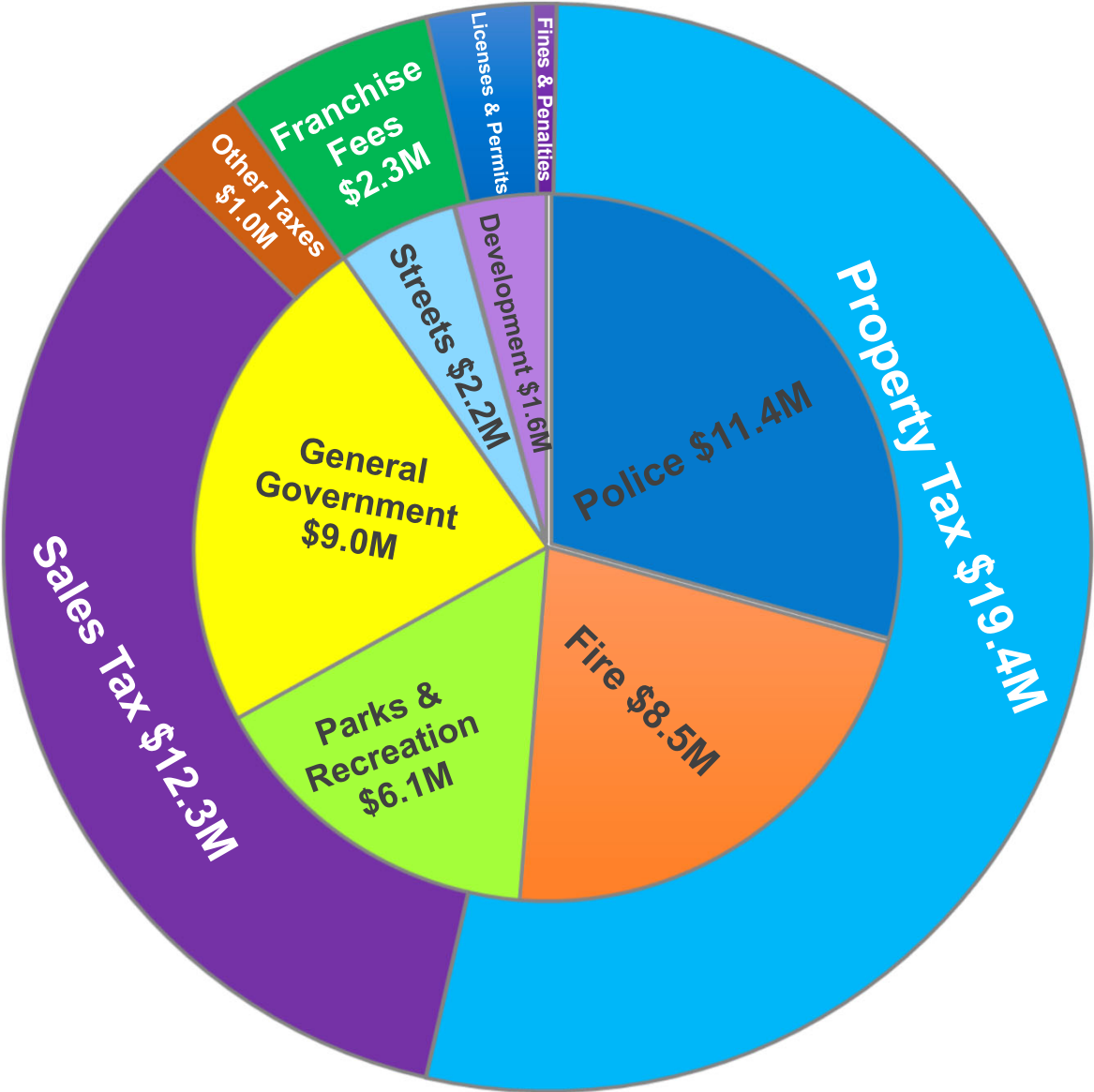


Departmental Staffing Summary

	PERSONNEL SUMMARY									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL FUND										
City Secretary	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
City Manager	7.5	6.0	7.0	8.0	7.5	5.5	5.5	6.5	6.5	5.9
Finance	8.0	8.0	7.5	9.7	13.0	13.0	13.0	13.0	13.0	11.8
General Services	8.0	5.0	5.0	5.0	5.0	4.8	4.8	5.5	5.5	5.5
Municipal Court	5.4	5.4	5.7	5.7	5.8	5.8	5.8	5.0	5.0	5.0
Human Resources	5.2	4.2	4.2	3.5	4.0	4.0	4.0	4.0	4.0	3.4
Information Technology	6.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Police	73.8	73.8	75.3	79.8	79.8	71.0	71.0	72.0	74.0	74.0
Emergency Communications	13.5	13.5	13.5	13.5	14.5	0.0	0.0	0.0	0.0	0.0
Fire	52.0	52.0	55.3	55.3	55.3	56.0	57.0	57.0	58.0	58.0
Development Services	7.2	7.2	7.2	7.2	7.2	11.0	11.0	12.1	13.1	13.1
Streets	5.0	5.0	5.0	5.4	5.4	6.4	6.4	7.4	7.4	7.4
Parks	20.0	21.0	21.0	21.0	22.0	22.0	22.0	25.0	25.0	25.0
Recreation	14.6	14.6	14.6	15.1	15.1	15.7	15.7	15.7	15.7	15.7
GENERAL FUND TOTAL	226.2	222.7	228.3	236.2	241.6	223.2	224.2	231.2	235.2	232.8
HOTEL FUND	15.0	14.5	16.7	14.8	14.8	16.7	16.7	17.0	17.0	9.0
ECONOMIC DEVELOPMENT FUND	1.0	2.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
AIRPORT FUND	3.0	3.0	3.0	3.0	3.0	3.4	3.4	3.4	4.4	19.6
UTILITY FUND	16.0	18.0	18.3	16.6	17.6	19.2	19.2	22.2	25.2	27.4
STORMWATER FUND	0.0	0.0	1.4	1.7	1.7	2.0	2.0	4.0	4.0	4.0
CAPITAL PROJECTS FUND	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	3.0
TOTAL ALL FUNDS	261.2	260.2	270.7	276.3	282.7	268.5	269.5	281.8	290.8	299.8
CHANGE	(0.3)	(1.0)	10.5	5.6	6.4	(14.2)	1.0	12.3	9.0	9.0

*Positions are shown as full-time equivalents (FTEs).

General Fund Overview



General Fund Overview

(excluding transfers)

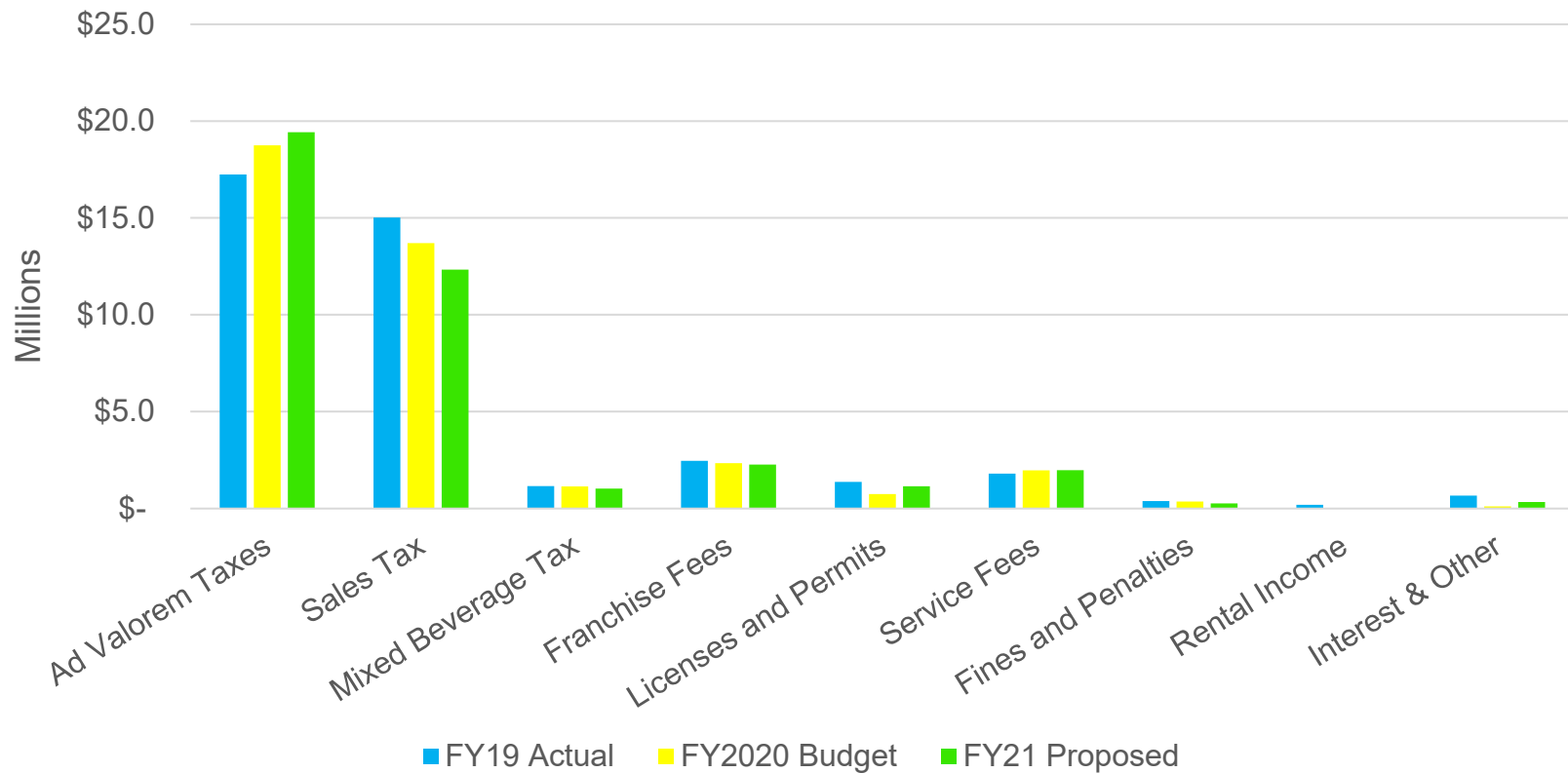
	FY2020 Budget	FY2021 Prop.	Difference
Total Revenue	\$39.1M	38.8M	(\$0.3)M
Total Expense	\$39.1M	38.7M	(\$0.4)M
Revenue to Expense	-	\$0.1M	\$0.1M

- Ad valorem taxes = \$19.4M
 - Increase of \$0.7M
- Sales tax = \$12.3M
 - Decrease of \$1.4M

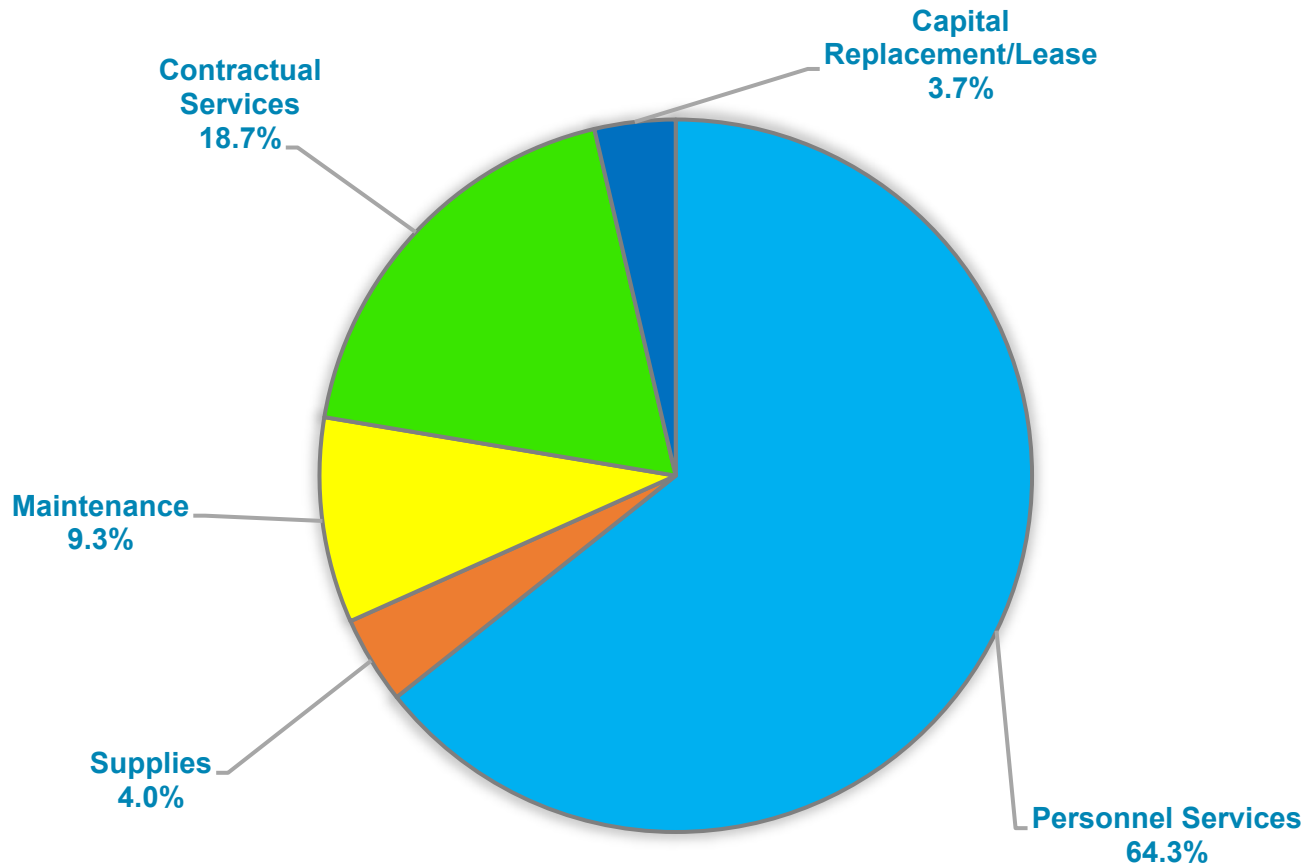


General Fund Revenues

\$38.8M



General Fund Proposed Expenses \$38.7M



Self-Funded Project Fund Overview

	FY2020 Budget	FY2021 Prop.	Difference
Total Revenue	\$4.0M	\$0.7M	(\$3.3)M
Total Expense	\$4.5M	\$1.2M	(\$3.3)M
Revenue to Expense	(\$0.5)M	(\$0.5)M	-

- Funding Source
 - General Fund Transfer = \$0.7M
- Expenses
 - Special Area Study = \$0.1M
 - Addison Circle TOD = \$0.3M
 - Celestial Park Improvements = \$0.1M
 - Enhanced Street Maintenance - \$0.3M



FY2021 Self-Funded Projects

Project	Funding
Neighborhood Security – East Addison	\$27,500
Smoke Detector Battery Replacement Program	\$3,000
Ballistic Gear	\$30,000
Addison Circle TOD	\$318,000
Celestial Park Improvements	\$102,500
TOTAL	\$481,000



FY2020 Self-Funded Projects (Rolling Forward)

Project	Funding
Special Area Study	\$140,000
Enhanced Street Maintenance	\$292,000
TOTAL	\$432,000



Hotel Fund Overview

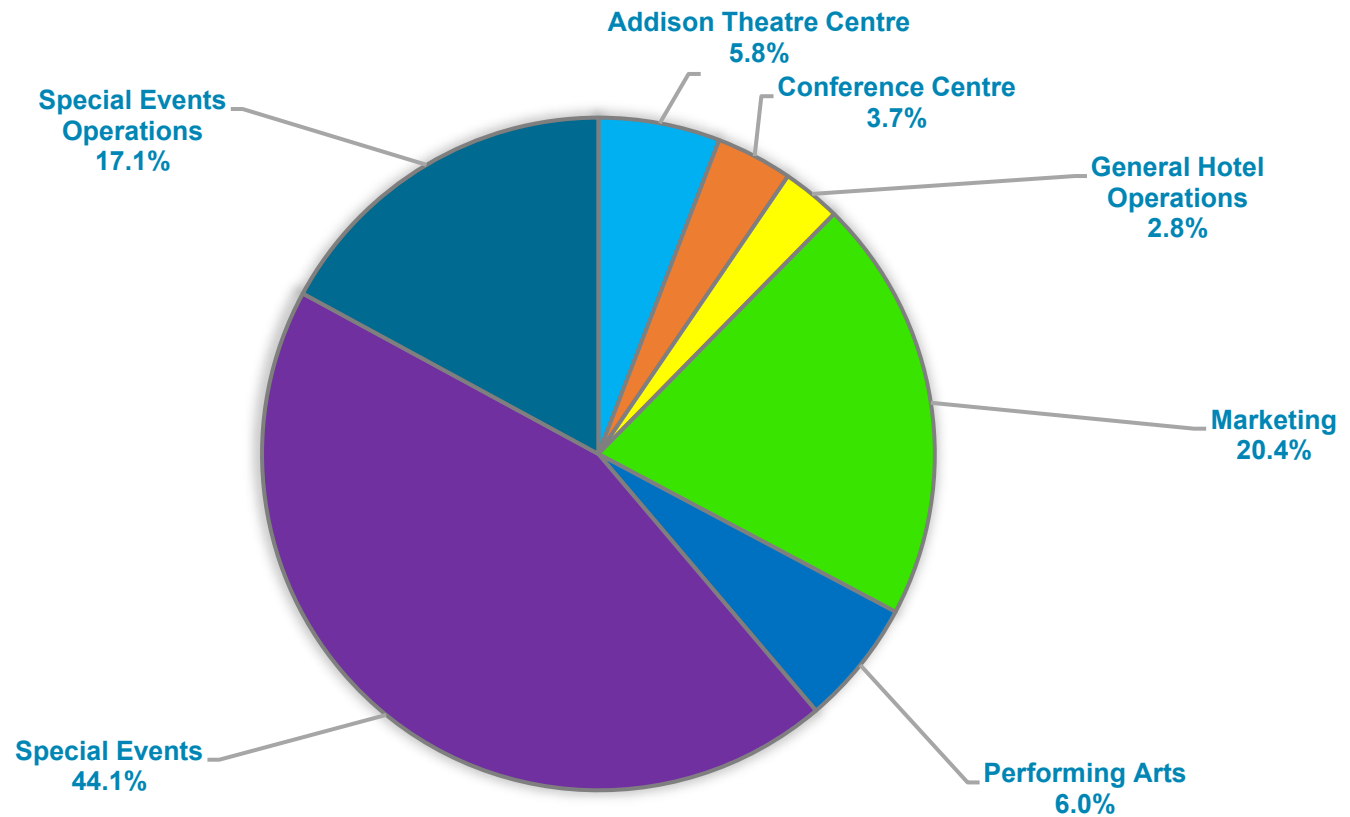
(excluding transfers)

	FY2020 Budget	FY2021 Prop.	Difference
Total Revenue	\$7.6M	\$5.3M	(\$2.3)M
Total Expense	\$7.2M	\$5.5M	(\$1.7)M
Revenue to Expense	\$0.4M	(\$0.2)M	(\$0.6)M

- Hotel Taxes = \$4.2M
- Special Events Revenues = \$1.1M



Hotel Fund Proposed Expenses \$5.5M (By function)



Economic Development Fund

	FY2020 Budget	FY2021 Prop.	Difference
Total Revenue	\$1.9M	\$1.6M	(\$0.3)M
Total Expense	\$1.9M	\$2.0M	\$0.1M
Revenue to Expense	-	(\$0.4)M	(\$0.4)M

- Funding Sources
 - Ad Valorem = \$1.1M
 - Hotel Fund Transfer = \$0.4M
- Expenses
 - Incentives = \$0.1M
 - Operations = \$1.0M
 - Tourism = \$0.8M



Utility Operating Fund (excluding transfers)

	FY2020 Budget	FY2021 Prop.	Difference
Total Revenue	\$13.1M	\$14.0M	\$0.9M
Total Expense	\$13.1M	\$13.9M	\$0.8M
Revenue to Expense	-	\$0.1M	\$0.1M

- **Water**
 - Sales = \$7.5M
 - Purchases = \$3.7M
- **Wastewater**
 - Charges = \$6.3M
 - Treatment = \$3.7M
- **Operations = \$5.0M**
- **Debt Service = \$1.5M**



Water and Sewer Rate Changes

Sample Residential Water and Sewer Bill			
Consumption	Existing	New Rate	Change
5,000 gallons	\$56.33	\$59.71	\$3.38
8,000 gallons	\$82.82	\$87.79	\$4.97
10,000 gallons	\$100.48	\$106.51	\$6.03



Stormwater Operating Fund (excluding transfers)

	FY2020 Adopt.	FY2021 Prop.	Difference
Total Revenue	\$2.4M	\$2.5M	\$0.1M
Total Expense	\$1.5M	\$1.3M	(\$0.2)M
Revenue to Expense	\$0.9M	\$1.2M	\$0.3M

- Drainage Fees = \$2.4M
 - Rates increasing per adopted ordinance
- Expenses = \$1.2M
 - For operations only
 - Debt payment of \$0.5M



Airport Fund Overview

	FY2020 Bud.	FY2021 Prop.	Difference
Total Revenue	\$6.4M	\$5.2M	(\$1.2)M
Total Expense	\$5.6M	\$5.1M	(\$0.5)M
Revenue to Expense	\$0.8M	\$0.1M	(\$0.7)M

- Funding Sources
 - Service Fees = \$0.8M
 - Leases = \$4.3M
- Expenses
 - Operations = \$4.3M
 - Debt = \$0.8M



Capital Improvement Projects

All Funds

	Est. FY2020	FY2021	FY2022	FY2023	FY2024	Total
General Obligation & Cert. of Obligation	\$12.0M	\$26.1M	\$28.7M	\$20.0M	\$31.6M	\$118.4M
General Fund Self-Funded Projects	2.7M	0.1M	-	-	-	2.8M
Streets Self-Funded Fund	0.1M	-	-	-	0.5M	0.6M
Infrastructure Investment Fund	-	-	-	-	-	-
Utility Certificates of Obligation	2.2M	4.8M	1.6M	1.3M	1.9M	11.8M
Utility Fund Cash Reserves	1.5M	0.2M	0.4M	0.3M	0.5M	2.9M
Stormwater Certificates of Obligation	1.5M	0.5M	-	-	-	2.0M
Stormwater Fund Cash Reserves	0.5M	2.2M	1.7M	1.2M	-	5.6M
Airport Fund Certificates of Obligation	6.5M	0.5M	-	-	-	7.0M
Airport Fund Grant Funds	1.5M	0.8M	0.6M	6.9M	1.0M	10.8M
Airport Fund Cash Reserves	3.1M	2.0M	0.3M	0.9M	0.5M	6.8M
TOTAL PROJECTS	31.6M	37.2M	\$33.3M	\$30.6M	\$36.0M	\$168.7M

QUESTIONS?



TOWN OF ADDISON, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS APPROVING AND ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021, AND MAKING APPROPRIATIONS FOR EACH OFFICE, DEPARTMENT, AGENCY, AND PROJECT OF THE TOWN, PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH THE ADOPTED BUDGET, UNLESS OTHERWISE AUTHORIZED BY AN ORDINANCE ADOPTED BY THE CITY COUNCIL; PROVIDING FOR EMERGENCY EXPENDITURES AND EXPENDITURES AS OTHERWISE ALLOWED BY LAW; PROVIDING FOR A REPEAL CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with the Charter and State law, the City Manager of the Town of Addison, Texas (“City”) has heretofore filed with the City Secretary a proposed budget for the City covering the fiscal year beginning October 1, 2020 and ending September 30, 2021; and

WHEREAS, the City, in accordance with law, posted the proposed budget on its internet website and made the same available for inspection by any person, and held two public hearings regarding the proposed budget and provided notice of such public hearings, and during the public hearings on the budget, all interested persons were given the opportunity to be heard for or against any item contained in said budget, and all said persons were heard, after which the public hearings were closed; and

WHEREAS, the City Council, upon full consideration of the matter, is of the opinion that the budget hereinafter set forth is proper and should be approved and adopted; and

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

Section 1. The above and foregoing recitals are true and correct and are incorporated into this Ordinance and made a part hereof for all purposes.

Section 2. That the budget for the Town of Addison, Texas for the Fiscal Year beginning October 1, 2020 and ending September 30, 2021, a true and correct copy of which is attached to this Ordinance as **Exhibit A**, is hereby adopted and approved. As set forth in the said budget, the sum of \$84,747,215 is hereby appropriated for budget expenditures and expenditures during the fiscal year shall be made in accordance with the budget approved by this Ordinance unless otherwise authorized by a duly enacted ordinance of the City.

Section 3. The budget as adopted hereby shall be deemed the official budget for the Town of Addison, Texas for the said fiscal year and a copy of the same attached hereto and marked as **“Exhibit A”** shall be filed and kept on file with the City Secretary, shall be posted on the City’s internet website, shall be filed with the Dallas County Clerk and the State Comptroller of Public

Accounts at Austin in accordance with the Town Charter and state law, and shall be open to inspection by any interested persons. In addition, the record vote of each member of the City Council by name voting on the adoption of the budget shall be posted on the City's internet website until the first anniversary of the date the budget is adopted.

Section 4. Pursuant to state law, no expenditure of the funds of the City shall hereafter be made except in compliance with the budget and applicable state law; provided, however, that in case of grave public necessity emergency expenditures to meet unusual and unforeseen conditions, which could not by reasonable, diligent thought and attention have been included in the original budget, may from time to time be authorized by the City Council as amendments to the original budget. Pursuant to the City's Charter and state law, the Council may make emergency appropriations to address a public emergency affecting life, health, property or the public peace and other appropriations as authorized thereby.

Section 5. Funds for the capital improvements listed for FY2021 are hereby appropriated and the entire Capital Improvements Plan for fiscal year ending 2021 is hereby adopted. As set forth in the said budget, the sum of \$37,122,100 is hereby appropriated for capital improvements and expenditures during the fiscal year shall be made in accordance with the budget approved by this Ordinance unless otherwise authorized by a duly enacted ordinance of the City.

Section 6. The cover page for the budget attached to this Ordinance, that includes the property tax rates for the current fiscal year, including (a) the property tax rate, (b) the no-new revenue tax rate, (c) the no-new revenue maintenance and operations tax rate, (d) the voter-approval tax rate, and (e) the debt service rate, shall be and is hereby filed with the City Secretary and shall be posted on the City's internet website.

Section 7. 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 8. The sections, paragraphs, sentences, phrases, and words of this Ordinance are severable, and if any section, paragraph, sentence, phrase, or word in this Ordinance or application thereof to any person or circumstance is held invalid, void, unlawful or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the City Council hereby declares that it would have passed such remaining portions of this Ordinance despite such invalidity, voidness, unlawfulness or unconstitutionality, which remaining portions shall remain in full force and effect.

Section 9. This Ordinance shall take effect upon its passage.

DULY PASSED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS on this
the 8th day of September 2020.

Joe Chow, Mayor

ATTEST:

Irma Parker, City Secretary

APPROVED AS TO FORM:

Brenda N. McDonald, City Attorney

Town of Addison Fiscal Year 2020-2021 Budget Cover Page

This budget will raise more revenue from property taxes than last year's budget by an amount of \$1,793,812 which is a 6.61 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$518,607.

The members of the governing body voted on the budget as follows:

FOR:

AGAINST:

PRESENT and not voting:

ABSENT:

Property Tax Rate Comparison

	2020-2021	2019-2020
Property Tax Rate:	\$0.608676/100	\$0.583500/100
No-New Revenue Tax Rate:	\$0.637851/100	\$0.552371/100
No-New Revenue Maintenance & Operations Tax Rate:	\$0.474921/100	\$0.409028/100
Voter Approval Tax Rate:	\$0.701933/100	\$0.591133/100
Debt Rate:	\$0.167567/100	\$0.149383/100

Total debt obligation for Town of Addison secured by property taxes: \$86,825,000

EXHIBIT A

**TOWN OF ADDISON
COMBINED SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BY CATEGORY
FY2020-21**

	General Fund	Special Revenue Funds				Debt Service Combined Debt Service	Capital Infrastructure Investment	Proprietary Funds			Internal Combined Replacement	Total All Funds		
		Hotel	Economic Development	Combined Grants	Combined Other			Airport	Utility	Stormwater		Budget 2020-21	Estimated 2019-20	Actual 2018-19
BEGINNING BALANCES	\$ 18,736,620	\$ 2,285,310	\$ 1,797,844	\$ 38,833	\$ 4,274,730	\$ 10,458	\$ 5,263,783	\$ 5,506,475	\$ 4,923,551	\$ 7,159,183	\$ 6,914,846	\$ 56,911,633	\$ 62,182,165	\$ 57,804,257
REVENUES:														
Ad valorem tax	\$ 19,425,398	\$ -	\$ 1,127,348	\$ -	\$ -	\$ 7,915,707	\$ 294,767	\$ -	\$ -	\$ -	\$ -	\$ 28,763,220	\$ 26,862,472	\$ 25,196,771
Non-property taxes	13,356,000	4,155,000	-	-	-	-	-	-	-	-	-	17,511,000	17,882,000	21,595,725
Franchise fees	2,260,000	-	-	-	50,000	-	-	-	-	-	-	2,310,000	2,402,919	2,513,414
Licenses and permits	1,142,550	-	-	-	-	-	-	-	-	-	-	1,142,550	1,294,275	1,369,328
Intergovernmental	-	-	-	8,100	-	-	-	50,000	-	-	-	58,100	1,580,000	123,941
Service fees	1,970,276	1,104,500	60,000	-	-	-	-	783,150	13,868,476	2,455,791	2,044,863	22,287,056	20,214,903	20,494,316
Fines and penalties	260,000	-	-	-	31,020	-	-	-	-	-	-	291,020	295,721	422,876
Rental income	8,500	23,810	-	-	-	-	-	4,305,960	-	-	-	4,338,270	5,233,441	6,097,518
Interest & other income	328,000	50,100	48,000	400	30,550	16,000	50,000	50,000	105,500	40,000	45,000	763,550	804,597	2,080,505
TOTAL OPERATIONAL REVENUE	\$ 38,750,724	\$ 5,333,410	\$ 1,235,348	\$ 8,500	\$ 111,570	\$ 7,931,707	\$ 344,767	\$ 5,189,110	\$ 13,973,976	\$ 2,495,791	\$ 2,089,863	\$ 77,464,766	\$ 76,570,328	\$ 79,894,393
Transfers from other funds	-	-	384,000	-	710,950	-	-	-	-	-	-	1,094,950	3,992,900	4,486,504
TOTAL REVENUES	\$ 38,750,724	\$ 5,333,410	\$ 1,619,348	\$ 8,500	\$ 822,520	\$ 7,931,707	\$ 344,767	\$ 5,189,110	\$ 13,973,976	\$ 2,495,791	\$ 2,089,863	\$ 78,559,716	\$ 80,563,228	\$ 84,380,897
TOTAL AVAILABLE RESOURCES	\$ 57,487,344	\$ 7,618,720	\$ 3,417,192	\$ 47,333	\$ 5,097,250	\$ 7,942,165	\$ 5,608,550	\$ 10,695,585	\$ 18,897,527	\$ 9,654,974	\$ 9,004,709	\$ 135,471,349	\$ 142,745,393	\$ 142,185,154
EXPENDITURES:														
Personnel Services	\$ 24,912,989	\$ 1,260,590	\$ 491,120	\$ -	\$ 25,100	\$ -	\$ -	\$ 2,157,056	\$ 2,318,042	\$ 313,093	\$ -	\$ 31,477,990	\$ 28,989,592	\$ 27,448,237
Supplies	1,544,177	59,592	20,932	-	113,409	-	-	61,900	216,281	17,700	-	2,033,991	1,958,433	1,559,356
Maintenance	3,609,469	288,487	29,450	-	310,150	-	-	479,730	650,623	102,620	-	5,470,529	8,086,634	7,334,934
Contractual Services	7,239,332	3,770,732	1,430,153	13,700	460,500	5,000	-	1,309,914	8,784,731	310,224	4,500	23,328,786	21,444,442	21,664,947
Capital Replacement / Lease	1,423,868	75,163	48,160	-	-	-	-	230,958	340,797	-	-	2,118,946	2,050,863	1,957,183
Debt Service	-	-	-	-	-	7,643,653	-	819,647	1,517,931	542,266	-	10,523,497	9,905,877	9,199,291
Capital Outlay	-	-	-	-	275,300	-	-	-	65,000	-	3,044,775	3,385,075	2,846,460	2,166,222
TOTAL OPERATIONAL EXPENDITURES	\$ 38,729,836	\$ 5,454,564	\$ 2,019,815	\$ 13,700	\$ 1,184,459	\$ 7,648,653	\$ -	\$ 5,059,205	\$ 13,893,405	\$ 1,285,903	\$ 3,049,275	\$ 78,338,814	\$ 75,282,301	\$ 71,330,170
Transfers to other funds	710,950	384,000	-	-	-	-	-	-	-	-	-	1,094,950	3,994,400	4,986,504
One-Time Decision Package	-	-	-	-	-	-	-	51,000	350,000	38,610	-	439,610	-	-
Capital Improvements	-	-	-	-	394,500	-	-	2,043,911	163,000	2,272,430	-	4,873,841	6,631,559	3,986,315
TOTAL EXPENDITURES	\$ 39,440,786	\$ 5,838,564	\$ 2,019,815	\$ 13,700	\$ 1,578,959	\$ 7,648,653	\$ -	\$ 7,154,116	\$ 14,406,405	\$ 3,596,943	\$ 3,049,275	\$ 84,747,215	\$ 85,908,260	\$ 80,302,989
ENDING FUND BALANCES	\$ 18,046,558	\$ 1,780,157	\$ 1,397,377	\$ 33,633	\$ 3,518,291	\$ 293,512	\$ 5,608,550	\$ 3,541,469	\$ 4,491,122	\$ 6,058,031	\$ 5,955,434	\$ 50,724,134	\$ 56,837,133	\$ 61,882,165
Fund Balance Percentage	46.6%	32.6%	69.2%	245.5%	297.0%	3.8%	0.0%	70.0%	32.3%	471.1%	195.3%	64.7%	75.5%	86.8%

EXHIBIT A

TOWN OF ADDISON PERSONNEL SUMMARY FY2020-21					
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21	DIFFERENCE 2020 to 2021
GENERAL FUND					
City Secretary					
City Secretary	1.0	1.0	1.0	1.0	-
	<hr/> 1.0	<hr/> 1.0	<hr/> 1.0	<hr/> 1.0	<hr/> -
City Manager's Office					
City Manager	1.0	1.0	1.0	1.0	-
Deputy City Manager	2.0	2.0	2.0	1.4	(0.6)
Assistant to the City Manager	1.0	1.0	1.0	1.0	-
Management Assistant	1.0	1.0	1.0	1.0	-
Administrative Assistant	1.0	1.0	1.0	1.0	-
Volunteer Coordinator	0.5	0.5	0.5	0.5	-
	<hr/> 6.5	<hr/> 6.5	<hr/> 6.5	<hr/> 5.9	<hr/> (0.6)
Finance Department					
Chief Financial Officer	1.0	1.0	1.0	1.0	-
Controller	1.0	1.0	1.0	0.7	(0.3)
Accounting Manager	1.0	1.0	1.0	1.0	-
Purchasing Manager	1.0	1.0	1.0	1.0	-
Budget Manager	1.0	1.0	1.0	1.0	-
Senior Accountant	2.0	2.0	2.0	1.7	(0.3)
Senior Budget Analyst	1.0	1.0	1.0	1.0	-
Accountant	2.0	2.0	2.0	2.0	-
Accounting Specialist	3.0	3.0	3.0	2.4	(0.6)
	<hr/> 13.0	<hr/> 13.0	<hr/> 13.0	<hr/> 11.8	<hr/> (1.2)
General Services					
Director of General Services	1.0	1.0	1.0	1.0	-
Management Assistant	1.0	1.0	1.0	1.0	-
Facilities Supervisor	1.0	1.0	1.0	1.0	-
Department Assistant	0.5	0.5	0.5	0.5	-
Facilities Specialist	1.0	1.0	1.0	1.0	-
Facilities Assistant	1.0	1.0	1.0	1.0	-
	<hr/> 5.5	<hr/> 5.5	<hr/> 5.5	<hr/> 5.5	<hr/> -
Municipal Court					
Municipal Court Administrator	1.0	1.0	1.0	1.0	-
Lead Deputy Court Clerk	1.0	1.0	1.0	1.0	-
Deputy Court Clerk	2.0	2.0	2.0	2.0	-
Municipal Judge	1.0	1.0	1.0	1.0	-
	<hr/> 5.0	<hr/> 5.0	<hr/> 5.0	<hr/> 5.0	<hr/> -
Human Resources					
Director of Human Resources	1.0	1.0	1.0	1.0	-
Human Resources Generalist	1.0	1.0	1.0	1.0	-
Human Resources Analyst	1.0	1.0	1.0	0.4	(0.6)
Human Resources Coordinator	1.0	1.0	1.0	1.0	-
	<hr/> 4.0	<hr/> 4.0	<hr/> 4.0	<hr/> 3.4	<hr/> (0.6)
Information Technology					
Ex. Director of Business Performance	1.0	1.0	1.0	1.0	-
Senior Software Developer	1.0	1.0	1.0	1.0	-
Network Specialist	5.0	5.0	5.0	5.0	-
	<hr/> 7.0	<hr/> 7.0	<hr/> 7.0	<hr/> 7.0	<hr/> -

EXHIBIT A

TOWN OF ADDISON PERSONNEL SUMMARY FY2020-21					
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21	DIFFERENCE 2020 to 2021
Police					
Police Chief	1.0	1.0	1.0	1.0	-
Assistant Police Chief	1.0	1.0	1.0	1.0	-
Captain	1.0	1.0	1.0	1.0	-
Lieutenant	4.0	5.0	5.0	5.0	-
Sergeant	7.0	8.0	8.0	8.0	-
Police Records Supervisor	1.0	1.0	1.0	1.0	-
Animal Control Supervisor	1.0	1.0	1.0	1.0	-
Police Officer	47.0	47.0	47.0	47.0	-
Animal Control Officer	2.0	2.0	2.0	2.0	-
Department Assistant	3.0	3.0	3.0	3.0	-
Police Records Clerk	2.0	2.0	2.0	2.0	-
Crime Analyst	1.0	1.0	1.0	1.0	-
Property & Evidence Technician	1.0	1.0	1.0	1.0	-
	72.0	74.0	74.0	74.0	-
Fire					
Fire Chief	1.0	1.0	1.0	1.0	-
Deputy Fire Chief	1.0	1.0	1.0	1.0	-
Battalion Chief	3.0	3.0	3.0	3.0	-
Battalion Chief - Administration	-	1.0	1.0	1.0	-
Fire Captain	3.0	3.0	3.0	3.0	-
Fire Marshal	1.0	1.0	1.0	1.0	-
Fire Prevention Technician	1.0	1.0	1.0	1.0	-
Fire Lieutenant	6.0	6.0	6.0	6.0	-
Fire Equipment Operator/Paramedic	9.0	9.0	9.0	9.0	-
Firefighter/Paramedic	30.0	30.0	30.0	30.0	-
Fire Administrative Supervisor	1.0	1.0	1.0	1.0	-
Department Assistant	1.0	1.0	1.0	1.0	-
	57.0	58.0	58.0	58.0	-
Development Services					
Director of Development Services	1.0	1.0	1.0	1.0	-
Building Official	1.0	1.0	1.0	1.0	-
Environmental Health Manager	1.0	1.0	1.0	1.0	-
Senior Environmental Health Inspector	-	1.0	1.0	1.0	-
Senior Planner	1.0	1.0	-	-	(1.0)
Development and Planning Manager	-	-	1.0	1.0	1.0
Plans Examiner	1.0	1.0	1.0	1.0	-
Combination Building Inspector	0.1	0.1	0.1	0.1	-
Environmental Health Specialist	1.0	1.0	1.0	1.0	-
Code Enforcement Officer	1.0	1.0	1.0	1.0	-
Department Assistant	1.0	1.0	1.0	1.0	-
Permit Technician	1.0	1.0	1.0	1.0	-
Records Clerk	1.0	1.0	1.0	1.0	-
Senior Building Inspector	2.0	2.0	2.0	2.0	-
	12.1	13.1	13.1	13.1	-

EXHIBIT A

**TOWN OF ADDISON
PERSONNEL SUMMARY
FY2020-21**

	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21	DIFFERENCE 2020 to 2021
Streets					
Streets and Traffic Manager	0.4	0.4	0.4	0.4	-
Streets Maintenance Supervisor	1.0	1.0	-	-	(1.0)
Signs and Signals Technician	2.0	2.0	2.0	2.0	-
Street Maintenance Worker	3.0	3.0	4.0	4.0	1.0
Street Crew Leader	1.0	1.0	1.0	1.0	-
	<u>7.4</u>	<u>7.4</u>	<u>7.4</u>	<u>7.4</u>	<u>-</u>
Parks					
Director of Parks and Recreation	1.0	1.0	1.0	1.0	-
Parks Contracts Manager	1.0	1.0	1.0	1.0	-
Landscape Architect	1.0	1.0	1.0	1.0	-
Parks Superintendent	1.0	1.0	1.0	1.0	-
Parks Supervisor	4.0	4.0	4.0	4.0	-
Licensed Irrigator	3.0	3.0	3.0	3.0	-
Parks Maintenance Technician	1.0	1.0	1.0	1.0	-
Electrician	1.0	1.0	1.0	1.0	-
Department Assistant	1.0	1.0	1.0	1.0	-
Groundskeeper - III	1.0	1.0	1.0	1.0	-
Groundskeeper - II	2.0	2.0	2.0	2.0	-
Groundskeeper - I	8.0	8.0	8.0	8.0	-
	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>-</u>
Recreation					
Assistant Director of Recreation	1.0	1.0	1.0	1.0	-
Recreation Supervisor	2.0	2.0	2.0	2.0	-
Recreation Coordinator	2.0	2.0	2.0	2.0	-
Pool Supervisor	0.2	0.2	0.2	0.2	-
Department Assistant	1.0	1.0	1.0	1.0	-
Senior Lifeguard	0.2	0.2	0.2	0.2	-
Recreation Assistant	3.5	3.5	3.5	3.5	-
Childcare Assistant	1.0	1.0	1.0	1.0	-
Camp Counselor	0.8	0.8	0.8	0.8	-
Custodian	1.0	1.0	1.0	1.0	-
Lifeguard	2.0	2.0	2.0	2.0	-
Facility Attendant	1.0	1.0	1.0	1.0	-
	<u>15.7</u>	<u>15.7</u>	<u>15.7</u>	<u>15.7</u>	<u>-</u>
GENERAL FUND TOTAL					
	<u>231.2</u>	<u>235.2</u>	<u>235.2</u>	<u>232.8</u>	<u>(2.4)</u>
HOTEL FUND					
Conference Centre					
Conference Centre Supervisor	1.0	1.0	1.0	-	(1.0)
Conference Centre Sales Coordinator	1.0	1.0	1.0	-	(1.0)
Audio Visual Technician	1.0	1.0	1.0	-	(1.0)
Conference Centre Events Coordinator	1.0	1.0	1.0	-	(1.0)
Office Assistant	1.0	1.0	1.0	-	(1.0)
Senior Conference Centre Attendant	1.0	1.0	1.0	-	(1.0)
Conference Centre Attendant	2.5	2.5	2.0	-	(2.5)
	<u>8.5</u>	<u>8.5</u>	<u>8.0</u>	<u>-</u>	<u>(8.5)</u>
Communications & Marketing					
Director of Public Communications	1.0	1.0	1.0	1.0	-
Marketing and Communications Specialist	1.0	1.0	1.0	1.0	-
	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>-</u>

EXHIBIT A

TOWN OF ADDISON PERSONNEL SUMMARY FY2020-21					
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21	DIFFERENCE 2020 to 2021
Special Events					
Director of Special Events	1.0	1.0	1.0	1.0	-
Special Events Manager	1.0	1.0	1.0	1.0	-
Special Events Coordinator	1.0	1.0	1.0	1.0	-
Special Events Coordinator II	1.0	1.0	1.0	1.0	-
Department Assistant	0.5	0.5	0.5	0.5	-
	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>-</u>
Addison Theatre Centre					
Technical Specialist	1.0	1.0	1.0	1.0	-
Theatre Centre Attendant	-	-	0.5	0.5	0.5
	<u>1.0</u>	<u>1.0</u>	<u>1.5</u>	<u>1.5</u>	<u>0.5</u>
General Hotel Operations					
Accounting Supervisor	1.0	1.0	1.0	1.0	-
	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>-</u>
HOTEL FUND TOTAL	<u><u>17.0</u></u>	<u><u>17.0</u></u>	<u><u>17.0</u></u>	<u><u>9.0</u></u>	<u><u>(8.0)</u></u>
ECONOMIC DEVELOPMENT FUND					
Economic Development					
Director of Economic Development	1.0	1.0	1.0	1.0	-
Economic Development Manager	1.0	1.0	1.0	1.0	-
Economic Development Coordinator	1.0	1.0	1.0	1.0	-
	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>
Tourism Services					
Tourism Coordinator	1.0	1.0	1.0	1.0	-
	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>-</u>
ECONOMIC DEVELOPMENT FUND TOTAL	<u><u>4.0</u></u>	<u><u>4.0</u></u>	<u><u>4.0</u></u>	<u><u>4.0</u></u>	<u><u>-</u></u>
AIRPORT FUND					
Deputy City Manager	-	-	-	0.3	0.3
Airport Director	-	-	-	1.0	1.0
Airport Assistant Director	-	-	-	2.0	2.0
Airport Maintenance Manager	-	-	-	1.0	1.0
Airport Operations Manager	-	-	-	1.0	1.0
Department Assistant	-	-	-	1.0	1.0
Airport Maintenance Technician III	-	-	-	1.0	1.0
Airport Maintenance Technician II	-	-	-	3.0	3.0
Janitorial and Light Maintenance Worker	-	-	-	1.0	1.0
Police Officer	3.0	3.0	3.0	3.0	-
GIS Manager	0.4	0.4	0.4	0.4	-
Management Assistant	-	1.0	1.0	1.0	-
Asset Manager	-	-	-	1.0	1.0
Leasing Manager	-	-	-	1.0	1.0
Human Resources Analyst	-	-	-	0.3	0.3
Airport Accounting Manager	-	-	-	1.0	1.0
Senior Accountant	-	-	-	0.3	0.3
Accounting Specialist	-	-	-	0.3	0.3
	<u>3.4</u>	<u>4.4</u>	<u>4.4</u>	<u>19.6</u>	<u>15.2</u>
AIRPORT FUND TOTAL	<u><u>3.4</u></u>	<u><u>4.4</u></u>	<u><u>4.4</u></u>	<u><u>19.6</u></u>	<u><u>15.2</u></u>

EXHIBIT A

TOWN OF ADDISON PERSONNEL SUMMARY FY2020-21					
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21	DIFFERENCE 2020 to 2021
UTILITY FUND					
Utility Administration					
Deputy City Manager	-	-	-	0.3	0.3
Director of Public Works and Engineering	1.0	1.0	1.0	1.0	-
Assistant Director of Infrastructure Services	1.0	1.0	1.0	1.0	-
GIS Manager	0.3	0.3	0.3	0.3	-
Streets and Traffic Manager	0.3	0.3	0.3	0.3	-
Utilities Manager	2.0	2.0	2.0	2.0	-
Construction Inspector	3.0	3.0	3.0	3.0	-
Water Quality Utility Supervisor	-	-	-	1.0	1.0
Water Quality Specialist	1.0	2.0	2.0	2.0	-
Utility Operator - III	4.0	4.0	4.0	4.0	-
Utility Operator - II	-	2.0	2.0	2.0	-
Utility Operator - I	5.0	5.0	5.0	5.0	-
Project Manager	1.0	1.0	1.0	1.0	-
Utility Crew Leader	1.0	1.0	1.0	1.0	-
Department Assistant	1.0	1.0	1.0	1.0	-
Human Resources Analyst	-	-	-	0.3	0.3
Accounting Specialist	-	-	-	0.3	0.3
	<u>20.6</u>	<u>23.6</u>	<u>23.6</u>	<u>25.5</u>	<u>1.9</u>
Utility Billing					
Controller	-	-	-	0.3	0.3
Utility Billing Supervisor	0.8	0.8	0.8	0.8	-
Accounting Specialist	0.8	0.8	0.8	0.8	-
	<u>1.6</u>	<u>1.6</u>	<u>1.6</u>	<u>1.9</u>	<u>0.3</u>
UTILITY FUND TOTAL	<u>22.2</u>	<u>25.2</u>	<u>25.2</u>	<u>27.4</u>	<u>2.2</u>
STORMWATER FUND					
GIS Manager	0.3	0.3	0.3	0.3	-
Streets and Traffic Manager	0.3	0.3	0.3	0.3	-
Management Assistant	1.0	1.0	-	-	(1.0)
Stormwater and Operations Manager	-	-	1.0	1.0	1.0
Utility Billing Supervisor	0.2	0.2	0.2	0.2	-
Accounting Specialist	0.2	0.2	0.2	0.2	-
Stormwater Operator	2.0	2.0	2.0	2.0	-
	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>-</u>
STORMWATER FUND TOTAL	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>-</u>
CAPITAL IMPROVEMENTS PROGRAM					
Bond Project Manager	-	-	1.0	1.0	-
Bond Contract Administrator	-	-	-	1.0	1.0
Bond Project Inspector	-	-	-	1.0	1.0
CAPITAL IMPROVEMENTS PROGRAM TOTAL	<u>-</u>	<u>-</u>	<u>1.0</u>	<u>3.0</u>	<u>2.0</u>
ALL FUNDS TOTAL	<u>281.8</u>	<u>289.8</u>	<u>290.8</u>	<u>299.8</u>	<u>9.0</u>

EXHIBIT A

TOWN OF ADDISON GENERAL FUND BY DEPARTMENT FY2020-21				
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21
BEGINNING BALANCES	\$ 20,962,953	\$ 18,084,229	\$ 20,588,246	\$ 18,736,620
TOTAL OPERATIONAL REVENUE	\$ 40,251,951	\$ 39,093,664	\$ 39,930,308	\$ 38,750,724
TOTAL AVAILABLE RESOURCES	\$ 61,214,904	\$ 57,177,893	\$ 60,518,554	\$ 57,487,344
EXPENDITURES:				
General Government:				
City Secretary	\$ 175,970	\$ 207,783	\$ 200,301	\$ 203,088
City Manager	1,186,118	1,246,999	1,259,509	1,167,665
Finance	2,044,166	1,849,829	1,673,975	1,775,555
General Services	716,848	766,195	745,172	752,269
Municipal Court	650,660	739,563	705,699	706,818
Human Resources	643,118	713,207	678,214	711,040
Information Technology	2,006,931	2,220,737	2,179,236	2,248,601
Combined Services	1,163,133	1,388,593	1,386,911	1,187,951
City Council	330,555	351,811	333,061	252,132
	\$ 8,917,499	\$ 9,484,717	\$ 9,162,078	\$ 9,005,119
Public Safety:				
Police	\$ 9,354,811	\$ 9,988,388	\$ 9,720,765	\$ 9,975,875
Emergency Communications	1,365,490	1,432,188	1,429,436	1,391,519
Fire	7,868,725	8,362,015	8,526,509	8,481,549
	\$ 18,589,026	\$ 19,782,591	\$ 19,676,710	\$ 19,848,943
Development Services	\$ 1,350,597	\$ 1,626,900	\$ 1,549,741	\$ 1,637,553
Streets	\$ 1,777,128	\$ 2,220,634	\$ 2,068,912	\$ 2,150,903
Parks and Recreation:				
Parks	\$ 3,911,318	\$ 4,044,545	\$ 3,885,316	\$ 4,261,292
Recreation	1,609,586	1,899,309	1,828,777	1,826,026
	\$ 5,520,904	\$ 5,943,854	\$ 5,714,094	\$ 6,087,318
TOTAL OPERATIONAL EXPENDITURES	\$ 36,155,154	\$ 39,058,696	\$ 38,171,534	\$ 38,729,836
Transfers to other funds	4,471,504	4,060,400	3,610,400	710,950
TOTAL EXPENDITURES	\$ 40,626,658	\$ 43,119,096	\$ 41,781,934	\$ 39,440,786
ENDING FUND BALANCES	\$ 20,588,246	\$ 14,058,797	\$ 18,736,620	\$ 18,046,558
Fund Balance Percentage	56.9%	36.0%	49.1%	46.6%

EXHIBIT A

TOWN OF ADDISON HOTEL SPECIAL REVENUE FUND BY DEPARTMENT FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING BALANCES	\$ 4,122,535	\$ 3,026,502	\$ 3,468,059	\$ 2,285,310
REVENUES:				
Hotel/Motel Occupancy Taxes	\$ 5,427,585	\$ 5,540,000	\$ 3,000,000	\$ 4,155,000
Proceeds from Special Events	1,206,764	1,297,500	109,172	1,104,500
Conference Centre Rental	523,710	630,000	256,007	-
Theatre Centre Rental	78,316	77,000	60,000	23,810
Interest Earnings and Other	118,410	25,000	86,315	50,100
TOTAL OPERATIONAL REVENUE	<u>\$ 7,354,785</u>	<u>\$ 7,569,500</u>	<u>\$ 3,511,494</u>	<u>\$ 5,333,410</u>
TOTAL REVENUES	<u>\$ 7,354,785</u>	<u>\$ 7,569,500</u>	<u>\$ 3,511,494</u>	<u>\$ 5,333,410</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 11,477,320</u>	<u>\$ 10,596,002</u>	<u>\$ 6,979,553</u>	<u>\$ 7,618,720</u>
EXPENDITURES:				
Addison Theatre Centre	\$ 291,298	\$ 421,938	\$ 348,036	\$ 318,877
Conference Centre	956,507	1,152,735	938,776	200,977
General Hotel Operations	142,763	144,173	85,527	154,125
Marketing	962,526	1,134,939	1,013,214	1,113,915
Performing Arts	437,900	505,000	500,000	329,089
Special Events	2,579,212	2,812,567	543,817	2,405,808
Special Events Operations	903,337	998,354	846,912	931,773
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 6,273,544</u>	<u>\$ 7,169,706</u>	<u>\$ 4,276,282</u>	<u>\$ 5,454,564</u>
Transfer to Economic Development Fund	715,000	768,000	384,000	384,000
Capital Projects (Cash Funded)				
Addison Circle Fountain Repair	1,020,717	33,960	33,960	-
TOTAL EXPENDITURES	<u>\$ 8,009,261</u>	<u>\$ 7,971,666</u>	<u>\$ 4,694,242</u>	<u>\$ 5,838,564</u>
ENDING FUND BALANCES	<u>\$ 3,468,059</u>	<u>\$ 2,624,336</u>	<u>\$ 2,285,310</u>	<u>\$ 1,780,157</u>
Fund Balance Percentage	55.3%	36.6%	53.4%	32.6%

EXHIBIT A

TOWN OF ADDISON ECONOMIC DEVELOPMENT FUND FY2020-21				
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21
BEGINNING BALANCES	\$ 1,437,024	\$ 1,439,491	\$ 1,797,017	\$ 1,797,844
REVENUES:				
Ad valorem Taxes	\$ 1,086,365	\$ 1,105,981	\$ 1,130,073	\$ 1,127,348
Service Fees	64,026	50,500	60,000	60,000
Interest and Other Income	48,416	30,000	42,500	48,000
TOTAL OPERATIONAL REVENUE	<u>\$ 1,198,807</u>	<u>\$ 1,186,481</u>	<u>\$ 1,232,573</u>	<u>\$ 1,235,348</u>
Transfers from other funds	715,000	768,000	384,000	384,000
TOTAL REVENUES	<u>\$ 1,913,807</u>	<u>\$ 1,954,481</u>	<u>\$ 1,616,573</u>	<u>\$ 1,619,348</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 3,350,831</u>	<u>\$ 3,393,972</u>	<u>\$ 3,413,590</u>	<u>\$ 3,417,192</u>
EXPENDITURES:				
Personnel Services	\$ 453,011	\$ 479,272	\$ 480,312	\$ 491,120
Supplies	18,455	23,645	17,285	20,932
Maintenance	17,806	23,237	23,199	29,450
Contractual Services	1,042,521	1,327,180	1,077,953	1,430,153
Capital Replacement / Lease	22,021	16,997	16,997	48,160
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 1,553,814</u>	<u>\$ 1,870,331</u>	<u>\$ 1,615,746</u>	<u>\$ 2,019,815</u>
TOTAL EXPENDITURES	<u>\$ 1,553,814</u>	<u>\$ 1,870,331</u>	<u>\$ 1,615,746</u>	<u>\$ 2,019,815</u>
ENDING FUND BALANCES	<u>\$ 1,797,017</u>	<u>\$ 1,523,641</u>	<u>\$ 1,797,844</u>	<u>\$ 1,397,377</u>
Fund Balance Percentage	115.7%	81.5%	111.3%	69.2%

EXHIBIT A

TOWN OF ADDISON GENERAL OBLIGATION DEBT SERVICE FUND FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING BALANCES	\$ 168,535	\$ 189,835	\$ 17,994	\$ 10,458
REVENUES:				
Ad valorem Taxes	\$ 6,585,428	\$ 7,013,238	\$ 6,867,784	\$ 7,915,707
Interest and Other Income	23,219	16,000	25,000	16,000
TOTAL OPERATIONAL REVENUE	<u>\$ 6,608,647</u>	<u>\$ 7,029,238</u>	<u>\$ 6,892,784</u>	<u>\$ 7,931,707</u>
TOTAL REVENUES	<u>\$ 6,608,647</u>	<u>\$ 7,029,238</u>	<u>\$ 6,892,784</u>	<u>\$ 7,931,707</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 6,777,182</u>	<u>\$ 7,219,073</u>	<u>\$ 6,910,778</u>	<u>\$ 7,942,165</u>
EXPENDITURES:				
Contractual Services	\$ 3,909	\$ 9,300	\$ 4,104	\$ 5,000
Debt Service	6,755,279	6,966,638	6,896,216	7,643,653
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 6,759,188</u>	<u>\$ 6,975,938</u>	<u>\$ 6,900,320</u>	<u>\$ 7,648,653</u>
TOTAL EXPENDITURES	<u>\$ 6,759,188</u>	<u>\$ 6,975,938</u>	<u>\$ 6,900,320</u>	<u>\$ 7,648,653</u>
ENDING FUND BALANCES	<u>\$ 17,994</u>	<u>\$ 243,135</u>	<u>\$ 10,458</u>	<u>\$ 293,512</u>
Fund Balance Percentage	0.3%	3.5%	0.2%	3.8%

EXHIBIT A

TOWN OF ADDISON UTILITY FUND FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING WORKING CAPITAL	\$ 6,233,408	\$ 11,385,841	\$ 6,266,837	\$ 4,923,551
REVENUES:				
Water Sales	\$ 6,663,348	\$ 7,051,676	\$ 7,051,676	\$ 7,502,499
Sewer Charges	5,144,473	5,876,062	5,876,062	6,270,477
Tap Fees & Other	9,438	25,275	5,000	20,500
Penalties	107,593	75,000	75,000	75,000
Interest and Other Income	184,049	94,600	159,000	105,500
TOTAL OPERATIONAL REVENUE	<u>\$ 12,108,901</u>	<u>\$ 13,122,613</u>	<u>\$ 13,166,738</u>	<u>\$ 13,973,976</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 18,342,309</u>	<u>\$ 24,508,454</u>	<u>\$ 19,433,575</u>	<u>\$ 18,897,527</u>
EXPENSES:				
Personnel Services	\$ 1,716,439	\$ 2,264,720	\$ 2,079,902	\$ 2,318,042
Supplies	176,462	217,990	216,190	216,281
Maintenance	329,051	495,622	499,122	650,623
Contractual Services				
Water Purchases	3,467,867	3,435,039	3,435,039	3,652,672
Wastewater Treatment	3,635,316	3,373,435	3,600,000	3,746,596
Other Services	863,217	1,390,199	1,256,327	1,385,463
Capital Replacement / Lease	340,657	331,857	331,857	340,797
Debt Service	1,133,162	1,513,798	1,516,231	1,517,931
Capital Outlay	74,949	90,000	90,000	65,000
TOTAL OPERATIONAL EXPENSES	<u>\$ 11,737,120</u>	<u>\$ 13,112,660</u>	<u>\$ 13,024,668</u>	<u>\$ 13,893,405</u>
One-Time Decision Packages	-	-	-	350,000
Capital Projects (Cash Funded)				
Basin I Sanitary Sewer Re-route	338,352	1,650,000	1,260,356	-
Water System Improvements	-	138,000	-	138,000
Chlorine Booster Station	-	25,000	225,000	25,000
TOTAL EXPENSES	<u>\$ 12,075,472</u>	<u>\$ 14,925,660</u>	<u>\$ 14,510,024</u>	<u>\$ 14,406,405</u>
ENDING WORKING CAPITAL	<u>\$ 6,266,837</u>	<u>\$ 9,582,794</u>	<u>\$ 4,923,551</u>	<u>\$ 4,491,122</u>
Working Capital Percentage	53.4%	73.1%	37.8%	32.3%

EXHIBIT A

TOWN OF ADDISON STORMWATER FUND FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING WORKING CAPITAL	\$ 5,240,798	\$ 5,713,480	\$ 6,468,607	\$ 7,159,183
REVENUES:				
Licenses and Permits	\$ 2,387	\$ -	\$ 2,000	\$ -
Drainage Fees	2,235,566	2,349,795	2,349,795	2,455,791
Interest and Other Income	156,778	53,900	120,000	40,000
TOTAL OPERATIONAL REVENUE	<u>\$ 2,394,731</u>	<u>\$ 2,403,695</u>	<u>\$ 2,471,795</u>	<u>\$ 2,495,791</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 7,635,529</u>	<u>\$ 8,117,175</u>	<u>\$ 8,940,402</u>	<u>\$ 9,654,974</u>
EXPENSES:				
Personnel Services	\$ 275,422	\$ 304,134	\$ 303,972	\$ 313,093
Supplies	16,117	20,597	12,111	17,700
Maintenance	77,810	210,700	50,000	102,620
Contractual Services	179,173	367,874	205,490	310,224
Debt Service	546,916	544,466	542,616	542,266
Capital Outlay	21,035	40,000	72,787	-
TOTAL OPERATIONAL EXPENSES	<u>\$ 1,116,473</u>	<u>\$ 1,487,771</u>	<u>\$ 1,186,976</u>	<u>\$ 1,285,903</u>
One-Time Decision Packages	-	-	-	38,610
Capital Projects (Cash Funded)				
Stormwater Assessment Improvements	50,449	1,181,000	594,243	2,272,430
TOTAL EXPENSES	<u>\$ 1,166,922</u>	<u>\$ 2,668,771</u>	<u>\$ 1,781,219</u>	<u>\$ 3,596,943</u>
ENDING WORKING CAPITAL	<u>\$ 6,468,607</u>	<u>\$ 5,448,404</u>	<u>\$ 7,159,183</u>	<u>\$ 6,058,031</u>
Working Capital Percentage	579.4%	366.2%	603.1%	471.1%

EXHIBIT A

TOWN OF ADDISON AIRPORT FUND FY2020-21				
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21
BEGINNING WORKING CAPITAL	\$ 4,812,377	\$ 7,045,927	\$ 7,045,927	\$ 5,506,475
REVENUES:				
Intergovernmental	\$ -	\$ 50,000	\$ 1,360,000	\$ 50,000
Service Fees	1,122,758	1,054,000	700,000	783,150
Fines and Penalties	-	-	-	-
Rental Income	5,488,112	4,509,000	4,300,000	4,305,960
Interest and Other Income	356,442	80,000	120,000	50,000
TOTAL OPERATIONAL REVENUE	\$ 6,967,312	\$ 5,693,000	\$ 6,480,000	\$ 5,189,110
Transfers from other funds	-	700,000	700,000	-
TOTAL REVENUES	\$ 6,967,312	\$ 6,393,000	\$ 7,180,000	\$ 5,189,110
TOTAL AVAILABLE RESOURCES	\$ 11,779,689	\$ 13,438,927	\$ 14,225,927	\$ 10,695,585
EXPENSES:				
Personnel Services	\$ 324,776	\$ 470,762	\$ 395,890	\$ 2,157,056
Supplies	33,600	41,000	41,000	61,900
Maintenance	77,453	53,441	53,500	479,730
Contractual Services	186,367	261,983	251,669	1,309,914
Capital Replacement / Lease	32,292	217,258	217,258	230,958
Debt Service	763,934	853,910	950,814	819,647
Capital Outlay	31,703	-	-	-
Operator Contract - Maintenance	2,761,617	3,308,028	3,308,028	-
Operator Contract - Management Fees	522,020	429,293	429,293	-
TOTAL OPERATIONAL EXPENSES	\$ 4,733,762	\$ 5,635,675	\$ 5,647,452	\$ 5,059,205
One-Time Decision Packages	-	-	-	51,000
Capital Projects (Cash Funded)				
Customs Facility	-	-	-	1,565,411
Bravo/Golf Taxiway Improvements	-	20,000	-	20,000
Airport Access & Security Improvements	-	-	-	-
Runway 15/33 Redesignation / Taxiway Alpha Rejuv.	-	-	-	-
Airport Wayfinding Signage	-	28,000	-	-
East Vehicle Service Road Realign/Reconstruction	-	720,000	720,000	-
Fuel Farm Exit Lane	-	-	115,000	-
Environmental Site Remediation	-	100,000	100,000	-
Collins Hangar Demolition	-	-	-	-
Fuel Road Reconstruction George Haddaway Dr.	-	753,000	791,000	-
Facility Repairs and Improvements	-	320,000	576,000	427,000
Wing Aviation Apron	-	-	-	-
EMASS Emergency Repairs	-	-	-	-
ADA Repairs and Improvements	-	31,500	70,000	31,500
Aircraft Rescue Firefighting Truck	-	700,000	700,000	-
TOTAL EXPENSES	\$ 4,733,762	\$ 8,308,175	\$ 8,719,452	\$ 7,154,116
ENDING WORKING CAPITAL	\$ 7,045,927	\$ 5,130,752	\$ 5,506,475	\$ 3,541,469
Working Capital Percentage	148.8%	91.0%	97.5%	70.0%

EXHIBIT A

TOWN OF ADDISON				
SELF-FUNDED PROJECTS FUND				
FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING BALANCES	\$ 1,516,050	\$ 551,138	\$ 1,045,462	\$ 564,462
REVENUES:				
Interest and Other Income	\$ 36,542	\$ -	\$ 30,000	\$ -
TOTAL OPERATIONAL REVENUE	<u>\$ 36,542</u>	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ -</u>
Transfers from other funds	2,771,504	4,015,400	3,563,900	710,950
TOTAL REVENUES	<u>\$ 2,808,046</u>	<u>\$ 4,015,400</u>	<u>\$ 3,593,900</u>	<u>\$ 710,950</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 4,324,096</u>	<u>\$ 4,566,538</u>	<u>\$ 4,639,362</u>	<u>\$ 1,275,412</u>
EXPENDITURES:				
Supplies	\$ -	\$ 167,200	\$ 167,200	\$ -
Maintenance	343,848	390,000	390,000	309,150
Contractual Services	632,437	1,042,700	1,042,700	460,500
Capital Outlay	388,391	780,500	329,000	65,300
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 1,364,676</u>	<u>\$ 2,380,400</u>	<u>\$ 1,928,900</u>	<u>\$ 834,950</u>
Capital Projects (Cash Funded)				
Enhanced Street Maintenance	373,885	1,060,000	1,060,000	292,000
Asset Management Implementation	259,947	800,000	800,000	-
Bridge and Gazebo Renovations	-	286,000	286,000	-
Celestial Park Improvements	-	-	-	102,500
Indoor Pool Resurfacing	75,867	-	-	-
Athletic Center Renovations	1,204,259	-	-	-
TOTAL EXPENDITURES	<u>\$ 3,278,634</u>	<u>\$ 4,526,400</u>	<u>\$ 4,074,900</u>	<u>\$ 1,229,450</u>
ENDING FUND BALANCES	<u>\$ 1,045,462</u>	<u>\$ 40,138</u>	<u>\$ 564,462</u>	<u>\$ 45,962</u>
Fund Balance Percentage	76.6%	1.7%	29.3%	5.5%

EXHIBIT A

TOWN OF ADDISON				
SELF-FUNDED PROJECTS FUND				
FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
Projects List				
Records Management	\$ -	\$ 50,000	\$ 50,000	\$ -
GASB 87: Leases Analysis	-	10,000	10,000	-
Buildings - Repairs	-	170,000	170,000	-
Compensation - Market Update Study	-	25,000	25,000	-
CMMS Implementation	-	125,000	125,000	-
Geo-tracking Services	-	40,000	40,000	-
Neighborhood Security-East Addison	-	-	-	27,500
North Texas Emergency Communications	-	300,000	300,000	-
Bay Door Replacement at Fire Stations	-	180,000	180,000	-
Fire Station Bay Air Filtration System	-	113,000	113,000	-
Smoke Detector Battery Repl. Program	-	-	-	3,000
Ballistic Gear	-	-	-	30,000
Knox Vaults (Keys and Drugs)	-	24,000	24,000	-
Unified Development Code	-	200,000	200,000	-
Special Area Study	-	125,000	125,000	140,000
Asset Management	-	50,000	50,000	-
Asset Management Implementation	259,947	800,000	800,000	-
Signal Timing Project	82,640	-	-	-
Enhanced Street Maintenance	373,885	1,060,000	1,060,000	292,000
Parks Master Plan Update	43,150	-	-	-
Bridge and Gazebo Renovations	-	286,000	286,000	-
Trails and Bicycle Path Master Plan	-	117,700	117,700	-
Heavy Pruning Addison Circle District	-	65,000	65,000	-
Replacement Plantings	-	155,000	155,000	-
Imagination Playground	-	75,000	75,000	-
Indoor Pool Resurfacing	75,867	-	-	-
Athletic Center (HVAC and Elevator)	1,204,259	-	-	-
Athletic Center Building Updates	-	451,500	-	-
Addison Outdoors	-	68,200	68,200	-
Secure Admin Office	-	36,000	36,000	-
Addison Circle TOD	-	-	-	318,000
Celestial Park Improvements	-	-	-	102,500
	\$ 2,039,749	\$ 4,526,400	\$ 4,074,900	\$ 913,000

EXHIBIT A

TOWN OF ADDISON ADDISON GROVE ESCROW FUND FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING BALANCES	\$ 2,019,186	\$ 3,019,186	\$ 3,081,141	\$ 3,129,141
REVENUES:				
Interest and Other Income	\$ 61,955	\$ -	\$ 48,000	\$ 25,000
TOTAL OPERATIONAL REVENUE	\$ 61,955	\$ -	\$ 48,000	\$ 25,000
Transfers from other funds	1,000,000	-	-	-
TOTAL REVENUES	\$ 1,061,955	\$ -	\$ 48,000	\$ 25,000
TOTAL AVAILABLE RESOURCES	\$ 3,081,141	\$ 3,019,186	\$ 3,129,141	\$ 3,154,141
ENDING FUND BALANCES	\$ 3,081,141	\$ 3,019,186	\$ 3,129,141	\$ 3,154,141
Fund Balance Percentage	0.0%	0.0%	0.0%	0.0%

EXHIBIT A

TOWN OF ADDISON PUBLIC SAFETY FUND FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING BALANCES	\$ 48,524	\$ 23,724	\$ 56,887	\$ 63,409
REVENUES:				
Fines and Penalties	\$ 7,155	\$ -	\$ 5,522	\$ -
Interest and Other Income	1,208	400	1,000	1,000
TOTAL OPERATIONAL REVENUE	<u>\$ 8,363</u>	<u>\$ 400</u>	<u>\$ 6,522</u>	<u>\$ 1,000</u>
TOTAL REVENUES	<u>\$ 8,363</u>	<u>\$ 400</u>	<u>\$ 6,522</u>	<u>\$ 1,000</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 56,887</u>	<u>\$ 24,124</u>	<u>\$ 63,409</u>	<u>\$ 64,409</u>
EXPENDITURES:				
Supplies	\$ -	\$ -	\$ -	\$ 64,409
TOTAL OPERATIONAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,409</u>
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,409</u>
ENDING FUND BALANCES	<u>\$ 56,887</u>	<u>\$ 24,124</u>	<u>\$ 63,409</u>	<u>\$ -</u>
Fund Balance Percentage	0.0%	0.0%	0.0%	0.0%

EXHIBIT A

TOWN OF ADDISON PEG FUND FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING BALANCES	\$ 242,042	\$ 303,042	\$ 303,147	\$ 359,147
REVENUES:				
Franchise Fees	\$ 54,160	\$ 50,000	\$ 50,000	\$ 50,000
Interest and Other Income	6,945	1,500	6,000	1,500
TOTAL OPERATIONAL REVENUE	<u>\$ 61,105</u>	<u>\$ 51,500</u>	<u>\$ 56,000</u>	<u>\$ 51,500</u>
TOTAL REVENUES	<u>\$ 61,105</u>	<u>\$ 51,500</u>	<u>\$ 56,000</u>	<u>\$ 51,500</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 303,147</u>	<u>\$ 354,542</u>	<u>\$ 359,147</u>	<u>\$ 410,647</u>
EXPENDITURES:				
Capital Outlay	\$ -	\$ -	\$ -	\$ 210,000
TOTAL OPERATIONAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 210,000</u>
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 210,000</u>
ENDING FUND BALANCES	<u>\$ 303,147</u>	<u>\$ 354,542</u>	<u>\$ 359,147</u>	<u>\$ 200,647</u>
Fund Balance Percentage	0.0%	0.0%	0.0%	95.5%

EXHIBIT A

TOWN OF ADDISON COURT TECHNOLOGY FUND FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING BALANCES	\$ 33,370	\$ 22,070	\$ 27,831	\$ 24,931
REVENUES:				
Fines and Penalties	\$ 13,202	\$ 13,500	\$ 6,300	\$ 6,670
Interest and Other Income	877	600	800	500
TOTAL OPERATIONAL REVENUE	<u>\$ 14,079</u>	<u>\$ 14,100</u>	<u>\$ 7,100</u>	<u>\$ 7,170</u>
TOTAL REVENUES	<u>\$ 14,079</u>	<u>\$ 14,100</u>	<u>\$ 7,100</u>	<u>\$ 7,170</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 47,449</u>	<u>\$ 36,170</u>	<u>\$ 34,931</u>	<u>\$ 32,101</u>
EXPENDITURES:				
Supplies	\$ 18,559	\$ 25,000	\$ 10,000	\$ 25,000
Contractual Services	1,059	-	-	-
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 19,618</u>	<u>\$ 25,000</u>	<u>\$ 10,000</u>	<u>\$ 25,000</u>
TOTAL EXPENDITURES	<u>\$ 19,618</u>	<u>\$ 25,000</u>	<u>\$ 10,000</u>	<u>\$ 25,000</u>
ENDING FUND BALANCES	<u>\$ 27,831</u>	<u>\$ 11,170</u>	<u>\$ 24,931</u>	<u>\$ 7,101</u>
Fund Balance Percentage	141.9%	44.7%	249.3%	28.4%

EXHIBIT A

TOWN OF ADDISON BUILDING SECURITY FUND FY2020-21				
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21
BEGINNING BALANCES	\$ 46,844	\$ 34,181	\$ 37,495	\$ 23,145
REVENUES:				
Fines and Penalties	\$ 9,902	\$ 10,500	\$ 6,000	\$ 11,000
Interest and Other Income	1,080	500	1,000	750
TOTAL OPERATIONAL REVENUE	<u>\$ 10,982</u>	<u>\$ 11,000</u>	<u>\$ 7,000</u>	<u>\$ 11,750</u>
TOTAL REVENUES	<u>\$ 10,982</u>	<u>\$ 11,000</u>	<u>\$ 7,000</u>	<u>\$ 11,750</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 57,826</u>	<u>\$ 45,181</u>	<u>\$ 44,495</u>	<u>\$ 34,895</u>
EXPENDITURES:				
Personnel Services	\$ 20,331	\$ 23,163	\$ 21,350	\$ 25,100
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 20,331</u>	<u>\$ 23,163</u>	<u>\$ 21,350</u>	<u>\$ 25,100</u>
TOTAL EXPENDITURES	<u>\$ 20,331</u>	<u>\$ 23,163</u>	<u>\$ 21,350</u>	<u>\$ 25,100</u>
ENDING FUND BALANCES	<u>\$ 37,495</u>	<u>\$ 22,018</u>	<u>\$ 23,145</u>	<u>\$ 9,795</u>
Fund Balance Percentage	184.4%	95.1%	108.4%	39.0%

EXHIBIT A

TOWN OF ADDISON CHILD SAFETY FUND FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING BALANCES	\$ 84,284	\$ 70,284	\$ 90,717	\$ 87,917
REVENUES:				
Fines and Penalties	\$ 15,829	\$ 5,500	\$ 15,500	\$ 11,000
Interest and Other Income	2,247	900	1,700	1,000
TOTAL OPERATIONAL REVENUE	<u>\$ 18,076</u>	<u>\$ 6,400</u>	<u>\$ 17,200</u>	<u>\$ 12,000</u>
TOTAL REVENUES	<u>\$ 18,076</u>	<u>\$ 6,400</u>	<u>\$ 17,200</u>	<u>\$ 12,000</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 102,360</u>	<u>\$ 76,684</u>	<u>\$ 107,917</u>	<u>\$ 99,917</u>
EXPENDITURES:				
Supplies	\$ 11,643	\$ 20,000	\$ 20,000	\$ 20,000
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 11,643</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>
TOTAL EXPENDITURES	<u>\$ 11,643</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>
ENDING FUND BALANCES	<u>\$ 90,717</u>	<u>\$ 56,684</u>	<u>\$ 87,917</u>	<u>\$ 79,917</u>
Fund Balance Percentage	779.2%	283.4%	439.6%	399.6%

EXHIBIT A

TOWN OF ADDISON JUSTICE ADMINISTRATION FUND FY2020-21				
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21
BEGINNING BALANCES	\$ 23,223	\$ 19,222	\$ 23,829	\$ 22,578
REVENUES:				
Fines and Penalties	\$ 426	\$ 500	\$ 2,399	\$ 2,350
Interest and Other Income	1,686	600	1,350	800
TOTAL OPERATIONAL REVENUE	<u>\$ 2,112</u>	<u>\$ 1,100</u>	<u>\$ 3,749</u>	<u>\$ 3,150</u>
TOTAL REVENUES	<u>\$ 2,112</u>	<u>\$ 1,100</u>	<u>\$ 3,749</u>	<u>\$ 3,150</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 25,335</u>	<u>\$ 20,322</u>	<u>\$ 27,578</u>	<u>\$ 25,728</u>
EXPENDITURES:				
Supplies	\$ -	\$ 4,000	\$ 4,000	\$ 4,000
Maintenance	1,506	1,000	1,000	1,000
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 1,506</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
TOTAL EXPENDITURES	<u>\$ 1,506</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
ENDING FUND BALANCES	<u>\$ 23,829</u>	<u>\$ 15,322</u>	<u>\$ 22,578</u>	<u>\$ 20,728</u>
Fund Balance Percentage	1582.3%	306.4%	451.6%	414.6%

EXHIBIT A

TOWN OF ADDISON INFRASTRUCTURE INVESTMENT FUND FY2020-21				
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21
BEGINNING BALANCES	\$ 4,585,191	\$ 4,698,143	\$ 4,825,361	\$ 5,263,783
REVENUES:				
Ad valorem Taxes	\$ 284,009	\$ 288,422	\$ 288,422	\$ 294,767
Interest and Other Income	119,000	60,000	105,000	50,000
TOTAL OPERATIONAL REVENUE	<u>\$ 403,009</u>	<u>\$ 348,422</u>	<u>\$ 393,422</u>	<u>\$ 344,767</u>
Transfers from other funds	1,000,000	45,000	45,000	-
TOTAL REVENUES	<u>\$ 1,403,009</u>	<u>\$ 393,422</u>	<u>\$ 438,422</u>	<u>\$ 344,767</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 5,988,200</u>	<u>\$ 5,091,565</u>	<u>\$ 5,263,783</u>	<u>\$ 5,608,550</u>
EXPENDITURES:				
Belt Line Road Streetscape	\$ 88,385	\$ -	\$ -	-
Public Safety Facility Improvements	574,454	-	-	-
TOTAL EXPENDITURES	<u>\$ 662,839</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Transfer to Addison Grove Fund	500,000	-	-	-
TOTAL EXPENDITURES	<u>\$ 1,162,839</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
ENDING FUND BALANCES	<u>\$ 4,825,361</u>	<u>\$ 5,091,565</u>	<u>\$ 5,263,783</u>	<u>\$ 5,608,550</u>
Fund Balance Percentage	728.0%	0.0%	0.0%	0.0%

EXHIBIT A

TOWN OF ADDISON GRANT FUNDS FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
BEGINNING BALANCES	\$ 34,168	\$ 34,667	\$ 38,433	\$ 38,833
REVENUES:				
Intergovernmental	\$ 123,941	\$ 8,100	\$ 220,000	\$ 8,100
Interest and Other Income	1,446	400	400	400
TOTAL OPERATIONAL REVENUE	<u>\$ 125,387</u>	<u>\$ 8,500</u>	<u>\$ 220,400</u>	<u>\$ 8,500</u>
TOTAL REVENUES	<u>\$ 125,387</u>	<u>\$ 8,500</u>	<u>\$ 220,400</u>	<u>\$ 8,500</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 159,555</u>	<u>\$ 43,167</u>	<u>\$ 258,833</u>	<u>\$ 47,333</u>
EXPENDITURES:				
Personnel Services	\$ 11,825	\$ -	\$ -	\$ -
Supplies	8,166	-	20,000	-
Maintenance	1,654	-	-	-
Contractual Services	4,477	13,700	200,000	13,700
Capital Outlay	95,000	-	-	-
TOTAL OPERATIONAL EXPENDITURES	<u>\$ 121,122</u>	<u>\$ 13,700</u>	<u>\$ 220,000</u>	<u>\$ 13,700</u>
TOTAL EXPENDITURES	<u>\$ 121,122</u>	<u>\$ 13,700</u>	<u>\$ 220,000</u>	<u>\$ 13,700</u>
ENDING FUND BALANCES	<u>\$ 38,433</u>	<u>\$ 29,467</u>	<u>\$ 38,833</u>	<u>\$ 33,633</u>
Fund Balance Percentage	31.7%	215.1%	17.7%	245.5%

EXHIBIT A

TOWN OF ADDISON INFORMATION TECHNOLOGY REPLACEMENT FUND FY2020-21				
	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21
BEGINNING WORKING CAPITAL	\$ 3,083,136	\$ 2,521,653	\$ 3,561,607	\$ 3,387,470
REVENUES:				
Service Fees	\$ 853,524	\$ 756,863	\$ 756,863	\$ 756,863
Interest and Other Income	4,949	8,800	5,000	5,000
TOTAL OPERATIONAL REVENUE	<u>\$ 858,473</u>	<u>\$ 765,663</u>	<u>\$ 761,863</u>	<u>\$ 761,863</u>
TOTAL REVENUES	<u>\$ 858,473</u>	<u>\$ 765,663</u>	<u>\$ 761,863</u>	<u>\$ 761,863</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 3,941,609</u>	<u>\$ 3,287,316</u>	<u>\$ 4,323,470</u>	<u>\$ 4,149,333</u>
EXPENSES:				
Supplies	\$ 21,179	\$ -	\$ -	\$ -
Maintenance	9,000	-	-	-
Contractual Services	28,961	4,000	-	-
Capital Outlay	320,862	1,927,000	936,000	1,650,000
TOTAL OPERATIONAL EXPENSES	<u>\$ 380,002</u>	<u>\$ 1,931,000</u>	<u>\$ 936,000</u>	<u>\$ 1,650,000</u>
TOTAL EXPENSES	<u>\$ 380,002</u>	<u>\$ 1,931,000</u>	<u>\$ 936,000</u>	<u>\$ 1,650,000</u>
ENDING FUND BALANCES	<u>\$ 3,561,607</u>	<u>\$ 1,356,316</u>	<u>\$ 3,387,470</u>	<u>\$ 2,499,333</u>
Working Capital Percentage	937.3%	70.2%	361.9%	151.5%

EXHIBIT A

**TOWN OF ADDISON
INFORMATION TECHNOLOGY REPLACEMENT FUND
FY2020-21**

	Actual 2018-19	Budget 2019-20	Estimated 2019-20	Budget 2020-21
Equipment List				
Shared Network Equipment	\$ -	\$ 1,500,000	\$ 936,000	\$ 700,000
Shared Enterprise Financial System	101,790	180,000	-	-
Shared Upgrade Monitoring Cameras	-	-	-	370,000
CS Records Management (Laserfiche)	-	25,000	-	-
Business Intelligence Software Upgrade	-	75,000	-	-
Dev Svcs Interactive Voice Response	-	75,000	-	-
Police Taser Upgrade	-	72,000	-	60,000
Police Digital Citation System	-	-	-	-
Police Replace In-Car Video/Body Cams	-	-	-	250,000
Utility SCADA System	48,922	-	-	-
Fire Outdoor Warning Sirens	120,169	-	-	-
Fire Replacement Toughbooks	49,981	-	-	-
Replace Mobile Device Computers	-	-	-	260,000
GPS Device	-	-	-	10,000
	\$ 320,862	\$ 1,927,000	\$ 936,000	\$ 1,650,000

EXHIBIT A

TOWN OF ADDISON CAPITAL REPLACEMENT FUND FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
WORKING CAPITAL	\$ 3,110,609	\$ 3,591,615	\$ 3,437,569	\$ 3,527,376
REVENUES:				
Service Fees	\$ 1,288,000	\$ 1,288,000	\$ 1,288,000	\$ 1,288,000
Interest and Other Income	121,176	60,000	123,380	40,000
TOTAL OPERATIONAL REVENUE	<u>\$ 1,409,176</u>	<u>\$ 1,348,000</u>	<u>\$ 1,411,380</u>	<u>\$ 1,328,000</u>
TOTAL REVENUES	<u>\$ 1,409,176</u>	<u>\$ 1,348,000</u>	<u>\$ 1,411,380</u>	<u>\$ 1,328,000</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 4,519,785</u>	<u>\$ 4,939,615</u>	<u>\$ 4,848,949</u>	<u>\$ 4,855,376</u>
EXPENSES				
Contractual Services	4,188	4,000	4,500	4,500
Capital Outlay	1,078,028	1,684,831	1,317,073	1,394,775
TOTAL OPERATIONAL EXPENSES	<u>\$ 1,082,216</u>	<u>\$ 1,688,831</u>	<u>\$ 1,321,573</u>	<u>\$ 1,399,275</u>
Transfers to other funds	-	-	-	-
TOTAL EXPENSES	<u>\$ 1,082,216</u>	<u>\$ 1,688,831</u>	<u>\$ 1,321,573</u>	<u>\$ 1,399,275</u>
ENDING WORKING CAPITAL	<u>\$ 3,437,569</u>	<u>\$ 3,250,784</u>	<u>\$ 3,527,376</u>	<u>\$ 3,456,101</u>
Working Capital Percentage	317.6%	192.5%	266.9%	247.0%

EXHIBIT A

TOWN OF ADDISON CAPITAL REPLACEMENT FUND FY2020-21				
	Actual	Budget	Estimated	Budget
	2018-19	2019-20	2019-20	2020-21
Equipment List				
General Services Fuel Pump System	\$ 70,004	\$ -	\$ -	\$ -
Police Ford Interceptor PPV	-	61,000	61,000	-
Police Truck (CID)	27,017	-	-	-
Police Ford F150 (Quartermaster)	33,170	-	-	-
Police Sedan CID (Dodge Caravan)	27,513	-	-	-
Police Patrol Vehicles	-	806,900	797,860	-
Police CID Sedan	-	32,500	32,500	-
Police Ford F250 Animal Control Unit	-	60,000	60,000	60,000
Police CID SUV	-	32,500	32,500	-
Fire Frazer Ambulance	271,637	271,700	-	286,850
Fire 2 Thermal Imaging Cameras	10,773	-	-	-
Fire Pumper Truck	136,999	-	-	-
Fire Utility Vehicle	227,310	-	-	-
Fire Bobcat Club Car	-	30,000	30,000	-
Fire Ford F-350 XLT Ext Cab- Battalion	-	-	-	100,000
Fire STRYKER Cardiac Monitor	-	-	-	175,137
Streets Ford F550	-	73,000	73,068	-
Streets Ford F350 Extended Cab	-	-	-	35,000
Streets Ford F750 Aerial Body	-	-	-	200,000
Parks Ford F350 Extended Cab	-	-	-	60,000
Parks Ford F350 Crew Cab	41,077	-	-	46,308
Parks Ford F350 Crew Cab	-	-	-	35,308
Parks Ford F250 Crew Cab	35,422	-	-	-
Parks Ford F150 Crew Cab	-	-	-	31,994
Parks New Holland Backhoe	-	89,731	89,727	-
Parks John Deere 835 XUV Gator	-	-	-	23,467
Parks John Deere 835 Gator w/ Sprayer	-	-	-	25,760
Recreation Life Fitness Weight Circuit	79,110	-	-	-
Recreation Treadmills	43,525	-	-	-
Airport 1/2 Ton Truck	27,864	-	-	-
Airport Mini Transit Cargo Van	-	34,500	27,683	-
Airport Ford F150	-	35,000	27,735	-
Airport Ford F250 Extended Cab	-	-	-	43,000
Airport Ford F750 Super Duty	-	-	-	80,000
Airport Toyota Highlander	-	-	-	45,000
Airport (2) Grasshopper Lawn Mowers	-	-	-	25,400
Utilities Ford F250	46,607	-	-	42,421
Utilities Ford F350	-	50,000	42,873	43,130
Utilities Ford F150	-	28,000	-	36,000
Utilities Ford F350	-	80,000	42,127	-
	\$ 1,078,028	\$ 1,684,831	\$ 1,317,073	\$ 1,394,775

EXHIBIT A

TOWN OF ADDISON CAPITAL IMPROVEMENTS PROGRAM ALL FUNDS SUMMARY FY2020-21						
	Estimated 2019-20	Budget 2020-21	Budget 2021-22	Budget 2022-23	Budget 2023-24	Project Total
FUNDS						
General Obligation & Cert. of Obligation	\$ 11,980,660	\$ 26,074,446	\$ 28,762,000	\$ 20,115,000	\$ 31,564,411	\$ 118,496,517
General Fund Self-Funded Projects	2,689,700	102,500	-	-	-	2,792,200
Streets Self-Funded Fund	100,660	-	-	-	450,000	550,660
Infrastructure Investment Fund	-	-	-	-	-	-
Utility Certificates of Obligation	2,240,871	4,793,243	1,598,000	1,304,000	1,882,000	11,818,114
Utility Fund Cash Reserves	1,485,356	163,000	388,000	294,000	515,000	2,845,356
Stormwater Certificates of Obligation	1,459,726	542,570	-	-	-	2,002,296
Stormwater Fund Cash Reserves	521,456	2,247,430	1,664,000	1,206,000	-	5,638,886
Airport Fund Certificates of Obligation	6,500,000	475,000	-	-	-	6,975,000
Airport Fund Grant Funds	1,475,000	780,000	630,000	6,861,600	1,009,800	10,756,400
Airport Fund Cash Reserves	3,072,000	2,043,911	289,100	904,400	504,200	6,813,611
Hotel Fund	30,000	-	-	-	-	30,000
TOTAL	\$ 31,555,429	\$ 37,222,100	\$ 33,331,100	\$ 30,685,000	\$ 35,925,411	\$ 168,719,040

EXHIBIT A

TOWN OF ADDISON CAPITAL IMPROVEMENTS PROGRAM FY2020-21							
	Actual	Estimated	Budget	Budget	Budget	Budget	Project
	Prior Years	2019-20	2020-21	2021-22	2022-23	2023-24	Total
FUNDING SOURCES:							
General Obligation Bonds Series 2012		\$ 715,433	\$ 6,844,446	\$ -	\$ -	\$ -	39,409
General Obligation Bonds Series 2014		1,664,143	-	-	-	-	-
Streets Self-Funded Fund		100,660	-	-	-	-	450,000
Certificates of Obligation Series 2019		7,033,084	9,830,000	1,035,000	35,000	-	35,000
General Obligation Bonds Series 2020		2,568,000	4,000,000	8,567,000	-	-	-
Combination GO/CO Series 2021		-	5,400,000	13,525,000	9,645,000	-	-
General Obligation Bonds Series 2022		-	-	5,635,000	-	-	-
General Obligation Bonds Series 2023		-	-	-	10,435,000	-	-
General Obligation Bonds Series 2024		-	-	-	-	-	31,490,002
		<u>\$ 12,081,320</u>	<u>\$ 26,074,446</u>	<u>\$ 28,762,000</u>	<u>\$ 20,115,000</u>	<u>\$ 32,014,411</u>	
PROJECTS							
Vitruvian Development Phase 5	\$ 4,550,889	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 4,625,889
Vitruvian Water Rights Permit Compliance	760,489	55,000	35,000	35,000	35,000	35,000	956,489
Vitruvian Development Phase 8	2,560,950	2,333	-	-	-	-	2,563,283
Vitruvian Development Next Phase	31,916	1,033,084	3,949,504	-	-	-	5,014,504
Belt Line Road Phase 1.5	35,197	2,164,803	-	-	-	-	2,200,000
Pedestrian Connectivity - Quorum	43,490	-	-	-	-	489,409	532,899
Pedestrian Connectivity - Cotton Belt/Silver Line	-	-	307,469	-	-	-	307,469
Police Record Management System	4,678,048	183,100	138,852	-	-	-	5,000,000
License Plate Recognition System Expansion	615,430	-	1,384,570	-	-	-	2,000,000
Midway Road Reconstruction	2,835,177	6,000,000	10,375,861	12,000,000	9,645,000	-	40,856,038
Belt Line Electronic Signage	16,810	-	483,190	-	-	-	500,000
Keller Springs Reconstruction	-	844,426	4,000,000	8,567,000	-	-	13,411,426
Airport Parkway Reconstruction	-	618,574	-	-	8,270,000	-	8,888,574
HVAC Replacements	-	80,000	1,095,000	360,000	-	-	1,535,000
Roof Replacements	-	60,000	2,930,000	1,010,000	-	-	4,000,000
Locker Room Reconfiguration	-	187,000	369,035	1,000,000	-	-	1,556,035
Gymnasium and Track Improvements	-	56,000	156,679	250,000	-	-	462,679
Pool Modernization	-	122,000	287,453	600,000	-	-	1,009,453
Advanced Traffic Management System	-	600,000	-	-	-	-	600,000
Police Gun Range Air Filtration	-	-	360,000	-	-	-	360,000
ADA Improvements	-	-	35,000	1,465,000	-	-	1,500,000
Trail Rehab, Expansion, Wayfinding	-	-	166,833	245,892	-	-	412,725
Quorum Drive Reconstruction	-	-	-	3,160,000	-	23,142,000	26,302,000
Montfort Drive Reconstruction	-	-	-	-	900,000	6,400,000	7,300,000
Les Lacs Pond Improvements	-	-	-	69,108	1,265,000	1,948,002	3,282,110
TOTAL	<u>\$ 16,128,396</u>	<u>\$ 12,081,320</u>	<u>\$ 26,074,446</u>	<u>\$ 28,762,000</u>	<u>\$ 20,115,000</u>	<u>\$ 32,014,411</u>	<u>\$ 135,175,573</u>

EXHIBIT A

TOWN OF ADDISON INFRASTRUCTURE INVESTMENT FUND FY2020-21							
	Actual Prior Years	Estimated 2019-20	Budget 2020-21	Budget 2021-22	Budget 2022-23	Budget 2023-24	Project Total
BEGINNING BALANCES		\$ 4,825,361	\$ 5,263,783	\$ 5,608,452	\$ 5,959,014	\$ 6,315,588	
FUNDING SOURCES:							
Ad valorem Taxes		\$ 288,422	\$ 294,669	\$ 300,562	\$ 306,574	\$ 312,705	
Other Income		150,000	50,000	50,000	50,000	50,000	
TOTAL AVAILABLE RESOURCES		<u>\$ 5,263,783</u>	<u>\$ 5,608,452</u>	<u>\$ 5,959,014</u>	<u>\$ 6,315,588</u>	<u>\$ 6,678,293</u>	
PROJECTS AND TRANSFERS							
ADA Transition Plan	\$ 91,530	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,530
Park Playground Structure Resurface	70,398	-	-	-	-	-	70,398
Belt Line Road Streetscape	161,766	-	-	-	-	-	161,766
Public Safety Facility Improvements	742,384	-	-	-	-	-	742,384
Transfer to Addison Grove Escrow Fund	1,000,000	-	-	-	-	-	1,000,000
TOTAL	<u>\$ 2,066,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,066,078</u>
ENDING FUND BALANCE		<u>\$ 5,263,783</u>	<u>\$ 5,608,452</u>	<u>\$ 5,959,014</u>	<u>\$ 6,315,588</u>	<u>\$ 6,678,293</u>	

EXHIBIT A

TOWN OF ADDISON UTILITY CAPITAL IMPROVEMENTS PROGRAM FY2020-21							
	Actual	Estimated	Budget	Budget	Budget	Budget	Project
	Prior Years	2019-20	2020-21	2021-22	2022-23	2023-24	Total
FUNDING SOURCES:							
Certificates of Obligation	\$ 1,526,153	\$ 2,240,871	\$ 4,793,243	\$ 1,598,000	\$ 1,304,000	\$ 1,882,000	
Cash Reserves	237,382	1,485,356	163,000	388,000	294,000	515,000	
TOTAL AVAILABLE RESOURCES	\$ 1,763,535	\$ 3,726,227	\$ 4,956,243	\$ 1,986,000	\$ 1,598,000	\$ 2,397,000	
PROJECTS							
Celestial Ground Storage Tank Rehabilitation	\$ 77,098	\$ 122,902	\$ 1,740,000	\$ -	\$ -	\$ -	\$ 1,940,000
Kellway Lift Station Rehabilitation & Repair	419,538	577,707	594,243	-	-	-	1,591,488
Utility Plant Facilities and Pumps	-	170,000	205,000	187,000	225,000	-	787,000
Water System Improvements	1,029,517	567,000	1,380,000	1,152,000	767,000	1,380,000	6,275,517
Chlorine Booster Station	-	225,000	1,037,000	-	-	-	1,262,000
Sanitary Sewer Line Replacement / Rehab	-	-	-	647,000	606,000	1,017,000	2,270,000
Basin I Sanitary Sewer Re-route	237,382	2,063,618	-	-	-	-	2,301,000
TOTAL	\$ 1,763,535	\$ 3,726,227	\$ 4,956,243	\$ 1,986,000	\$ 1,598,000	\$ 2,397,000	\$ 16,427,005

EXHIBIT A

TOWN OF ADDISON							
STORMWATER CAPITAL IMPROVEMENTS PROGRAM							
FY2020-21							
	Actual	Estimated	Budget	Budget	Budget	Budget	Project
	Prior Years	2019-20	2020-21	2021-22	2022-23	2023-24	Total
FUNDING SOURCES:							
Cash Reserves	\$ 64,209	\$ 521,456	\$ 2,247,430	\$ 1,664,000	\$ 1,206,000	\$ -	-
Certificates of Obligation Series 2013	2,179,312	1,459,726	542,570	-	-	-	-
TOTAL AVAILABLE RESOURCES	\$ 2,243,521	\$ 1,981,182	\$ 2,790,000	\$ 1,664,000	\$ 1,206,000	\$ -	-
PROJECTS							
Stormwater Assessment Basin Improvements	\$ 64,209	\$ 1,354,265	\$ 2,790,000	\$ 1,664,000	\$ 1,206,000	\$ -	\$ 7,078,474
Sherlock - Winter Park Drive Improvements	1,567,437	74,806	-	-	-	-	1,642,243
Vitruvian Pond Dredging	611,875	552,111	-	-	-	-	1,163,986
TOTAL	\$ 2,243,521	\$ 1,981,182	\$ 2,790,000	\$ 1,664,000	\$ 1,206,000	\$ -	\$ 9,884,703

EXHIBIT A

TOWN OF ADDISON AIRPORT CAPITAL IMPROVEMENTS PROGRAM FY2020-21							
	Actual	Estimated	Budget	Budget	Budget	Budget	Project
	Prior Years	2019-20	2020-21	2021-22	2022-23	2023-24	Total
FUNDING SOURCES:							
Cash Reserves	\$ 880,538	\$ 3,072,000	\$ 2,043,911	\$ 289,100	\$ 904,400	\$ 504,200	
TXDOT Grant Funding	-	1,475,000	780,000	630,000	6,861,600	1,009,800	
Bond Funds	238,990	6,500,000	475,000	-	-	-	
TOTAL AVAILABLE RESOURCES	\$ 1,119,528	\$ 11,047,000	\$ 3,298,911	\$ 919,100	\$ 7,766,000	\$ 1,514,000	
PROJECTS							
Customs Facility Construction	\$ 905,700	\$ 6,500,000	\$ 2,640,411	\$ -	\$ -	\$ -	\$ 10,046,111
Bravo/Golf Taxiway Improvements	-	-	200,000	700,000	7,500,000	-	8,400,000
Airport Access & Security Improvements	-	-	-	-	124,000	1,122,000	1,246,000
Runway 15/33 Redesignation & Taxiway Alpha Rejuvenation	-	1,475,000	-	-	-	-	1,475,000
Airport Wayfinding Signage	-	-	-	-	-	28,000	28,000
East Vehicle Service Road Realignment/Reconstruction	-	720,000	-	-	-	-	720,000
Fuel Farm Exit Lane	-	115,000	-	-	-	-	115,000
Environmental Site Remediation	-	100,000	-	-	-	-	100,000
Fuel Road Reconstruction at George Haddaway Drive	-	791,000	-	-	-	-	791,000
Facility Repairs and Improvements	213,828	576,000	427,000	136,800	10,000	320,000	1,683,628
ADA Repairs and Improvements	-	70,000	31,500	82,300	132,000	44,000	359,800
Aircraft Rescue Firefighting Vehicle	-	700,000	-	-	-	-	700,000
TOTAL	\$ 1,119,528	\$ 11,047,000	\$ 3,298,911	\$ 919,100	\$ 7,766,000	\$ 1,514,000	\$ 25,664,539

Council Meeting

13.

Meeting Date: 09/08/2020

Department: Development Services

AGENDA CAPTION:

Hold a Public Hearing, Present, Discuss, and Consider Action on an **Ordinance Changing the Zoning on a 4.40-acre Property Located at 3990 Vitruvian Way, Which Property is Currently Zoned PD, Planned Development, Through Ordinance O07-034, as Previously Amended by Ordinances O13-026, O16-017, and O19-06, by Changing the Density of the Residential Development.** Case 1817-Z/UDR Fiori.

BACKGROUND:

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting virtually in regular session on August 18, 2020, voted to recommend approval of an ordinance changing the zoning from Planned Development (PD) district, through Ordinance O07-034, as previously amended by ordinances O13-026, O16-017, and O19-06, by changing the density of the residential development to allow the conversion of an existing 819 square foot amenity space to one 819 square foot residential unit, without conditions.

Voting Aye: Catalani, Craig, DeFrancisco, Meleky, Resnik, Souers, Wheeler

Voting Nay: none

Absent: none

SPEAKERS AT THE PUBLIC HEARING: none.

Please refer to the attached staff report for additional information on this case.

RECOMMENDATION:

Administration recommends approval.

Attachments

Ordinance - 1817-Z UDR Fiori

Staff Report - 1817-Z UDR Fiori

Plans - 1817-Z UDR Fiori

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS, AMENDING THE DEVELOPMENT PLANS, ORDINANCE O11-032, IN PLANNED DEVELOPMENT DISTRICT O07-034, AS AMENDED BY O13-026, 06-017, AND O19-06, ON A 4.4 ACRE PROPERTY LOCATED AT 3990 VITRUVIAN WAY, TO ALLOW AN INCREASE IN RESIDENTIAL DENSITY; PROVIDING A PENALTY NOT TO EXCEED TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00) FOR EACH OFFENSE AND A SEPARATE OFFENSE SHALL BE DEEMED COMMITTED EACH DAY DURING OR ON WHICH A VIOLATION OCCURS OR CONTINUES; SAVINGS, NO SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Town of Addison, Texas (the “City”) is a home rule municipality having full power of local self-government pursuant to Article 11, Section 5 of the Texas Constitution and its Home Rule Charter; and

WHEREAS, at its regular meeting held on August 18, 2020 the Planning & Zoning Commission considered and made recommendations on a request to amend the development plans through O11-032, in Planned Development District O07-034, as amended, to increase residential density in order to add one dwelling unit to an existing multifamily development (Case No. 1817-Z/UDR Fiori); and

WHEREAS, this change of zoning is in accordance with the adopted Comprehensive Plan of the Town of Addison, as amended; and

WHEREAS, after due deliberations and consideration of the recommendation of the Planning and Zoning Commission, the information received at a public hearing, and other relevant information and materials, the City Council of the Town of Addison, Texas finds that this amendment promotes the general welfare and safety of this community.

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

SECTION 1. That the recitals and findings set forth above are hereby found to be true and correct and incorporated as if fully set forth herein.

SECTION 2. That Ordinance O11-032, is hereby amended as follows:

- (a) The original site plan is hereby replaced with the site plan as shown in **Exhibit A** of this Ordinance.
- (b) Additional floor plan and building elevation, as shown in **Exhibit B**, are hereby adopted.
- (c) Prior to the issuance of a Certificate of Occupancy, said Property shall be improved in accordance with the site plan, floor plan, and building elevations, which are attached hereto as **Exhibit A** and **Exhibit B** and made a part hereof for all purposes.

(d) Save and except as amended by this Ordinance all other provisions in O11-032 shall remain in full force and effect.

SECTION 3. That any person, firm, or corporation violating any of the provisions or terms of this ordinance shall be subject to the same penalty as provided for in the Comprehensive Zoning Ordinance of the city, as heretofore amended, and upon conviction shall be punished by a fine set in accordance with Chapter 1, General Provisions, Section 1.10, General penalty for violations of Code; continuing violations, of the Code of Ordinances for the Town of Addison.

SECTION 4. That it is the intention of the City Council that this ordinance be considered in its entirety, as one ordinance, and should any portion of this ordinance be held to be void or unconstitutional, then said ordinance shall be void in its entirety, and the City Council would not have adopted said ordinance if any part or portion of said ordinance should be held to be unconstitutional or void.

SECTION 5. 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 6. That this Ordinance shall become effective from and after its passage and approval and after publication as may be required by law or by the City Charter or ordinance.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the 8TH day of SEPTEMBER 2020.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma Parker, City Secretary

Brenda N. McDonald, City Attorney

Exhibit A

PROJECT DATA - (EXISTING BASE BUILDING)

BUILDING AREA TOTALS		AMENITY AREA TOTALS	
LEVEL 1	27,200 SF	CONDOMINIUM AMENITY AREA	14,416 SF
LEVEL 2	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 3	27,200 SF	POOL AMENITY AREA	14,416 SF
LEVEL 4	27,200 SF	UNIT AREA	14,416 SF
LEVEL 5	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 6	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 7	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 8	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 9	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 10	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 11	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 12	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 13	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 14	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 15	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 16	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 17	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 18	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 19	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 20	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 21	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 22	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 23	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 24	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 25	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 26	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 27	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 28	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 29	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 30	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 31	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 32	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 33	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 34	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 35	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 36	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 37	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 38	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 39	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 40	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 41	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 42	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 43	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 44	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 45	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 46	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 47	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 48	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 49	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 50	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 51	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 52	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 53	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 54	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 55	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 56	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 57	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 58	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 59	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 60	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 61	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 62	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 63	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 64	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 65	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 66	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 67	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 68	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 69	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 70	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 71	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 72	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 73	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 74	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 75	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 76	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 77	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 78	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 79	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 80	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 81	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 82	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 83	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 84	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 85	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 86	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 87	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 88	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 89	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 90	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 91	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 92	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 93	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 94	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 95	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 96	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 97	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 98	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 99	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF
LEVEL 100	27,200 SF	STAIRWELL AMENITY AREA	14,416 SF

OWNER
LUCR Corporation
7727 16-5550

ARCHITECT
MSC DESIGN
Matt Criterdon
469-855-8800

FORI AT VITRUVIAN PARK
3990 Vitrivian Way
Addison, TX 75001
Dallas County

PROJECT NO.
2012

DATE
08-03-2020

DRAWING NO.
A1-1

PROJECT NAME
SITE PLAN

PROJECT DESCRIPTION
Convert an existing 819
source food amenity
space into a 100-unit
apartment unit, Chicago
of occupancy of one
space from A-2 to R-2.

PROJECT LOCATION
FORI AT VITRUVIAN PARK
3990 Vitrivian Way
Addison, TX 75001
Dallas County

LEGAL DESCRIPTION
VITRUVIAN PARK
BLOCK 8, LOT 3,
ACRES: 4.4616

ZONING
PD 07-07-03A

IDW PROJECT NUMBER
1817-Z

APPROVED

STAFF

COUNCIL

ACTION
DENIED

WIND EXPOSURE
WIND EXPOSURE
WIND EXPOSURE

VICINITY MAP (EXISTING)

Exhibit B

EXISTING SOUTH ELEVATION

EXISTING SOUTH ELEVATION

EXISTING SOUTH ELEVATION

EXISTING SOUTH ELEVATION

EXISTING SOUTH ELEVATION

SCOPE OF EXTERIOR WORK: EXISTING WINDOW SYSTEMS TO REMAIN. EXISTING DOORS (REFER ARCHITECT'S PLAN)

SCOPE OF EXTERIOR WORK: EXISTING WINDOW SYSTEMS TO REMAIN. EXISTING DOORS (REFER ARCHITECT'S PLAN)

EXISTING SOUTH ELEVATION

EXISTING GLAZING

NEW DOORS

EXISTING SOUTH ELEVATION

1/4" = 1'-0"

1 SOUTH ELEVATION (EXISTING)

0 20 40

2

0 20 40

SCOPE OF WORK: RENOVATION AT FOURTH FLOOR

SCOPE OF WORK: RENOVATION AT FOURTH FLOOR

MATERIALS LEGEND

SYMBOL	DESCRIPTION
[Symbol]	EXISTING WINDOW SYSTEMS TO REMAIN
[Symbol]	EXISTING DOORS (REFER ARCHITECT'S PLAN)
[Symbol]	NEW DOORS (REFER ARCHITECT'S PLAN)
[Symbol]	EXISTING WINDOW SYSTEMS TO REMAIN
[Symbol]	EXISTING DOORS (REFER ARCHITECT'S PLAN)
[Symbol]	NEW DOORS (REFER ARCHITECT'S PLAN)

NO EXTERIOR MATERIALS WILL BE CHANGED

PROJECT DESCRIPTION

Conversion of existing 819 square foot building into a 1 bedroom apartment unit. Change section from A-2 to B-2.

PROJECT LOCATION

FIORI AT VITRUVIAN PARK
3993 Vitruvian Way
Dallas County

LEGAL DESCRIPTION

BLOCK 8, LOT 3
ACRES: 4.4016
ZONING: PD 07/04
TOWN BLOCK NUMBER: 1817-2

OWNER

MARC DESIGN, LLC
10925 ESTIVE LANE
SUITE 200
DALLAS, TEXAS 75238
469-855-8800

APPLICANT

MARC DESIGN
469-855-8800

OWNER

MARC DESIGN, LLC
10925 ESTIVE LANE
SUITE 200
DALLAS, TEXAS 75238
469-855-8800

APPLICANT

MARC DESIGN
469-855-8800

OWNER

MARC DESIGN, LLC
10925 ESTIVE LANE
SUITE 200
DALLAS, TEXAS 75238
469-855-8800

APPLICANT

MARC DESIGN
469-855-8800

FACADE PLAN NOTES

- The portion of the facade affected by this renovation is to remain a window system with new opening locations.
- The following notes show the required Facade Plan Checklist notes but are not all applicable for the purposes of this renovation.
- Facade Plan is for conceptual purposes only. All building plans require review and approval by Development Services. All mechanical units shall be screened from public view as required by the Zoning Ordinance.
- When permitted, exposed utility boxes and conduits shall be painted to match the building.
- All signage areas and locations are subject to approval by Development Services.
- Roof access shall be provided internally, unless otherwise permitted by the Chief Building Official.

ACTION

APPROVED	DENIED
STAFF	DATE
COUNCIL	DATE

See the Staff Approval Letter or Council Resol. Memo for any conditions associated with the approval of the project.

PROJECT NO. 2012

DATE 08-03-2020

DRAWING NO. A2-1

FACADE PLAN

FIORI AT VITRUVIAN PARK

3990 Vitruvian Way
Addison, TX 75001
Dallas County

MS DESIGN

MARC DESIGN, LLC
10925 ESTIVE LANE
SUITE 200
DALLAS, TEXAS 75238
469-855-8800

APPLICANT

MARC DESIGN
469-855-8800

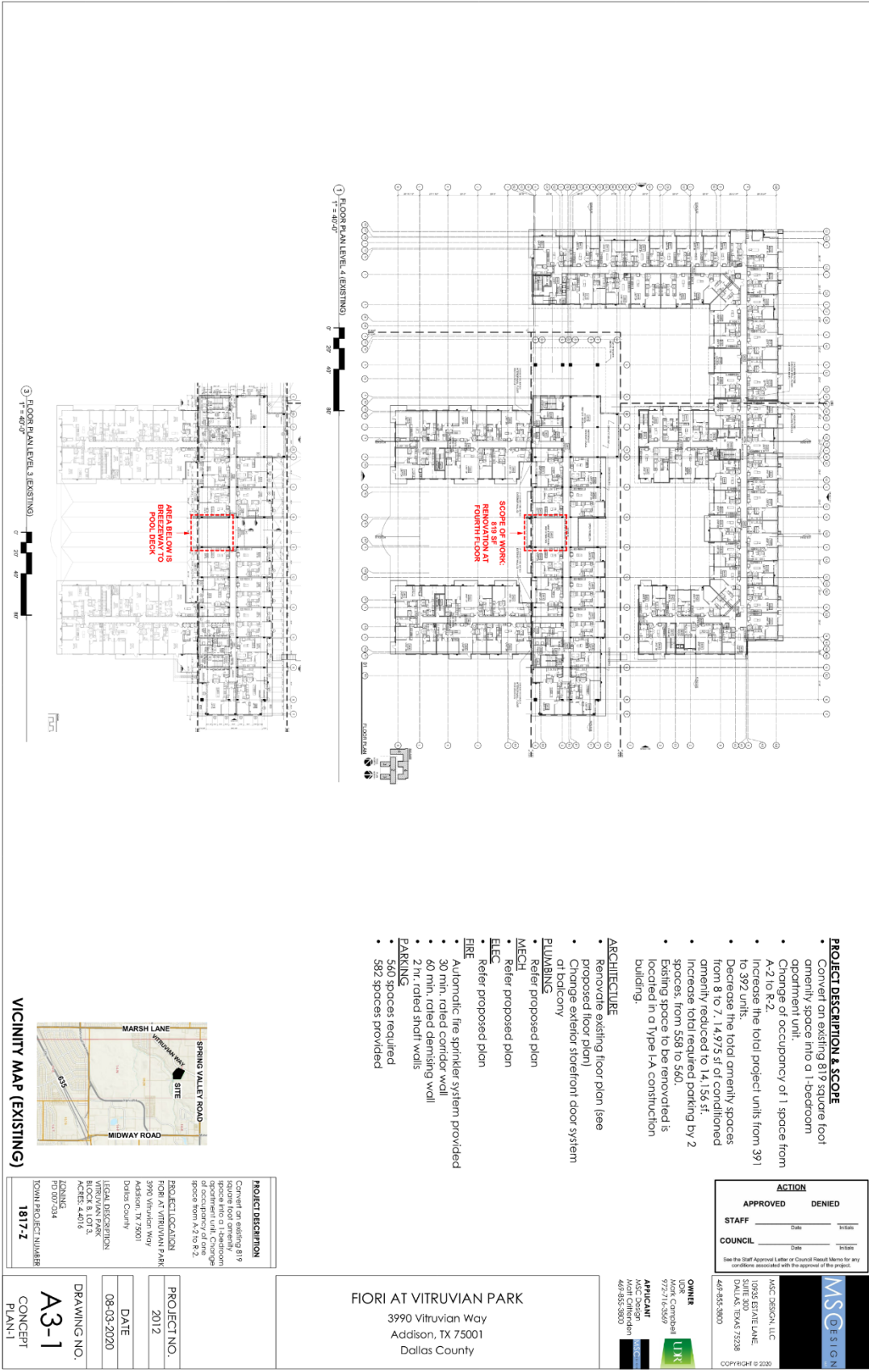
OWNER

MARC DESIGN, LLC
10925 ESTIVE LANE
SUITE 200
DALLAS, TEXAS 75238
469-855-8800

APPLICANT

MARC DESIGN
469-855-8800

Exhibit B



PROJECT DESCRIPTION & SCOPE

- Convert an existing 819 square foot amenity space into a 1-bedroom apartment unit.
- Change of occupancy of 1 space from A-2 to R-2.
- Increase the total project units from 391 to 392 units.
- Decrease the total amenity spaces from 8 to 7. 14,375 sq ft of conditioned amenity space required by 2 spaces, from 558 to 560.
- Existing space to be renovated is located in a Type I-A construction building.

ARCHITECTURE

- Renovate existing floor plan (see proposed floor plan)
- Change exterior storefront door system at balcony

PLUMBING

- Refer proposed plan

M/E/C/H

- Refer proposed plan

ELECTRICAL

- Refer proposed plan

- Automatic fire sprinkler system provided
- 30 min. rated corridor wall
- 60 min. rated demising wall
- 2 hr. rated shaft walls

PARKING

- 560 spaces required
- 582 spaces provided

ACTION	
APPROVED	DENIED
STAFF	DATE
COUNCIL	DATE

Use the Staff Approval Letter or Council Resolution Memo for any conditions associated with the approval of this project.

MSQ DESIGN
 1028 ESTATE LANE
 DALLAS, TEXAS 75228
 469.955.5800
 COPYRIGHT © 2020

OWNER
 Mark Campbell
 972.716.5559

APPLICANT
 MSC DESIGN
 469.955.5800

FIORI AT VITRUVIAN PARK
 3990 Vitruvian Way
 Addison, TX 75001
 Dallas County

PROJECT DESCRIPTION
 Convert an existing 819 square foot amenity space into a 1-bedroom apartment unit. Change of occupancy from A-2 to R-2.

PROJECT LOCATION
 FIORI AT VITRUVIAN PARK
 3990 VITRUVIAN WAY
 DALLAS COUNTY

LEGAL DESCRIPTION
 BLOCK 6, LOT 3
 ACRES: 4.4016
 ZONING: PD 007.034
 TOWN PROJECT NUMBER: 1817-Z

DATE
 08-03-2020

DRAWING NO.
 A3-1

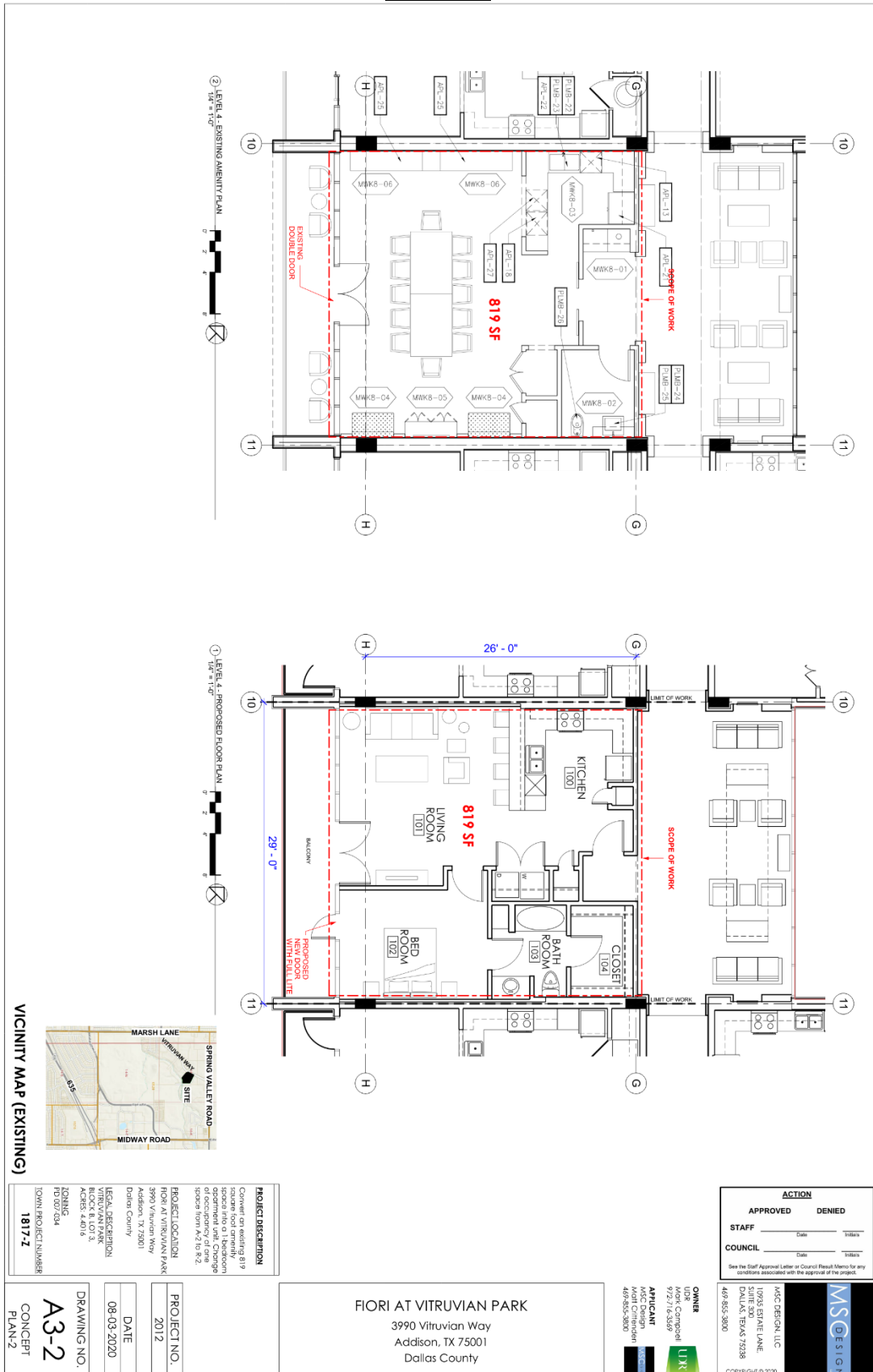
CONCEPT PLAN-1



VICINITY MAP (EXISTING)

Sheet Size: 22x34

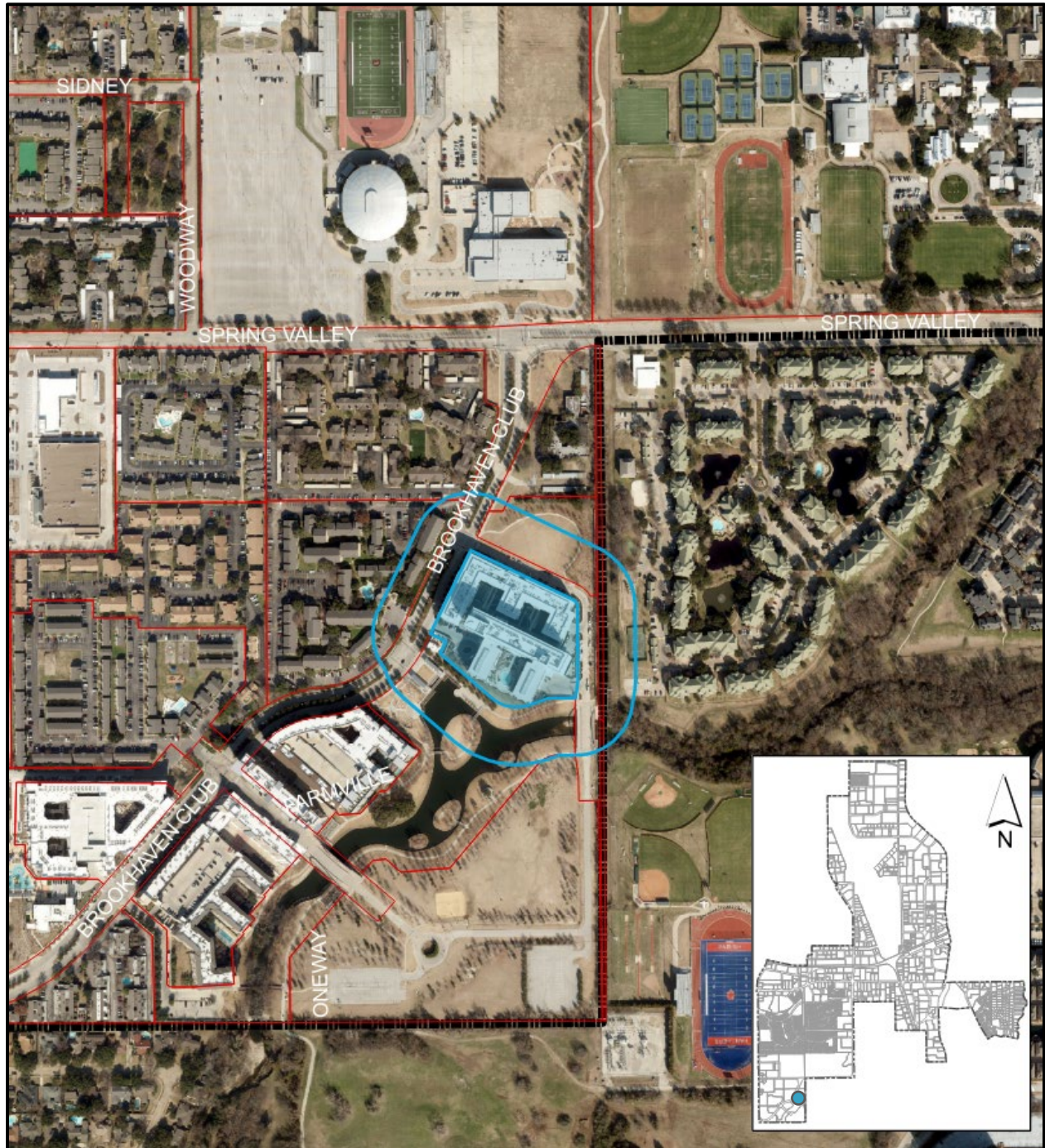
Exhibit B



1817-Z

PUBLIC HEARING Case 1817-Z/UDR Fiori. Public hearing, discussion, and take action on a recommendation regarding an ordinance changing the zoning on a 4.40-acre property located at 3990 Vitruvian Way, which property is currently zoned PD, Planned Development, through Ordinance O07-034, as previously amended by ordinances O13-026, O16-017, and O19-06, by changing the density of the residential development.

LOCATION MAP





August 12, 2020

STAFF REPORT

RE: Case 1817-Z/UDR Fiori

LOCATION: 3990 Vitruvian Way

REQUEST: Approval of an ordinance changing the zoning from Planned Development (PD) district, through Ordinance O07-034, as previously amended by ordinances O13-026, O16-017, and O19-06, by changing the density of the residential development to allow the conversion of an existing 819 square foot amenity space to one 819 square foot residential unit.

APPLICANT: Matt Crittenden, MSC Design

DISCUSSION:

Background: This 4.4016 acre property is the Fiori multifamily development and is part of Vitruvian Park. The whole area is zoned PD, Planned Development, through Ordinance O07-034, as previously amended by ordinances O13-026, O16-017, and O19-06, and the development plans for this specific multifamily development were approved through Ordinance O11-032 in 2011.

The applicant, UDR, also the property owner and operator of the multifamily development, has re-evaluated some of the amenities on the property and found that one of the amenity spaces was significantly underutilized. As a result, they are requesting to convert this amenity space into one dwelling unit, however, because this changes the total number of residential units on the property, as previously approved by Ordinance O11-032, this action requires a zoning process.

Proposed Plan: The applicant is proposing to convert an existing 819 square foot amenity space on the fourth floor of the existing multifamily development, into a one bedroom 819 square foot residential unit. This increases the total residential unit count in this specific development from 391 to 392, and decreases the total available amenity spaces from eight to seven, from a total square footage of 14,975 to 14,156 square feet of amenity space. The only exterior change being proposed is an additional of a patio door on the south facade, the rest of the facades will remain unchanged.

Building Elevations: The majority of the facades remain unchanged, with the exception of a new glazed patio door addition where there was previously only window glazing on the south elevation.

Parking: This PD district requires that one parking space be provided per bedroom with a maximum of two parking spaces per dwelling unit. With the increase of units from 391 to 392 the parking requirement goes up to 560 parking spaces. There are currently 580 parking spaces on site.

Open Space: Open space is required with residential uses and is calculated to require two acres for every 1,000 residents up to 2,250 and then 1.5 acres per 1,000 residents above 2,250. The code assumes 1.5 persons per unit. With the one additional unit being proposed, the development will have an assumed resident count increase of 1.5 and require an additional .003 acres of open space. The applicant has already dedicated 12 acres with Vitruvian Park, which exceeds the required open space dedication for the residential units provided in this area. Therefore, the proposed conversion will not require any additional open space dedication.

RECOMMENDATION: APPROVAL

Being part of Vitruvian Park, multifamily development in this area is held to a higher standard in terms of quality and amenities. While the applicant is proposing to remove one of the existing amenity spaces in this particular development, Staff believes that there is still sufficient amenity space remaining in the building to maintain the original intent of the zoning ordinance for this area.

Staff recommends approval of the request without conditions.



Case 1817-Z/UDR Fiori

August 18, 2020

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting in regular session on August 18, 2020, voted to recommend approval of an ordinance changing the zoning from Planned Development (PD) district, through Ordinance O07-034, as previously amended by ordinances O13-026, O16-017, and O19-06, by changing the density of the residential development to allow the conversion of an existing 819 square foot amenity space to one 819 square foot residential unit, without conditions.

Voting Aye: Catalani, Craig, DeFrancisco, Meleky, Resnik, Souers, Wheeler

Voting Nay: none

Absent: none

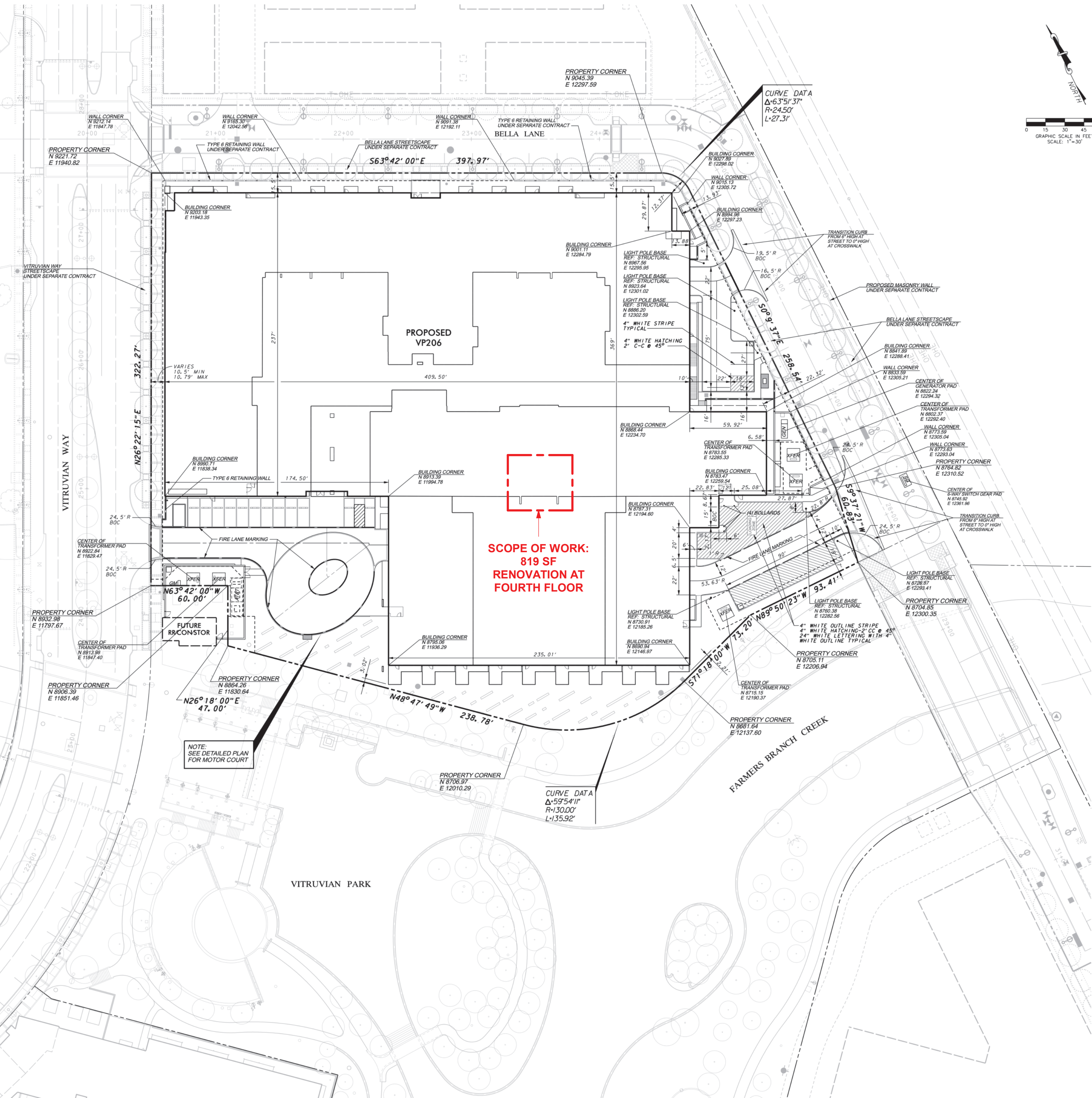
SPEAKERS AT THE PUBLIC HEARING:

For: none

On: none

Against: none

SITE PLAN - (EXISTING)



PROJECT DATA - (EXISTING BASE BUILDING)

BUILDING AREA TOTALS

LEVEL 1	6,785 SF
LEVEL 2	27,990 SF
LEVEL 3	63,251 SF
LEVEL 4	65,610 SF ← UNIT AREA INCREASED
LEVEL 5	68,893 SF
LEVEL 6	54,047 SF
LEVELS 7-12	(18,510/L) 111,060 SF
TOTAL UNIT RENTABLE SF:	387,646 SF ← INCREASED
LEVEL 0	648 SF
LEVEL 1	5,399 SF
LEVEL 2	7,706 SF
LEVEL 3	10,735 SF
LEVEL 4	11,034 SF
LEVEL 5	10,729 SF
LEVEL 6	8,661 SF
LEVELS 7-12	(3,144/L) 18,864 SF
LEVEL 13	1,453
TOTAL CIRCULATION:	75,229 SF
LEVEL 1	4,201 SF
LEVEL 2	3,023 SF
LEVEL 3	3,678 SF
LEVEL 4	3,085 SF ← AMENITY DECREASED
LEVEL 5	---
LEVEL 6	---
LEVELS 7-12	---
LEVEL 13	169 SF
CONDITIONED AMENITY AREA:	14,156 SF ← REDUCED
LEVEL 1	4,861 SF
LEVEL 2	2,857 SF
LEVEL 3	2,184 SF
LEVEL 4	1,905 SF
LEVEL 5	1,905 SF
LEVEL 6	1,905 SF
LEVELS 7-12	(580/L) 3,480 SF
TOTAL MECH/ELEC/ SERVICE AREA:	19,097 SF
LEVEL 1	2,229 SF
LEVEL 2	950 SF
LEVEL 3	297 SF
LEVEL 4	799 SF
LEVEL 5	799 SF
LEVEL 6	799 SF
LEVELS 7-12	(602/L) 3,612 SF
LEVEL 13	511 SF
TOTAL GROSS STORAGE AREA:	9,485 SF
TOTAL CONSTRUCTED CONDITIONED BUILDING AREA:	515,613 SF

PARKING GARAGE AREA TOTALS:

LEVEL ZERO:	6,325 SF
LEVEL ONE:	108,564 SF
LEVEL TWO:	85,631 SF
TOTAL GARAGE AREA:	200,520 SF

AMENITY AREA TOTALS:

CONDITIONED AMENITY AREA:	14,156 SF ← REDUCED
STANDARD TERRACE AREA:	49,562 SF
ROOFTOP TERRACE AREA:	1,629 SF
TOTAL AMENITY SPACE:	65,347 SF ← REDUCED

UNIT TOTALS:

SMALL 1 BEDROOM UNITS:	55 (14.0%) ← INCREASED
STANDARD 1 BEDROOM UNITS:	64 (16.3%)
LARGE 1 BEDROOM UNITS:	43 (11.0%)
1 BEDROOM UNITS WITH STUDY:	63 (16.1%)
TOTAL 1 BEDROOM UNITS:	225 (57.4%) ← INCREASED
SMALL 2 BEDROOM UNITS:	10 (2.5%)
STANDARD 2 BEDROOM UNITS:	50 (12.8%)
LARGE 2 BEDROOM UNITS:	92 (23.5%)
TOWNHOME UNITS:	9 (2.3%)
TOTAL 2 BEDROOM UNITS:	161 (41.1%)
3 BEDROOM UNITS:	6 (1.5%)

TOTAL UNITS PROVIDED:

TOTAL UNITS PROVIDED:	392 ← INCREASED
TOTAL RENTABLE UNIT AREA:	397,646 SF
AVERAGE UNIT SIZE:	1,014 SF ← INCREASED

SITE AREA TOTALS:

TOTAL SITE AREA:	191,735 SF
TOTAL ACRES:	4.40 ACRES
TOTAL UNITS:	392 UNITS ← INCREASED
UNITS/ACRE:	89.09 UNITS/ACRE ← INCREASED

PARKING:

TOTAL ON-SITE SURFACE SPACES:	15
TOTAL PRIVATE GARAGE SPACES:	41
TOTAL SHARED GARAGE SPACES:	502
TOTAL ON-SITE SPACES PROVIDED:	558
ON-SITE PARKING SPACES PER UNIT:	1.43 SPACES/UNIT
OFF-SITE ADJ. PARALLEL SPACES PROVIDED:	24
TOTAL SPACES:	582
TOTAL SPACES PER UNIT:	1.49 SPACES/UNIT

PARKING SPACES REQUIRED:	225 SPACES ← INCREASED
225 1-BEDROOM UNITS x 1-SPACE PER UNIT	225 SPACES
167 2 & 3-BEDROOM UNITS x 2-SPACES PER UNIT	334 SPACES
TOTAL ON-SITE SPACES REQUIRED:	559 SPACES REQUIRED, 558 ON-SITE PROVIDED

HANDICAP PARKING SPACE DISTRIBUTION:	
9 HC SPACES REQUIRED TO BE ACCESSIBLE TO UNITS	9
HC SPACES FOR UNITS PROVIDED	9
HC SPACES FOR TENANT/ GUESTS PROVIDED	4
TOTAL HC SPACES	12

HANDICAP PARKING SPACES:	
TOTAL HANDICAP SPACES PROVIDED:	12
TOTAL HANDICAP SPACES REQUIRED (2%):	12

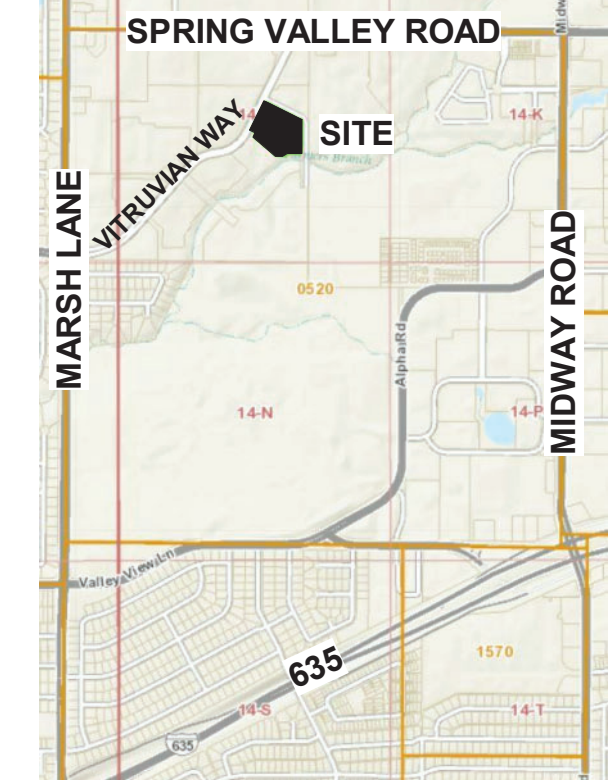
HANDICAP VAN PARKING SPACES:	
12 HC SPACES REQUIRED- 1:6 TO BE HC VAN SPACES:	2
TOTAL HANDICAP SPACES PROVIDED:	2
TOTAL HANDICAP SPACES REQUIRED:	2

WIND EXPOSURE:

CLASS C
90 MPH 2 ONE



VICINITY MAP (EXISTING)



PROJECT DESCRIPTION

Convert an existing 819 square foot amenity space into a 1-bedroom apartment unit. Change of occupancy of one space from A-2 to R-2.

PROJECT LOCATION

FIORI AT VITRUVIAN PARK
3990 Vitruvian Way
Addison, TX 75001
Dallas County

LEGAL DESCRIPTION

VITRUVIAN PARK
BLOCK B, LOT 3,
ACRES: 4.4016

ZONING

PD 007-034

TOWN PROJECT NUMBER

1817-Z

PROJECT NO.
2012

DATE
08-03-2020

DRAWING NO.
A1-1

SITE PLAN

ACTION	APPROVED	DATE	INITIALS
	STAFF		
	COUNCIL		
	DENIED		

See the Staff Approval Letter or Council Receipt Memo for any conditions associated with the approval of the project.



MSC DESIGN, LLC
10935 ESTATE LANE,
SUITE 300
DALLAS, TEXAS 75238
469-855-3800

OWNER
UDR
Mark Campbell
972-716-3569

APPLICANT
MSC Design
Matt Crittenden
469-855-3800

FIORI AT VITRUVIAN PARK
3990 Vitruvian Way
Addison, TX 75001
Dallas County

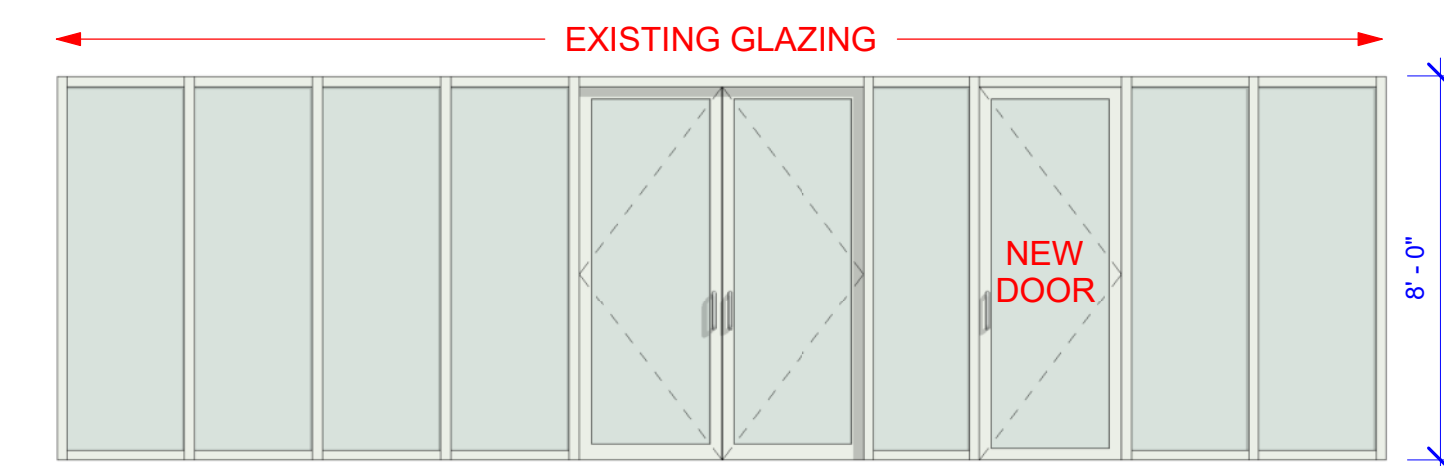


EXISTING SOUTH ELEVATION

SCOPE OF EXTERIOR WORK: EXISTING WINDOW SYSTEM TO REMAIN. REPLACE GLASS LITE WITH 1 SWING DOOR (REFER PROPOSED PLAN)



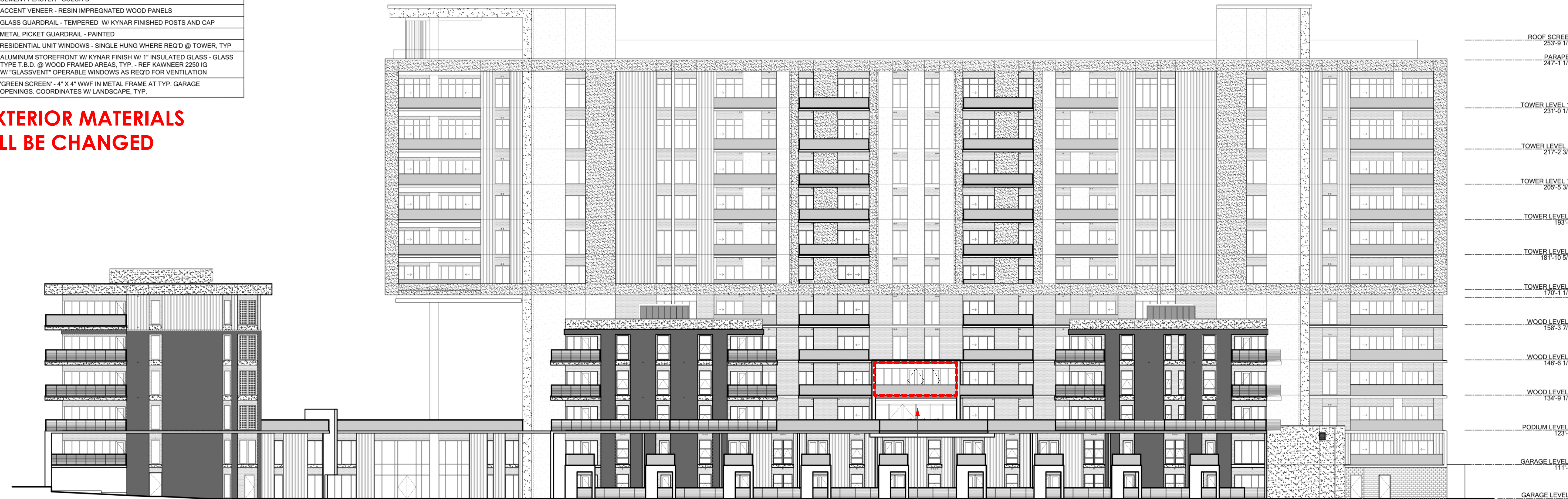
EXISTING SOUTH ELEVATION



② PROPOSED ELEVATION
1/4" = 1'-0"

MATERIALS LEGEND	
MATERIAL 1	BRICK VENEER - IRON SPOT - KING SIZE
MATERIAL 2	CEMENT PLASTER - COLOR A
MATERIAL 3	CEMENT PLASTER - COLOR B
MATERIAL 4	ACCENT VENEER - RESIN IMPREGNATED WOOD PANELS
MATERIAL 5	GLASS GUARDRAIL - TEMPERED W/ KYNAR FINISHED POSTS AND CAP
MATERIAL 6	METAL PICKET GUARDRAIL - PAINTED
MATERIAL 7	RESIDENTIAL UNIT WINDOWS - SINGLE HUNG WHERE REQ'D @ TOWER, TYP
MATERIAL 8	ALUMINUM STOREFRONT W/ KYNAR FINISH W/ 1" INSULATED GLASS - GLASS TYPE T.B.D. @ WOOD FRAMED AREAS, TYP. - REF KAWNEER 2250 IG W/ "GLASSVENT" OPERABLE WINDOWS AS REQ'D FOR VENTILATION
MATERIAL 9	"GREEN SCREEN" - 4" X 4" WWF IN METAL FRAME AT TYP. GARAGE OPENINGS, COORDINATES W/ LANDSCAPE, TYP.

NO EXTERIOR MATERIALS WILL BE CHANGED



SCOPE OF WORK:
819 SF
RENOVATION AT
FOURTH FLOOR

① SOUTH ELEVATION (EXISTING)
1" = 20'-0"

FACADE PLAN NOTES

- The portion of the facade affected by this renovation is to remain a window system with new opening locations.
- The following notes show the required Facade Plan Checklist notes but are not all applicable for the purposes of this renovation.
- Facade Plan is for conceptual purposes only. All building plans require review and approval by Development Services.
- All mechanical units shall be screened from public view as required by the Zoning Ordinance.
- When permitted, exposed utility boxes and conduits shall be painted to match the building.
- All signage areas and locations are subject to approval by Development Services.
- Roof access shall be provided internally, unless otherwise permitted by the Chief Building Official.

ACTION	APPROVED		DENIED	
	STAFF	DATE	STAFF	DATE

See the Staff Approval Letter or Council Receipt Memo for any conditions associated with the approval of the project.

MSC DESIGN
LLC

MSC DESIGN, LLC
10935 ESTATE LANE,
SUITE 300
DALLAS, TEXAS 75238
469-855-3800

COPYRIGHT © 2020

OWNER
UDR
Mark Campbell
972-716-3569

APPLICANT
MSC Design
Matt Crittenden
469-855-3800

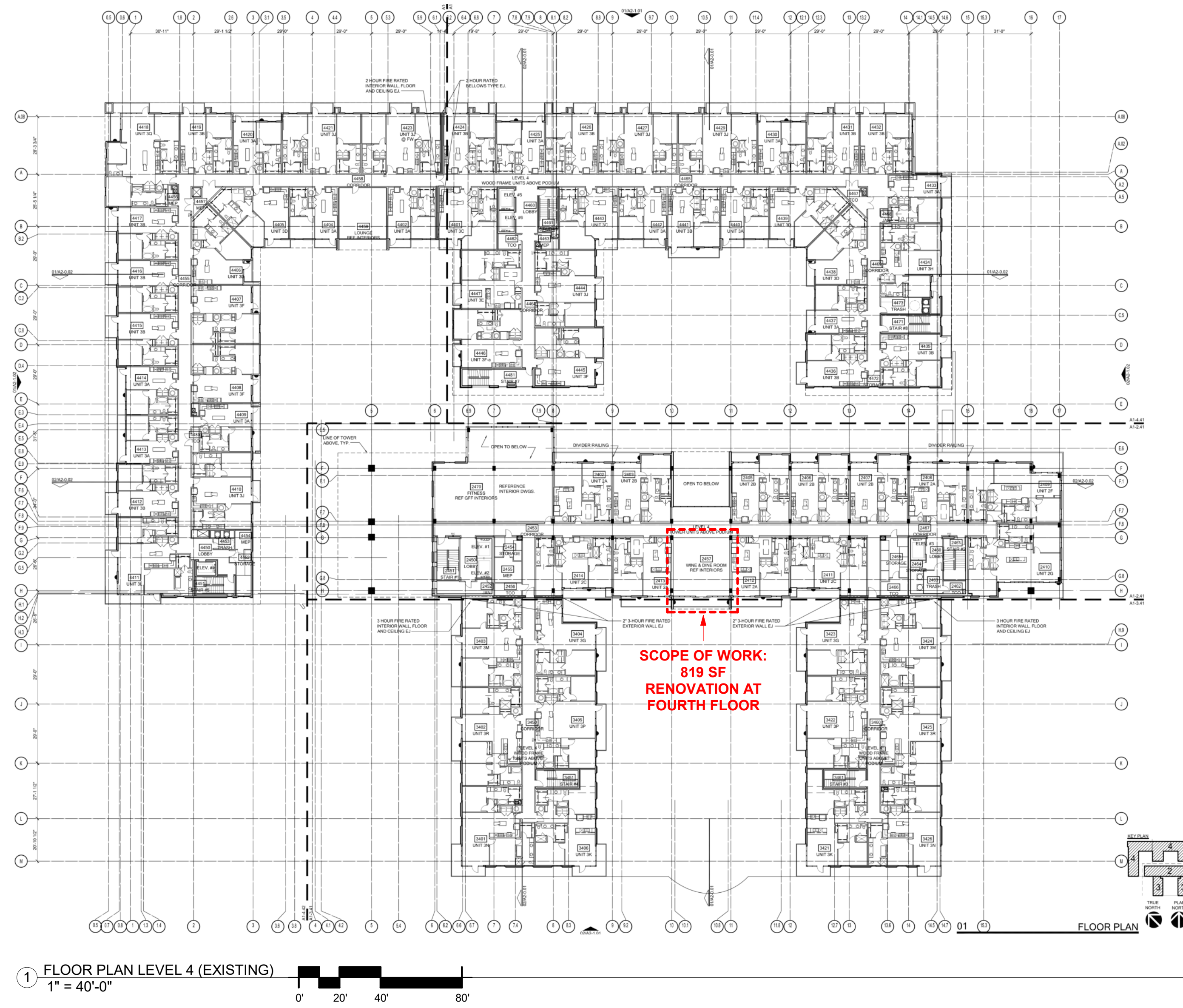
FIORI AT VITRUVIAN PARK
3990 Vitruvian Way
Addison, TX 75001
Dallas County

PROJECT DESCRIPTION	
Convert an existing 819 square foot amenity space into a 1-bedroom apartment unit. Change of occupancy of one space from A-2 to R-2.	
PROJECT LOCATION	
FIORI AT VITRUVIAN PARK 3990 Vitruvian Way Addison, TX 75001 Dallas County	
LEGAL DESCRIPTION	
VITRUVIAN PARK BLOCK B, LOT 3, ACRES: 4.4016	
ZONING	
PD 007-034	
TOWN PROJECT NUMBER	
1817-Z	

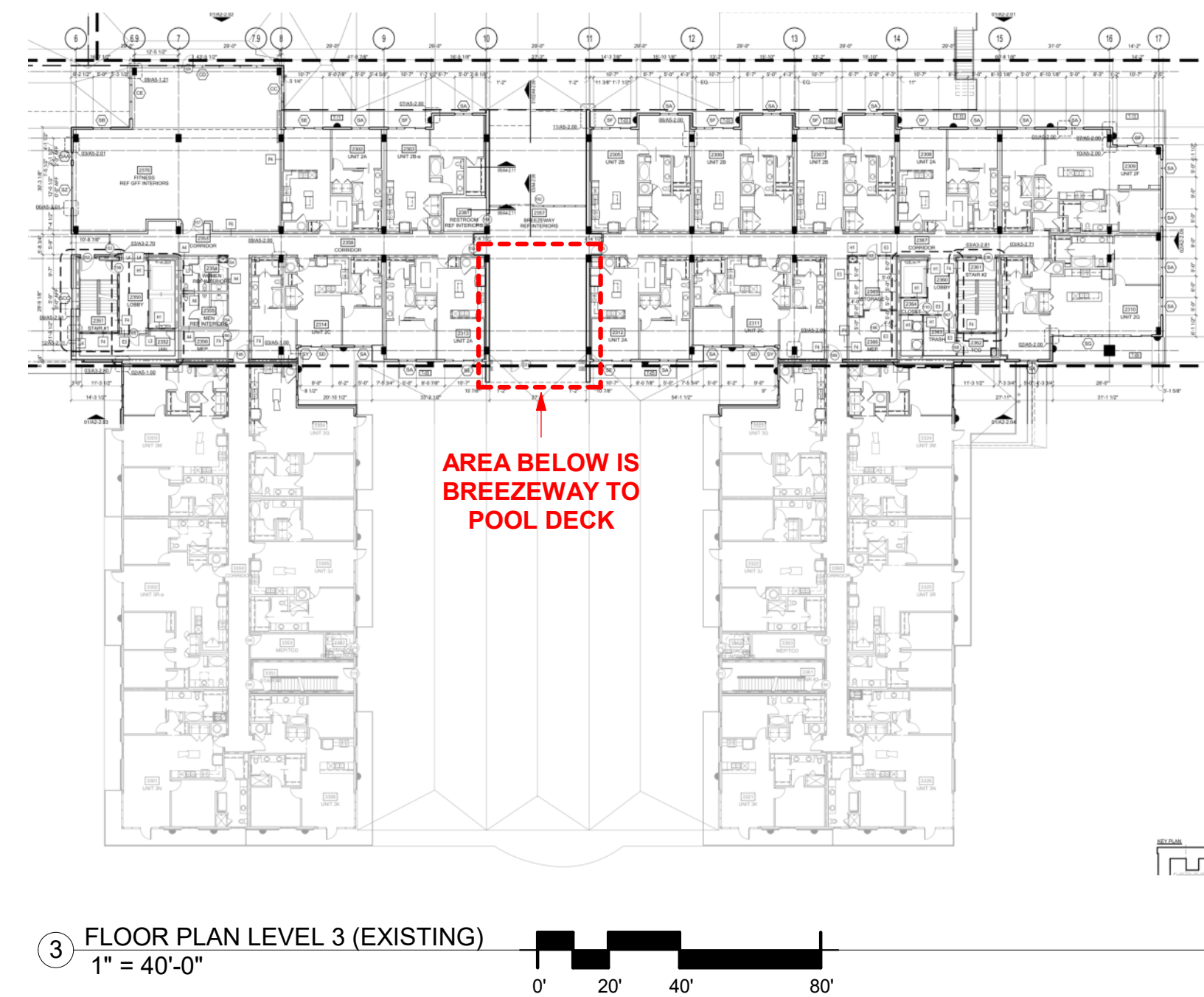
PROJECT NO.
2012

DATE
08-03-2020

DRAWING NO.
A2-1
FACADE PLAN



1 FLOOR PLAN LEVEL 4 (EXISTING)
1" = 40'-0"



3 FLOOR PLAN LEVEL 3 (EXISTING)
1" = 40'-0"

PROJECT DESCRIPTION & SCOPE

- Convert an existing 819 square foot amenity space into a 1-bedroom apartment unit.
- Change of occupancy of 1 space from A-2 to R-2.
- Increase the total project units from 391 to 392 units.
- Decrease the total amenity spaces from 8 to 7. 14,975 sf of conditioned amenity reduced to 14,156 sf.
- Increase total required parking by 2 spaces, from 558 to 560.
- Existing space to be renovated is located in a Type I-A construction building.

ARCHITECTURE

- Renovate existing floor plan (see proposed floor plan)
- Change exterior storefront door system at balcony

PLUMBING

- Refer proposed plan

MECH

- Refer proposed plan

ELEC

- Refer proposed plan

FIRE

- Automatic fire sprinkler system provided
- 30 min. rated corridor wall
- 60 min. rated demising wall
- 2 hr. rated shaft walls

PARKING

- 560 spaces required
- 582 spaces provided



VICINITY MAP (EXISTING)

ACTION	APPROVED	DENIED
	STAFF	COUNCIL
	Date	Initials
	Date	Initials

See the Staff Approval Letter or Council Receipt Memo for any conditions associated with the approval of the project.

MSC DESIGN
LLC

MSC DESIGN, LLC
10935 ESTATE LANE,
SUITE 300
DALLAS, TEXAS 75238
469-855-3800

COPYRIGHT © 2020

OWNER
UDR
Mark Campbell
972-716-3569

APPLICANT
MSC Design
Matt Crittenden
469-855-3800

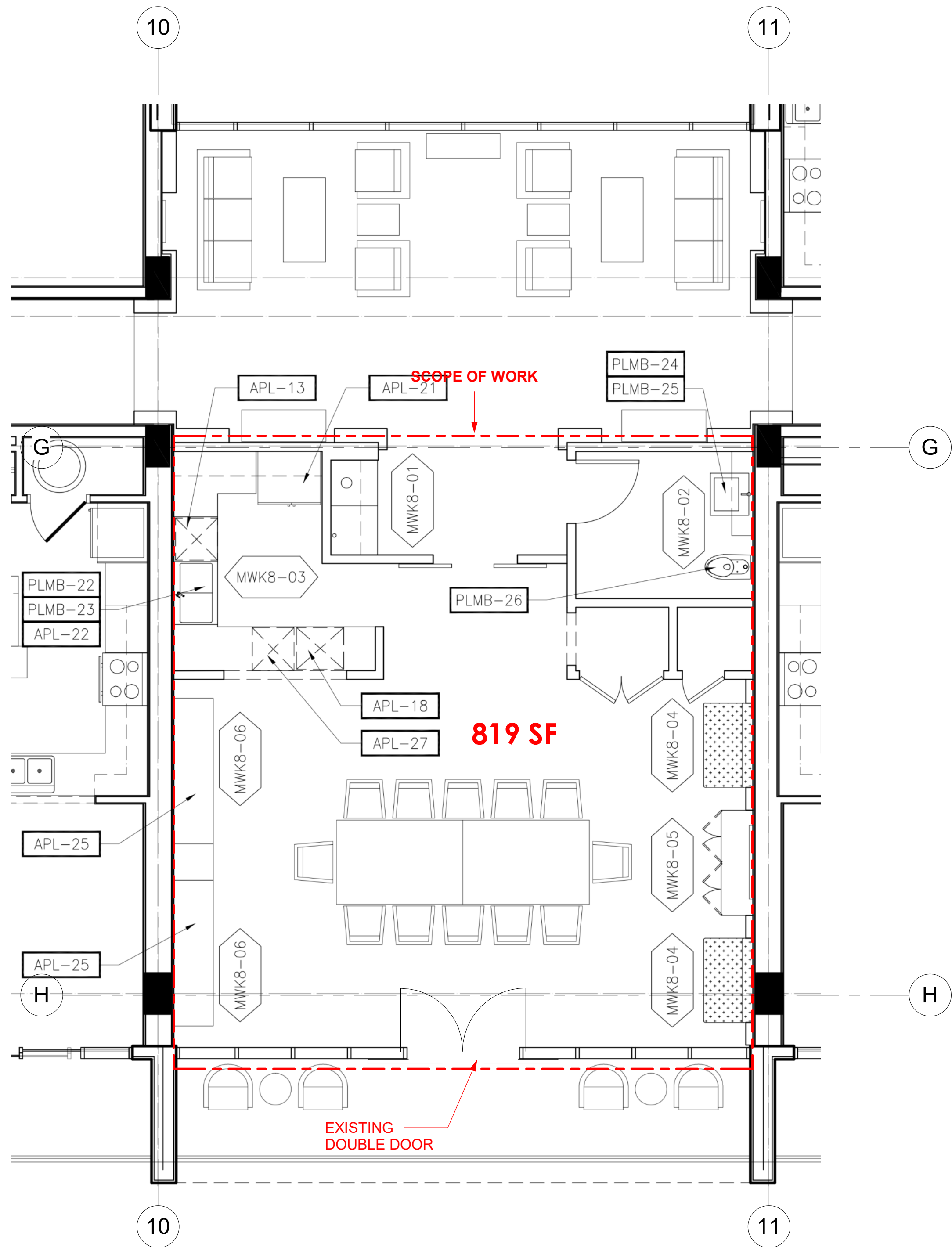
FIORI AT VITRUVIAN PARK
3990 Vitruvian Way
Addison, TX 75001
Dallas County

PROJECT DESCRIPTION
Convert an existing 819 square foot amenity space into a 1-bedroom apartment unit. Change of occupancy of one space from A-2 to R-2.
PROJECT LOCATION
FIORI AT VITRUVIAN PARK 3990 Vitruvian Way Addison, TX 75001 Dallas County
LEGAL DESCRIPTION
VITRUVIAN PARK BLOCK B, LOT 3, ACRES: 4.4016
ZONING
PD 007-034
TOWN PROJECT NUMBER
1817-Z

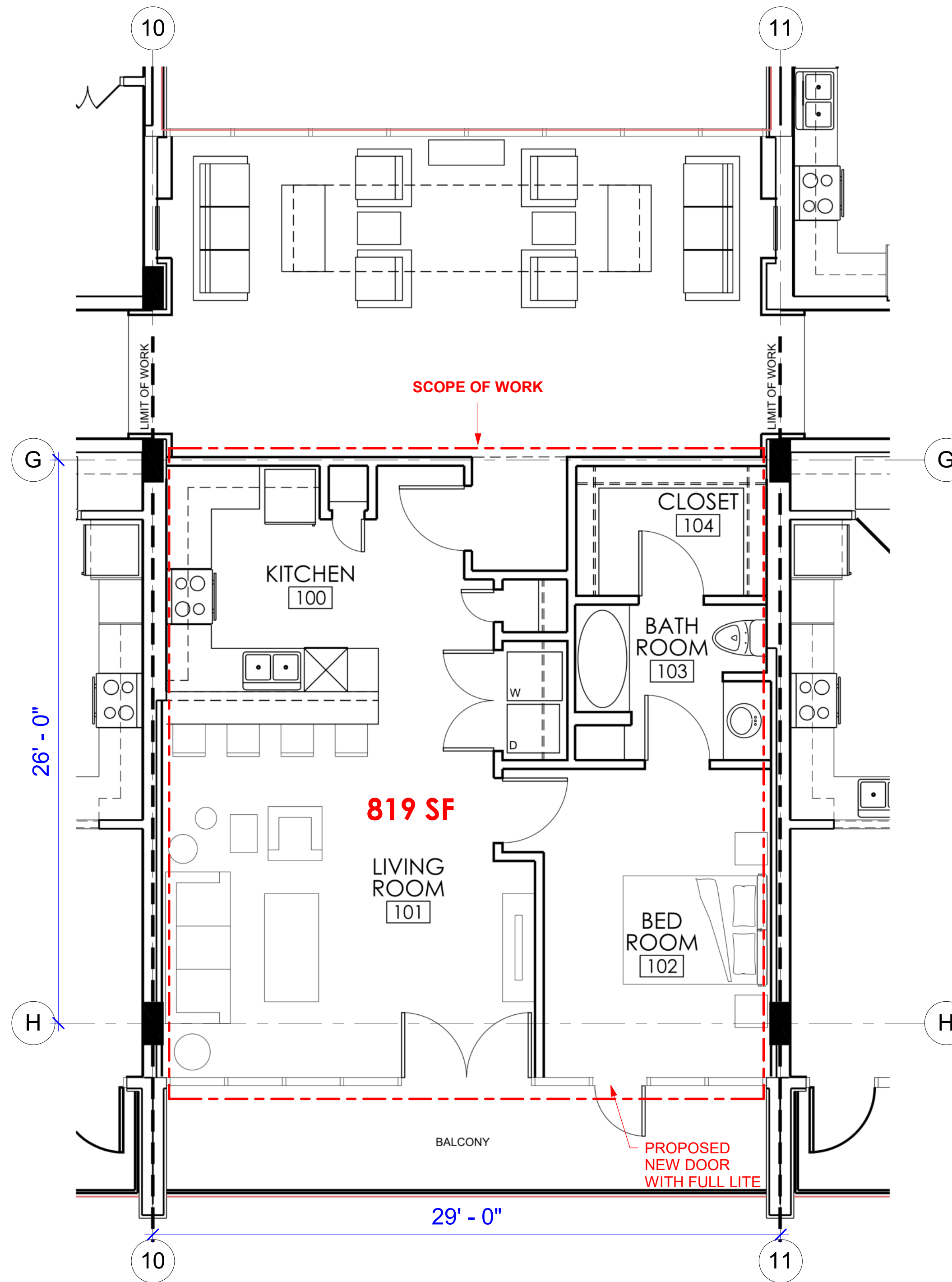
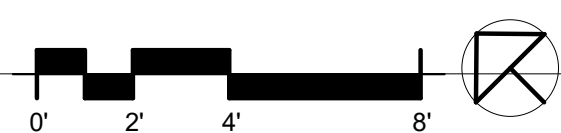
PROJECT NO.
2012

DATE
08-03-2020

DRAWING NO.
A3-1
CONCEPT
PLAN-1



2 LEVEL 4 - EXISTING AMENITY PLAN
1/4" = 1'-0"



1 LEVEL 4 - PROPOSED FLOOR PLAN
1/4" = 1'-0"



VICINITY MAP (EXISTING)

PROJECT DESCRIPTION

Convert an existing 819 square foot amenity space into a 1-bedroom apartment unit. Change of occupancy of one space from A-2 to R-2.

PROJECT LOCATION

FIORI AT VITRUVIAN PARK
3990 Vitruvian Way
Addison, TX 75001
Dallas County

LEGAL DESCRIPTION

VITRUVIAN PARK
BLOCK B, LOT 3,
ACRES: 4.4016

ZONING
PD 007-034

TOWN PROJECT NUMBER

1817-Z

PROJECT NO.
2012

DATE
08-03-2020

DRAWING NO.
A3-2
CONCEPT
PLAN-2

ACTION	APPROVED	DENIED
	STAFF	COUNCIL
	Date	Initials
	Date	Initials

See the Staff Approval Letter or Council Receipt Memo for any conditions associated with the approval of the project.

MSC DESIGN
LLC

MSC DESIGN, LLC
10935 ESTATE LANE,
SUITE 300
DALLAS, TEXAS 75238
469-855-3800

COPYRIGHT © 2020

OWNER
UDR
Mark Campbell
972-716-3569

APPLICANT
MSC Design
Matt Crittenden
469-855-3800

FIORI AT VITRUVIAN PARK
3990 Vitruvian Way
Addison, TX 75001
Dallas County

Council Meeting

14.

Meeting Date: 09/08/2020

Department: Development Services

AGENDA CAPTION:

Present, Discuss, and Consider Action on an Ordinance Granting a Meritorious Exception for Prestonwood Place, Located at 5290 Belt Line Road, from the Code of Ordinances, Chapter 62 Section 62-184. – Setback, effective area and height, and Section 62-185- Specifications, in Order to Permit Two Pylon Signs Exceeding the Allowed Area and Setback Requirements.

BACKGROUND:

Prestonwood Place is an older shopping center located at the southeast corner of Montfort Drive and Belt Line Road. In an effort to maintain existing tenants and attract new high quality tenants the center has been undergoing major renovations throughout the property, most recently being rezoned to accommodate the redevelopment of the two-story office/retail building in the back corner of the property, as well as updating all existing facades.

During one of the wind storms in June 2019, the property's existing multitenant pylon signs experienced significant damage, damaging one of the signs beyond repair. The pylon sign base structure was left intact and can be safely reused, but the sign cabinet has to be completely replaced.

Given this circumstance, as well as the ongoing renovations, the property owner has decided to revamp the exterior signage for the entire property to achieve a cohesive design throughout. The property owner would like to leave the base structures and replace the sign cabinets for both the pylon signs to better match the new, more modern, design of the center.

Currently, both the pylon signs are nonconforming in size, and only one pylon sign meets the setback requirements.

The Sign Code, Chapter 62 of the Code of Ordinances, regulates multitenant pylon sign as follows:

Sec. 62-184. - Setback, effective area and height.

A minimum setback of 20 feet is required for all signs exceeding 20 square feet in effective area or 15 feet in height.

Sec. 62-185. - Specifications.

(2) Multitenant pole signs must be exactly 72 square feet in effective area and must be exactly 20 feet in height measured from ground elevation to the top of the signs. No single-tenant shall occupy more than 36 square feet of sign area on a multi-tenant sign.

(3) Design standards shall be as follows:

b. Sign cabinet: Paint grip sheet metal on angle iron frame with angle retaining rim to secure sign face.

2. Multitenant sign cabinet dimensions: 6'10" wide × 11'6" high × 12" deep.

e. Sign support and cabinet color: Pantone 404(c). Painted surfaces are to match special color; color swatch will be provided by the town. Color number: Pantone #404(c)

g. Overall sign height: All signs are to be 20 feet in height.

The applicant is requesting a meritorious exception for a 99.8 square foot black pylon cabinet for both signs, with 72 square feet of tenant signage and additional text at the top for the shopping center name, which adds approximately 20 square feet of additional signage area. The applicant is also requesting to be allowed to keep the existing base structure for the sign closest to the eastern property line, which has a 14.5 foot setback from Belt Line Road. It should be noted that the landscape island in which the pylon sign currently exists does not provide allowance for the full 20 foot setback, with only about 2.5 feet from the existing base structure to the fire lane.

The existing nonconforming pylon signs are approximately the same size as those being proposed, except the different shape of the top of the cabinet. It is unclear when or how the existing signs were approved, but they have been on the property for many years.

Given the circumstances for the cause of this request and the existing limitations on the property, Staff supports the proposed design and the additional text at the top of the cabinet identifying the newly rebranded shopping center, as well as keeping the existing setback of 14.5 feet. Staff believes that the proposed signs create cohesiveness and improve the visual environment for the property overall.

RECOMMENDATION:

Administration recommends approval.

Attachments

Ordinance - Meritorious Exception for Prestonwood Place

Meritorious Exception Application - Prestonwood Place

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS GRANTING A MERITORIOUS EXCEPTION TO SECTIONS 62-184 AND 62-185 OF CHAPTER 62 OF THE CODE OF ORDINANCES TO ALLOW TWO 99.8 SQAURE-FOOT PYLON SIGN CABINETS, EXCEEDING TOTAL ALLOWABLE CABINET AND EFFECTIVE AREA, AND NOT MEETING THE SETBACK REQUIREMENT, ON THE PROPERTY LOCATED AT 5290 BELT LINE ROAD, PROVIDING A PENALTY NOT TO EXCEED FIVE HUNDRED AND NO/100 DOLLARS (\$500.00) FOR EACH OFFENSE AND A SEPARATE OFFENSE SHALL BE DEEMED COMMITTED EACH DAY DURING OR ON WHICH A VIOLATION OCCURS OR CONTINUES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 62 of the Code of Ordinances regulates signage in the Town of Addison; and

WHEREAS, Section 62-33 permits the City Council to approve exceptions to the provisions of Chapter 62 in cases that have obvious merit in not only being appropriate to the particular site or location, but also in making a positive contribution to the visual environment; and

WHEREAS, the City Council has determined that the grant of the meritorious exception contained herein is in the best interest of the public and promotes the visual environment of the Town.

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

Section 1. That the recitals and findings set forth above are hereby found to be true and correct and incorporated as if fully set forth herein.

Section 2. That a meritorious exception to Sections 62-184 and 62-185 of Chapter 62 of the Code of Ordinances is hereby granted to allow two 99.8 square-foot pylon sign cabinets, as detailed in **Exhibit A**, which exceed the total allowable cabinet size by 21.22 square feet, total allowable effective area by 20 square feet, and the pylon sign closest to the norther property line does not meet the 20 foot setback, for Prestonwood Place, located at 5290 Belt Line Road. No other additional signage is permitted unless it complies with Chapter 62 of the Code of Ordinances.

Section 3. Any person, firm, corporation, or other business entity violating any of the provisions or terms of this Ordinance shall, in accordance with Section 62-35 of the Town of Addison Code of Ordinance (Violations), be fined, upon conviction, in an amount of not more than Five Hundred and No/100 Dollars (\$500.00), and a separate offense shall be deemed committed each day during or on which a violation occurs or continues.

Section 4. That this Ordinance shall take effect from and after its date of adoption and publication as required by law.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the 8TH day of SEPTEMBER 2020.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

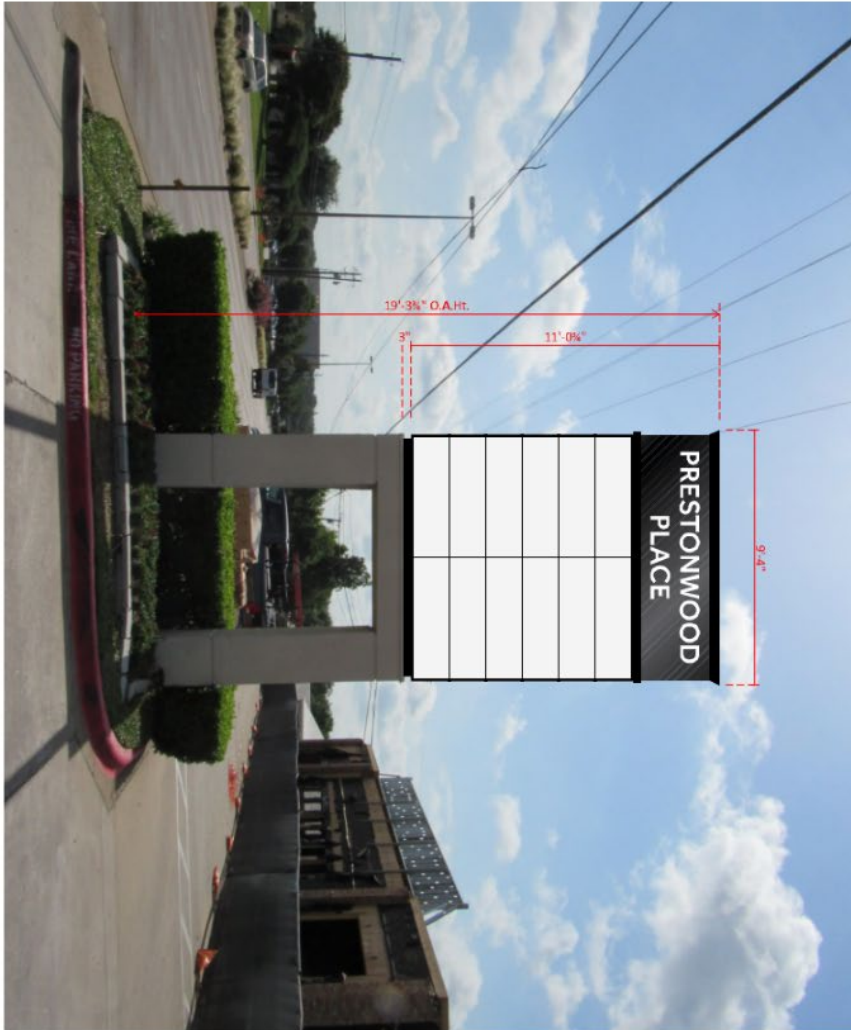
APPROVED AS TO FORM:

Irma Parker, City Secretary

Brenda N. McDonald, City Attorney

Exhibit A

A) PROPOSED NEW D/F PYLON SIGN CABINET



TOWN OF ADDISON ORDINANCE			
HEIGHT	20'-0" MAX	PROPOSED	19'-3 3/4"
TENANT AREA	72 sq ft max	PROPOSED	71.3 SQ FT
SETBACK	20'-0"	PROPOSED	14'-5"

PRESTONWOOD PLACE
Design # 0404597M9
Sheet 2 of 9
Client PRESTONWOOD PLACE
Address 5290 BEIT LINE ROAD ADDISON, TEXAS
Account Rep. MSW/JAA
Designer REF
Date 7/8/19
Approval / Date
Client
Sales
Estimating
Art
Engineering
Landed

Revision/Date
 1-1-NK-7/9/19 Rev. sdr. 2
 2-2-MAK-8/19 Orig. sign on 2 panels - Add temporary option
 3-3-MAK-8/19 Orig sign "X" temporary option - Add icon
 4-4-MAK-8/19/19 font colors
 5-5-NK-8/22/19 Extra medium font
 6-6-REF-8/22/19 Rev. "A.L.A."
 One year warranty 10/7/19 Rev. sdr. per warranty
 8-8-MAK-11/30/19 reduce "A.L." & "X" font cabinet sizes
 09-NK-7/15/20 added city code notes

CHANDLER SIGNS
 ChandlerSigns.com
 1425 E. 17th Street, Suite 100
 Irving, TX 75038
 Phone: 972.252.1111
 Fax: 972.252.1111
 Email: info@chandler-signs.com
 Website: ChandlerSigns.com
 Copyright © 2019 Chandler Signs
 311 Addison Road, Suite 200
 Addison, TX 75001
 Phone: 972.252.1111
 Fax: 972.252.1111
 Email: info@chandler-signs.com
 Website: ChandlerSigns.com

FINAL ELECTRICAL SIGNAGE
 CUSTOMER BY
 THE TOWN OF ADDISON, TEXAS
 ALL RIGHTS RESERVED. NO PART OF THIS DOCUMENT MAY BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, WITHOUT PERMISSION IN WRITING FROM CHANDLER SIGNS.

Exhibit A



A2 PROPOSED NEW D/F PYLON SIGN CABINET

TOWN OF ADDISON ORDINANCE			
HEIGHT	20'-0" max	PROPOSED	19'-3 3/4"
TENANT AREA	72 sq ft max	PROPOSED	71.3 SQ FT
SETBACK	20'-0"	PROPOSED	20'-6"

PRESTONWOOD PLACE

Design # 0404597A9

Sheet 4 of 9

Client PRESTONWOOD PLACE

Address 5290 BELT LINE ROAD
ADDISON, TEXAS

Account Rep. MSW/JJA

Designer RFF

Date 7/8/19

Approval / Date

Client

Sales

Estimating

Art

Engineering

Landlord

Revision/Date

- 1-3x3x0-7/8/19 Rev. 01/2
- 1-3x3x0-6/12/19 Rev. 01/2
- 6-3- Add Signs: X2, B, & site plan -- Add temporary option
- 1-3x3x0-6/9/19. Over 5/8/19 'X' of work to sign -- Add copy
- 1-4x4x0-8/7/19. Foot options
- 1-5x5x0-8/7/19. Etna Medium foot
- 1-6x6x0-9/12/19 Rev. "A, L, Q"
- Rev. RFF- 10/7/19 New sizes per 6x3x0&12x20. Reduce "A1" & "A2" W/T cabinet sizes
- R9 2x4x7/5x/2x. added city code notes

CHANDLER
SIGN

chandleresigns.com

17785 W. Richwood
Ft. Worth, TX 76116
817-241-2111

Sam Anderson
146 W. Valley, # 10221
Ft. Worth, TX 76114
817-520-1220
sam@chandleresigns.com

Meet/Coord. 866-94-1333

Accountant US 817-520-1220
Accountant CA 817-520-1220

George 817-520-1220
817-520-1220
george@chandleresigns.com

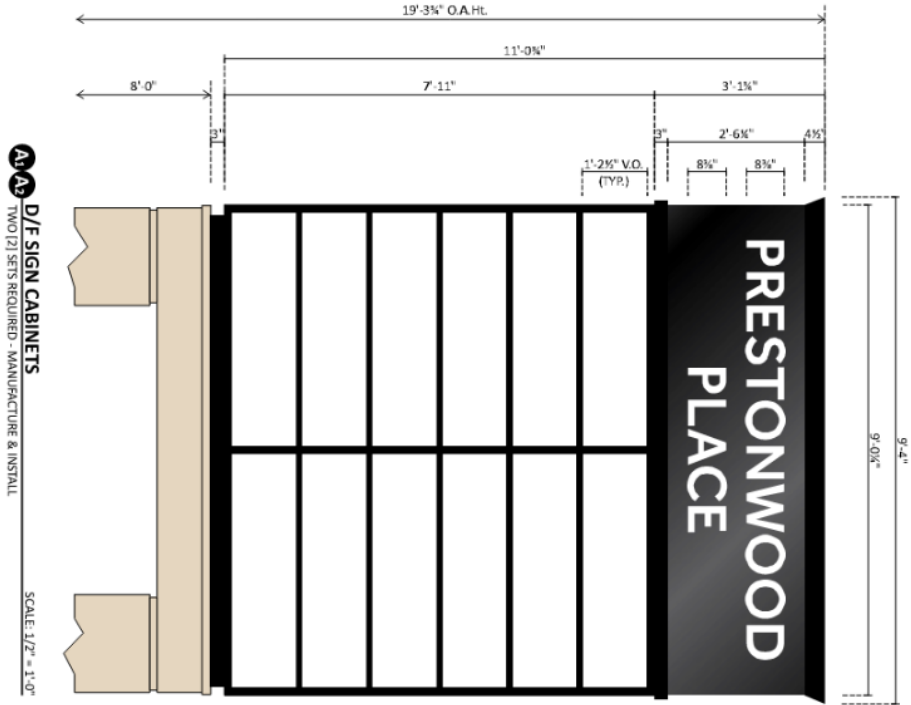
David Taylor 817-520-1220
817-520-1220
david@chandleresigns.com

This drawing is the property of Chandler Signs, Inc. All rights reserved. No part of this drawing may be reproduced or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or by any information storage and retrieval system, without the prior written permission of Chandler Signs, Inc.

FINAL ELECTRICAL CONNECTION BY CUSTOMER

UL LISTED

Exhibit A



A1 A2 D/E SIGN CABINETS - MANUFACTURE & INSTALL
TWO (2) SETS REQUIRED - MANUFACTURE & INSTALL
SCALE: 1/2" = 1'-0"

ALUMINUM SIGN TOPPER CABINET PAINTED SATIN BLACK - INTERNALLY ILLUMINATED w/ WHITE LED'S - COPY TO BE 1" THICK ROUT-OUT/ PUSH-THRU CLEAR ACRYLIC 3/4" PROJECTION w/ 1st SURFACE TRANSLUCENT VINYL OVERLAYS & 2nd SURFACE WHITE DIFUSER

ALUMINUM MULTI-TENANT CABINET PAINTED SATIN BLACK w/BLACK ALUMINUM RETAINERS - INTERNALLY ILLUMINATED w/WHITE LED'S - TENANT SIGN FACES TO BE REMOVABLE #328 WHITE ACRYLIC w/ 1st SURFACE VINYL GRAPHICS - **NOTE: TENANT GRAPHICS & COLORS TO BE DETERMINED - CUSTOMER TO PROVIDE COMPATIBLE VECTOR GRAPHICS & PMS/VINYL COLORS PRIOR TO MANUFACTURE**

REPAINT EXISTING BOTTOM ALUMINUM REVEAL TO MATCH SATIN BLACK

NEW SIGN CABINETS TO BE MOUNTED ON (2) EXISTING 5 1/2" WIDE X 8 1/8" DEEP I-BEAM STEEL SUPPORTS AS REQ'D (EXACT METHOD T.B.D.)



END VIEW

PRESTONWOOD PLACE

Design # 0404597A-9
Sheet 5 of 9
Client PRESTONWOOD PLACE
Address 5290 BELT LINE ROAD ADDISON, TEXAS

Account MSW/JAA
Rep. RIF
Designer RIF
Date 7/8/19
Approval/Date

Client
Sales
Estimating
Engineering
Art
Landlord

Revision/Date
1-KLK-7/9/19 Rev. 001: 2
2-MAS-8/1/19 Orig. 001: 2
3-KLK-8/1/19 Rev. 001: 2
4-MAB-8/7/18 Orig. Sign "X" of temporary design. Add 8000 of permanent sign.
5-KLK-8/14/19 Font options.
6-KLK-8/22/19 thro medium font.
7-RIF-9/12/19 Rev. "A, A2"
8-RIF-10/7/19 Rev. sign per survey.
9-MAB-11/7/20 Rev. sign "A1" & "A2" w/7' cabinet size.
10-PAC-7/14/20 added city code values.

CHANDLER SYSTEMS
chandlereng.com
11111 West Loop West, Suite 1000
Houston, Texas 77040-2009
Tel: 281.414.2200
Fax: 281.414.2201
www.chandlereng.com

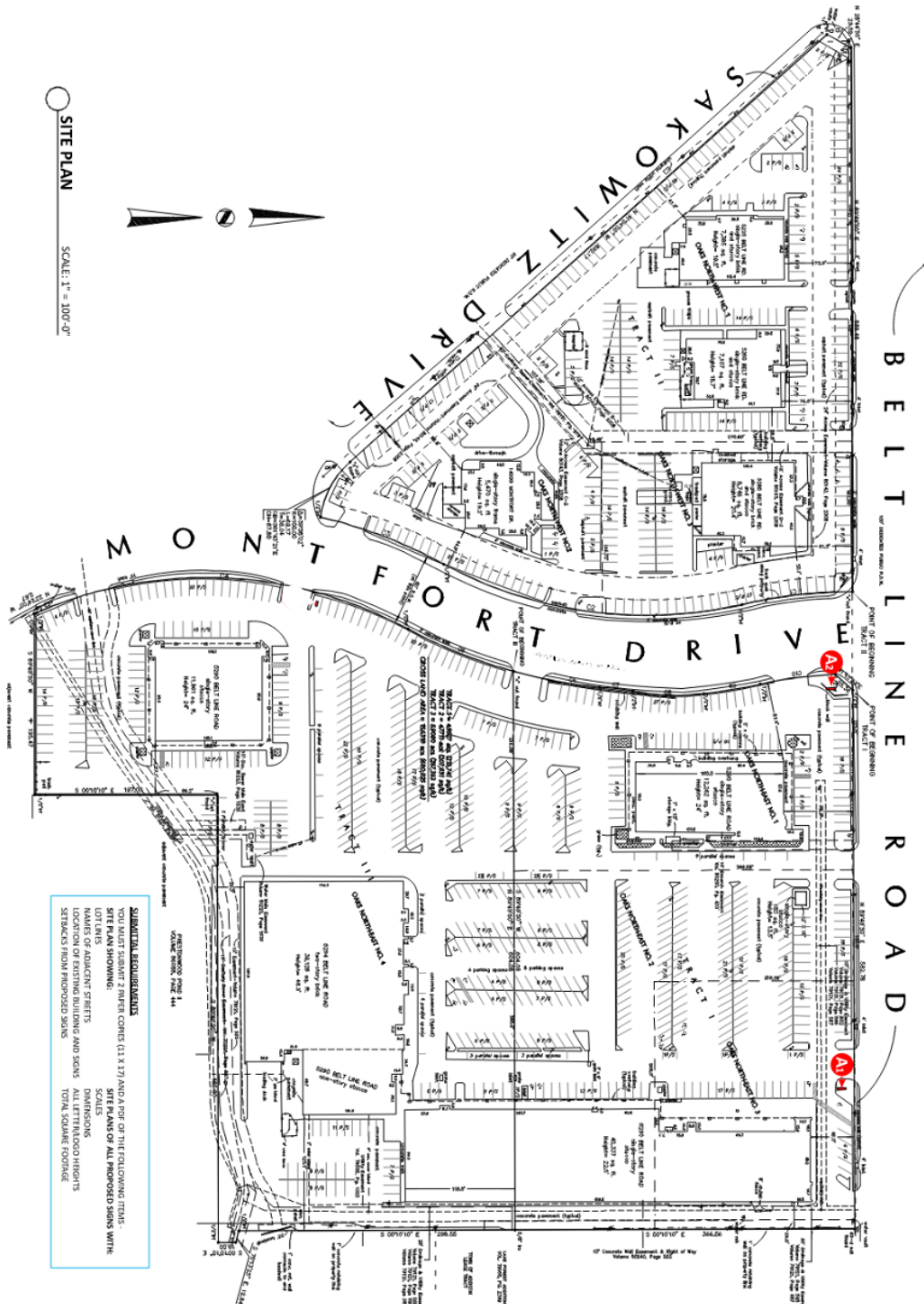
Met/Con
2121 West Loop West, Suite 1000
Houston, Texas 77040-2009
Tel: 281.414.2200
Fax: 281.414.2201
www.metcon.com

George 311 Lakewood Blvd, Suite 100
Houston, Texas 77040-2009
Tel: 281.414.2200
Fax: 281.414.2201
www.george.com

FINAL ELECTRICAL CONNECTION BY CUSTOMER

THESE DRAWINGS ARE THE PROPERTY OF CHANDLER SYSTEMS, INC. AND ARE NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM. CHANDLER SYSTEMS, INC. SHALL BE RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION PROVIDED HEREIN.

Exhibit A



PRESTONWOOD PLACE

Design # 044557/A19
 Sheet 7 of 9

Client Prestonwood Place
 Address 5290 BELT LINE ROAD
 ADDISON, TEXAS
 Account MSW/JAA
 Designer RBF
 Date 7/8/19
 Approval / Date

Client
 Sales
 Estimating
 LPT
 Engineering
 Design/Draw

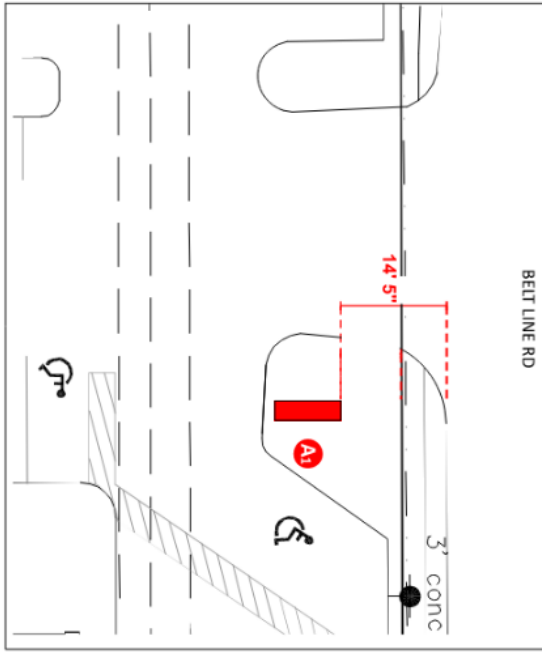
PROJECT NOTES:
 1. 13 X 31 CORNER SHOWN 2
 2. 13 X 31 CORNER SHOWN 2
 3. 13 X 31 CORNER SHOWN 2
 4. 13 X 31 CORNER SHOWN 2
 5. 13 X 31 CORNER SHOWN 2
 6. 13 X 31 CORNER SHOWN 2
 7. 13 X 31 CORNER SHOWN 2
 8. 13 X 31 CORNER SHOWN 2
 9. 13 X 31 CORNER SHOWN 2
 10. 13 X 31 CORNER SHOWN 2

CHANDLER
 chandlereng.com
 11111 W. LAKOTA AVE. SUITE 100
 ADDISON, TX 75001
 TEL: 972.382.1111
 FAX: 972.382.1112
 WWW.CHANDLERENG.COM

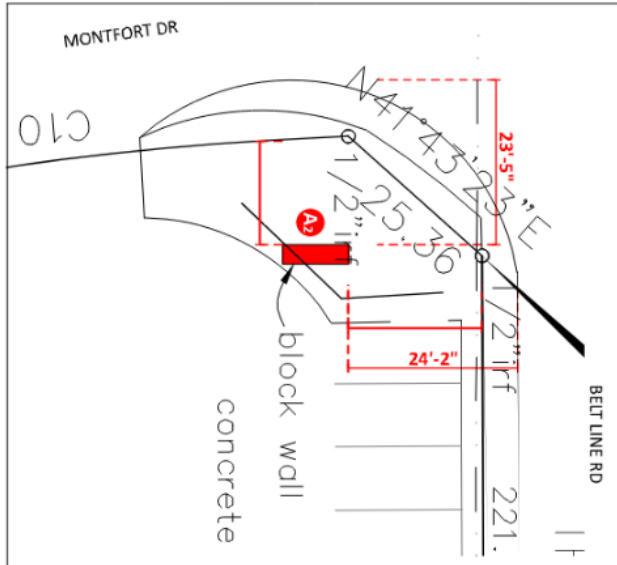
FINAL ELECTRICAL CONNECTION BY CUSTOMER

Exhibit A

SIGN LOCATION DETAIL
SCALE: 1/16" = 1'-0"



SIGN LOCATION DETAIL
SCALE: 1/16" = 1'-0"



SUBMITTAL REQUIREMENTS
 YOU MUST SUBMIT 7 SHEET COPIES (11 X 17) AND A COPY OF THE FOLLOWING ITEMS:
 SITE PLAN SHOWING:
 LOCATION OF ALL PROPOSED SIGNS WITH SCALE DIMENSIONS OF ALL PROPOSED SIGNS WITH DIMENSIONS
 NAMES OF ADJACENT STREETS ALL LETTER/LOG HEIGHTS
 LOCATION OF EXISTING BUILDING AND SIGNS ALL LETTER/LOG HEIGHTS
 SETBACKS FROM PROPOSED SIGNS TOTAL SQUARE FOOTAGE

PRESTONWOOD PLACE
 Design # 0404597/A-9
 Sheet 8 of 9
 Client PRESTONWOOD PLACE
 Address 5230 BELT LINE ROAD ADDISON, TEXAS
 Account NEW/JAA
 Rep.
 Designer RFF
 Date 7/8/19
 Approval / Date
 Client
 Sides
 Estimating
 A/E
 Engineering
 Landlord

Revision/Date
 1-KMK-7/9/19 New opt 2
 2-KMK-8/9/19 Opt 2
 3-KMK-8/9/19 Opt 2
 4-KMK-8/9/19 Opt 2
 5-KMK-8/9/19 Opt 2
 6-KMK-8/9/19 Opt 2
 7-KMK-8/9/19 Opt 2
 8-KMK-8/9/19 Opt 2
 9-KMK-8/9/19 Opt 2
 10-KMK-8/9/19 Opt 2
 11-KMK-8/9/19 Opt 2
 12-KMK-8/9/19 Opt 2
 13-KMK-8/9/19 Opt 2
 14-KMK-8/9/19 Opt 2
 15-KMK-8/9/19 Opt 2
 16-KMK-8/9/19 Opt 2
 17-KMK-8/9/19 Opt 2
 18-KMK-8/9/19 Opt 2
 19-KMK-8/9/19 Opt 2
 20-KMK-8/9/19 Opt 2
 21-KMK-8/9/19 Opt 2
 22-KMK-8/9/19 Opt 2
 23-KMK-8/9/19 Opt 2
 24-KMK-8/9/19 Opt 2
 25-KMK-8/9/19 Opt 2
 26-KMK-8/9/19 Opt 2
 27-KMK-8/9/19 Opt 2
 28-KMK-8/9/19 Opt 2
 29-KMK-8/9/19 Opt 2
 30-KMK-8/9/19 Opt 2
 31-KMK-8/9/19 Opt 2
 32-KMK-8/9/19 Opt 2
 33-KMK-8/9/19 Opt 2
 34-KMK-8/9/19 Opt 2
 35-KMK-8/9/19 Opt 2
 36-KMK-8/9/19 Opt 2
 37-KMK-8/9/19 Opt 2
 38-KMK-8/9/19 Opt 2
 39-KMK-8/9/19 Opt 2
 40-KMK-8/9/19 Opt 2
 41-KMK-8/9/19 Opt 2
 42-KMK-8/9/19 Opt 2
 43-KMK-8/9/19 Opt 2
 44-KMK-8/9/19 Opt 2
 45-KMK-8/9/19 Opt 2
 46-KMK-8/9/19 Opt 2
 47-KMK-8/9/19 Opt 2
 48-KMK-8/9/19 Opt 2
 49-KMK-8/9/19 Opt 2
 50-KMK-8/9/19 Opt 2
 51-KMK-8/9/19 Opt 2
 52-KMK-8/9/19 Opt 2
 53-KMK-8/9/19 Opt 2
 54-KMK-8/9/19 Opt 2
 55-KMK-8/9/19 Opt 2
 56-KMK-8/9/19 Opt 2
 57-KMK-8/9/19 Opt 2
 58-KMK-8/9/19 Opt 2
 59-KMK-8/9/19 Opt 2
 60-KMK-8/9/19 Opt 2
 61-KMK-8/9/19 Opt 2
 62-KMK-8/9/19 Opt 2
 63-KMK-8/9/19 Opt 2
 64-KMK-8/9/19 Opt 2
 65-KMK-8/9/19 Opt 2
 66-KMK-8/9/19 Opt 2
 67-KMK-8/9/19 Opt 2
 68-KMK-8/9/19 Opt 2
 69-KMK-8/9/19 Opt 2
 70-KMK-8/9/19 Opt 2
 71-KMK-8/9/19 Opt 2
 72-KMK-8/9/19 Opt 2
 73-KMK-8/9/19 Opt 2
 74-KMK-8/9/19 Opt 2
 75-KMK-8/9/19 Opt 2
 76-KMK-8/9/19 Opt 2
 77-KMK-8/9/19 Opt 2
 78-KMK-8/9/19 Opt 2
 79-KMK-8/9/19 Opt 2
 80-KMK-8/9/19 Opt 2
 81-KMK-8/9/19 Opt 2
 82-KMK-8/9/19 Opt 2
 83-KMK-8/9/19 Opt 2
 84-KMK-8/9/19 Opt 2
 85-KMK-8/9/19 Opt 2
 86-KMK-8/9/19 Opt 2
 87-KMK-8/9/19 Opt 2
 88-KMK-8/9/19 Opt 2
 89-KMK-8/9/19 Opt 2
 90-KMK-8/9/19 Opt 2
 91-KMK-8/9/19 Opt 2
 92-KMK-8/9/19 Opt 2
 93-KMK-8/9/19 Opt 2
 94-KMK-8/9/19 Opt 2
 95-KMK-8/9/19 Opt 2
 96-KMK-8/9/19 Opt 2
 97-KMK-8/9/19 Opt 2
 98-KMK-8/9/19 Opt 2
 99-KMK-8/9/19 Opt 2
 100-KMK-8/9/19 Opt 2

Chandler Signs
 ChandlerSigns.com
 11111 West Loop South, Suite 1000, Dallas, TX 75241
 972.412.1234
 Fax: 972.412.1235
 Email: info@chandler-signs.com
 Website: ChandlerSigns.com
 11111 West Loop South, Suite 1000, Dallas, TX 75241
 972.412.1234
 Fax: 972.412.1235
 Email: info@chandler-signs.com
 Website: ChandlerSigns.com

FINAL ELECTRICAL CONNECTION BY CUSTOMER



MERITORIOUS EXCEPTION APPLICATION

To be completed by Town staff:
Application date: 07-21-20 Application/Fee Received: 07-21-20 Fee paid: \$300.00

APPLICANT CONTACT

I hereby certify that the information in this application is true and correct to the best of my knowledge.

Name: (printed) Ryan Muscott

Company name: Northwood Retail LLC

Address: 8080 Park Lane Suite 600, Dallas, TX 75231

Phone: [REDACTED] Email: [REDACTED]

Status of Applicant: Property Owner Tenant Contractor Other: _____

Applicant's Signature: _____

INFORMATION ABOUT THE REQUEST

Address or location: Prestonwood Place, 5290 Belt Line Road, Addison, TX

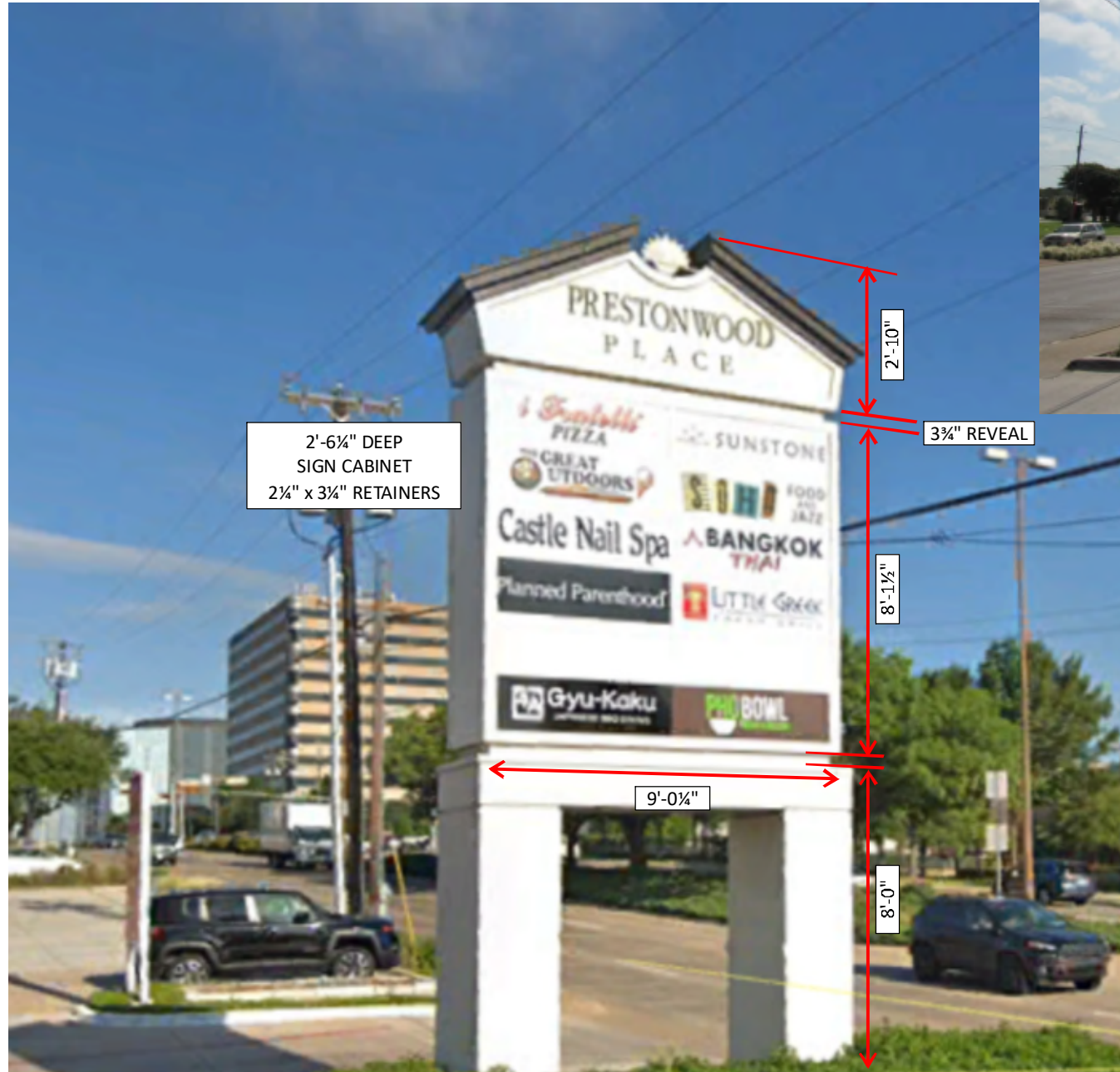
Reasons for Meritorious Exception: _____

The existing pylon sign cabinet along Belt Line Road nearest Shake Shack was damaged beyond repair in the wind storm of June 2019. The pylon sign base and structure were left intact and can be reused, but the tenant signage panel cabinet will need to be refabricated. The existing pylon signs currently do not conform with the Town of Addison's signage ordinance regarding height, setback, and effective area requirements, but due to tenant lease obligations the sign needs to be reconstructed in its same location and the tenant panels need to be of equal size as the original sign. As the shopping center is currently under a major renovation, Northwood Retail would like to use this time as an opportunity to reface all the pylon and monument signs on the property to be more in line with the new architecture of the renovation. Each pylon and monument sign will meet the height and effective area requirements of the signage ordinance. Northwood Retail is requesting a meritorious exception only to the setback requirement as moving the signs further in to the property would place them in the parking lot drive aisles.

SUBMITTAL REQUIREMENTS

You must submit 2 paper copies (11x17) and a PDF of the following items:

- Site Plan showing:
 - Lot Lines
 - Names of Adjacent Streets
 - Location of Existing Buildings and Signs
 - Setbacks from the Proposed Sign/s
- Sign Plans of All Proposed Signs with:
 - Scales
 - Dimensions
 - All Letter/Logo Heights
 - Total Square Footage



CURRENT STATUS OF D/F PYLON SIGN - EXISTING I-BEAM STEEL SUPPORTS TO BE RE-USED w/ NEW SIGN CABINET

A1 EXISTING D/F M/T PYLON SIGN
 EXISTING PYLON SIGN DAMAGED BY STORM - TOPPER/HEADER CABINET & TENANT CABINET BEING STORED IN CHANDLER WAREHOUSE - CABINETS TO BE DISCARDED AS REQ'D

Design #	
0404597Ar9	
Sheet 1 of 9	
Client	
PRESTONWOOD PLACE	
Address	
5290 BELT LINE ROAD ADDISON, TEXAS	
Account Rep.	MSW/JAA
Designer	RFF
Date	7/8/19
Approval / Date	
Client	
Sales	
Estimating	
Art	
Engineering	
Landlord	
Revision/Date	
r1-KMc-7/9/19: Rev. opt. 2	
r2-MAB-8/5/19: Omit options 2 & 3 - Add Signs "A2, B" & site plan - Add Temporary option	
r3-MAB-8/9/19: Omit Sign "A" temporary option - Add scope of work to Sign "B"	
r4-MAB-8/14/19: Font options	
r5-KMc-8/21/19: Effra Medium font	
r6-RFF-9/12/19: Rev. "A1,A2" size	
r7-RFF-10/7/19: Rev. sizes per survey	
r8-MAB-1/13/20: Reduce "A1" & "A2" M/T cabinet sizes	
R9 KMc 7/15/20: added city code notes	

CHANDLER SIGNS
 chandlersigns.com

National Headquarters	14201 Sovereign Road #101 Fort Worth, TX 76155 (214) 902-2888 Fax (214) 902-2844
San Antonio	17319 San Pedro Ave. Ste 200 San Antonio, TX 78232 (210) 349-3804 Fax (210) 349-8721
West Coast	32711 Veritree Ridge Dr Suite 250 Vista, CA 92082 (760) 734-1708 Fax (760) 734-3757
Northeast US	2301 River Road Suite 201 Louisville, KY 40206 (502) 897-9800 Cell (502) 554-2575
Georgia	111 Woodstone Place Decaturville, GA 30514 (678) 725-8852 Fax (210) 349-8721
South Texas	PO BOX 175 206 Doral Drive Port Aransas, TX 78371 (361) 568-5599 Fax (361) 648-0599

This drawing is the property of Chandler Signs, LLC. All rights to its use for reproduction are reserved by Chandler Signs, LLC

FINAL ELECTRICAL CONNECTION BY CUSTOMER

THIS SIGN IS INTENDED TO BE INSTALLED IN ACCORDANCE WITH ARTICLE 600 OF THE NATIONAL ELECTRICAL CODE AND/OR OTHER APPLICABLE LOCAL CODES. THIS INCLUDES PROPER GROUNDING & BONDING OF THE SIGN. SIGN WILL BEAR UL LABEL(S).

Design #

0404597Ar9

Sheet 2 of 9

Client

PRESTONWOOD PLACE

Address

5290 BELT LINE ROAD
ADDISON, TEXAS

Account Rep. MSW/JAA

Designer RFF

Date 7/8/19

Approval / Date

Client

Sales

Estimating

Art

Engineering

Landlord

Revision/Date

- r1-KMc-7/9/19: Rev. opt. 2
- r2-MAB-8/5/19: Omit options 2 & 3 - Add Signs "A2, B" & site plan - Add Temporary option
- r3-MAB-8/9/19: Omit Sign "A" temporary option - Add scope of work to Sign "B"
- r4-MAB-8/14/19: Font options
- r5-KMc-8/21/19: Effra Medium font
- r6-RFF-9/12/19: Rev. "A1,A2" size
- r7-RFF-10/7/19: Rev. sizes per survey
- r8-MAB-1/13/20: Reduce "A1" & "A2" M/T cabinet sizes
- R9 KMc 7/15/20: added city code notes



chandler signs.com

National Headquarters	14201 Sovereign Road #101 Fort Worth, TX 76155 (214) 902-2888 Fax (214) 902-2844
San Antonio	17319 San Pedro Ave Ste 200 San Antonio, TX 78232 (210) 349-3804 Fax (210) 349-8721
West Coast	3271 Veritree Ridge Dr Ste 250 Vista, CA 92082 (760) 734-1788 Fax (760) 734-3757
Northeast US	2301 River Road Suite 201 Louisville, KY 40206 (502) 897-9800 Cell (502) 554-2575
Georgia	111 Woodstone Place Decaturville, GA 30514 (678) 725-8852 Fax (210) 349-8721
South Texas	P.O. BOX 175 205 Doral Drive Port Aransas, TX 78371 (361) 548-5539 Fax (361) 648-5539

This drawing is the property of Chandler Signs, LLC. All rights to its use for reproduction are reserved by Chandler Signs, LLC

FINAL ELECTRICAL CONNECTION BY CUSTOMER

THIS SIGN IS INTENDED TO BE INSTALLED IN ACCORDANCE WITH ARTICLE 600 OF THE NATIONAL ELECTRICAL CODE AND/OR OTHER APPLICABLE LOCAL CODES. THIS INCLUDES PROPER GROUNDING & BONDING OF THE SIGN. SIGN WILL BEAR UL LABEL(S).



A1 PROPOSED NEW D/F PYLON SIGN CABINET

TOWN OF ADDISON ORDINANCE

HEIGHT	20'-0" max	PROPOSED	19'-3 3/4"
TENANT AREA	72 sq ft max	PROPOSED	71.3 SQ FT
SETBACK	20'-0"	PROPOSED	14'-5"



A2 EXISTING D/F M/T PYLON SIGN

REMOVE EXISTING TOPPER/HEADER CABINET & TENANT CABINET - DISCARD AS REQ'D

Design #	
0404597Ar9	
Sheet 3 of 9	
Client	
PRESTONWOOD PLACE	
Address	
5290 BELT LINE ROAD ADDISON, TEXAS	
Account Rep.	
MSW/JAA	
Designer	
RFF	
Date	
7/8/19	
Approval / Date	
Client	
Sales	
Estimating	
Art	
Engineering	
Landlord	
Revision/Date	
r1-KMc-7/9/19: Rev. opt. 2	
r2-MAB-8/5/19: Omit options 2 & 3 - Add Signs "A2, B" & site plan - Add Temporary option	
r3-MAB-8/9/19: Omit Sign "A" temporary option - Add scope of work to Sign "B"	
r4-MAB-8/14/19: Font options	
r5-KMc-8/21/19: Effra Medium font	
r6-RFF-9/12/19: Rev. "A1,A2" size	
r7-RFF-10/7/19: Rev. sizes per survey	
r8-MAB-1/13/20: Reduce "A1" & "A2" M/T cabinet sizes	
R9 KMc 7/15/20: added city code notes	



chandler signs.com

National Headquarters	14201 Sovereign Road #101 Fort Worth, TX 76155 (214) 902-2888 Fax (214) 902-2844
San Antonio	17319 San Pedro Ave. Ste 200 San Antonio, TX 78232 (210) 349-3804 Fax (210) 349-8721
West Coast	32711 Veritree Ridge Dr Suite 250 Vista, CA 92082 (760) 734-1708 Fax (760) 734-3757
Northeast US	2301 River Road Suite 201 Louisville, KY 40206 (502) 897-9800 Cell (502) 554-2575
Georgia	111 Woodstone Place Decaturville, GA 30514 (678) 725-8852 Fax (210) 349-8721
South Texas	PO BOX 175 205 Doral Drive Port Aransas, TX 78371 (361) 568-5599 Fax (361) 648-5599

This drawing is the property of Chandler Signs, LLC. All rights to its use for reproduction are reserved by Chandler Signs, LLC

FINAL ELECTRICAL CONNECTION BY CUSTOMER

THIS SIGN IS INTENDED TO BE INSTALLED IN ACCORDANCE WITH ARTICLE 630 OF THE NATIONAL ELECTRICAL CODE AND/OR OTHER APPLICABLE LOCAL CODES. THIS INCLUDES PROPER GROUNDING & BONDING OF THE SIGN. SIGN WILL BEAR UL LABEL(S).





A2 PROPOSED NEW D/F PYLON SIGN CABINET

TOWN OF ADDISON ORDINANCE			
HEIGHT	20'-0" max	PROPOSED	19'-3 3/4"
TENANT AREA	72 sq ft max	PROPOSED	71.3 SQ FT
SETBACK	20'-0"	PROPOSED	20'-6"

Design #	
0404597Ar9	
Sheet 4 of 9	
Client	
PRESTONWOOD PLACE	
Address	
5290 BELT LINE ROAD ADDISON, TEXAS	
Account Rep.	MSW/JAA
Designer	RFF
Date	7/8/19
Approval / Date	
Client	
Sales	
Estimating	
Art	
Engineering	
Landlord	
Revision/Date	
r1-KMc-7/9/19: Rev. opt. 2	
r2-MAB-8/5/19: Omit options 2 & 3 - Add Signs "A2, B" & site plan - Add Temporary option	
r3-MAB-8/9/19: Omit Sign "A" temporary option - Add scope of work to Sign "B"	
r4-MAB-8/14/19: Font options	
r5-KMc-8/21/19: Effra Medium font	
r6-RFF-9/12/19: Rev. "A1,A2" size	
r7-RFF-10/7/19: Rev. sizes per survey	
r8-MAB-1/13/20: Reduce "A1" & "A2" M/T cabinet sizes	
R9 KMc 7/15/20: added city code notes	



chandler signs.com

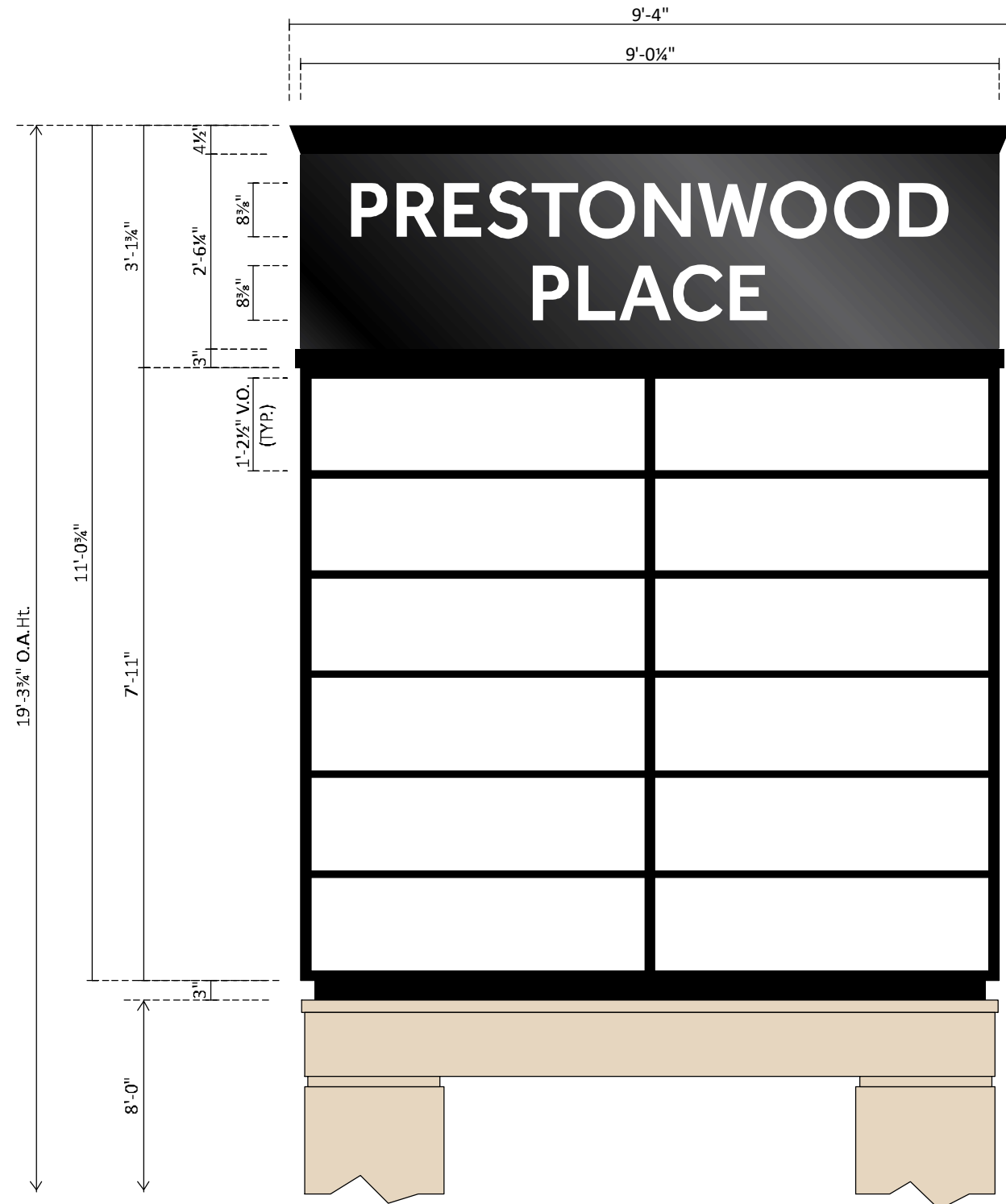
National Headquarters	14201 Sovereign Road #101 Fort Worth, TX 76155 (214) 902-2888 Fax (214) 902-2844
San Antonio	17319 San Pedro Ave. Ste 200 San Antonio, TX 78232 (210) 349-3804 Fax (210) 349-8721
West Coast	3271 Veritree Ridge Dr Suite 250 Vista, CA 92082 (760) 734-1788 Fax (760) 734-3757
Northeast US	2301 River Road Suite 201 Louisville, KY 40206 (502) 897-9800 Cell (502) 554-2575
Georgia	111 Woodstone Place Decaturville, GA 30534 (678) 725-8852 Fax (210) 349-8721
South Texas	P.O. Box 175 206 Doral Drive Port Aransas, TX 78371 (361) 568-5599 Fax (361) 648-5599

This drawing is the property of Chandler Signs, LLC. All rights to its use for reproduction are reserved by Chandler Signs, LLC.

FINAL ELECTRICAL CONNECTION BY CUSTOMER

THIS SIGN IS INTENDED TO BE INSTALLED IN ACCORDANCE WITH ARTICLE 630 OF THE NATIONAL ELECTRICAL CODE AND/OR OTHER APPLICABLE LOCAL CODES. THIS INCLUDES PROPER GROUNDING & BONDING OF THE SIGN. SIGN WILL BEAR UL LABEL(S).





A1 A2 D/F SIGN CABINETS SCALE: 1/2" = 1'-0"
TWO [2] SETS REQUIRED - MANUFACTURE & INSTALL

ALUMINUM SIGN TOPPER CABINET PAINTED SATIN BLACK - INTERNALLY ILLUMINATED w/ WHITE LED's - COPY TO BE 1" THICK ROUT-OUT/ PUSH-THRU CLEAR ACRYLIC 3/4" PROJECTION w/ 1st SURFACE TRANSLUCENT VINYL OVERLAYS & 2nd SURFACE WHITE DIFFUSER

ALUMINUM MULTI-TENANT CABINET PAINTED SATIN BLACK w/BLACK ALUMINUM RETAINERS - INTERNALLY ILLUMINATED w/ WHITE LED's - TENANT SIGN FACES TO BE REMOVABLE #7328 WHITE ACRYLIC w/ 1st SURFACE VINYL GRAPHICS - **NOTE: TENANT GRAPHICS & COLORS TO BE DETERMINED - CUSTOMER TO PROVIDE COMPATIBLE VECTOR GRAPHICS & PMS/VINYL COLORS PRIOR TO MANUFACTURE**

REPAINT EXISTING BOTTOM ALUMINUM REVEAL TO MATCH SATIN BLACK

NEW SIGN CABINETS TO BE MOUNTED ON [2] EXISTING 5 1/4" WIDE x 8 3/4" DEEP I-BEAM STEEL SUPPORTS AS REQ'D (EXACT METHOD T.B.D.)



END VIEW

Design #	
0404597Ar9	
Sheet 5 of 9	
Client	
PRESTONWOOD PLACE	
Address	
5290 BELT LINE ROAD ADDISON, TEXAS	
Account Rep.	MSW/JAA
Designer	RFF
Date	7/8/19
Approval / Date	
Client	
Sales	
Estimating	
Art	
Engineering	
Landlord	
Revision/Date	
r1-KMc-7/9/19: Rev. opt. 2	
r2-MAB-8/5/19: Omit options 2 & 3 - Add Signs "A2, B" & site plan - Add Temporary option	
r3-MAB-8/9/19: Omit Sign "A" temporary option - Add scope of work to Sign "B"	
r4-MAB-8/14/19: Font options	
r5-KMc-8/21/19: Effra Medium font	
r6-RFF-9/12/19: Rev. "A1,A2" size	
r7-RFF-10/7/19: Rev. sizes per survey	
r8-MAB-1/13/20: Reduce "A1" & "A2" M/T cabinet sizes	
R9 KMc 7/15/20: added city code notes	

CHANDLER SIGNS
chandler signs.com

National Headquarters 14201 Sovereign Road #101
Fort Worth, TX 76155
(214) 902-2888 Fax (214) 902-2844

San Antonio 17319 San Pedro Ave.
Ste 200
San Antonio, TX 78232
(210) 349-3804 Fax (210) 349-8721

West Coast 3271 Veritree Ridge Dr
Suite 250
Vista, CA 92082
(760) 734-1788 Fax (760) 734-3757

Northeast US 2301 River Road
Suite 201
Louisville, KY 40206
(502) 897-9800 Cell (502) 554-2575

Georgia 111 Woodstone Place
Decaturville, GA 30514
(678) 725-8852 Fax (210) 349-8721

South Texas P.O. Box 175 206 Doral Drive
Port Aransas, TX 78371
(361) 548-5539 Fax (361) 648-5539

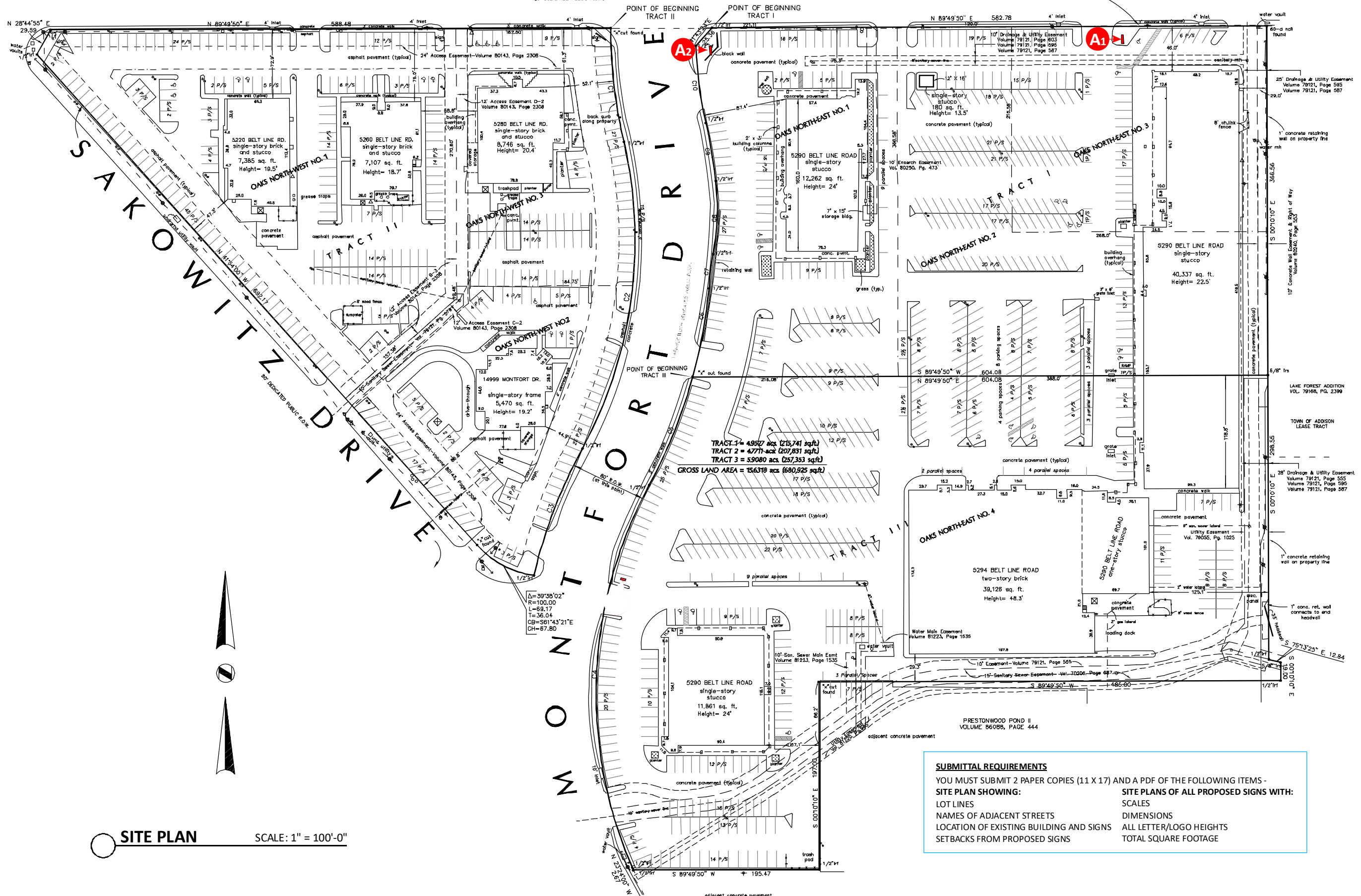
This drawing is the property of Chandler Signs, LLC. All rights to its use for reproduction are reserved by Chandler Signs, LLC

FINAL ELECTRICAL CONNECTION BY CUSTOMER

THIS SIGN IS INTENDED TO BE INSTALLED IN ACCORDANCE WITH ARTICLE 600 OF THE NATIONAL ELECTRICAL CODE AND/OR OTHER APPLICABLE LOCAL CODES. THIS INCLUDES PROPER GROUNDING & BONDING OF THE SIGN. SIGN WILL BEAR UL LABEL(S).

UL

BELT LINE ROAD



TRACT 1 = 4.9527 acs (215,741 sqft)
 TRACT 2 = 4.7771 acs (207,831 sqft)
 TRACT 3 = 5.9080 acs (257,353 sqft)
 GROSS LAND AREA = 15.6378 acs (680,925 sqft)

SUBMITTAL REQUIREMENTS
 YOU MUST SUBMIT 2 PAPER COPIES (11 X 17) AND A PDF OF THE FOLLOWING ITEMS -
SITE PLAN SHOWING:
 LOT LINES
 NAMES OF ADJACENT STREETS
 LOCATION OF EXISTING BUILDING AND SIGNS
 SETBACKS FROM PROPOSED SIGNS

SITE PLANS OF ALL PROPOSED SIGNS WITH:
 SCALES
 DIMENSIONS
 ALL LETTER/LOGO HEIGHTS
 TOTAL SQUARE FOOTAGE

SITE PLAN SCALE: 1" = 100'-0"

Design #	0404597Ar9
Sheet	7 of 9
Client	PRESTONWOOD PLACE
Address	5290 BELT LINE ROAD ADDISON, TEXAS
Account Rep.	MSW/JAA
Designer	RFF
Date	7/8/19
Approval / Date	
Client	
Sales	
Estimating	
Art	
Engineering	
Landlord	

Revision/Date
r1-KMc-7/9/19: Rev. opt. 2
r2-MAB-8/5/19: Omit options 2 & 3 - Add Signs "A2, B" & site plan - Add Temporary option
r3-MAB-8/9/19: Omit Sign "A" temporary option - Add scope of work to Sign "B"
r4-MAB-8/14/19: Font options
r5-KMc-8/21/19: Effra Medium font
r6-RFF-9/12/19: Rev. "A1,A2" size
r7-RFF-10/7/19: Rev. sizes per survey
r8-MAB-1/13/20: Reduce "A1" & "A2" M/T cabinet sizes
R9 KMc 7/15/20: added city code notes

CHANDLER SIGNS
 chandlersigns.com

National Headquarters
 14201 Sovereign Road #101
 Fort Worth, TX 76155
 (214) 902-2818 Fax (214) 902-2844

San Antonio
 17319 San Pedro Ave.
 Ste 200
 San Antonio, TX 78232
 (210) 349-3804 Fax (210) 349-8721

West Coast
 Site 250
 Vista, CA 92082
 (760) 734-1708 Fax (760) 734-3757

Northeast US
 Suite 201
 Louisville, KY 40206
 (502) 897-9800 Cell (502) 554-2575

Georgia
 111 Woodstone Place
 Decaturville, GA 30534
 (678) 725-8852 Fax (210) 349-8721

South Texas
 PO BOX 175 205 Thoral Drive
 Port Aransas, TX 78371
 (361) 568-5539 Fax (361) 648-5539

This drawing is the property of Chandler Signs, LLC. All rights to its use for reproduction are reserved by Chandler Signs, LLC.

FINAL ELECTRICAL CONNECTION BY CUSTOMER

THIS SIGN IS INTENDED TO BE INSTALLED IN ACCORDANCE WITH ARTICLE 630 OF THE NATIONAL ELECTRICAL CODE AND/OR OTHER APPLICABLE LOCAL CODES. THIS INCLUDES PROPER GROUNDING & BONDING OF THE SIGN. SIGN WILL BEAR ALL LABELS.

Design #

0404597Ar9

Sheet 8 of 9

Client

PRESTONWOOD PLACE

Address

5290 BELT LINE ROAD
ADDISON, TEXAS

Account Rep. MSW/JAA

Designer RFF

Date 7/8/19

Approval / Date

Client

Sales

Estimating

Art

Engineering

Landlord

Revision/Date

- r1-KMc-7/9/19: Rev. opt. 2
- r2-MAB-8/5/19: Omit options 2 & 3 - Add Signs "A2, B" & site plan - Add Temporary option
- r3-MAB-8/9/19: Omit Sign "A" temporary option - Add scope of work to Sign "B"
- r4-MAB-8/14/19: Font options
- r5-KMc-8/21/19: Effra Medium font
- r6-RFF-9/12/19: Rev. "A1,A2" size
- r7-RFF-10/7/19: Rev. sizes per survey
- r8-MAB-1/13/20: Reduce "A1" & "A2" M/T cabinet sizes
- R9 KMc 7/15/20: added city code notes



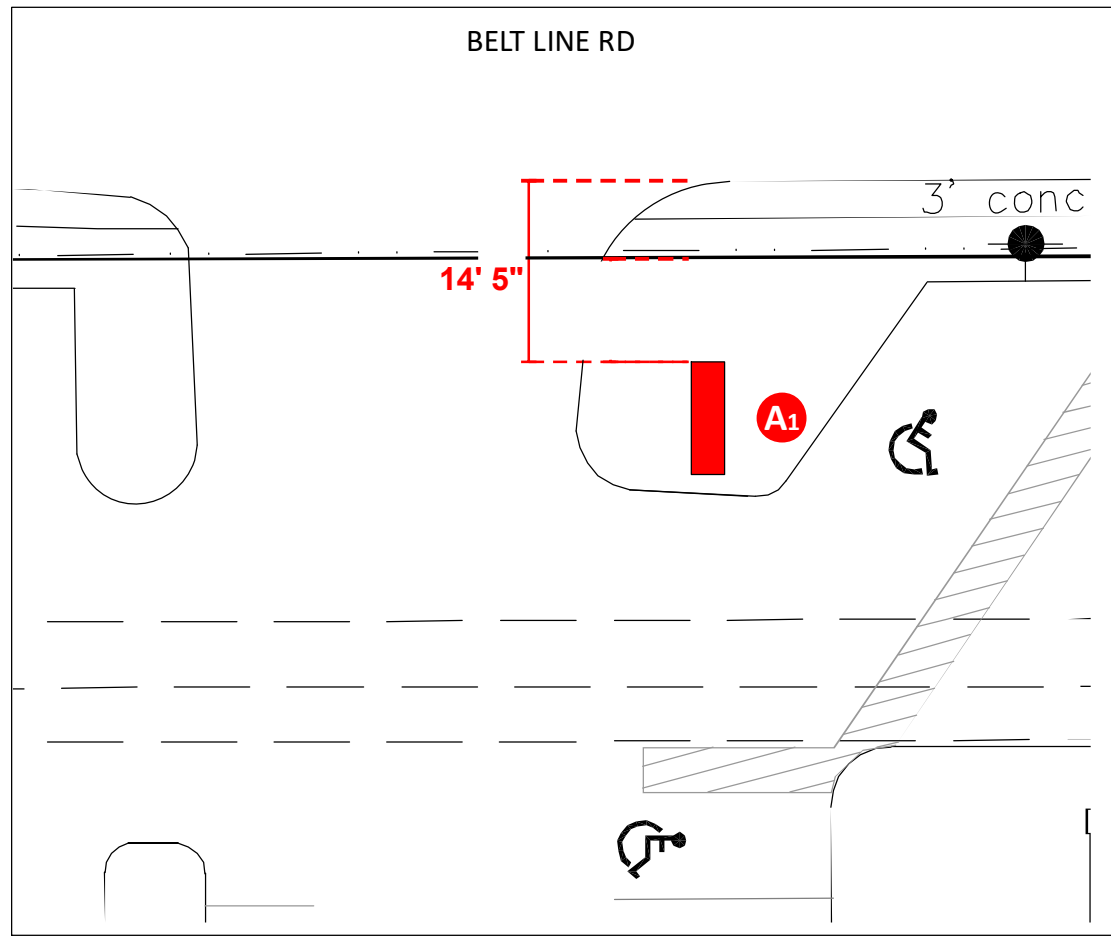
chandler signs.com

National Headquarters	14201 Sovereign Road #101 Fort Worth, TX 76155 (214) 902-2888 Fax (214) 902-2844
San Antonio	17319 San Pedro Ave. Ste 200 San Antonio, TX 78232 (210) 349-3804 Fax (210) 349-8721
West Coast	3271 Verdugo Ridge Dr Ste 250 Vista, CA 92082 (760) 734-1788 Fax (760) 734-3757
Northeast US	2301 River Road Suite 201 Louisville, KY 40206 (502) 897-9800 Cell (502) 554-2575
Georgia	111 Woodstone Place Decaturville, GA 30534 (678) 725-8852 Fax (210) 349-8721
South Texas	P.O. Box 175 206 Doral Drive Port Arthur, TX 78374 (409) 568-5539 Fax (409) 648-0533

This drawing is the property of Chandler Signs, LLC. All rights to its use for reproduction are reserved by Chandler Signs, LLC.

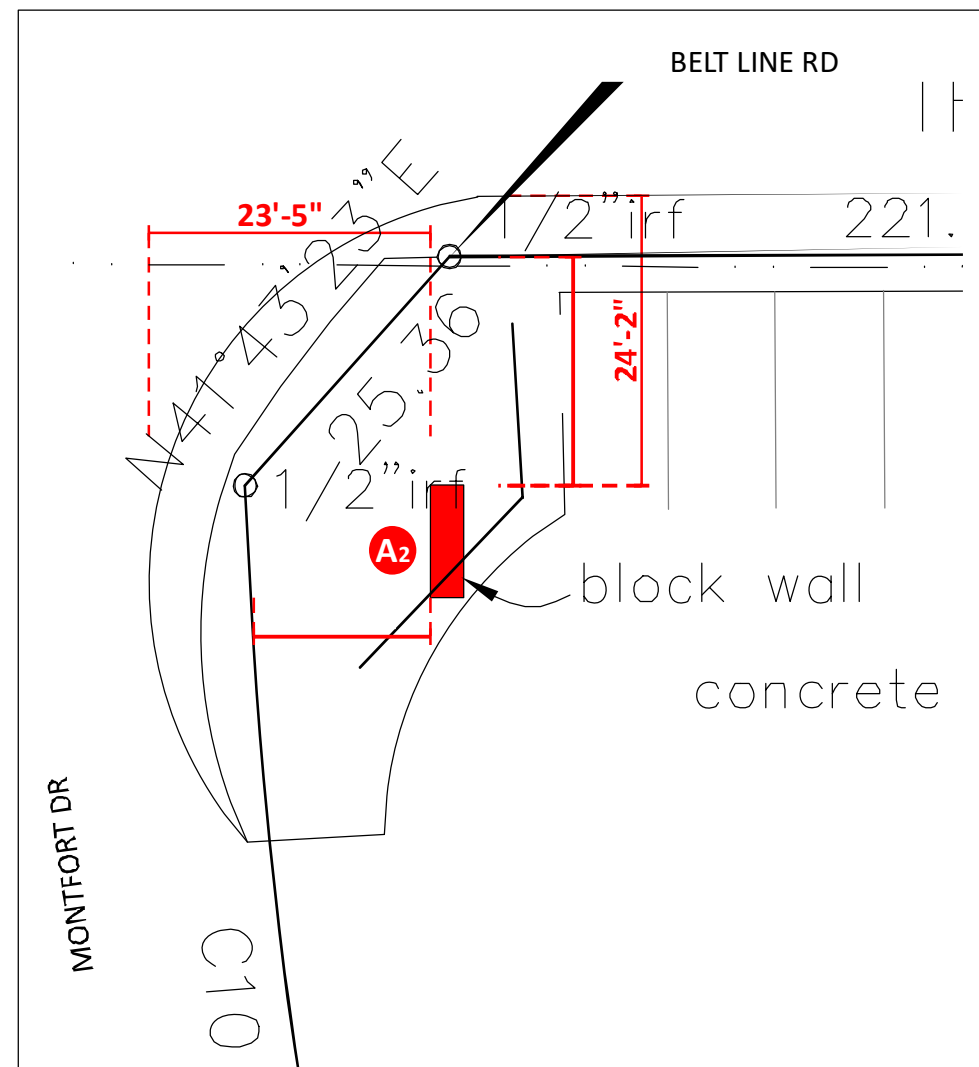
FINAL ELECTRICAL CONNECTION BY CUSTOMER

THIS SIGN IS INTENDED TO BE INSTALLED IN ACCORDANCE WITH ARTICLE 630 OF THE NATIONAL ELECTRICAL CODE AND/OR OTHER APPLICABLE LOCAL CODES. THIS INCLUDES PROPER GROUNDING & BONDING OF THE SIGN. SIGN WILL BEAR UL LABEL(S).



SIGN LOCATION DETAIL

SCALE: 1/16" = 1'-0"



SIGN LOCATION DETAIL

SCALE: 1/16" = 1'-0"

SUBMITTAL REQUIREMENTS

YOU MUST SUBMIT 2 PAPER COPIES (11 X 17) AND A PDF OF THE FOLLOWING ITEMS -

SITE PLAN SHOWING:	SITE PLANS OF ALL PROPOSED SIGNS WITH:
LOT LINES	SCALES
NAMES OF ADJACENT STREETS	DIMENSIONS
LOCATION OF EXISTING BUILDING AND SIGNS	ALL LETTER/LOGO HEIGHTS
SETBACKS FROM PROPOSED SIGNS	TOTAL SQUARE FOOTAGE

Council Meeting

15.

Meeting Date: 09/08/2020

Department: Development Services

Pillars: Excellence in Transportation Systems

Milestones: Promote Silver Line Development

AGENDA CAPTION:

Present, Discuss, and Consider Action on a **Resolution to Approve a Professional Services Agreement with Cobb, Fendley and Associates for a Utility Capacity Assessment Related to Future Development Adjacent to the Addison Transit Center and Silver Line Rail Station** in an Amount Not to Exceed \$123,565.

BACKGROUND:

In 2017, anticipating rail service on the Cotton Belt/Silver Line Rail Corridor, the Town conducted a special area study that established a plan for the 29 acres surrounding the future rail station adjacent to the existing transit center. This vision calls for a high density mixed-use transit oriented development that will make Addison a major destination on the rail line and enhance Addison Circle's reputation as a desirable place to live, work and play.

The Town is currently in the process of working with DART and the private land owners to prepare a solicitation for development on these properties. One step in that process is to understand the current infrastructure and utility capacities in the area compared with what will be needed when future development occurs. This will be useful in determining what improvements the Town may need to make to prepare the sites for development or to require of potential developers. Staff is proposing to use Cobb, Fendley and Associates to conduct such an assessment. Cobb Fendley is the Town's current review engineer for all private development. They are the engineering firm most familiar with the Town's current utility infrastructure. For this assessment, Cobb Fendley will conduct the following:

1. Stormwater Impact Analysis
2. Potable Water Impact Analysis
3. Wastewater Impact Analysis
4. Franchise Utility Impact Analysis
5. Traffic Impact Analysis

In each case, Cobb Fendley will document existing conditions, estimate the impact of future development to each system, and provide high level design

considerations along with estimated construction costs related to any improvements that will be needed to accommodate future development based on the approved aspirational concept plan.

This information will be shared with potential developers as part of the solicitation process. This will help reduce the level of risk associated with submitting a proposal since the Town and the developers will have a common understanding of any capacity limitations and needed improvements. This should increase the number and quality of development proposals the Town may expect to receive during the solicitation process.

This professional services agreement is in an amount not to exceed \$123,565. The funding for this will be from the Fiscal Year 2021 budget and will be split between the Utility Fund (\$74,139) and the Self-Funded Project Fund (\$49,426).

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution - Professional Services Agreement with Cobb, Fendley and Associates

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING THE AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES BETWEEN THE TOWN OF ADDISON AND COBB, FENDLEY & ASSOCIATES, INC. FOR PROFESSIONAL ENGINEERING SERVICES RELATED TO THE ADDISON CIRCLE REDEVELOPMENT IMPACT STUDY IN AN AMOUNT NOT TO EXCEED \$123,565.00, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT, AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. The Agreement for Professional Engineering Services between the Town of Addison and Cobb, Fendley & Associates, Inc., for professional engineering services related to the Addison Circle Redevelopment Impact Study in an amount not to exceed \$123,565.00, a copy of which is attached to this Resolution as **Exhibit A**, is hereby approved. The City Manager is hereby authorized to execute the agreement.

SECTION 2. This Resolution shall take effect from and after its date of adoption.

DULY RESOLVED AND ADOPTED by the City Council of the Town of Addison, Texas, on this the **8th** day of **SEPTEMBER** 2020.

TOWN OF ADDISON, TEXAS

Joe Chow, Mayor

ATTEST:

APPROVED AS TO FORM:

Irma Parker, City Secretary

Brenda N. McDonald, City Attorney

EXHIBIT A

**AGREEMENT
BETWEEN
THE TOWN OF ADDISON, TEXAS (TOWN)
AND
COBB, FENDLEY & ASSOCIATES, INC. (CONSULTANT)
FOR
PROFESSIONAL ENGINEERING SERVICES**

Made as of the ____ day of _____ in the year 2020,

BETWEEN the Town: The Town of Addison, Texas
 5300 Belt Line Road
 Addison, Texas 75001
 Telephone: (972) 450-7001

and the Consultant: Cobb, Fendley & Associates, Inc.
 2801 Network Boulevard, Suite 800
 Frisco, Texas, 75034
 Telephone: (972) 335-3214

for the following Project: Addison Circle Redevelopment Impact Study

The Town and the Consultant agree as set forth below.

THIS AGREEMENT is made and entered by and between the **Town of Addison, Texas**, a Home-Rule Municipal Corporation, hereinafter referred to as "Town," and Cobb, Fendley & Associates, Inc. a Texas corporation, hereinafter referred as "Consultant," to be effective from and after the date as provided herein, hereinafter referred to as the "Agreement."

WHEREAS, the Town desires to engage the services of the Consultant to provide the Addison Circle Redevelopment Infrastructure Impact Study, which shall include but not be limited to, performing a drainage impact analysis, a potable water impact analysis, a wastewater impact analysis, a franchise utility study report and a brief/condensed overview report within the Town of Addison, Texas, hereinafter referred to as the "Project"; and

WHEREAS, the Consultant desires to render such professional engineering services for the Town upon the terms and conditions provided herein.

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS:

Professional Services Agreement
(Addison Circle Redevelopment Impact Study)

Page 1

That for and in consideration of the covenants contained herein, and for the mutual benefits to be obtained hereby, the parties agree as follows:

**ARTICLE 1
CONSULTANT'S SERVICES**

- 1.1 **Employment of the Consultant** – The Town hereby agrees to retain the Consultant to perform professional engineering services in connection with the Project. Consultant agrees to perform such services in accordance with the terms and conditions of this Agreement.
- 1.2 **Scope of Services** – The parties agree that Consultant shall perform such services as are set forth and described in Exhibit “A,” which is attached hereto and incorporated herein by reference for all purposes. The parties understand and agree that deviations or modifications to the scope of services described in Exhibit “A,” in the form of written change orders, may be authorized from time to time by the Town. In the event of a conflict between any term or condition contained in Exhibit “A” and this Agreement, this Agreement shall control.
 - 1.2.1 **Requirement of Written Change Order** – “Extra” work, or “claims” invoiced as “extra” work, or “claims” which have not been issued as a duly executed, written change order by the Addison City Manager, will not be authorized for payment and/or shall not become part of the subcontracts. A duly executed written change order shall be preceded by the Addison City Council’s authorization for the Addison City Manager to execute said change order.
 - 1.2.2 **DO NOT PERFORM ANY EXTRA WORK AND/OR ADDITIONAL SERVICES WITHOUT A DULY EXECUTED WRITTEN CHANGE ORDER ISSUED BY THE ADDISON CITY MANAGER.** Project Managers, Superintendents, and/or Inspectors of the Town are not authorized to issue verbal or written change orders.
- 1.3 **Schedule of Work** – The Consultant agrees to commence work immediately upon the execution of this Agreement and receipt of written Notice to Proceed, and to proceed diligently with said work to completion as described in the Compensation Schedule / Project Billing / Project Budget attached hereto as **Exhibit “B”** and incorporated herein by reference for all purposes, but in no event shall the Project be completed any later than **six (6) months from the effective date herein.**
- 1.4 **Failure to Meet Established Deadlines** – Consultant acknowledges that time is of the essence in the performance of services under this

Agreement as set forth in the Compensation Schedule / Project Billing / Project Budget attached hereto as Exhibit "B."

ARTICLE 2 THE TOWN'S RESPONSIBILITIES

Town shall do the following in a timely manner so as not to delay the services of Consultant:

- 2.1 **Project Data** – The Town shall furnish required information that is currently has in its possession, as expeditiously as necessary for the orderly progress of the work, and the Consultant shall be entitled to rely upon the accuracy and completeness thereof.
- 2.2 **Town Project Manager** – The Town shall designate, when necessary, a representative authorized to act on the Town's behalf with respect to the Project (the "Project Manager"). The Town or such authorized representative shall examine the documents submitted by the Consultant and shall render any required decisions pertaining thereto as soon as practicable so as to avoid unreasonable delay in the progress of the Consultant's services. The Project Manager is not authorized to issue verbal or written change orders for "extra" work or "claims" invoiced as "extra" work.

ARTICLE 3 CONSULTANT'S COMPENSATION

- 3.1 **Compensation for Consultant's Services** – As described in "Article 1, Consultant's Services," compensation for this Project shall be on a Type of Payment Basis not to exceed **ONE HUNDRED TWENTY THREE THOUSAND FIVE HUNDRED SIXTY FIVE and 00/100 Dollars (\$123,565.00)**, ("Consultant's Fee") and shall be paid in accordance with Article 3 and the Compensation Schedule / Project Billing / Project Budget as set forth in Exhibit "B."
 - 3.1.1 **Completion of Record Documents** – Town and Consultant agree that the completion of the Record Documents, including hard copy formatting and electronic formatting, shall be completed, submitted to, and accepted by the Town. The electronic formatting shall be consistent with the standards established in Town of Addison Guidelines for Computer Aided Design and Drafting ("CADD"). Completion of the Record Documents shall be included in the Consultant's Fee and considered to be within the Scope of Services defined under this Agreement.

- 3.1.2 **Disputes between Town and Construction Contractor** – If the Project involves the Consultant performing Construction Administration Services relating to an agreement between a Construction Contractor (the “Contractor”) and the Town, and upon receipt of a written request by Town, Consultant shall research previous and existing conditions of the Project, and make a determination whether or not to certify that sufficient cause exists for the Town to declare the Contractor in default of the terms and conditions of the agreement. Consultant shall submit his findings in writing to the Town, or submit a written request for a specific extension of time (including the basis for such extension), within fifteen (15) calendar days of receipt of the written request from the Town. Town and Consultant agree that if requested by the Town, completion of this task shall be included in the Consultant’s Fee and considered to be within the Scope of Services as defined under this Agreement.
- 3.1.3 **Consultation and Approval by Governmental Authorities and Franchised Utilities** – Where applicable, Consultant shall be responsible for identifying and analyzing the requirements of governmental agencies and all franchise utilities involved with the Project, and to participate in consultation with said agencies in order to obtain all necessary approvals and/or permissions. The Consultant shall be responsible for preparation and timely submittal of documents required for review, approval, and/or recording by such agencies. The Consultant shall be responsible for making such changes in the Construction Documents as may be required by existing written standards promulgated by such agencies at no additional charge to Town.
- 3.2 **Direct Expenses** – Direct Expenses are included in the Consultant’s Fee as described in Article 3.1 and include actual reasonable and necessary expenditures made by the Consultant and the Consultant’s employees and subcontractors in the interest of the Project. All submitted Direct Expenses are to be within the amounts as stated in the Compensation Schedule / Project Billing / Project Budget set forth in Exhibit “B,” and consistent with Exhibit “C,” Town of Addison Guidelines for Direct Expenses, General and Administrative Markup, and Travel and Subsistence Expenses. The Consultant shall be solely responsible for the auditing of all Direct Expenses, including the subcontractors, prior to submitting to the Town for reimbursement, and shall be responsible for the accuracy thereof. Any over-payment by the Town for errors in submittals for reimbursement may be deducted from the Consultant’s subsequent payment for services; provided, however this shall not be the Town’s sole and exclusive remedy for said overpayment.

- 3.3 **Invoices** – No payment to Consultant shall be made until Consultant tenders an invoice to the Town. Invoices are to be mailed to Town immediately upon completion of each individual task listed in Exhibit “B.” On all submitted invoices, Consultant shall include appropriate background materials to support the submitted charges on said invoice. Such background material shall include, but is not limited to, employee timesheets, invoices for work obtained from other parties, and receipts and/or log information relating to Direct Expenses. All invoices for payment shall provide a summary methodology for administrative markup and/or overhead charges.
- 3.4 **Timing of Payment** – Town shall make payment to Consultant for said invoices within thirty (30) days following receipt and acceptance thereof. The parties agree that payment by Town to Consultant is considered to be complete upon mailing of payment by Town. Furthermore, the parties agree that the payment is considered to be mailed on the date that the payment is postmarked.
- 3.5 **Disputed Payment Procedures** – In the event of a disputed or contested billing by Town, only that portion so contested may be withheld from payment, and the undisputed portion will be paid. Town shall notify Consultant of a disputed invoice, or portion of an invoice, in writing by the twenty-first (21st) calendar day after the date the Town receives the invoice. Town shall provide Consultant an opportunity to cure the basis of the dispute. If a dispute is resolved in favor of the Consultant, Town shall proceed to process said invoice, or the disputed portion of the invoice, within the provisions of Article 3.5. If a dispute is resolved in favor of the Town, Consultant shall submit to Town a corrected invoice, reflecting any and all payment(s) of the undisputed amounts, documenting the credited amounts, and identifying outstanding amounts on said invoice to aid Town in processing payment for the remaining balance. Such revised invoice shall have a new invoice number, clearly referencing the previous submitted invoice. Town agrees to exercise reasonableness in contesting any billing or portion thereof that has background materials supporting the submitted charges.
- 3.6 **Failure to Pay** – Failure of the Town to pay an invoice, for a reason other than upon written notification as stated in the provisions of Article 3.6 to the Consultant within sixty (60) days from the date of the invoice shall grant the Consultant the right, in addition to any and all other rights provided, to, upon written notice to the Town, suspend performance under this Agreement, and such act or acts shall not be deemed a breach of this Agreement. However, Consultant shall not suspend performance under this Agreement prior to the tenth (10th) calendar day after written notice of suspension was provided to Town, in accordance with Chapter

2251, Subchapter "D" ("Remedy for Nonpayment") of the *Texas Government Code*. The Town shall not be required to pay any invoice submitted by the Consultant if the Consultant breached any provision(s) herein.

- 3.7 **Adjusted Compensation** – If the Scope of the Project or if the Consultant's services are materially changed due to no error on behalf of Consultant in the performance of services under this Agreement, the amounts of the Consultant's compensation shall be equitably adjusted as approved by Town. Any additional amounts paid to the Consultant as a result of any material change to the Scope of the Project shall be authorized by written change order duly executed by both parties before the services are performed.
- 3.8 **Project Suspension** – If the Project is suspended or abandoned in whole or in part for more than three (3) months, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of Town in accordance with the provisions of this Agreement prior to suspension or abandonment. In the event of such suspension or abandonment, Consultant shall deliver to Town all finished or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs, and/or any other items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment. If the Project is resumed after being suspended for more than three (3) months, the Consultant's compensation shall be equitably adjusted as approved by the Town. Any additional amounts paid to the Consultant after the Project is resumed shall be agreed upon in writing by both parties before the services are performed.

ARTICLE 4 OWNERSHIP OF DOCUMENTS

- 4.1 **Documents Property of the Town** – The Project is the property of the Town, and Consultant may not use the documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs, and/or any materials for any other purpose not relating to the Project without Town's prior written consent. Town shall be furnished with such reproductions of the Project, plans, data, documents, maps, and any other information as defined in Exhibit "A." Upon completion of the work, or any earlier termination of this Agreement under Article 3 and/or Article 7, Consultant will revise plans, data, documents, maps, and any other information as defined in Exhibit "A" to reflect changes while working on the Project and promptly furnish the same to the Town in an acceptable electronic format. All such reproductions shall be the property of the Town who may use them without the Consultant's permission for any purpose relating to the Project, including, but not limited to, completion of the Project, and/or

additions, alterations, modifications, and/or revisions to the Project. Use of modified or incomplete documents under this paragraph shall be at Town's risk with no liability to Consultant.

- 4.2 **Documents Subject to Laws Regarding Public Disclosure** – Consultant acknowledges that Town is a governmental entity and that all documents, plans, data, studies, surveys, drawings, maps, models, reports, photographs, and/or any items prepared or furnished by Consultant (and Consultant's professional associates and/or Sub-consultants) under this Agreement are instruments of service in respect of the Project and property of the Town and upon completion of the Project shall thereafter be subject to the Texas Public Information Act (*Texas Government Code*, Chapter 552) and any other applicable laws requiring public disclosure of the information contained in said documents.

ARTICLE 5 CONSULTANT'S INSURANCE REQUIREMENTS

- 5.1 **Required Professional Liability Insurance** – Consistent with the terms and provisions of Exhibit "D," Town of Addison Contractor Insurance Requirements, Consultant shall maintain, at no expense to Town, a professional liability (errors and omissions) insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), authorized to transact business in the State of Texas, in an amount not less than One Million and 00/100 Dollars (\$1,000,000.00) for each occurrence, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate. Such policy shall provide for a waiver of subrogation against the Town for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. Consultant will provide written notice to Town at least thirty (30) days prior to cancellation, non-renewal, or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish Town with certificates evidencing such coverage prior to commencing work on the Project.
- 5.2 **Required General Liability Insurance** - Consistent with the terms and provisions of Exhibit "D," Town of Addison Contractor Insurance Requirements, Consultant shall maintain, at no expense to Town, a general liability insurance policy with a company that maintains a minimum rating of "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s), authorized to transact business in the State of Texas, in an amount not less than One Million and 00/100 Dollars (\$1,000,000.00) for each occurrence, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate. Such policy shall name the Town, its

officers, agents, representatives, and employees as additional insured as to all applicable coverage. Such policy shall provide for a waiver of subrogation against the Town for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. Such policy shall require the provision of written notice to Town at least thirty (30) days prior to cancellation, non-renewal, or material modification of any policies, or ten (10) days for non-payment of premium, evidenced by return receipt or United States Certified Mail. Consultant shall furnish Town with certificates evidencing such coverage prior to commencing work on the Project.

- 5.3 **Required Workers Compensation Insurance** – Consistent with the terms and provisions of Exhibit “D,” Town of Addison Contractor Insurance Requirements, Consultant shall maintain, at no expense to Town, all Statutory Workers Compensation Insurance as required by the laws of the State of Texas. Such insurance policy shall be with a company that maintains a minimum rating of “A” by A.M. Best’s Key Rating Guide, or other equivalent service(s), and authorized to transact business in the State of Texas. Such policy shall provide for a waiver of subrogation against the Town for injuries, including death, property damage, or any other loss to the extent that same is covered by the proceeds of the insurance. Consultant will provide written notice to Town at least thirty (30) days prior to cancellation, non-renewal, or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish Town with certificates evidencing such coverage prior to commencing work on the Project.
- 5.4 **Circumstances Requiring Umbrella Coverage or Excess Liability Coverage** – If Project size and scope warrant, and if identified on the checklist located in Exhibit “D,” Town of Addison Contractor Insurance Requirements, Consultant shall maintain, at no expense to the Town, an umbrella coverage or excess liability coverage insurance policy with a company that maintains a minimum rating of “A” by A.M. Best’s Key Rating Guide, or other equivalent rating service(s), authorized to transact business in the State of Texas, in an amount of Two Million and 00/100 Dollars (\$2,000,000.00). Consistent with the terms and provisions of Exhibit “F,” such policy shall name the Town, its officers, agents, representatives, and employees as additional insured as to all applicable coverage. Such policy shall provide for a waiver of subrogation against the Town for injuries, including death, property damage, or any other loss to the extent that the same is covered by the proceeds of the insurance. Such policy shall require the provision of written notice to the Town at least thirty (30) days prior to cancellation, non-renewal, or material modification of any policies, evidenced by return receipt or United States Certified Mail. Consultant shall furnish Town with certificates evidencing such coverage prior to commencing work on the Project.

**ARTICLE 6
CONSULTANT'S ACCOUNTING RECORDS**

Records of Direct Expenses and expenses pertaining to services performed in conjunction with the Project shall be kept on the basis of generally accepted accounting principles. Invoices will be sent to the Town as indicated in Article 3.4. Copies of employee time sheets, receipts for direct expense items and other records of Project expenses will be included in the monthly invoices.

**ARTICLE 7
AUDITS AND RECORDS / PROHIBITED INTEREST / VENDOR DISCLOSURE**

The Consultant agrees that at any time during normal business hours and as often as the Town may deem necessary, Consultant shall make available to representatives of the Town for examination all of its records with respect to all matters covered by this Agreement, and will permit such representatives of the Town to audit, examine, copy and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement, and for a period of four (4) years from the date of final settlement of this Agreement or for such other or longer period, if any, as may be required by applicable statute or other lawful requirement.

The Consultant agrees that it is aware of the prohibited interest requirement, which is repeated on the Affidavit, attached hereto as Exhibit "E" and incorporated herein for all purposes, and will abide by the same. Further, a lawful representative of Consultant shall execute the Affidavit attached hereto as Exhibit "E". Consultant understands and agrees that the existence of a prohibited interest during the term of this Agreement will render the Agreement voidable.

Consultant agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, Local Government Code, as amended, and will abide by the same. In this connection, a lawful representative of Consultant shall execute the Conflict of Interest Questionnaire, Form CIQ, attached hereto as Exhibit "F" and incorporated herein for all purposes.

If the Agreement is required to go to the City Council for approval, then the Consultant shall execute and deliver to the Town the Form 1295 Certificate of Interested Parties, as required by section 2252.908, Texas Government Code, as amended, prior to the Town's execution of this Agreement.

**ARTICLE 8
TERMINATION OF AGREEMENT / REMEDIES**

Town may, upon thirty (30) days written notice to Consultant, terminate this Agreement, for any reason or no reason at all, before the termination date hereof, and without

prejudice to any other remedy it may have. If Town terminates this Agreement due to a default of and/or breach by Consultant and the expense of finishing the Project exceeds the Consultant's Fee at the time of termination, Consultant waives its right to any portion of Consultant's Fee as set forth in Article 3 herein and agrees to pay any costs over and above the fee which the Town is required to pay in order to finish the Project. On any default and/or breach by Consultant, Town may elect not to terminate the Agreement, and in such event it may make good the deficiency in which the default consists, and deduct the costs from the Consultant's Fee due Consultant as set forth in Article 3 herein. If Town terminates this Agreement and Consultant is not in default of the Agreement, Consultant shall be entitled to compensation for any and all work completed to the satisfaction of the Town in accordance with the provisions of this Agreement prior to termination.

In the event of any termination, Consultant shall deliver to Town all finished and/or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs and/or any items prepared by Consultant in connection with this Agreement prior to Consultant receiving final payment.

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 rights to use any or all other remedies. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

ARTICLE 9 DISPUTE RESOLUTION / MEDIATION

In addition to all remedies at law, the parties may resolve/mediate any controversy, claim or dispute arising out of or relating to the interpretation or performance of this Agreement, or breach thereof, by voluntary mediation to be conducted by a mutually acceptable mediator.

ARTICLE 10 INDEMNITY

CONSULTANT SHALL HEREBY COVENANT AND CONTRACT TO WAIVE ANY AND ALL CLAIMS, RELEASE, INDEMNIFY AND HOLD HARMLESS TOWN AND ITS CITY COUNCIL MEMBERS, OFFICERS, AGENTS, REPRESENTATIVES AND EMPLOYEES FROM AND AGAINST ALL DAMAGES, INJURIES (INCLUDING DEATH), INTELLECTUAL PROPERTY INFRINGEMENT CLAIMS (INCLUDING PATENT, COPYRIGHT AND TRADEMARK INFRINGEMENTS), CLAIMS, PROPERTY DAMAGES (INCLUDING LOSS OF USE), LOSSES, DEMANDS, SUITS, JUDGMENTS AND COSTS, INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES (INCLUDING ATTORNEYS' FEES AND EXPENSES INCURRED IN ENFORCING THIS INDEMNITY), CAUSED OR RESULTING FROM THE NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY

CONSULTANT, ITS OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, SUBCONTRACTORS, LICENSEES, INVITEES, OR ANY OTHER ENTITY OVER WHICH THE CONSULTANT EXERCISES CONTROL, IN ITS/THEIR PERFORMANCE OF THIS AGREEMENT AND ARISING OUT OF PROFESSIONAL SERVICES PROVIDED BY CONSULTANT PURSUANT TO THIS AGREEMENT, REGARDLESS OF THE JOINT OR CONCURRENT NEGLIGENCE OR STRICT LIABILITY OF THE TOWN (HEREINAFTER "CLAIMS"). THIS INDEMNIFICATION PROVISION AND THE USE OF THE TERM "CLAIMS" IS ALSO SPECIFICALLY INTENDED TO APPLY TO, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER CIVIL OR CRIMINAL, BROUGHT AGAINST TOWN BY ANY GOVERNMENT AUTHORITY OR AGENCY RELATED TO ANY PERSON PROVIDING SERVICES UNDER THIS AGREEMENT THAT ARE BASED ON ANY FEDERAL IMMIGRATION LAW AND ANY AND ALL CLAIMS, DEMANDS, DAMAGES, ACTIONS AND CAUSES OF ACTION OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, EXISTING OR CLAIMED TO EXIST, RELATING TO OR ARISING OUT OF ANY EMPLOYMENT RELATIONSHIP BETWEEN CONSULTANT AND ITS EMPLOYEES OR SUBCONTRACTORS AS A RESULT OF THAT SUBCONTRACTOR'S OR EMPLOYEE'S EMPLOYMENT AND/OR SEPARATION FROM EMPLOYMENT WITH THE CONSULTANT, INCLUDING BUT NOT LIMITED TO ANY DISCRIMINATION CLAIM BASED ON SEX, SEXUAL ORIENTATION OR PREFERENCE, RACE, RELIGION, COLOR, NATIONAL ORIGIN, AGE OR DISABILITY UNDER FEDERAL, STATE OR LOCAL LAW, RULE OR REGULATION, AND/OR ANY CLAIM FOR WRONGFUL TERMINATION, BACK PAY, FUTURE WAGE LOSS, OVERTIME PAY, EMPLOYEE BENEFITS, INJURY SUBJECT TO RELIEF UNDER THE WORKERS' COMPENSATION ACT OR WOULD BE SUBJECT TO RELIEF UNDER ANY POLICY FOR WORKERS COMPENSATION INSURANCE, AND ANY OTHER CLAIM, WHETHER IN TORT, CONTRACT OR OTHERWISE. THIS INDEMNIFICATION SHALL EXTEND TO THE PAYMENT OR REIMBURSEMENT OF THE TOWN'S REASONABLE ATTORNEYS FEES AND ASSOCIATED COSTS, COURT COSTS, AND SETTLEMENT COSTS IN PROPORTION TO THE CONSULTANT'S LIABILITY.

CONSULTANT SHALL PROMPTLY NOTIFY TOWN OF THE DEFENSE COUNSEL RETAINED BY CONSULTANT IN FULFILLING ITS OBLIGATION HEREUNDER, AND TIMELY NOTIFY TOWN OF ANY AND ALL LEGAL ACTIONS TAKEN BY THE DEFENSE COUNSEL REGARDING ANY AND ALL CLAIMS.

THIS ARTICLE SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE 11 NOTICES

Consultant agrees that all notices or communications to Town permitted or required under this Agreement shall be delivered to Town at the following addresses:

**City Manager
Town of Addison, Texas**

**5300 Belt Line Rd. Address
Addison, Texas, 75254
Telephone: (972) 450-7000**

Town agrees that all notices or communication to Consultant permitted or required under this Agreement shall be delivered to Consultant at the following addresses:

**Cobb, Fendley & Associates
J. Cal Bostwick, Executive Vice President
2801 Network Boulevard, Suite 800
Frisco, Texas, 75034
Telephone: (972) 335-3214**

Any notice provided in writing under the terms of this Agreement by either party to the other shall be in writing and may be effected by registered or certified mail, return receipt requested.

All notices or communication required to be given in writing by one party or the other shall be considered as having been given to the addressee on the date such notice or communication is postmarked by the sending party. Each party may change the address to which notice may be sent to that party by giving notice of such change to the other party in accordance with the provisions of this Agreement.

ARTICLE 12 MISCELLANEOUS

12.1 **Complete Agreement** – This Agreement, including the exhibits hereto labeled "A" through "F," all of which are incorporated herein for all purposes, constitute the entire Agreement by and between the parties regarding the subject matter hereof and supersedes all prior and/or contemporaneous written and/or oral understandings. This Agreement may not be amended, supplemented, and/or modifies except by written agreement duly executed by both parties. The following exhibits are attached below and made a part of this Agreement:

12.1.1 Exhibit "A," Scope of Services.

12.1.2 Exhibit "B," Compensation Schedule / Project Billing / Project Budget.

12.1.3 Exhibit "C," Town of Addison Guidelines for Direct Expenses; General and Administrative Markup; Travel and Subsistence Expenses.

12.1.6 Exhibit "D," Town of Addison Contractor Insurance Requirements.

12.1.7 Exhibit "E," Affidavit.

12.1.8 Exhibit "F", Conflict of Interest Questionnaire, Form CIQ.

- 12.2 **Assignment and Subletting** – The Consultant agrees that neither this Agreement nor the work to be performed hereunder will be assigned or sublet without the prior written consent of the Town. The Consultant further agrees that the assignment or subletting or any portion or feature of the work or materials required in the performance of this Agreement shall not relieve the Consultant of its full obligations to the Town as provided by this Agreement. All such approved work performed by assignment or subletting shall be billed through Consultant, and there shall be no third party billing.
- 12.3 **Successors and Assigns** – Town and Consultant, and their partners, assigns, successors, subcontractors, executors, officers, agents, employees, representatives, and administrators are hereby bound to the terms and conditions of this Agreement.
- 12.4 **Severability** – In the event of a term, condition, or provision of this Agreement is determined to be invalid, illegal, void, unenforceable, or unlawful by a court of competent jurisdiction, then that term, condition, or provision, shall be deleted and the remainder of the Agreement shall remain in full force and effect as if such invalid, illegal, void, unenforceable or unlawful provision had never been contained herein.
- 12.5 **Venue** – This entire Agreement is performable in Dallas County, Texas and the venue for any action related directly or indirectly, to this Agreement or in any manner connected therewith shall be in Dallas County, Texas, and this Agreement shall be construed under the laws of the State of Texas.
- 12.6 **Execution / Consideration** – This Agreement is executed by the parties hereto without coercion or duress for any substantial consideration, the sufficiency of which is forever confessed.
- 12.7 **Authority** – The individuals executing this Agreement on behalf of the respective parties below represent to each other that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for an on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the other party for whom the individual is signing this Agreement and that each individual affixing his

or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

- 12.8 **Waiver** – Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit, or waive such party's right thereafter to enforce and compel strict compliance.
- 12.9 **Headings** – The headings of the various sections of this Agreement are included solely for convenience of reference and are not to be full or accurate descriptions of the content thereof.
- 12.10 **Multiple Counterparts** – This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.
- 12.11 **Sovereign Immunity** – The parties agree that the Town has not waived its sovereign immunity by entering into and performing its obligations under this Agreement.
- 12.12 **Additional Representations** – Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had the opportunity to confer with its counsel.
- 12.13 **Miscellaneous Drafting Provisions** – This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply.
- 12.14 **No Third Party Beneficiaries** -- Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.
- 12.15 **No Boycott Israel** -- Pursuant to Texas Government Code Chapter 2270, Consultant's execution of this Agreement shall serve as verification that the Consultant does not presently boycott Israel and will not boycott Israel during the term of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the latest day as reflected by the signatures below.

Effective Date: _____

TOWN:
Town of Addison, Texas

By: _____
Wesley S. Pierson, City Manager

Date: _____

CONSULTANT:
Cobb, Fendley & Associates, Inc.

By:  _____
J. Cal Bostwick, P.E., Executive Vice President

Date: 8/27/2020

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **Wesley S. Pierson**, Town of Addison, Texas City Manager, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2020.

Notary Public In and For the State of Texas
My commission expires: _____

STATE OF Texas §
 §
COUNTY OF Collin §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared J. Cal Bostwick, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purpose and consideration expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 27th day of August, 2020.

Jennifer Taylor

Notary Public In and For the State of Texas
My commission expires: 09-21-2022

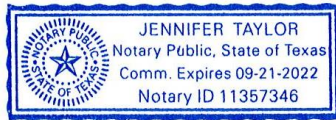


Exhibit "A"
Scope of Services
Agreement by and between the Town of Addison, Texas (Town)
and CobbFendley (Consultant)
to perform Professional Engineering Services for
Addison Circle Redevelopment Infrastructure Impact Study



August 18, 2020

**AUTHORIZATION FOR
PROFESSIONAL SERVICES**

Mr. Charles Goff
Director of Development Services
Town of Addison
16801 Westgrove Dr
Addison, TX 75001

Re: Addison Circle Redevelopment Infrastructure Impact Study, Reports & Recommendations

Dear Mr. Goff:

Cobb, Fendley & Associates, Inc. ("CobbFendley") is pleased to propose professional engineering services for the referenced project. CobbFendley's services are to be performed for the sole benefit of the Town of Addison, Texas ("Client"), who will be responsible for payment of those services. When accepted by the signature of Client's authorized representative, the Authorization and the documents referenced herein will constitute the entire agreement between Client and CobbFendley ("Engineer") with respect to this project.

CobbFendley will provide the Town of Addison (hereinafter called "Town") engineering consulting services for analyzing the existing infrastructure (stormwater, potable water, wastewater, & franchise utilities) within and affected by the 29 AC redevelopment at Addison Circle, as shown in Exhibit 'A,' and determining required improvements, if any, to increase capacity and serve the site(s).

BASIC SERVICES

A. STORMWATER IMPACT ANALYSIS

Perform a drainage impact analysis which incorporates proposed improvements associated with the Addison Circle Redevelopment. The drainage study report will be prepared to document the existing conditions and provide basic design considerations along with estimated construction cost of drainage related improvements in accordance with the Town of Addison's Stormwater Master Drainage Study for White Rock Creek Basin and the Town of Addison's Drainage Criteria Manual.

The following tasks will be performed and will be included in the drainage study report:

1. The Engineer shall obtain, review and evaluate available existing public and private utility information relevant to the characteristic of the existing drainage systems and outfall drainage channels/systems for the study area.
2. Perform field visits to the study area and vicinity to photograph and adequately document existing conditions and special concerns.
 - a. Research and review the reported findings of available, previous studies related to the study area and vicinity.
 - b. Gather existing ditch, culvert, and overland flow information using LiDAR, GIS data, and as-built construction plan sets. No field topographic survey will be performed.
3. Perform Existing Condition Analysis:
 - a. Analyze LiDAR Data to determine existing condition overland sheet flow patterns.

COBB FENDLEY: _____ CLIENT: _____

2801 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbhendley.com
TBPE Firm Registration No. 274 | TBPLS Registration No. 100467

Authorization for Professional Services
Town of Addison, Texas
Addison Circle Redevelopment Impact Study

- b. identify and locate existing condition outfall locations and drainage systems. Study limits shall be defined by this outfall location/drainage system. No additional downstream analysis shall be performed beyond this limit.
 - c. Analyze existing terrain for overland flowpaths
 - d. Determine Existing Condition drainage areas – Create drainage area maps and modify where appropriate to best represent present day overland sheetflow conditions
 - e. Perform existing condition hydrologic calculations (100-year rainfall event) based upon effective rainfall data.
 - f. Analyze conveyance capacity of existing condition roadside ditches, culverts and contributing storm sewer systems (where applicable)
 - g. Determine conveyance capacity of outfall channel – if less than 100-year conveyance capacity Engineer will notify City additional detention may be necessary to comply with the 10% Rule.
4. Perform Proposed Condition Analysis:
- a. Determine Proposed Condition drainage areas and create drainage area map if modified from existing condition
 - b. Perform proposed condition hydrologic calculations utilizing effective rainfall data for the 100-year rainfall event
 - c. Perform comparison between existing and proposed condition hydrology to determine storage volume required resulting from change in impervious cover
 - d. Determine required outfall size to convey 100-year flow to outfall(s)
 - e. Estimate detention volume required to mitigate impacts associate with the project location and routing of offsite flow
 - f. Create up to two (2) proposed drainage conveyance alternatives (consider storm sewer systems, roadside ditch systems, combination system, etc).

Drainage meeting will determine which option the Town would like to move forward with and the final analysis will be finalized to the one option. The Engineer shall prepare a report with maps, exhibits and an estimated construction cost for drainage related items.

B. POTABLE WATER IMPACT ANALYSIS

Perform a potable water impact analysis which incorporates proposed improvements associated with the Addison Circle Redevelopment. The water study report will be prepared to document the existing conditions and provide basic design considerations along with estimated construction cost of potable water related improvements in accordance with the Town of Addison's Water System Design Standards and Water Master Plan.

The following tasks will be performed and will be included in the water study report:

- 1. The Engineer shall obtain, review and evaluate available existing utility information relevant to the characteristic of the existing water systems for the study area.
 - a. Gather existing line, valve, & hydrant information using the existing WaterGEMS model, GIS data, and as-built construction plan sets supplied by the City

COBB FENDLEY: _____ CLIENT: _____

2801 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com
TBP&E Firm Registration No. 274 | TBP&LS Registration No. 100467

Page 2 of 13

Authorization for Professional Services
Town of Addison, Texas
Addison Circle Redevelopment Impact Study

- b. Perform field visits to the study area and vicinity to photograph and adequately document existing conditions and special concerns.
 - c. Research and review the reported findings of available previous studies related to the study area and vicinity.
2. Perform Existing Condition Analysis:
- a. Analyze existing available data to determine existing conditions within the study area, including water pressure and conveyance capacity of existing water lines. Water pressure data will be supplied by the City through hydrant flow tests.
3. Perform Proposed Condition Analysis:
- a. Determine Proposed Condition water demands based on the proposed uses and densities within the study area.
 - b. Perform comparison between existing capacity and proposed demands. Determine if proposed conditions affect any existing potable water purchase limits as set by interlocal agreements.
 - c. Create up to two (2) proposed potable water system alternatives (consider line size upgrades, constructing new lines, etc).

Meetings will determine which option the Town would like to move forward with and the final analysis will be finalized to the one option. The Engineer shall prepare a report with maps, exhibits and an estimated "order of magnitude" construction cost for potable water related items.

C. WASTEWATER IMPACT ANALYSIS

Perform a wastewater impact analysis which incorporates proposed improvements associated with the Addison Circle Redevelopment. The wastewater study report will be prepared to document the existing conditions and provide basic design considerations along with estimated construction cost of wastewater related improvements in accordance with the Town of Addison's Wastewater System Design Standards and Wastewater Master Plan.

The following tasks will be performed and will be included in the water study report:

- 1. The Engineer shall obtain, review and evaluate available existing utility information relevant to the characteristic of the existing wastewater systems for the study area.
 - a. Gather existing flow, line, manhole, lift stations and service lateral information using the existing SewerGEMS model, GIS data, and as-built construction plan sets, as provided by the city
 - b. Perform field visits to the study area and vicinity to photograph and adequately document existing conditions and special concerns.
 - c. Research and review the reported findings of available previous studies related to the study area and vicinity.
- 2. Perform Existing Condition Analysis:
 - a. Analyze existing available data to determine existing conditions within the study area, including conveyance capacity and known physical conditions of existing wastewater lines.

COBB FENDLEY: _____ CLIENT: _____

2801 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com
TBPCL Firm Registration No. 274 | TBPCLS Registration No. 100467

Page 3 of 13

Authorization for Professional Services
Town of Addison, Texas
Addison Circle Redevelopment Impact Study

3. Perform Proposed Condition Analysis:
 - a. Determine Proposed Condition wastewater demands based on the proposed uses and densities within the study area.
 - b. Perform comparison between existing capacity and proposed demands. Determine if proposed conditions affect any existing wastewater discharge limits as set by interlocal agreements.
 - c. Create up to two (2) proposed wastewater system alternatives (consider line size upgrades, constructing new lines, etc)

Meetings will determine which option the Town would like to move forward with and the final analysis will be finalized to the one option. The Engineer shall prepare a report with maps, exhibits and an estimated "order of magnitude" construction cost for wastewater related items.

D. FRANCHISE UTILITY IMPACT ANALYSIS

Coordinate with franchise utilities to discuss incorporating proposed improvements associated with the Addison Circle Redevelopment. The franchise utility study report will be prepared to document the existing conditions and share any proposed improvements as determined by the individual franchise utility owners.

The following tasks will be performed and will be included in the franchise utility study report:

1. The Engineer shall contact known franchise utility providers (electric, natural gas, & communications) within, and immediately adjacent to, the study area to obtain available existing franchise utility information relevant to the study area.
 - a. Request information from providers regarding their existing franchise utility infrastructure and capacities.
 - b. Inform providers of proposed redevelopment layout, uses, and densities so that they can determine if they will need to upgrade or extend their infrastructure to serve the study area.
 - c. Collect and compile information from providers regarding required improvements.
 - d. The data collected and recommendations will be limited to the responses of the individual franchise utility companies. CobbFendley cannot predict the level of information or cooperation from the franchise utility companies.

The Engineer shall prepare a report with maps/exhibits for franchise utility related items (to the extent information is offered/delivered by the providers).

E. TRAFFIC IMPACT ANALYSIS

Perform a high-level Traffic Impact Analysis (TIA) report for the proposed Addison Circle redevelopment. Evaluations of impacts associated with the site will be based on full build out conditions.

COBB FENDLEY: _____ CLIENT: _____

2801 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com
TBPE Firm Registration No. 274 | TBPLS Registration No. 100467

Page 4 of 13

Authorization for Professional Services
Town of Addison, Texas
Addison Circle Redevelopment Impact Study

The following tasks will be performed and will be included in the franchise utility study report:

1. Data Collection
 - a. The following traffic data will be collected by CobbFendley from the Town of Addison. Pre-COVID segmental Average Daily Traffic (ADT) volumes collected by the Town have been provided. Additional traffic data from recently submitted Traffic Impact Analyses (TIA) to the Town would be reviewed and analyzed. Projections from Dallas Area Rapid Transit for the new rail stop will be provided to CobbFendley and evaluated. The following intersections would be analyzed for their existing Level of Service (LOS). Signal timing plans, area growth rate, and available turning movement counts (TMC) for the below intersections would be provided by the Town:
 - i. Signalized Intersection:
 1. Intersection 1 – Arapaho Rd at Addison Rd
 2. Intersection 2 – Arapaho Rd at Quorum Dr
 3. Intersection 3 – Arapaho Rd at Dallas Pkwy (SB and NB)
 - ii. Additional Signalized Intersections (if data is available):
 1. Intersection 4 – Arapaho Rd at Edwin Lewis Dr
 2. Intersection 5 – Arapaho Rd at Spectrum Dr
 - b. Trip Generation and Trip Distribution
 - a. A trip generation analysis will be performed for the total build out condition of the Addison Circle Complex using the methods outlined by the Institute of Transportation Engineers (ITE) *Trip Generation Manual* using either number of residential units or square footage of the office/retail space in the proposed buildings. The trips will be distributed based upon existing operational conditions. This analysis will be based on complete build out of the project.
 - i. The vehicle trip estimates will be developed for the peak hour of the adjacent street traffic and total daily trips.
 - ii. A site distribution map will be generated and included in the report to show the estimated percent distribution of the vehicular traffic for ingress and egress at the parking structures.
 - b. Trip Generation will be determined for the following:
 - i. AM Peak Hour
 - ii. PM Peak Hour
 - iii. Daily Trips Generated
3. Level of Service / Capacity Analysis
 - a. This analysis will evaluate existing and background (build year) operations along area roadways and intersections. The full build out operations will then be evaluated and impacts to area roadways and intersections will be identified. The LOS analysis will be performed for each intersection listed in Task 1 and for all proposed driveways for the AM and PM peak periods. Traffic volume projections will be based on historical traffic growth in the area. Level of Service Analysis will be based on the current edition of the *Highway Capacity Manual (HCM)* or Synchro Lanes, Volumes and Timings analysis where *HCM* methodology cannot be used.

COBB FENDLEY: _____ CLIENT: _____

2801 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com
TBPE Firm Registration No. 274 | TBPLS Registration No. 100467

Page 5 of 13

Authorization for Professional Services
Town of Addison, Texas
Addison Circle Redevelopment Impact Study

- b. Results from the analysis will be included in a tabular form:
 - i. Intersection Level of Service (LOS) by movements
 - ii. Delay (veh/sec) by movements
 - iii. Intersection LOS
- 4. Traffic Impact Analysis Report
 - a. A high-level traffic impact analysis report will be developed to document the findings of the study. The report will be based on the *ITE Trip Generation Manual*, the *Highway Capacity Manual*, and the *Texas' Manual on Uniform Traffic Control Devices*. The findings of the report will include all assumptions, trip generation, trip distribution and existing and projected traffic operational conditions. If it is determined that future operational or safety conditions are rendered unacceptable by the proposed build out, then the report will also include recommendations for mitigation at full build out.
 - b. The report will include:
 - i. Maps:
 1. Project Location Map
 2. Background Project Map with Estimated Trips
 3. Project Map with all roadways and driveways analyzed
 4. Aerial Map of all intersections
 - ii. Existing and proposed site uses
 - iii. Background Traffic Information based on Pre-Covid19 volumes
 - iv. Existing turning movement counts (if available)
 - v. Estimated trip generation and distribution
 - vi. Capacity and level of service analysis
 - c. The report will have the following sections:
 - i. Executive Summary
 - ii. Introduction and Background
 - iii. Existing / Background (No-Build) Conditions
 - iv. Build Conditions
 - v. Capacity Analysis

F. DEVELOPER REPORT

In addition to the final detailed report outlined in Basic Services A-E, the Engineer shall prepare a brief/condensed overview report to be distributed by the Town to parties interested in redevelopment.

G. TOWN RESPONSIBILITIES

The Town will provide the following information in a timely manner so as not to delay the services of CobbFendley:

COBB FENDLEY: _____ CLIENT: _____

2801 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com
TBPE Firm Registration No. 2741 | TBPLS Registration No. 100467

Page 6 of 13

Authorization for Professional Services
Town of Addison, Texas
Addison Circle Redevelopment Impact Study

1. The Town will provide layout, proposed uses, and densities for the ~29 AC Addison Circle Redevelopment site area.
2. The Town will provide any and all existing utility and drainage as-built/record drawings, traffic counts & timing data, GIS data, utility and drainage studies, and utility and drainage models available.
3. The Town will meet internally with Public Works Department personnel and provide the Engineer with feedback regarding desired final options for each section of infrastructure.
4. The Town will attend review meetings and make final decisions on issues such that questionable matters may be resolved, and the project progresses as scheduled.

H. ADDITIONAL SERVICES

The following services are not included in this proposal. They can be added as additional services or provided by the Town as necessary:

1. Any engineering consulting or design services other than those expressly detailed in this proposal.
2. Modeling of areas outside of the project limits
3. Change in the approach to this study due to developer interest learned by the City after the execution of this contract.
4. Additional alternatives other than those detailed above.

THIS SPACE INTENTIONALLY LEFT BLANK

COBB FENDLEY: _____ CLIENT: _____

2801 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com
TBPE Firm Registration No. 274 | TBPLS Registration No. 100467

Page 7 of 13

Authorization for Professional Services
Town of Addison, Texas
Addison Circle Redevelopment Impact Study

I. COMPENSATION

Compensation to CobbFendley for the Basic Services and project expenses in the Scope of Services will be billed on an hourly basis per the attached rate table, for a sum not to exceed \$123,565.00. If CobbFendley sees the Scope of Services changing so that Additional Services are needed, CobbFendley will notify Client for Client's approval before proceeding.

Other direct expenses are reimbursed at actual cost times a multiplier of 1.15. They include outside printing and reproduction expense, communication expense, travel, transportation and subsistence away from Dallas and other miscellaneous expenses directly related to the work, including costs of laboratory analysis, tests, and other work required to be done by independent persons other than staff members.

PROJECT TOTAL (Max. Fee) \$ 123,565.00

J. AUTHORITY TO SIGN

The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto.

This Agreement, and the included General Terms and Conditions, constitute the entire agreement between the parties pertaining to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions between the parties, whether oral or written in respect of this matter. There are no representations, warranties, collateral agreements, conditions or other agreements between the parties hereto in connection with the subject matter hereof except as specifically set forth herein.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the day and year set forth in this Agreement.

CONSULTANT:

CLIENT:

COBB, FENDLEY & ASSOCIATES, INC.

TOWN OF ADDISON, TEXAS

By: _____

By: _____

J. Cal Bostwick, P.E.
Executive Vice President

Name: _____

Title: _____

Date: _____

Date: _____

COBB FENDLEY: _____ CLIENT: _____

2801 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com
TBPB Firm Registration No. 374 | TEPLS Registration No. 100487

K. GENERAL TERMS AND CONDITIONS OF THE AUTHORIZATION FOR PROFESSIONAL SERVICES

1. REIMBURSABLE EXPENSES

CobbFendley's direct expenses shall be those costs incurred on or directly for the CLIENT'S project, including but not limited to necessary transportation costs including mileage at the current IRS rate, meals and lodging, laboratory tests and analyses, and printing and binding charges. These direct expenses shall be billed in accordance with the attached rate schedule.

2. OUTSIDE SERVICES

When technical or professional services are furnished by an outside source, when approved by the CLIENT, an additional amount shall be added to the cost of these services by CobbFendley to cover CobbFendley's administrative costs, as provided in the attached CobbFendley rate schedule.

3. COST PROJECTIONS

If included in CobbFendley's scope of services, opinions or estimates of probable construction costs are prepared on the basis of CobbFendley's experience and qualifications and represent CobbFendley's judgment as a professional generally familiar with the industry. However, since CobbFendley has no control over the cost of labor, materials, equipment or services furnished by others, over contractor's methods of determining prices, or over competitive bidding or market conditions, CobbFendley cannot and does not guarantee, represent or warrant that proposals, bids, or the actual construction cost will not vary from CobbFendley's opinions or estimates of probable construction cost.

4. PROFESSIONAL STANDARDS

CobbFendley agrees to perform its services in accordance with the standard of professional care used by other practicing professional engineers of ordinary prudence in the same field of engineering and performing the same type of work in CLIENT'S community under the same or similar circumstances. CobbFendley makes no other warranty, expressed or implied.

5. TERMINATION

Either CLIENT or CobbFendley may terminate this authorization by giving 30 days written notice to the other party. In such event, CLIENT shall forthwith pay CobbFendley in full for all work previously authorized and performed prior to effective date of termination. If no notice of termination is given, the relationships and obligations created by this Authorization shall be terminated upon completion of all applicable requirements of this Authorization. Failure by Client to make payments when due shall be cause for suspension of services or, ultimately, termination, unless and until CobbFendley has been paid in full all amounts due for services, expenses and other related charges, including interest on past due amounts.

6. OWNERSHIP OF DOCUMENTS

All documents prepared or furnished by CobbFendley pursuant to this Agreement are instruments of CobbFendley's professional service, and CobbFendley shall retain an ownership and property interest

COBB FENDLEY: _____, CLIENT: _____

Authorization for Professional Services
Town of Addison, Texas
Addison Circle Redevelopment Impact Study

therein, including all copyrights. CobbFendley grants Client a license to use instruments of CobbFendley's professional service for the purpose of constructing, occupying or maintaining the project. Reuse or modification of any such documents by Client, without CobbFendley's written permission, shall be at Client's sole risk, and Client agrees to indemnify and hold CobbFendley harmless from all claims, damages and expenses, including attorneys' fees, arising out of such reuse by Client or by others acting through Client.

7. USE OF ELECTRONIC DOCUMENTS

Copies of documents that may be relied upon by Client are limited to the printed copies (also known as hard copies) or fully-scaled PDF files that are signed and sealed by CobbFendley's authorized design professionals. Files in electronic formats, or other types of information furnished by CobbFendley to Client such as text, data or graphics, are only for convenience of Client. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. When transferring documents in electronic formats, CobbFendley makes no representations as to long-term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems or computer hardware differing from those in use by CobbFendley at the beginning of this project.

8. HAZARDOUS ENVIRONMENTAL CONDITIONS

CobbFendley shall have no liability or responsibility for the discovery, presence, handling, removal, disposal, cleanup, or exposure of persons or other property to underground substances, hazards, or conditions or other latent substances, hazards or conditions (including but not limited to contaminants, pollutants, chemicals or other hazardous or toxic solids, liquids or gases of any kind). Client acknowledges that CobbFendley is performing professional services for Client and CobbFendley is not and shall not be required to become an "arranger," "operator," "generator" or "transporter" of hazardous substances, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1990 (CERCLA)

9. FORCE MAJEURE

Neither party shall be deemed in default of this agreement to the extent that any delay or failure in the performance of its obligations results from any cause beyond its reasonable control and without its negligence.

10. CONSTRUCTION PHASE SERVICES

If this Agreement provides for any construction phase services by CobbFendley, it is agreed that the Contractor, not CobbFendley, is responsible for the construction of the project, and that CobbFendley is not responsible for the acts or omissions of any contractor, subcontractor or material supplier; for time of performance; for safety precautions, programs or enforcement; or for construction means, methods, techniques, sequences and procedures employed by the Contractor. CobbFendley shall not be obligated to make exhaustive or continuous on-site inspections to check the quality or adequacy of construction or to verify that the work or materials of any contractor, subcontractor or materials supplier is in compliance with the plans and specifications. CobbFendley shall not be responsible for the Contractor's failure to execute the work in accordance with the Construction contract.

COBB FENDLEY: _____ CLIENT: _____

2601 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com
TBPE Firm Registration No. 274 | TBP.LS Registration No. 100467

11. LIMITATION OF LIABILITY FOR DAMAGES

IN THE EVENT THAT CLIENT SHALL MAKE ANY CLAIM OR FILE ANY SUIT FOR DAMAGES AGAINST COBBFENDLEY ARISING OUT OF OR RELATED TO COBBFENDLEY'S PERFORMANCE OR NON-PERFORMANCE OF THE SERVICES TO BE PROVIDED UNDER THIS AGREEMENT, COBBFENDLEY'S LIABILITY TO CLIENT FOR ANY SUCH DAMAGES SHALL BE LIMITED TO ACTUAL AND DIRECT DAMAGES TO AN AMOUNT NOT TO EXCEED THE AMOUNT FEES CHARGED BY COBBFENDLEY TO CLIENT HEREUNDER. COBBFENDLEY SHALL HAVE NO LIABILITY FOR ANY CONSEQUENTIAL OR INDIRECT DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS, LOST BUSINESS OPPORTUNITIES, ADDITIONAL OVERHEAD, OR DAMAGES FOR LOSS OF USE OR LOSS OF PRODUCTION.

12. ALTERNATIVE DISPUTE RESOLUTION

In the event that any dispute shall arise between Client and CobbFendley regarding the parties rights or obligations under this Agreement, the parties shall, as a condition precedent to taking any action against one another make a good faith effort to resolve such disagreements by negotiation and/or non-binding mediation.

13. LEGAL EXPENSES

In the event that legal action is brought by CLIENT or CobbFendley against the other party to enforce any of the obligations hereunder or arising out of any dispute concerning the terms and conditions hereby created, the losing party shall pay the prevailing party such reasonable amounts for fees, costs and expenses as may be set by the court.

14. PAYMENT TO COBBFENDLEY

Monthly invoices will be issued by CobbFendley for all work performed under the terms of this agreement. Invoices are due and payable within ten (10) business days of receipt. Unless noted otherwise, tasks stated in the Scope of Services will be invoiced on a lump sum basis.

If CLIENT is not the OWNER, CLIENT agrees to pay CobbFendley within ten (10) business days of receipt of payment from OWNER.

Pending resolution of any dispute concerning any portion of any invoice submitted by CobbFendley, all undisputed portions shall be paid in accordance with this paragraph.

Progress payments on CobbFendley fees for percentage of project completion and reimbursable expenses incurred will be due and payable upon receipt of invoice at the end of each month.

If payment is not received within 60 days from date of invoice, CobbFendley retains the right to cease further work on the project until such time that the overdue invoices are paid. CobbFendley also retains the right to withhold final approved plans and other deliverables until all overdue invoices are paid.

15. AUTHORIZATION OF OWNER

Client hereby authorizes CobbFendley to enter upon the property for the purpose of conducting CobbFendley services thereon. If Client is not the Owner of the property, Client agrees to obtain such authorization from the Owner and provide same in writing to CobbFendley.

COBB FENDLEY: _____ CLIENT: _____

Authorization for Professional Services
Town of Addison, Texas
Addison Circle Redevelopment Impact Study

16. CONTRACT DOCUMENTS

This signed Authorization, together with the attached General Terms and Conditions of the Authorization for Professional Services and CobbFendley Rate Schedule contains the entire and integrated agreement between Client and CobbFendley and supersedes all prior negotiations, representations or agreements, either written or oral. This agreement may only be amended by written instrument signed by both parties.

17. SALES TAX

To the extent that state sales taxes apply to any of the services or materials to be provided hereunder, such taxes are in addition to and are not included in the proposed fees of this Authorization.

18. BENEFICIARIES AND ASSIGNMENT

This agreement is made for the sole benefit of Client and CobbFendley and nothing in this agreement shall create a contractual relationship or cause of action in favor of any third party against either Client or CobbFendley. This agreement may not be assigned without the written consent of both Client and CobbFendley.

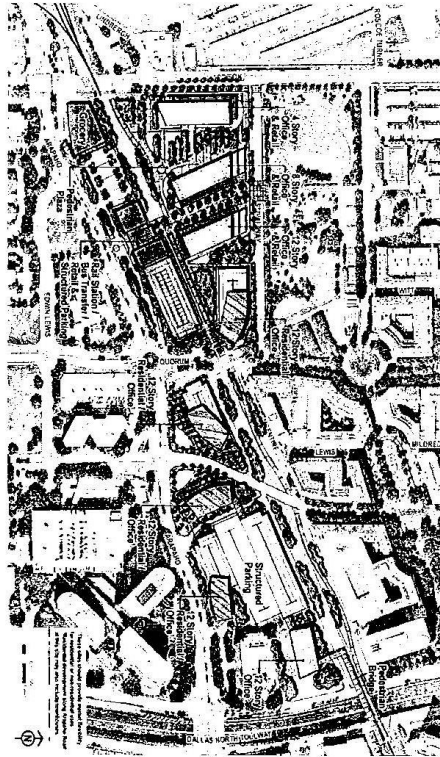
COBB FENDLEY: _____ CLIENT: _____

2801 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com
TBPE Firm Registration No. 274 | TBPLS Registration No. 100467

Page 12 of 13

Authorization for Professional Services
Town of Addison, Texas
Addison Circle Redevelopment Impact Study

EXHIBIT 'A'



COBB FENDLEY: _____ CLIENT: _____

2801 Network Boulevard, Suite 800 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com
TBPE Firm Registration No. 274 | TBPLS Registration No. 100457

Page 13 of 13

EXHIBIT "B"
COMPENSATION SCHEDULE / PROJECT BILLING / PROJECT BUDGET

**Agreement by and between the Town of Addison, Texas (Town)
and CobbFendley (Consultant)
to perform Professional Engineering Services for
Addison Circle Redevelopment Infrastructure Impact Study**

I. COMPENSATION SCHEDULE / PROJECT BILLING SUMMARY.

Labor Code Billing Table List			Monday, January 13, 2020 8:42:37 AM
Cobb, Fendley & Associates, Inc.			
Table	Labor Code	Description	Rate
1360	2020 CobbFendley Standard Rate Table		
	01B	Principal	290.0000
	02B	Senior Engineer V	290.0000
	03B	Project Manager II	195.0000
	04B	Senior Engineer II	220.0000
	05B	Project Manager V	270.0000
	06B	Engineer I	125.0000
	07B	Graduate Engineer	105.0000
	08B	Senior Engineer I	195.0000
	10N	Crew Member	
	12B	Clerical	80.0000
	14B	3 Person Survey Crew	170.0000
	15B	2 Person Survey Crew	145.0000
	16B	Registered Professional Land Surveyor	170.0000
	17B	Senior RPLS	210.0000
	21B	Right-of-Way Technician	100.0000
	22B	ROW Attorney	160.0000
	23B	Right-of-Way Agent III	160.0000
	24B	Senior ROW Agent/Project Manager I	180.0000
	25B	Senior ROW Agent/Project Manager III	250.0000
	26B	Right-of-Way Agent II	140.0000
	27B	Senior ROW Agent/Project Manager II	200.0000
	28B	Right-of-Way Agent I	110.0000
	31B	Project Manager I	170.0000
	32B	Construction Observer II	130.0000
	33B	Construction Observer III	155.0000
	34B	Engineer III	170.0000
	35B	Construction Manager III	280.0000
	36B	Construction Manager I	185.0000
	37B	Construction Observer I	110.0000
	38B	Construction Manager II	230.0000
	39B	Licensed State Land Surveyor	235.0000
	42B	Project Manager III	220.0000
	43B	Senior Engineer III	235.0000
	58B	Engineer II	150.0000
	60B	4 Person Survey Crew	190.0000
	61B	Senior Engineer IV	270.0000
	62B	Project Manager IV	235.0000
	83B	1 Person Survey Crew	105.0000
	84B	Vac Exc Truck w/2 Tech.(Vac 3000&4000)	295.0000
	86B	Vac Exc Truck w/2 Tech.(Vac 6000)	315.0000
	87B	1 Person Designating Crew	110.0000
	88B	2 Person Designating Crew	170.0000
	89B	Ground Penetrating Radar with 1 Tech.	260.0000
	90B	UAV Drone w/2-Man	235.0000
	91B	HyDrone w/2-Man	340.0000
	97B	Administrative	105.0000
	T1B	Technician I	80.0000

v7.6.748 (MDIEP) -

Page 1 of 2

Labor Code Billing Table List			Monday, January 13, 2020 8:42:37 AM
Table	Labor Code	Description	Rate
	T2B	Technician II	80.0000
	T3B	Technician III	100.0000
	T4B	Senior Technician I	125.0000
	T5B	Senior Technician II	145.0000
	T6B	Senior Technician III	165.0000

TOTAL CONSULTANT'S FEE (NOT-TO-EXCEED)	\$123,565.00
---	---------------------

EXHIBIT "C"
**TOWN OF ADDISON GUIDELINES FOR DIRECT EXPENSES; GENERAL AND
ADMINISTRATIVE MARKUP; TRAVEL AND SUBSISTENCE EXPENSES**

- I. **CONSULTANT'S RESPONSIBILITY**. The Consultant shall be solely responsible for the auditing of all direct expense, approved markup (general and/or administrative), and approved travel and/or subsistence charges, including those to be included under a sub-contract, prior to the Town for reimbursement, and Consultant shall be responsible for the accuracy thereof. Any overpayment by the Town for errors in submittals for reimbursement may be deducted from the Consultant's subsequent payment(s) for services; however, this shall not be the Town's sole and exclusive remedy for said overpayment.

- II. **GUIDELINES FOR DIRECT EXPENSES**.
 - A. **Local Transportation** – Transportation in connection with the Project, when such transportation is not a function of routine performance of the duties of the Consultant in connection with the Project, and when such transportation exceeds beyond fifty (50) miles from the Project site, shall be reimbursed at a standard mileage rate consistent with that as issued, and periodically revised, by the United States Internal Revenue Service (IRS). Under no circumstances shall Town reimburse Consultant at a higher standard mileage rate or pay additional markup on charges for local transportation. Completion of Town's Standard Mileage Log is required for submittal of these charges for reimbursement, including justification for each submitted expense.

Under no circumstances are charges associated with rental cars for local transportation eligible for reimbursement by Town. Toll road subscriptions or toll plaza receipts are not reimbursable. Consultant agrees to place these standards in all subcontracts for work on the Project.
 - B. **Supplies, Material, Equipment** – Town shall reimburse the actual cost of other similar direct Project-related expenses, which are duly presented in advance and approved by Town's Project Manager in writing.
 - C. **Commercial Reproduction** – Town shall reimburse the actual cost of reproductions, specifically limited to progress prints prepared for presentation to Town at each phase of progress, and final Construction Documents prepared for distribution at bidding phase, provided that the Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for the Town. Consultant shall provide such documentation to Town for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.
 - D. **In-House Reproduction** - Consultant shall make arrangements with the Town for prior approval of in-house reproduction rates prior to submitting these expenses for reimbursement. Town shall provide Consultant with a standard format for documenting these charges. Completion of the Town's reproduction log is required as a prerequisite for payment, including the number or reproductions, the

date, time, description, the approved standard rate, and a justification for each submitted expense for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.

- E. **Commercial Plotting** – Town shall reimburse the actual cost of plots, specifically limited to final documents, provided the Consultant has duly obtained at least three (3) quotations from commercial firms and has chosen the best value for the Town. Consultant shall provide such documentation to Town for review prior to submitting these expenses for reimbursement. Consultant agrees to place these standards in all subcontracts for work on the Project.
- F. **In-House Plotting** – Consultant shall make arrangements with Town for prior written approval of in-house plotting rates prior to submitting these charges for reimbursement. Town shall provide Consultant with a standard format for documenting these charges. Completion of the Town's reproduction log is required as a prerequisite for payment, including the number of plots, the date, time, description, the approved standard rate, and a justification for each submitted charge for reimbursement.
- G. **Communications** – Reimbursement for expenses relating to electronic communications shall be limited to long-distance telephone or fax toll charges specifically required in the discharge of professional responsibilities related to the Project. Telephone service charges including office or cellular phones, WATTS, or Metro line services or similar charges are not reimbursable.
- H. **Postage, Mail, and Delivery Service** – Town shall reimburse the actual cost of postage and delivery of Instruments of Service, provided the Consultant duly considers all circumstances (including available time for assured delivery) of the required delivery and selects the best value for the Town, which may require comparison of delivery costs offered by three (3) or more sources or methods of delivery, which at a minimum shall include U.S. Mail. Courier service is acceptable only in circumstances requiring deadline-sensitive deliveries and not for the convenience of the Consultant and/or the Consultant's employees. Consultant agrees to place these standards in all subcontracts for work on the Project.
- I. **Meals and Other Related Charges** – Meals or any other related expenses are not reimbursable unless incurred outside a fifty (50) mile radius of the Project, and then only reimbursable for the actual cost subject to compliance with the Town's currently adopted policy. Non-allowable costs include, but are not limited to, charges for entertainment, alcoholic beverages, and gratuities.

III. GUIDELINES FOR GENERAL AND ADMINISTRATIVE MARKUP.

- 1. **Requirement of Prior Approval** – Consultant may be allowed to charge a General and/or Administrative Markup on work completed if Consultant can clearly define to Town specifically what costs are included in the markup calculation. To apply

General and/or Administrative Markup, Consultant must also document to Town what costs would be considered direct costs. Town shall issue approval in writing to allow Consultant to charge General and/or Administrative Markup. Town reserves the right to reject any and all requests for General and/or Administrative Markup.

IV. GUIDELINES FOR TRAVEL AND SUBSISTENCE EXPENSES.

1. **Adherence to Currently Adopted Town Travel Policy** – Unless otherwise stated within this Agreement, reimbursements shall be governed by the same travel policies provided for Town employees according to current adopted policy. All lodging and meals are reimbursed in accordance with IRS rules and rates as shown on the U.S. General Services Administration website for the Town: <http://www.gsa.gov/portal/category/21287>.
2. Prior to the event, Consultant shall request, and the Town shall provide the provisions and the restrictions that apply to out-of-Town reimbursements.

EXHIBIT "E"
AFFIDAVIT

REQUIREMENTS

Contractors performing work on TOWN OF ADDISON property or public right-of-way shall provide the TOWN OF ADDISON a certificate of insurance or a copy of their insurance policy(s) (and including a copy of the endorsements necessary to meet the requirements and instructions contained herein) evidencing the coverages and coverage provisions identified herein within ten (10) days of request from TOWN OF ADDISON. Contractors shall provide TOWN OF ADDISON evidence that all subcontractors performing work on the project have the same types and amounts of coverages as required herein or that the subcontractors are included under the contractor's policy. Work shall not commence until insurance has been approved by TOWN OF ADDISON.

All insurance companies and coverages must be authorized by the Texas Department of Insurance to transact business in the State of Texas and must have a A.M. Best's rating A-VII or greater.

Listed below are the types and minimum amounts of insurances required and which must be maintained during the term of the contract. TOWN OF ADDISON reserves the right to amend or require additional types and amounts of coverages or provisions depending on the nature of the work.

TYPE OF INSURANCE	AMOUNT OF INSURANCE	PROVISIONS
1. Workers' Compensation Employers' Liability to include: (a) each accident (b) Disease Policy Limits (c) Disease each employee	Statutory Limits per occurrence Each accident \$1,000,000 Disease Policy Limits \$1,000,000 Disease each employee \$1,000,000	<u>TOWN OF ADDISON to be provided a WAIVER OF SUBROGATION AND 30 DAY NOTICE OF CANCELLATION or material change in coverage. Insurance company must be A-VII rated or above.</u>
2. Commercial General (Public) Liability to include coverage for: a) Bodily Injury b) Property damage c) Independent Contractors d) Personal Injury e) Contractual Liability	Bodily Injury/Property Damage per occurrence \$1,000,000, General Aggregate \$2,000,000 Products/Completed Aggregate \$2,000,000, Personal Advertising Injury per occurrence \$1,000,000, Medical Expense 5,000	<u>TOWN OF ADDISON to be listed as ADDITIONAL INSURED and provided 30 DAY NOTICE OF CANCELLATION or material change in coverage. Insurance company must be A-VII rated or above.</u>
3. Business Auto Liability to include coverage for: a) Owned/Leased vehicles b) Non-owned vehicles c) Hired vehicles	Combined Single Limit \$1,000,000	<u>TOWN OF ADDISON to be listed as ADDITIONAL INSURED and provided 30 DAY NOTICE OF CANCELLATION or material change in coverage. Insurance company must be A-VII-rated or above.</u>

EXHIBIT "F"
CONFLICT OF INTEREST QUESTIONNAIRE, FORM CIQ

Certificate of Liability Insurance forms (together with the endorsements necessary to meet the requirements and instructions contained herein) shall be submitted to the Finance Department by fax at: (972) 450-7050 or emailed to: sglickman@addisontx.gov. Questions regarding required insurance should be directed to the Purchasing Manager.

With respect to the foregoing insurance,

1. All liability policies shall contain no cross liability exclusions or insured versus insured restrictions applicable to the claims of the Town of Addison.
2. Contractor shall immediately notify the Town of Addison, Texas of any material change in the insurance coverage.
3. 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.
4. All insurance policies, which name the Town of Addison, Texas as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
5. Insurance must be purchased from insurers that are financially acceptable to the Town of Addison and licensed to do business in the State of Texas.

All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Upon request, Contractor shall furnish the Town of Addison with complete copies of all insurance policies certified to be true and correct by the insurance carrier.

This form must be signed and returned with your quotation. You are stating that you do have the required insurance and if selected to perform work for TOWN OF ADDISON, will provide the certificates of insurance (and endorsements) with the above requirements to TOWN OF ADDISON within 10 working days.

A CONTRACT/PURCHASE ORDER WILL NOT BE ISSUED WITHOUT EVIDENCE AND APPROVAL OF INSURANCE.

AGREEMENT

I agree to provide the above described insurance coverages within 10 working days if selected to perform work for TOWN OF ADDISON. I also agree to require any subcontractor(s) to maintain insurance coverage equal to that required by the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The Town accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor.

Project/Bid# Addison Circle Redevelopment Impact Study

Company: Cobb, Fendley & Associates, Inc.

Printed Name: J. Cal Bostwick

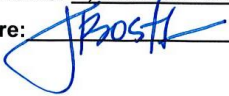
Signature:  **Date:** 8/27/2020

EXHIBIT "F"
CONFLICT OF INTEREST QUESTIONNAIRE, FORM CIQ

THE STATE OF TEXAS §
 §
THE COUNTY OF Dallas §

I, J. Cal Bostwick, a member of the Consultant team, make this affidavit and hereby on oath state the following:

I, and/or a person or persons related to me, have the following interest in a business entity that would be affected by the work or decision on the Project (Check all that apply):

- _____ Ownership of 10% or more of the voting shares of the business entity.
- _____ Ownership of Twenty Five Thousand and 00/100 Dollars (\$25,000.00) or more of the fair market value of the business entity.
- _____ Funds received from the business entity exceed ten percent (10%) of my income for the previous year.
- _____ Real property is involved, and I have an equitable or legal ownership with a fair market value of at least Twenty Five Thousand and 00/100 Dollars (\$25,000.00).
- _____ A relative of mine has substantial interest in the business entity or property that would be affected by my business decision of the public body of which I am a member.
- _____ Other: _____.
- X None of the Above.

Upon filing this affidavit with the Town of Addison, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573 of the Texas Government Code, is a member of a public body which took action on the agreement.

Signed this 27th day of August, 2020.

J. Cal Bostwick EXEC VP
Signature of Official / Title

BEFORE ME, the undersigned authority, this day personally appeared J. Cal Bostwick and on oath stated that the facts hereinabove stated are true to the best of his / her knowledge or belief.

Sworn to and subscribed before me on this 27th day of August, 2020.

Jennifer Taylor
Notary Public in and for the State of Texas
My commission expires: 09-21-2022

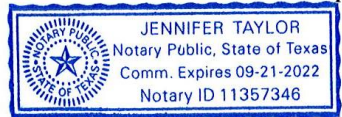


EXHIBIT "F"
CONFLICT OF INTEREST QUESTIONNAIRE, FORM CIQ

CONFLICT OF INTEREST QUESTIONNAIRE		FORM CIQ				
For vendor doing business with local governmental entity						
<p><small>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</small></p> <p><small>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</small></p> <p><small>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</small></p> <p><small>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</small></p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th align="center" colspan="2" style="padding: 2px;">OFFICE USE ONLY</th> </tr> <tr> <td style="width: 50%; padding: 2px;"><small>Date Received</small></td> <td style="width: 50%;"></td> </tr> </table>		OFFICE USE ONLY		<small>Date Received</small>	
OFFICE USE ONLY						
<small>Date Received</small>						
<p>1 Name of vendor who has a business relationship with local governmental entity.</p> <p align="center">N/A - Cobb, Fendley & Associates, Inc.</p>						
<p>2 <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>						
<p>3 Name of local government officer about whom the information is being disclosed.</p> <p align="center">_____</p> <p align="center"><small>Name of Officer</small></p>						
<p>4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p style="margin-top: 20px;">A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p align="center"> <input type="checkbox"/> Yes <input type="checkbox"/> No </p> <p style="margin-top: 10px;">B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p align="center"> <input type="checkbox"/> Yes <input type="checkbox"/> No </p>						
<p>5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</p>						
<p>6 <input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</p>						
<p>7 _____</p> <p align="center"><small>Signature of vendor doing business with the governmental entity</small></p>		<p align="center">0/27/2020</p> <p align="center"><small>Date</small></p>				

Form provided by Texas Ethics Commission

www.ethics.state.tx.us

Revised 11/30/2015

EXHIBIT "F"
CONFLICT OF INTEREST QUESTIONNAIRE, FORM CIQ

Local Government Officers Town of Addison, Texas

For purposes of completion of the required Conflict of Interest Questionnaire for the Town of Addison Texas (required by all Vendors who submit bids/proposals), Local Government Officers are:

Mayor:	Joe Chow
Council Members:	Lori Ward, Mayor Pro Tem Guillermo Quintanilla, Deputy Mayor Pro Tem Tom Braun, Councilman Ivan Hughes, Councilman Paul Walden, Councilman Marlin Willesen, Councilwoman
City Manager:	Wesley S. Pierson

Council Meeting

16.

Meeting Date: 09/08/2020

Department: Finance

Pillars: Gold Standard for Financial Health

Milestones: Continue development and implementation of Long Term Financial Plan

AGENDA CAPTION:

Present, Discuss, and Consider Action on **an Ordinance Amending Chapter 82 (Utilities), Section 82-76 and Section 82-77 of the Code of Ordinances of the Town by Amending Sewer Rates and Water Rates for All Customer Classifications; Providing that the Changes to the Sewer Rates and Water Rates Made Herein Shall be Applied to Monthly Customer Bills Beginning with the November 2020 Billing Cycle.**

BACKGROUND:

On January 23, 2018, Council approved a resolution to approve a policy to adopt utility rates as set forth in the financial plan and utility rate model created by Raftelis Financial Consultants, Inc. (RFC) which was presented at the January 9, 2018, Council meeting.

Council gave staff direction to move forward with a policy to adopt utility rates to fully fund the short-term staffing plan and provide a mix of cash and bond funding for capital improvement projects by utilizing cost of service adjustments. The new adjustments, which will be effective October 1, 2020, consist of the following proposed increases to water and sewer rates over a five year period:

- 2018: 8%
- 2019: 6.5%
- 2020: 6%
- 2021: 2.5%
- 2022: 5%

Staff reviews this utility rate model on an annual basis to ensure the rate adjustments are appropriate.

The Town purchases water and sewage treatment from Dallas Water Utility (DWU) as well as sewage treatment services from the Trinity River Authority (TRA). Charges from both entities are included in the financial plan and rate model created by RFC. Sec. 82-78 of the Town's code of ordinances provides that the pass-through of wholesale cost increases for water purchases and sewer

treatment services be included in water and sewer rates, which shall reflect changes in the costs of water purchases, sewer treatment, and transportation services, which are paid by the Town to other governmental entities. This means that the cost increases from these two entities are directly passed to the Town of Addison customers.

Below are examples of the increase in a water and sewer bill for a single-family:

Consumption	Existing	New Rate (10/1/20)	% Increase
5,000 gallons	\$56.33	\$59.71	6.0%
8,000 gallons	\$82.82	\$87.79	6.0%
10,000 gallons	\$100.48	\$106.51	6.0%

The specific rates for each customer class are listed in the attached ordinance.

RECOMMENDATION:

Administration recommends approval.

Attachments

Ordinance - Fiscal Year 2021 Water and Sewer Rate Increase

TOWN OF ADDISON,

TEXAS ORDINANCE NO. ____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS AMENDING CHAPTER 82, SECTION 82-76 AND SECTION 82-77 OF THE CODE OF ORDINANCES OF THE TOWN BY AMENDING SEWER RATES AND WATER RATES FOR ALL CUSTOMER CLASSIFICATIONS; PROVIDING THAT THE CHANGES TO THE SEWER RATES AND WATER RATES MADE HEREIN SHALL BE APPLIED TO MONTHLY CUSTOMER BILLS BEGINNING WITH THE NOVEMBER 2020 BILLING CYCLE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Addison, Texas (the "City") is a home rule municipality having full power of local self-government pursuant to Article 11, Section 5 of the Texas Constitution and its Home Rule Charter; and

WHEREAS, the City Council is authorized by Section 2.08.p. of the City Charter to provide for a sanitary sewer and water system, and the City is authorized by law (including, without limitation, Sections 552.001 and 552.017, Tex. Loc. Gov. Code) to own, construct and operate a water and sewer system and to prescribe rates therefor; and

WHEREAS, adjustments to the City's water and sewer utility rates have been proposed by the Town of Addison's Rate Model, Dallas Water Utilities and Trinity River Authority; and

WHEREAS, the City has conducted a review and evaluation of the City's water utility rates and has determined therefrom that the rates need to be adjusted as set forth herein to support the operating, maintenance, and capital needs of the City's water utility system.

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

Section 1. The Code of Ordinances of the Town of Addison, Texas, Chapter 82 (Utilities), Article I (In General), Division 5 (Rates and Charges), Section 82-76 (Sewage Rates) is hereby amended in part to change the monthly sewage rates effective October 1, 2020 and to be applied to the November 2020 customer bill as follows:

Sec. 82-76. - Sewage rates.

(1) *Sewer minimum bills.* Minimum monthly bills shall be applied to all customers based upon customer classification and shall include an allowance for volume based upon water consumed as follows:

Customer Classification:	Minimum Monthly Bill	Volume Included (Gallons)
Single-Family Residential	17.14	2,000
Multifamily Residential Large (meter size greater than or equal to two inches)	219.12	37,000
Multifamily Residential Small (meter size less than two inches)	92.18	15,000
Schools	121.03	20,000
Municipal	63.31	10,000
Commercial Large (meter size greater than or equal to two inches)	219.12	37,000
Commercial Small (meter size less than two inches)	34.45	5,000
Industrial Large (meter size greater than or equal to two inches)	219.12	37,000
Industrial Small (meter size less than two inches)	22.92	3,000
Hotel/Motel	582.67	100,000

(1) *Sewer volume rate.* All volume which exceeds the amount allowed in the minimum bill shall be charged at a rate of \$ 5.78 per 1,000 gallons of water consumed for all customer classifications.

Section 2. The Code of Ordinances of the Town of Addison, Texas, Chapter 82 (Utilities), Article I (In General), Division 5 (Rates and Charges), Section 82-77 (Water Rates) is hereby amended in part to increase water rates effective October 1, 2020 and to be applied to the November 2020 customer bill as follows:

Sec. 82-77. - Water rates

The customer classifications, minimum bills, and consumption charges shall be as follows:

(1.1) *Water minimum bills.* Minimum monthly bill shall be applied to all customers based upon customer classification and shall include an allowance for volume based upon water consumed as follows:

Customer Classification:	Minimum Monthly Bill	Volume Included (Gallons)
Single-Family Residential	14.49	2,000
Multifamily Residential Large (meter size greater than or equal to two inches)	140.14	37,000
Multifamily Residential Small (meter size less than two inches)	61.16	15,000
Schools	79.12	20,000
Municipal	43.22	10,000

Commercial Large (meter size greater than or equal to two inches)	140.14	37,000
Commercial Small (meter size less than two inches)	25.26	5,000
Industrial Large (meter size greater than or equal to two inches)	140.14	37,000
Industrial Small (meter size less than two inches)	18.09	3,000
Hotel/Motel	366.30	100,000
Irrigation Large (meter size greater than or equal to two inches)	262.59	40,000
Irrigation Small (meter size less than two inches)	103.04	15,000
Fire Meters	36.03	8,000

(1.2) *Water volume rate.* All volume which exceeds the amount allowed in the minimum bill shall be charged at a rate of \$3.58 per 1,000 gallons of water consumed for all customer classifications, with the exceptions as noted in subsection (3) below.

(1.3) *Water conservation volume rate.* Single-family residential customers shall be charged a rate of \$6.38 per 1,000 gallons of water for all water consumed in excess of 15,000 gallons. Irrigation (large and small) customers shall be charged for all volume, which exceeds the amount allowed in the minimum bill, at a rate of \$ 6.38 per 1,000 gallons of water consumed.

Section 3. Savings; Repealer. This Ordinance shall be cumulative of all other ordinances of the City and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those Ordinances are in direct conflict with the provisions of this Ordinance. Provided, however, that the repeal of such ordinances or parts of such ordinances, and the amendments and changes made by this Ordinance, shall not affect any right, property or claim which was or is vested in the City, or any act done, or right accruing or accrued, or established, or any suit, action or proceeding had or commenced before the time when this Ordinance shall take effect; nor shall said repeals, amendments or changes affect any offense committed, or any penalty or forfeiture incurred, or any suit or prosecution pending at the time when this Ordinance shall take effect under any of the ordinances or sections thereof so repealed, amended or changed; and to that extent and for that purpose the provisions of such ordinances or parts of such ordinances shall be deemed to remain and continue in full force and effect.

Section 4. Severability. The sections, paragraphs, sentences, phrases, clauses and words of this Ordinance are severable, and if any section, paragraph, sentence, phrase, clause or word in this Ordinance or application thereof to any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the City Council hereby declares that it would have passed such remaining portions of this Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

Section 5. Incorporation of Recitals. The above and foregoing recitals to this

Ordinance are true and correct and are incorporated herein and made a part of this Ordinance for all purposes.

Section 6. Effective Date. This Ordinance shall be effective from and after its date of passage.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the 8th day of September 2020.

Joe Chow, Mayor

ATTEST:

By: _____
Irma Parker, City Secretary

APPROVED AS TO FORM:

By: _____
Brenda McDonald, City Attorney

Council Meeting

17.

Meeting Date: 09/08/2020

Department: Finance

Pillars: Gold Standard for Financial Health

Milestones: Continue development and implementation of Long Term Financial Plan

AGENDA CAPTION:

Present and Discuss **the Finance Department Quarterly Financial Report of the Town of Addison for the Fiscal Year 2020 Third Quarter Ended June 30, 2020.**

BACKGROUND:

The Town of Addison's financial policies requires the publication of a financial report 60 days subsequent to the end of each fiscal quarter. This report covers the financial performance through the third quarter for Fiscal Year 2020 (October 1, 2019 - June 30, 2020). Enclosed in the report is an executive dashboard that provides a high-level look at some of the key financial indicators along with more detailed exhibits that demonstrate the current financial position for the various funds. The report includes information for the following funds: General, Hotel, Economic Development, Airport, Utility, and Stormwater funds.

Key highlights for the third quarter include:

- General Fund revenue totaled \$35.2 million, which is 89.9 percent of the fiscal year budget.
- General Fund expenditures totaled \$29.3 million, which is 68.0 percent of the fiscal year budget.
- Sales tax collections totaled \$10.9 million, which is 79.5 percent of the fiscal year budget.
- The Hotel Fund had revenue of \$3.2 million and expenditures of \$3.3 million, which are below historical averages.
- Performing Arts expenditures are at 100.0 percent due to the final payment of the Water Tower Theatre grant.
- Special Events revenues totaled 8.9 percent, and expenses totaled 18.3 percent of the fiscal year budget. This is because of the cancellation of events due to COVID-19.
- Airport Fund operating revenue totaled \$5.4 million or 76.8 percent, and operating expenditures totaled \$3.9 million or 69.0 percent of the fiscal year budget.
- Utility Fund operating revenue totaled \$8.0 million or 60.9 percent, and expenditures totaled \$8.8 million or 67.4 percent of the fiscal year budget.

With a one-month lag in the collection of utility revenues, 66.7 percent of the fiscal year has expired. The year-to-date revenue and percent of budget is in line with prior year. Wastewater treatment expenses are high due to the timing of payments and will continue to be monitored throughout the fiscal year.

- Stormwater Fund revenue totaled \$1.7 million or 69.7 percent, and expenditures totaled \$793 thousand or 53.3 percent of the fiscal year budget. With a one-month lag in the collection of stormwater revenues, 66.7 percent of the fiscal year has expired.

The Quarterly Investment Report for Quarter 3 of Fiscal Year 2020 is also being provided for informational purposes. This report has been prepared in accordance with state law and the Town's Financial Policies.

RECOMMENDATION:

Information only, no action required.

Attachments

Presentation - Quarterly Financial Report Fiscal Year 2020 Third Quarter

Quarterly Financial Report - Fiscal Year 2020 Third Quarter

Quarterly Investment Report - Fiscal Year 2020 Third Quarter

Quarterly Financial Report Fiscal Year 2020 Third Quarter

September 8, 2020

The logo for ADDISON, featuring the word "ADDISON" in a bold, blue, sans-serif font centered within a white circle. This circle is set against a blue background that is part of a larger graphic element on the right side of the slide. The graphic element consists of a blue square with a white circle in the center, and a dark grey triangle in the top-left corner. The entire graphic is set against a white background.

ADDISON

Executive Dashboard – Key Revenue Sources

Financial Indicators

Positive variance compared to historical trends

Positive

Negative variance of 3%-5% and more than \$50,000 compared to historical trends

Warning

Negative variance of >5% and more than \$50,000 compared to historical trends

Negative

Key Revenue Sources	FY2020 Budget	Actual through 6/30/20	% Annual Budget
Ad Valorem Taxes - General Fund	\$ 18,752,174	\$ 18,560,829	98.98%
Non-Property Taxes - General Fund	14,840,000	11,605,864	78.21%
Hotel Tax	5,540,000	2,683,789	48.44% ⁽¹⁾
Franchise Fees - General Fund	2,332,100	1,798,398	77.11%
Service/Permitting/License Fees - General Fund	2,706,790	2,398,947	88.63%
Rental Income - All Funds	5,223,600	3,632,512	69.54%
Fines and Penalties - All Funds	427,000	229,012	53.63% ⁽²⁾
Special Event Revenue - Hotel Fund	1,297,500	115,120	8.87% ⁽³⁾
Fuel Flowage Fees - Airport Fund	916,000	631,302	68.92%
Water and Sewer Charges - Utility Fund	12,927,738	7,829,408	60.56%

⁽¹⁾ Hotel tax revenue reflects less hotel occupancy due to COVID-19

⁽²⁾ Municipal court fines due to fewer citations issued

⁽³⁾ Special event revenue reflects cancellation of special events due to COVID-19

Executive Dashboard – Key Expenditures



Financial Indicators

Positive variance compared to historical trends

Positive

Negative variance of 3%-5% and more than \$50,000 compared to historical trends

Warning

Negative variance of >5% and more than \$50,000 compared to historical trends

Negative

Key Expenditures	FY2020 Budget	Actual through 6/30/20	% Annual Budget
General Fund	\$ 43,119,096	\$ 29,335,395	68.03%
Hotel Fund	7,971,396	3,264,006	40.95%
Economic Development	1,870,331	999,048	53.42%
Airport Operations	5,635,675	3,886,070	68.95%
Utility Operations	13,112,660	8,832,345	67.36%

Personnel Information



Staffing Indicators

Personnel Information:

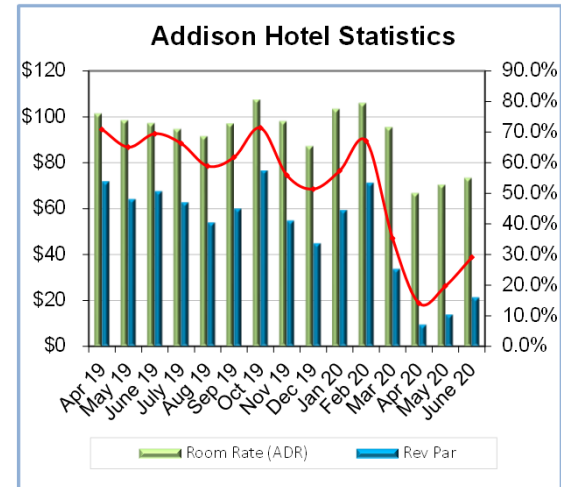
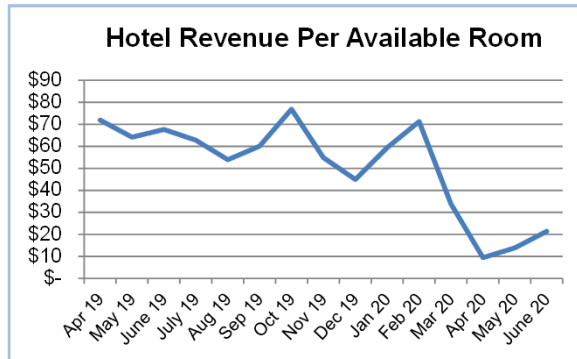
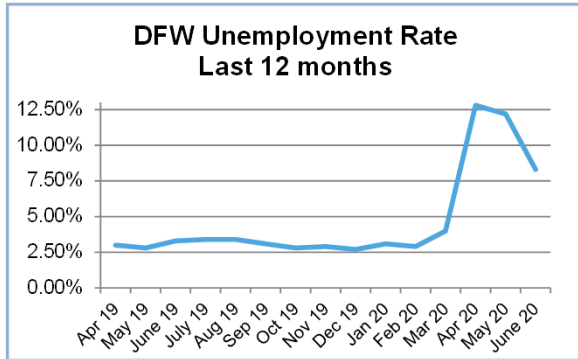
Separations - Benefitted Positions				
Department	4/2020-6/2020			FY2020
	Part-Time Positions	Full-time positions	Total 3rd Qtr	YTD
City Manager	0	0	0	0
Conference Centre	0	0	0	1
Development Services	0	0	0	0
Finance	0	0	0	2
Fire	0	2	2	3
General Services	0	1	1	1
Human Resources	0	0	0	0
Public Works	0	4	4	6
Municipal Court	0	0	0	0
Parks	0	0	0	1
Police	0	1	1	4
Recreation	0	0	0	2
Special Events	0	0	0	1
Streets	0	0	0	0
Grand Total	0	8	8	21

New Hires - Benefitted Positions				
Department	4/2020-6/2020			FY2020
	Part-Time Positions	Full-time positions	Total 3rd Qtr	YTD
City Manager	0	0	0	0
Conference Centre	0	0	0	3
Development Services	0	0	0	1
Finance	0	0	0	2
Fire	0	2	2	6
General Services	0	0	0	0
Human Resources	0	0	0	0
Public Works	0	1	1	4
Municipal Court	0	0	0	0
Parks	0	0	0	2
Police	0	1	1	4
Recreation	0	0	0	2
Special Events	0	0	0	1
Streets	0	0	0	2
Grand Total	0	4	4	27

Public Safety Sworn Positions	Budgeted FY 2020	Filled Positions	Percent Filled
Police	74	71	96%
Fire ⁽¹⁾	58	58	100%

⁽¹⁾ FY2020 budget includes 58 budgeted positions plus overfill of 1 Firefighter (F3) position

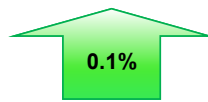
Economic Indicators



Occupancy Indicators:

Office Occupancy = 79.7%

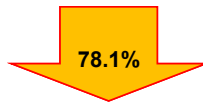
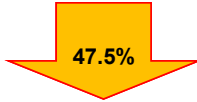
Retail Occupancy = 92.2%



Hotel Indicators

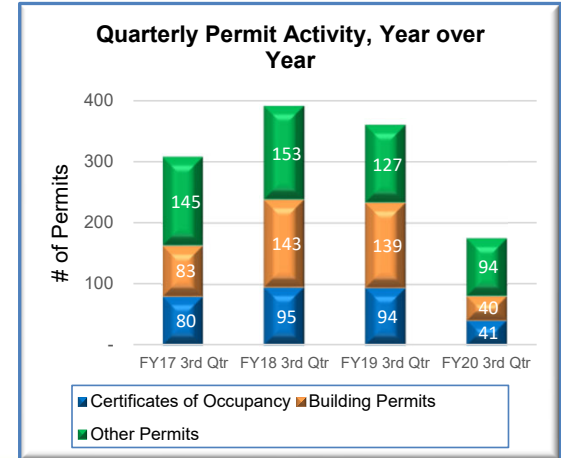
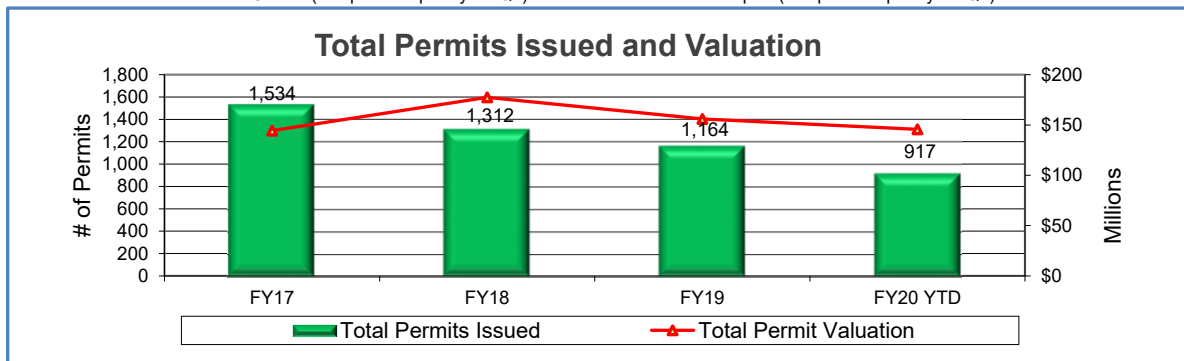
Hotel Occupancy = 21.0%

RevPar = \$14.90



Source: CoStar (compares to prior year Q1)

Source: STR Report (compares to prior year Q1)

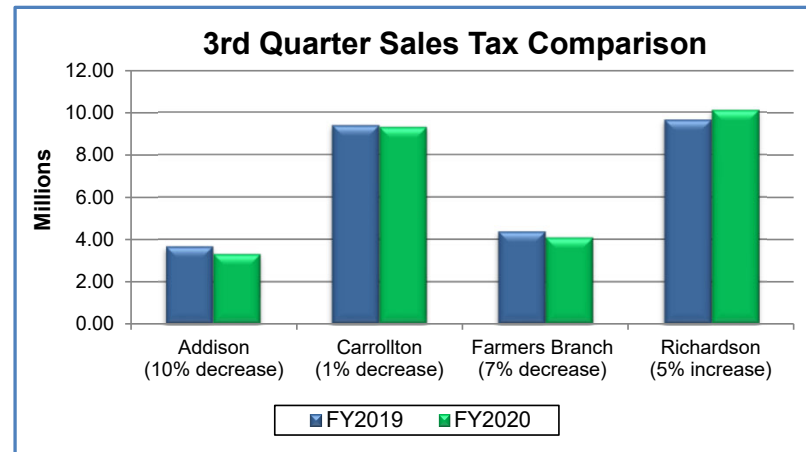


Economic Indicators



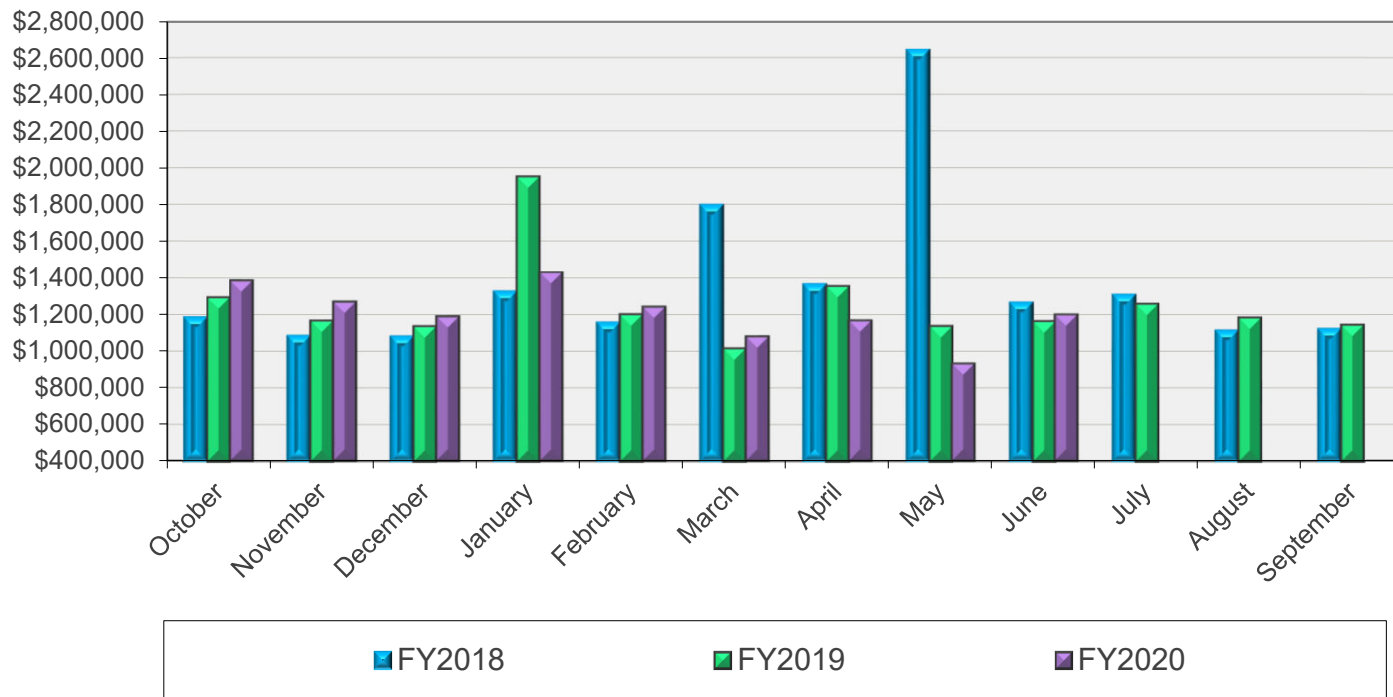
Economic Development Incentives:

Executed Agreements	Amount Paid FY20	Total Incentives Committed
5	\$384,869	\$480,334



Sales Tax Collections

Monthly Sales Tax Collections

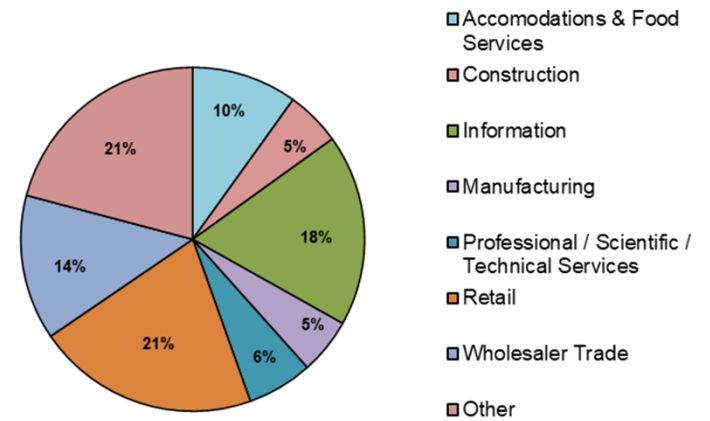


Sales Tax Collections

TOWN OF ADDISON
Schedule of Sales Tax Collections
For the quarter ending June 30, 2020

	FY2020 Monthly Collections	% Change from Prior Year	FY2019 Monthly Collections
October	\$ 1,384,839	7.0%	\$ 1,294,332
November	1,269,353	8.7%	1,168,041
December	1,188,777	4.5%	1,137,218
January	1,430,683	-26.7%	1,951,678
February	1,241,465	3.3%	1,202,189
March	1,080,029	6.3%	1,016,343
April	1,166,877	-13.9%	1,355,558
May	931,272	-18.2%	1,138,099
June	1,199,683	3.0%	1,164,646
July			1,259,503
August			1,184,583
September			1,144,891
	\$ 10,892,979		\$ 15,017,082
Budget:	13,700,000	79.5%	13,700,000

Breakdown of Sales Tax by Economic Category



*Most recent data available is through Q2

General Fund Revenue

CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Revenues:					
Ad Valorem taxes:					
Current taxes	\$ 17,296,733	\$ 18,781,674	\$ (104,248)	\$ 18,894,435	100.6%
Delinquent taxes	(96,002)	(70,000)	(41,288)	(361,406)	516.3% ⁽¹⁾
Penalty & interest	40,238	40,500	11,539	27,800	68.6%
Non-property taxes:					
Sales tax	15,017,082	13,700,000	3,178,178	10,892,979	79.5%
Alcoholic beverage tax	1,151,057	1,140,000	121,539	712,885	62.5%
Franchise / right-of-way use fees:					
Electric franchise	1,534,930	1,560,000	347,856	1,174,183	75.3%
Gas franchise	253,426	216,600	-	204,919	94.6%
Telecommunication access fees	400,099	400,000	66,446	254,512	63.6%
Cable franchise	270,799	150,000	32,361	164,784	109.9%
Street rental fees	-	5,500	-	-	0.0%
Licenses and permits:					
Business licenses and permits	222,420	165,700	19,205	83,582	50.4%
Building and construction permits	1,144,521	574,500	109,036	940,204	163.7%
Service fees:					
General government	-	-	15,575	20	0.0%
Public safety	907,174	942,300	209,591	652,903	69.3%
Urban development	2,180	60,300	8,459	10,045	16.7%
Streets and sanitation	403,677	377,200	110,753	293,668	77.9%
Recreation	64,452	70,300	3,028	31,156	44.3%
Interfund	349,380	516,490	129,123	387,368	75.0%
Court fines	376,362	352,000	38,581	192,564	54.7% ⁽²⁾
Interest earnings	643,083	100,000	48,581	376,735	376.7%
Rental income	7,380	7,600	3,300	5,652	74.4%
Other	262,961	3,000	130,083	223,619	7454.0% ⁽³⁾
Total Revenues	40,251,952	39,093,664	4,437,698	35,162,608	89.9%

⁽¹⁾ Delinquent property tax refunds

⁽²⁾ Municipal court has fewer court fines/fees issued due to COVID-19

⁽³⁾ Includes sale of City property not budgeted for in FY2020

General Fund Expenditures

CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Expenditures:					
General Government:					
City Secretary	175,970	207,783	41,287	123,046	59.2%
City Manager	1,186,118	1,246,999	285,251	882,871	70.8%
Finance	2,044,165	1,849,829	414,990	1,175,791	63.6%
General Services	716,848	766,195	157,771	472,494	61.7%
Municipal Court	650,660	739,563	134,954	470,564	63.6%
Human Resources	643,118	713,207	141,459	463,584	65.0%
Information Technology	2,006,930	2,220,737	471,054	1,390,408	62.6%
Combined Services	1,163,133	1,388,593	554,213	1,012,547	72.9%
Council Projects	330,555	351,811	191,721	400,084	113.7% ⁽¹⁾
Public Safety:					
Police	9,354,818	9,988,388	2,068,195	6,625,327	66.3%
Emergency Communications	1,365,490	1,432,188	900,988	1,355,930	94.7%
Fire	7,868,725	8,362,015	1,957,354	6,010,797	71.9%
Development Services	1,350,598	1,626,900	324,510	1,008,567	62.0%
Streets	1,777,128	2,220,634	347,667	1,132,729	51.0%
Parks and Recreation:					
Parks	3,911,318	4,044,545	870,526	2,556,041	63.2%
Recreation	1,609,586	1,899,309	358,700	1,137,351	59.9%
Other financing uses:					
Transfers to other funds	4,471,504	4,060,400	1,087,063	3,117,263	76.8%
Total Expenditures	40,626,664	43,119,096	10,307,705	29,335,395	68.0%
Net Change in Fund Balance	(374,712)	(4,025,432)	(5,870,007)	5,827,213	
Fund Balance at Beginning of Year	20,962,956	20,588,244		20,588,244	
Fund Balance at End of Year	\$ 20,588,244	\$ 16,562,812		\$ 26,415,457	

⁽¹⁾ Additional payment of \$85,000 to MetroCrest Services to be included in End-of-Year Budget Amendment

Hotel Fund

CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Revenues:					
Hotel/Motel occupancy taxes	\$ 5,401,691	\$ 5,540,000	\$ 498,033	\$ 2,683,789	48.4% ⁽¹⁾
Proceeds from special events	1,043,162	1,297,500	(13,840)	115,120	8.9% ⁽²⁾
Conference centre rental	523,710	630,000	(4,198)	258,407	41.0% ⁽³⁾
Theatre centre rental	88,460	77,000	3,071	57,392	74.5%
Interest and miscellaneous	108,265	25,000	6,308	53,627	214.5%
Total Revenues	7,165,288	7,569,500	489,374	3,168,336	41.9%
Expenditures:					
Addison theatre centre	291,298	421,938	47,654	148,862	35.3%
Conference centre	956,507	1,152,735	177,629	657,427	57.0%
General hotel operations	142,763	144,173	1,990	51,832	36.0%
Marketing	962,526	1,134,939	157,192	452,251	39.8%
Performing arts	437,900	505,000	55,552	505,000	100.0% ⁽⁴⁾
Special events	2,579,212	2,812,567	128,378	514,889	18.3% ⁽²⁾
Special events operations	903,337	998,354	170,579	535,792	53.7%
Attractions Capital Projects	1,039,680	33,690	4,503	13,953	41.4%
Other financing uses:					
Transfer to Economic Development Fund	715,000	768,000	-	384,000	50.0%
Total Expenditures	8,028,225	7,971,396	743,478	3,264,006	40.9%
Net Change in Fund Balance	(862,937)	(401,896)	(254,104)	(95,670)	
Fund Balance at Beginning of Year	4,122,537	3,259,600		3,259,600	
Fund Balance at End of Year	\$ 3,259,600	\$ 2,857,704		\$ 3,163,931	

⁽¹⁾ Hotel tax fell significantly in the 3rd quarter due to the effects of COVID-19

⁽²⁾ Special event revenues and expenses are low because of cancellation of events due to COVID-19

⁽³⁾ Conference Centre rental revenue fell sharply due to COVID-19 and the subsequent closure of the Conference Centre

⁽⁴⁾ Final matching grant payment for non-profit grant funding to Water Tower Theatre in June 2020. Amount is in line with historical data.

Economic Development Fund



CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Revenues:					
Ad Valorem taxes:	\$ 1,086,365	\$ 1,105,981	\$ (7,862)	\$ 1,089,037	98.5%
Business license fee	64,026	50,500	2,500	34,360	68.0%
Interest income and other	48,416	30,000	7,533	41,287	137.6%
Transfers from General/Hotel Fund	715,000	768,000	-	384,000	50.0%
Total Revenues	1,913,807	1,954,481	2,171	1,548,684	79.2%
Expenditures:					
Personnel services	453,011	479,272	107,803	338,329	70.6%
Supplies	18,456	23,645	722	4,829	20.4%
Maintenance	17,805	23,237	6,640	13,652	58.7%
Contractual services	1,042,520	1,327,180	163,040	629,511	47.4%
Capital replacement/lease	22,021	16,997	4,249	12,728	74.9%
Total Expenditures	1,553,813	1,870,331	282,454	999,048	53.4%
Net Change in Fund Balance	359,994	84,150	(280,283)	549,636	
Fund Balance at Beginning of Year	1,437,025	1,797,019		1,797,019	
Fund Balance at End of Year	\$ 1,797,019	\$ 1,881,169		\$ 2,346,655	

Airport Fund

CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Operating Revenues:					
Operating grants	\$ -	\$ 1,360,000	\$ 1,224,219	\$ 1,224,219	90.0% ⁽¹⁾
Service fees	103,306	138,000	22,014	78,212	56.7% ⁽²⁾
Fuel flowage fees	1,019,452	916,000	138,065	631,302	68.9% ⁽²⁾
Rental income	5,488,112	4,509,000	1,093,083	3,311,060	73.4%
Interest income and other	356,442	80,000	20,075	131,308	164.1%
Total Operating Revenues:	6,967,312	7,003,000	2,497,456	5,376,102	76.8%
Operating Expenses:					
Town - Personnel services	324,776	470,762	75,068	239,983	51.0%
Town - Supplies	33,600	41,000	1,641	5,208	12.7%
Town - Maintenance	77,453	53,441	13,910	46,637	87.3%
Town - Contractual services	186,367	261,983	28,230	149,770	57.2%
Town - Capital Replacement/Lease	32,292	217,258	54,315	162,944	75.0%
Town - Debt service	763,934	853,910	-	691,710	81.0%
Operator - Operations and maintenance	2,761,617	3,308,028	773,300	2,316,948	70.0%
Operator - Service contract	522,020	429,293	88,704	272,871	63.6%
Total Operating Expenses:	4,702,059	5,635,675	1,035,168	3,886,070	69.0%
Capital Projects (Cash Funded)	31,703	3,563,917	38,220	1,063,860	29.9%
Total Expenses:	4,733,762	9,199,592	1,073,388	4,949,930	53.8%
Net Change in Fund Balance	2,233,550	(2,196,592)	1,424,068	426,172	
Working Capital at Beginning of Year	4,812,377	7,045,927		7,045,927	
Working Capital at End of Year	\$ 7,045,927	\$ 4,849,335		\$ 7,472,099	

⁽¹⁾ Routine Airport Maintenance Project (RAMP) grant funds are typically received in the 4th quarter

⁽²⁾ Percentage is below the quarterly threshold but actuals are in line with historical trends

Utility Fund



CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Operating revenues:					
Water sales	\$ 6,663,348	\$ 7,051,676	\$ 1,510,709	\$ 4,301,911	61.0% ⁽¹⁾
Sewer charges	5,144,473	5,876,062	1,223,914	3,527,497	60.0% ⁽¹⁾
Tap fees	7,050	25,275	3,800	6,575	26.0% ⁽¹⁾
Penalties	124,261	75,000	(1,349)	36,448	48.6%
Interest income and other	169,769	94,600	14,029	117,244	123.9%
Total Operating Revenues:	12,108,901	13,122,613	2,751,103	7,989,674	60.9%
Operating expenses:					
Personnel services	1,716,439	2,264,720	516,163	1,392,603	61.5%
Supplies	176,462	217,990	41,790	146,652	67.3%
Maintenance	329,051	495,622	148,137	306,812	61.9%
Contractual services					
Water purchases	3,467,867	3,435,039	560,977	2,219,680	64.6%
Wastewater treatment	3,635,316	3,373,435	647,919	2,737,528	81.1% ⁽²⁾
Other services	863,217	1,390,199	131,462	567,290	40.8%
Capital Replacement/Lease	340,657	331,857	82,964	248,893	75.0%
Debt service	1,133,162	1,513,798	-	1,185,052	78.3%
Capital outlay	74,949	90,000	-	27,836	30.9%
Total Operating Expenses:	11,737,120	13,112,660	2,129,412	8,832,345	67.4%
Capital Projects (Cash Funded)	338,352	1,813,000	174,974	336,610	18.6%
Total Expenses:	12,075,472	14,925,660	2,304,386	9,168,955	61.4%
Net Change in Fund Balance	33,429	(1,803,047)	446,718	(1,179,281)	
Working Capital at Beginning of Year	6,233,408	6,266,837		6,266,837	
Working Capital at End of Year	\$ 6,266,837	\$ 4,463,790		\$ 5,087,556	

⁽¹⁾ Revenues represent a one-month lag in the collection and there is heavy seasonality with water revenue

⁽²⁾ Wastewater treatment expenses are high due to the timing of payments

Stormwater Utility Fund

CATEGORY	FY 2018-19	FY 2019-20	FY 2019-20	FY 2019-20	ACTUAL
	ACTUAL PRIOR YEAR	REVISED BUDGET	ACTUAL 3RD QTR	ACTUAL YTD	YTD as % of Budget
Operating revenues:					
Drainage Fees	\$ 2,235,566	\$ 2,349,795	\$ 581,926	\$ 1,572,628	66.9% ⁽¹⁾
Interest income and other	159,165	53,900	12,924	102,731	190.6%
Total Operating Revenues:	2,394,731	2,403,695	594,851	1,675,360	69.7%
Operating expenses					
Personnel services	275,422	304,134	53,945	198,963	65.4%
Supplies	16,117	20,597	1,721	7,639	37.1%
Maintenance	77,810	210,700	4,349	4,884	2.3%
Contractual services	179,173	367,874	41,255	112,012	30.4%
Debt service	546,916	544,466	-	421,108	77.3%
Capital outlay	21,035	40,000	5,651	48,524	121.3% ⁽²⁾
Other financing uses:					
Capital Projects (Cash Funded)	-	-	-	-	0.0%
Total Operating Expenses:	1,116,473	1,487,771	106,921	793,131	53.3%
Capital Projects (Cash Funded)	50,449	1,181,000	23,562	29,404	2.5%
Total Expenses:	1,166,922	2,668,771	130,483	822,535	30.8%
Net Change in Fund Balance	1,227,809	(265,076)	464,367	852,824	
Working Capital at Beginning of Year	5,240,798	6,468,607		6,468,607	
Working Capital at End of Year	\$ 6,468,607	\$ 6,203,531		\$ 7,321,431	

⁽¹⁾ Fees represent a one-month lag in the collection of stormwater revenue but actuals are in line with historical trends

⁽²⁾ Capital outlay includes the purchase of one delayed arrival vehicle

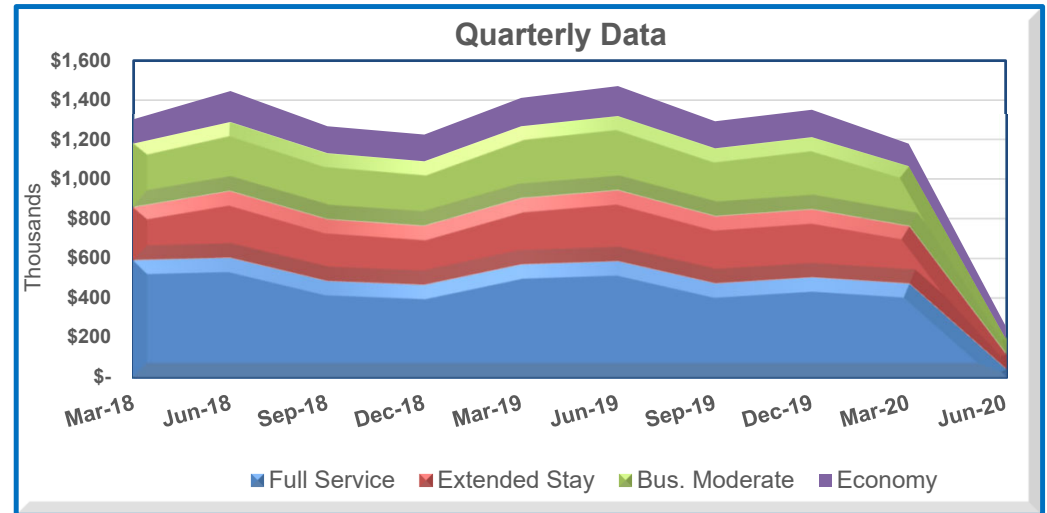
Hotel Occupancy Tax Collections

ADDISON

	Rooms		Apr. - June 2020		20 to 19 % Diff.
	Number	%	Amount	%	
Full Service					
Marriott Quorum	547	13%	\$ 34,372	14%	-86%
Renaissance	528	13%	5,802	2%	-97%
⁽¹⁾ Crowne Plaza	428	10%	-	0%	-100%
	1,503	37%	40,174	16%	-93%
Extended Stay					
Budget Suites	344	8%	9,413	4%	100%
Hawthorn Suites	70	2%	6,040	2%	-68%
Marriott Residence Inn	150	4%	9,289	4%	-87%
Hyatt House	132	3%	13,263	5%	-74%
Homewood Suites	120	3%	15,179	6%	-74%
Home2Suites	132	3%	14,196	6%	-82%
Springhill Suites	159	4%	6,991	3%	-90%
	1,107	27%	74,371	30%	-79%
Business Moderate					
Marriott Courtyard Quorum	176	4%	9,219	4%	-90%
LaQuinta Inn	152	4%	19,714	8%	-63%
Marriott Courtyard Midway	145	4%	7,290	3%	-88%
Radisson - Addison	101	2%	4,704	2%	-88%
Hilton Garden Inn	96	2%	6,727	3%	-87%
Holiday Inn Express	97	2%	9,508	4%	100%
Holiday Inn Beltway	102	2%	5,599	2%	100%
Best Western Plus	84	2%	15,167	6%	-48%
	953	23%	77,929	31%	-79%
Economy					
Motel 6	127	3%	24,807	10%	-18%
⁽²⁾ Hampton Inn	158	4%	-	0%	-100%
Red Roof Inn	105	3%	16,194	6%	-43%
Quality Suites North/Galleria	78	2%	13,982	6%	-47%
America's Best Value Inn	60	1%	3,150	1%	-56%
	528	13%	58,134	23%	-62%
TOTAL	4,091	100%	\$ 250,608	100%	-83%

⁽¹⁾ Crowne Plaza has closed permanently

⁽²⁾ Town of Addison has not yet received June payment



Investment Report Summary

The logo for ADDISON, consisting of the word "ADDISON" in white capital letters inside a blue circle.

	Book Value	Market Value	Interest Revenue	Weighted Average Yield-to- Maturity
06/30/2020	106,443,479	106,710,716	341,986	1.08%
03/31/2020	111,000,586	111,356,528	514,589	1.63%
Change	(4,557,107)	(4,645,812)	(172,603)	-0.55%
% Change	-4.11%	-4.17%	-33.54%	-33.64%



Department of Finance
Quarterly Review

For the Period Ended June 30, 2020

Town of Addison

Table of Contents - Quarter Ended 6/30/20

Memorandum to the City Manager.....	1-2
Executive Dashboard	3-6
General Fund, Quarterly Statement of Revenues Compared to Budget	7
General Fund, Quarterly Statement of Expenditures Compared to Budget	8
Hotel Fund	9
Economic Development Fund.....	10
Airport Fund	11
Utility Fund.....	12
Stormwater Fund.....	13
Schedule of Sales Tax Collections and Related Analyses	14
Hotel Occupancy Tax Collection by Hotel Service Type.....	15



To: Wes Pierson, City Manager
From: Steven Glickman, Chief Financial Officer
Re: Third Quarter Financial Review
Date: 8/31/2020

This is the third quarter report for the 2019-2020 fiscal year. Revenues and expenditures reflect activity from October 1, 2019 through June 30, 2020 or 75 percent of the fiscal year.

GENERAL FUND

- Fiscal year-to-date revenue totals \$35.2 million, which is 89.9 percent of the overall budget amount. Sales tax collections are at 79.5 percent of the fiscal year 2020 budget. Alcoholic beverage tax collections are at 62.5 percent of the fiscal year 2020 budget.
- Fiscal year-to-date expenditures and transfers total approximately \$29.3 million, which is 68 percent of budget. All departments are on pace with or below their respective budgets.

HOTEL FUND

- Revenues through the third quarter total approximately \$3.2 million, 41.9 percent of the fiscal year 2020 budget. Hotel occupancy tax collections are 48.4 percent of budget through eight months of collections. Proceeds from Special Events are below budget because of cancellation of events due to COVID-19.
- Hotel Fund expenditures of \$3.3 million are 40.9 percent of budget, and \$1.0 million less than this time a year ago. Performing Arts expenditures are at 100 percent due to the final payment of the Water Tower Theater grant. Special events expenditures are at 18.3 percent because of the cancellation of events due to COVID-19.

AIRPORT FUND

- Operating revenue through the third quarter total approximately \$5.4 million or 76.8 percent of the fiscal year 2020 budget.
- Operating expenses total \$3.9 million, or 69 percent of fiscal year 2020 budget.
- Through the third quarter \$1.1 million has been spent on cash funded capital projects.
- Total year-to-date net income for the Airport Fund is \$426 thousand.

UTILITY FUND

- Operating revenue through the third quarter totals \$8.0 million, or 60.9 percent of the fiscal year 2020 budget. With a one-month lag in the collection of utility revenues, 66.7 percent of the fiscal year has expired. Water revenues are at 61 percent of the fiscal year 2020 budget. There is heavy seasonality with water revenue. The year-to-date revenue and percent of budget is in line with prior year.
- Operating expenses through the third quarter total approximately \$8.8 million, or 67.4 percent of the fiscal year 2020 budget. Wastewater treatment expenses are high due to the timing of payments and will continue to be monitored throughout the fiscal year.

STORMWATER FUND

- Operating revenue through the third quarter total \$1.7 million, or 69.7 percent of the fiscal year 2020 budget. With a one-month lag in the collection of stormwater revenues, 66.7 percent of the fiscal year has expired.
- Operating expenses through the third quarter total approximately \$793 thousand, or 53.3 percent of the fiscal year 2020 budget. The percentage to budget is driven by our debt service payment, which was made in Q2 of the fiscal year. Capital expense includes the purchase of a new vehicle.

Executive Dashboard - 3rd Quarter, 2020 Fiscal Year

Financial Indicators

Positive variance compared to historical trends

Positive

Negative variance of 3%-5% and more than \$50,000 compared to historical trends

Warning

Negative variance of >5% and more than \$50,000 compared to historical trends

Negative

Key Revenue Sources	FY2020 Budget	Actual through 6/30/20	% Annual Budget
Ad Valorem Taxes - General Fund	\$ 18,752,174	\$ 18,560,829	98.98%
Non-Property Taxes - General Fund	14,840,000	11,605,864	78.21%
Hotel Tax	5,540,000	2,683,789	48.44% ⁽¹⁾
Franchise Fees - General Fund	2,332,100	1,798,398	77.11%
Service/Permitting/License Fees - General Fund	2,706,790	2,398,947	88.63%
Rental Income - All Funds	5,223,600	3,632,512	69.54%
Fines and Penalties - All Funds	427,000	229,012	53.63% ⁽²⁾
Special Event Revenue - Hotel Fund	1,297,500	115,120	8.87% ⁽³⁾
Fuel Flowage Fees - Airport Fund	916,000	631,302	68.92%
Water and Sewer Charges - Utility Fund	12,927,738	7,829,408	60.56%

Key Expenditures	FY2020 Budget	Actual through 6/30/20	% Annual Budget
General Fund	\$ 43,119,096	\$ 29,335,395	68.03%
Hotel Fund	7,971,396	3,264,006	40.95%
Economic Development	1,870,331	999,048	53.42%
Airport Operations	5,635,675	3,886,070	68.95%
Utility Operations	13,112,660	8,832,345	67.36%

⁽¹⁾ Hotel tax revenue reflects less hotel occupancy due to COVID-19

⁽²⁾ Municipal court has fewer court fines/fees issued due to COVID-19

⁽³⁾ Special event revenue reflects cancellation of special events due to COVID-19

Executive Dashboard - 3rd Quarter, 2020 Fiscal Year
Staffing Indicators

Personnel Information:

Separations - Benefitted Positions				
	4/2020-6/2020			FY2020
Department	Part-Time Positions	Full-time positions	Total 3rd Qtr	YTD
City Manager	0	0	0	0
Conference Centre	0	0	0	1
Development Services	0	0	0	0
Finance	0	0	0	2
Fire	0	2	2	3
General Services	0	1	1	1
Human Resources	0	0	0	0
Public Works	0	4	4	6
Municipal Court	0	0	0	0
Parks	0	0	0	1
Police	0	1	1	4
Recreation	0	0	0	2
Special Events	0	0	0	1
Streets	0	0	0	0
Grand Total	0	8	8	21

New Hires - Benefitted Positions				
	4/2020-6/2020			FY2020
Department	Part-Time Positions	Full-time positions	Total 3rd Qtr	YTD
City Manager	0	0	0	0
Conference Centre	0	0	0	3
Development Services	0	0	0	1
Finance	0	0	0	2
Fire	0	2	2	6
General Services	0	0	0	0
Human Resources	0	0	0	0
Public Works	0	1	1	4
Municipal Court	0	0	0	0
Parks	0	0	0	2
Police	0	1	1	4
Recreation	0	0	0	2
Special Events	0	0	0	1
Streets	0	0	0	2
Grand Total	0	4	4	27

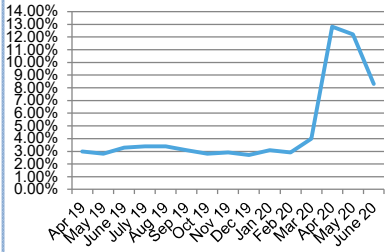
Public Safety Sworn Positions	Budgeted FY 2020	Filled Positions	Percent Filled
Police	74	71	96%
Fire ⁽¹⁾	58	58	100%

⁽¹⁾ FY2020 budget includes 58 budgeted positions plus overfill of 1 Firefighter (F3) position

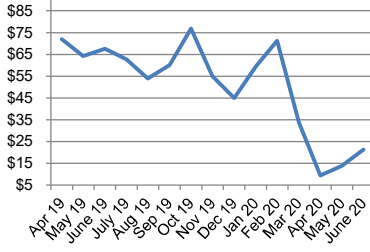
Executive Dashboard - 3rd Quarter, 2020 Fiscal Year

Economic Indicators

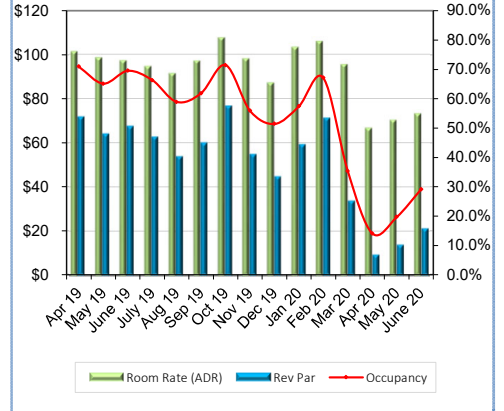
DFW Unemployment Rate Last 12 months



Hotel Revenue Per Available Room



Addison Hotel Statistics

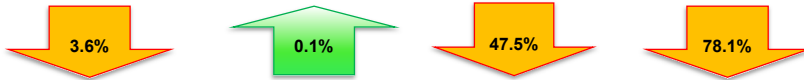


Occupancy Indicators:

Office Occupancy = 79.7%
Retail Occupancy = 92.2%

Hotel Indicators

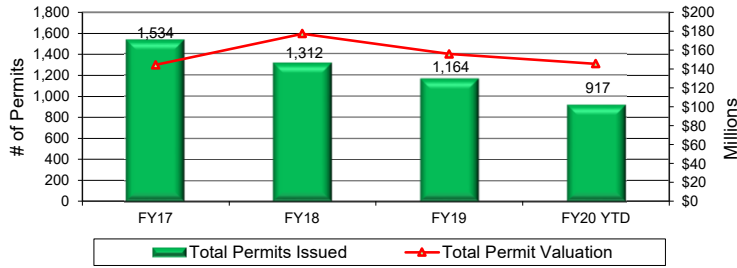
Hotel Occupancy = 21.0%
RevPar = \$14.90



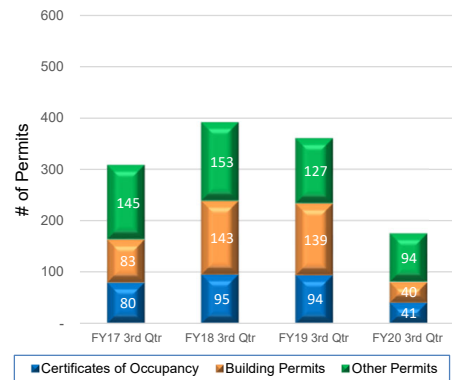
Source: CoStar (compares to prior year Q3)

Source: STR Report (compares to prior year Q3)

Total Permits Issued and Valuation



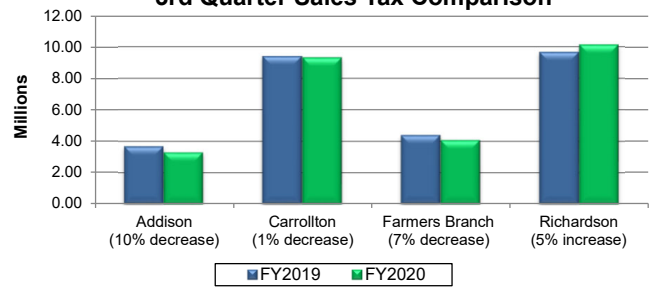
Quarterly Permit Activity, Year over Year



Economic Development Incentives:

Executed Agreements	Amount Paid FY20	Total Incentives Committed
5	\$384,869	\$480,334

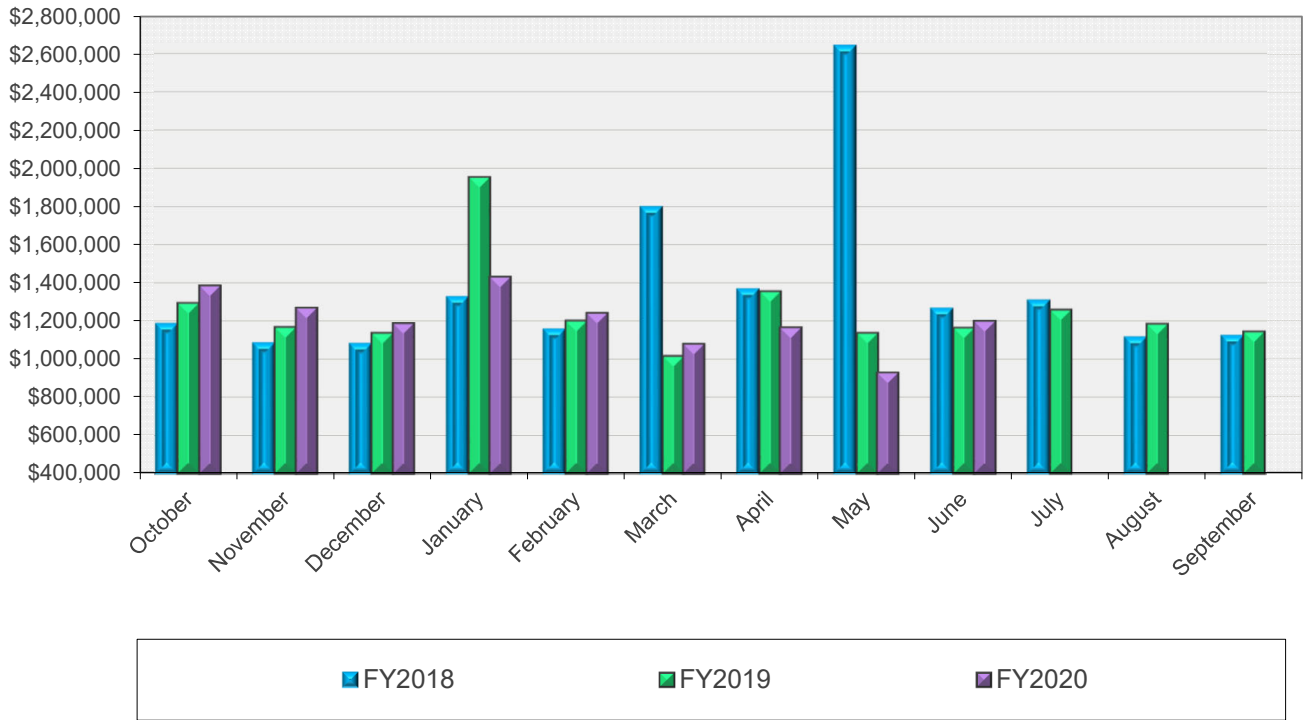
3rd Quarter Sales Tax Comparison



* Decrease due to effects of COVID-19

Executive Dashboard - 3rd Quarter, 2020 Fiscal Year
Sales Tax Information

Monthly Sales Tax Collections



Positive variance compared to historical trends
 Negative variance of 3%-5% and more than \$50,000 compared to historical trends
 Negative variance of >5% and more than \$50,000 compared to historical trends

Positive
 Warning
 Negative

TOWN OF ADDISON
 GENERAL FUND
 FY2020 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Revenues:					
Ad Valorem taxes:					
Current taxes	\$ 17,296,733	\$ 18,781,674	\$ (104,248)	\$ 18,894,435	100.6%
Delinquent taxes	(96,002)	(70,000)	(41,288)	(361,406)	516.3% ⁽¹⁾
Penalty & interest	40,238	40,500	11,539	27,800	68.6%
Non-property taxes:					
Sales tax	15,017,082	13,700,000	3,178,178	10,892,979	79.5%
Alcoholic beverage tax	1,151,057	1,140,000	121,539	712,885	62.5%
Franchise / right-of-way use fees:					
Electric franchise	1,534,930	1,560,000	347,856	1,174,183	75.3%
Gas franchise	253,426	216,600	-	204,919	94.6%
Telecommunication access fees	400,099	400,000	66,446	254,512	63.6%
Cable franchise	270,799	150,000	32,361	164,784	109.9%
Street rental fees	-	5,500	-	-	0.0%
Licenses and permits:					
Business licenses and permits	222,420	165,700	19,205	83,582	50.4%
Building and construction permits	1,144,521	574,500	109,036	940,204	163.7%
Service fees:					
General government	-	-	15,575	20	0.0%
Public safety	907,174	942,300	209,591	652,903	69.3%
Urban development	2,180	60,300	8,459	10,045	16.7%
Streets and sanitation	403,677	377,200	110,753	293,668	77.9%
Recreation	64,452	70,300	3,028	31,156	44.3%
Interfund	349,380	516,490	129,123	387,368	75.0%
Court fines	376,362	352,000	38,581	192,564	54.7% ⁽²⁾
Interest earnings	643,083	100,000	48,581	376,735	376.7%
Rental income	7,380	7,600	3,300	5,652	74.4%
Other	262,961	3,000	130,083	223,619	7454.0% ⁽³⁾
Total Revenues	40,251,952	39,093,664	4,437,698	35,162,608	89.9%

⁽¹⁾ Delinquent property tax refunds

⁽²⁾ Municipal court has fewer court fines/fees issued due to COVID-19

⁽³⁾ Includes sale of City property not budgeted for in FY2020

Positive variance compared to historical trends
 Negative variance of 3%-5% and more than \$50,000 compared to historical trends
 Negative variance of >5% and more than \$50,000 compared to historical trends

Positive
 Warning
 Negative

TOWN OF ADDISON
GENERAL FUND
FY2020 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Expenditures:					
General Government:					
City Secretary	175,970	207,783	41,287	123,046	59.2%
City Manager	1,186,118	1,246,999	285,251	882,871	70.8%
Finance	2,044,165	1,849,829	414,990	1,175,791	63.6%
General Services	716,848	766,195	157,771	472,494	61.7%
Municipal Court	650,660	739,563	134,954	470,564	63.6%
Human Resources	643,118	713,207	141,459	463,584	65.0%
Information Technology	2,006,930	2,220,737	471,054	1,390,408	62.6%
Combined Services	1,163,133	1,388,593	554,213	1,012,547	72.9%
Council Projects	330,555	351,811	191,721	400,084	113.7% ⁽¹⁾
Public Safety:					
Police	9,354,818	9,988,388	2,068,195	6,625,327	66.3%
Emergency Communications	1,365,490	1,432,188	900,988	1,355,930	94.7%
Fire	7,868,725	8,362,015	1,957,354	6,010,797	71.9%
Development Services	1,350,598	1,626,900	324,510	1,008,567	62.0%
Streets	1,777,128	2,220,634	347,667	1,132,729	51.0%
Parks and Recreation:					
Parks	3,911,318	4,044,545	870,526	2,556,041	63.2%
Recreation	1,609,586	1,899,309	358,700	1,137,351	59.9%
Other financing uses:					
Transfers to other funds	4,471,504	4,060,400	1,087,063	3,117,263	76.8%
Total Expenditures	40,626,664	43,119,096	10,307,705	29,335,395	68.0%
Net Change in Fund Balance	(374,712)	(4,025,432)	(5,870,007)	5,827,213	
Fund Balance at Beginning of Year	20,962,956	20,588,244		20,588,244	
Fund Balance at End of Year	\$ 20,588,244	\$ 16,562,812		\$ 26,415,457	

⁽¹⁾ Additional payment of \$85,000 to MetroCrest Services to be included in End-of-Year Budget Amendment

Positive variance compared to historical trends

Negative variance of 3%-5% and more than \$50,000 compared to historical trends

Negative variance of >5% and more than \$50,000 compared to historical trends

Positive
Warning
Negative

TOWN OF ADDISON
HOTEL FUND
FY2020 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Revenues:					
Hotel/Motel occupancy taxes	\$ 5,401,691	\$ 5,540,000	\$ 498,033	\$ 2,683,789	48.4% ⁽¹⁾
Proceeds from special events	1,043,162	1,297,500	(13,840)	115,120	8.9% ⁽²⁾
Conference centre rental	523,710	630,000	(4,198)	258,407	41.0% ⁽³⁾
Theatre centre rental	88,460	77,000	3,071	57,392	74.5%
Interest and miscellaneous	108,265	25,000	6,308	53,627	214.5%
Total Revenues	7,165,288	7,569,500	489,374	3,168,336	41.9%
Expenditures:					
Addison theatre centre	291,298	421,938	47,654	148,862	35.3%
Conference centre	956,507	1,152,735	177,629	657,427	57.0%
General hotel operations	142,763	144,173	1,990	51,832	36.0%
Marketing	962,526	1,134,939	157,192	452,251	39.8%
Performing arts	437,900	505,000	55,552	505,000	100.0% ⁽⁴⁾
Special events	2,579,212	2,812,567	128,378	514,889	18.3% ⁽²⁾
Special events operations	903,337	998,354	170,579	535,792	53.7%
Attractions Capital Projects	1,039,680	33,690	4,503	13,953	41.4%
Other financing uses:					
Transfer to Economic Development Fund	715,000	768,000	-	384,000	50.0%
Total Expenditures	8,028,225	7,971,396	743,478	3,264,006	40.9%
Net Change in Fund Balance	(862,937)	(401,896)	(254,104)	(95,670)	
Fund Balance at Beginning of Year	4,122,537	3,259,600		3,259,600	
Fund Balance at End of Year	\$ 3,259,600	\$ 2,857,704		\$ 3,163,931	

⁽¹⁾ Hotel tax fell significantly in the 3rd quarter due to the effects of COVID-19

⁽²⁾ Special event revenues and expenses are low because of cancellation of events due to COVID-19

⁽³⁾ Conference Centre rental revenue fell sharply due to COVID-19 and the subsequent closure of the Conference Centre

⁽⁴⁾ Final matching grant payment for non-profit grant funding to Water Tower Theatre in June 2020. Amount is in line with historical data.

Positive variance compared to historical trends
 Negative variance of 3%-5% and more than \$50,000 compared to historical trends
 Negative variance of >5% and more than \$50,000 compared to historical trends

Positive
 Warning
 Negative

TOWN OF ADDISON
ECONOMIC DEVELOPMENT FUND
FY2020 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Revenues:					
Ad Valorem taxes:	\$ 1,086,365	\$ 1,105,981	\$ (7,862)	\$ 1,089,037	98.5%
Business license fee	64,026	50,500	2,500	34,360	68.0%
Interest income and other	48,416	30,000	7,533	41,287	137.6%
Transfers from General/Hotel Fund	715,000	768,000	-	384,000	50.0%
Total Revenues	1,913,807	1,954,481	2,171	1,548,684	79.2%
Expenditures:					
Personnel services	453,011	479,272	107,803	338,329	70.6%
Supplies	18,456	23,645	722	4,829	20.4%
Maintenance	17,805	23,237	6,640	13,652	58.7%
Contractual services	1,042,520	1,327,180	163,040	629,511	47.4%
Capital replacement/lease	22,021	16,997	4,249	12,728	74.9%
Total Expenditures	1,553,813	1,870,331	282,454	999,048	53.4%
Net Change in Fund Balance	359,994	84,150	(280,283)	549,636	
Fund Balance at Beginning of Year	1,437,025	1,797,019		1,797,019	
Fund Balance at End of Year	\$ 1,797,019	\$ 1,881,169		\$ 2,346,655	

Positive variance compared to historical trends
 Negative variance of 3%-5% and more than \$50,000 compared to historical trends
 Negative variance of >5% and more than \$50,000 compared to historical trends

Positive
 Warning
 Negative

AIRPORT FUND
FY2020 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Operating Revenues:					
Operating grants	\$ -	\$ 1,360,000	\$ 1,224,219	\$ 1,224,219	90.0% ⁽¹⁾
Service fees	103,306	138,000	22,014	78,212	56.7% ⁽²⁾
Fuel flowage fees	1,019,452	916,000	138,065	631,302	68.9% ⁽²⁾
Rental income	5,488,112	4,509,000	1,093,083	3,311,060	73.4%
Interest income and other	356,442	80,000	20,075	131,308	164.1%
Total Operating Revenues:	6,967,312	7,003,000	2,497,456	5,376,102	76.8%
Operating Expenses:					
Town - Personnel services	324,776	470,762	75,068	239,983	51.0%
Town - Supplies	33,600	41,000	1,641	5,208	12.7%
Town - Maintenance	77,453	53,441	13,910	46,637	87.3%
Town - Contractual services	186,367	261,983	28,230	149,770	57.2%
Town - Capital Replacement/Lease	32,292	217,258	54,315	162,944	75.0%
Town - Debt service	763,934	853,910	-	691,710	81.0%
Operator - Operations and maintenance	2,761,617	3,308,028	773,300	2,316,948	70.0%
Operator - Service contract	522,020	429,293	88,704	272,871	63.6%
Total Operating Expenses:	4,702,059	5,635,675	1,035,168	3,886,070	69.0%
Capital Projects (Cash Funded)	31,703	3,563,917	38,220	1,063,860	29.9%
Total Expenses:	4,733,762	9,199,592	1,073,388	4,949,930	53.8%
Net Change in Working Capital	2,233,550	(2,196,592)	1,424,068	426,172	
Working Capital at Beginning of Year	4,812,377	7,045,927		7,045,927	
Working Capital at End of Year	\$ 7,045,927	\$ 4,849,335		\$ 7,472,099	

⁽¹⁾ Routine Airport Maintenance Project (RAMP) grant funds are typically received in the 4th quarter

⁽²⁾ Percentage is below the quarterly threshold but actuals are in line with historical trends

Positive variance compared to historical trends
 Negative variance of 3%-5% and more than \$50,000 compared to historical trends
 Negative variance of >5% and more than \$50,000 compared to historical trends

Positive
 Warning
 Negative

UTILITY FUND
FY2020 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Operating revenues:					
Water sales	\$ 6,663,348	\$ 7,051,676	\$ 1,510,709	\$ 4,301,911	61.0% ⁽¹⁾
Sewer charges	5,144,473	5,876,062	1,223,914	3,527,497	60.0% ⁽¹⁾
Tap fees	7,050	25,275	3,800	6,575	26.0% ⁽¹⁾
Penalties	124,261	75,000	(1,349)	36,448	48.6%
Interest income and other	169,769	94,600	14,029	117,244	123.9%
Total Operating Revenues:	12,108,901	13,122,613	2,751,103	7,989,674	60.9%
Operating expenses:					
Personnel services	1,716,439	2,264,720	516,163	1,392,603	61.5%
Supplies	176,462	217,990	41,790	146,652	67.3%
Maintenance	329,051	495,622	148,137	306,812	61.9%
Contractual services					
Water purchases	3,467,867	3,435,039	560,977	2,219,680	64.6%
Wastewater treatment	3,635,316	3,373,435	647,919	2,737,528	81.1% ⁽²⁾
Other services	863,217	1,390,199	131,462	567,290	40.8%
Capital Replacement/Lease	340,657	331,857	82,964	248,893	75.0%
Debt service	1,133,162	1,513,798	-	1,185,052	78.3%
Capital outlay	74,949	90,000	-	27,836	30.9%
Total Operating Expenses:	11,737,120	13,112,660	2,129,412	8,832,345	67.4%
Capital Projects (Cash Funded)	338,352	1,813,000	174,974	336,610	18.6%
Total Expenses:	12,075,472	14,925,660	2,304,386	9,168,955	61.4%
Net Change in Working Capital	33,429	(1,803,047)	446,718	(1,179,281)	
Working Capital at Beginning of Year	6,233,408	6,266,837		6,266,837	
Working Capital at End of Year	\$ 6,266,837	\$ 4,463,790		\$ 5,087,556	

⁽¹⁾ Revenues represent a one-month lag in the collection and there is heavy seasonality with water revenue

⁽²⁾ Wastewater treatment expenses are high due to the timing of payments

Positive variance compared to historical trends
 Negative variance of 3%-5% and more than \$50,000 compared to historical trends
 Negative variance of >5% and more than \$50,000 compared to historical trends

Positive
 Warning
 Negative

STORMWATER UTILITY FUND
 FY2020 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET
With Comparative Information from Prior Fiscal Year

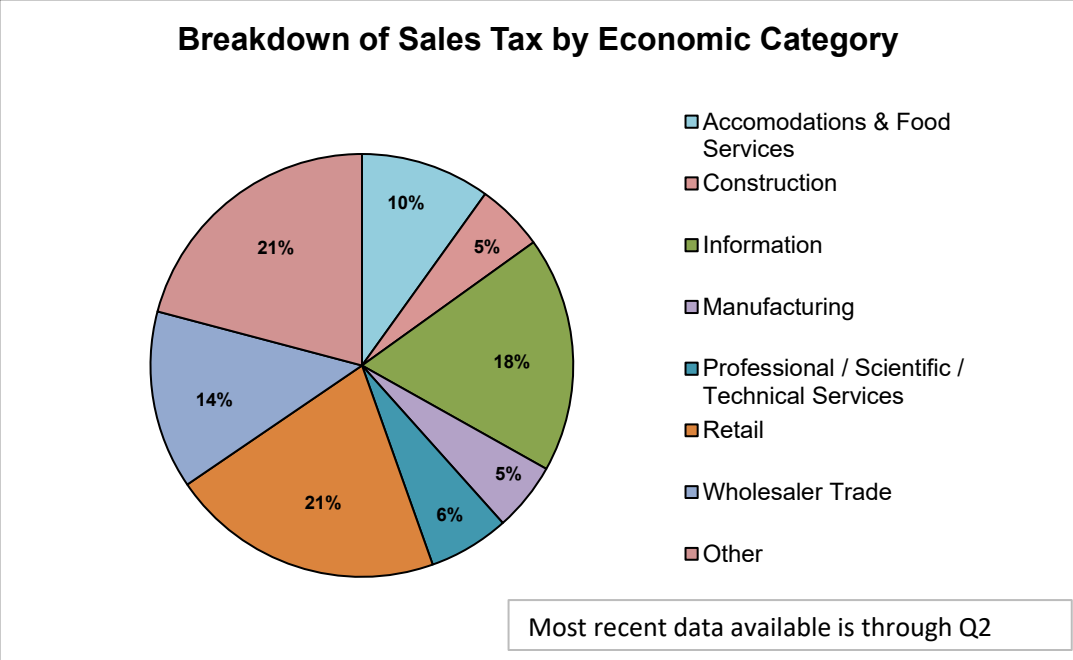
CATEGORY	FY 2018-19 ACTUAL PRIOR YEAR	FY 2019-20 REVISED BUDGET	FY 2019-20 ACTUAL 3RD QTR	FY 2019-20 ACTUAL YTD	ACTUAL YTD as % of Budget
Operating revenues:					
Drainage Fees	\$ 2,235,566	\$ 2,349,795	\$ 581,926	\$ 1,572,628	66.9% ⁽¹⁾
Interest income and other	159,165	53,900	12,924	102,731	190.6%
Total Operating Revenues:	2,394,731	2,403,695	594,851	1,675,360	69.7%
Operating expenses					
Personnel services	275,422	304,134	53,945	198,963	65.4%
Supplies	16,117	20,597	1,721	7,639	37.1%
Maintenance	77,810	210,700	4,349	4,884	2.3%
Contractual services	179,173	367,874	41,255	112,012	30.4%
Debt service	546,916	544,466	-	421,108	77.3%
Capital outlay	21,035	40,000	5,651	48,524	121.3% ⁽²⁾
Other financing uses:					
Capital Projects (Cash Funded)	-	-	-	-	0.0%
Total Operating Expenses:	1,116,473	1,487,771	106,921	793,131	53.3%
Capital Projects (Cash Funded)	50,449	1,181,000	23,562	29,404	2.5%
Total Expenses:	1,166,922	2,668,771	130,483	822,535	30.8%
Net Change in Working Capital	1,227,809	(265,076)	464,367	852,824	
Working Capital at Beginning of Year	5,240,798	6,468,607		6,468,607	
Working Capital at End of Year	\$ 6,468,607	\$ 6,203,531		\$ 7,321,431	

⁽¹⁾ Fees represent a one-month lag in the collection of stormwater revenue but actuals are in line with historical trends

⁽²⁾ Capital outlay includes the purchase of one delayed arrival vehicle

TOWN OF ADDISON
Schedule of Sales Tax Collections
For the quarter ending June 30, 2020

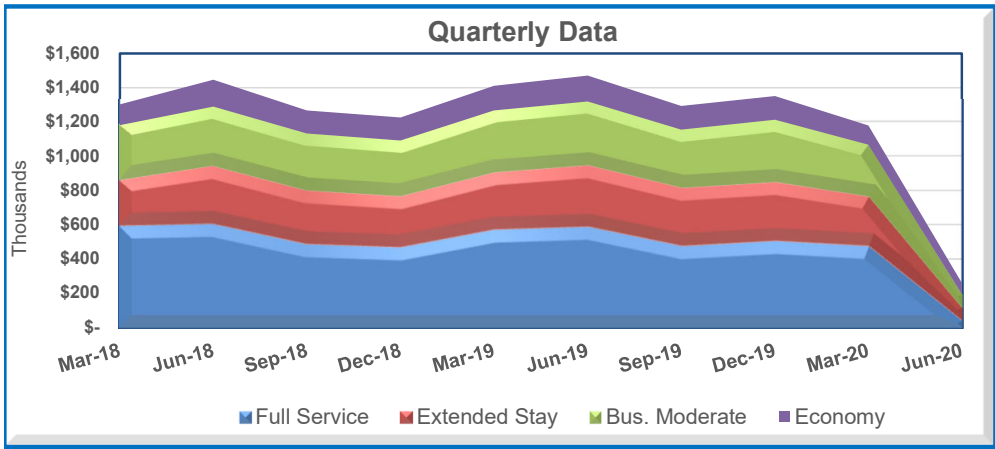
	FY2020		% Change	FY2019	
	Monthly Collections		from	Monthly Collections	
			Prior Year		
October	\$	1,384,839	7.0%	\$	1,294,332
November		1,269,353	8.7%		1,168,041
December		1,188,777	4.5%		1,137,218
January		1,430,683	-26.7%		1,951,678 ⁽¹⁾
February		1,241,465	3.3%		1,202,189
March		1,080,029	6.3%		1,016,343
April		1,166,877	-13.9%		1,355,558
May		931,272	-18.2%		1,138,099
June		1,199,683	3.0%		1,164,646
July					1,259,503
August					1,184,583
September					1,144,891
	\$	10,892,979		\$	15,017,082
Budget:		13,700,000	79.5%		13,700,000



⁽¹⁾ Gross collections derived from audit payments was \$517,605.82 in FY2019

TOWN OF ADDISON
HOTEL OCCUPANCY TAX COLLECTION
Hotels By Service Type for the Quarter and Year-to-Date Ended June 30, 2020
With Comparative Information from Prior Fiscal Year

	Rooms		Apr. - June 2020		20 to 19
	Number	%	Amount	%	% Diff.
Full Service					
Marriott Quorum	547	13%	\$ 34,372	13%	-86%
Renaissance	528	13%	5,802	2%	-97%
⁽¹⁾ Crowne Plaza	428	10%	-	0%	-100%
	1,503	37%	40,174	16%	-93%
Extended Stay					
Budget Suites	344	8%	9,413	4%	100%
Hawthorn Suites	70	2%	6,040	2%	-68%
Marriott Residence Inn	150	4%	9,289	4%	-87%
Hyatt House	132	3%	13,263	5%	-74%
Homewood Suites	120	3%	15,179	6%	-74%
Home2Suites	132	3%	14,196	6%	-82%
Springhill Suites	159	4%	6,991	3%	-90%
	1,107	27%	74,371	29%	-79%
Business Moderate					
Marriott Courtyard Quorum	176	4%	9,219	4%	-90%
LaQuinta Inn	152	4%	19,714	8%	-63%
Marriott Courtyard Midway	145	4%	7,290	3%	-88%
Radisson - Addison	101	2%	4,704	2%	-88%
Hilton Garden Inn	96	2%	6,727	3%	-87%
Holiday Inn Express	97	2%	9,508	4%	100%
Holiday Inn Beltway	102	2%	5,599	2%	100%
Best Western Plus	84	2%	15,167	6%	-48%
	953	23%	77,929	30%	-79%
Economy					
Motel 6	127	3%	24,807	10%	-18%
Hampton Inn	158	4%	5,454	2%	-91%
Red Roof Inn	105	3%	16,194	6%	-43%
Quality Suites North/Galleria	78	2%	13,982	5%	-47%
America's Best Value Inn	60	1%	3,150	1%	-56%
	528	13%	63,588	25%	-58%
TOTAL	4,091	100%	\$ 256,062	100%	-83%



⁽¹⁾ Crowne Plaza has closed permanently

Town of Addison



For the Quarter Ended

June 30, 2020

Report Name

- Certification Page
- Executive Summary
- Benchmark Comparison
- Detail of Security Holdings
- Change in Value
- Earned Income
- Investment Transactions
- Amortization and Accretion
- Projected Fixed Income Cash Flows

MARKET RECAP - JUNE 2020:

Last month in our summary for May we wrote, “Phrases such as the “steepest decline ever” and the “worst in history” will apply to almost every piece of April economic data.” The opposite will be true for June as the economic reopening that started in May resulted in significant rebounds that in many cases were the “biggest gain in history.” We would, however, caution readers not to put too much stock into the big jumps in the monthly data as things had gotten so bad in April and May they just had to get better. And, despite the improvement evident in much of the economic data, we are nowhere near the levels that prevailed prior to the COVID-19 mandated shutdowns. The employment data is the most obvious place to start as non-farm payrolls grew by a stunning 2.5 million in May. The largest monthly gain in the history of this series going back to 1939 wildly surpassed the consensus forecast for a loss of 7.5 million jobs, and yet was only a tenth of the 22 million jobs lost in March and April. The unemployment rate, expected to climb to 19%, actually declined to 13.3%. The ISM surveys perked up as well with the manufacturing index climbing from 41.5 to 43.1 and the non-manufacturing index from 41.8 to 45.4. While both readings still indicated contraction, the improvement was viewed as a signal that the worst was behind us. Auto sales also topped expectations, rebounding from April’s pitiful 8.6 million unit annual pace to 12.2 million. Consumer spending came roaring back in May, too, no doubt reflecting some pent up demand as consumers emerged en masse from the nationwide lockout and began spending at a furious pace. Sales surged +17.7% during May after a revised -14.7% April decline. Spending was brisk across all categories as it appears the government’s response to the crisis has helped support consumer spending. Housing data for May was mixed as existing homes sales fell -9.7% to the lowest level since October 2010. However, since existing sales are measured at closing this data is more reflective of activity during March and April, when many buyers and sellers were in lockdown. By contrast, new home sales are measured when the contracts are signed and they climbed 16.6% during May.

The improving trend in economic data was countered in the later part of June by worrisome trends in COVID-19 data as states that had reopened to great fanfare around Memorial Day saw a dramatic surge in cases. Texas, Florida, and Arizona were hard hit, forcing renewed restrictions and closures as the Fourth of July holiday approached.

Equity markets focused on the positives and extended their rally, with the Dow Jones Industrial Average climbing +1.7% and the S&P 500 gaining +1.8% in June. The Nasdaq composite rose a remarkable +6%, hit a new record high, and is up +12.1% year-to-date as technology stocks have been a beneficiary of the stay at home economy. Bond markets were stable with slight declines of 1-2 basis points in yield across most tenors. The two-year T-note yield closed June at 0.15%, while both the three-year and five-year T-notes set record lows at 0.17% and 0.27% respectively on June 29th. The short end of the yield curve is likely to be anchored by Fed policy for years to come. All in all, it appears the recovery has begun in earnest, but it also appears likely that the path won’t be smooth and the outlook is still very much dependent on the path of the virus.

**For the Quarter Ended
June 30, 2020**


This report is prepared for the Town of Addison (the "Entity") in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Entity's investment officers and includes the disclosures required in the PFIA. To the extent possible, market prices have been obtained from independent pricing sources.

The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made on behalf of the Entity and were made in full compliance with the PFIA and the approved Investment Policy.

Officer Names and Titles:


Name: Steven Glickman, CPA

Title: Chief Financial Officer


Name: Amanda D. Turner, CPA

Title: Controller

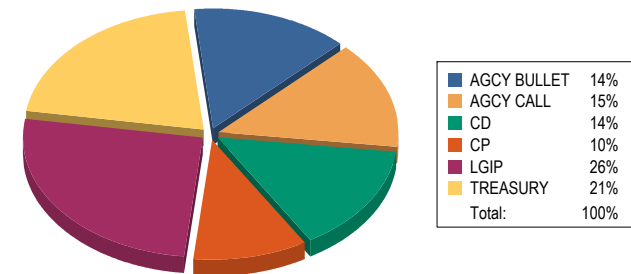
Account Summary

Allocation by Security Type

Beginning Values as of 03/31/20

Ending Values as of 06/30/20

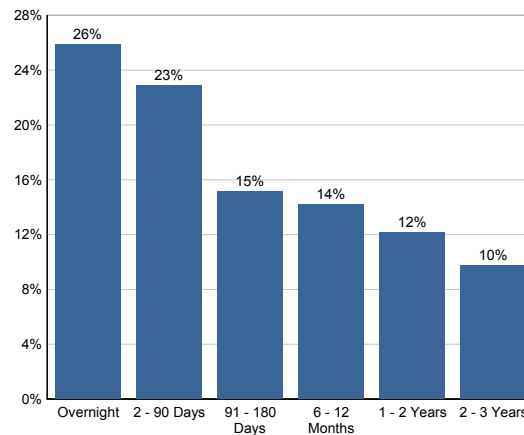
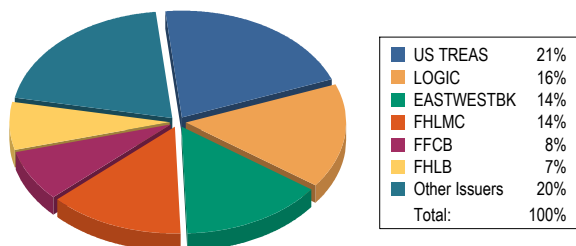
Par Value	110,701,604.67	106,028,192.37
Market Value	111,356,528.39	106,710,715.97
Book Value	111,000,586.41	106,443,478.79
Unrealized Gain/(Loss)	355,941.98	267,237.18
Market Value %	100.32%	100.25%
Weighted Avg. YTW	1.626%	1.079%
Weighted Avg. YTM	1.626%	1.079%



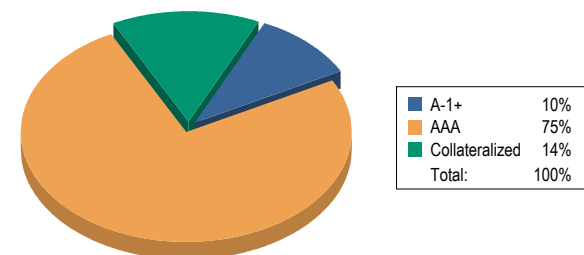
Allocation by Issuer

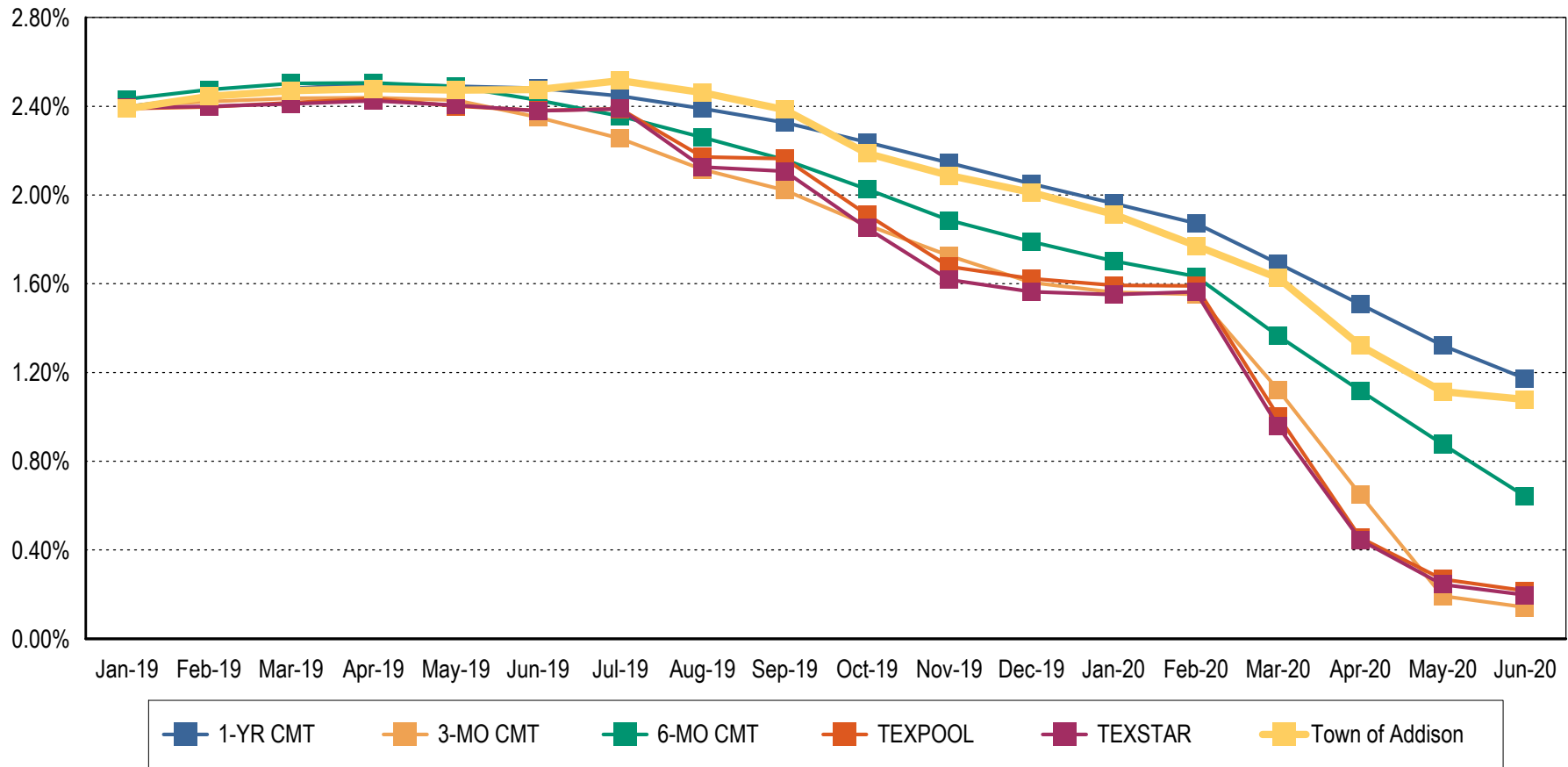
Maturity Distribution %

Credit Quality



Weighted Average Days to Maturity: 233





Note 1: CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities. The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year and 2-year CMT's are the daily averages for the previous 12-months.

Note 2: Benchmark data for TexPool is the monthly average yield.

Note 3: Benchmark data for TexSTAR is the monthly average yield.

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
Pooled Funds																	
LOGIC		LGIP	LOGIC					17,003,628.17	100.000	17,003,628.17	17,003,628.17	100.000	17,003,628.17	1		0.626	0.626
TEXPOOL		LGIP	TexPool					4,881,046.87	100.000	4,881,046.87	4,881,046.87	100.000	4,881,046.87	1		0.216	0.216
TEXSTAR		LGIP	TexSTAR					5,700,439.44	100.000	5,700,439.44	5,700,439.44	100.000	5,700,439.44	1		0.197	0.197
89233GGD2	10/17/19	CP - DISC	Toyota Mtr Cr		07/13/20			2,000,000.00	98.545	1,970,900.00	1,998,706.66	99.996	1,999,914.80	13		1.969	1.969
46640PGH0	10/23/19	CP - DISC	J.P.Morgan Sec		07/17/20			1,500,000.00	98.615	1,479,230.00	1,498,760.00	99.995	1,499,927.10	17		1.886	1.886
CD-8603-2	01/28/20	CD	East West Bk CD	1.710	07/28/20			5,241,150.97	100.000	5,241,150.97	5,241,150.97	100.000	5,241,150.97	28		1.710	1.710
912828VP2	10/17/19	TREAS NOTE	U.S. Treasury	2.000	07/31/20			4,000,000.00	100.277	4,011,093.75	4,001,167.16	100.151	4,006,027.60	31		1.643	1.643
91514BGW7	11/05/19	CP - INT	Univ of TX	1.860	07/31/20			3,500,000.00	100.000	3,500,000.00	3,500,000.00	100.079	3,502,765.00	31		1.860	1.860
CD-8019-2	02/12/20	CD	East West Bk CD	1.730	08/12/20			5,155,160.86	100.000	5,155,160.86	5,155,160.86	100.000	5,155,160.86	43		1.730	1.730
912828VV9	01/31/20	TREAS NOTE	U.S. Treasury	2.125	08/31/20			3,000,000.00	100.324	3,009,726.56	3,002,787.84	100.322	3,009,663.00	62		1.560	1.560
3137EAEJ4	12/10/19	AGCY BULET	FHLMC	1.625	09/29/20			4,000,000.00	99.984	3,999,360.00	3,999,814.32	100.357	4,014,278.80	91		1.644	1.644
912828ZZ2	10/16/19	TREAS NOTE	U.S. Treasury	1.625	10/15/20			5,000,000.00	99.992	4,999,609.38	4,999,886.35	100.415	5,020,759.50	107		1.633	1.633
78009ALA0	02/18/20	CP - DISC	Royal Bank of Canada		11/10/20			4,000,000.00	98.847	3,953,893.33	3,977,120.00	99.936	3,997,443.60	133		1.578	1.578
3133XDVS7	02/11/20	AGCY BULET	FHLB	5.250	12/11/20			3,045,000.00	103.053	3,137,963.85	3,094,744.46	102.270	3,114,121.20	164		1.546	1.546
9128283X6	12/27/19	TREAS NOTE	U.S. Treasury	2.250	02/15/21			5,000,000.00	100.672	5,033,593.75	5,018,535.50	101.313	5,065,625.00	230		1.650	1.650
9128284B3	11/26/19	TREAS NOTE	U.S. Treasury	2.375	03/15/21			5,000,000.00	100.902	5,045,117.19	5,024,614.80	101.551	5,077,539.00	258		1.671	1.671
CD-5883	06/04/20	CD	East West Bk CD	0.580	06/04/21			2,501,072.82	100.000	2,501,072.82	2,501,072.82	100.000	2,501,072.82	339		0.580	0.580
CD-1790	06/08/20	CD	East West Bk CD	0.440	06/08/21			2,500,693.24	100.000	2,500,693.24	2,500,693.24	100.000	2,500,693.24	343		0.440	0.440
3133ELWK6	04/20/20	AGCY CALL	FFCB	0.550	10/20/21	10/20/2020	CONT	5,000,000.00	100.000	5,000,000.00	5,000,000.00	100.000	5,000,013.00	477	112	0.550	0.550
3134GVJR0	04/13/20	AGCY CALL	FHLMC	1.050	04/13/22	7/13/2020	ONE TIME	3,000,000.00	100.000	3,000,000.00	3,000,000.00	100.029	3,000,872.10	652	13	1.050	1.050
3134GVUK2	05/15/20	AGCY CALL	FHLMC	0.300	05/13/22	5/13/2021	ONE TIME	5,000,000.00	99.975	4,998,750.00	4,998,829.90	99.929	4,996,452.50	682	317	0.313	0.313
3133EFUJ4	04/09/20	AGCY BULET	FFCB	2.150	12/29/22			3,000,000.00	104.242	3,127,260.00	3,116,698.23	104.642	3,139,274.10	912		0.577	0.577
3130ADRG9	03/13/20	AGCY BULET	FHLB	2.750	03/10/23			4,500,000.00	105.640	4,753,806.46	4,728,621.20	106.271	4,782,196.80	983		0.837	0.837
3134GVWQ7	06/05/20	AGCY CALL	FHLMC	0.550	05/19/23	8/19/2020	QRTLY	2,500,000.00	100.000	2,500,000.00	2,500,000.00	100.026	2,500,650.50	1,053	50	0.550	0.550
Total for Pooled Funds								106,028,192.37	100.465	106,503,496.64	106,443,478.79	100.661	106,710,715.97	233		1.079	1.079
Total for Town of Addison								106,028,192.37	100.465	106,503,496.64	106,443,478.79	100.661	106,710,715.97	233		1.079	1.079

CUSIP	Security Type	Security Description	03/31/20 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	06/30/20 Book Value	03/31/20 Market Value	06/30/20 Market Value	Change in Mkt Value
Pooled Funds											
LOGIC	LGIP	LOGIC	0.00	17,003,628.19	0.00	0.00	0.00	17,003,628.17	0.00	17,003,628.17	17,003,628.17
TEXPOOL	LGIP	TexPool	4,877,241.48	3,805.39	0.00	0.00	0.00	4,881,046.87	4,877,241.48	4,881,046.87	3,805.39
TEXSTAR	LGIP	TexSTAR	10,187,534.40	12,010,434.20	(16,497,529.16)	0.00	0.00	5,700,439.44	10,187,534.40	5,700,439.44	(4,487,094.96)
05249HFW7	CP - INT	City of Austin, TX 1.750 04/02/20	2,740,000.00	0.00	(2,740,000.00)	0.00	0.00	0.00	2,739,863.00	0.00	(2,739,863.00)
66844CD84	CP - DISC	Northwestern Univ 0.000 04/08/20	2,999,066.67	0.00	(3,000,000.00)	933.33	0.00	0.00	2,998,620.00	0.00	(2,998,620.00)
912828X21	TREAS NOTE	U.S. Treasury 1.500 04/15/20	4,998,049.95	0.00	(5,000,000.00)	1,950.05	0.00	0.00	5,002,714.50	0.00	(5,002,714.50)
912828ND8	TREAS NOTE	U.S. Treasury 3.500 05/15/20	5,005,827.60	0.00	(5,000,000.00)	(5,827.60)	0.00	0.00	5,020,600.50	0.00	(5,020,600.50)
02665JEJ5	CP - DISC	American Honda Finance 0.000 05/18/20	4,989,229.15	0.00	(5,000,000.00)	10,770.85	0.00	0.00	4,991,666.50	0.00	(4,991,666.50)
78009AEV2	CP - DISC	Royal Bank of Canada 0.000 05/29/20	2,492,186.10	0.00	(2,500,000.00)	7,813.90	0.00	0.00	2,494,563.00	0.00	(2,494,563.00)
30229AF46	CP - DISC	Exxon Mobil 0.000 06/04/20	4,991,111.10	0.00	(5,000,000.00)	8,888.90	0.00	0.00	4,980,924.50	0.00	(4,980,924.50)
78009AFF6	CP - DISC	Royal Bank of Canada 0.000 06/15/20	1,494,312.50	0.00	(1,500,000.00)	5,687.50	0.00	0.00	1,495,873.80	0.00	(1,495,873.80)
912828XU9	TREAS NOTE	U.S. Treasury 1.500 06/15/20	2,993,669.76	0.00	(3,000,000.00)	6,330.24	0.00	0.00	3,008,664.00	0.00	(3,008,664.00)
89233GGD2	CP - DISC	Toyota Mtr Cr 0.000 07/13/20	1,988,898.88	0.00	0.00	9,807.78	0.00	1,998,706.66	1,990,772.80	1,999,914.80	9,142.00
46640PGH0	CP - DISC	J.P.Morgan Sec 0.000 07/17/20	1,491,707.51	0.00	0.00	7,052.49	0.00	1,498,760.00	1,493,115.00	1,499,927.10	6,812.10
CD-8603-2	CD	East West Bk CD 1.710 07/28/20	5,218,854.53	22,296.44	0.00	0.00	0.00	5,241,150.97	5,218,854.53	5,241,150.97	22,296.44
912828VP2	TREAS NOTE	U.S. Treasury 2.000 07/31/20	4,004,707.56	0.00	0.00	(3,540.40)	0.00	4,001,167.16	4,025,625.20	4,006,027.60	(19,597.60)
91514BGW7	CP - INT	Univ of TX 1.860 07/31/20	3,500,000.00	0.00	0.00	0.00	0.00	3,500,000.00	3,493,455.00	3,502,765.00	9,310.00
CD-8019-2	CD	East West Bk CD 1.730 08/12/20	5,132,974.26	22,186.60	0.00	0.00	0.00	5,155,160.86	5,132,974.26	5,155,160.86	22,186.60
912828VV9	TREAS NOTE	U.S. Treasury 2.125 08/31/20	3,006,946.77	0.00	0.00	(4,158.93)	0.00	3,002,787.84	3,024,843.90	3,009,663.00	(15,180.90)
3137EAEJ4	AGCY BULET	FHLMC 1.625 09/29/20	3,999,624.44	0.00	0.00	189.88	0.00	3,999,814.32	4,021,445.20	4,014,278.80	(7,166.40)
912828Z22	TREAS NOTE	U.S. Treasury 1.625 10/15/20	4,999,788.85	0.00	0.00	97.50	0.00	4,999,886.35	5,040,039.00	5,020,759.50	(19,279.50)
78009ALA0	CP - DISC	Royal Bank of Canada 0.000 11/10/20	3,961,346.68	0.00	0.00	15,773.32	0.00	3,977,120.00	3,964,234.80	3,997,443.60	33,208.80
3133XDVS7	AGCY BULET	FHLB 5.250 12/11/20	3,122,546.62	0.00	0.00	(27,802.16)	0.00	3,094,744.46	3,150,094.52	3,114,121.20	(35,973.32)
9128283X6	TREAS NOTE	U.S. Treasury 2.250 02/15/21	5,025,917.20	0.00	0.00	(7,381.70)	0.00	5,018,535.50	5,093,359.50	5,065,625.00	(27,734.50)
9128284B3	TREAS NOTE	U.S. Treasury 2.375 03/15/21	5,033,179.35	0.00	0.00	(8,564.55)	0.00	5,024,614.80	5,107,422.00	5,077,539.00	(29,883.00)
3130AHCE1	AGCY CALL	FHLB 1.750 04/15/21	2,998,955.52	0.00	(3,000,000.00)	1,044.48	0.00	0.00	3,001,447.20	0.00	(3,001,447.20)
CD-5883	CD	East West Bk CD 0.580 06/04/21	0.00	2,501,072.82	0.00	0.00	0.00	2,501,072.82	0.00	2,501,072.82	2,501,072.82
CD-1790	CD	East West Bk CD 0.440 06/08/21	0.00	2,500,693.24	0.00	0.00	0.00	2,500,693.24	0.00	2,500,693.24	2,500,693.24
3133ELGJ7	AGCY CALL	FFCB 1.620 10/13/21	4,997,300.60	0.00	(5,000,000.00)	2,699.40	0.00	0.00	5,000,095.00	0.00	(5,000,095.00)
3133ELWK6	AGCY CALL	FFCB 0.550 10/20/21	0.00	5,000,000.00	0.00	0.00	0.00	5,000,000.00	0.00	5,000,013.00	5,000,013.00
3134GVJR0	AGCY CALL	FHLMC 1.050 04/13/22	0.00	3,000,000.00	0.00	0.00	0.00	3,000,000.00	0.00	3,000,872.10	3,000,872.10
3134GVUK2	AGCY CALL	FHLMC 0.300 05/13/22	0.00	4,998,750.00	0.00	79.90	0.00	4,998,829.90	0.00	4,996,452.50	4,996,452.50
3133EFUJ4	AGCY BULET	FFCB 2.150 12/29/22	0.00	3,127,260.00	0.00	(10,561.77)	0.00	3,116,698.23	0.00	3,139,274.10	3,139,274.10
3130ADRG9	AGCY BULET	FHLB 2.750 03/10/23	4,749,608.93	0.00	0.00	(20,987.73)	0.00	4,728,621.20	4,800,484.80	4,782,196.80	(18,288.00)



Town of Addison
Change in Value
From 03/31/2020 to 06/30/2020

CUSIP	Security Type	Security Description	03/31/20 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	06/30/20 Book Value	03/31/20 Market Value	06/30/20 Market Value	Change in Mkt Value
Pooled Funds											
3134GVWQ7	AGCY CALL	FHLMC 0.550 05/19/23	0.00	2,500,000.00	0.00	0.00	0.00	2,500,000.00	0.00	2,500,650.50	2,500,650.50
Total for Pooled Funds			111,000,586.41	52,690,126.88	(57,237,529.16)	(9,705.32)	0.00	106,443,478.79	111,356,528.39	106,710,715.97	(4,645,812.42)
Total for Town of Addison			111,000,586.41	52,690,126.88	(57,237,529.16)	(9,705.32)	0.00	106,443,478.79	111,356,528.39	106,710,715.97	(4,645,812.42)

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
Pooled Funds									
LOGIC	LGIP	LOGIC	0.00	3,628.17	3,628.17	0.00	0.00	0.00	3,628.17
TEXPOOL	LGIP	TexPool	0.00	3,805.39	3,805.39	0.00	0.00	0.00	3,805.39
TEXSTAR	LGIP	TexSTAR	0.00	12,905.04	12,905.04	0.00	0.00	0.00	12,905.04
05249HFW7	CP - INT	City of Austin, TX 1.750 04/02/20	11,035.07	131.37	11,166.44	0.00	0.00	0.00	131.37
66844CD84	CP - DISC	Northwestern Univ 0.000 04/08/20	0.00	0.00	0.00	0.00	0.00	933.33	933.33
912828X21	TREAS NOTE	U.S. Treasury 1.500 04/15/20	34,631.15	2,868.85	37,500.00	0.00	0.00	1,950.05	4,818.90
912828ND8	TREAS NOTE	U.S. Treasury 3.500 05/15/20	66,346.15	21,153.85	87,500.00	0.00	0.00	(5,827.60)	15,326.25
02665JEJ5	CP - DISC	American Honda Finance 0.000 05/18/20	0.00	0.00	0.00	0.00	0.00	10,770.85	10,770.85
78009AEV2	CP - DISC	Royal Bank of Canada 0.000 05/29/20	0.00	0.00	0.00	0.00	0.00	7,813.90	7,813.90
30229AF46	CP - DISC	Exxon Mobil 0.000 06/04/20	0.00	0.00	0.00	0.00	0.00	8,888.90	8,888.90
78009AFF6	CP - DISC	Royal Bank of Canada 0.000 06/15/20	0.00	0.00	0.00	0.00	0.00	5,687.50	5,687.50
912828XU9	TREAS NOTE	U.S. Treasury 1.500 06/15/20	13,278.69	9,221.31	22,500.00	0.00	0.00	6,330.24	15,551.55
89233GGD2	CP - DISC	Toyota Mtr Cr 0.000 07/13/20	0.00	0.00	0.00	0.00	0.00	9,807.78	9,807.78
46640PGH0	CP - DISC	J.P.Morgan Sec 0.000 07/17/20	0.00	0.00	0.00	0.00	0.00	7,052.49	7,052.49
CD-8603-2	CD	East West Bk CD 1.710 07/28/20	244.50	22,297.48	22,296.44	0.00	245.54	0.00	22,297.48
912828VP2	TREAS NOTE	U.S. Treasury 2.000 07/31/20	13,406.59	20,000.00	0.00	0.00	33,406.59	(3,540.40)	16,459.60
91514BGW7	CP - INT	Univ of TX 1.860 07/31/20	26,763.33	16,455.84	0.00	0.00	43,219.17	0.00	16,455.84
CD-8019-2	CD	East West Bk CD 1.730 08/12/20	243.29	22,187.65	22,186.60	0.00	244.34	0.00	22,187.65
912828VV9	TREAS NOTE	U.S. Treasury 2.125 08/31/20	5,543.48	15,764.26	0.00	0.00	21,307.74	(4,158.93)	11,605.33
3137EAEJ4	AGCY BULET	FHLMC 1.625 09/29/20	361.11	16,250.00	0.00	0.00	16,611.11	189.88	16,439.88
912828Z22	TREAS NOTE	U.S. Treasury 1.625 10/15/20	37,517.08	20,201.50	40,625.00	0.00	17,093.58	97.50	20,299.00
78009ALA0	CP - DISC	Royal Bank of Canada 0.000 11/10/20	0.00	0.00	0.00	0.00	0.00	15,773.32	15,773.32
3133XDVS7	AGCY BULET	FHLB 5.250 12/11/20	48,846.88	39,965.62	79,931.25	0.00	8,881.25	(27,802.16)	12,163.46
912828X36	TREAS NOTE	U.S. Treasury 2.250 02/15/21	14,217.03	28,125.00	0.00	0.00	42,342.03	(7,381.70)	20,743.30
9128284B3	TREAS NOTE	U.S. Treasury 2.375 03/15/21	5,485.73	29,364.81	0.00	0.00	34,850.54	(8,564.55)	20,800.26
3130AHCE1	AGCY CALL	FHLB 1.750 04/15/21	24,208.33	2,041.67	26,250.00	0.00	0.00	1,044.48	3,086.15
CD-5883	CD	East West Bk CD 0.580 06/04/21	0.00	1,112.56	1,072.82	0.00	39.74	0.00	1,112.56
CD-1790	CD	East West Bk CD 0.440 06/08/21	0.00	723.39	693.24	0.00	30.15	0.00	723.39
3133ELGJ7	AGCY CALL	FFCB 1.620 10/13/21	17,550.00	2,700.00	20,250.00	0.00	0.00	2,699.40	5,399.40
3133ELWK6	AGCY CALL	FFCB 0.550 10/20/21	0.00	5,423.61	0.00	0.00	5,423.61	0.00	5,423.61
3134GVJR0	AGCY CALL	FHLMC 1.050 04/13/22	0.00	6,825.00	0.00	0.00	6,825.00	0.00	6,825.00
3134GVUK2	AGCY CALL	FHLMC 0.300 05/13/22	0.00	1,916.67	0.00	(83.33)	2,000.00	79.90	1,996.57
3133EFUJ4	AGCY BULET	FFCB 2.150 12/29/22	0.00	14,691.66	32,250.00	(17,916.67)	358.33	(10,561.77)	4,129.89
3130ADRG9	AGCY BULET	FHLB 2.750 03/10/23	7,218.75	30,937.50	0.00	0.00	38,156.25	(20,987.73)	9,949.77

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
Pooled Funds									
3134GVWQ7	AGCY CALL	FHLMC 0.550 05/19/23	0.00	993.06	0.00	(611.11)	1,604.17	0.00	993.06
Total for Pooled Funds			326,897.16	351,691.26	424,560.39	(18,611.11)	272,639.14	(9,705.32)	341,985.94
Total for Town of Addison			326,897.16	351,691.26	424,560.39	(18,611.11)	272,639.14	(9,705.32)	341,985.94

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
Pooled Funds															
Calls															
04/12/20	04/13/20	3133ELGJ7	AGCY CALL	FFCB	1.620	10/13/21	04/13/20	5,000,000.00	100.000	5,000,000.00	0.00	5,000,000.00		1.656	1.620
04/14/20	04/15/20	3130AHCE1	AGCY CALL	FHLB	1.750	04/15/21	04/15/20	3,000,000.00	100.000	3,000,000.00	0.00	3,000,000.00		1.784	1.750
Total for: Calls								8,000,000.00		8,000,000.00	0.00	8,000,000.00		1.704	1.669
Maturities															
04/02/20	04/02/20	05249HFW7	CP - INT	City of Austin, TX	1.750	04/02/20		2,740,000.00	100.000	2,740,000.00	11,166.44	2,751,166.44		1.750	
04/08/20	04/08/20	66844CD84	CP - DISC	Northwestern Univ		04/08/20		3,000,000.00	100.000	3,000,000.00	0.00	3,000,000.00		1.604	
04/15/20	04/15/20	912828X21	TREAS NOTE	U.S. Treasury	1.500	04/15/20		5,000,000.00	100.000	5,000,000.00	0.00	5,000,000.00		2.533	
05/15/20	05/15/20	912828ND8	TREAS NOTE	U.S. Treasury	3.500	05/15/20		5,000,000.00	100.000	5,000,000.00	0.00	5,000,000.00		2.524	
05/18/20	05/18/20	02665JEJ5	CP - DISC	American Honda Finance		05/18/20		5,000,000.00	100.000	5,000,000.00	0.00	5,000,000.00		1.658	
05/29/20	05/29/20	78009AEV2	CP - DISC	Royal Bank of Canada		05/29/20		2,500,000.00	100.000	2,500,000.00	0.00	2,500,000.00		1.966	
06/04/20	06/04/20	30229AF46	CP - DISC	Exxon Mobil		06/04/20		5,000,000.00	100.000	5,000,000.00	0.00	5,000,000.00		1.002	
06/15/20	06/15/20	78009AFF6	CP - DISC	Royal Bank of Canada		06/15/20		1,500,000.00	100.000	1,500,000.00	0.00	1,500,000.00		1.837	
06/15/20	06/15/20	912828XU9	TREAS NOTE	U.S. Treasury	1.500	06/15/20		3,000,000.00	100.000	3,000,000.00	0.00	3,000,000.00		2.543	
Total for: Maturities								32,740,000.00		32,740,000.00	11,166.44	32,751,166.44		1.939	
Purchases															
04/06/20	04/13/20	3134GVJR0	AGCY CALL	FHLMC	1.050	04/13/22	07/13/20	3,000,000.00	100.000	3,000,000.00	0.00	3,000,000.00		1.050	1.050
04/08/20	04/09/20	3133EFUJ4	AGCY BULET	FFCB	2.150	12/29/22		3,000,000.00	104.242	3,127,260.00	17,916.67	3,145,176.67		0.577	0.577
04/14/20	04/20/20	3133ELWK6	AGCY CALL	FFCB	0.550	10/20/21	10/20/20	5,000,000.00	100.000	5,000,000.00	0.00	5,000,000.00		0.550	0.550
05/13/20	05/15/20	3134GVUK2	AGCY CALL	FHLMC	0.300	05/13/22	05/13/21	5,000,000.00	99.975	4,998,750.00	83.33	4,998,833.33		0.313	0.313
06/04/20	06/05/20	3134GVWQ7	AGCY CALL	FHLMC	0.550	05/19/23	08/19/20	2,500,000.00	100.000	2,500,000.00	611.11	2,500,611.11		0.550	0.550
06/04/20	06/04/20	CD-5883	CD	East West Bk CD	0.580	06/04/21		2,500,000.00	100.000	2,500,000.00	0.00	2,500,000.00		0.580	0.580
06/08/20	06/08/20	CD-1790	CD	East West Bk CD	0.440	06/08/21		2,500,000.00	100.000	2,500,000.00	0.00	2,500,000.00		0.440	0.440
Total for: Purchases								23,500,000.00		23,626,010.00	18,611.11	23,644,621.11		0.558	0.558
Income Payments															
04/13/20	04/13/20	3133ELGJ7	AGCY CALL	FFCB	1.620	10/13/21				0.00	20,250.00	20,250.00			
04/15/20	04/15/20	3130AHCE1	AGCY CALL	FHLB	1.750	04/15/21				0.00	26,250.00	26,250.00			
04/15/20	04/15/20	912828Z22	TREAS NOTE	U.S. Treasury	1.625	10/15/20				0.00	40,625.00	40,625.00			

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
Pooled Funds															
Income Payments															
04/15/20	04/15/20	912828X21	TREAS NOTE	U.S. Treasury	1.500	04/15/20				0.00	37,500.00	37,500.00			
04/30/20	04/30/20	CD-8019-2	CD	East West Bk CD	1.730	08/12/20		7,303.69	100.000	7,303.69	0.00	7,303.69			
04/30/20	04/30/20	CD-8603-2	CD	East West Bk CD	1.710	07/28/20		7,339.97	100.000	7,339.97	0.00	7,339.97			
05/15/20	05/15/20	912828ND8	TREAS NOTE	U.S. Treasury	3.500	05/15/20		87,500.00		0.00	87,500.00	87,500.00			
05/31/20	05/31/20	CD-8019-2	CD	East West Bk CD	1.730	08/12/20		7,558.07	100.000	7,558.07	0.00	7,558.07			
05/31/20	05/31/20	CD-8603-2	CD	East West Bk CD	1.710	07/28/20		7,595.49	100.000	7,595.49	0.00	7,595.49			
06/11/20	06/11/20	3133XDVS7	AGCY BULET	FHLB	5.250	12/11/20		79,931.25		0.00	79,931.25	79,931.25			
06/15/20	06/15/20	912828XU9	TREAS NOTE	U.S. Treasury	1.500	06/15/20		22,500.00		0.00	22,500.00	22,500.00			
06/29/20	06/29/20	3133EFUJ4	AGCY BULET	FFCB	2.150	12/29/22		32,250.00		0.00	32,250.00	32,250.00			
06/30/20	06/30/20	CD-8603-2	CD	East West Bk CD	1.710	07/28/20		7,360.98	100.000	7,360.98	0.00	7,360.98			
06/30/20	06/30/20	CD-8019-2	CD	East West Bk CD	1.730	08/12/20		7,324.84	100.000	7,324.84	0.00	7,324.84			
06/30/20	06/30/20	CD-1790	CD	East West Bk CD	0.440	06/08/21		693.24	100.000	693.24	0.00	693.24			
06/30/20	06/30/20	CD-5883	CD	East West Bk CD	0.580	06/04/21		1,072.82	100.000	1,072.82	0.00	1,072.82			
Total for: Income Payments										0.00	393,055.35	393,055.35			
Capitalized Interest															
04/30/20	04/30/20	CD-8019-2	CD	East West Bk CD	1.730	08/12/20		7,303.69	100.000	7,303.69	0.00	7,303.69			
04/30/20	04/30/20	CD-8603-2	CD	East West Bk CD	1.710	07/28/20		7,339.97	100.000	7,339.97	0.00	7,339.97			
05/31/20	05/31/20	CD-8019-2	CD	East West Bk CD	1.730	08/12/20		7,558.07	100.000	7,558.07	0.00	7,558.07			
05/31/20	05/31/20	CD-8603-2	CD	East West Bk CD	1.710	07/28/20		7,595.49	100.000	7,595.49	0.00	7,595.49			
06/30/20	06/30/20	CD-8603-2	CD	East West Bk CD	1.710	07/28/20		7,360.98	100.000	7,360.98	0.00	7,360.98			
06/30/20	06/30/20	CD-8019-2	CD	East West Bk CD	1.730	08/12/20		7,324.84	100.000	7,324.84	0.00	7,324.84			
06/30/20	06/30/20	CD-1790	CD	East West Bk CD	0.440	06/08/21		693.24	100.000	693.24	0.00	693.24			
06/30/20	06/30/20	CD-5883	CD	East West Bk CD	0.580	06/04/21		1,072.82	100.000	1,072.82	0.00	1,072.82			
Total for: Capitalized Interest								46,249.10	46,249.10	0.00	46,249.10				

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
------------	-------------	-------	---------------	----------------------	--------	----------	-----------	-----------	-------	------------------	--------------------------	--------------	----------------------	-----	-----

Total for All Portfolios

Transaction Type	Quantity	Total Amount	Realized G/L	YTM	YTW
Total Calls	8,000,000.00	8,000,000.00		1.704	1.669
Total Maturities	32,740,000.00	32,751,166.44		1.939	
Total Purchases	23,500,000.00	23,644,621.11		0.558	0.558
Total Income Payments	0.00	393,055.35			
Total Capitalized Interest	46,249.10	46,249.10			

CUSIP	Settle Date	Security Type	Security Description	Next Call Date	Purchase Qty	Orig Price	Original Cost	Amrt/Accr for Period	Total Amrt/Accr Since Purch	Remaining Disc / Prem	Book Value
Pooled Funds											
05249HFW7	01/08/20	CP - INT	City of Austin, TX 1.750 04/02/20		0.00	100.000	0.00	0.00	0.00	0.00	0.00
66844CD84	02/10/20	CP - DISC	Northwestern Univ 0.000 04/08/20		0.00	99.742	0.00	933.33	0.00	0.00	0.00
912828X21	02/08/19	TREAS NOTE	U.S. Treasury 1.500 04/15/20		0.00	98.805	0.00	1,950.05	0.00	0.00	0.00
912828ND8	02/27/19	TREAS NOTE	U.S. Treasury 3.500 05/15/20		0.00	101.156	0.00	(5,827.60)	0.00	0.00	0.00
02665JEJ5	02/06/20	CP - DISC	American Honda Finance 0.000 05/18/20		0.00	99.533	0.00	10,770.85	0.00	0.00	0.00
78009AEV2	09/30/19	CP - DISC	Royal Bank of Canada 0.000 05/29/20		0.00	98.696	0.00	7,813.90	0.00	0.00	0.00
30229AF46	03/11/20	CP - DISC	Exxon Mobil 0.000 06/04/20		0.00	99.764	0.00	8,888.90	0.00	0.00	0.00
78009AFF6	12/16/19	CP - DISC	Royal Bank of Canada 0.000 06/15/20		0.00	99.080	0.00	5,687.50	0.00	0.00	0.00
912828XU9	02/28/19	TREAS NOTE	U.S. Treasury 1.500 06/15/20		0.00	98.680	0.00	6,330.24	0.00	0.00	0.00
89233GGD2	10/17/19	CP - DISC	Toyota Mtr Cr 0.000 07/13/20		2,000,000.00	98.545	1,970,900.00	9,807.78	27,806.66	1,293.34	1,998,706.66
46640PGH0	10/23/19	CP - DISC	J.P.Morgan Sec 0.000 07/17/20		1,500,000.00	98.615	1,479,230.00	7,052.49	19,530.00	1,240.00	1,498,760.00
CD-8603-2	01/28/20	CD	East West Bk CD 1.710 07/28/20		5,241,150.97	100.000	5,241,150.97	0.00	0.00	0.00	5,241,150.97
912828VP2	10/17/19	TREAS NOTE	U.S. Treasury 2.000 07/31/20		4,000,000.00	100.277	4,011,093.75	(3,540.40)	(9,926.59)	(1,167.16)	4,001,167.16
91514BGW7	11/05/19	CP - INT	Univ of TX 1.860 07/31/20		3,500,000.00	100.000	3,500,000.00	0.00	0.00	0.00	3,500,000.00
CD-8019-2	02/12/20	CD	East West Bk CD 1.730 08/12/20		5,155,160.86	100.000	5,155,160.86	0.00	0.00	0.00	5,155,160.86
912828VV9	01/31/20	TREAS NOTE	U.S. Treasury 2.125 08/31/20		3,000,000.00	100.324	3,009,726.56	(4,158.93)	(6,938.72)	(2,787.84)	3,002,787.84
3137EAEJ4	12/10/19	AGCY BULET	FHLMC 1.625 09/29/20		4,000,000.00	99.984	3,999,360.00	189.88	454.32	185.68	3,999,814.32
912828Z22	10/16/19	TREAS NOTE	U.S. Treasury 1.625 10/15/20		5,000,000.00	99.992	4,999,609.38	97.50	276.97	113.65	4,999,886.35
78009ALA0	02/18/20	CP - DISC	Royal Bank of Canada 0.000 11/10/20		4,000,000.00	98.847	3,953,893.33	15,773.32	23,226.67	22,880.00	3,977,120.00
3133XDVS7	02/11/20	AGCY BULET	FHLB 5.250 12/11/20		3,045,000.00	103.053	3,137,963.85	(27,802.16)	(43,219.39)	(49,744.46)	3,094,744.46
9128283X6	12/27/19	TREAS NOTE	U.S. Treasury 2.250 02/15/21		5,000,000.00	100.672	5,033,593.75	(7,381.70)	(15,058.25)	(18,535.50)	5,018,535.50
9128284B3	11/26/19	TREAS NOTE	U.S. Treasury 2.375 03/15/21		5,000,000.00	100.902	5,045,117.19	(8,564.55)	(20,502.39)	(24,614.80)	5,024,614.80
3130AHCE1	10/16/19	AGCY CALL	FHLB 1.750 04/15/21	04/15/20	0.00	99.950	0.00	1,044.48	0.00	0.00	0.00
CD-5883	06/04/20	CD	East West Bk CD 0.580 06/04/21		2,501,072.82	100.000	2,501,072.82	0.00	0.00	0.00	2,501,072.82
CD-1790	06/08/20	CD	East West Bk CD 0.440 06/08/21		2,500,693.24	100.000	2,500,693.24	0.00	0.00	0.00	2,500,693.24
3133ELGJ7	01/23/20	AGCY CALL	FFCB 1.620 10/13/21	04/13/20	0.00	99.940	0.00	2,699.40	0.00	0.00	0.00
3133ELWK6	04/20/20	AGCY CALL	FFCB 0.550 10/20/21	10/20/20	5,000,000.00	100.000	5,000,000.00	0.00	0.00	0.00	5,000,000.00
3134GVJR0	04/13/20	AGCY CALL	FHLMC 1.050 04/13/22	07/13/20	3,000,000.00	100.000	3,000,000.00	0.00	0.00	0.00	3,000,000.00
3134GVUK2	05/15/20	AGCY CALL	FHLMC 0.300 05/13/22	05/13/21	5,000,000.00	99.975	4,998,750.00	79.90	79.90	1,170.10	4,998,829.90
3133EFUJ4	04/09/20	AGCY BULET	FFCB 2.150 12/29/22		3,000,000.00	104.242	3,127,260.00	(10,561.77)	(10,561.77)	(116,698.23)	3,116,698.23
3130ADRG9	03/13/20	AGCY BULET	FHLB 2.750 03/10/23		4,500,000.00	105.640	4,753,806.46	(20,987.73)	(25,185.26)	(228,621.20)	4,728,621.20
3134GVWQ7	06/05/20	AGCY CALL	FHLMC 0.550 05/19/23	08/19/20	2,500,000.00	100.000	2,500,000.00	0.00	0.00	0.00	2,500,000.00



Town of Addison
Amortization and Accretion
From 03/31/2020 to 06/30/2020

CUSIP	Settle Date	Security Type	Security Description	Next Call Date	Purchase Qty	Orig Price	Original Cost	Amrt/Accr for Period	Total Amrt/Accr Since Purch	Remaining Disc / Prem	Book Value
Total for Pooled Funds					78,443,077.89		78,918,382.16	(9,705.32)	(60,017.85)	(415,286.42)	78,858,364.31
Total for Town of Addison					78,443,077.89		78,918,382.16	(9,705.32)	(60,017.85)	(415,286.42)	78,858,364.31

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
Pooled Funds						
89233GGD2	CP - DISC	Toyota Mtr Cr 0.000 07/13/20	07/13/20	0.00	2,000,000.00	2,000,000.00
46640PGH0	CP - DISC	J.P.Morgan Sec 0.000 07/17/20	07/17/20	0.00	1,500,000.00	1,500,000.00
CD-8603-2	CD	East West Bk CD 1.710 07/28/20	07/28/20	6,875.24	5,241,150.97	5,248,026.21
CD-1790	CD	East West Bk CD 0.440 06/08/21	07/31/20	916.92	0.00	916.92
CD-5883	CD	East West Bk CD 0.580 06/04/21	07/31/20	1,208.85	0.00	1,208.85
CD-8019-2	CD	East West Bk CD 1.730 08/12/20	07/31/20	7,432.02	0.00	7,432.02
91514BGW7	CP - INT	Univ of TX 1.860 07/31/20	07/31/20	48,644.16	3,500,000.00	3,548,644.16
912828VP2	TREAS NOTE	U.S. Treasury 2.000 07/31/20	07/31/20	40,000.00	4,000,000.00	4,040,000.00
CD-8019-2	CD	East West Bk CD 1.730 08/12/20	08/12/20	2,932.08	5,155,160.86	5,158,092.94
9128283X6	TREAS NOTE	U.S. Treasury 2.250 02/15/21	08/15/20	56,250.00	0.00	56,250.00
CD-1790	CD	East West Bk CD 0.440 06/08/21	08/31/20	916.92	0.00	916.92
CD-5883	CD	East West Bk CD 0.580 06/04/21	08/31/20	1,208.85	0.00	1,208.85
912828VV9	TREAS NOTE	U.S. Treasury 2.125 08/31/20	08/31/20	31,875.00	3,000,000.00	3,031,875.00
3130ADRG9	AGCY BULET	FHLB 2.750 03/10/23	09/10/20	61,875.00	0.00	61,875.00
9128284B3	TREAS NOTE	U.S. Treasury 2.375 03/15/21	09/15/20	59,375.00	0.00	59,375.00
3137EAEJ4	AGCY BULET	FHLMC 1.625 09/29/20	09/29/20	32,500.00	4,000,000.00	4,032,500.00
CD-1790	CD	East West Bk CD 0.440 06/08/21	09/30/20	916.92	0.00	916.92
CD-5883	CD	East West Bk CD 0.580 06/04/21	09/30/20	1,208.85	0.00	1,208.85
3134GVJR0	AGCY CALL	FHLMC 1.050 04/13/22	10/13/20	15,750.00	0.00	15,750.00
9128282Z2	TREAS NOTE	U.S. Treasury 1.625 10/15/20	10/15/20	40,625.00	5,000,000.00	5,040,625.00
3133ELWK6	AGCY CALL	FFCB 0.550 10/20/21	10/20/20	13,750.00	0.00	13,750.00
CD-1790	CD	East West Bk CD 0.440 06/08/21	10/31/20	916.92	0.00	916.92
CD-5883	CD	East West Bk CD 0.580 06/04/21	10/31/20	1,208.85	0.00	1,208.85
78009ALA0	CP - DISC	Royal Bank of Canada 0.000 11/10/20	11/10/20	0.00	4,000,000.00	4,000,000.00
3134GVUK2	AGCY CALL	FHLMC 0.300 05/13/22	11/13/20	7,500.00	0.00	7,500.00
3134GVWQ7	AGCY CALL	FHLMC 0.550 05/19/23	11/19/20	6,875.00	0.00	6,875.00
CD-1790	CD	East West Bk CD 0.440 06/08/21	11/30/20	916.92	0.00	916.92
CD-5883	CD	East West Bk CD 0.580 06/04/21	11/30/20	1,208.85	0.00	1,208.85
3133XDVS7	AGCY BULET	FHLB 5.250 12/11/20	12/11/20	79,931.25	3,045,000.00	3,124,931.25
Total for Pooled Funds				522,818.60	40,441,311.83	40,964,130.43

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
-------	---------------	----------------------	----------	----------	-----------	--------------

Total for All Portfolios

July 2020	105,077.19	16,241,150.97	16,346,228.16
August 2020	93,182.85	8,155,160.86	8,248,343.71
September 2020	155,875.77	4,000,000.00	4,155,875.77
October 2020	72,250.77	5,000,000.00	5,072,250.77
November 2020	16,500.77	4,000,000.00	4,016,500.77
December 2020	79,931.25	3,045,000.00	3,124,931.25
Total Projected Cash Flows for Town of Addison		522,818.60	40,441,311.83
			40,964,130.43