BEAUMONT
TEXAS

REGULAR MEETING OF THE CITY COUNCIL
COUNCIL CHAMBERS DECEMBER 22, 2015 1:30 P.M.

CONSENT AGENDA

* Approval of minutes – December 15, 2015

* Confirmation of committee appointments

Steve McGaha would be appointed to the Convention and Tourism Advisory Board. The term would commence December 22, 2015 and expire September 30, 2017. (Councilmember Audwin M. Samuel)

A) Authorize the purchase of a track loader and an excavator from Bobcat, Inc. of West Fargo, North Dakota for use by the Streets and Drainage Division and the Parks and Recreation Department

B) Authorize the purchase of an excavator and a tractor from Kubota Tractor Corporation, of Torrance, California for use by the Water Utilities Department

C) Approve the purchase of splash pad upgrades for Pine Street Park and Liberia Park

D) Authorize the purchase of five mowers from Exmark Mfg. Co., of Beatrice, Nebraska for use in the Parks and Recreation Department and at the Henry Homberg Golf Course

E) Authorize the execution of a License to Encroach Agreement with Carolyn Fullerton related to property located at 635 Shakespeare Drive

F) Approve a resolution amending and approving the Alcohol and Substance Abuse Policy for employees of the Beaumont Municipal Transit system

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE

CITY OF BEAUMONT:

THAT the following appointment be made:

Appointment	Commission	Beginning of Term	Expiration of Term
Steve McGahawould	Convention and Tourism Advisory Board	12/22/2015	09/30/2017

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

A

BEAUMONT
TEXAS

TO:	City Council
FROM:	Kyle Hayes, City Manager
PREPARED BY:	Laura Clark, Chief Financial Officer
MEETING DATE:	December 22, 2015
REQUESTED ACTION:	Council consider a resolution authorizing the purchase of a Bobcat compact track loader and compact excavator from Bobcat, Inc. of West Fargo, North Dakota in the total amount of $112,988.90 for use by the Streets and Drainage Division and the Parks and Recreation Department.

BACKGROUND

The track loader will be used by the Streets and Drainage Division for road construction. It will replace unit 9674 which has proven unsuitable for the tasks required. Unit 9674, a 2006 Kubota Utility Vehicle will be retained for other purposes. The excavator will replace unit 4270, a 1992 John Deere Tractor having 4,473 hours. The excavator is used for irrigation repair, pulling stumps, grinding and dressing all field work. Unit 4270 will be disposed of through the City's surplus equipment program.

Pricing was obtained through the Texas Association of School Boards (BuyBoard), a cooperative purchasing association providing cities and political subdivisions with the means to purchase specialized equipment at volume pricing. BuyBoard complies with State of Texas procurement statutes. The total purchase price includes the BuyBoard fee of $800 which is paid to the vendor.

Warranty service will be provided by Bobcat of Beaumont, Inc., the local dealer.

FUNDING SOURCE

Capital Reserve Fund.

RECOMMENDATION

Approval of resolution.

Bobcat

Product Quotation

Quotation Number: CMS-30441v1 #33
Date: 2015-11-10 14:58:15 #12658

Customer Name/Address:	Bobcat Delivering Dealer	ORDERS TO BE PLACED WITH: Contract Holder/Manufacturer
CITY OF BEAUMONT **4955 LAFIN RD** **BEAUMONT, TX 77705** **Phone: (409) 842-5885** **Fax: (409) 842-0851**	**Jason Briggs** **Bobcat of Beaumont,** **BEAUMONT TX 77705** **Phone: (409) 835-2200** **Fax: (409) 835-2022**	**Bobcat Company** **PO Box 6000** **West Fargo, ND 58078** **Phone: 701-241-8719** **Fax: 701-280-7860** **Contact: Crystal Stram** **Crystal.stram@doosan.com**

Description	Part No	Qty	Price Ea.	Total
T750 T4 Bobcat Compact Track Loader	**M0281**	**1**	**$49,763.70**	**$49,763.70**

85 HP Turbo Tier 4 Diesel Engine
Air Intake Heater (Automatically Activated)
Auxiliary Hydraulics: Variable Flow
Backup Alarm
Bob-Tach
Bobcat Interlock Control System (BICS)
Controls: Bobcat Standard
Engine/Hydraulic Systems Shutdown
Horn
Instrumentation: Engine Temp and Fuel Gauges, Hourmeter, RPM and Warning Lights
Tracks: Rubber, 17.7" wide
Warranty: 12 Months, Unlimited Hours
Lift Arm Support
Lift Path: Vertical
Lights, Front & Rear
Operator Cab
- Includes: Adjustable Suspension Seat, Top & Rear Windows, Seat Bar, Seat Belt
- Roll Over Protective Structure (ROPS) meets SAE-J1040 & ISO 3471
- Falling Object Protective Structure (FOPS) meets SAE-J1043 & ISO 3449, Level I; (Level II is available through Bobcat Parts)

Parking Brake: Spring Applied, Pressure Released (SAPR)

Factory Install A91 Option Package	**M0281-P01-A91**	**1**	**$7,095.90**	**$7,095.90**

Cab Enclosure with Heat and AC
High Flow Hydraulics
Sound Reduction
Hydraulic Bucket Positioning
Power Bob-Tach
Deluxe Instrument Panel w/Keyless Start
Engine Block Heater
Attachment Control Kit
Cab Accessories Package
Two Speed Travel
3-Point Seat Belt

Attachments	**80" C/I Heavy Duty Bucket**	**6726344**	**1**	**$1,074.50**	**$1,074.50**
	HB980 Hyd Breaker with Nail Point	**7113421**	**1**	**$5,502.00**	**$5,502.00**
	--- Loader Mounting Frame	**7113737**	**1**	**$469.00**	**$469.00**
	--- Hose Kit - Breakers - Ldr	**7114764**	**1**	**$143.50**	**$143.50**
	24" Planer, High Flow	**M7017**	**1**	**$11,151.00**	**$11,151.00**
	--- Drum 24 Fastcut	**M7017-R01-C04**	**1**	**$2,961.00**	**$2,961.00**

Quote Total - US dollars **$78,160.60**

Prices per the TX - Buyboard Contract# 424-13. Expires: 9-30-2016
Must be a Coop Member to purchase off contract
Terms Net 30 Days. Credit cards accepted.
FOB Destination within the 48 Contiguous States.
Delivery: 90 days from ARO.
State Sales Taxes apply.
ORDERS TO BE PLACED WITH: Clark Equipment Company dba Bobcat Company, PO Box 6000, West Fargo, ND 58078

Prices & Specifications are subject to change. Please call before placing an order. Applies to factory ordered units only.

ORDER ACCEPTED BY:

SIGNATURE **DATED**

Bobcat

Product Quotation

Quotation Number: CMS-30460v2
Date: 2015-11-16 20:27:34

Customer Name/Address:	Bobcat Delivering Dealer	ORDERS TO BE PLACED WITH: Contract Holder/Manufacturer
CITY OF BEAUMONT **4955 LAFIN RD** **BEAUMONT, TX 77705** **Phone: (409) 842-5885** **Fax: (409) 842-0851**	**Jason Briggs** **Bobcat of Beaumont** **BEAUMONT TX 77705** **Phone: (409) 835-2200** **Fax: (409) 835-2022**	**Bobcat Company** **PO Box 6000** **West Fargo, ND 58078** **Phone: 701-241-8719** **Fax: 701-280-7860** **Contact: Crystal Stram** **Crystal.stram@doosan.com**

Description

E26 T4 Bobcat Compact Excavator

Part No	Qty	Price Ea.	Total
M3003	1	$25,718.00	$25,718.00

24.8 HP Tier 4
Auto-Idle
Auxiliary Hydraulics, Boom Mounted Flush Face Quick Couplers
Boom Swing
Canopy
- Includes: Cup Holder, Retractable Seat Belt
- Roll Over Protective Structure (ROPS)- Meets Requirements of ISO 12117-2:2008
- Tip Over Protective Structure (TOPS) - Meets Requirements of ISO 12117:2000

Control Console Locks
Control Pattern Selector Valve (ISO/STD)
Zero Tail Swing
Dozer Blade with Float
Engine/Hydraulic Monitor with Shutdown
Fingertip Auxiliary Hydraulic Control
Fingertip Boom Swing Control
Horn
Hydraulic Joystick Controls
Rubber Track
Spark Arrestor Muffler
Two-Speed Travel, with Auto-Shift
Vandalism Protection
Warranty: 12 Months, Unlimited Hours
Work Lights
X-Change (Attachment Mounting System)

Factory Installed	**Cab Enclosure with Heat and Air Conditioning**	**M3003-R01-C03**	**1**	**$4,012.40**	**$4,012.40**
	Hydraulic Clamp	**M3003-R08-C03**	**1**	**$1,250.90**	**$1,250.90**
Attachments	**39" X-Change Grading Bucket**	**6735443**	**1**	**$707.00**	**$707.00**
	15C Auger Drive Unit	**6809442**	**1**	**$1,123.50**	**$1,123.50**
	--- X-Change Auger Interface	**6817100**	**1**	**$213.50**	**$213.50**
	--- Standard Duty Bit, 36"	**6666898**	**1**	**$893.00**	**$893.00**
	13" Standard Duty Bucket, Class 2	**6735375**	**2**	**$455.00**	**$910.00**

Quote Total - US dollars **$34,828.30**

Prices per the TX - Buyboard Contract# 424-13. Expires: 9-30-2016
Must be a Coop Member to purchase off contract
Terms Net 30 Days. Credit cards accepted.
FOB Destination within the 48 Contiguous States.
Delivery: 90 days from ARO.
State Sales Taxes apply.
ORDERS TO BE PLACED WITH: Clark Equipment Company dba Bobcat Company, PO Box 6000, West Fargo, ND 58078

Prices & Specifications are subject to change. Please call before placing an order. Applies to factory ordered units only.

ORDER ACCEPTED BY:

SIGNATURE **DATED**

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Council hereby approves the purchase of a Bobcat compact track loader and compact excavator for use by the Street and Drainage Division and the Parks and Recreation Department from Bobcat, Inc., of West Fargo, North Dakota, in the amount of $112,988.90 through the Texas Association of School Boards (BuyBoard) Cooperative Purchasing Program.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

B

BEAUMONT
TEXAS

TO:	City Council
FROM:	Kyle Hayes, City Manager
PREPARED BY:	Laura Clark, Chief Financial Officer
MEETING DATE:	December 22, 2015
REQUESTED ACTION:	Council consider a resolution authorizing the purchase of a Kubota excavator and tractor from Kubota Tractor Corporation, of Torrance, California, in the total amount of $108,013.30, for use by the Water Utilities Department.

BACKGROUND
The excavator will replace Unit 5134, a 1999 Tacheuchi having 4,813 hours. This equipment has reached the end of its useful life requiring costly repairs and downtime resulting in diminished productivity. The excavator will be disposed of through the City's surplus equipment program. The tractor is an addition to the fleet and is used to pull mowing equipment in the plant and wetlands. The existing tractor is undersized and underpowered for the mowing equipment in use resulting in excessive wear to the tractor and making mowing inefficient and time consuming.

Pricing was obtained through the Houston-Galveston Area Cooperative Purchasing Program (HGAC)), a cooperative purchasing association providing cities and political subdivisions with the means to purchase specialized equipment at volume pricing. HGAC complies with State of Texas procurement statutes.

Warranty service will be provided by Beaumont Tractor, the local dealer.

FUNDING SOURCE
Water Fund.

RECOMMENDATION
Approval of resolution.

HGACBuy

Contract Pricing Worksheet

KUBOTA TRACTOR CORPORATION
NATIONAL ACCOUNT CONTRACT PRICING SHEET

EM06-15

PHONE: 310-370-3370 EXT. 1813 FAX: 310-370-3846 EMAIL: CBENNETT@KUBOTA.COM

HGAC10-2015

Purchasing Party:	City of Beaumont		REMIT TO :	Kubota Tractor Corporation
Contact:	Jeff Harville	Issue PO's TO Kubota Tractor Corp. 3401 Del Amo Blvd Torrance, CA. 90503	ADDRESS:	3401 DEL AMO BLVD
Phone #:	409-842-5885		CITY:	TORRANCE STATE: CA 90503
Fax #:			DLR #	Beaumont Tractor PHONE
Email:	na		CONTACT	Kyle FAX:

COMMENTS: Prices for product quoted are good for 60 days from quote date/Subject to Availability

IMPORTANT -This WORKSHEET MUST BE VERIFIED BY KUBOTA NATIONAL ACCOUNTS before a PO is issued. Please fax to Cynthia Bennett (310) 370-3846 or email the worksheet to cbennett@kubota.com. PO's without verified quote may be subject to change. PO Must Be Issued To Kubota Tractor Corporation

General Description of Product:	Mini Excavators (18%)	Wheel Loaders & SVL (14%)	TLBackhoes (20%)

ORDERING INFORMATION					FOR KUBOTA USE ONLY		
QTY.	MODEL	DESCRIPTION	UNIT LIST PRICE	% Discount	NATIONAL ACCT. DISCOUNT PRICE	TOTAL LIST PRICE	TOTAL NATIONAL ACCOUNT PRICE
A.	Catalog / Price Sheet Items being purchased - Itemize Below						
1	KX057-4R3	Rubber Tracks, A/C ROPS/OPG	$ 77,400.00	17%	$ 64,242.00	$ 77,400.00	$ 64,242.00
		Subtotal A:	$ 77,400.00		$64,242.00	$ 77,400.00	$ 64,242.00
B.	Unpublished Options, Accessory or Service Items- Itemize Below						
1	Tag Bucket Model # 2425MX2 24" Pin On Bckt		$ 775.00		$ 775.00	$ 775.00	$ 775.00
1	Pin Kit and Freight ($90.00)		$ 338.00		$ 338.00	$ 338.00	$ 338.00
		Subtotal B:	$ 1,113.00		$ 1,113.00	$ 1,113.00	$ 1,113.00
C.	Other Allowances, Discounts, Trade-Ins, Freight, Make Ready or Miscellaneous Charges						
	Standard Kubota Inbound Freight Charges		$ 520.00		$ 520.00	$ 520.00	$ 520.00
	Dealer Assembly Charges		$ 37.50		$ 37.50	$ 37.50	$ 37.50
	Dealer PDI & Delivery		$ 250.00		$ 250.00	$ 250.00	$ 250.00
		Subtotal C:	$ 807.50		$ 807.50	$ 807.50	$ 807.50
	Check: Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B)		For this transaction the percentage is:		2%		
		TOTAL= (A+B+C)	**$79,320.50**		**$66,162.50**	**$79,320.50**	**$66,162.50**

Pricing Subject to Established Membership & Availabilty of Product

AUTHORIZED SIGNATURE: X _____ DATE _____

HGAC order processing charge of 1.5% on Section B items is the resposibility of the delivering dealer. Kubota will reimburse HGAC for the entire order processing charge and deduct the amount applicable to Section B from internal Kubota bid discounts $ 16.70

All orders are subject to the terms and conditions as outlined in the National Purchase Agreement.

SUBJECT TO ALL APPLICABLE SALES TAX

Payment Terms = Net 45 Days

The Standard Kubota Warranty Applies, which does not include pick up or delivery.

FOR KTC INTERNAL USE-	Quote #: HGAC10-2015	Quote Date: 11/06/2015	Verified By: crb

HGACBuy

Contract Pricing Worksheet

KUBOTA TRACTOR CORPORATION
NATIONAL ACCOUNT CONTRACT PRICING SHEET

GR01-12

Quote # HGAC14-2015

Purchasing Party:	City of Beaumont		REMIT TO :	Kubota Tractor Corporation
Contact:	Jeff Harville	Issue PO's to:	ADDRESS:	3401 DEL AMO BLVD
Phone #:	409-842-5855	Kubota Tractor Corp.	CITY:	TORRANCE STATE: CA 90503
Fax #:		3401 Del Amo Blvd	DLR #	Beaumont Trac PHONE
Email:	na	Torrance, CA. 90503	CONTACT	Kyle FAX:

COMMENTS: Prices for product quoted are good for 60 days from quote date/Subject to Availability

IMPORTANT -This WORKSHEET MUST BE VERIFIED BY KUBOTA NATIONAL ACCOUNTS before a PO is issued. Please fax to Cynthia Bennett (310) 370-3846 or email the worksheet to cbennett@kubota.com. PO's without verified quote may be subject to change. PO Must Be Issued To Kubota Tractor Corporation

General Description of Product Discounts from MSRP	B, BX, L, M Series (20%)	RTV Series (17%)	Z & F Series (20%)	T/G Series (18%)

ORDERING INFORMATION					FOR KUBOTA USE ONLY		
QTY.	MODEL	DECRIPTION	UNIT LIST PRICE	% Discount	NATIONAL ACCT. DISCOUNT PRICE	TOTAL LIST PRICE	TOTAL NATIONAL ACCOUNT PRICE
A.	Catalog / Price Sheet Items being purchased - Itemize Below						
1	M9960HDC12	4WD TRA W/HYD SHUTTLE 12X12/CAB	$ 51,602.00	20%	$ 41,281.60	$ 51,602.00	$ 41,281.60
1	M7687	2ND POSITION LEVER KIT	$ 140.00	20%	$ 112.00	$ 140.00	$ 112.00
1	M7611	2ND/3RD VALVE (FD)	$ 684.00	20%	$ 547.20	$ 684.00	$ 547.20
	Selected Tires TIRES						
	AMR8556A & AMR8530A AG TIRES						
		Subtotal A:	$ 52,426.00		$41,940.80	$ 52,426.00	$ 41,940.80
B.	Unpublished Options, Accessory or Service Items- Itemize Below						
					$ -	$ -	$ -
					$ -	$ -	$ -
					$ -	$ -	$ -
					$ -	$ -	$ -
					$ -	$ -	$ -
					$ -	$ -	$ -
		Subtotal B:	$ -		$0.00	$ -	$ -
C.	Other Allowances, Discounts, Trade-Ins, Freight, Make Ready or Miscellaneous Charges						
1	Kubota Standard Inbound Freight		$ 480.00		$ 480.00	$ 480.00	$ 480.00
1	Factory Assembly Fee		$ 250.00		$ 250.00	$ 250.00	$ 250.00
1	Dealer Assembly Fee		$ 130.00		$ 130.00	$ 130.00	$ 130.00
1	Dealer PDI & Delivery Fee		$ 250.00		$ 250.00	$ 250.00	$ 250.00
1	*Dealer Approved Deduction from Compensation*		*$ (1,200.00)*		*$ (1,200.00)*	*$ (1,200.00)*	*$ (1,200.00)*
		Subtotal C:	$ (90.00)		$ (90.00)	$ (90.00)	$ (90.00)
	Check: Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B)		For this transaction the percentage is:		0%		
		TOTAL= (A+B+C)	**$52,336.00**		**$41,850.80**	**$52,336.00**	**$41,850.80**

Pricing Subject to Established Membership & Availabilty of Product

AUTHORIZED SIGNATURE: X _____ DATE _____

HGAC order processing charge of 1.5% on Section B items is the responsibility of the delivering dealer. Kubota will reimburse HGAC for the entire order processing charge and deduct the amount applicable to Section B from internal Kubota bid discount $ -

All orders are subject to the terms and conditions as outlined in the National Purchase Agreement.

SUBJECT TO ALL APPLICABLE SALES TAX

Payment Terms = Net 45 Days

The Standard Kubota Warranty Applies, which does not include pick up or delivery.

FOR KTC INTERNAL USE-	Quote #: HGAC14-2015	Quote Date: 11/06/15	Verified By: crb See #491020

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Council hereby approves the purchase of a Kubota excavator and tractor for use by the Water Utilities Department from Kubota Tractor Corp., of Torrance, California, in the amount of $108,013.30 through the Houston-Galveston Area Cooperative (H-GAC) Purchasing Program.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

C

BEAUMONT
TEXAS

TO:	City Council
FROM:	Kyle Hayes, City Manager
PREPARED BY:	Keith Folsom, Facilities Maintenance Superintendent
MEETING DATE:	December 22, 2015
REQUESTED ACTION:	Council consider a resolution approving the purchase of splash pad upgrades for Pine Street Park and Liberia Park in the amount of $103,993.34.

BACKGROUND
Pricing was obtained from Kraftsman Commercial Playgrounds & Water Parks utilizing the BuyBoard procurement process. BuyBoard purchasing network provides municipalities with the means to purchase construction services and products at competitive prices contracted under the procurement statues of the State of Texas.

The last upgrade on the splash pads at Pine Street Park and Liberia Park was completed in June 2003. The current rubber safety surfacing is 12 years old and has exceeded the 10 year product life expectancy, therefore we are experiencing a breakdown in the product components.

The proposed upgrades will include new rubber safety surfacing, drain modifications, and replacement of the umbrella feature.

FUNDING SOURCE
Capital Reserve Fund.

RECOMMENDATION
Approval of resolution.

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE

CITY OF BEAUMONT:

THAT the City Council hereby approves the award of a contract for the purchase of splash pad upgrades for Pine Street Park and Liberia Park to Kraftsman Commercial Playgrounds & Water Parks, of Spring, Texas, in the amount of $103,993.34 through the Texas Association of School Boards (BuyBoard) Cooperative Purchasing Program.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

D

BEAUMONT
TEXAS

TO: City Council

FROM: Kyle Hayes, City Manager

PREPARED BY: Laura Clark, Chief Financial Officer

MEETING DATE: December 22, 2015

REQUESTED ACTION: Council consider a resolution authorizing the purchase of five (5) mowers from Exmark Mfg. Co., of Beatrice, Nebraska in the amount of $51,877 for use in the Parks and Recreation Department and at the Henry Homberg Golf Course.

BACKGROUND

Four (4) 60-inch mowers will replace units 4004, 4150, 4005, and 4269. The mowers are used to maintain medians, rights of way, the athletic complex and other areas throughout the city. The 72- inch mower will replace unit 4151 which is a 2007 model having 3300 hours and is used for maintaining the golf course. All units will be disposed of through the City's surplus equipment program.

Pricing was obtained through the Houston-Galveston Area Cooperative Purchasing Program (HGAC)), a cooperative purchasing association providing cities and political subdivisions with the means to purchase specialized equipment at volume pricing. HGAC complies with State of Texas procurement statutes.

The equipment carries a three year warranty. Warranty service will be provided by Trinity Valley Tractors, Inc., of Dayton, Texas.

FUNDING SOURCE

Capital Reserve Fund.

RECOMMENDATION

Approval of resolution.

#20210 #30 6015

HGACBuy	CONTRACT PRICING WORKSHEET For Catalog & Price Sheet Type Purchases	Contract No.:	671 GR01-15	Date Prepared:	12/8/2015

This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.

Buying Agency:	City of Beaumont	Contractor:	Exmark Mfg. Co. Inc.
Contact Person:	Jeff Harville	Prepared By:	Jonathan S. Guarneri
Phone:	409-842-5885	Phone:	402-223-6255
Fax:	409-842-0851	Fax:	402-223-4154
Email:	jharville@beaumonttexas.gov	Email:	jonathan.guarneri@exmark.com

Catalog / Price Sheet Name:	Exmark Mfg. Co. Inc
General Description of Product:	Exmark 72" Mower

A. Catalog / Price Sheet Items being purchased - Itemize Below - Attach Additional Sheet If Necessary

Quan	Description	Unit Pr	Total
1	LZS801GKA724A1 Lazer Z S-Series FX801V Kawasaki with 72" UltraCut Series 4 Deck, Suspension Seat, &	$9,737	9737
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
		Total From Other Sheets, If Any:	
		Subtotal A:	9737

B. Unpublished Options, Accessory or Service items - Itemize Below - Attach Additional Sheet If Necessary
(Note: Unpublished Items are any which were not submitted and priced in contractor's bid.)

Quan	Description	Unit Pr	Total
1	116-8431 OCD, Foot	369	369
1	116-0513 Kit, Sunshade	275	275
			0
			0
		Total From Other Sheets, If Any:	
		Subtotal B:	644

Check: Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B).	For this transaction the percentage is:	7%

C. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges

Subtotal C:	0

Delivery Date:		**D. Total Purchase Price (A+B+C):**	10381

#20210 #29 Parks

HGACBuy	CONTRACT PRICING WORKSHEET For Catalog & Price Sheet Type Purchases	Contract No.:	671 GR01-15	Date Prepared:	12/9/2015

This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.

Buying Agency:	City of Beaumont	Contractor:	Exmark Mfg. Co. Inc.
Contact Person:	Jeff Harville	Prepared By:	Jonathan S. Guarneri
Phone:	409-842-5885	Phone:	402-223-6255
Fax:	409-842-0851	Fax:	402-223-4154
Email:	jharville@beaumonttexas.gov	Email:	jonathan.guarneri@exmark.com

Catalog / Price Sheet Name:	Exmark Mfg. Co. Inc
General Description of Product:	Exmark Lazer S 60"

A. Catalog / Price Sheet Items being purchased - Itemize Below - Attach Additional Sheet If Necessary

Quan	Description	Unit Pr	Total
4	LZS801GKA604A1 Lazer Z S-Series FX801V Kawasaki with 60" UltraCut Series 4 Deck, Suspension Seat, &	$9,415	37660
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
		Total From Other Sheets, If Any:	
		Subtotal A:	37660

B. Unpublished Options, Accessory or Service items - Itemize Below - Attach Additional Sheet If Necessary
(Note: Unpublished Items are any which were not submitted and priced in contractor's bid.)

Quan	Description	Unit Pr	Total
4	116-8431 OCD, Foot	369	1476
4	Kit, Sunshade	275	1100
4	Bar Lug Tires	315	1260
			0
		Total From Other Sheets, If Any:	
		Subtotal B:	3836

Check: Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B).	For this transaction the percentage is:	10%

C. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges

Subtotal C:	0

Delivery Date:		**D. Total Purchase Price (A+B+C):**	41496

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Council hereby approves the purchase of five (5) mowers for use by the Parks and Recreation Department and at the Henry Homberg Golf Course from Exmark Mfg. Co., of Beatrice, Nebraska, in the amount of $51,877.00 through the Houston-Galveston Area Cooperative (H-GAC) Purchasing Program.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

E

BEAUMONT
TEXAS

TO:	City Council
FROM:	Kyle Hayes, City Manager
PREPARED BY:	Dr. Joseph Majdalani, P.E., Public Works Director JM
MEETING DATE:	December 22, 2015
REQUESTED ACTION:	Council consider a resolution authorizing the execution of a License to Encroach Agreement with Carolyn Fullerton.

BACKGROUND
There are two (2) existing structures located at 635 Shakespeare Drive encroaching onto a twenty foot (20') utility easement in Lot 9, Block 21, Dowlen West Subdivision. The pool encroaches 1.82' to 3.28' and the pool equipment is located within the easement.

The request from Carolyn Fullerton, was submitted to all city departments and utility companies with no objections. The City Utilities Department approved the license to encroach with the following conditions:

The City has an existing fifty-four inch (54") sanitary sewer main and a six inch (6") sanitary sewer main within the twenty foot (20') utility easement. The City of Beaumont will not be responsible for any damages to the structures (pool or pool equipment) if the sanitary sewer mains should ever develop a cavity or due to any repairs to the City mains by City crews or contractor crews hired by the City. The City of Beaumont shall not be responsible for the repair and replacement of the pool or other structures within the Easement property.

The License Agreement protects the City from liability and provides a thirty (30) day cancellation clause.

FUNDING SOURCE
There is a one time non-refundable fee of $500 from Carolyn Fullerton for the License to Encroach.

RECOMMENDATION
Approval of resolution.

RESOLUTION NO.

WHEREAS, Carolyn Fullerton has requested that the City of Beaumont grant a License to Encroach into one (1) twenty foot (20') utility Easement at 635 Shakespeare Drive, which is described as being in Lot 9, Block 21, Dowlen West Subdivision, to the City of Beaumont. The encroachment being two (2) existing structures overlapping 1.82' to 3.28' into the twenty foot (20') utility easement as described in Exhibit "A" and shown on Exhibit "B," attached hereto and made a part hereof for all purposes; and,

WHEREAS, City staff has expended considerable time and effort in investigating the effect of such encroachment upon the City easement and utilities therein; and,

WHEREAS, it appears that it would be equitable to allow such encroachment at this time;

NOW, THEREFORE, BE IT RESOLVED BY THE

CITY COUNCIL OF THE CITY OF BEAUMONT:

THAT the statements and findings set out in the preamble to this resolution are hereby, in all things, approved and adopted; and,

THAT the City Manager be and he is hereby authorized to execute a License to Encroach with Carolyn Fullerton to encroach into one (1) twenty foot (20') utility easement at 635 Shakespeare Drive, which is described as being in Lot 9, Block 21, Dowlen West Subdivision, to the City of Beaumont. The encroachment being two (2) existing structures overlapping 1.82' to 3.28' into the twenty foot (20') utility easement, as described in Exhibit "A" and shown on Exhibit "B," attached hereto and made a part hereof for all purposes.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

LICENSE TO ENCROACH

STATE OF TEXAS X

ALL MEN BY THESE PRESENTS:

COUNTY OF JEFFERSON X

On the date last indicated below, the City of Beaumont, a municipal corporation, of Beaumont, Jefferson County, Texas, herein called "Licensor" and Carolyn Fullerton, owner, hereinafter called "Licensee", contracted and agreed as set forth herein.

Licensee desires a license from Licensor to use that real property (the subject of this license agreement) described as follows:

> Said encroachment being two existing (2) structures (pool and pool equipment) overlapping a 20'(twenty foot) utility easement by 1.82' to 3.28' on Lot 9, Block 21, Dowlen West Subdivision (635 Shakespeare Drive). Said encroachment is shown on Exhibit "A", attached.

Subject property may continue to be occupied and used by Licensee solely in connection with the existing structures and for incidental purposes related thereto during the term of this license or until termination thereof. Said license shall terminate upon removal or demolition of said encroachment.

Substantial improvements shall not be made upon any encroachment without first obtaining the written consent of Licensor and giving notice to Licensor in writing of how, when and to what extent such improvements are to be made. A copy of this license shall be attached to such notice.

Substantial improvement means any repair, construction, or improvement of a structure, the cost of which equals or exceeds twenty-five percent (25%) of the market value of the structure either: (1) before the improvement or repair is started; or (2) if the structure has been damaged and is being restored, before the damage occurred. For the purposes of this definition, "substantial improvement" is considered to occur when the first alteration of any portion of the structure commences, whether or not that alteration affects the external dimensions of the structure. The term does not, however, include any projects or improvements of a structure to comply with existing state or local health, sanitary, or safety code specifications which are solely necessary to protect the health, safety and welfare of the public, inhabitants, or users of such structure.

In the event the City of Beaumont, by resolution of the City Council, determines it needs the subject property, or any part thereof, for the benefit of the City or to protect the health, safety or welfare of the public, and it terminates this license or any part thereof, Licensee shall not receive any compensation and the City of Beaumont shall not be liable therefore, whether for the value of property taken, damage to the abutting or remaining property or improvement, loss of

EXHIBIT "A"

business or profit, loss of access, or otherwise.

Licensee shall at all times indemnify and hold harmless Licensor and any franchised entity of licensor against, and pay in full, for all claims, losses, damages, law suits, attorney's fees, costs, judgments or expenses, that Licensor and any franchised entity of Licensor may sustain, incur, be required to pay or become liable for, resulting in any manner from the construction, maintenance, use, state of repair, or presence of such encroaching structure.

Licensor, and any franchised entity of Licensor, reserves the right to make improvements, perform maintenance and construction to the right-of-way or premises covered by this license where such is deemed necessary for the health, welfare and safety of the community. In doing so, Licensor and any franchised entity of Licensor shall not be liable to Licensee for any damage occasioned thereby and Licensee shall not be entitled to prosecute or maintain a claim against such parties for any such damage sustained by Licensee to said encroaching structure or any abutting or attached structures, improvements or land caused by the removal or alteration of any encroachment. In addition, Licensee shall reimburse Licensor and any franchised entity of Licensor any additional costs resulting from the encroachment.

Licensor will not be responsible for any damages to the structures (pool or pool equipment) if the sanitary sewer mains should ever develop a cavity or due to any repairs to the Licensor main by Licensor crews or contractors crews hired by the Licensor. The Licensor shall not be responsible for the repair and replacement of the pool or other structures within the Easement property.

Licensee shall not permit trees, shrubs, plants, or any object to be placed on the subject property in such a manner as to obstruct the view of traffic. In addition, Licensor will not be responsible for any damages to the structure if the sewer main should ever develop a cavity or due to any repairs to the Licensor main by Licensor crews.

As part of the consideration for this agreement, Licensee shall pay to Licensor the sum of Five Hundred Dollars ($500.00). Said sum being non-refundable.

This license shall be recorded in the Real Property Records in the Office of the County Clerk of Jefferson County, Texas by Licensor.

This agreement is terminable by either party by giving written notice to the other specifying the date of termination. Said notice shall be given not less than thirty (30) days prior to the termination date, therein specified, and shall be recorded in the Real Property Records in the Office of the County Clerk of Jefferson County, Texas by Licensor.

This license is neither assignable nor transferable except in conjunction with, and as part of, Licensee's conveyance of all the abutting property this license serves, through probate or warranty deed or lease. In any such event, Licensor shall be notified of such occurrence by being delivered a copy of the document or documents conveying or leasing the same.

Any notice to Licensor shall be sufficient if it is mailed or hand delivered to the Office of the City Engineer, City of Beaumont, P.O. Box 3827, Beaumont, Texas 77704. Any notice to Licensee or their successors shall be sufficient if mailed or hand delivered to Property Owner at 635 Shakespeare Drive, Beaumont, Texas 77706.

IN WITNESS, WHEREOF, the parties hereto have executed this agreement as of

the _____ day of _____, 2015.

LICENSOR:
CITY OF BEAUMONT

By:_____
KYLE HAYES
CITY MANAGER

LICENSEE:

By: _____
CAROLYN FULLERTON

ACKNOWLEDGMENTS

STATE OF TEXAS X

COUNTY OF JEFFERSON X

This instrument was acknowledged before me on the _____ day of _____, 2015, by Kyle Hayes, City Manager of the City of Beaumont, a municipal corporation, on behalf of said corporation.

_____
Notary Public, State of Texas

STATE OF TEXAS X

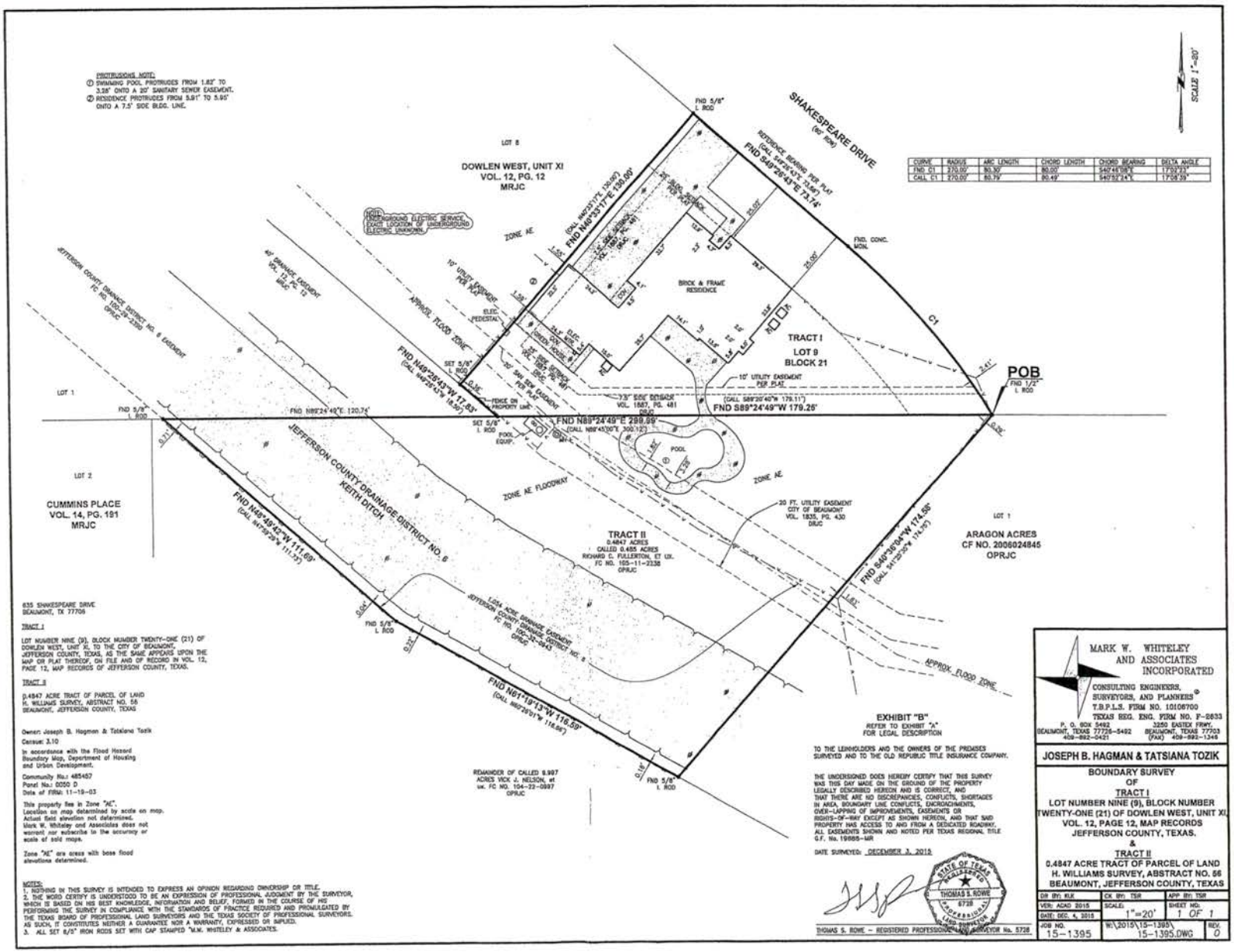
COUNTY OF JEFFERSON X

This instrument was acknowledged before me on the _____ day of _____, 2015, by Carolyn Fullerton.

_____
Notary Public, State of Texas

RETURN TO:
City of Beaumont
Antoinette Hardy - Engineering
P. O. Box 3827
Beaumont, Texas 77704

EXHIBIT "B"



CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
FND C1	270.00'	80.30'	80.00'	S40°46'08"E	17°02'33"
CALL C1	270.00'	80.79'	80.49'	S40°52'24"E	17°08'39"

635 SHAKESPEARE DRIVE
BEAUMONT, TX 77706

TRACT I

LOT NUMBER NINE (9), BLOCK NUMBER TWENTY-ONE (21) OF DOWLEN WEST, UNIT XI, TO THE CITY OF BEAUMONT, JEFFERSON COUNTY, TEXAS, AS THE SAME APPEARS UPON THE MAP OR PLAT THEREOF, ON FILE AND OF RECORD IN VOL. 12, PAGE 12, MAP RECORDS OF JEFFERSON COUNTY, TEXAS.

TRACT II

0.4847 ACRE TRACT OF PARCEL OF LAND H. WILLIAMS SURVEY, ABSTRACT NO. 56 BEAUMONT, JEFFERSON COUNTY, TEXAS

Owner: Joseph B. Hagman & Tatsiana Tozik
Census: 3.10

In accordance with the Flood Hazard Boundary Map, Department of Housing and Urban Development.

Community No.: 485457
Panel No.: 0050 D
Date of FIRM: 11-19-03

This property lies in Zone "AE". Location on map determined by scale on map. Actual field elevation not determined. Mark W. Whiteley and Associates does not warrant nor subscribe to the accuracy or scale of said maps.

Zone "AE" are areas with base flood elevations determined.

NOTES:
1. NOTHING IN THIS SURVEY IS INTENDED TO EXPRESS AN OPINION REGARDING OWNERSHIP OR TITLE.
2. THE WORD CERTIFY IS UNDERSTOOD TO BE AN EXPRESSION OF PROFESSIONAL JUDGMENT BY THE SURVEYOR, WHICH IS BASED ON HIS BEST KNOWLEDGE, INFORMATION AND BELIEF, FORMED IN THE COURSE OF HIS PERFORMING THE SURVEY IN COMPLIANCE WITH THE STANDARDS OF PRACTICE REQUIRED AND PROMULGATED BY THE TEXAS BOARD OF PROFESSIONAL LAND SURVEYORS AND THE TEXAS SOCIETY OF PROFESSIONAL SURVEYORS. AS SUCH, IT CONSTITUTES NEITHER A GUARANTEE NOR A WARRANTY, EXPRESSED OR IMPLIED.
3. ALL SET 5/8" IRON RODS SET WITH CAP STAMPED "M.W. WHITELEY & ASSOCIATES.

EXHIBIT "B"
REFER TO EXHIBIT "A"
FOR LEGAL DESCRIPTION

TO THE LIENHOLDERS AND THE OWNERS OF THE PREMISES SURVEYED AND TO THE OLD REPUBLIC TITLE INSURANCE COMPANY.

THE UNDERSIGNED DOES HEREBY CERTIFY THAT THIS SURVEY WAS THIS DAY MADE ON THE GROUND OF THE PROPERTY LEGALLY DESCRIBED HEREON AND IS CORRECT, AND THAT THERE ARE NO DISCREPANCIES, CONFLICTS, SHORTAGES IN AREA, BOUNDARY LINE CONFLICTS, ENCROACHMENTS, OVER-LAPPING OF IMPROVEMENTS, EASEMENTS OR RIGHTS-OF-WAY EXCEPT AS SHOWN HEREON, AND THAT SAID PROPERTY HAS ACCESS TO AND FROM A DEDICATED ROADWAY. ALL EASEMENTS SHOWN AND NOTED PER TEXAS REGIONAL TITLE G.F. No. 19885-MR

DATE SURVEYED: DECEMBER 3, 2015

STATE OF TEXAS
REGISTERED
THOMAS S. ROWE
5728
PROFESSIONAL
LAND SURVEYOR

THOMAS S. ROWE - REGISTERED PROFESSIONAL LAND SURVEYOR No. 5728

MARK W. WHITELEY
AND ASSOCIATES
INCORPORATED
CONSULTING ENGINEERS, SURVEYORS, AND PLANNERS
T.B.P.L.S. FIRM NO. 10106700
TEXAS REG. ENG. FIRM NO. F-2633
P. O. BOX 5492
BEAUMONT, TEXAS 77726-5492
409-892-0421
3250 EASTEX FRWY.
BEAUMONT, TEXAS 77703
(FAX) 409-892-1346

JOSEPH B. HAGMAN & TATSIANA TOZIK

BOUNDARY SURVEY
OF
TRACT I
LOT NUMBER NINE (9), BLOCK NUMBER TWENTY-ONE (21) OF DOWLEN WEST, UNIT XI
VOL. 12, PAGE 12, MAP RECORDS
JEFFERSON COUNTY, TEXAS.
&
TRACT II
0.4847 ACRE TRACT OF PARCEL OF LAND
H. WILLIAMS SURVEY, ABSTRACT NO. 56
BEAUMONT, JEFFERSON COUNTY, TEXAS

DR BY: KLK	CK BY: TSR	APP BY: TSR
VER: ACAD 2015	SCALE: 1"=20'	SHEET NO. 1 OF 1
DATE: DEC. 4, 2015		
JOB NO. 15-1395	W:\2015\15-1395\ 15-1395.DWG	REV. 0

F

BEAUMONT
TEXAS

TO:	City Council
FROM:	Kyle Hayes, City Manager
PREPARED BY:	Chris Boone, Planning & Community Development Director
MEETING DATE:	December 22, 2015
REQUESTED ACTION:	Council approve a resolution amending and approving the Alcohol and Substance Abuse Policy for employees of the Beaumont Municipal Transit system.

BACKGROUND
Currently the Beaumont Municipal Transit (BMT) system is managed by a private company, through a Management Agreement with Beaumont Transit Company of Jacksonville, Florida. Receiving funding and oversight from the Federal Transit Administration (FTA), BMT was recently informed that modifications to its Alcohol and Substance Abuse Policy were necessary in order to be in compliance with all regulations and requirements. Specifically, the change removes references to specific substance levels that would constitute a positive test result and instead references the FTA-approved substance levels. Attached is the policy, with the proposed changes on page two.

FUNDING SOURCE
None.

RECOMMENDATION
Approval of the resolution.

Beaumont Municipal Transit System

BMT

550 Milam Street
Beaumont, Texas 77701
409/835-7895
409/832-3609 fax

DATE: October 20, 2015

TO: Chris Boone, Community Development Director

FROM: Bill Munson, GM, BMT

SUBJECT: Beaumont City Council Approval of BMT Drug and Alcohol Plan

Please put this item on the Beaumont City Council agenda for November 3, 2015 at the regularly scheduled meeting. In the recent FTA Triennial Review, the BMT Drug and Alcohol Plan was required to be modified. By FTA regulations, the plan has to be re-adopted by the governing body, which is the City Council.

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE

CITY OF BEAUMONT:

THAT the amended Beaumont Transit System Alcohol and Substance Abuse Policy, substantially in the form attached hereto as Exhibit "A," is hereby in all things approved for implementation by the Beaumont Municipal Transit System.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

BEAUMONT TRANSIT SYSTEM
ALCOHOL AND SUBSTANCE ABUSE POLICY

A. POLICY

It is the goal of Beaumont Transit System to provide safe, dependable, low cost transportation to all passengers. While we have many resources to meet this goal, none is more important than our employees. Therefore to ensure that our employees can perform at their highest potential, it is our policy to: 1) create a drug/alcohol free workplace; 2) prevent drugs/alcohol from impairing an employee's ability to perform his or her job in a safe, efficient manner; 3) restrict the consumption, manufacturing, or selling of drugs and other controlled substances; 4) support a professional assistance program for individuals who have problems with drugs and alcohol affecting their job performance.

B. PURPOSE

Beaumont Transit System has the right to protect its employees, passengers and public from the adverse affects of drugs and alcohol. While the employer does retain this right, it has no right to restrict an employees' off-the-job conduct, absent a showing that such conduct inherently and necessarily impairs or could impair the employees' job performance. The Federal Transit Administration guidelines (49 CFR Part 655), set forth in this policy are created to prohibit an employee from functioning in a safety-sensitive position while under the affects of drugs/alcohol and to assure the employee's fitness for duty. It should be noted that this company will also remain under the "Drug Free Workplace Act Of 1988" (49 CFR Part 29).

C. APPLICABILITY

This policy set forth by Beaumont Transit System will apply to all safety-sensitive and non-safety-sensitive transit system employees, paid part-time employees, volunteers, contractors and their employees while on transit property or while conducting any transit related safety-sensitive function. Safety-sensitive function means performing, ready to perform or the immediate availability to perform any duty related to the safe operation of mass transportation services. The following are safety-sensitive functions:

1. Operation of a revenue service vehicle, whether or not such vehicle is in revenue service

EXHIBIT "A"

2. Operate nonrevenue service vehicles that require drivers to hold CDLs

3. Dispatch or control revenue service vehicles

4. Maintain revenue service vehicles or equipment used in revenue service except contractors to Section 18 transit agencies

5. Provide security and carry a firearm

The functions listed above are as outlined by the Federal Transit Administration (FTA) and these are to include any salaried personnel who perform these functions as well as hourly paid employees. At the end of this policy you will find a list of safety-sensitive functions as they apply to Beaumont Transit System. Though the FTA only regulates testing to safety-sensitive employees, this policy will cover all employees. Non-Safety-Sensitive employees are subject to the testing procedures, test methods, prohibited conduct and disciplinary action that are presented in this policy unless otherwise stated. It will be noted that any guidelines which Beaumont Transit deems necessary to apply to non-safety-sensitive employees are done so at the authority of Beaumont Transit System and not the FTA.

D. PROHIBITED DRUGS

"Prohibited Drugs" are defined and limited to the substances specified in Schedule I thru V of Section 202 of the Controlled Substances Act (21 CFR, U.S.C. 812) and as further defined by 21 CFR 1300.11 thru 1300.15. Beaumont transit is required by FTA to test for marijuana, amphetamines, opiates, phencyclidine, and cocaine (or their metabolites). FTA regulations define the levels that would be necessary to trigger a positive test result. Beaumont transit will strictly adhere to the FTA guidelines when performing the required drug testing.

Beaumont Transit System reserves the right to test for other drugs such as barbituates, benzodiazapines(e.g., Valium, Librium, Xanax), nonbarbituate sedatives(e.g., Quaalude), and nonamphetamine stimulants. Tests for these drugs will be performed separately from the FTA test. Such testing is outside the scope of the FTA regulation and is entirely at the discretion of the transit company.

E. ALCOHOL

It is prohibited to conduct any transit business or operate any transit vehicle while alcohol is present in the body. This consists of the following which include alcohol:

1. Alcoholic beverages
2. Any medication containing alcohol
3. Mouthwash
4. Food or candy
5. Any other substance which may contain alcohol

F. LEGAL DRUGS

The appropriate use of legally prescribed drugs and non prescription medications is not prohibited. A written prescription from a physician which includes the patient's name, substance name, amount prescribed, and the period of authorization will constitute a legally prescribed drug. Should the drug, whether prescription or over-the counter in any way affect mental functioning or the ability to operate machinery, use of must be reported to a supervisor before performing a transit related function.

G. PROHIBITED CONDUCT

Alcohol Use

Under FTA guidelines an employee must not consume alcohol while performing a safety-sensitive function, four hours prior to performing a safety sensitive function, and up to eight hours following an accident or until the employee undergoes a post accident test, whichever comes first. As a part of Beaumont Transit System's policy we require that no employee, safety-sensitive or non-safety-sensitive, may consume alcohol within 4 hours of reporting for duty, while in uniform or on duty. Furthermore no safety-sensitive employee may use alcohol in any form during down time on a split run. Failure to comply will result in disciplinary action up to and including termination.

Illegal Drugs

Use and ingestion of illegal drugs is prohibited at all times. Transit system employees are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use

of controlled substances in the workplace consistent with the Drug Free Workplace Act of 1988.

H. DISCIPLINE REGARDING THE USE OF DRUGS AND THE MISUSE OF ALCOHOL

Under this policy and as set forth under FTA regulations, any employee with an alcohol concentration of .04 or greater is not allowed to perform any safety-sensitive duties until he or she has been evaluated by a Substance Abuse Professional and has passed a return to duty test. An employee with a alcohol concentration of .02 or greater but less than .04 must be removed from duty for eight hours or until a retest shows an alcohol concentration of less than .02. Furthermore under the FTA guidelines any safety-sensitive employee who has a verified positive drug test result, an alcohol concentration of .04 or greater, or refuses to submit to a test must also be evaluated by a Substance Abuse Professional. Refusal to submit to a test include the following behaviors:

1. Refusal to take the test.
2. Inability to provide sufficient quantities of breath or urine to be tested without a valid medical explanation.
3. Tampering with or attempting to adulterate the specimen or collection procedure.
4. Not reporting to the collection site in the allotted time.
5. Leaving the scene of an accident without a valid reason before tests have been conducted.

The following disciplinary guidelines are not mandated by the FTA, but for the purposes of this policy Beaumont Transit System reserves the right to conduct disciplinary procedures regarding drugs\alcohol as it deems necessary. These guidelines cover all employees both safety-sensitive and non-safety-sensitive. As set forth by the FTA, Beaumont Transit System will ensure that all employees receive the opportunity for evaluation and treatment should they have a verified positive test result. Evaluation and rehabilitation will be offered to the employee even if the employee is terminated. All employees who test positive for drugs\alcohol while performing a safety-sensitive function will be offered treatment in a rehabilitation program for the first offense. Should the employee refuse the treatment program he\she will be terminated immediately. Should an employee test positive a second time while performing a safety-sensitive function the employee will be terminated immediately. Those who test positive while on company property will be suspended pending an investigation by management and dependent upon those findings the employee will receive disciplinary action up to and including termination. Should management have reasonable suspicion to believe that an employee is abusing drugs or alcohol outside the workplace and it is adversely affecting his or her job performance, the company reserves the right to require that the employee enter a Employee Assistance Program. Any employee who fails to comply with the

assistance program at the request of management is subject to disciplinary action up to and including termination. Any employee that refuses to submit to a drug urine test or a breath alcohol test as outlined above will be terminated immediately. An employee that tests positive for drugs\alcohol after an accident will be terminated immediately. The company has the right under FTA regulation to test up to 32 hours for drugs and 8 hours for alcohol after an accident. If an employee is charged with drug trafficking, possession, manufacturing or use outside the workplace he or she will be terminated immediately. Furthermore any safety-sensitive employee or holder of a CDL who receives a DWI outside the workplace and does not notify management within 1 day of being charged will receive discipline up to and including termination.

I. EFFECTS OF ALCOHOL

As outlined by the FTA this section will cover the effects of alcohol misuse on an individual's health, work and personal life; signs and symptoms of an alcohol problem; and available methods of intervening when an alcohol problem is suspected.

Health Effects

The chronic consumption of alcohol (average of three servings per day of beer [12 ounces], whiskey [1 ounce], wine [6 ounce glass]) over time may result in the following health hazards:

1. Decreased sexual functioning
2. Dependency (up to 10 percent of all people who drink alcohol become physically and/or mentally dependent on alcohol and can be termed "alcoholic"
3. Fatal liver diseases
4. Increased cancers of the mouth, tongue, pharnyx, esophagus, rectum, breast, and malignant melanoma
5. Kidney disease
6. Pancreatitis
7. Spontaneous abortion and neonatal mortality
8. Ulcers
9. Birth defects (up to 54% of all birth defects are alcohol related).

Social Issues

1. Two thirds of all homicides are committed by people who drink prior to the crime.
2. Two to three percent of the driving population is legally drunk at any one time. This rate is doubled at night and on weekends.
3. Two-thirds of all Americans will be involved in a alcohol related vehicle accident during their lifetimes.
4. The rate of separation and divorce in families with alcohol dependency problems is 7 times the average

5. Forty percent of family court cases are alcohol problem related.
6. Alcoholics are 15 times more likely to commit suicide than are other segments of the population.
7. More than 60 percent of burns, 40 percent of falls, 69 percent of boating accidents and 76 percent of private aircraft accidents are alcohol related.

The Annual Toll

1. 24,000 people will die on the highway due to the legally impaired driver.
2. 12,000 more will die on the highway due to the alcohol affected driver.
3. 15,800 will die in non-highway accidents
4. 30,000 will die due to alcohol caused liver
5. 10,000 will die due to alcohol-induced brain disease or suicide.
6. Up to another 125,000 will die due to alcohol-related conditions or accidents

Workplace Issues

1. It takes one hour for the average person (150 pounds) to process one serving of an alcoholic beverage from the body.
2. Impairment in coordination and judgement can be objectively measured with as little as two drinks in body.
3. A person who is legally intoxicated is 6 times more likely to have an accident than a sober person.

Signs and Symptoms of Use

1. Dulled mental processes
2. Lack of coordination
3. Odor of alcohol on breath
4. Possible constricted pupils
5. Sleepy or stuporous condition
6. Slowed reaction rate
7. Slurred speech

Methods of Intervention

1. Develop an effective Employee Assistance Program to aid in the counseling of employees with alcohol related problems
2. Drug and alcohol rehabilitation treatment (2 types)
   A. Intensive Impatient Services: Treat people with physical and/or psychological complications.

   B. Intensive outpatient services: Treat dependent

patients who have fewer physical or psychological complications.

J. TESTING PROCEDURES

It is the policy of Beaumont Transit System to follow the drug\alcohol testing procedures that have been laid out by the FTA. Beaumont Transit System will strictly adhere to all standards of confidentiality and assure all employees that testing records and results will be released only to those authorized by the FTA rules to receive such information. Furthermore should Beaumont Transit System wish to test it's employees for drugs other than the five specified by the FTA, it will perform these tests separately from the FTA test. Such testing is outside the scope of the FTA regulation and is entirely at the discretion of the transit system.

K. DRUG TESTING

All drug testing will be done through urinalysis. All urine specimens will be collected at a appropriate collection site. A collection site is a place designated by the employer where individuals present themselves for the purpose of providing a specimen of their urine to be analyzed for the presence of drugs. The collection site must meet the Department of Transportation guidelines established in "Procedures for Transportation Workplace Drug and Alcohol Testing Programs" (49 CFR part 40). All drug testing under the FTA regulations must be completed in a laboratory certified by the Department of Health and Human Services (DHHS). All testing will be conducted consistent with the procedures put forth in 49 CFR part 40, as amended. All test results will be reviewed by a qualified Medical Review Officer (MRO) and for all specimens that test positive, a confirmatory Gas Chromatography/Mass Spectrometry (GC/MS) test will be performed. Also if an employee has a verified positive drug test they will be advised of the resources available to evaluate and resolve problems associated with drug abuse. Though the company maintains a policy of termination for anyone testing positive they will afford the employee the opportunity to be evaluated by a Substance Abuse Professional (SAP) as mandated by the FTA.

L. ALCOHOL TESTING

The FTA regulation (49 CFR part 654) requires that the employer conduct breath alcohol testing on safety-sensitive employees consistent with the provisions set forth in 49 CFR part 40. The breath specimen must be collected through the use of an evidential breath testing device (EBT) that is approved by the National Highway Traffic Safety Administration (NHTSA). The test must be performed by a breath alcohol technician (BAT). The BAT must be "trained to proficiency" in the operation of the EBT he or she is using and in the alcohol testing procedures specified in the regulations. The alcohol test will be conducted at a site that

provides privacy to the individual being tested. Upon arrival at the site the employee must provide positive identification to the BAT. After the testing procedures are explained to the employee the employee and the BAT must complete,date and sign an alcohol testing form. The BAT will then conduct a screening test. If the result of the screening test is less than .02 no further testing will be required and the test will be reported to the employer as negative. If the alcohol concentration is greater than .02 a confirmation test will be performed. If the initial and confirmatory tests are not identical, the confirmation test result is deemed to be the final result. Policy regarding alcohol concentration, refusal and removal from a safety-sensitive position were discussed in section H.

M. TYPES OF TESTING

Six types of testing are required by the drug and alcohol rules:

1. Pre-employment
2. Reasonable suspicion
3. Post-accident
4. Random
5. Return to duty
6. Follow-up

In addition the these six types of testing Beaumont Transit System is also required by the FTA to perform blind sample testing as a quality assurance measure for the testing laboratory.

Pre-Employment

FTA regulations (G.S. 653.41, 654.31) require that all applicants for employment in safety-sensitive positions or individuals being transferred into safety-sensitive positions must be given pre employment drug tests. Employees may not be hired or assigned to the safety-sensitive position unless they pass the tests. Participation in the system's prohibited substance testing program is a requirement of each safety-sensitive employee and, therefore is a condition of employment. Beaumont Transit System will test not only safety-sensitive employees but non-safety-sensitive employees during pre-employment. Any prospective employee who tests positive for drugs/alcohol during pre-employment will not be hired and will not be allowed to apply for a position with the transit system again. Any employee who wishes to transfer into a safety-sensitive position and tests positive is subject to disciplinary action up to and including termination.

Reasonable Suspicion

The FTA regulations (G.S. 653.43, 654.37) also require a safety-sensitive employee to submit to a test when the employer has

reasonable suspicion that the employee has used as prohibited drug or has misused alcohol as defined in the regulations. The request to undergo a reasonable suspicion test must be based on specific, contemporaneous, articulable observations concerning the appearance, behavior, speech, or body odor of the safety-sensitive employee. Managers who will be called upon to make this determination, must be trained in the facts, circumstances, physical evidence, physical signs and symptoms, or patterns of performance and/or behavior that are associated with use. Managers must be fair and objective in requesting reasonable suspicion tests.

Post Accident

FTA regulations (G.S. 653.45, 654.33) require testing for prohibited drugs and alcohol in the case of certain mass transit accidents. Post-accident testing falls under two categories fatal and non-fatal accidents.

1. Fatal Accidents

Whenever there is a loss of human life, each surviving safety-sensitive employee on duty at the time of the accident must be tested. Safety-sensitive employees not on the vehicle (e.g. maintenance personnel), whose performance could have contributed to the accident (as determined by the transit agency using the best information available at the time of the accident) must be tested. Beaumont Transit System will reserve the right to test non-safety sensitive employees should they be involved in or contribute to a fatal accident.

2. Non-Fatal Accidents

Following non-fatal accidents involving a bus, van, or automobile, employers shall test each safety-sensitive employee on duty in the mass transit vehicle at the time of the accident if the employee received a citation under State or local law for a moving violation arising from the accident. Safety-sensitive employees in non-fatal accidents involving railcars, trolley cars, trolley buses, or vessels on duty in the vehicle at the time of the accident must be tested unless their behavior can be completely discounted as a contributing factor to the accident. For non-fatal accidents, the employer shall test any other safety-sensitive employee whose performance could have contributed to the accident, as determined by the employer using the best information available at the time of the accident. It will be noted that Beaumont Transit System reserves the right to test non-safety-sensitive employees in non-fatal accident situations if they were involved or contributed in some way.

Post-accident drug and alcohol tests must be performed as soon as possible. Drug tests must be performed within 32 hours following the accident. Alcohol tests must be performed within 8

hours of the accident.

Random Testing

The FTA (G.S. 653.47, 654.35) requires random testing of drugs and alcohol for all safety-sensitive employees. Under FTA guidelines transit agencies must use a scientifically valid random number selection method to select safety-sensitive employees. For Beaumont Transit System purposes, we will use a computer based random number generator that is matched with safety-sensitive employees' identification numbers. At least 50% of the total number of safety-sensitive employees subject to drug testing and 25% subject to alcohol testing will be tested each year. The test dates will be spread reasonably throughout the year and the transit system will use precaution not to establish a predictable pattern. The process will be unannounced as well as random. All safety sensitive employees in the random pool will have an equal chance of being selected for testing and shall remain in the pool, even after being tested. All non-safety-sensitive employees that Beaumont Transit System wishes to random test will be placed in a separate pool and tested under the authority of Beaumont Transit System, not the DOT's or the FTA's.

Return to Duty Testing

Before any employee is allowed to return to duty to perform a safety-sensitive function following a verified positive test result, an alcohol result of .04 or greater, a refusal to submit to a test, or other activity that violates the regulations, that employee must first be evaluated by a substance abuse professional and pass a return to duty test (G.S. 653.49, 654.39). The test result must be a verified negative drug test result or an alcohol test result of less than .02 before the employee will be allowed to return to a safety-sensitive function. Should the situation arise where an individual will be allowed to return to duty after testing positive, Beaumont Transit will strictly follow the FTA's guidelines concerning return to duty testing.

Follow-up Testing

Once allowed to return to duty, an employee shall be subject to unannounced follow-up testing for at least 12 but not more than 60 months. The frequency and duration of follow-up testing will be recommended by the substance abuse professional as long as a minimum of six tests are performed during the first 12 months after the employee has returned to duty (G.S. 653.51, 654.41). Employees that are subject to follow-up testing will remain in the random testing pool and will be tested when their names come up. Should the situation arise Beaumont Transit System will follow FTA guidelines on follow-up testing.

Blind Performance Testing

In addition to the six major employee testing categories described above, Beaumont Transit System will perform blind sample proficiency testing as a quality assurance measure for the testing laboratory (G.S. 40.31). Under this FTA requirement, the employer will submit three quality control specimens to the laboratory for every 100 employee specimens sent for testing, up to a maximum of 100 blind samples per quarter.

BEAUMONT TRANSIT SYSTEM
SAFETY SENSITIVE FUNCTIONS

Fixed Route Bus Driver (Full Time or Part time)
Shuttle Driver (Either Bus Or Van)
Charter Driver (Either Bus Or Van)
Mechanics (A & B)
Bus Washer/Fueler
Service Employees
Mechanic's Helpers
Any Employee Operating A Handicap Service Vehicle
Manager (When Performing a Dispatch Function Or Supervising a Maintenance Function)
Assistant Manager (When Performing a Dispatch Function Or Supervising a Maintenance Function)
Secretary/Receptionist(when performing a Dispatch Function)
Office Manager (when performing a Dispatch Function)
Dispatcher
Parts Room Clerk (When Performing a Dispatch Function Or Supervising a Maintenance Function)
Shop Foreman

Any questions regarding this policy or any other aspect of the drug-free and alcohol-free transit program should contact the following transit system representative:

PROGRAM MANAGER

Name: William J. Munson
Title: General Manager
Address: 550 Milam
Beaumont, Texas 77701
Telephone Number: (409)835-7395
Fax Number: (409)892-4069

MEDICAL REVIEW OFFICER

Name: Dr. John S. Vardiman
Address: Director, Beaumont Industrial Clinic
Telephone Number: (409)835-0074
Fax Number: (409)832-7034

SUBSTANCE ABUSE PROFESSIONAL

Name: Pending
Title:
Address:
Telephone Number:
Fax Number:

CHANGE 1
BEAUMONT TRANSIT SYSTEM
ALCOHOL AND SUBSTANCE ABUSE POLICY

Effective May 1, 1998, the following changes will be implemented to the Beaumont Transit System's Alcohol and Substance Abuse Program:

RECORD SECURITY:

All records pertaining to the alcohol and substance abuse testing and training of Beaumont Transit employees will be secured in a locking file cabinet to be located in the General Manager's office. Only the General Manager, Assistant General Manager, and Office Manager will have a key to the filing cabinet.

All incoming records will be given to the General Manager by either the Office Manager or Assistant General Manager for review. After reviewing the records and taking any required action, the General Manager will properly file the records in the locking file cabinet. The General Manager will be responsible for the security and retention of all pertinent records.

Keys will only be issued out by the General Manager. If for any reason any one of the three individuals having access to the records should leave employment with Beaumont Transit, or move to a job position not having access, the General Manager will collect their key (Assistant General Manager will collect General Manager's key if he should leave), and the lock on the file cabinet will be changed as a precautionary safety measure, with new keys being issued out.

RECORD RETENTION:

All records pertaining to alcohol and substance abuse testing and training of Beaumont Transit employees will be retained on file for a minimum of five (5) years from the date of occurrence.

BLIND PERFORMANCE TESTING:

Urine samples will be submitted to the Smith Kline Beecham Laboratories through the Beaumont Industrial Clinic for blind performance testing. Three (3) blind samples will be submitted for every 100 employee samples submitted for testing as required by FTA regulations.

Urine samples will be obtained by a qualified provider and submitted to Smith Kline Beecham Laboratories through the Beaumont Industrial Clinic using fictional employee names in the normal manner that actual samples are submitted. The results will be reported back to Beaumont Transit through the Beaumont Industrial Clinic. Any wrong readings on a submitted blind sample (i.e. positive on a negative sample or negative on a positive sample) will be reported to FTA immediately as required by FTA regulations

CHANGE 2
BEAUMONT TRANSIT SYSTEM
ALCOHOL AND SUBSTANCE ABUSE POLICY

The Beaumont Industrial Clinic has closed and therefore effective immediately, OccMed Systems, 1846 IH 10 South, 77707, (409)840-9910, will be the new clinic used by Beaumont Transit for DOT physicals, drug screens, alcohol screens, and on the job injuries.

In addition, Smith Kline Beecham will no longer be used as the testing laboratory, but effective immediately, Kroll Laboratories, 1111 Newton Street, Gretna, LA, 70053, (504)361-8989, will be used as the testing laboratory.

The new Medical Review Officer (MRO) will be:

Name: Dr. Brian N. Heinen, Jr.
Address: 301 Marin Luther King Drive, Eunice, LA 70535
Telephone Number: (337)457-3353
Fax Number: (504)361-8989

CHANGE 3
BEAUMONT TRANSIT SYSTEM
ALCOHOL AND SUBSTANCE ABUSE POLICY

OccMed Systems has closed and therefore effective immediately. Beaumont West Medical, 4471 Calder, Beaumont, Texas, 77706, will the new clinic used for DOT physicals, drug screens, alcohol testing, and on the job injuries.

In addition, Kroll Laboratories will no longer be used as the urine sample testing facility, and effective immediately, One Source Toxicolgy, 1213 Genoa Red Bluff Road, Pasadena, Texas, 77504, will be the new testing facility.

The new Medical Review Officer (MRO) will be:

Dr. James L. Davis, MD, PA
Beaumont West Medical
4471 Calder Avenue
Beaumont, Texas 77706
(409)866-0856-Office
(409)866-0136-Fax

BEAUMONT MUNICIPAL TRANSIT SYSTEM
ALCOHOL AND SUBSTANCE ABUSE POLICY

CHANGE 4

As a result of the Federal Transit Administration's Office of Safety and Security Drug and Alcohol Compliance Audit, conducted 10/02/06 through 10/06/06, the following changes/revisions are made the Beaumont Municipal Transit System's Drug and Alcohol Testing Policy:

1. A covered BMT employee shall only be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has performed such functions. The same applies to reasonable suspicion alcohol testing.

2. When a covered employee or applicant has not performed a safety sensitive function for 90 consecutive calendar days regardless of the reason, and the employee has not been in the Beaumont Transit random selection pool during that time, then BMT will ensure that the employee or applicant takes a pre-employment drug test with a verified negative result.

3. Post-accident testing must meet all the FTA thresholds and drug/alcohol time testing limits as outlined in Part 655.44. All BMT employees are required to make themselves "readily available" for testing after any accident and will remain available until they have been tested, or cleared not to be tested, by management.

4. As soon as possible following an accident involving any BMT vehicle (bus, paratransit vehicle, truck, or automobile) and causing the loss of human life, BMT will immediately drug and alcohol test each covered employee operating the vehicle involved and any other covered employee whose actions could have contributed to the accident. When an accident occurs with a BMT vehicle and there is no loss of human life, then BMT will as soon as possible drug and alcohol test each covered employee operating the involved vehicle, plus any other covered employee whose performance could have contributed to the accident, unless it is determined by management using the best information available at the time of the decision, that the covered operator's or other covered employee's performance can be completely discounted as a contributing factor to the accident.

5. The consequences for a covered employee who has a verified positive drug test, or a positive alcohol test with an alcohol concentration of .04 or greater, or who refuses to submit to a test under 49 CFR Part 40 Section 655.15, will be immediate removal from his or her safety-sensitive function and evaluation by a substance abuse professional.

This statement will serve as clarification that BMT, in general, does have a second chance policy for covered employees who test positive for drugs and/or alcohol. However, each individual situation will be evaluated on it's own merits, and BMT reserves the right to terminate any covered employee who tests positive for drugs and/or alcohol the first time without offering a

second chance. If a second chance is offered, then the covered employee who tested positive for either drugs and/or alcohol, will be immediately removed from their safety-sensitive function, evaluated by a substance abuse professional, and the procedures outlined in 49 CFR Part 40 will be followed.

6. All references to 49 CFR Parts 653 and 654 will be disregarded. All drug and alcohol testing will be conducted under 49 CFR Part 655. BMT shall require every covered employee to submit to a post-accident drug and alcohol test required under Section 655.44, a random drug and alcohol test required under Section 655.45, a reasonable suspicion drug and alcohol test required under Section 655.43, or a follow-up drug and alcohol test required under Section 655.47. BMT will not permit any covered employee who refuses to submit to any of the above listed testing to perform or continue to perform safety-sensitive functions.

7. It shall be the policy of BMT that any covered employee who produces a diluted negative urine specimen will be required to take another test immediately under non-observed conditions, unless there is another basis for the use of direct observation as listed under Section 40.67. This retest policy will apply to all types of testing and to all covered employees. When notified for a retest, each covered employee will be given the minimum possible advance notice that he or she is to report to the collection site. The result of the second test, not that of the original test, will become the test of record.

8. Under BMT's policy, it is considered a refusal to take a drug and /or alcohol test if the employee fails to remain at the drug testing site until the testing process is complete. Provided, that an employee who leaves the testing site before the testing process commences for a pre-employment test is not deemed to have refused to test.

9. Under BMT's policy, it is considered a refusal to take a drug and/or alcohol test if the employee fails to undergo a medical examination or evaluation, as directed by the MRO as part of the verification process, or as directed by the DER under Section 40.193(d). In the case of a pre-employment test, the employee is deemed to have refused to test on this basis only if the pre-employment test is conducted following a contingent offer of employment.

10. Under BMT policy, it is considered a refusal to take a drug and/or alcohol test if the employee fails to cooperate with any part of the testing process (e.g. refuses to empty pockets when so directed by the collector, behaves in a confrontational way that disrupts the collection process, etc.).

11. It is considered a refusal to take a drug test if in the case of a directly observed or monitored collection, the employee fails to permit himself or herself to be directly observed or monitored during the collection of the specimen.

12. It is considered a refusal to take a drug test if the employee fails or declines to take a second test when directed to do so by the employer or collector

13. It is considered a refusal to take a drug test of the MRO reports that the employee has

a verified adulterated or substituted test result.

14. It is considered a refusal if the employee fails or declines to sign the certification at Step 2 of the ATF as outlined in Sections 40.241(g) and 40.251(d).

15. If a non-DOT drug and/or alcohol test is refused to be taken by an employee, or a non-DOT form is refused to be signed, then under this policy you have not refused a DOT test and there are no consequences under DOT agency regulations. However, this does not exempt employees from consequences under other employer policies.

CHANGE 5
BEAUMONT MUNICIPAL TRANSIT SYSTEM
ALCOHOL AND SUBSTANCE ABUSE POLICY

Effective immediately, Beaumont Transit's Substance Abuse Professional (SAP) will be:

Madeline Alford, LPC, LCDC
Regents Park
85 IH-10 North, Suite 100A
Beaumont, Texas 77707
Phone: (409)839-8233
FAX: (409)839-4439

CHANGE 6
BEAUMONT MUNICIPAL TRANSIT SYSTEM
ALCOHOL AND SUBSTANCE ABUSE POLICY

Effective immediately, Beaumont West Medical has changed their name to XPRESS CARE.

CHANGE 3

BEAUMONT MUNICIPAL TRANSIT SYSTEM ALCOHOL
AND SUBSTANCE ABUSE POLICY

Effective immediately, all behaviors listed in 49 CFR, Part 40, as amended, as constituting a refusal to take a required drug and/or alcohol test by a safety sensitive employee, shall be considered a part of the Beaumont Municipal Transit System's Alcohol and Substance Abuse Policy. Any employee exhibiting any of the above listed behaviors shall be charged with a refusal to take a required drug and/or alcohol test.

CHANGE 9

BEAUMONT MUNICIPAL TRANSIT SYSTEM ALCOHOL
AND SUBSTANCE ABUSE POLICY

The Substance Abuse Professional (SAP) has moved to a new address. It is as follows:

Madeline Alford, MED, L.C.D.C., L.P.C.
1485 Wellington Circle, #102
Beaumont, TX 77706
(409)861-1930

FORMS
BEAUMONT MUNICIPAL TRANSIT SYSTEM
ALCOHOL AND SUBSTANCE ABUSE POLICY

A. Acknowledgement of Employer's Drug and Alcohol Testing Program

B. Prospective Employee Release of Information Form

C. Occupational Testing Authorization Form

D. Reasonable Suspicion Decision Documentation Form

E. Post Accident Decision Documentation Form

APPENDIX A

Beaumont Municipal Transit System
Acknowledgment of Employer's Drug and Alcohol Testing Program

I, _____, the undersigned, hereby acknowledge that I have received a copy of the Beaumont Municipal Transit System's Alcohol and Substance Abuse Policy as mandated by the United States Department of Transportation and Federal Transit Administration for all covered employees who perform a safety-sensitive function. I understand this policy is required by 49 CFR Part 655, as amended, and has been duly adopted by the City of Beaumont for the Beaumont Municipal Transit System. Any provisions contained herein which are not required by 49 CFR Part 655 or 49 CFR Part 40, as amended, that have been imposed solely on the authority of the employer are designated as such in the policy document.

I further understand that receipt of this policy constitutes a legal notification of the contents, and that it is my responsibility to become familiar with and adhere to all provisions contained therein. I will seek and get clarifications for any questions from the employer designated contact person or persons. I also understand that compliance with all provisions contained in the policy is a condition of my employment.

I further understand that the information contained in the approved policy dated _____ is subject to change, and that any such changes, or addendum, shall be give to me in a manner consistent with the provision of 49 CFR Part 655, as amended.

_____ _____

Signature of Employee Date

_____ _____

Signature of Witness Date

APPENDIX B

Beaumont Municipal Transit System
Release of Information Form
(49 CFR Part 40 Drug and Alcohol Testing)

Section I. To be completed by the new employer, signed by the employee, and transmitted to the previous employer:

Employee Printed or Typed Name: _____

Employee SS or ID Number: _____

I hereby authorize release of information from my Department of Transportation regulated drug and alcohol testing records by my previous employer, listed in *Section I-B*, to the employer listed in *Section I-A*. This release is in accordance with DOT Regulation 49 CFR Part 40, Section 40.25. I understand that information to be released in *Section II-A* by my previous employer, is limited to the following DOT-regulated testing items:

1. Alcohol tests with a result of 0.04 or higher;
2. Verified positive drug tests;
3. Refusals to be tested;
4. Other violations of DOT agency drug and alcohol testing regulations;
5. Information obtained from previous employers of a drug and alcohol rule violation;
6. Documentation, if any, of completion of the return-to-duty process following a rule violation.

Employee Signature: _____ Date: _____

I-A.

New Employer Name: _____

Address: _____

_____

Phone #: _____ Fax #: _____

Designated Employer Representative: _____

I-B.

Previous Employer Name: _____

Address: _____

_____

Phone #: _____

Designated Employer Representative (if known): _____

Section II. To be completed by the previous employer and transmitted by mail or fax to the new employer:

II-A. In the two years prior to the date of the employee's signature (in Section I), for DOT-regulated testing –

1. Did the employee have alcohol tests with a result of 0.04 or higher? YES ____ NO ____
2. Did the employee have verified positive drug tests? YES ____ NO ____
3. Did the employee refuse to be tested? YES ____ NO ____
4. Did the employee have other violations of DOT agency drug and alcohol testing regulations? YES ____ NO ____
5. Did a previous employer report a drug and alcohol rule violation to you? YES ____ NO ____
6. If you answered "yes" to any of the above items, did the employee complete the return-to-duty process? N/A ____ YES ____ NO ____

NOTE: If you answered "yes" to item 5, you must provide the previous employer's report. If you answered "yes" to item 6, you must also transmit the appropriate return-to-duty documentation (e.g., SAP report(s), follow-up testing record).

II-B.

Name of person providing information in *Section II-A*: _____

Title: _____

Phone #: _____

Date: _____

Address Which To Return Completed Form:

Beaumont Municipal Transit System

Attn: William L. Munson, General Manager

Beaumont Transit Contacts:

Office (409)835-7895

FAX (409)835-7895

APPENDIX C

NOVA
MEDICAL CENTERS
FOR THE PERFORMANCE OF LIFE

Employer's Authorization for Examination and/or Treatment

(Must Present Photo ID at Time of Service)

Patient Name: _____ SSN: _____

Company: _____ Date of Birth: _____

Company Address: _____ Date of Order: _____

Company Contact: _____ Co. Phone: _____

Billing:

___ Employee To Pay At Time of Service
___ Employer (See Address Above)
___ Workers Compensation
Ins. Co: _____
Policy #: _____
Phone #: _____
Claim #: _____

Work Related: ___ Injury ___ Illness

Date of Injury: _____

___ Rapid Urine Drug Test
(not recommended for injuries)
___ Post Accident Drug Test: __ DOT __ Non-DOT
___ Post Accident Breath Alcohol Test
___ Post Accident Hair Analysis
___ LIGHT DUTY IS AVAILABLE

Return to Work Evaluation:

Job Title: _____
(Please Provide Job Description

___ Occupational Injury
___ Non-Occupational Injury

Special Instructions: _____

_____
_____
_____
_____

Drug Testing Only:

___ Random Testing ___ Reasonable Suspicion
___ Urine Drug Test: ___ DOT ___ Non-DOT
___ Rapid Urine Drug Check
___ Breath Alcohol Test
___ Hair Analysis

Pre-Employment Services:

___ Urine Drug Test: ___ DOT ___ Non-DOT
___ Rapid Urine Drug Check
___ Breath Alcohol Test
___ Hair Analysis
___ Physicals: ___ DOT ___ DOT Re-Cert. ___ Basic
___ Physical Performance Evaluation
(Please Provide Job Description)
___ Respirator Fit Testing:
___ Qualitative
___ Quantitative: Mask Type: _____
___ Pulmonary Function Test (PFT)
___ Audiogram: ___ DOT ___ OSHA Conservation
___ Blood Testing:
___ CBC ___ SMAC
___ Heavy Metal: (specify) _____
___ TB Skin Test
___ X-rays: ___ Chest ___ B-Read
___ Vision Testing:
___ Wall Chart ___ J-2 ___ Color

Authorized By (Print): _____ Title: _____

Signature: _____ Date: _____

APPENDIX D

Beaumont Municipal Transit System
Reasonable Suspicion Drug and Alcohol Test
Decision Documentation Form

1. Name of Employee _____

2. Employee Number/Position _____

3. Decision to Test* FTA Authority ___ Yes ___ No
   Company Authority ___ Yes ___ No

4. Time/Date of Decision to Test _____

5. Type of Test ___ Drug ___ Alcohol

6. Did the Alcohol Test Occur More Than 2 Hours Following the Observations That Led to Performing the Test?

   ___ Yes ___ No

   If Yes, Explain _____
   _____
   _____
   _____

7. If No Alcohol Test Occurred Because of More Than 8 Hours Elapsing Following Observations That Led to the Decision to Test, Explain _____
   _____
   _____

8. Supervisor Making Decision _____

9. Notification of Test Time/Date _____

10. Test Conducted Drug: Time/Date _____
    Alcohol Time/Date _____

11. Was the Decision to Drug and/or Alcohol Test Based on Specific, Contemporaneous. Articulable Observations Concerning the Appearance, Behavior, Speech, or Body Odor of the Safety-Sensitive Employee? Explain _____
    _____

_____

_____

_____

12. Were There Any Specific Incidents or Complaints by Co-Workers or Passengers During the Workday Which Raised Suspicion, and Were These Incidents or Complaints Fully Investigated by the Supervisor? Explain _____

_____

_____

_____

_____

13. If the Employee Indicated Recent Use of Prescription or Over-the-Counter Medications, Then Please Complete a Confidential Medical Report.

14. Other Comments _____

_____

_____

_____

_____

15. Supervisor Signature _____ Date _____

*Note: The decision to test under reasonable suspicion should be able to pass the "reasonable prudent individual" test, which simply means a similarly and experienced supervisor, being reasonable and prudent, and having observed and noted the same facts, signs, and circumstances, could have reached the same conclusion. Hunches and "gut feelings" are not valid in determination. A reasonable suspicion referral must be based upon a trained supervisor's specific, contemporaneous, articulable observations concerning the appearance, behavior, speech, and/or body odor of the covered employee.

APPENDIX E

Beaumont Municipal Transit System
Post-Accident Drug and Alcohol Test
Decision Documentation Form

1. Accident Report Number _____

2. Location of Accident _____
_____

3. Accident Time/Date _____

4. Report Time/Date _____

5. Name of Employee _____

6. Employee Number/Position _____

7. Result of Accident
___ Fatality
___ Disabling Damage* to One or More Vehicles (Bus, Van, Paratransit, Truck, Auto)
___ Remove From Revenue Service (Rail Only)
___ Injury Requiring Immediate Transport to Medical Facility

___ Employee ___ Other Vehicle
___ Passenger ___ Other, Specify _____
_____

8. Was the Employee Sent for a Post-Accident Test? ___ Yes ___ No

9. If No, Explain _____
_____
_____
_____
_____

10. Decision to Test
FTA Authority ___ Yes ___ No
Company Authority ___ Yes ___ No

11. Type of Test ___ Drug ___ Alcohol

12. Supervisor Making Decision _____

13. Notification of Test Time/Date _____

14. Test Conducted Drug: Time/Date _____
Alcohol: Time/Date _____

15. Did the Alcohol Test Occur More Than 2 Hours From the Time of the Accident?

___ Yes ___ No

If Yes, Explain _____
_____
_____
_____

16. If No Alcohol Test Occurred Because of More Than 8 Hours Elapsing From Time of Accident, Explain _____
_____
_____

17. Did the Employee Leave the Scene of the Accident Without Just Cause?

___ Yes ___ No

If yes, Explain _____
_____
_____
_____

18. If No Drug Test Was Performed Because 32 Hours Had Elapsed Since the Time of the Accident, Explain _____
_____
_____

19. If the Employee Indicated Recent Use of Prescription or Over-the-Counter Medications, Then Please Complete a Confidential Medical Report.

20. Other Comments _____
_____
_____

21. Supervisor Signature _____ Date _____

* Note: Disabling damage means damage, which precludes departure of any vehicle form the scene of the occurrence in its usual manner in daylight after simple repairs. Disabling damage includes damage to vehicles that could have been operated but would have been further damaged

if so operated, but does not include damage which can be remedied temporarily at the scene of the occurrence without special tools or parts, tire disablement, without damage even if no spare is available, or damage to headlights, taillights, turn signals, horn, mirrors, or windshield wipers that makes them inoperative.

CHANGE 10
BEAUMONT TRANSIT SYSTEM
ALCOHOL AND SUBSTANCE ABUSE POLICY

The clinic used for the collection of urine samples for DOT drug testing, DOT alcohol breathalyzer testing, and DOT physicals is now:

NOVA Medical Center
3817 Stagg Drive
Beaumont, Texas 77701
(409)866-0856

The lab used to test the urine samples is still:

One Source Toxicology
1213 Genoa Red Bluff Road
Pasadena, Texas 77504
(888)747-3774

The Medical Review Officer (MRO) is now:

Dr. Wayne F. Keller, M.D.
1213 Genoa Red Bluff Road
Pasadena, Texas 77504
(888)747-3774

BEAUMONT
TEXAS

REGULAR MEETING OF THE CITY COUNCIL
COUNCIL CHAMBERS DECEMBER 22, 2015 1:30 P.M.

AGENDA

CALL TO ORDER

* Invocation Pledge Roll Call
* Presentations and Recognition
* Public Comment: Persons may speak on scheduled agenda items 1-5/Consent Agenda
* Consent Agenda

GENERAL BUSINESS

1. Consider an ordinance providing for the renumbering of Chapter 6, Article 6.06 of the Code of Ordinances Pawn Shops and Pawn Brokers to Article 6.11 and adopting a new Article 6.06 of the Code of Ordinances to provide for Transportation Network Companies

2. Consider a resolution authorizing the purchase of a paving machine from Romco Exchange Co., LLC of Dallas

3. Consider a resolution authorizing the purchase of a street sweeper from Kinloch Equipment, Inc., of Houston

4. Consider a resolution authorizing the purchase of three backhoes from Mustang Cat, Inc., of Beaumont for use by the Streets and Drainage Division and at the Sewer Treatment Plant

EXECUTIVE SESSION

* As authorized by Section 551.087 of the Government Code, to discuss and deliberate economic development negotiations regarding Enterprise Beaumont Marine West, L.P.

5. Consider authorizing the City Manager to enter into an agreement with Enterprise Beaumont Marine West, L.P. for economic development incentives under the City's Chapter 380 Economic Development Program

COMMENTS

* Councilmembers/City Manager comment on various matters
* Public Comment (Persons are limited to 3 minutes)

EXECUTIVE SESSION

* Consider matters related to contemplated or pending litigation in accordance with Section 551.071 of the Government Code:

  Claim of Duc Duy Au

  United States of America vs. City of Beaumont, Texas; Civil Action No. 1:15CV201

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact Mitchell Normand at 880-3777 three days prior to the meeting.

1

December 22, 2015

Consider an ordinance providing for the renumbering of Chapter 6, Article 6.06 of the Code of Ordinances Pawn Shops and Pawn Brokers to Article 6.11 and adopting a new Article 6.06 of the Code of Ordinances to provide for Transportation Network Companies

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BEAUMONT
TEXAS

TO:	City Council
FROM:	Kyle Hayes, City Manager
PREPARED BY:	Tyrone E. Cooper, City Attorney
MEETING DATE:	December 22, 2015
REQUESTED ACTION:	Council to consider an ordinance providing for the renumbering of Chapter 6, Article 6.06 of the Code of Ordinances Pawn Shops and Pawn Brokers to Article 6.11 and adopting a new Article 6.06 of the Code of Ordinances to provide for Transportation Network Companies.

BACKGROUND
At the City Council meeting on December 8, 2015, staff conducted a work session where the prospect of an ordinance allowing for transportation network companies in the City of Beaumont was discussed. A draft ordinance was provided for Council's information. Since that time some changes have been made to the previously presented draft. The most significant change is as to the insurance requirements at Section 6.06.019. These changes were made to conform to the new requirements for a TNC and TNC Drivers as adopted in the last session of the legislature, which will become effective on January 1, 2016. The other changes are nonsubstantive in nature.

FUNDING SOURCE
Nonapplicable.

RECOMMENDATION
Approval of the ordinance.

ORDINANCE NO.

ENTITLED AN ORDINANCE RENUMBERING CHAPTER 6, ARTICLE 6.06 PAWNSHOPS AND PAWNBROKERS TO ARTICLE 6.11 PAWNSHOPS AND PAWNBROKERS; ADOPTING A NEW ARTICLE 6.06 TRANSPORTATION NETWORK COMPANIES OF THE CODE OF ORDINANCES OF BEAUMONT, TEXAS TO MAKE CHANGES AND ADDITONS RELATING TO TRANSPORTATION NETWORK COMPANIES; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL; AND PROVIDING A PENALTY.

BE IT ORDAINED BY THE CITY OF BEAUMONT:

Section 1.

THAT Chapter 6, Article 6.06 Pawnshops and Pawnbrokers of the Code of Ordinances of the City of Beaumont, be and the same is hereby renumbered Article 6.11 Pawnshops and Pawnbrokers.

Section 2.

THAT Chapter 6, Article 6.06 of the Code of Ordinances of the City of Beaumont, be and the same is hereby amended by adopting a new Article 6.06 to read as follows:

ARTICLE 6.06 TRANSPORTATION NETWORK COMPANIES

Division 1. Generally

Sec. 6.06.001 Definitions

In this article:

Operating permit means the permission granted by the city to operate a TNC inside the city for a period of one year, renewable under the provisions of this chapter. The permit term shall automatically renew for additional terms of one (1) year upon payment of fees, unless a party sends written notice of termination to the other party at least thirty (30) days prior to the end of the then current term.

Transportation Network Company (TNC) is defined as an organization whether a corporation, partnership, sole proprietor, or other form, that provides on-demand transportation services for compensation using an online-enabled application (app) or platform to connect passengers with drivers.

Transportation Network Company (TNC) Driver shall mean an individual who operates a motor vehicle that is:

(1) Owned, leased or otherwise authorized for use by the individual;

(2) Not a taxicab; and

(3) Used to provide Transportation Network Company services.

Transportation Network Company (TNC) Services shall mean transportation of a passenger between points chosen by the passenger and prearranged with a TNC driver through the use of a TNC digital network or software application. TNC services shall begin when a TNC driver accepts a request for transportation received through the TNC's digital network or software application service, continue while the TNC driver transports the passenger in the TNC driver's vehicle, and end when the passenger exits the TNC driver's vehicle. TNC service is not taxicab or street hail service.

Sec. 6.06.002 Fare charged for services

(a) A TNC may charge a fare for the services provided to passengers; provided that, if a fare is charged, the TNC shall disclose to passengers the fare calculation method on its website or within the software application service. The TNC shall also provide passengers with the option to receive an estimated fare before the passenger enters the TNC driver's vehicle.

(b) If a TNC utilizes dynamic pricing through its software application to incentivize drivers in an effort to maximize the supply of available vehicles on the network to match the demand for rides and increase reliability, the software application must:

(1) Provide clear and visible indication that dynamic pricing is in effect prior to requesting a ride;

(2) Include a feature that requires riders to confirm that they understand that dynamic pricing will be applied in order for the ride request to be completed;

(3) Provide a fare estimator that enables the user to estimate the cost under dynamic pricing prior to requesting the ride; and

Sec. 6.06.003 Agent required

The TNC must maintain an agent for service of process in the State of Texas.

Sec. 6.06.004 Identification of TNC vehicles and drivers

Before a TNC ride is accepted, the TNC's software application or website shall display the driver's first name, an accurate picture of the TNC driver, a picture or description of the vehicle, and the license plate number of the motor vehicle utilized for providing the TNC service.

Sec. 6.06.005 Electronic receipt required

Within a reasonable period of time following the completion of a trip, a TNC shall transmit an electronic receipt to the passenger that lists:

(1) The origin and destination of the trip;

(2) The total time and distance of the trip; and

(3) An itemization of the total fare paid, if any.

Sec. 6.06.006 Zero tolerance for alcohol or drug use

(a) The TNC shall implement a zero tolerance policy on the use of drugs or alcohol while a TNC driver is providing TNC services or is logged into the TNC's digital network but is not providing TNC services, and shall provide notice of this policy on its website, as well as procedures to report a complaint about a driver with whom a passenger was matched and whom the passenger reasonably suspects was under the influence of drugs or alcohol during the course of the trip.

(b) Upon receipt of such passenger complaint alleging a violation of the zero tolerance policy, the TNC shall immediately suspend such TNC driver's access to the TNC's digital platform, and shall conduct an investigation into the reported incident. The suspension shall last the duration of the investigation.

(c) The TNC shall maintain records relevant to the enforcement of this requirement for a period of at least two years from the date that a passenger complaint is received by the TNC.

Sec. 6.06.007 No street hails

A TNC driver shall exclusively accept rides booked through a TNC's digital network or software application service and shall not solicit or accept street hails.

Sec. 6.06.008 No cash rides

The TNC shall adopt a policy prohibiting solicitation or acceptance of cash payments from passengers and notify TNC drivers of such policy. TNC drivers shall not solicit or accept cash payments from passengers. Any payment for TNC services shall be made only electronically using the TNC's digital network or software application.

Sec. 6.06.009 No discrimination; accessibility

(a) The TNC shall adopt a policy of non-discrimination on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation, or gender identity with respect to passengers and potential passengers and notify TNC drivers of such policy.

(b) TNC drivers shall comply with all applicable laws regarding non-discrimination against passengers or potential passengers on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation, or gender identity.

(c) TNC drivers shall comply with all applicable laws relating to accommodation of service animals.

(d) A TNC shall not impose additional charges for providing services to persons with physical disabilities because of those disabilities.

(e) A TNC shall provide passengers an opportunity to indicate whether they require a wheelchair-accessible vehicle. If a TNC cannot arrange wheelchair-accessible TNC service in any instance, it shall direct the passenger to an alternate provider of wheelchair-accessible service, if available.

Sec. 6.06.010 Records required

(a) A TNC shall maintain:

(1) Individual trip records which must include driver and passenger identity information for at least one year from the date each trip was provided; and

(2) TNC driver records at least until the one year anniversary of the date on which a TNC driver's activation on the TNC digital network has ended.

(b) Within seven (7) business days of the receipt of a duly issued subpoena, court order or warrant relating to investigation of a criminal matter, or within a longer period of time if agreed to by the parties, the TNC shall furnish the requested records to the chief of police. For any non-criminal investigations conducted by the chief of police in his administrative capacity, a TNC will conduct an internal investigation and shall within ten (10) business days or within a longer period of time if agreed to by the parties furnish records in response to a written request related to the underlying complaint, in accordance with its publicly posted privacy policies.

(c) Any record or information made available by a TNC to the City pursuant to this ordinance may be confidential and proprietary. If the City is required to disclose such confidential information under court order or other applicable law, the City shall promptly notify the TNC of such requirement, prior to disclosure in accordance with the Texas Public Information Act or other applicable law.

Sec. 6.06.011 Personal identity information

A TNC shall not disclose a passenger's personal identity information to a third party unless: the passenger consents, disclosure is required by a legal obligation, or disclosure is required to protect or defend the terms of use of the service or to investigate violations of those terms. In addition to the foregoing, a TNC shall be permitted to share a passenger's name and/or an anonymized telephone number with the TNC driver providing TNC services to such passenger in order to facilitate correct identification of the passenger by the TNC driver, or to facilitate communication between the passenger and the TNC driver.

Division 2. Operating Permit

Sec. 6.06.012 Required

No TNC shall operate upon the city streets without having first obtained an operating permit from the City of Beaumont.

Sec. 6.06.013 Application

An application for an operating permit required under this division shall be filed with the Chief of Police upon forms provided by the city. The application shall contain the following information:

(1) The name and business address of the applicant;

(2) If a business entity, certified copies of the applicant's organizational documents, e.g., certificate of organization, articles of incorporation or similar documents as applicable, together with evidence of authorization from the Texas Secretary of State to conduct business in the state of Texas, and current franchise tax account status with the Texas Comptroller;

(3) The experience of the applicant in the transportation of passengers; and

(4) Any facts the applicant believes tend to prove that public convenience and necessity require the granting of an operating permit.

Sec. 6.06.014 Fees

No operating permit required under this division shall be issued or continued in operation unless the holder thereof has paid an annual license fee of $100.00. The fees shall be paid to the city to compensate the city for its superintendence of the TNC business operated under this article and for the use of the city streets, alleys and public ways.

Sec. 6.06.015 Issuance

If the city council, after the public hearing required by section 90.354, finds that TNC service or additional TNC service in the city is required by the public convenience and necessity and that the applicant is fit, willing and able to provide the public transportation and to conform to this article, the Chief of Police shall issue an operating permit stating the name and address of the applicant; otherwise the application shall be denied.

Sec. 6.06.016 Suspension and revocation

(a) Upon the filing of a written complaint alleging a violation of any of the provisions of this article by a TNC driver or a TNC filed by any person with the chief of police, or upon the person's motion, the chief of police, after five days' notice of the grounds of such complaint to the TNC driver or owner or operators of the TNC against whom complaint is made, shall conduct an investigation and, where appropriate, hear evidence with reference to such complaint, and after such hearing, the chief of police may revoke or suspend the operating permit of such holder or require the TNC to remove said TNC driver from the system with good cause shown.

(b) Due cause for the suspension or revocation of an operating permit will include, but not be limited to, the following:

(1) Failure of the operating permit holder to maintain any and all of the general qualifications applicable to the initial issuance of the permit as set forth in this title;

(2) Obtaining an operating permit by providing false information;

(3) Violating any ordinance of the city, the laws of the United States or of the state, the violation of which adversely affects the ability of holder to offer transportation network services; or

(4) Violating any part of this article.

(c) The holder shall have the right to appeal the suspension or revocation to the city manager within ten business days of the notice of suspension or revocation. Such appeal will be submitted by a letter addressed to the city manager stating that an appeal from the decision of the chief of police is desired to the city manager. Upon receiving such notice of appeal, the city manager, as soon as practical thereafter, shall conduct a hearing at which the appealing party will be given an opportunity to present evidence and make argument in the person's behalf. The formal rules of evidence do not apply to an appeal hearing under this section. The city manager shall make its ruling on the basis of a preponderance of the evidence at the hearing.

(d) The city manager will affirm, modify or reverse the decision of the chief of police. The decision of the city manager is final.

(e) If no appeal is taken from the ruling of the chief of police in the time and manner as provided in this title, the ruling of the chief of police shall be final.

(f) Any person who continues to operate a TNC under a permit that has been suspended or revoked for any reason while the suspension or revocation is in effect shall be considered guilty of a misdemeanor and upon conviction thereof, shall be assessed a penalty accordingly. Every day's violation shall be considered to be a separate offense.

Division 3. Driver and Vehicle Requirements

Sec. 6.06.017 Driver background check required

(a) Prior to permitting an individual to act as a TNC driver on its digital platform, the TNC shall:

(1) Require the individual to submit an application to the TNC which includes information regarding his or her address, age, driver's license, driving history, motor vehicle registration, automobile liability insurance, and other information required by the TNC;

(2) Conduct, or have a third party conduct, a local and national criminal background check for each applicant that shall include:

a. Multi-state/Multi-jurisdiction criminal records locator or other similar commercial nationwide database with validation (primary source search); and

b. National Sex Offender Registry database; and

(3) Obtain and review a driving history research report for such individual.

(b) The TNC shall not permit an individual to act as a TNC driver on its digital platform who:

(1) Has had more than three moving violations in the prior three-year period, or one major violation in the prior three-year period (including, but not limited to, attempting to evade the police, reckless driving, or driving on a suspended or revoked license);

(2) Has been convicted, within the past seven years, of driving under the influence of drugs or alcohol, fraud, sexual offenses, use of a motor vehicle to commit a felony, a crime involving property damage, and/or class B misdemeanor or higher theft, acts of violence, or acts of terror;

(3) Is a match in the National Sex Offender Registry database;

(4) Does not possess a valid driver's license;

(5) Does not possess proof of registration for the motor vehicle(s) used to provide TNC services;

(6) Does not possess proof of automobile liability insurance for the motor vehicle(s) used to provide TNC services; or

(7) Is not at least 19 years of age.

(c) Notification. In the event that a TNC becomes aware of a driver being involved in criminal conduct or driving violations or otherwise becomes ineligible to serve as a driver by virtue of no longer meeting the criteria listed above, the TNC shall immediately terminate the driver's ability to access the platform's application.

Sec. 6.06.018 Vehicle safety and emissions

The TNC shall require that any motor vehicle(s) that a TNC driver will use to provide TNC services meets the requirements set forth in V.T.C.A., Transportation Code, Ch. 547 for vehicle safety equipment and inspection.

Division 4. TNC and TNC Driver Insurance Requirements

Sec. 6.06.019 Insurance requirements

(a) A TNC and TNC Drivers shall comply with the requirements of Chapter 1954 of the Texas Insurance Code, as amended.

(b) At the time a TNC Driver is logged on to the transportation network company's digital network and is available to receive transportation network requests, as well

as between prearranged rides, the minimum amounts of liability insurance coverage required are:

(1) $50,000 for bodily injury to or death for each person in an incident;

(2) $100,000 for bodily injury to or death of a person per incident; and,

(3) $25,000 for damage to or destruction of property of others in an incident;

(4) Uninsured or underinsured motorist coverage where required by Texas Insurance Code Section 1952.101; and,

(5) Personal injury protection coverage where required by Texas Insurance Code Section 1952.152.

(c) At the time a TNC Driver is engaged in a prearranged ride, the automobile insurance policy must provide, at a minimum:

(1) Coverage with a total aggregate limit of liability of $1,000,000 for death, bodily injury and property damage for each incident;

(2) Uninsured or underinsured motorist coverage where required by Texas Insurance Code Section 1952.101; and,

(3) Personal and injury protection coverage where required by Texas Insurance Code Section 1952.152.

(d) If an insurance policy maintained by a TNC Driver has lapsed or does not provide the required coverage, the TNC shall provide the coverage required by this section beginning with the first dollar of a claim against the driver.

(e) Insurance satisfying the requirements of this section satisfies the financial responsibility requirement for an automobile under Chapter 601, Transportation Code.

Sec. 6.06.020 Disclosure requirements

A TNC shall disclose in writing to TNC drivers, as part of its agreement with those drivers, the insurance coverage and limits of liability that the TNC provides while the driver uses a personal vehicle in connection with a TNC's online-enabled digital network. A TNC shall also disclose in writing to participating drivers, as part of its agreement with those drivers, that the driver's own automobile insurance policy might not provide coverage while the TNC driver uses a vehicle in connection with a TNC's digital network depending on its terms.

Section 3.

That if any section, subsection, sentence, clause of phrase of this ordinance, or the application of same to a particular set of persons or circumstances, should for any reason be held to be invalid, such invalidity shall not affect the remaining portions of this

ordinance, and to such end, the various portions and provisions of this ordinance are declared to be severable.

Section 4.

That all ordinances or parts of ordinances in conflict herewith are repealed to the extent of the conflict only.

Section 5.

That any person who violates any provision of this ordinance shall, upon conviction, be punished, as provided in Section 1.01.009 of the Code or Ordinance of Beaumont, Texas.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

2

December 22, 2015

Consider a resolution authorizing the purchase of a paving machine from Romco Exchange Co., LLC of Dallas

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BEAUMONT
TEXAS

TO:	City Council
FROM:	Kyle Hayes, City Manager
PREPARED BY:	Laura Clark, Chief Financial Officer
MEETING DATE:	December 22, 2015
REQUESTED ACTION:	Council consider a resolution authorizing the purchase of a paving machine from Romco Exchange Co., LLC of Dallas in the amount of $385,165.

BACKGROUND

The City currently has a small paving machine that does not meet the needs of the Streets and Drainage Division; consequently a large amount of asphalt paving is performed by a contractor. The new paving machine is much larger and will increase efficiency and timeliness as it will more than double the width of one pass of the current machine. The larger machine will result in shorter traffic closures, increased productivity, and reduced dependence and expense for contractor- provided equipment and personnel.

Pricing was obtained through the Texas Association of School Boards (BuyBoard), a cooperative purchasing association providing cities and political subdivisions with the means to purchase specialized equipment at volume pricing. BuyBoard complies with State of Texas procurement statutes.

Manufacturer two (2) year warranty is provided, with service through Romco Equipment, Inc., of Houston.

FUNDING SOURCE

The equipment will be financed in FY 2016 over a three to five year period.

RECOMMENDATION

Approval of resolution.

#36

ROMCO
PAVING EQUIPMENT

8450 Breen Rd / Houston TX 77064 / 713-937-3005 / Fax: 713-937-7541

Quote No.
Version: 2
Date: 06/5/2015

Thomas Gill
City of Beaumont
2610 Concord
P.O. Box 3827
Beaumont, TX 77704-3827

ROMCO Equipment Co. is pleased to present the following equipment for your consideration:

1 **New Volvo PF-7170 Asphalt Paver equipped as follows:**
- Volvo D8 Tier IVi Diesel Engine @ 235 hp
- TopCon System 5 (Dual Side Joint Matcher)
- 20ft Screed with 17in Augers
- Hydraulic Auger Height Adjustment
- Auger Reverse
- High Torque Auger Motor
- (2) Stage Power Tunnels
- Truck Hitch
- Dual Control Consoles w/Vandal Covers
- Electronic Grade & Slope (minus the controller & sensors)
- Drive Tire Size (18x25) Front Wheel Size (14x22)
- 4 Wheel Drive
- Work Light Pkg (2 Front / 4 Rear)
- Back Up Alarm
- Light Beacon Only
- SmokEater w/Fold Down Stack
- Model Resistor Plug
- 30 kw Onboard Generator w/(5) 120 Volt Outlets
- 24 Volt Circuits
- Flow Gate Installation
- Conveyor Reverse (Independent Conveyors and Augers)
- 3 Function Screed Control
- Remote Control Options
- Tow Point Indicator
- Right Hand Outlet Box
- Hopper Locks
- Side Extendable Rotating Seats
- (4) Sensor Feed System
- Automatic Tensioning Conveyors
- Adjustable Screed Side Arms
- Color Display w/Speed Limiter
- Interchangeable Drop-In Floor Plates
- Ground Level Fuel Fill
- Remote Jumper Start Connections on Both Sides of Paver
- Emergency Operations Panel
- Outboard Conveyor Drive Motors
- Low Fuel Alarm

- Blaw-Kote Coating System w/35ft Hose and Spray Valve/Nozzle

BUYBOARD Pricing (All Fees Included) **$385,165.00**

VOLVO ROAD INSTITUTE TRAINING at the Shippensburg Factory:
The Road Institute focuses their training efforts on you, the paving contractor and various other occupations within the asphalt paving industry. A few of the many topics they will cover are - asphalt paving training, compactor operator training and paving operator training.

They will provide the paving contractor, operator, agency and industry personnel with the "important link" between equipment technology and industry applications. Our Operator courses / seminars are designed to improve an operator's skills with both theory (classroom) and hands-on operation of Volvo Road Machinery equipment.

Machine Warranty:
24 Months / Unlimited Hours Standard Full Machine

Screed Warranty:
12 Months / 1000 Hours

Price does not include any taxes. The above price is valid for 30 days unless specifically extended by ROMCO Equipment Co.

Notice is hereby given that ROMCO Equipment Co. LLC has assigned its rights under this sales contract to ROMCO Exchange Co. LLC to sell the equipment described herein and, if applicable, to purchase trade-in property described herein.

Quoted By:
Pat O Slattery II

Pat Slattery
ROMCO Paving Equipment Sales

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Council hereby approves the purchase of a paving machine for use by the Streets and Drainage Division from Romco Exchange Co., LLC, of Dallas, Texas, in the amount of $385,165.00 through the Texas Association of School Boards (BuyBoard) Cooperative Purchasing Program.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

3

December 22, 2015

Consider a resolution authorizing the purchase of a street sweeper from Kinloch Equipment, Inc., of Houston

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BEAUMONT
TEXAS

TO:	City Council
FROM:	Kyle Hayes, City Manager
PREPARED BY:	Laura Clark, Chief Financial Officer
MEETING DATE:	December 22, 2015
REQUESTED ACTION:	Council consider a resolution authorizing purchase of a sweeper and roller from Kinloch Equipment, Inc., of Houston, in the total amount of $279,999.

BACKGROUND

The Elgin sweeper will replace unit 4298, which has 3,549 operating hours. In addition to excessive maintenance and unreliability, the sweeper has suffered a major mechanical failure and will be disposed of through the City's surplus equipment program. The Wacker-Neusson roller is a new addition. It is used to compact road base prior to paving. Concrete crews do not have a roller and must borrow or rent one to do this work.

Pricing was obtained through the Texas Association of School Boards (BuyBoard), a cooperative purchasing association providing cities and political subdivisions with the means to purchase specialized equipment at volume pricing. BuyBoard complies with State of Texas procurement statutes. The total purchase price includes the BuyBoard fee of $2090 which is paid to the vendor.

One (1) year manufacturer warranty is provided, with service through Kenloch Equipment, Inc.

FUNDING SOURCE

The roller in the amount of $29,500 is budgeted in the Capital Reserve Fund while the sweeper for $250,499 will be financed in 2016 for a three to five year term.

RECOMMENDATION

Approval of the resolution.

PRODUCT PRICING SUMMARY BASED ON CONTRACT

BUYBOARD #420-13

End User: City of Beaumont
Contact: Jeff Harville
Phone/email: 409-842-5885
Product Description: Elgin 4M Eagle - Dual

Kinloch Rep: Marcus Breidenthal
Phone/email: 713-823-6107
Date: Thursday, October 22, 2015

A. Bid Series: 420-13 — **A. Base Price:** $ 168,480.00

B. Published Options [Itemize each below]

Code	Options	Bid Price	Code	Options	Bid Price
	2016 M2 Dual Steer Chassis	$ 101,790.00			
	M2-Chassi Alterations	$ 2,220.40			
	High Temp Hyd Shutdown	$ 338.00			
	Low Level Hyd Shutdown	$ 348.00			
	Hopper Interior Light	$ 780.00			
	Rear Mounted LED Arrowstick	$ 1,731.60			
	LED Stop/Tail/Turn Lts	$ 343.20			
	Side Broom Tilt - RH	$ 1,222.00			
	25' Water Fill Hose - ILO 16'	$ 192.40			
	AM/FM/CD Radio	$ 904.80			

Total of B. Published Options: $ 109,870.40

C. Unpublished Options [Itemize each below, not to exceed 25%] $= 0.0 %

Options	Bid Price	Options	Bid Price

Total of C. Unpublished Options: $ -

D.	**Pre-delivery Inspection:**	
E.	**Texas State Inspection:**	
F.	**Manufacturer Destination/Delivery:**	
G.	**Floor Plan Interest (for in-stock and/or equipped vehicles):**	
H	**Lot Insurance (for in-stock and/or equipped vehicles):**	
I.	**Contract Price Adjustment:** Loyal Customer Discount	$ (31,601.40)
J.	**Additional Delivery Charge:** 1500 **miles**	$ 2,250.00
K.	**Subtotal:**	$ 248,999.00
L.	**Quantity Ordered** 1 **x K =**	$ 248,999.00
M.	**Trade in:**	
N.	**BUYBOARD Administrative Fee ($400 per purchase order)**	$ 1,500.00
O.	**TOTAL PURCHASE PRICE INCLUDING BUYBOARD FEE**	$ 250,499.00

PRODUCT PRICING SUMMARY BASED ON CONTRACT

BUYBOARD #424-13

End User: City of Beaumont
Kinloch Rep: Marcus Breidenthal
Contact: Jeff Harville
Phone/email: 713-823-6107
Phone/email: 409-842-5885
Date: Thursday, October 22, 2015
Product Description: Wacker Neusson RD16-90 Roller, Double Drt

A. Bid Series: 424-13 **A. Base Price:** $ 38,080.00

B. Published Options [Itemize each below]

Code	Options	Bid Price	Code	Options	Bid Price
				Total of B. Published Options:	$ -

C. Unpublished Options [Itemize each below, not to exceed 25%] $= 0.0 %

Options	Bid Price	Options	Bid Price
		Total of C. Unpublished Options:	$ -

D.	**Pre-delivery Inspection:**	
E.	**Texas State Inspection:**	
F.	**Manufacturer Destination/Delivery:**	
G.	**Floor Plan Interest (for in-stock and/or equipped vehicles):**	
H	**Lot Insurance (for in-stock and/or equipped vehicles):**	
I.	**Contract Price Adjustment:**	$ (10,145.00)
J.	**Additional Delivery Charge:** 650 miles	$ 975.00
K.	**Subtotal:**	$ 28,910.00
L.	**Quantity Ordered** 1 x K =	$ 28,910.00
M.	**Trade in:**	
N.	**BUYBOARD Administrative Fee ($400 per purchase order)**	$ 590.00
O.	**TOTAL PURCHASE PRICE INCLUDING BUYBOARD FEE**	$ 29,500.00

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Council hereby approves the purchase of a sweeper and roller for use by the Streets and Drainage Division from Kinloch Equipment, Inc., of Houston, Texas, in the amount of $279,999.00 through the Texas Association of School Boards (BuyBoard) Cooperative Purchasing Program.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

4

December 22, 2015

Consider a resolution authorizing the purchase of three backhoes from Mustang Cat, Inc., of Beaumont for use by the Streets and Drainage Division and at the Sewer Treatment Plant

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BEAUMONT
TEXAS

TO:	City Council
FROM:	Kyle Hayes, City Manager
PREPARED BY:	Laura Clark, Chief Financial Officer
MEETING DATE:	December 22, 2015
REQUESTED ACTION:	Council consider a resolution authorizing the purchase of three (3) Caterpillar backhoes from Mustang Cat, Inc., of Beaumont, in the total amount of $219,705 for use by the Streets and Drainage Division and the Sewer Treatment Plant.

BACKGROUND

Two of the three units will be used by the Streets and Drainage Division for preparing roadways for paving. The third unit will be used at the Sewer Treatment Plant to move sludge in and out of the drying beds, removing heavy debris from the high flow pump station, loading trucks for transport to the landfill and in repairing and replacing pumps. The new backhoes are replacing existing equipment that is not reliable and will be disposed of through the City's surplus equipment program.

Pricing was obtained through the Texas Association of School Boards (BuyBoard), a cooperative purchasing association providing cities and political subdivisions with the means to purchase specialized equipment at volume pricing. BuyBoard complies with State of Texas procurement statutes.

Warranty service for 3 years/5,000 hours will be provided by Mustang Cat, Inc., of Beaumont, the local dealer.

FUNDING SOURCE

Capital Reserve Fund and Water Fund.

RECOMMENDATION

Approval of resolution.

#20
WTR

To: **CITY OF BEAUMONT** 10/21/2015

Attn: JEFF HARVILLE

NEW CATERPILLAR MODEL:	**416F ST 2WD/ STD STICK/ CAB/AC**

416F2 BHL ST, TIER 4 HRC, 70KW
STICK, STANDARD, 14FT
CONTROLS, BACKHOE PATTERN
ENGINE, 70KW, C4.4 ACERT, T4F
HYDRAULICS, GP, 5FCN/7BNK
BELT, SEAT, 2" SUSPENSION
CAB, STANDARD
SEAT, FABRIC
COUNTERWEIGHT, 1015 LBS
STABILIZER PADS, FLIP-OVER
BUCKET-GP, 1.25 CYD
CUTTING EDGE, TWO PIECE
BUCKET-HC SOIL, 24", 8.5 CFT
INSTRUCTIONS, ANSI
SERIALIZED TECHNICAL MEDIA KIT
PLATE GROUP - BOOM WEAR
GUARD, STABILIZER
PACK, DOMESTIC TRUCK
LANE 3 ORDER
PT, 2WD, STD SHIFT, MECH
TIRES, 2WD BIAS, FIRESTONE
AIR CONDITIONER, T4

Selling Price DEL TO FLEET BUYBOARD QUOTE **$73,235.00**

Warranty: 1st Year Premier/Unlimted Hours; Years 2 & 3, 5000 Hour Powertrain + Hydraulics
*No Travel Time and Mileage Charges for Warranty Repairs

Thank you for the opportunity to quote on your equipment needs.

Stevan de Leon
409-201-9500
sdeleon@mustangcat.com

**Financing Rate to be determined by Cat Financial Services Corporation.

***Price valid for 30 days from time of quote.

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Council hereby approves the purchase of three (3) Caterpillar backhoes for use by the Streets and Drainage Division and the Sewer Treatment Plant from Mustang Cat, Inc., of Beaumont, Texas, in the amount of $219,705.00 through the Texas Association of School Boards (BuyBoard) Cooperative Purchasing Program.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

_____

- Mayor Becky Ames -

5

December 22, 2015

Consider authorizing the City Manager to enter into an agreement with Enterprise Beaumont Marine West, L.P. for economic development incentives under the City's Chapter 380 Economic Development Program

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BEAUMONT
TEXAS

TO:	City Council
FROM:	Kyle Hayes, City Manager
PREPARED BY:	Chris Boone, Planning & Community Development Director
MEETING DATE:	December 22, 2015
REQUESTED ACTION:	Council consider authorizing the City Manager to enter into an agreement with Enterprise Beaumont Marine West, L.P. for economic development incentives under the City's Chapter 380 Economic Development Program.

BACKGROUND

Chapter 380 of the Texas Local Government Code allows cities to implement economic incentive programs to encourage new businesses as well as project expansions. In June 2014, the City Council established the Chapter 380 Economic Development Program in an effort to encourage significant economic development projects within the city.

Enterprise Beaumont Marine West, L.P. (formerly Oil Tanking) is making improvements in the estimated amount of $370 Million to store and transport 4.1 million barrels of crude oil. Enterprise owns land and improvements located inside and outside the city limits of Beaumont. Property taxes for property owned by Enterprise that is located outside the city limits is governed by an Industrial Agreement with the City of Beaumont.

Improvements made by Enterprise that are located within the city limits will be governed by the 380 Agreement. The estimated value of improvements being made within the city limits is $145 Million. The applicant is requesting a 100% abatement of city taxes for ten years, beginning in January 2016. For consideration of the tax abatements being provided, the City has negotiated with Enterprise for payments to be made over a ten-year period. A payment of $1.0 Million will be made to the City in 2017 and 2018 and payments of $139,327 will be made each year thereafter from 2019 through 2026.

FUNDING SOURCE
Not applicable.

RECOMMENDATION
Approval of the resolution authorizing the City Manager to enter into an agreement with Enterprise Beaumont Marine West, L.P.

STATE OF TEXAS §
§
COUNTY OF JEFFERSON §

DRAFT

CHAPTER 380
ECONOMIC DEVELOPMENT AGREEMENT

between

THE CITY OF BEAUMONT, TEXAS

and

ENTERPRISE BEAUMONT MARINE WEST, L.P.

This CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT (the "AGREEMENT") is made, entered, and executed in duplicate originals by and between the **CITY OF BEAUMONT, TEXAS**, ("CITY") and **ENTERPRISE BEAUMONT MARINE WEST, L.P.** ("ENTERPRISE"), as authorized by Chapter 380, Texas Local Government Code.

WHEREAS, Article 3, Section 52A, Texas Constitution, authorizes the Legislature to enable cities and counties to implement programs for the public purposes of economic development under which cities and counties may provide financial incentives for the purposes of stimulating local economic development and business and commercial activity in the CITY; and

WHEREAS, Section 380.001, Texas Local Government Code, authorizes the municipalities to establish and provide for the administration of one or more programs in order to stimulate business and commercial activity in the CITY, including programs for making loans and grants of public money to promote local economic development; and

WHEREAS, CITY has established a program of economic development for the purposes of creation and retention of jobs for the citizens of the CITY and region, to promote economic expansion, and to add to the tax base of the CITY; and

WHEREAS, CITY wishes to encourage ENTERPRISE to continue to expand its operations within the City of Beaumont; and

WHEREAS, the proposed expansion by ENTERPRISE will result in new economic development in the CITY, including creating new jobs, increasing sales tax revenue to the CITY and increasing ad valorem taxes within the CITY; and

WHEREAS, the proposed expansion by ENTERPRISE will have a direct positive and measurable economic benefit to the CITY; and

WHEREAS, the CITY recognizes the positive economic impact the proposed expansion will have on the CITY and wishes to provide incentives to ENTERPRISE to assist in the proposed expansion by ENTERPRISE, thereby contributing toward the further economic development and growth of the CITY; and

WHEREAS, the CITY finds that this AGREEMENT embodies an eligible "program" and clearly promotes economic development in the City of Beaumont, Texas, and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code and further is in the best interests of the CITY.

NOW, THEREFORE, for the mutual consideration set out below, the Parties hereto agree as follows:

I. AUTHORIZATION

CITY's execution and performance of this AGREEMENT is authorized by Section 380.001, Texas Local Government Code, and by the CITY's Chapter 380 Economic Development Policy, and constitutes the valid and binding obligation of the CITY from and after execution hereof by all Parties. ENTERPRISE's execution and performance of this AGREEMENT has been duly authorized and constitutes the valid and binding obligation of ENTERPRISE from and after execution hereof by all Parties.

II. DEFINITIONS

1. "Ad Valorem Taxes" means with respect to any property tax year, all *ad valorem* property taxes collected by the CITY on the Eligible Property for that tax year. For the purposes of this AGREEMENT, Ad Valorem Taxes collected by the CITY shall not include penalties, interest, or attorneys' fees.

2. "Affiliate" of any specified person or entity means any other person or entity, which, (i) directly or indirectly, through one or more intermediaries, controls, or is controlled by, or (ii) is under direct or indirect common control with such specified person or entity. For the purposes of this definition, "control" when used with respect to any person or entity means (a) the ownership, directly or indirectly, of fifty (50%) or more of the voting securities of such person or entity; or (b) the right to direct the management and operations of such person or entity, directly or indirectly, whether through the ownership (directly or indirectly) of securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

3. "Commercially Reasonable Efforts" means, as to a Party hereto, an undertaking by such Party to perform or satisfy an obligation or duty or otherwise act in a manner reasonably calculated to obtain the intended result by action or expenditure not disproportionate or unduly burdensome under the circumstances, which means, among other things, that such Party shall not be required to (i) expend funds other than for payment of the reasonable and customary costs and expenses of employees, contractors, counsel, consultants, representatives or agents of such Party in connection with the performance or satisfaction of such obligation, duty or other action or (ii) institute or settle any litigation or arbitration as a part of its reasonable efforts.

4. "Eligible Property" means the buildings, structures, fixed machinery and equipment, process units including all integral components necessary for operations, site improvements, infrastructure, and that office space and related fixed improvements necessary to the operations and administration of the Project. A list of the Eligible Property is set forth in the Application for 380 Incentives filed by Enterprise, a copy of which is attached hereto as Exhibit A, which is incorporated by this reference. During the construction phase of the Project, ENTERPRISE may make such change orders to the Eligible Property as are reasonably necessary to accomplish its intended use.

5. "Force Majeure" means an event or occurrence caused by (a) provisions of law, or the operation or effect of rules, regulations or orders promulgated by any governmental authority having jurisdiction over ENTERPRISE or the Project; (b) any demand or requisition, arrest, order, request, directive, restraint or requirement of any government or governmental agency whether federal, state, military, local or otherwise; (c) the action, judgment or decree of any court; (d) floods, storms, hurricanes, evacuation due to threats of hurricanes, lightning, earthquakes, washouts, high water, fires, acts of God or public enemies, wars (declared or undeclared), blockades, epidemics, riots or civil disturbances, insurrections, strikes, labor disputes (it being understood that nothing contained in this AGREEMENT shall require ENTERPRISE to settle any such strike or labor dispute), explosions, breakdown or failure of plant, machinery, equipment, lines of pipe or electric power lines (or unplanned or forced outages or shutdowns of the foregoing for inspections, repairs or maintenance), inability to obtain, renew or extend franchises, licenses or permits, loss, interruption, curtailment or failure to obtain electricity, gas, steam, water, wastewater disposal, waste disposal or other utilities or utility services, inability to obtain or failure of suppliers to deliver equipment, parts or material, or inability of ENTERPRISE to receive product into, or to ship or transport product out of their respective facilities; or (e) any other cause (except financial), whether similar or dissimilar, over which ENTERPRISE has no reasonable control and which forbids or prevents performance.

6. "Ineligible Property" means land, inventories, supplies, tools, furnishings, and other forms of movable personal property, including but not limited to, vehicles, vessels, aircraft, housing, hotel accommodations, deferred maintenance investments, improvements for the generation or transmission of electrical energy not wholly consumed by the Project, and property that has an economic life of less than fifteen (15) years.

7. "Parties" means collectively the CITY and ENTERPRISE, and "Party" means the CITY or ENTERPRISE, as the case may be.

8. "PILOT Payment" means the amount for each tax year as designated in Exhibit "B" attached hereto, subject to reduction as provided in Section IV.1 and Section VII.4 of this Agreement.

9. "Project" means the new crude oil storage tanks, pipeline interconnects, a distribution system and a new finger-pier style vessel dock to be constructed by ENTERPRISE at its existing facility in Beaumont, as described in Section IV. 1, below on the Property described in Exhibit C.

10. "Property" means the land on which the Project will be developed as described in the legal description and depicted on the plat attached hereto as Exhibit C. The Property is within the Gatsby Reinvestment Zone, an area within Beaumont, Jefferson County, Texas, comprising approximately 1559.5 acres, more or less. The Gatsby Reinvestment Zone was designated by the City under Ordinance No. 14-024 dated June 10, 2014, a true and correct copy of which is attached hereto as Exhibit D and is hereby incorporated. It is understood and agreed that the Gatsby Reinvestment Zone boundary is subject to revision based upon the final construction plan for the Project and the City agrees to take the steps necessary to amend the Reinvestment Zone boundary upon request by Enterprise.

11. "Term" means the period commencing on the Effective Date and ending on the Termination Date.

12. "Termination Date" means December 31, 2026.

III. TERM

This AGREEMENT shall be enforceable upon execution and delivery by both Parties (which date is herein referred to as the "Effective Date"). Subject to the provisions of Section 1 of Article IV, should ENTERPRISE not undertake the construction of the Project as described in Section 1 of Article IV below, this AGREEMENT shall be null and void.

IV. ENTERPRISE REPRESENTATIONS / OBLIGATIONS

ENTERPRISE agrees as a condition of receiving the benefits of this AGREEMENT:

1. Project: To construct the Project on the Property described on Exhibit C at the estimated construction cost of $394,059,542, pursuant to the representations made in the Application attached hereto as Exhibit A.

2. Local Sourcing: Enterprise agrees to make bidding information available to qualified local contractors, vendors, manufacturers and laborers and to conduct pre-bid meetings from time to time with potential local bidders and suppliers of services and materials for the Project.

3. PILOT Payments: Commencing January 31, 2016, and continuing through the term of this Agreement, ENTERPRISE shall pay to the CITY the PILOT Payment amounts set forth on Exhibit B.

V. VALUE AND TERM OF AGREEMENT

1. The tax abatement provided for in this Agreement for the Project shall be effective on the January 1, 2016 valuation date as authorized by Sec. 312.204 of the Texas Tax Code and Section 380.001 of the Texas Local Government Code. A separate property tax account (Property ID 349283) has been established by the Jefferson County Appraisal District for the Project. In each year that this Agreement is in effect, the amount of abatement for the Project shall be an amount equal to the percentage as indicated in the Tax Abatement Schedule ("Schedule") below. The appraised value, as defined in the Texas Property Tax Code, of Eligible Property must be abated in accordance with the Schedule below:

TAX ABATEMENT SCHEDULE

Tax Year Abated	Percentage of Value Abated
2016	100%
2017	100%
2018	100%
2019	100%
2020	100%
2021	100%
2022	100%
2023	100%
2024	100%
2025	100%

2. During the period that the tax abatement granted herein is effective:

(a). The value of Ineligible Property shall be fully taxable;

(b). The appraised value, as defined in the Texas Property Tax Code, of Eligible Property shall be abated as set forth in the above Schedule.

3. In no event shall the abatement period for the Project exceed a period of ten (10) years, in accordance with state law.

VI. LIABILITY

1. No Assumption: By this AGREEMENT, ENTERPRISE assumes no obligation, duty or other responsibility with regard to any governmental function or service for which the CITY is responsible that is not otherwise addressed by this AGREEMENT. In addition, ENTERPRISE assumes no legal liability for the actions of the CITY through the execution of this AGREEMENT. The CITY individually assumes no obligation, duty or other responsibility with regard to any duty, right, obligation or responsibility associated with the Project for which ENTERPRISE is responsible that is not otherwise addressed by this AGREEMENT. In addition, the CITY assumes no legal liability for the actions of ENTERPRISE or its successors or assigns by virtue of its execution of this AGREEMENT.

2. Agents: Each Party to this AGREEMENT agrees that it shall have no liability for the actions or omissions of the employees, agents, directors, members, trustees or representatives of any other Party, and each Party is solely responsible for the actions and omissions of its own employees, agents, directors, members, trustees or representatives.

VII. DEFAULT

1. Events of Default: During the Term, the CITY may declare a default hereunder by ENTERPRISE if ENTERPRISE (i) fails to commence construction of the Project within one (1) year after the Effective Date, (ii) fails to commence construction of the Project, (iii) refuses or neglects to comply with any of the terms of this AGREEMENT and fails to cure within the Cure Period (as defined below), or (iv) if any representation made by ENTERPRISE in this AGREEMENT is false or misleading in any material respect.

2. Notice and Cure: If the CITY declares ENTERPRISE to be in default of this AGREEMENT, the CITY shall notify ENTERPRISE in writing prior to the end of the abatement period, and if such default is not cured within sixty (60) days from the date of such notice (such sixty (60) day period, or such longer period as is provided for in this Section 2 being referred to as the "Cure Period"), then this AGREEMENT may be terminated or modified; provided, however, that in the case of a default for causes beyond ENTERPRISE's reasonable control which cannot with due diligence be cured within such sixty (60) day period, the Cure Period shall be deemed extended an additional sixty (60) day period, or a period of time agreeable to both parties should the circumstances require a longer period of time to cure, if ENTERPRISE (i) shall immediately, upon the receipt of such notice, advise the CITY of ENTERPRISE's intention to institute all steps necessary to cure such default and (ii) shall proceed to cure.

3. Delinquent *Ad Valorem* Taxes: In the event ENTERPRISE allows its *ad valorem* taxes on the Project owed the CITY to become delinquent and fails to timely and properly

follow the legal procedures for their protest and appeal, or if ENTERPRISE violates any of the terms and conditions of this AGREEMENT and fails to cure during the Cure Period, this AGREEMENT may then be terminated.

4. Discontinuation: In the event the Project herein is completed and begins producing product or services, but subsequently discontinues storage and shipment of crude oil, petroleum and liquefied petroleum products for any reason excepting fire, explosion or other casualty, accident or natural disaster, or governmental mandate, or other event of Force Majeure, for a continuous period of one (1) year during the Term of the AGREEMENT, then this AGREEMENT shall terminate with respect to the applicable portion of the Project that is no longer producing product or services; and in such event, this AGREEMENT shall be amended to exclude such portion of the Project from coverage under this AGREEMENT, including, without limitation, a commensurate reduction in the PILOT Payment amounts from Enterprise to the CITY with respect to such portion of the Project. In the event of termination pursuant to the provisions of this paragraph, the abatement of the taxes for the calendar year during which the Project no longer operates shall terminate, but there shall be no recapture of prior years' taxes abated by this Agreement. The taxes otherwise abated shall be paid to the City prior to the delinquency date for such year. In no event shall Enterprise be required to pay such taxes within less than sixty (60) days of the termination.

5. Termination: If after notice of default and failure to cure, the CITY terminates this Agreement, it shall provide ENTERPRISE written notice of such termination. If ENTERPRISE believes that such termination was improper, ENTERPRISE may file suit in the Jefferson County District Court appealing such termination within sixty (60) days after receipt from the CITY of written notice of the termination. If such a suit is filed, ENTERPRISE shall remit to the CITY, within ninety (90) days after receipt of the notice of termination, any additional Ad Valorem Taxes as may be payable during the pendency the litigation pursuant to the payment provisions of Section 42.08, Tax Code. If the final determination of the appeal increases ENTERPRISE's tax liability above the amount of tax paid, ENTERPRISE shall remit the additional tax to the CITY pursuant to Section 42.42, Tax Code. If the final determination of the appeal decreases ENTERPRISE's tax liability, the CITY shall refund to ENTERPRISE the difference between the amount of tax paid and the amount of tax for which ENTERPRISE is liable pursuant to Section 42.43, Tax Code.

VIII. NOTICE

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by deposing by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate Party at the following addresses:

Notices to ENTERPRISE shall be addressed to:

Curt Tate, Director of Property and Transaction Tax
ENTERPRISE BEAUMONT MARINE WEST, L.P.
P.O. Box 4018
Houston, Texas 77210-4018

1100 Louisiana Street, Suite 1000
Houston, Texas 77002

With copies to:

ATTN: General Counsel
ENTERPRISE BEAUMONT MARINE WEST, L.P.
P.O. Box 4018
Houston, Texas 77210-4018

1100 Louisiana Street, Suite 1000
Houston, Texas 77002

and

Timothy E. Young
Ikard Wynne LLP
2901 Via Fortuna, Suite 450
Austin, Texas 78746

Notices to CITY shall be addressed to:

City of Beaumont
Kyle Hayes, City Manager
801 Main Street
Beaumont, Texas 77701

Either Party may change its address for receipt of notices under this AGREEMENT from time to time by delivering at least ten (10) days prior written notice of such change to the other Party in the manner prescribed above.

IX. MISCELLANEOUS PROVISIONS

1. Disclaimer: Nothing herein shall confer upon any person, firm or other entity other than the Parties hereto any benefit or any legal or equitable right, remedy or claim under this AGREEMENT. All obligations hereunder of the Parties hereto shall be binding upon their respective successors and assigns.

2. Amendments to Agreement; Waivers: This AGREEMENT may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties. Waiver of any term, condition or provision of this AGREEMENT by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition or provision, or a waiver of any other term, condition or provision of this AGREEMENT.

3. Approvals or Consents: Approvals or consents required or permitted to be given under this AGREEMENT shall be evidenced by an ordinance, resolution, or minute order adopted by the governing body or board of the appropriate Party or by a certificate executed by a person, firm or entity previously authorized to give such approval or consent on behalf of a Party. Approvals and consents shall be effective without regard to whether given before or after the time required for giving such approvals or consents.

4. Assignment: ENTERPRISE may assign this AGREEMENT in whole or in part to an Affiliate or a new owner or lessee of the Property or the Project, or any portion thereof, provided that ENTERPRISE shall provide written notice of such assignment to the CITY. Upon such assignment, ENTERPRISE's assignee will be liable to the CITY for outstanding taxes or other obligations arising under this AGREEMENT with respect to the applicable portion of the Property or the Project. The CITY shall not assign its rights or obligations under this Agreement to any other person or party.

5. Parties in Interest: This AGREEMENT shall be for the sole and exclusive benefit of the Parties hereto and shall not be construed to confer any rights upon any third parties.

6. Supplementation: In the event any further documentation or information is required for this AGREEMENT to be valid, then the Parties to this AGREEMENT shall provide or cause to be provided such documentation or information. The Parties shall execute and deliver such documentation, including but not limited to any amendments, corrections, deletions or additions as necessary to this AGREEMENT provided however that the Parties shall not be required to do anything that has the effect of changing the essential economic terms of this AGREEMENT or imposing greater liability on the Parties. The Parties further agree that they shall do anything necessary to comply with any requirements to enable the full effect of this AGREEMENT; provided, however, that the Parties shall not be required to do anything that has the effect of changing the essential economic terms of this AGREEMENT or imposing greater liability on the Parties.

7. Merger: This AGREEMENT contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this AGREEMENT.

8. Governing Law: This AGREEMENT and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in Jefferson County, Texas.

9. Authorization: Each of the parties hereto represents and warrants to the other party that (i) it has all requisite power and authority to execute and deliver, to perform its obligations under and to consummate the transactions contemplated by this Agreement and (ii) the execution and delivery of this Agreement, the performance of its obligations under and the consummation by each party of the transactions contemplated by this Agreement have been duly authorized by all requisite corporate authority on the part of Enterprise, with respect to the representation and warranty of Enterprise, and by all requisite governmental authority on the part of the City, with respect to the representation and warranty of the City, and (iii) upon execution and delivery of this Agreement, this Agreement will constitute valid and binding legal obligations of such party.

10. Severability: If any term, provision or condition of this AGREEMENT, or any application thereof, is held invalid, illegal or unenforceable in any respect under any Law (as hereinafter defined), this AGREEMENT shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision or condition cannot be so reformed, then such term, provision or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this AGREEMENT, as the case may be, and the validity, legality and enforceability of the remaining terms, provisions and conditions contained herein (and any other application such term, provision or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this AGREEMENT in a mutually acceptable manner so as to effect the original intent of the Parties as closely as possible to the end that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree or other official act of or by any federal, state or local government, governmental department, commission,

board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

11. Payment of Expenses: Except as otherwise expressly provided in this AGREEMENT, or as covered by the application fee, (i) each of the Parties shall pay its own costs and expenses relating to this AGREEMENT, including, but not limited to, its costs and expenses of the negotiations leading up to this AGREEMENT, and of its performance and compliance with this AGREEMENT, and (ii) in the event of a dispute between the Parties in connection with this AGREEMENT, the prevailing Party in the resolution of any such dispute, whether by litigation or otherwise, shall be entitled to full recovery of all attorneys' fees (including a reasonable hourly fee for in-house legal counsel), costs and expenses incurred in connection therewith, including costs of court, from the non-prevailing Party to the extent allowed by law.

12. Force Majeure: In the event either Party is rendered unable, wholly or in part, by Force Majeure to carry out any of its obligations under this AGREEMENT, except the obligation to pay amounts owed or required to be paid pursuant to the terms of this AGREEMENT, then the obligations of such Party, to the extent affected by such Force Majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the Force Majeure relied upon, the Party whose contractual obligations are affected thereby shall give notice and full particulars of such Force Majeure to the other Party. Such cause, as far as possible, shall be remedied with all reasonable diligence.

13. Interpretation: When a reference is made in this AGREEMENT to a Section, Article or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this AGREEMENT unless otherwise indicated. The headings contained in this AGREEMENT are for reference purposes only and shall not affect in any way the meaning or interpretation of this AGREEMENT. The words "include," "includes" and "including" when used in this AGREEMENT shall be deemed in such case to be followed by the phrase "but not limited to" words used in this AGREEMENT, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require. This AGREEMENT is the joint product of the Parties and each provision of this AGREEMENT has been subject to the mutual consultation, negotiation and agreement of each Party and shall not be construed for or against any Party.

14. Execution of Counterparts: This AGREEMENT may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

15. Waiver. Failure of any Party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing thereunder upon default or failure of performance shall not be considered a waiver of the right to insist on and to enforce by an appropriate remedy, strict compliance with any other obligation hereunder to exercise any right or remedy occurring as a result of any future default or failure of performance.

16. Governmental Immunity; Consent to Suit. Nothing in this AGREEMENT shall constitute a waiver by the CITY of its governmental or sovereign immunity. Nothing in this AGREEMENT shall be construed as express or implied consent by the CITY to being sued.

Executed in duplicate this the _____ day of _____, 2015.

CITY OF BEAUMONT:

_____
Kyle Hayes
City Manager

ENTERPRISE BEAUMONT MARINE WEST, L.P.
By: Enterprise Beaumont Marine West GP, LLC
Its: General Partner

By: _____
Name: _____
Title: _____

EXHIBIT A

Application and Eligible Property

APPLICATION FOR 380 INCENTIVES

Applicant Information

1. Beneficiary of Incentives Enterprise Beaumont Marine West, L.P
   Property Owner X, Business Owner ___, Leaseholder ___ (check all that apply)
   Mailing address P. O Box 4018 Houston, Texas 77210-4018
   Telephone (713)381-8253 Fax 281-887-7022
   Cell Phone N/A Email anoor@eprod.com

2. Contact Information Curt Tate
   Title Director of Property and Transaction Tax
   Mailing address PO. Box 4018 Houston, Texas 77210-4018
   Telephone (713) 381-8071 Fax 281-887-7022
   Cell Phone N/A Email ctate@eprod.com
   Relationship to Beneficiary: Same as above X, Authorized Representative ___

3. Property address 6275 Highway 347 , Beaumont, Texas 77705

4. Property legal description (metes & bounds) P Humphreyes ABS-32 PT TR 11&12
   Jefferson County Appraisal District Account # 130567

5. Attach a complete description of the project including: See Attached
   A. Method of financing Equity financing/Self funding
   B. Primary business activity at this site -Crude Storage
   C. Complete description of all land uses see attached
   D. Time schedule for completion of improvements 14 Months
   E. NAICS/SIC Industry Code 486110
   F. Descriptive list of improvements
      1. Size 125.344 Acres ~~sq. ft.~~
      2. Cost of construction $ 394,059,542
      3. Value of Personal Property
         a. Inventory $ None
         What percent is eligible for Freeport Exemption (exported from Texas within 175 days) N/A%
         b. Equipment, machinery, furnishings, etc. $ 154,427,504
   G. What taxable sales will be generated at this location $ None per year

6. These documents must be submitted prior to the City staff's review of the application:
   - Property tax statement from the County Tax Office See attached
   - Plat/map of project location See Attached

7. Level of abatement requested 100 % 10 Years on X Real Property
   or X Business Personal Property

8. Describe, in detail, all other incentives sought from the City- other economic incentives, fee waivers, fast-track plans review, etc. Jefferson County,and Port of Beaumont Navigation District.

9. Estimated taxable value of property improvements: Real $154 Million Personal $150,0000
Estimated taxable value is the value of the improvements on January 1 of the year after the improvements are made.

10. Job Creation & Retention:

Number of Full Time Equivalent Jobs	Avg. Annual, Monthly, or Hourly Wage	Benefits Provided	# of Positions Created	# of Positions Retained
Executive				
Professional	$ 60,230 Avg. Annual	Health Medical Insurance, and 401K.	6	
Managerial				
Administrative				
General Labor				
Other				
Total				

11. Infrastructure improvements/modifications sought: None

12. Will 381 application be made to Jefferson County? _____Yes X No

13. On an attachment, describe why incentives are necessary for the success of this project and, how the improvements will benefit the property at the conclusion of the incentives (Include any documentation necessary to substantiate your request and if any other locations are under consideration). See Attached

14. I am authorized to sign this application for incentives and to certify through my signature below that the business for whom I am authorized to sign, or a branch, division, or department of the business, does not and will not knowingly employ an undocumented worker. If, after receiving an incentive or a "public subsidy" as defined in Government Code § 2264.001(3), the business or a branch, division, or department of the business, is convicted of a violation under 8 U.S.C. § 1324a(f), the business shall repay the amount of the incentive or the public subsidy with interest, at the rate and according to the *other terms provided by an agreement required under Government Code § 2264.053, not later than the* 120th day after the date the City notifies the business of the violation.

I certify that the information contained herein is true and correct.

Curt Tate
Name

December 3, 2015
Date

Director of Property and Transaction Tax
Title (Must be signed by a corporate officer with signature authority)

Curt Tate

This application must be completed and returned for consideration prior to the submission of an application for a building permit or the issuance of a certificate of occupancy, whichever comes first. Upon receipt of this application, the City of Beaumont shall require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.

An electronic copy of this application is available. For more information, please call (409) 880-3100.

Completed requests should be submitted to:
Chris Boone
Director of Planning and Community Development
City of Beaumont
P.O. Box 3827
Beaumont, TX 77701

Project Description

Enterprise Beaumont Marine West, L.P ("Enterprise") is considering construction of a storage facility consisting of new 4.1 million barrels of crude oil storage tanks, pipeline interconnects and distribution system at the existing Enterprise Oiltanking Beaumont facility. The construction will include a new finger-pier style vessel docks near existing docks to accommodate the additional storage capacity. Also, additional inbound and outbound pipeline connectivity will be required.

Project investment:

Location	Remote Side**	Shore Side	Pipelines	Total
Total Cost of Project	$154,427,504	$95,250,012	$144,382,026	$394,059,542
Taxable Property	**131,301,628**	**78,260,078**	**135,104,907**	**344,666,614**
Pollution Control*	13,860,225	11,274,933	614,197	25,749,356
Capitalized Interest*	9,265,650	5,715,001	8,662,922	23,643,573
	$ 154,427,504	**$ 95,250,012**	**$ 144,382,026**	**$ 394,059,542**

* Exempt
** Eligible for 381 Agreement

- Method of Financing- Self funding /Equity offering
- Primary business activity at the site- Crude oil storage
- Time schedule of completion of improvements- 14 months
- NAICS/SIC Industry Code-486110
- Construction Cost- $ 394,049,542
- Inventory value owned by Enterprise -$ 0 (Inventory owned by third party)
- Inventory eligible for Freeport Exemption- NA
- Equipment, Tanks, Pipe, etc. -$ 154,427,504

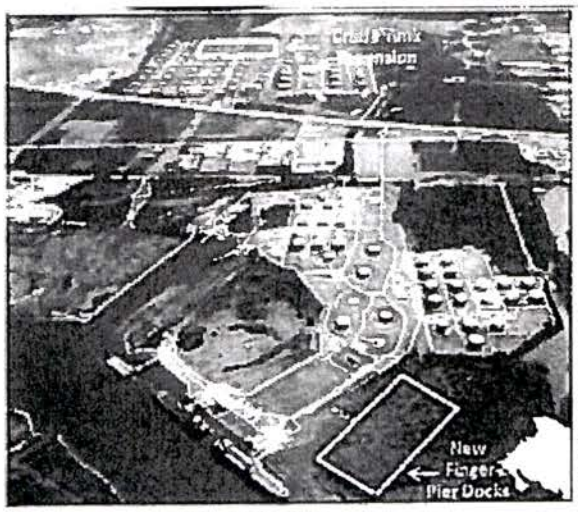
Location Determination Factors

- Enterprise is a leading midstream energy company with large pipeline foot print in Louisiana. These pipelines provide substantial flexibility in plant location.

  (a) Enterprise has significant assets in Louisiana including pipes that can and do move product to and from Texas.
  (b) For every significant investment we make, there is a thorough review of the offered tax incentives in the region that helps determine our long term investment approach in a states or location.
  (c) While Louisiana has had very competitive incentives to make big investments in their state, Texas has been equally competitive with the inclusion of the local tax incentives programs.
  (d) Support for these Texas industries can be managed via pipelines to and processes in neighboring states.
  (e) Enterprise will continue this business valuation and decision process.

- The property tax burden has a direct impact on the proposed project's economic viability and the decision to invest in the City of Beaumont.
- The ability to enter into 380 agreements with the City of Beaumont is a determining factor to invest in the City of Beaumont, Texas.
- Capital investments by the Applicant are allocated to projects based on expected economic return on investment. Property tax liabilities can make up a substantial ongoing cost of operation that directly impacts the rate of return on the investment in the proposed project. Without the tax incentive this project will not meet the required rate of return to move forward with the investment.
- Tax incentives play an important role in attracting capital intensive facilities due to the high property tax burden in Texas.
- The Applicant is evaluating various projects for development and where to commit substantial long term investment based on economic rate of return on investment in the proposed projects. The economic benefit provided by the 380 agreement is an important component in this analysis.

Map of Project Location:



Beaumont – West Terminal

- 5.6 MMBbls storage (primarily products and petrochemicals)
- 4.1 MMBbls crude oil storage under construction

Beaumont – West Docks

- 2–ship / 2–barge with 40' draft
- 2–ship under construction
- LOA – 900' / Beam – 150'
- Crude oil loading rate up to 25,000 BPH

This Is NOT a Tax Statement

2015 Notice Of Appraised Value

Do Not Pay From This Notice

Jefferson County Appraisal District
PO Box 21337
Beaumont, TX 77720-1337

Phone: 409-840-9944 Fax: 409-840-9732

DATE OF NOTICE: May 21, 2015

Property ID: 349283
Ownership %: 100.00
Geo ID: 528600-000-000013-00000
DBA:
Legal: BEAUMONT TERMINAL IMPROVEMENTS INSIDE CITY NEW ABATMENT) 6275 HWY 347; BEAUMONT 528600-000-000013-00000
Legal Acres:
Situs:
Appraiser:
Owner ID: 480875

SET UP IN PMT SYS.

Property ID: 349283 - 528600-000-000013-00000
ENTERPRISE BEAUMONT MARINE
WEST SPEC PRODS LP
PROPERTY TAX DEPARTMENT, PO BOX 4018
HOUSTON, TX 77210-4018 US

Jefferson County Appraisal District
PO Box 21337
Beaumont, TX 77720-1337

Dear Property Owner,

We have appraised the property listed above for the tax year 2015. As of January 1, our appraisal is outlined below:

Appraisal Information		Proposed - 2015
Structure / Improvement Market Value		2,050,000
Market Value of Non Ag/Timber Land		0
Market Value of Ag/Timber Land		0
Market Value of Personal Property/Minerals		0
Total Market Value		2,050,000
Productivity Value of Ag/Timber Land		0
Appraised Value * (Possible Homestead Limitations, see asterisk below)		2,050,000
Homestead Cap Value excluding Non-Homesite Value (i.e. Ag, Commercial)		0
Exemptions		AB

2014 Taxable Value	Taxing Unit	2015 Proposed Appraised Value	2015 Exemption Amount	2015 Taxable Value	Tax Rate	2015 Estimated Taxes	2015 Freeze Year and Tax Ceiling **
0	FARM AND LATERAL ROAD	2,050,000	0	2,050,000	0.000000	0.00	
0	BEAUMONT INDEPENDENT SCHO	2,050,000	0	2,050,000	1.315000	26,957.50	
0	CITY OF BEAUMONT	2,050,000	0	2,050,000	0.690000	14,145.00	
0	PORT OF BEAUMONT	2,050,000	0	2,050,000	0.064677	1,325.87	
0	SABINE-NECHES NAVIGATION DI	2,050,000	0	2,050,000	0.089374	1,832.16	
0	DRAINAGE DISTRICT #7	2,050,000	0	2,050,000	0.170502	3,497.34	
0	JEFFERSON COUNTY	2,050,000	0	2,050,000	0.365000	7,482.50	

Do NOT Pay From This Notice **Total Estimated Tax: $55,240.37**

The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials and all inquiries concerning your taxes should be directed to those officials.

The above tax estimates use last year's tax rates for the taxing units shown. The governing body of each unit (school board, county commissioners, and so forth) decides whether property taxes increase. The appraisal district only determines your property value. The taxing units will set tax rates later this year.

* Your residence homestead is protected from future appraisal value increases in excess of 10% per year from the date of the last appraisal PLUS the value of any new improvements.

** If you are 65 years of age or older and received the $10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than when you first received the exemption on this home. If you are disabled and received the $10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than the 2003 taxes or the first year you received the exemption, whichever is later. If your county, city, or junior college has approved a limitation on your taxes in the preceding year, your county, city, or junior college taxes will not be higher than the first year your county, city, or junior college approved the limitation or the first year you qualified for the limitation. If you improved your property (by adding rooms or buildings), your school, county, city, or junior college ceiling may increase for these improvements. If you are a surviving spouse, age 55 or older, you may retain the school, county, city, or junior college tax ceiling.

Contact the appraisal office if you disagree with this year's proposed value for your property or if you have any problem with the property description or address information. If the problem cannot be resolved, you have the right to appeal to the appraisal review board (ARB).

To appeal, you must file a written protest with the ARB before the deadline date:

Deadline for filing a protest: June 22, 2015
Location of hearings: 4610 S 4th St Beaumont, TX 77705
ARB will begin hearings: June 3, 2015

Enclosed is a protest form to send the appraisal district office if you intend to appear and present evidence before the ARB. The ARB will notify you of the date, time and place of your scheduled hearing. Enclosed, also, is information to help you in preparing your protest. You do not need to use the enclosed form to file your protest. You may protest by letter, if it includes your name, your property's description, and your reason for protesting.

If you have any questions or need more information, please contact the appraisal district office at 409-840-9944 or at the address shown above.

Sincerely,

Angie Bellard
Chief Appraiser

ENTERED 7/14/2015
CHRIS

This is NOT a Tax Statement

2015 Notice of Appraised Value

Do Not Pay From This Notice

JEFFERSON COUNTY APPRAISAL DISTRICT
PO BOX 21337
BEAUMONT, TX 77720-1337
Phone 409-840-9944 Fax 409-840-9732

DATE OF NOTICE: April 27, 2015

RECEIVED
APR 27 2015

Account#: 130567
Ownership %: 100.00
Geo ID: 300032-000-002101-00000-4
Legal: P HUMPHREYS ABS-32 PT TR 11&12 125.344 AC (NON-AG ACCT) FEE 644 & 645 IND USE LAND
Legal Acres: 125.344
Situs: TX
Agent ID: 468640

Property ID: 130567 - 300032-000-002101-00000-4
DUCHARME MCMILLEN & ASSOC INC
Agent for: OILTANKING BEAUMONT PARTNERSH
12710 RESEARCH BLVD STE 305
AUSTIN, TX 78759-4380

Jefferson County Appraisal District
PO Box 21337
Beaumont, TX 77720-1337

Dear Property Owner,
We have appraised the property listed above for the tax year 2015. As of January 1, our appraisal is outlined below.

Appraisal Information	Last Year - 2014	Proposed - 2015
Structure & Improvement Market Value	0	0
Market Value of Non Ag/Timber Land	940,080	940,080
Market Value of Ag/Timber Land	0	0
Market Value of Personal Property/Minerals	0	0
Total Market Value	940,080	940,080
Productivity Value of Ag/Timber Land	0	0
Appraised Value * (Possible Homestead Limitations, see asterisk below)	940,080	940,080
Homestead Cap Value excluding Non-Homesite Value (i.e. Ag, Commercial)	0	0
Exemptions (DV - Disabled Vet; DP-Disabled Person; HS-Homestead, OV65-Over 65)		

2014 Taxable Value	Taxing Unit	2015 Proposed Assessed Value	2015 Exemption Amount	2015 Taxable Value	2014 Tax Rate	2015 Estimated Taxes	2015 FreezeYear and Tax Ceiling**
940,080	FARM AND LATERAL ROAD	940,080	0	940,080	0.000000	0.00	
940,080	BEAUMONT INDEPENDENT SCHO	940,080	0	940,080	1.315000	12,362.05	
940,080	CITY OF BEAUMONT	940,080	0	940,080	0.690000	6,486.56	
940,080	PORT OF BEAUMONT	940,080	0	940,080	0.064677	608.02	
940,080	SABINE-NECHES NAVIGATION	940,080	0	940,080	0.089374	840.19	
940,080	DRAINAGE DISTRICT #7	940,080	0	940,080	0.170602	1,603.80	
940,080	JEFFERSON COUNTY	940,080	0	940,080	0.365000	3,431.29	

Do NOT Pay From This Notice **Total Estimated Tax: $25,331.91**

The difference between the 2010 appraised value and the proposed 2015 appraised value is 20248.05%. This percentage information is required by Tax Code section 25.19(b-1

"The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials."

The above tax estimates use last year's tax rates for the taxing units shown. The governing body of each unit (school board, county commissioners, and so forth) decides whether property taxes increase. The appraisal district only determines your property's value. The taxing units will set tax rates later this year.

*Your residence homestead is protected from future appraisal value increases in excess of 10% per year from the date of the last appraisal PLUS the value of any new improvements. Any property previously omitted from the appraisal will be added as allowed by Section 25.21 of the Texas Property Tax Code.

** If you are age 65 or older and received the $10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than when you first received the exemption on your home. If you are disabled and received the $10,000 school tax exemption on your home last year from the school listed above, your school taxes for this year will not be higher than the 2003 taxes or the first year you received the exemption, whichever is later. If your county, city, or junior college has approved a limitation on your taxes in the preceding year, your county, city, or junior college taxes will not be higher than the first year your county, city, or junior college approved the limitation or the first year you qualified for the limitation. If you improved your property (by adding rooms or buildings) your school, county, city, or junior college ceiling may increase for these improvements. If you are a surviving spouse age 55 or older of a person that qualified for the age 65 or older exemption , you may retain the school, county, city, or junior college tax ceiling.

If you wish to appeal, you must file a WRITTEN protest with the ARB by the deadline date:

Deadline for filing a protest: June 1, 2015
Location of Hearings: 4610 S 4th St Beaumont, TX 77705
ARB will begin hearings: June 3, 2015

THIS IS NOT A BILL

If you intend to appear and present evidence before the ARB, you may use the enclosed protest form to send to the appraisal office. The ARB will notify you of the date, time, and place of your scheduled hearing. You do not need to use the form to file your protest. You may protest by letter, if it includes your name, your property's description, and your reason for protesting.

If you have any questions or need more information, please contact the appraisal district office at 409-840-9944 or at the address shown above.

Sincerely,

Angie Bellard
Chief Appraiser

EXHIBIT "B"

PILOT Payment Schedule

Tax Year	PILOT Payment Amount	Pilot Payment Date
2016	$1,000,000	1/31/2017
2017	$1,000,000	1/31/2018
2018	$139,327	1/31/2019
2019	$139,327	1/31/2020
2020	$139,327	1/31/2021
2021	$139,327	1/31/2022
2022	$139,327	1/31/2023
2023	$139,327	1/31/2024
2024	$139,327	1/31/2025
2025	$139,327	1/31/2026

EXHIBIT C

Property

DESCRIPTION OF THE GATSBY REINVESTMENT ZONE

All bearings and coordinates are based on the Texas Coordinate System, South Central Zone, (NAD 27).

BEGINNING at a 2" iron pipe found for the most Southerly corner of the herein described Gatsby Reinvestment Zone and a call 727.93 acre tract being a part of the same tracts as recorded in Volume 1765, Page 220, Jefferson County Deed Records (J.C.D.R.); said "POINT OF BEGINNING" being in the North line of McFaddin Canal No. 1.

THENCE, North 58°01'45" West, at 695.32 feet pass a TXDOT concrete ROW monument with aluminum disk found at the intersection of the South ROW line of State Highway FM 3514, said FM Highway 3514 being a perpetual road easement as recorded in File Number 9310194, Film Code 104-73-1433, J.C.O.P.R., at 1273.69 feet pass a found TXDOT concrete ROW monument in the North ROW line of said FM 3514, and continuing for a total distance of 2914.31 feet (call North 54°19'27" West, 2914.29 feet) to a found 2" iron pipe in concrete (Yount-Lee Oil Co. monument), said monument being the most Easterly corner of a call 2.125 acre tract conveyed to Amoco Pipeline Company as recorded in File Number 98-9801168, Jefferson County Official Public Records (J.C.O.P.R.);

THENCE, along the South line of said 2.125 acre tract, South 59°03'22" West, 415.10 feet (call 62°42'45" West, 414.70 feet) to a 5/8" iron rod found for the most Southerly corner of said 2.125 acre tract, said corner being in the Easterly ROW line of Union Pacific Railroad (formerly T&NO RR), said corner being the Northwest corner of a call 8.203 acre tract as recorded in File Number 98-9821361, J.C.O.P.R.;

THENCE, along said Easterly ROW line of Union Pacific Railroad (100' wide), North 30°56'59" West, 267.57 feet (call North 27°14'47" West, 267.21 feet) to a ¾" iron pipe with cap set for the Northwest or most Westerly corner of said 2.125 acre tract, from said ¾" iron pipe a found 1" iron pipe bears North 18°58'16" East, 1.62 feet;

THENCE, North 59°03'22" East, at 278.71 feet (call 278.14 feet) pass a 2" iron pipe in concrete (Yount-Lee Oil Co. monument) found for a corner of said 727.93 acre tract and said 2.215 acre tract, and continuing for a total distance of 2191.91 feet (call 2191.00 feet) to a point in a found fence corner post in concrete;

THENCE, North 30°49'18" West, at 8.80 feet pass a ½" iron rod with Amoco Production cap found for reference, and continuing for a total distance of 3350.00 feet (call North 27°06'49" West, 3350.01 feet) to a point at a 2" iron pipe in concrete found destroyed;

THENCE, along the most Northwesterly line of said 727.93 acre tract, North 42°02'16" East, at 10.00 feet pass a ¾" iron pipe with cap set for reference, and continuing for a total distance of 2306.14 feet (call North 45°45'45" East, 2306.11 feet) to a ½" iron rod with Amoco Production cap found at the most Northerly corner of said 727.93 acre tract;

EXHIBIT "A"

THENCE, North 42°02'16" East, 148.02 feet (call North 45°45'45" East, 148.00 feet) to a found ½" iron rod with Amoco Production cap;
THENCE, along the Southwesterly line of a call 103.89 acre TEPPCO tract as recorded in File Number 9006316, film Code 103-07-1160, J.C.O.P.R., South 52°27'45" East, 1864.90 feet to a ¾" iron pipe with cap set for the most Southerly corner of said 103.89 acre tract, from said ¾" iron pipe a found iron rod with Amoco Production cap bears North 24°51'54" East, 4.99 feet;

THENCE, along the Southeasterly line of said 103.89 acre tract and a call 13.12 acre TEPPCO tract as recorded in File Number 9006316, North 37°23'15" East, 2681.07 feet (call 2681.0 feet) to a ¾" iron pipe with cap set for the most Easterly corner of said 13.12 acre tract, said corner being in the Southwesterly line of a Lower Neches Valley Authority (LNVA) 120 foot wide canal easement as recorded in Volume 264, Page 489, J.C.D.R.;

THENCE, along the Northeasterly line of said 13.12 acre tract, same being the Southwesterly line of said LNVA easement, North 52°27'30" West, 1903.70 feet to a ¾" iron pipe with cap set for the most Northerly corner of said 13.12 acre tract;

THENCE, traveling in a Northerly direction approximately 365 feet to a 3/4" iron pipe with cap set at the intersection of the Northerly line of said McFaddin Canal No. 2 with said GSU Northeasterly line, said corner being the Southwest corner of the residue of a call 155.58 acre tract as recorded in Volume 260, Page 233, J.C.D.R.;

THENCE, along the Northerly line of said McFaddin Canal No. 2, same being the South line of said 155.58 acre tract, North 53°05'46" East, 1098.05 feet to a set ¾" iron pipe with cap;

THENCE, along the North line of said McFaddin Canal and the south line of said 155.58 acre tract, North 61°13'45" East, 400.24 feet to a ¾" iron pipe with cap set in the Westerly ROW line of State Highway 69, 96 & 287 (343' wide), from said pipe an iron rod with plastic cap bears North 46°48'00" West, 6.73 feet;

THENCE, traveling in an Easterly Northeasterly direction approximately 335 feet to a ¾" iron pipe with cap set at the intersection of the Northerly line of said McFaddin Canal No. 2 with said Easterly ROW line, said pipe being in the South line of the residue of said 155.58 acre tract;

THENCE, along the Northerly line of said McFaddin Canal No. 2, same being the South line of said 155.58 acre tract, North 61°13'45" East, 333.62 feet to a set ¾" iron pipe with cap;

THENCE, along the North line of said McFaddin Canal and the South line of said 155.58 acre tract, North 43°42'38" East, 191.53 feet to a ¾" iron pipe with cap set in the Westerly ROW line of State Highway FM 347 (200' wide);

THENCE, traveling in a Northeasterly direction approximately 215 feet to a ½" iron rod found in the Northeast ROW line of State Highway FM 347 (200' wide at this point);

THENCE, along the Northeast ROW line of said FM Highway 347, North 51°42'49" West, at 15.5 feet pass a found concrete ROW monument, and continuing for a total distance of 396.17 feet to a found TXDOT concrete monument with brass cap (disturbed);

THENCE, continuing along the ROW line of FM Highway 347 (varying width), North 42°14'32" East, 128.65 feet (call 126.76) to a set ¾" iron pipe with cap;

THENCE, along the ROW line of FM Highway 347, North 63°42'49" West, 230.38 feet to a set ¾" iron pipe with cap, said point being the beginning of a curve to the right;

THENCE, 200.00 feet along said curve to the right in said ROW line, said curve having a radius of 954.93 feet, a delta of 12°00'00", and a chord bearing North 57°42'49" West, 199.63 feet to a point on a found 4" iron pipe fence post;

THENCE, along the ROW line of said FM Highway 347, North 51°42'49" West, 101.62 feet to a point on found 4" iron pipe fence post;

THENCE, North 43°32'08" East, 1,187.75 feet (call North 47°15'27" East) along the Southeast line of a call 20.03 acre tract as recorded in File Number 97-9731390, J.C.O.P.R. to a found 2" iron pipe in concrete (Yount-Lee Oil Co. monument) said point being the East corner of said 20.03 acre tract, said point also being in the West line of the Kansas City Southern Railroad (100' wide) as recorded in Volume 230, Page 58, J.C.D.R.;

THENCE, along the Southwest line of said Kansas City Southern Railroad, South 47°48'03" East, 1,002.54 feet (call South 44°05'03" East), to a set ¾" iron pipe with cap from which a found ½" iron rod bears South 50°27'20" West, 1.41 feet), said iron pipe being in the North line of McFaddin Canal No. 2;

THENCE, along said North line and a Southeasterly line of a 24.05 acre tract as recorded in File Number 2001014848, J.C.O.P.R., North 74°23'22" East, approximately 10 feet to a ¾" iron pipe with cap found in the Southwesterly ROW line of said Kansas City Southern Railroad;

THENCE, North 77°00'12" East, 121.79 feet to a ¾" iron rod with cap set in the Northeasterly line of said railroad;

THENCE, along said Northeasterly ROW line, North 47°48'03" West, 54.29 feet to a 5/8" iron rod (bent) found at the Southwest corner of a call 23.5505 acre tract as recorded in File Number 98814109;

THENCE, along the South line of said 23.5505 acre tract, North 83°25'16" East, 398.85 feet to a 2" iron pipe found at the Southeast corner of said 23.5505 acre tract, said corner being a corner of a call 461.42 acre tract as recorded in File Number 2001014848, J.C.O.P.R.;

THENCE, North 47°48'03" West, 2,715.70 feet (call North 44°07'00" West, 2,713.75 feet) along said Easterly line of said 23.5505 acre tract to a 1" iron pipe found for the most Westerly corner of the herein described tract, said point being the most Southerly corner of a call 203.2524

acre tract as recorded in File Number 98-9814111, said point also being in the East line of said 23.5505 acre tract;

THENCE, North 41°56'47" East, 2,730.34 feet (call North 45°38' East, 2,730.3 feet), to a found ½" iron rod;

THENCE, North 87°28'34" East (call South 88°55' East), at 464.63 feet, pass a found 3-1/2" aluminum pipe, at 876.09 feet pass a found 3-1/2" aluminum pipe, at approximately 2200 feet to a point for corner being the Southwest corner of a call 24.6091 acre tract described as Tract 128, P. Humphreys Survey, Abstract 32 in the Jefferson County Tax Records.

THENCE, traveling in a Northerly direction along the West line of said 24.6091 acre tract approximately 1005 feet to a point for corner,

THENCE, traveling in a Westerly direction along the North line of said 24.6091 acre tract approximately 750 feet to a point in the vegetation line of the Neches River,

THENCE, along with the meanders of the Neches River the following courses and distances:

Southeast approximately 570 feet to a point;

Southeast approximately 475 feet to a point;

South 14°23'24" East, 479.93 feet to a point on the end of an existing bulkhead;

South 08°41'51" East, 996.25 feet along an existing bulkhead to a point;

South 37°26'52" West, 97.18 feet along an existing bulkhead to a point;

South 12°03'07" East, 90.65 feet along an existing bulkhead to a point;

South 24°41'26" West, 54.32 feet to a point on the end of said bulkhead;

South 05°00'28" East, 263.95 feet to a point;

South 10°22'26" East, 128.42 feet to a point;

South 86°15'02" West, 27.20 feet to a point;

South 19°11'28" West, 105.60 feet to a point;

South 31°57'39" East, 60.57 feet to a point;

South 75°59'58" East, 57.99 feet to a point;

North 89°01'22" East, 91.42 feet to a point;

South 15°36'54" East, 37.98 feet to a point;

South 23°49'09" West, 39.63 feet to a point;

South 14°25'57" West, 241.83 feet to a point;

South 36°47'52" East, 46.54 feet to a point;

South 05°09'24" East, 44.99 feet to a point;

South 31°53'11" East, 354.38 feet across a United States Maritime Commission channel to the end of an existing bulkhead;

South 26°37'11" East, 226.69 feet to a point;

South 46°41'09" East, 111.12 feet to a point;

South 79°45'19" East, 77.11 feet to a point;

South 43°02'03" East, 123.25 feet to a point;

THENCE, departing the Neches River, South 03°43'30" East, at 20.24 feet pass a ½" iron pipe set for reference, and continuing for a total distance of 120.24 feet to a set ¾" iron pipe with cap;

THENCE, South 27°36'31" West (call South 31°20'02" West), along the North line of a Kansas City Southern Railroad strip of land as recorded in Volume 230, Page 626, J.C.D.R., at 10.0 feet pass a found 2" iron pipe, and continuing for a total distance of 1,428.00 feet to a point in deep marsh;

THENCE, South 38°38'59" West, 269.63 feet, (call South 42°17'54" West, 270 feet) to a set ¾" iron pipe with cap;

THENCE, South 86°26'16" West (call North 89°56'13" West), 148.00 feet to a found 2" iron pipe in concrete (Yount-Lee Oil Co. monument);

THENCE, North 89°14'28" West, 102.67 feet (call North 85°26'13" West, 103 feet) to a found ½" iron rod;

THENCE, North 46°58'31" West, 455.46 feet (call North 43°21'07" West, 455 feet) to a set ¾" iron pipe with cap;

THENCE, South 32°20'56" West, at 3.60 feet pass a found ½" iron rod in concrete, and continuing for a total distance of 685.34 feet (call South 36°03'02" West, 684.74 feet) to a found ½" iron rod;

THENCE, continuing South 32°20'26" West, approximately 840 feet, to a point for corner in the Northeast ROW line of said State Highway FM 347;

THENCE, traveling in a Southwesterly direction approximately 105 feet to a point for corner being the East corner of a 13.202 acre tract described as Tracts 5-A & 5-C, P. Humphreys Survey, Abstract 32 in the Jefferson County Tax Records.

THENCE, traveling in a Southwesterly direction along the Southeast line of said 13.202 acre tract approximately 1000 feet to a point being the most Southerly corner of said 13.202 acre tract and the East ROW line of State Highway 69, 96 & 287;

THENCE, continuing Southwest along the same line 220 feet to a point in the West ROW line of State Highway 69, 96 & 287, also being the north line of a call 101.86 acre tract of land, being part of a tract conveyed to Amoco Pipeline Company as recorded in File Number 98-9801168, Jefferson County Official Public Records (J.C.O.P.R.);

THENCE, along said Southwest ROW line of FM Highway 347, South 51°42'49" East, approximately 1260 feet, to a concrete ROW monument found for corner from which a found ½" iron rod bears South 52°05'33" East, 4.34 feet, said corner being the most Easterly corner of said 101.86 acre tract;

THENCE, South 38°25'43" West (call South 42°05'58" West), 2129.69 feet to a ¾" iron pipe with cap set at the intersection of the South line of said 101.86 acre tract with the Easterly ROW line of US Highway 69, 96 and 287 (338 feet wide at this point);

THENCE, in an Easterly direction approximately 330 feet to an iron rod in concrete (bent) bears North 89°16'49" East, 0.57 feet, said point being in the Westerly ROW line of US Highway 69, 96 and 287 (338' wide);

THENCE, along said Westerly ROW line, South 27°44'13" East, 286.94 feet to a point from which a found ½" iron rod bears North 58°29'12" East, 0.48 feet, said point being the intersection of said Westerly highway ROW line with the Southwesterly line of said LNVA 120 foot wide canal easement;

THENCE, along the Southwesterly line of said LNVA canal easement, North 52°27'30" West, 184.80 feet to a ¾" iron pipe with cap set for the most Northerly corner of a call 1.64 acre LNVA fee tract as recorded in Volume 1394, Page 410, J.C.D.R.;

THENCE, with a Westerly line of said 1.64 acre tract, South 14°57'30" East, 230.60 feet to a ¾" iron pipe with cap set for corner;

THENCE, with a Westerly line of said 1.64 acre tract, South 29°20'38" East, 339.69 feet (call 335.7 feet) to a set 3/4" iron pipe with cap;

THENCE, with a Southerly line of said 1.64 acre tract, South 54°42'13" East, 261.90 feet to a ¾" iron pipe with cap set in the Westerly ROW line of US Highway 69, 96 & 287;

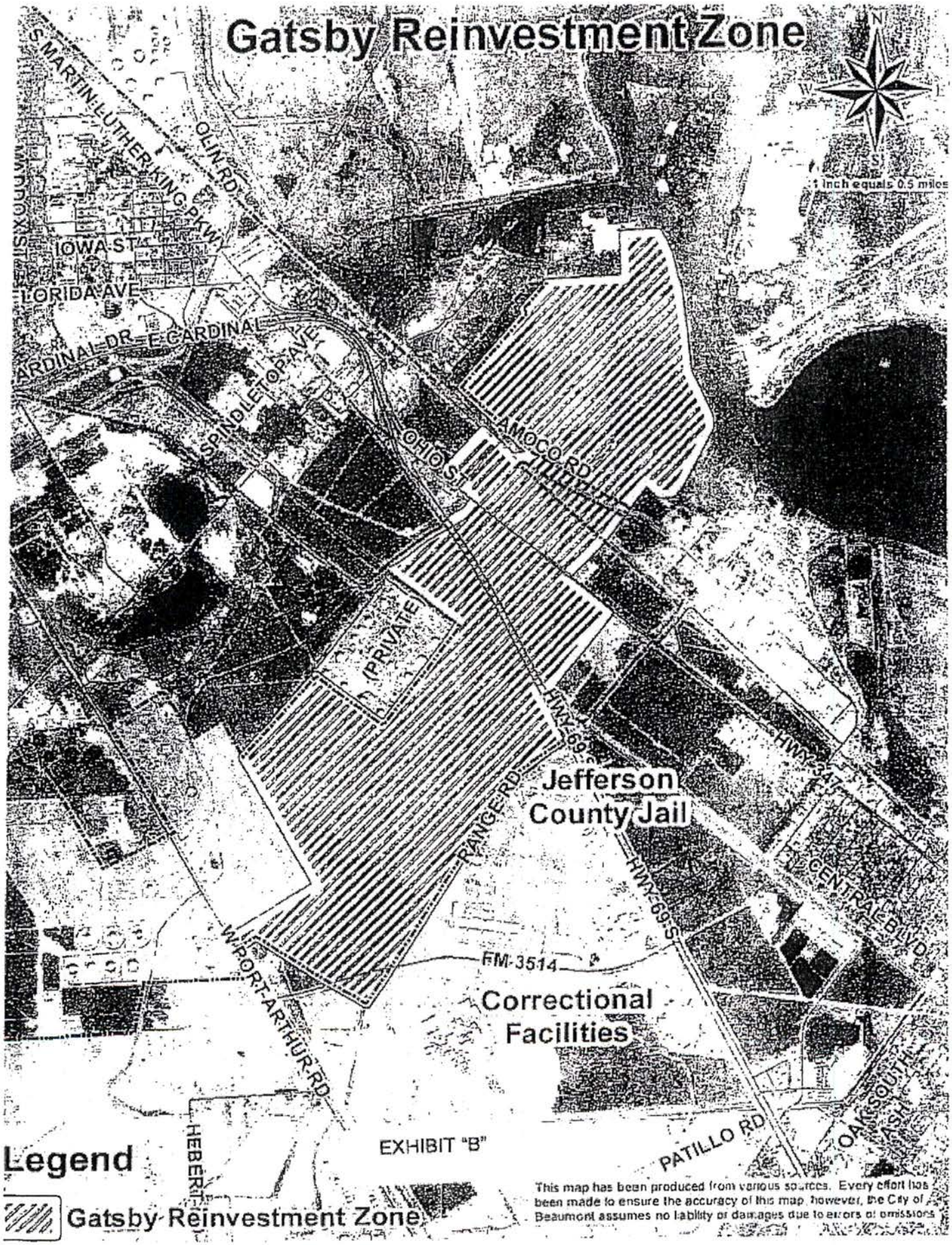
THENCE, along said Westerly ROW line, South 27°44'13" East, at 656.55 feet pass a found concrete ROW monument, and continuing for a total distance of 658.15 feet to a ¾" iron pipe with cap set for corner in the Northwesterly line of old McFaddin Canal No. 1;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 727.93 acre tract, South 55°07'11" West (call South 58°50'West), 1320.78 feet to a point from which a found 2" iron pipe bears North 38°55' West, 2.0 feet;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 729.93 acre tract, South 43°32'50" West, 199.83 feet (call South 4715' West, 200 feet) to a point from which a found 2" iron pipe bears North 52°07' West, 2.0 feet;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 729.93 acre tract, South 32°11'35" West, 835.48 feet (call South 35°55' West, 836 feet) to a point from which a found 2" iron pipe bears North 52°28' West, 2.0 feet;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 729.93 acre tract, South 32°16'04" West, at 3973.53 feet pass a 3/4 " iron pipe with cap set at the intersection of the North ROW line of the aforesaid State Highway FM 3514 with the Southeasterly line of said 729.93 acre tract, at 4182.14 pass a ¾" iron pipe with cap set in the South ROW line of said FM Highway 3514, and continuing for a total distance of 5024.51 feet to the **"POINT OF BEGINNING"** and containing 1559.5 acres more or less.


Gatsby Reinvestment Zone
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S
1 inch equals 0.5 miles
S MARTIN LUTHER KING PKW
OLIN RD
IOWA ST
LORIDA AVE
ARDINAL DR
E CARDINAL
SPINDLETOP AVE
OHIO ST
AMOCO RD
(PRIVATE)
HWY 69
RANGE RD
Jefferson County Jail
HWY 347
CENTRAL BLVD
HWY 69 S
FM 3514
Correctional Facilities
W PORT ARTHUR RD
HEBERT
PATILLO RD
OAK SOUTH
EXHIBIT "B"
Legend
Gatsby Reinvestment Zone
This map has been produced from various sources. Every effort has been made to ensure the accuracy of this map, however, the City of Beaumont assumes no liability of damages due to errors or omissions

EXHIBIT D

Gatsby Reinvestment Zone

Designated by the City of Beaumont

Ordinance No. 14-024

Dated June 10, 2014

ORDINANCE NO.14-024

ENTITLED AN ORDINANCE DESIGNATING AN AREA AS THE GATSBY REINVESTMENT ZONE PURSUANT TO THE TEXAS REDEVELOPMENT AND TAX ABATEMENT ACT (TEXAS TAX CODE, CHAPTER 312); PROVIDING TAX INCENTIVES; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR REPEAL.

WHEREAS, the City of Beaumont endeavors to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in areas of the City; and,

WHEREAS. it is found to be feasible and practical and would be a benefit to the land to be included in the zone and to the City of Beaumont after the expiration of any agreement entered into pursuant to the Property Redevelopment and Tax Abatement Act; and,

WHEREAS, the zone is for Commercial-Industrial tax abatement; and,

WHEREAS, the area being designated is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City of Beaumont; and,

WHEREAS, to further this purpose, it is in the best interest of the City of Beaumont to designate the area described in Exhibit "A" and shown on Exhibit "B" as the Gatsby Reinvestment Zone pursuant to the Texas Redevelopment and Tax Abatement Act (Texas Tax Code, Chapter 312);

NOW, THEREFORE, BE IT ORDAINED BY

THE CITY COUNCIL OF THE CITY OF BEAUMONT:

Section 1.

That the statements and findings set out in the preamble to this ordinance are hereby, in all things, approved and adopted.

Section 2.

That the City Council hereby designates the area described in in Exhibit A and shown on Exhibit "B," attached hereto and incorporated herein for all purposes, as the Gatsby Reinvestment Zone (herein referred to as the "Zone").

Section 3.

That the City Council finds that the Zone meets the criteria contained in the Texas Redevelopment and Tax Abatement Act (Texas Tax Code, Chapter 312).

Section 4.

That the City Council finds that the designation of the reinvestment zone would contribute to retention or expansion of primary employment in the area and/or would contribute to the attraction of major investments that would be a benefit to the property and would contribute to the economic development of the municipality.

Section 5.

That the City Council may provide certain tax incentives applicable to business enterprises in the Zone, which are not applicable throughout the city, as allowed for in the Act.

Section 6.

That the City Council has established certain guidelines and criteria governing tax abatement agreements and is therefore eligible to participate in tax abatement.

Section 7.

That a public hearing to consider this ordinance was held by the City Council on June 10, 2014.

Section 8.

That this ordinance shall take effect from and after its passage as the law and charter provide.

Section 9.

That if any section, subsection, sentence, clause, or phrase of this ordinance, or the application of same to a particular set of persons or circumstances should for any reason be held to be invalid, such invalidity shall not affect the remaining portions of this ordinance, and to such end the various portions and provisions of this ordinance are declared to be severable.

Section 10.

That all ordinances or parts of ordinances in conflict herewith are repealed to the extent of the conflict only.

PASSED BY THE CITY COUNCIL of the City of Beaumont on this the 10th day June, 2014.

THE CITY OF BEAUMONT, JEFFERSON COUNTY, TEXAS

Becky Ames

- Mayor Becky Ames -

DESCRIPTION OF THE GATSBY REINVESTMENT ZONE

All bearings and coordinates are based on the Texas Coordinate System, South Central Zone, (NAD 27).

BEGINNING at a 2" iron pipe found for the most Southerly corner of the herein described Gatsby Reinvestment Zone and a call 727.93 acre tract being a part of the same tracts as recorded in Volume 1765, Page 220, Jefferson County Deed Records (J.C.D.R.); said "POINT OF BEGINNING" being in the North line of McFaddin Canal No. 1.

THENCE, North 58°01'45" West, at 695.32 feet pass a TXDOT concrete ROW monument with aluminum disk found at the intersection of the South ROW line of State Highway FM 3514, said FM Highway 3514 being a perpetual road easement as recorded in File Number 9310194, Film Code 104-73-1433, J.C.O.P.R., at 1273.69 feet pass a found TXDOT concrete ROW monument in the North ROW line of said FM 3514, and continuing for a total distance of 2914.31 feet (call North 54°19'27" West, 2914.29 feet) to a found 2" iron pipe in concrete (Yount-Lee Oil Co. monument), said monument being the most Easterly corner of a call 2.125 acre tract conveyed to Amoco Pipeline Company as recorded in File Number 98-9801168, Jefferson County Official Public Records (J.C.O.P.R.);

THENCE, along the South line of said 2.125 acre tract, South 59°03'22" West, 415.10 feet (call 62°42'45" West, 414.70 feet) to a 5/8" iron rod found for the most Southerly corner of said 2.125 acre tract, said corner being in the Easterly ROW line of Union Pacific Railroad (formerly T&NO RR), said corner being the Northwest corner of a call 8.203 acre tract as recorded in File Number 98-9821361, J.C.O.P.R.;

THENCE, along said Easterly ROW line of Union Pacific Railroad (100' wide), North 30°56'59" West, 267.57 feet (call North 27°14'47" West, 267.21 feet) to a ¾" iron pipe with cap set for the Northwest or most Westerly corner of said 2.125 acre tract, from said ¾" iron pipe a found 1" iron pipe bears North 18°58'16" East, 1.62 feet;

THENCE, North 59°03'22" East, at 278.71 feet (call 278.14 feet) pass a 2" iron pipe in concrete (Yount-Lee Oil Co. monument) found for a corner of said 727.93 acre tract and said 2.215 acre tract, and continuing for a total distance of 2191.91 feet (call 2191.00 feet) to a point in a found fence corner post in concrete;

THENCE, North 30°49'18" West, at 8.80 feet pass a ½" iron rod with Amoco Production cap found for reference, and continuing for a total distance of 3350.00 feet (call North 27°06'49" West, 3350.01 feet) to a point at a 2" iron pipe in concrete found destroyed;

THENCE, along the most Northwesterly line of said 727.93 acre tract, North 42°02'16" East, at 10.00 feet pass a ¾" iron pipe with cap set for reference, and continuing for a total distance of 2306.14 feet (call North 45°45'45" East, 2306.11 feet) to a ½" iron rod with Amoco Production cap found at the most Northerly corner of said 727.93 acre tract;

EXHIBIT "A"

THENCE, North 42°02'16" East, 148.02 feet (call North 45°45'45" East, 148.00 feet) to a found ½" iron rod with Amoco Production cap;
THENCE, along the Southwesterly line of a call 103.89 acre TEPPCO tract as recorded in File Number 9006316, film Code 103-07-1160, J.C.O.P.R., South 52°27'45" East, 1864.90 feet to a ¾" iron pipe with cap set for the most Southerly corner of said 103.89 acre tract, from said ¾" iron pipe a found iron rod with Amoco Production cap bears North 24°51'54" East, 4.99 feet;

THENCE, along the Southeasterly line of said 103.89 acre tract and a call 13.12 acre TEPPCO tract as recorded in File Number 9006316, North 37°23'15" East, 2681.07 feet (call 2681.0 feet) to a ¾" iron pipe with cap set for the most Easterly corner of said 13.12 acre tract, said corner being in the Southwesterly line of a Lower Neches Valley Authority (LNVA) 120 foot wide canal easement as recorded in Volume 264, Page 489, J.C.D.R.;

THENCE, along the Northeasterly line of said 13.12 acre tract, same being the Southwesterly line of said LNVA easement, North 52°27'30" West, 1903.70 feet to a ¾" iron pipe with cap set for the most Northerly corner of said 13.12 acre tract;

THENCE, traveling in a Northerly direction approximately 365 feet to a 3/4" iron pipe with cap set at the intersection of the Northerly line of said McFaddin Canal No. 2 with said GSU Northeasterly line, said corner being the Southwest corner of the residue of a call 155.58 acre tract as recorded in Volume 260, Page 233, J.C.D.R.;

THENCE, along the Northerly line of said McFaddin Canal No. 2, same being the South line of said 155.58 acre tract, North 53°05'46" East, 1098.05 feet to a set ¾" iron pipe with cap;

THENCE, along the North line of said McFaddin Canal and the south line of said 155.58 acre tract, North 61°13'45" East, 400.24 feet to a ¾" iron pipe with cap set in the Westerly ROW line of State Highway 69, 96 & 287 (343' wide), from said pipe an iron rod with plastic cap bears North 46°48'00" West, 6.73 feet;

THENCE, traveling in an Easterly Northeasterly direction approximately 335 feet to a ¾" iron pipe with cap set at the intersection of the Northerly line of said McFaddin Canal No. 2 with said Easterly ROW line, said pipe being in the South line of the residue of said 155.58 acre tract;

THENCE, along the Northerly line of said McFaddin Canal No. 2, same being the South line of said 155.58 acre tract, North 61°13'45" East, 333.62 feet to a set ¾" iron pipe with cap;

THENCE, along the North line of said McFaddin Canal and the South line of said 155.58 acre tract, North 43°42'38" East, 191.53 feet to a ¾" iron pipe with cap set in the Westerly ROW line of State Highway FM 347 (200' wide);

THENCE, traveling in a Northeasterly direction approximately 215 feet to a ½" iron rod found in the Northeast ROW line of State Highway FM 347 (200' wide at this point);

THENCE, along the Northeast ROW line of said FM Highway 347, North 51°42'49" West, at 15.5 feet pass a found concrete ROW monument, and continuing for a total distance of 396.17 feet to a found TXDOT concrete monument with brass cap (disturbed);

THENCE, continuing along the ROW line of FM Highway 347 (varying width), North 42°14'32" East, 128.65 feet (call 126.76) to a set ¾" iron pipe with cap;

THENCE, along the ROW line of FM Highway 347, North 63°42'49" West, 230.38 feet to a set ¾" iron pipe with cap, said point being the beginning of a curve to the right;

THENCE, 200.00 feet along said curve to the right in said ROW line, said curve having a radius of 954.93 feet, a delta of 12°00'00", and a chord bearing North 57°42'49" West, 199.63 feet to a point on a found 4" iron pipe fence post;

THENCE, along the ROW line of said FM Highway 347, North 51°42'49" West, 101.62 feet to a point on found 4" iron pipe fence post;

THENCE, North 43°32'08" East, 1,187.75 feet (call North 47°15'27" East) along the Southeast line of a call 20.03 acre tract as recorded in File Number 97-9731390, J.C.O.P.R. to a found 2" iron pipe in concrete (Yount-Lee Oil Co. monument) said point being the East corner of said 20.03 acre tract, said point also being in the West line of the Kansas City Southern Railroad (100' wide) as recorded in Volume 230, Page 58, J.C.D.R.;

THENCE, along the Southwest line of said Kansas City Southern Railroad, South 47°48'03" East, 1,002.54 feet (call South 44°05'03" East), to a set ¾" iron pipe with cap from which a found ½" iron rod bears South 50°27'20" West, 1.41 feet), said iron pipe being in the North line of McFaddin Canal No. 2;

THENCE, along said North line and a Southeasterly line of a 24.05 acre tract as recorded in File Number 2001014848, J.C.O.P.R., North 74°23'22" East, approximately 10 feet to a ¾" iron pipe with cap found in the Southwesterly ROW line of said Kansas City Southern Railroad;

THENCE, North 77°00'12" East, 121.79 feet to a ¾" iron rod with cap set in the Northeasterly line of said railroad;

THENCE, along said Northeasterly ROW line, North 47°48'03" West, 54.29 feet to a 5/8" iron rod (bent) found at the Southwest corner of a call 23.5505 acre tract as recorded in File Number 98814109;

THENCE, along the South line of said 23.5505 acre tract, North 83°25'16" East, 398.85 feet to a 2" iron pipe found at the Southeast corner of said 23.5505 acre tract, said corner being a corner of a call 461.42 acre tract as recorded in File Number 2001014848, J.C.O.P.R.;

THENCE, North 47°48'03" West, 2,715.70 feet (call North 44°07'00" West, 2,713.75 feet) along said Easterly line of said 23.5505 acre tract to a 1" iron pipe found for the most Westerly corner of the herein described tract, said point being the most Southerly corner of a call 203.2524

acre tract as recorded in File Number 98-9814111, said point also being in the East line of said 23.5505 acre tract;

THENCE, North 41°56'47" East, 2,730.34 feet (call North 45°38' East, 2,730.3 feet), to a found ½" iron rod;

THENCE, North 87°28'34" East (call South 88°55' East), at 464.63 feet, pass a found 3-1/2" aluminum pipe, at 876.09 feet pass a found 3-1/2" aluminum pipe, at approximately 2200 feet to a point for corner being the Southwest corner of a call 24.6091 acre tract described as Tract 128, P. Humphreys Survey, Abstract 32 in the Jefferson County Tax Records.

THENCE, traveling in a Northerly direction along the West line of said 24.6091 acre tract approximately 1005 feet to a point for corner,

THENCE, traveling in a Westerly direction along the North line of said 24.6091 acre tract approximately 750 feet to a point in the vegetation line of the Neches River,

THENCE, along with the meanders of the Neches River the following courses and distances:

Southeast approximately 570 feet to a point;

Southeast approximately 475 feet to a point;

South 14°23'24" East, 479.93 feet to a point on the end of an existing bulkhead;

South 08°41'51" East, 996.25 feet along an existing bulkhead to a point;

South 37°26'52" West, 97.18 feet along an existing bulkhead to a point;

South 12°03'07" East, 90.65 feet along an existing bulkhead to a point;

South 24°41'26" West, 54.32 feet to a point on the end of said bulkhead;

South 05°00'28" East, 263.95 feet to a point;

South 10°22'26" East, 128.42 feet to a point;

South 86°15'02" West, 27.20 feet to a point;

South 19°11'28" West, 105.60 feet to a point;

South 31°57'39" East, 60.57 feet to a point;

South 75°59'58" East, 57.99 feet to a point;

North 89°01'22" East, 91.42 feet to a point;

South 15°36'54" East, 37.98 feet to a point;

South 23°49'09" West, 39.63 feet to a point;

South 14°25'57" West, 241.83 feet to a point;

South 36°47'52" East, 46.54 feet to a point;

South 05°09'24" East, 44.99 feet to a point;

South 31°53'11" East, 354.38 feet across a United States Maritime Commission channel to the end of an existing bulkhead;

South 26°37'11" East, 226.69 feet to a point;

South 46°41'09" East, 111.12 feet to a point;

South 79°45'19" East, 77.11 feet to a point;

South 43°02'03" East, 123.25 feet to a point;

THENCE, departing the Neches River, South 03°43'30" East, at 20.24 feet pass a ½" iron pipe set for reference, and continuing for a total distance of 120.24 feet to a set ¾" iron pipe with cap;

THENCE, South 27°36'31" West (call South 31°20'02" West), along the North line of a Kansas City Southern Railroad strip of land as recorded in Volume 230, Page 626, J.C.D.R., at 10.0 feet pass a found 2" iron pipe, and continuing for a total distance of 1,428.00 feet to a point in deep marsh;

THENCE, South 38°38'59" West, 269.63 feet, (call South 42°17'54" West, 270 feet) to a set ¾" iron pipe with cap;

THENCE, South 86°26'16" West (call North 89°56'13" West), 148.00 feet to a found 2" iron pipe in concrete (Yount-Lee Oil Co. monument);

THENCE, North 89°14'28" West, 102.67 feet (call North 85°26'13" West, 103 feet) to a found ½" iron rod;

THENCE, North 46°58'31" West, 455.46 feet (call North 43°21'07" West, 455 feet) to a set ¾" iron pipe with cap;

THENCE, South 32°20'56" West, at 3.60 feet pass a found ½" iron rod in concrete, and continuing for a total distance of 685.34 feet (call South 36°03'02" West, 684.74 feet) to a found ½" iron rod;

THENCE, continuing South 32°20'26" West, approximately 840 feet, to a point for corner in the Northeast ROW line of said State Highway FM 347;

THENCE, traveling in a Southwesterly direction approximately 105 feet to a point for corner being the East corner of a 13.202 acre tract described as Tracts 5-A & 5-C, P. Humphreys Survey, Abstract 32 in the Jefferson County Tax Records.

THENCE, traveling in a Southwesterly direction along the Southeast line of said 13.202 acre tract approximately 1000 feet to a point being the most Southerly corner of said 13.202 acre tract and the East ROW line of State Highway 69, 96 & 287;

THENCE, continuing Southwest along the same line 220 feet to a point in the West ROW line of State Highway 69, 96 & 287, also being the north line of a call 101.86 acre tract of land, being part of a tract conveyed to Amoco Pipeline Company as recorded in File Number 98-9801168, Jefferson County Official Public Records (J.C.O.P.R.);

THENCE, along said Southwest ROW line of FM Highway 347, South 51°42'49" East, approximately 1260 feet, to a concrete ROW monument found for corner from which a found ½" iron rod bears South 52°05'33" East, 4.34 feet, said corner being the most Easterly corner of said 101.86 acre tract;

THENCE, South 38°25'43" West (call South 42°05'58" West), 2129.69 feet to a ¾" iron pipe with cap set at the intersection of the South line of said 101.86 acre tract with the Easterly ROW line of US Highway 69, 96 and 287 (338 feet wide at this point);

THENCE, in an Easterly direction approximately 330 feet to an iron rod in concrete (bent) bears North 89°16'49" East, 0.57 feet, said point being in the Westerly ROW line of US Highway 69, 96 and 287 (338' wide);

THENCE, along said Westerly ROW line, South 27°44'13" East, 286.94 feet to a point from which a found ½" iron rod bears North 58°29'12" East, 0.48 feet, said point being the intersection of said Westerly highway ROW line with the Southwesterly line of said LNVA 120 foot wide canal easement;

THENCE, along the Southwesterly line of said LNVA canal easement, North 52°27'30" West, 184.80 feet to a ¾" iron pipe with cap set for the most Northerly corner of a call 1.64 acre LNVA fee tract as recorded in Volume 1394, Page 410, J.C.D.R.:

THENCE, with a Westerly line of said 1.64 acre tract, South 14°57'30" East, 230.60 feet to a ¾" iron pipe with cap set for corner;

THENCE, with a Westerly line of said 1.64 acre tract, South 29°20'38" East, 339.69 feet (call 335.7 feet) to a set 3/4" iron pipe with cap;

THENCE, with a Southerly line of said 1.64 acre tract, South 54°42'13" East, 261.90 feet to a ¾" iron pipe with cap set in the Westerly ROW line of US Highway 69, 96 & 287;

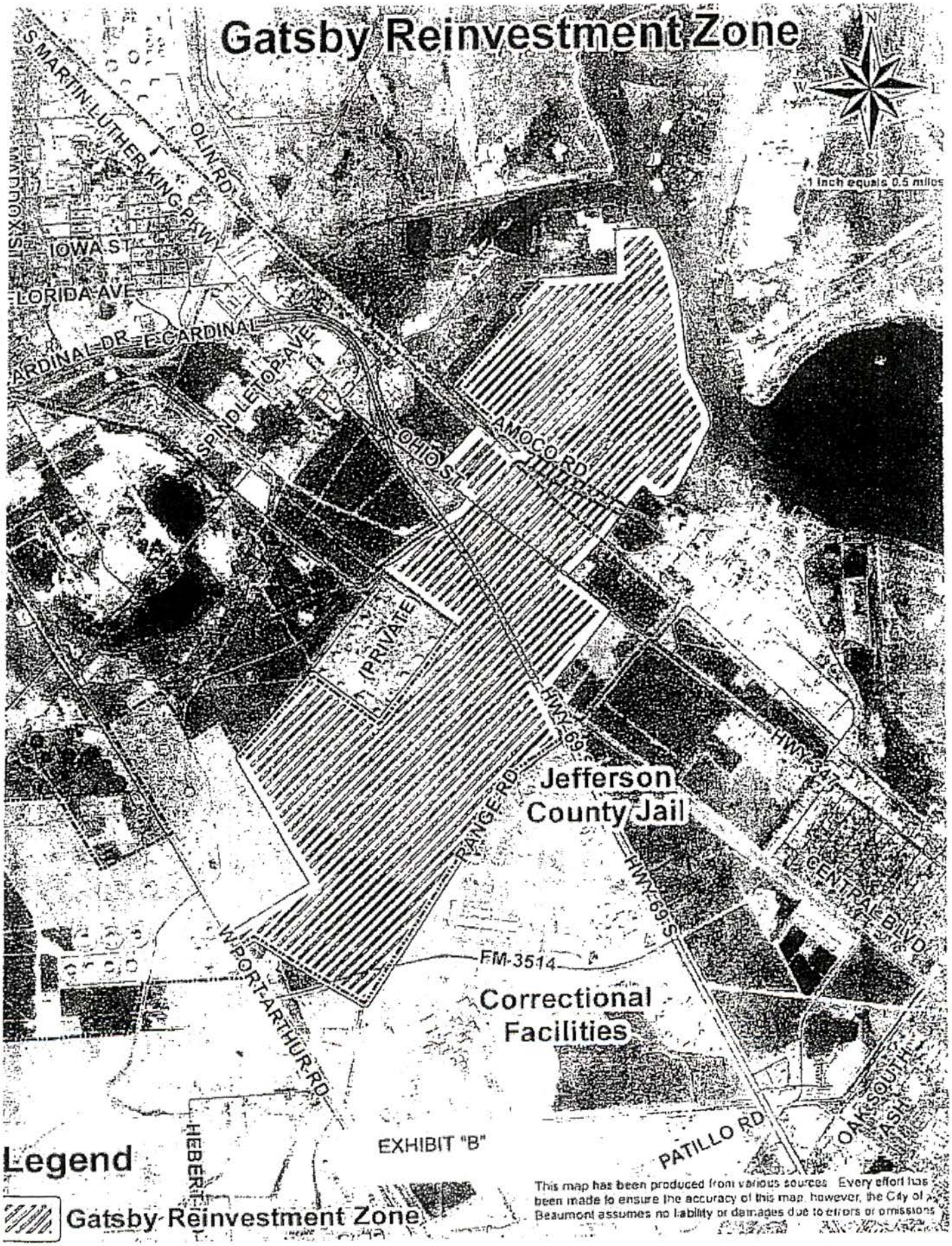
THENCE, along said Westerly ROW line, South 27°44'13" East, at 656.55 feet pass a found concrete ROW monument, and continuing for a total distance of 658.15 feet to a ¾" iron pipe with cap set for corner in the Northwesterly line of old McFaddin Canal No. 1;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 727.93 acre tract, South 55°07'11" West (call South 58°50'West), 1320.78 feet to a point from which a found 2" iron pipe bears North 38°55' West, 2.0 feet;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 729.93 acre tract, South 43°32'50" West, 199.83 feet (call South 4715' West, 200 feet) to a point from which a found 2" iron pipe bears North 52°07' West, 2.0 feet;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 729.93 acre tract, South 32°11'35" West, 835.48 feet (call South 35°55' West, 836 feet) to a point from which a found 2" iron pipe bears North 52°28' West, 2.0 feet;

THENCE, along the Northwesterly line of McFaddin Canal No. 1 and the Southeasterly line of said 729.93 acre tract, South 32°16'04" West, at 3973.53 feet pass a 3/4 " iron pipe with cap set at the intersection of the North ROW line of the aforesaid State Highway FM 3514 with the Southeasterly line of said 729.93 acre tract, at 4182.14 pass a ¾" iron pipe with cap set in the South ROW line of said FM Highway 3514, and continuing for a total distance of 5024.51 feet to the **"POINT OF BEGINNING"** and containing 1559.5 acres more or less.


Gatsby Reinvestment Zone
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1 inch equals 0.5 miles
S MARTIN LUTHER KING PKWY
OLIN RD
IOWA ST
LORIDA AVE
ARDINAL DR
E CARDINAL
SPINDLETOP AVE
OHIO ST
AMOCO RD
(PRIVATE)
HWY 69 S
HWY 347
Jefferson County Jail
RANGE RD
CENTRAL BLVD
FM-3514
Correctional Facilities
W PORT ARTHUR RD
HEBERT
PATILLO RD
OAK SOUTH
ASH
EXHIBIT "B"
Legend
Gatsby Reinvestment Zone
This map has been produced from various sources. Every effort has been made to ensure the accuracy of this map, however, the City of Beaumont assumes no liability or damages due to errors or omissions

RESOLUTION NO.14-125

BE IT FURTHER RESOLVED BY THE CITY COUNCIL

OF THE CITY OF BEAUMONT:

THAT the City Council hereby adopts the City of Beaumont's Chapter 380 Economic Development Program Polices and Procedures attached hereto as Exhibit "A."

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 3rd day of June, 2014.

- Mayor Becky Ames -

CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM

POLICIES AND PROCEDURES

I.
General Statement of Purpose and Policy

The City of Beaumont is committed to the promotion of high quality development in all parts of the City and to an ongoing improvement in the quality of life for its citizens. The City has previously developed economic development programs and incentives designed to encourage new development in targeted areas. Now the City of Beaumont seeks to enhance its economic development efforts to attract and retain high quality development and jobs by establishing these Chapter 380 Economic Development Program Policies and Procedures.

These Policies and Procedures are established in an effort to develop and expand the local economy by promoting and encouraging development and redevelopment projects that enhance the City's economic base, and diversify and expand job opportunities or by promoting and encouraging projects that create additional revenue for the city without substantially increasing the demand on City services or infrastructure. The ultimate goal and public purpose of programs established hereunder is to protect and enhance the City's fiscal ability to provide high quality municipal services for the safety, comfort and enjoyment of Beaumont residents.

In furtherance of these objectives, the City of Beaumont will, on a case-by-case basis, give consideration to providing economic incentives to applicants in accordance with these Policies and Procedures as authorized by Chapter 380 of the Texas Local Government Code, as amended from time to time.

Nothing in this document is intended to imply or suggest that the City of Beaumont is under any obligation to provide economic incentives to any applicant. All applicants shall be considered on a case-by-case basis. The decision to approve or deny economic incentives shall be at the discretion of the City Council. Each applicant granted economic incentives as a Chapter 380 Economic Development Program (also referred to as Program) under these Policies and Procedures must enter into an agreement with the City of Beaumont containing all terms required by these Policies and Procedures and by state law to protect the public interest of receiving a public benefit in exchange for public funds, assets and services invested to stimulate economic development.

EXHIBIT "A"

II.
Program Requirements

A. To be considered for incentives as a Chapter 380 Economic Development Program under these Policies and Procedures, a project must at least meet the following minimum requirements:

1. The project shall

   a. be specifically determined by resolution of the Beaumont City Council to bring benefit to the City consistent with the General Statement of Purpose and Policy.

2. In addition, the project

   a. will enhance the City's fiscal ability to provide high quality municipal services for the safety, comfort and enjoyment of Beaumont residents.

   b. will make a unique or unequaled contribution to development or redevelopment efforts in the City of Beaumont, due to its magnitude, significance to the community or aesthetic quality.

B. A project shall not be eligible for incentives under these Policies and Procedures if a building permit has been issued for the project prior to making application in accordance with these Policies and Procedures.

III.
Additional Considerations

Additional factors to be considered by the City Council in determining whether to authorize an Agreement for incentives as a Chapter 380 Economic Development Program (Program) are:

A. The number and types of jobs to be created or retained;

B. The financial capacity of the applicant to undertake and complete the proposed project;

C. The market conditions and growth potential for the business activity, and

D. Any other factors the City Council finds helpful and relevant to accomplishing the City's economic development objectives.

IV.
Application Process

A. An application for consideration as a Program shall be made on forms supplied by the City. An applicant may be required to provide additional information to show compliance with minimum Program requirements. If City staff determines minimum Program requirements have been met, City staff shall prepare and present a proposed Agreement with the application to the City Council.

B. The City Council may consider the proposed Agreement and may take action on the proposal as it deems appropriate. Nothing in these Policies and Procedures and nothing in the application form and process shall create any property, contract, or other legal right in any person to have the City Council consider or grant incentives.

V.
Agreement Terms

An Agreement established for a Program must include:

A. A timetable and list of the kind of improvements or development that the Program will include, and conditions to assure that the Program meets or exceeds the City's requirements.

B. A complete description of the location of the proposed Program or projects included in the Program;

C. A timetable and list of the kind of benefits that the proposed Program will provide;

D. A provision establishing the duration the Agreement;

E. A provision providing a tangible means for measuring whether the applicant and other responsible parties have met their obligations under the Agreement;

F. A provision providing for access to and authorizing inspection of the property and applicant's pertinent business records by municipal employees in order to determine compliance with the Agreement;

G. A provision for cancellation of the Agreement and/or nonpayment of incentives if the Program is determined to not be in compliance with the Agreement;

H. A provision for recapturing City funds granted or loaned, or for recapturing the value of other public assets granted or loaned, if the applicant does not meet its duties and obligations under the terms of the Agreement;

I. A provision that allows assignment of the Agreement with prior written approval of the City Council, or without the prior written approval of the City Council provided that:

1. all rights, duties, obligations and liabilities under the Agreement are assigned from the assignor to the assignee; and

2. the assignment is made subject and subordinate to the Agreement and the Chapter 380 Economic Development Program Policies and Procedures; and

3. the assignment document is in a form and contains content acceptable to the City Attorney's Office;

J. Provisions relating to administration, delinquent taxes, reporting requirements and indemnification;

K. A provision that the Agreement may be amended by the parties to the Agreement by using the same procedure for approval as is required for entering into the Agreement; and

L. Such other provisions as the City Council shall deem appropriate.

RESOLUTION NO.

WHEREAS, the City of Beaumont has been approached by Enterprise Beaumont Marine West, L.P. (formerly Oil Tanking) with a proposal for the construction of a facility to store and transport 4.1 million barrels of crude oil; and,

WHEREAS, this project is intended to bolster local economic development by stimulating business and commercial activity within the city; and,

WHEREAS, the developers have approached the City seeking economic development incentives in the form of ad valorem tax abatements and have filed an application with the City for Chapter 380 economic development incentives; and,

WHEREAS, the application has been reviewed and it has been determined that the proposed project does satisfy the purpose and goals of the program in that it will enhance the City's economic base and diversify and expand job opportunities; and,

WHEREAS, in order to maintain sufficient controls to ensure that the public purpose is carried out, it is necessary to enter into an economic development agreement with the developer establishing the expectations and terms of the transaction; and,

WHEREAS, the City Council is of the opinion that approval of an application for Chapter 380 economic development incentives and entering into an economic development agreement with Enterprise Beaumont Marine West, L.P. for the construction of a facility to store and transport 4.1 million barrels of crude oil are in the best interest of the City of Beaumont and its citizens;

NOW, THEREFORE, BE IT RESOLVED BY THE

CITY COUNCIL OF THE CITY OF BEAUMONT:

THAT the statements and findings set out in the preamble to this resolution are hereby, in all things, approved and adopted; and,

THAT approval of an application for Chapter 380 economic development incentives for Enterprise Beaumont Marine West, L.P. for the construction of a facility to store and transport 4.1 million barrels of crude oil is hereby approved; and,

BE IT FURTHER RESOLVED THAT the City Manager be and he is hereby authorized to execute an economic development agreement with Enterprise Beaumont Marine West, L.P. granting a 100% ad valorem tax abate for a period of ten (10) years for the construction of a facility to store and transport 4.1 million barrel of crude oil.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 22nd day of December, 2015.

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- Mayor Becky Ames -