

**SEABROOK CITY COUNCIL
NOTICE OF REGULAR CITY COUNCIL MEETING
TUESDAY, JUNE 2, 2015 - 7:00 PM**

NOTICE IS HEREBY GIVEN THAT THE SEABROOK CITY COUNCIL WILL MEET ON **TUESDAY JUNE 2, 2015 AT 7:00 PM** IN THE SEABROOK CITY HALL COUNCIL CHAMBERS, 1700 FIRST STREET, SEABROOK, TEXAS, **TO DISCUSS, CONSIDER, AND IF APPROPRIATE, TAKE ACTION** WITH RESPECT TO THE ITEMS LISTED BELOW.

THIS FACILITY IS WHEELCHAIR ACCESSIBLE AND ACCESSIBLE PARKING SPACES ARE AVAILABLE. REQUESTS FOR OTHER ACCOMMODATIONS OR INTERPRETIVE SERVICES, MUST BE MADE, 48 HOURS PRIOR TO THIS MEETING. PLEASE CONTACT THE CITY SECRETARY'S OFFICE AT (281) 291-5600 OR FAX (281) 291-5710 FOR FURTHER INFORMATION.

PLEDGE OF ALLEGIANCE

1.0 PRESENTATIONS

- 1.1 Administer the Oath of Office to Robert Llorente, Councilmember, Position 1. (Glaser)

 ATTACHMENT 1

- 1.2 Recognize volunteers Melanie Bentley, David Fosdick, Cristin Rogers, Jess Strickland and Tara Canales for their contributions to the parks, open spaces and trails. (Open Space & Trails Committee)

 ATTACHMENT 2

- 1.3 Presentation of Quarterly Report by the Open Space and Trails Committee. (Burton)
- 1.4 Presentation by Charlie Jenkins, Managing Director, with the Port of Houston Authority to include but not limited to the Rail, Quiet Zones, Sound Barrier options, and Seabrook Rail Spur Noise Barrier Review. (PHA)

2.0 PUBLIC COMMENTS AND ANNOUNCEMENTS

At this time we would like to listen to any member of the audience on any subject matter, whether or not that item is on the agenda. All comments are limited to a maximum of four minutes for each speaker. In accordance with the Open Meetings Act, members may not discuss or take action on any item that has not been posted on the agenda. When your name is called, please come to the podium and state your name and address clearly into the microphone before making your comments. Thank you.

- 2.1 Mayor, City Council and/or members of the city staff may make announcements about city/community events. (Council)

3.0 BID AWARDS

ATTACHMENT 3

- 3.1 Consider and approve the exchange of property owned by Pacific Ridge Development Company, LLC consisting of 8.071 acres of property out of Ritson Morris Survey, Abstract 52 for city owned property consisting of 3.405 acres out of the Ritson Morris Survey, Abstract 52, Harris County (Public Works Yard) and authorize the City Attorney to draft an Ordinance or Resolution outlining the terms/conditions of the exchange. (Cook)

4.0 CONSENT AGENDA - Council will discuss, consider and if appropriate, take action on the items listed below.

All consent agenda items are considered by the City Council to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a council member, city manager, city attorney or city secretary so requests, in which event the item will be removed from the Consent Agenda and considered immediately following the Consent Agenda.

ATTACHMENT 4

- 4.1 Approve an agreement with Denton, Navarro, Rocha, Bernal, Hyde & Zech, P.C. for special counsel legal services relating to Police Civil Service and Other Labor and Employment Related Matters and authorize the city manager to execute same. (Cook)

ATTACHMENT 5

- 4.2 Approve lease-purchase agreement for a new Xerox copier and corresponding maintenance agreement and authorize the city manager to execute the agreements. This was a cooperative purchase through Harris County Department of Education. (Cook)

ATTACHMENT 6

- 4.3 Approve proposed Resolution No. 2015-13, "Creation of a Neighborhood Empowerment Zone #4 'Old Seabrook.'"

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEABROOK, TEXAS, CREATING A NEW NEIGHBORHOOD EMPOWERMENT ZONE, TO BE DESIGNATED AS THE "NEIGHBORHOOD EMPOWERMENT ZONE 4", ESTABLISHING ITS BOUNDARIES TO COINCIDE WITH THE "OLD SEABROOK DISTRICT" AS REFERENCED IN THE "OFFICIAL ZONING MAP", SECTION 2.05 SEABROOK CITY CODE OF ORDINANCES, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE 2, "ADMINISTRATION", AS CURRENTLY DEPICTED IN EXHIBIT "A", ATTACHED HERETO AND INCORPORATED BY REFERENCE, AND OTHER MATTERS RELATING THERETO

 ATTACHMENT 7

- 4.4 Approve an extension of the term of the Master Plan Review Commission until July 1, 2016 as provided for in the Seabrook City Charter, Chapter XI, Section 11.23. (Landis)

 ATTACHMENT 8

- 4.5 Approve Investment Report for 2nd quarter 2014-15. (Lab)

 ATTACHMENT 9

- 4.6 Approve the minutes of the May 4, 2015 special City Council meeting. (Glaser)

 ATTACHMENT 10

- 4.7 Approve the minutes of the May 19, 2015 special City Council meeting. (Glaser)

 ATTACHMENT 11

- 4.8 Approve the minutes of the May 19, 2015 regular City Council meeting. (Glaser)

END OF CONSENT AGENDA

- 5.0 NEW BUSINESS - Council will discuss, consider and if appropriate, take action on the items listed below.**

 ATTACHMENT 12

- 5.1 Consider presentation of Residential Traffic Management Plan for approval and implementation. (Cook)

 ATTACHMENT 13

- 5.2 Consider approval of a proposal from Cobb Fendley, City Engineers, for a Thoroughfare Plan in amount not to exceed \$55,633.00. (Cook)

- 5.3 Consider renaming Second Street in Seabrook to Main Street and steps to be taken to rename. (Royal)

 ATTACHMENT 14

- 5.4 Consider appointment of a Mayor Pro Tem for 2015/16. (Council)

 ATTACHMENT 15

- 5.5 Consider selection/appointment of council members as representatives and/or member of various organizations. (Council)

- 6.0 ROUTINE BUSINESS - Council will discuss, consider and if appropriate, take action on the items listed below.**

 ATTACHMENT 16

- 6.1 Approve the Action Items Checklist which is attached and made a part of this agenda. (Council)

 ATTACHMENT 17

- 6.2 Consider and discuss approval of Budget Meeting dates for the FY 2015-16. (Lab)

 ATTACHMENT 18

- 6.3 Establish future meeting dates and agenda items. (Council)

7.0 EXECUTIVE SESSION

The City Council will now hold a closed executive meeting pursuant to the provisions of the open meetings Act, Charter 551, Government Code, and Vernon's Texas Codes Annotated, in accordance with the authority contained in one or more of the following sections: Section 551.071, Consultation with Attorney; Section 551.072, Real Property; Section 551.073, Deliberation Regarding a Prospective Gift; Section 551.074, Personnel Matters; Section 551.076. Security Devices; and Section 551.087, Economic Development.

Section 551.071

 ATTACHMENT 19

- 7.1 Consult with attorney to receive legal advice on legal issues associated with a Memorandum of Understanding with the Port of Houston Authority. (Cook)

8.0 OPEN MEETING

Council will reconvene in open session to allow for possible action on any of the agenda items listed above under "Executive Session".

 ATTACHMENT 20

- 8.1 Consider and authorize approval or further action on a Railroad Quiet Zone with the Port of Houston (PHA) for three proposed at grade crossings around the Red Bluff and SH 146 intersection. (Cook)

 ATTACHMENT 21

- 8.2 Consider and authorize options and further action concerning the Rail-Sound Barrier project as per the Memorandum of Understanding (MOU) with the Port of Houston Authority (PHA).

THE CITY COUNCIL RESERVES THE RIGHT TO HEAR ANY OF THE ABOVE DESCRIBED AGENDA ITEMS THAT QUALIFY FOR AN EXECUTIVE SESSION IN AN EXECUTIVE SESSION BY PUBLICLY ANNOUNCING THE APPLICABLE SECTION NUMBER OF THE OPEN MEETINGS ACT, (CHAPTER 551 OF THE TEXAS GOVERNMENT CODE) THAT JUSTIFIES EXECUTIVE SESSION TREATMENT.

CERTIFICATE

I certify that this notice was posted on the bulletin board on or before Friday, May 29, 2015 no later than 5:00 p.m. and that this notice will remain posted until the meeting has ended.

Michele L. Glaser, TRMC
City Secretary

EXCERPT FROM THE DRAFT MINUTES OF OPEN SPACE & TRAILS COMMITTEE
MEETING OF MAY 7, 2015.

2.3 Confirmation of volunteer recognition and presentation to Council.

Ms. Burton stated that at the April meeting members had unanimously voted on the selection of Tara Canales, David Fosdick, Jess Strickland and Cristin Rogers to receive recognition as Super Volunteers at the June 2 council meeting. She proposed that Melanie (Mel) Bentley also be included for all the work she has done in the city. Members agreed to the addition of Ms. Bentley.

June 2015 Report to Council

- Two new volunteers – one @ Mohrhusen and the gazebo on 2nd street and one for the Butterfly garden
- Planted a palm @ Pine Gully
- LFL
- Completed a 5 year wish list
- Re-worked the volunteer to-do list and delivered to staff
- Recommended volunteers to be recognized to council
- Check parks and get information to staff about items needing attention



***CITY
OF
SEABROOK***

**AGENDA
BRIEFING**

Date of Meeting: TUESDAY, JUNE 2, 2015

Submitter/Requestor: Cook

Date Submitted: 5/22/2015 6:22:59 PM

Presenter: Cook

Description/Subject:

Consider and approve the exchange of city property - 3.405 acres out of the Ritson Morris Survey, Abstract 52, Harris County (Public Works Yard) and authorize City Attorney to draft an Ordinance

Purpose/Need: NA

Background/Issue(What prompted this need):

Last year, the City completed acquiring property for the relocation of the Public Works and Animal Control Complex. In November 2014, a successful bond program funded the project and it is in progress for completion for first quarter of 2016.

With this relocation, the City has identified this frontage to be of economic development value to the redevelopment during the expansion of SH146. Therefore, pursuant to Texas Local Government Code, Section 272.001, a bid notification was published on two separate dates to solicit bids for equal or higher value property off of SH146.

One bid was received from Pacific Ridge for 8.071 acres, Ritson Morris Survey, Abstract 52, Harris County Texas.

Recent appraisals of both the city property and the proposed property for exchange were included in the bid package along with an option to have the City lease back the property in the amount of \$1.00/year for a term of one year with (4) four additional (3) three month extensions. The City would be required to maintain insurance and pay any applicable taxes during the term of the lease.

Impacted Parties(Expected/Notified):

Miscellaneous Comments:

Attachments:

(Please list description of attachments and number of pages in each attachment)

BId Proposal

Fiscal Impact:	Budgeted	Yes	Finance	Officer
			Review:	
	Budget Amendment Required	Yes		
	Future/Ongoing Impact	Yes		
	Budget Dept/Line Item Number			

Funding Comments:

Where on the agenda should this item be placed?

Bid Awards

Suggested Motion:

Agenda Language:

Consider and approve the exchange of property owned by Pacific Ridge Development Company, LLC consisting of 8.071 acres of property out of Ritson Morris Survey, Abstract 52 for city owned property consisting of 3.405 acres out of the Ritson Morris Survey, Abstract 52, Harris County (Public Works Yard) and authorize the City Attorney to draft an Ordinance or Resolution outlining the terms/conditions of the exchange. (Cook)

City Manager Review:

(All items are to be reviewed and approved by the city manager, except items submitted by the mayor or any council member or routine consent agenda items such as minutes and second & third readings of ordinances)

(City Attorney should review all ordinances, resolutions, contracts and executive session items.)

26 JAN 2015

CITY SECRETARY

CITY OF SEABROOK, TEXAS

1700 FIRST STREET

SEABROOK, TEXAS 77586

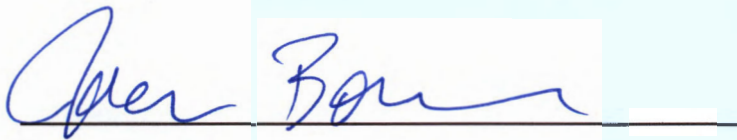
SEALED BID PROPOSAL

RESPONSE TO CITY PUBLIC NOTICE FOR SEALED BID PROPOSALS FOR PROPERTY IN EXCHANGE FOR CITY OWNED PROPERTY/PUBLIC WORKS YARD (COPY OF SAID PUBLIC NOTICE ATTACHED).

BIDDER (PACIFIC RIDGE DEVELOPMENT COMPANY, LLC) HEREBY SUBMITS THIS SEALED BID FOR THE EXCHANGE OF CITY PROPERTY (+/- 3.405 acres – Ritson Morris Survey, Abstract 52, Harris County, Texas) FOR BIDDERS PROPERTY (8.071 ACRES -RITSON MORRIS SURVEY, ABSTRACT 52, HARRIS COUNTY, TEXAS).

THE BIDDERS PROPERTY MEETS THE REQUIRED EXCHANGE CRITERIA:

- IT IS GREATER THAN 8.0 ACRES
- IT IS WITHIN 1 MILE OF THE PUBLIC WORKS PROPERTY
- IT HAS FRONTAGE ON LAKESIDE DRIVE
- IT IS OF GREATER VALUE THAN THE PUBLIC WORKS PROPERTY (\$525,000.00 VS \$405,000.00) – (RECENT APPRAISALS OF BOTH PROPERTIES HAVE BEEN INCLUDED).
- BIDDER HAS INCLUDED PROPOSED RENT CHARGE FOR A ONE YEAR TERM

A handwritten signature in blue ink, appearing to read "John Boswell", is written over a horizontal line. The signature is contained within a light pink rectangular box.

John Boswell Manager 26 Jan 2015

Pacific Ridge Development Company, LLC

PROPOSED LEASE TERMS

The Pacific Ridge Development Company, LLC (Lessor) will execute a ground lease with Lessee (the City of Seabrook) for the exchange parcel (+/- 3.405 acres – Ritson Morris Survey, Abstract 52, Harris County, Texas).

The rent shall be \$1.00 per year.

The initial lease term shall be one year.

Lessee will pay property taxes during the lease term.

Lessee will maintain Liability Insurance throughout the lease term wherein Lessor is named as an additional insured party.

Lessee may unilaterally extend the aforementioned initial lease term by four additional three-month periods by written notice to Lessor.

Lessee to send said written notice to Lessor thirty days prior to the expiration of the initial lease term and or subsequent extension periods.

During the lease term the City may elect to remove the existing Public Works Facilities and the aforementioned water tank.

DEAL · SIKES

& a s s o c i a t e s

REAL ESTATE VALUATION & COUNSELING

MATTHEW C. DEAL, CRE

MARK O. SIKES

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EXECUTIVE SUMMARY

Property Type:	Vacant Land
Location:	E/S of Lakeside Drive, at the terminus of Humble Drive
Legal Description:	8.071 acres our of the Riston Morris Survey, Abstract 52, Harris County, Texas
Effective Date of Appraisal:	August 26, 2013
Date of Report:	August 26, 2013
Report Type:	Summary Appraisal Report
Prepared For:	City of Seabrook
Value Estimate:	Market Value
Interest Appraised:	Fee Simple
Intended Use of the Appraisal:	Consideration of Market Value
Intended Users of the Report:	City of Seabrook and their representatives
Valuation Methodology:	Sales Comparison Approach
Zoning:	Single Family Residential
Highest and Best Use:	Single-Family Residential or civic or community center use consistent with Seabrook's R-1 zoning classification
Estimate of Market Value	\$525,000

APPRAISAL REPORT

SCOPE OF WORK: We employed the appraisal process to estimate the market value of the property as follows:

- Research and analyze the region in which the property is located;
- Research and analyze the market area in which the property is located;
- Inspect the property and market area;
- Research and analyze the physical, legal and economic characteristics of the property;
- Research and analyze the credible and reliable approaches to utilize in estimating the market value of the property;
- Employ the sales comparison approach to develop an opinion of the market value of the property;
- Report our findings and conclusions.

We interviewed owners in the market area, buyers, sellers, and their representatives. Additionally, we reviewed and analyzed documents publicly available, including but not limited to the property photographs, tax records, demographic data and other information. Further, we physically inspected the property and the market area in which it is located.

The property appraised consists of a total of 8.071 acres of land improved with a public works yard. We did not utilize the cost approach or the income capitalization approach as they are not reliable methodologies for this property type in this market area.

DEFINITION OF MARKET VALUE: Market Value as used herein is defined as:

The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress.¹

DEFINITION OF FEE SIMPLE INTEREST: Fee Simple Interest as used herein is defined as:

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by governmental powers of taxation, eminent domain, police power and escheat.²

COMPETENCY PROVISION: We have significant experience developing opinions of market value of properties similar to the subject property and providing owners, buyers and sellers counsel regarding valuation of similar properties. As such, we completed this assignment with competence.

¹ Dictionary of Real Estate Appraisal, Fifth Edition (Appraisal Institute: Chicago, 2010)

² Dictionary of Real Estate Appraisal, Fifth Edition (Appraisal Institute: Chicago, 2010)

APPRAISAL REPORT

JURISDICTIONAL EXCEPTION: This appraisal assignment is subject to the Uniform Standards of Professional Appraisal Practice's (USPAP) **Jurisdictional Exception Rule** and if any part of the report is contrary to the public legal restrictions that govern this property and assignment, only the specific portion of the standard shall be void and not applicable to this assignment. If any part of the Uniform Standards of Professional Appraisal Practice is contrary to the public legal restrictions that govern this property and assignment, only the specific portion of the standard shall be void and not applicable to this assignment.

PROPERTY HISTORY: *Seabrook Venture II*, is the current owner of the property. The property has not been involved in an arms-length transaction in the three years prior to the date of this report and is not currently listed for sale.

REGIONAL ANALYSIS: The property is located in the greater Houston area, and is part of the Houston Primary Metropolitan Statistical Areas (PMSA). At approximately 6,000 square miles, the Houston PMSA is the largest in Texas and includes Chambers, Fort Bend, Harris, Liberty, Montgomery and Waller counties. With over 5.6 million in population, it is the 6th largest in the nation and fourth fastest growing area of the top 20 PMSAs in the country. Houston is the most populous city in the state, and fourth in the nation. The Houston PMSA is part of a large 10 county Metropolitan Statistical Area (MSA) that includes Austin, Brazoria, Galveston, and Washington counties. The area has consistently ranked in the top 5 MSA's in employment and employment growth due to the diverse economy which serves as a financial, trade, manufacturing and petrochemical center.

MARKET AREA ANALYSIS: The subject is located within the City of Seabrook and is approximately 30 miles southeast of downtown Houston. The market area is bound by TX-225 to the north, Galveston Bay to the east, Dickinson to the south, and Highway 3 to the west. The property is located just west of State Highway 146, which will become a part of the Grand Parkway within the next few years.

Major north/south thoroughfares that traverse the market area are Highway 146, Highway 3, Red Bluff Road, and Space Center Boulevard. Major east/west thoroughfares that traverse the market area are Clear Lake City Boulevard, Bay Area Boulevard, Nasa Road 1, and FM 646. State Highway 146 at the property line will soon be expanded to become the Grand Parkway connecting Seabrook to the Gulf Freeway. This public improvement project is scheduled to begin construction in 2015. Once completed, the Grand Parkway will be the third and outer most loop servicing the Houston PMSA, circling 184-miles around Greater Houston.

The widening of SH-146 and its conversion to the Grand Parkway will have a significant, positive effect on properties west of the existing highway. Along the west side of SH-146 are an existing Union Pacific Railroad right of way, pipeline corridor, and power line corridor. These encumbrances have severely limited the development potential of properties west of SH-146. Conversely, the east side of SH-146 does not have any such encumbrances and these properties are densely developed with a wide variety of impulse retail uses. These uses will be largely wiped out by the widening of the highway for its conversion to the Grand Parkway. The widening will also include the acquisition of the UP Railroad right-of-way along the east side of

APPRAISAL REPORT

the subject giving the subject property frontage along the new frontage road. This design will bring the highway closer to those properties west of SH-146.

Once complete the Grand Parkway will greatly improve the development potential of properties west of SH 146. Not only will the highway be in closer proximity to these properties, but also existing users along the east side of the highway will desire to be relocated within the thriving Seabrook market area. We anticipate much of this relocation will occur west of SH-146.

The subject's demographics within a 1, 3 and 5 mile radius demonstrate similar population growth than the City of Houston and Harris County as a whole. However, income levels in the market area are significantly higher than those of the City of Houston and Harris County. The market area benefits from its proximity to the City of Houston, the Port of Houston including Barbours Cut, Galveston Island, and access to the Grand Parkway. As of the date of the appraisal, the region and market area are undergoing a period of significant growth, which we project will continue in the foreseeable future.

SITE ANALYSIS: The site is an 8.071 acre (351,594 SF) tract that is irregularly shaped, with frontage along Lakeside Drive. The property is within the 500-year flood plain and utilities are readily available via the City of Seabrook. The subject property is zoned R-1 for single family residential development. We know of no environmental issues that could potentially limit the use of the property and we have assumed that the property is environmentally clean. The property is surrounded by a church to the north, vacant land to the south, a school west, and State Highway 146 (Future Grand Parkway) to the east

REAL PROPERTY TAX ANALYSIS: The property's Harris County Appraisal District account number is 063-145-000-0036 and the property is subject to the taxing jurisdiction of Clear Creek ISD, Harris County, Harris County Flood Control, Port of Houston Authority, Harris County Hospital District, Harris County Education Department, and the City of Seabrook. The 2013 tax rate is 2.661829%.

HIGHEST AND BEST USE ANALYSIS: Highest and best use is defined as "the reasonably probable and legal use of vacant land or an improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value."³ Estimating the appropriate highest and best use of the property is critical in developing a credible opinion of market value. The opinion of highest and best use provides the basis for the market data that will be compared to the property in forming the estimate of market value. Following is our estimate of the highest and best use:

As Vacant

Legally Permissible: The property is located within the City of Seabrook and is zoned R-1, for single family residential. Uses permitted in an R-1 zone include residential dwellings, and related religious, educational, and recreational facilities. The property is not subject to any other legal restrictions.

³ The Appraisal of Real Estate, Thirteenth Edition (Appraisal Institute: Chicago, 2008)

APPRAISAL REPORT

Physically Possible: The property is an 8.071 acre tract that is located within the 500-year flood plain and is irregularly shaped. All utilities are provided to site via the City of Seabrook. The subject property is of sufficient size to support a small single family residential development or a civic/community center use consistent with its R-1 zoning classification.

Financially Feasible: The subject property is located in proximity to State Highway 146 which will be expanded to become the Grand Parkway. However, it is surrounded by residential development and civic uses, including a church and a school. The market area is delineated by commercial uses along the major thoroughfares and civic/community center uses off of the smaller streets. Lakeside Drive and Repsdorph road were recently extended in 2011 efficiently connecting Red Bluff Road to the north, SH-146 to the east, and Nasa Road 1 to the south. This roadway extension improved overall mobility within Seabrook west of SH-146, and it enhances the marketability of the subject property. We estimate either residential or civic/community center uses would be financially feasible at the subject property.

Maximally Productive: The characteristics of the subject property and location in proximity to the future Grand Parkway and along the recently improved Lakeside Drive/Repsdorph Road greatly enhance the subject. Further, the subject property is of a sufficient size to support a residential or civic/community center use. After consideration of the legally permissible, physically possible, financially feasible, and maximally productive uses, we estimate that the highest and best use of the site is a residential or civic/community center use.

MARKET VALUE ESTIMATE: We employed the sales comparison approach to estimate the market value of the whole property. The following is a summary of our analysis.

The sales comparison approach is based on the principle of substitution that is when several similar or commensurate commodities, goods, or services are available the one with the lowest price attracts the greatest demand and widest distribution. Through application of this approach the subject property is compared to similar, comparable and competitive properties that have sold in the market.

APPRAISAL REPORT

The unit of comparison for improved transactions similar to the subject in the market area is price per square foot. We analyzed four transactions, one contract, and one listing that we consider competitive to the subject. The sales occurred between September 2011 and April 2013, including a listing and contract expected to close at the end of August 2013. The unit prices range from \$1.30 to \$4.65 per square foot. The comparables in the following chart are those considered similar to the subject property.

Land Sales Comparables - Lakeside Drive				
No	Date	Location	Size (Ac.)	PSF
1	Contract	S/C of Beaumont Street and Bauer Avenue	8.184	\$1.30
2	04/23/13	S/S of Barbours Cut Road, E of N 4th Street	1.234	\$4.65
3	04/08/13	W/S of Hwy 146, S of B Street	1.148	\$4.40
4	01/07/13	W/S of Winfield Lane, S of Delesandri Lane	3.672	\$1.72
5	09/27/13	N/C of Dickinson Avenue and Beaumont Street	1.060	\$2.70
6	Listing	Wraps NW/C of Nasa Road 1 and Hwy 146	14.872	\$3.50

Land Sales Map



The unit of comparison for the land transactions in the market area is price per square foot of land area. Those factors considered most pertinent to the valuation include property rights conveyed, financing, condition of sale, market conditions (time), location, and physical

APPRAISAL REPORT

characteristics. Each sale was compared to the property and adjusted based on these factors. The following is a table that shows our adjustments:

Adjustment Grid						
No	1	2	3	4	5	6
Date	Contract	04/23/13	04/08/13	01/07/13	09/27/13	Listing
Size	8.184	1.234	1.148	3.672	1.060	14.872
Price/SF	\$1.30	\$4.65	\$4.40	\$1.72	\$2.70	\$3.50
Property Rights	C	C	C	C	C	C
Financing	C	C	C	C	C	C
Conditions of Sale	C	C	C	C	C	S
Market Conditions	C	C	C	C	I	C
Location	C	S	S	C	S	S
Physical Charac.	C	S	S	C	S	I
Overall	C	S	S	C	S	S

All of comparable involved similar property rights and financing. Therefore these properties do not require any adjustment for their elements of comparison.

Comparable 6 is a current listing and requires a downward adjustment for conditions of sale. The remaining sales and contract are comparable and require no adjustment for this element of comparison.

Comparables 1, 2, 3, 4, and 6 were all sold or are currently listed in similar market conditions. Comparable 5 was sold in 2011 and requires an upward adjustment for market conditions.

Comparables 2, 3, and 6 are all located along busier thoroughfares and are therefore superior in location to the subject property. Comparable 5 is located on a hard corner and requires a downward adjustment for this element of comparison. Comparables 1 and 4 are similarly located to the subject property.

Typically smaller properties trade a higher price per unit than larger properties. Comparables 2, 3 and 5 are significantly smaller than the subject property and require a downward adjustment for physical characteristics. Comparables 1 and 4 have similar physical characteristics as the subject property and require no adjustment. Comparable 6 is significantly larger and inferior to the subject property.

APPRAISAL REPORT

The following table ranks the comparables based on the overall comparison to the subject property:

Comparison Chart		
Comparable No.	Comparison	Price/Square Foot
2	Superior	\$4.65
3	Superior	\$4.40
6	Superior	\$3.50
5	Superior	\$2.70
4	Comparable	\$1.72
Subject	-	-
1	Comparable	\$1.30

Based on the above described transactions we estimate the market value of the property as of August 26, 2013 to be as follows:

Whole Property Size in SF (8.071 ac)	351,594
Market Value Estimate per Square Foot	x <u>\$1.50</u>
Whole Property - Market Value Estimate	\$527,391
Rounded Market Value Estimate	\$525,000

\$525,000

FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS

MAPS AND PHOTOGRAPHS

Regional Map



Market Area Map



MAPS AND PHOTOGRAPHS

Aerial Photograph

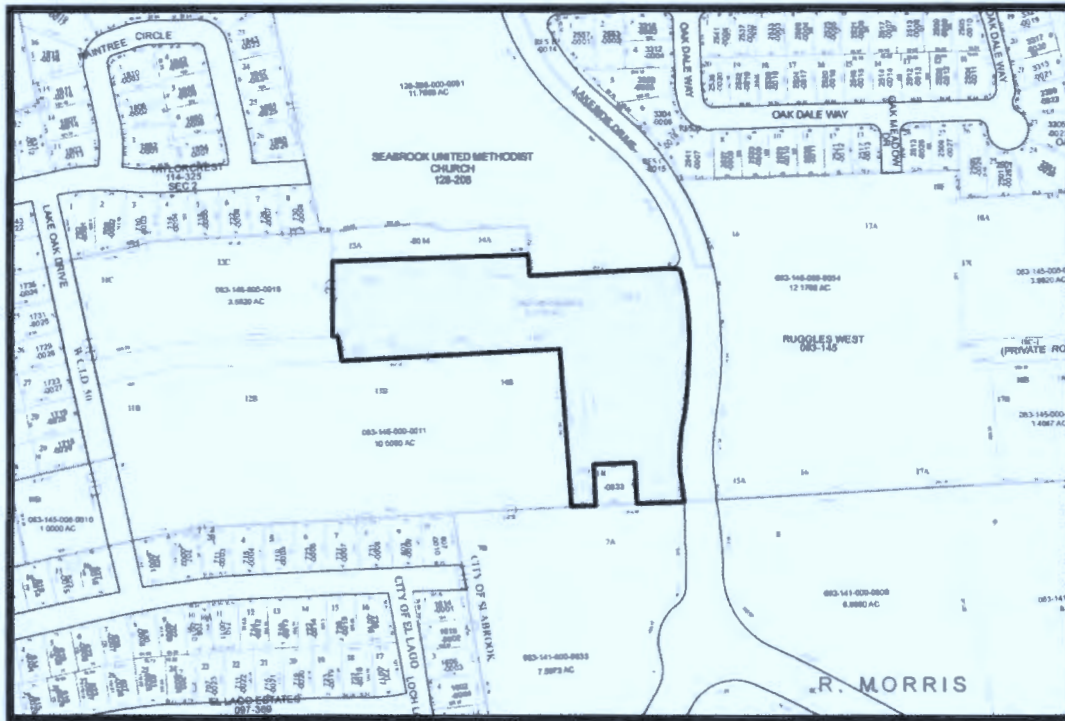


Oblique Aerial (Facing North)

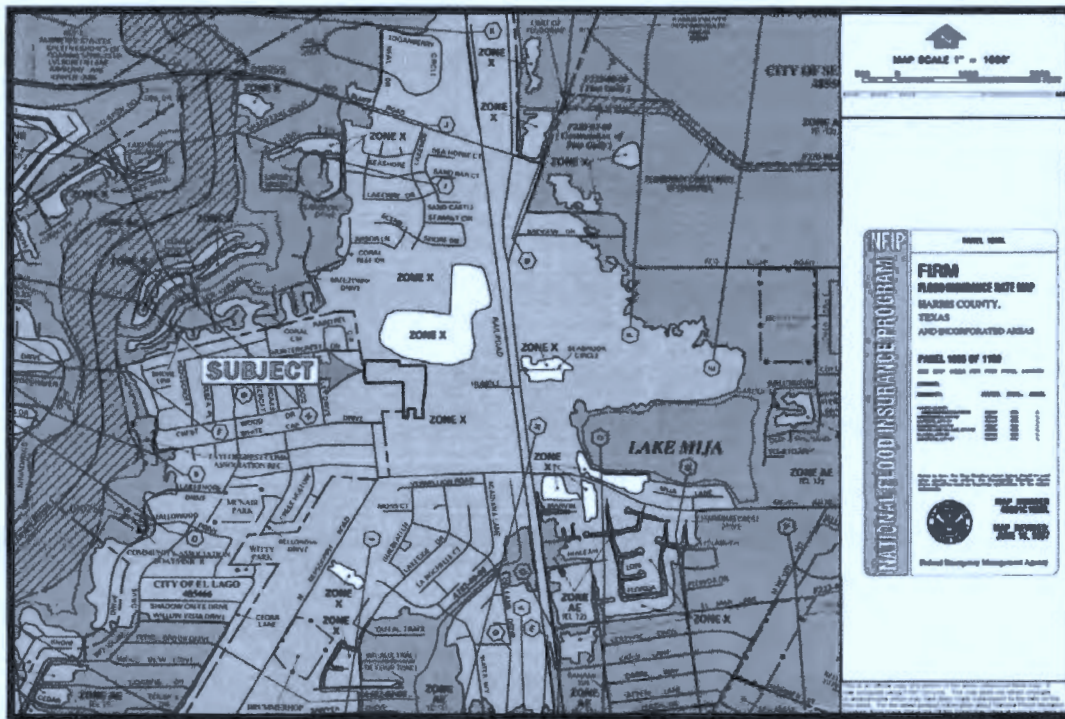


MAPS AND PHOTOGRAPHS

Tax Map



Flood Plain Map



MAPS AND PHOTOGRAPHS

Property Photographs



MAPS AND PHOTOGRAPHS

Property Photographs



LAND COMPARABLES

LAND COMPARABLE NO. 1

General Data

Property Type	:	Vacant Land
City, County, State	:	League City, Galveston County, TX
Location	:	Wraps the S/C of Bauer Avenue and Beaumont Street, League City, Galveston County, TX 77573
Legal Description	:	8.184 acres being part of Lots 24 & 25, Division B League City, Abstract 3 & 18, Galveston County, TX

Recording Data

Date of Sale	:	Contract
Grantor	:	E Vince Matthews, et al
Tax ID No.	:	R135440

Property Data

Size (Ac.)	:	8.184
Size (SF)	:	356,495
Zoning	:	N/A
Frontage	:	Beaumont Street: 674 FF Bauer Avenue: 350 FF
Utilities	:	All Available
Flood Plain	:	None known to affect property

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$465,000
Price/SF	:	\$1.30
Proposed Use	:	Single Family Residential
Comments	:	This property is currently under contract and expected to close on August 30th, 2013. The property is being sold with all structures, however there will be no financial consideration.

LAND COMPARABLES

LAND COMPARABLE NO. 2

General Data

Property Type	:	Vacant Land
City, County, State	:	La Porte, Harris County, TX
Location	:	S/S of Barbours Cut Boulevard, E of N. 4th Street, La Porte, Harris County, TX 77571
Legal Description	:	1.234 acres being Tacts 1 & 2, Lots 10-12, part of Lot 13, 17-22 & 25-32, Block 330, Town of LaPorte Subdivision, Harris County, TX

Recording Data

Date of Sale	:	April 23, 2013
Grantor	:	Narsi, Inc.
Grantee	:	RWC Express LLC
Tax ID No.	:	024-039-030-0019; -0017; 0023; 0028
Recording No.	:	2013.0197577

Property Data

Size (Ac.)	:	1.234
Size (SF)	:	53,750
Zoning	:	N/A
Frontage	:	Barbours Cut: 125 FF N. 4th Street: 80 FF
Utilities	:	All Available
Flood Plain	:	None known to affect property

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$250,000
Price/SF	:	\$4.65
Proposed Use	:	Commercial
Comments	:	Grantor was in process of purchasing the remainder tract out of bankruptcy, but deemed the land excess to their needs. Grantee purchased this tract from grantor with the intention of buying the rest out of bankruptcy.

LAND COMPARABLES

LAND COMPARABLE NO. 3

General Data

Property Type	:	Vacant Land
City, County, State	:	La Porte, Harris County, TX
Location	:	W/S of State Highway 146, S of B Street, La Porte, Harris County, TX 77571
Legal Description	:	1.148 acres being all of Lots 17 thru 32, inclusive, in Block 23 of LaPorte Townsite Subdivision, Harris County, TX

Recording Data

Date of Sale	:	April 08, 2013
Grantor	:	JSLF Marks Investments Ltd.
Grantee	:	PV Land & Locations LLC
Tax ID No.	:	023-164-023-0018
Recording No.	:	2013.0163959

Property Data

Size (Ac.)	:	1.148
Size (SF)	:	50,007
Zoning	:	GC-General Commercial
Frontage	:	State Highway 146 B Street
Utilities	:	All Available
Flood Plain	:	100% within the 500-year flood plain

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$220,000
Price/SF	:	\$4.40
Proposed Use	:	Commercial
Comments	:	The property will be used as truck rental location.

LAND COMPARABLES

LAND COMPARABLE NO. 4

General Data

Property Type	:	Vacant Land
City, County, State	:	Kemah, Galveston County, TX
Location	:	W/S of Winfield Lane, S of Delesandri Lane, Kemah, Galveston County, TX 77565
Legal Description	:	3.672 acres out of Lot 4, Block 7, Jarbo Addition, M. Muldoon Grant, J C League Survey , Galveston County, TX

Recording Data

Date of Sale	:	January 07, 2013
Grantor	:	David John Homan, et al
Grantee	:	JMB Properties Ltd.
Tax ID No.	:	R159888
Recording No.	:	2013.002699

Property Data

Size (Ac.)	:	3.672
Size (SF)	:	159,952
Zoning	:	Commercial
Frontage	:	Winfield Lane: 300 FF
Utilities	:	None
Flood Plain	:	Partially within the 500-year flood plain

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$275,000
Price/SF	:	\$1.72
Proposed Use	:	Commercial
Comments	:	The broker states that the property will be developed into a small subdivision in the future.

LAND COMPARABLES

LAND COMPARABLE NO. 5

General Data

Property Type	:	Vacant Land
City, County, State	:	League City, Galveston County, TX
Location	:	N/C of Dickinson Avenue and Beaumont Street, League City, Galveston County, TX 77573
Legal Description	:	1.060 acres being Lot 1 and part of Lot 23, Ghirardi #3 Subdivision, Division B League City, Galveston County, TX

Recording Data

Date of Sale	:	September 27, 2011
Grantor	:	Kenneth S. Davis, et al
Grantee	:	T & DGK Enterprises LLC
Tax ID No.	:	R422458
Recording No.	:	2011.049757

Property Data

Size (Ac.)	:	1.060
Size (SF)	:	46,174
Zoning	:	N/A
Frontage	:	Dickinson Avenue: 208 FF Beaumont Street: 200 FF
Utilities	:	All Available
Flood Plain	:	None known to affect property

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$124,456
Price/SF	:	\$2.70
Proposed Use	:	Commercial

LAND COMPARABLES

LAND COMPARABLE NO. 6

General Data

Property Type	:	Vacant Land
City, County, State	:	Seabrook, Harris County, TX
Location	:	NW/C of Nasa Road 1 and State Highway 146, Seabrook, Harris County, TX 77586
Legal Description	:	14.872 acres being Tracts 2, 2A, 3 & 3C. Lots 1-17, Block 1, Lots 1-10, Block 2, Lots 1-10, Block 31 & Lots 1-32, Block 32, R. Morris Survey, Abstract 52, Harris County, TX

Recording Data

Date of Sale	:	Listing
Seller	:	Technical Automation, et al
Tax ID No.	:	041-008-009-0300; -0015; 032-133-001-0001; 032-140-031-0001

Property Data

Size (Ac.)	:	14.872
Size (SF)	:	647,824
Zoning	:	Commercial
Frontage	:	Access to SH 146 and Nasa Road 1
Utilities	:	Utilities can be extended to the site
Flood Plain	:	100% within the 100-year flood plain

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$2,267,385
Price/SF	:	\$3.50
Proposed Use	:	Commercial
Comments	:	This site consists of multiple parcels.

ASSUMPTIONS & LIMITING CONDITIONS

1. This report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, in the appraisal of realty and realty rights except to the extent that the appraisal required invocation of USPAP's Jurisdictional Exception Rule.
2. The appraiser assumes no responsibility for matters legal in character, nor does he render any opinion as to the title, which is assumed to be good. Unless otherwise specified in the report, the property is analyzed as though free and clear and under responsible ownership and competent management.
3. Information furnished by others is assumed to be true, correct and reliable. A reasonable effort has been made to verify such information; however, the appraiser assumes no responsibility for its accuracy. The value conclusions are subject to the correctness of said data.
4. The appraiser assumes that all applicable use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report. The appraiser assumes that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
5. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has made no engineering survey. Except as specifically stated, data relative to size and areas were taken from sources considered reliable. The utilization of the land and improvements, if applicable, is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

ASSUMPTIONS & LIMITING CONDITIONS

7. The distribution of the total valuation in this report between land, improvements and estimated damages applies only under the reported highest and best use of the property. Such, if applicable, allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
8. The appraisal is for purposes of valuation only and is not to be taken, used or represented as an endorsement or guarantee of the physical, structural or equipment conditions which exist in the property. It is assumed that there are no hidden defects that would not be apparent from visual inspection and, if applicable, that all equipment is operable unless otherwise indicated by the owner or owner's representative.
9. All maps, plats, and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. Unless so noted, they should not be considered as surveys or relied upon for any other purpose
10. Consideration has not been given in this appraisal to personal property located on the premises, or to the cost of moving or relocating such personal property unless otherwise stated.
11. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relation, news, sales or other media without the written consent and approval of Mathew C. Deal or Mark O. Sikes. The appraiser acknowledges that a copy of the report will be provided to the client, or their representative. No opinion is expressed as to the value of subsurface oil, gas, or mineral rights and that the property is not subject to surface entry for the exploration or removal of such materials except as is expressly stated.
12. It is assumed that drainage, the surface condition of the land and easements, access, and will not be detrimental to the value of the property, unless otherwise stated and addressed in the report.

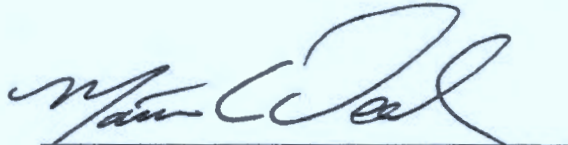
CERTIFICATION

In accordance with the Uniform Standards of Professional Appraisal Practice, we certify that, to the best of our knowledge and belief:

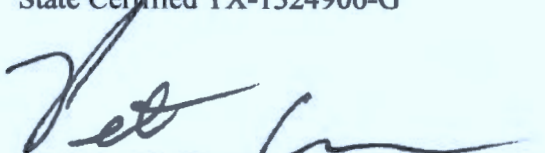
1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*, the Code of Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
8. Matthew C. Deal made a personal inspection of the property that is the subject of this report.
9. No one provided significant real property appraisal assistance to the persons signing this certification.
10. As of the date of this report, I (Matthew C. Deal) have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.

CERTIFICATION

11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.


Matthew C. Deal, CRE
State Certified TX-1324906-G

August 26, 2013
Date


Peter L. Crew
State Licensed TX-1340512-T

August 26, 2013
Date

QUALIFICATIONS

Matthew C. Deal, CRE

Educational Background

- 1984 – Graduated the Kinkaid School in Houston, Texas
- 1988 – Bachelor of Arts Degree, University of Texas at Austin

Professional Employment Experience

- 1989-2008 – Lewis Realty Advisors, co-managing appraiser and consultant
- 2009 – Deal Sikes & Associates, partner

Specialized Professional Competency

- Valuation and counseling for public and private sector clients for virtually every property type.
- Qualified as testifying expert in civil, county, district and federal courts.
- Testified in numerous forums – state legislature, depositions, jury and bench trials, mediations, arbitrations and special commissioner's hearings.

Representative Assignments and Achievements

- Counseled and testified regarding public improvement projects along Interstate Highways 10 and 45, United States Highway 59, State Highways 6 and 249, the Hardy Toll Road, the Grand Parkway, and many other roadways in Houston and other portions of the United States.
- Served as the acquisition counselor and expert valuation witness for the acquisition of Minute Maid Park and Toyota Center by the Harris County-Houston Sports Authority.
- Leads the acquisition counseling and appraisal review team for the Metropolitan Transit Authority of Harris County, Texas for its expansion of light rail throughout Greater Houston.
- Lead the Uptown Development Authority's negotiating team in the acquisition of private property for the widening of San Felipe Road, Sage Road, South Rice Road, and Uptown Park Boulevard.

QUALIFICATIONS

Publications/Presentations

“Decisions, Decisions: Determining the Size of the Subject Property,” CLE International Eminent Domain Conference, Houston, Texas

“Utilizing the Appraiser as Acquisition Counselor,” CLE International Eminent Domain Conference, Houston, Texas

“Potential Impacts of Leaking Underground Storage Tanks on Real Property Value,” Mealey’s Underground Storage Litigation Conference, Amelia Island, Florida

“Eminent Domain – The Government’s Most Awesome Power over Private Property,” San Francisco, California

“Case Studies in Condemnation Litigation,” International Right-of-Way Association, College Station, Texas

Authored and co-authored several articles and speeches related to real property value, acquisition and disposition, and published by the Appraisal Institute, Houston Business Journal and Houston Chronicle

Professional Affiliations

- State Certified General Real Estate Appraiser – License No. TX-1324906-G
- Counselors of Real Estate – CRE designation
- Appraisal Institute – Associate Member
- International Right-of-Way Association

Special Assignments, Awards, and Civic Activities

- Board of Directors – YMCA of Greater Houston, 2013
- Speaker Committee Chairman – Appraisal Institute, 2012
- Chairman – Houston/Gulf Coast Chapter, Counselors of Real Estate, 2011
- Committee Member – Business Issues Subcommittee, Counselors of Real Estate, 2011
- Committee Member – Dispute Resolution Committee, Counselors of Real Estate, 2010-2011
- Speaker Committee Co-Chairman – Appraisal Institute, 2011
- Advisory Board – Houston Achievement Place, 2010
- Business Development Board – Bank of Houston, 2009-2010
- Board of Directors – Houston Achievement Place, 2005-2009
- Board of Directors – Houston Chapter of the Appraisal Institute, 2006-2008
- Key Person Award – Appraisal Institute, 2008
- Board of Directors – Houston Chapter of the Appraisal Institute, 2003-2005
- Public Relations Committee Chairman – Appraisal Institute, 2004
- Region VIII Representative, New Orleans, LA – Appraisal Institute, 2003
- Leadership Development and Advisory Council, Washington, D.C. – Appraisal Institute, 2002
- Board of Directors Award – Appraisal Institute, 2001
- Key Man Award – Appraisal Institute, 2000

QUALIFICATIONS

Peter L. Crew

Educational Background

- 2008 – Graduated from Seven Lakes High School in Katy, Texas
- 2012 – B.B.A. in Finance, Texas A&M University, College Station, Texas

Professional Real Estate Employment Experience

- 2012 – Deal Sikes & Associates, associate appraiser and consultant

Specialized Professional Competency

- Executed deed research and conducted market research and analysis in the Houston Metropolitan Area.
- Performed market research of land and improved transactions and leases.
- Researched rational and quantification for discounting undivided interests held in a real property.
- Assisted in locating contiguous properties of approximately equal utility for a land exchange.
- Consulted a major governmental entity regarding competitive pricing for a transportation corridor.
- Researched legal and physical characteristics for numerous properties for estate planning.
- Reported on alleged damages resulting from a pipeline easement condemnation.
- Applied the appraisal process in multiple properties involved in condemnation proceedings.

Professional Affiliations

- State Licensed Real Estate Appraiser Trainee – License No. TX-1340512-T
- Appraisal Institute – Associate Member

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& a s s o c i a t e s

REAL ESTATE VALUATION & COUNSELING

MATTHEW C. DEAL, CRE
MARK O. SIKES

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EXECUTIVE SUMMARY

Property Type:	3.405 acres of land improved with a public works yard
Location:	SW/C of Humble Drive and State Highway 146
Legal Description:	3.405 acres our of the Riston Morris Survey, Abstract 52, Harris County, Texas
Effective Date of Appraisal:	August 26, 2013
Date of Report:	August 26, 2013
Report Type:	Summary Appraisal Report
Prepared For:	City of Seabrook
Value Estimate:	Market Value
Interest Appraised:	Fee Simple
Intended Use of the Appraisal:	Consideration of Market Value
Intended Users of the Report:	City of Seabrook and their representatives
Valuation Methodology:	Sales Comparison Approach
Zoning:	Commercial
Highest and Best Use:	Commercial
Estimate of Market Value	\$405,000

APPRAISAL REPORT

SCOPE OF WORK: We employed the appraisal process to estimate the market value of the property as follows:

- Research and analyze the region in which the property is located;
- Research and analyze the market area in which the property is located;
- Inspect the property and market area;
- Research and analyze the physical, legal and economic characteristics of the property;
- Research and analyze the credible and reliable approaches to utilize in estimating the market value of the property;
- Employ the sales comparison approach to develop an opinion of the market value of the property;
- Report our findings and conclusions.

We interviewed owners in the market area, buyers, sellers, and their representatives. Additionally, we reviewed and analyzed documents publicly available, including but not limited to the property photographs, tax records, demographic data and other information. Further, we physically inspected the property and the market area in which it is located.

The property appraised consists of a total of 3.405 acres of land improved with a public works yard. We did not utilize the cost approach or the income capitalization approach as they are not reliable methodologies for this property type in this market area.

DEFINITION OF MARKET VALUE: Market Value as used herein is defined as:

The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress.¹

DEFINITION OF FEE SIMPLE INTEREST: Fee Simple Interest as used herein is defined as:

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by governmental powers of taxation, eminent domain, police power and escheat.²

COMPETENCY PROVISION: We have significant experience developing opinions of market value of properties similar to the subject property and providing owners, buyers and sellers counsel regarding valuation of similar properties. As such, we completed this assignment with competence.

¹ Dictionary of Real Estate Appraisal, Fifth Edition (Appraisal Institute: Chicago, 2010)

² Dictionary of Real Estate Appraisal, Fifth Edition (Appraisal Institute: Chicago, 2010)

APPRAISAL REPORT

JURISDICTIONAL EXCEPTION: This appraisal assignment is subject to the Uniform Standards of Professional Appraisal Practice's (USPAP) **Jurisdictional Exception Rule** and if any part of the report is contrary to the public legal restrictions that govern this property and assignment, only the specific portion of the standard shall be void and not applicable to this assignment. If any part of the Uniform Standards of Professional Appraisal Practice is contrary to the public legal restrictions that govern this property and assignment, only the specific portion of the standard shall be void and not applicable to this assignment.

PROPERTY HISTORY: *The City of Seabrook* is the current owner of the property. The property has not been involved in an arms-length transaction in the five years prior to the date of this report and is not currently listed for sale.

REGIONAL ANALYSIS: The property is located in the greater Houston area, and is part of the Houston Primary Metropolitan Statistical Areas (PMSA). At approximately 6,000 square miles, the Houston PMSA is the largest in Texas and includes Chambers, Fort Bend, Harris, Liberty, Montgomery and Waller counties. With over 5.6 million in population, it is the 6th largest in the nation and fourth fastest growing area of the top 20 PMSAs in the country. Houston is the most populous city in the state, and fourth in the nation. The Houston PMSA is part of a large 10 county Metropolitan Statistical Area (MSA) that includes Austin, Brazoria, Galveston, and Washington counties. The area has consistently ranked in the top 5 MSA's in employment and employment growth due to the diverse economy which serves as a financial, trade, manufacturing and petrochemical center.

MARKET AREA ANALYSIS: The subject is located within the City of Seabrook and is approximately 30 miles southeast of downtown Houston. The market area is bound by TX-225 to the north, Galveston Bay to the east, Dickinson to the south, and Highway 3 to the west. The property is located just west of State Highway 146, which will become a part of the Grand Parkway within the next few years.

Major north/south thoroughfares that traverse the market area are Highway 146, Highway 3, Red Bluff Road, and Space Center Boulevard. Major east/west thoroughfares that traverse the market area are Clear Lake City Boulevard, Bay Area Boulevard, Nasa Road 1, and FM 646. State Highway 146 at the property line will soon be expanded to become the Grand Parkway connecting Seabrook to the Gulf Freeway. This public improvement project is scheduled to begin construction in 2015. Once completed, the Grand Parkway will be the third and outer most loop servicing the Houston PMSA, circling 184-miles around Greater Houston.

The widening of SH-146 and its conversion to the Grand Parkway will have a significant, positive effect on properties west of the existing highway. Along the west side of SH-146 are an existing Union Pacific Railroad right of way, pipeline corridor, and power line corridor. These encumbrances have severely limited the development potential of properties west of SH-146. Conversely, the east side of SH-146 does not have any such encumbrances and these properties are densely developed with a wide variety of impulse retail uses. These uses will be largely wiped out by the widening of the highway for its conversion to the Grand Parkway. The widening will also include the acquisition of the UP Railroad right-of-way along the east side of

APPRAISAL REPORT

the subject giving the subject property frontage along the new frontage road. This design will bring the highway closer to those properties west of SH-146.

Once complete the Grand Parkway will greatly improve the development potential of properties west of SH 146. Not only will the highway be in closer proximity to these properties, but also existing users along the east side of the highway will desire to be relocated within the thriving Seabrook market area. We anticipate much of this relocation will occur west of SH-146.

The subject's demographics within a 1, 3 and 5 mile radius demonstrate similar population growth than the City of Houston and Harris County as a whole. However, income levels in the market area are significantly higher than those of the City of Houston and Harris County. The market area benefits from its proximity to the City of Houston, the Port of Houston including Barbours Cut, Galveston Island, and access to the Grand Parkway. As of the date of the appraisal, the region and market area are undergoing a period of significant growth, which we project will continue in the foreseeable future.

SITE ANALYSIS: The site is a 3.405 acre (148,308 SF) tract that is generally rectangular, with frontage along the west side of an existing UP railroad right-of-way that within several years will be the Grand Parkway frontage road. The property is within the 500-year flood plain and utilities are readily available via the City of Seabrook. The eastern 1.716 acres of the property is currently encumbered by numerous pipeline easements. The property is zoned for commercial development. We know of no environmental issues that could potentially limit the use of the property and we have assumed that the property is environmentally clean. The property is surrounded by destination oriented commercial to the east, residential development to the west, and commercial development to the north and south.

IMPROVEMENT ANALYSIS: Currently the subject property includes improvements utilized by the City of Seabrook as a public works yard. These improvements do not contribute economically to the site.

REAL PROPERTY TAX ANALYSIS: The property's Harris County Appraisal District account number is 063-145-000-0030 and the property is subject to the taxing jurisdiction of Clear Creek ISD, Harris County, Harris County Flood Control, Port of Houston Authority, Harris County Hospital District, Harris County Education Department, and the City of Seabrook. The 2013 tax rate is 2.661829%.

APPRAISAL REPORT

HIGHEST AND BEST USE ANALYSIS: Highest and best use is defined as “the reasonably probable and legal use of vacant land or an improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value.”³ Estimating the appropriate highest and best use of the property is critical in developing a credible opinion of market value. The opinion of highest and best use provides the basis for the market data that will be compared to the property in forming the estimate of market value. Following is our estimate of the highest and best use:

As Vacant

Legally Permissible: The property is located within the City of Seabrook and is zoned C-2, for medium commercial development. The subject property is significantly encumbered by numerous pipeline easements on the eastern 1.716 acres of the property. We consider that paving and landscaping over these easements would be permissible, but vertical improvements would not be allowable.

Physically Possible: The property is a 3.405 acre tract that is located within the 500-year flood plain. The property is sufficiently large enough to support a retail commercial development. As previously stated the eastern 1.716 acres of the subject property is encumbered by numerous pipeline easements rendering the 1.689 acre western portion usable for building improvements. Based on reviewing easement documents we estimate that portion of the property could be developed into a parking field with associated site improvements.

Financially Feasible: Currently the subject property is located just west of State Highway 146 along a Union Pacific right-of-way, but only gains access to SH-146 via Humble Drive. As SH 146 is expanded in the next several years access to the subject property will greatly improve. The Grand Parkway will be a catalyst for growing demand in the market area for properties west of the existing SH-146.

Maximally Productive: The subject property’s characteristics and location along the future Grand Parkway greatly enhances its desirability. However, the expansion of Highway 146 in the Seabrook area will commence in approximately 18 months and currently the subject property has limited access to the existing highway. After consideration of the legally permissible, physically possible, financially feasible, and maximally productive uses, we estimate that the highest and best use of the site is to hold for future commercial development in conjunction with the property’s new location along the Grand Parkway.

MARKET VALUE ESTIMATE: We employed the sales comparison approach to estimate the market value of the whole property. The following is a summary of our analysis.

The sales comparison approach is based on the principle of substitution that is when several similar or commensurate commodities, goods, or services are available the one with the lowest price attracts the greatest demand and widest distribution. Through application of this approach

³ The Appraisal of Real Estate, Thirteenth Edition (Appraisal Institute: Chicago, 2008)

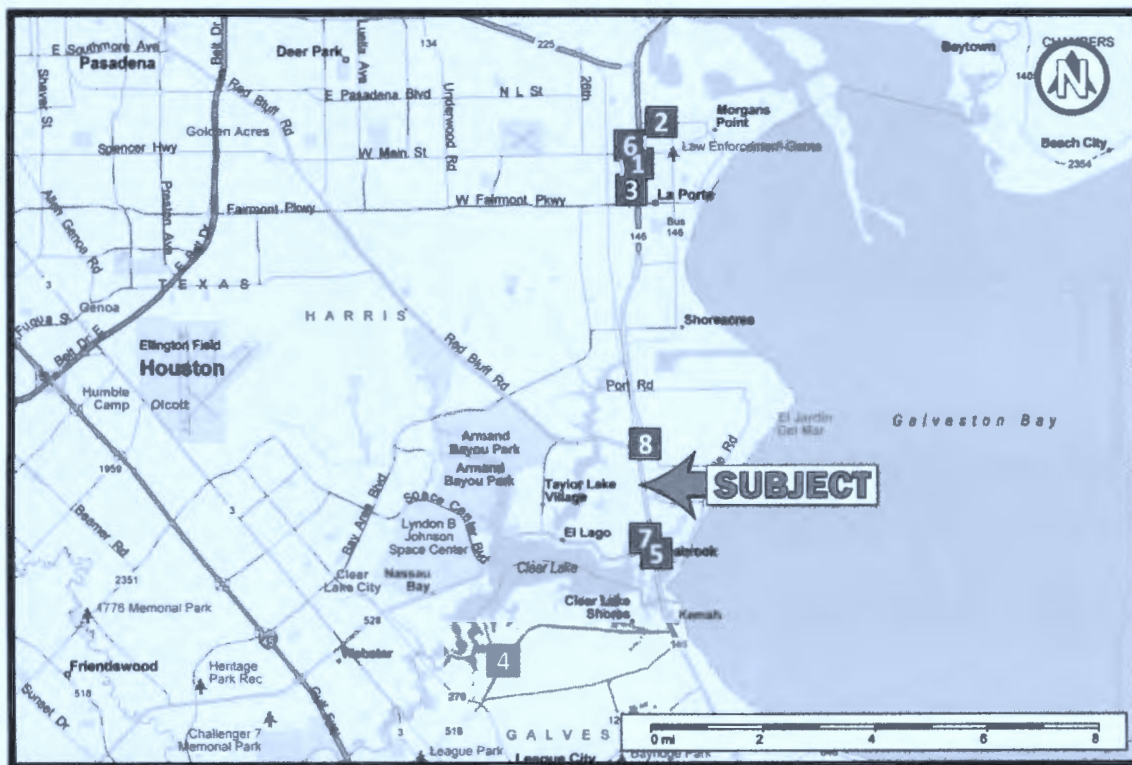
APPRAISAL REPORT

the subject property is compared to similar, comparable and competitive properties that have sold in the market.

The unit of comparison for improved transactions similar to the subject in the market area is price per square foot. We analyzed five transactions, one contract, and two listing that we consider competitive to the subject. The sales occurred between April 2011 and April 2013, the two listings are current, and the contract is expected to close in mid-September. The unit prices range from \$3.50 to \$11.09 per square foot. The comparables in the following chart are those considered similar to the subject property.

Land Sales Comparables - Highway 146				
No	Date	Location	Size (Ac.)	PSF
1	Contract	W/S of Hwy 146, N of B Street	2.500	\$6.50
2	04/23/13	S/S of Barbours Cut Road, E of N 4th Street	1.234	\$4.65
3	04/08/13	W/S of Hwy 146, S of B Street	1.148	\$4.40
4	07/25/12	N/C of Marina Bay Drive and Constellation Blvd	2.401	\$7.00
5	05/09/12	E/S of Hwy 146, S of 3rd Street	2.589	\$11.09
6	04/25/11	S/S of W. Main Street, W of Hwy 146	1.315	\$5.24
7	Listing	Wraps NW/C of Nasa Road 1 and Hwy 146	14.872	\$3.50
8	Listing	E/S of Hwy 146, N of Red Bluff Road	16.900	\$5.00

Land Sales Map



APPRAISAL REPORT

The unit of comparison for the land transactions in the market area is price per square foot of land area. Those factors considered most pertinent to the valuation include property rights conveyed, financing, condition of sale, market conditions (time), location, and physical characteristics. Each sale was compared to the property and adjusted based on these factors. The following is a table that shows our adjustments:

Adjustment Grid								
No	1	2	3	4	5	6	7	8
Date	Contract	04/23/13	04/08/13	07/25/12	05/09/12	04/25/11	Listing	Listing
Size	2.500	1.234	1.148	2.401	2.589	1.315	14.872	16.900
Price/SF	\$6.50	\$4.65	\$4.40	\$7.00	\$11.09	\$5.24	\$3.50	\$5.00
Property Rights	C	C	C	C	C	C	C	C
Financing	C	C	C	C	C	C	C	C
Conditions of Sale	C	C	C	C	C	C	S	S
Market Conditions	C	C	C	C	C	I	C	C
Location	S	I	I	S	S	C	C	C
Physical Charac.	S	S	C	S	S	S	I	I
Overall	S	C	I	S	S	C	I	C

All of comparable involved similar property rights and financing. Therefore these properties do not require any adjustment for their elements of comparison.

Comparables 7 and 8 are current listings and require a downward adjustment for conditions of sale. The remaining sales and contract are comparable and require no adjustment for this element of comparison.

Comparables 1, 2, 3, 4, and 5 were sold in similar market conditions. Comparables 7 and 8 are listed in similar market conditions. Comparable 6 traded in 2011 in inferior market conditions and requires an upward adjustment for this element of comparison.

Comparable 1 is located along State Highway 146 where the highway has been expanded. This location is superior to the subject property. Comparables 4 and 5 are located in areas surrounded by more dense commercial developments than the subject and are considered superior to the subject property for this element of comparison. Comparables 6, 7, and 8 are in locations similar to the subject property and require no adjustment for this element of comparison. Comparable 2 is located off of Barbours Cut road and requires an upward adjustment for location. Comparable 3 is located along SH-146, but is located at the entrance to an on-ramp which results in a denial of access to the property. This location is considered inferior in location to the subject property.

Typically smaller properties trade a higher price per unit than larger properties. Comparables 1, 2, 4, 5, and 6 are all smaller than the subject property and require a downward adjustment for physical characteristics. Comparable 3 is smaller than the subject but is oddly shaped. We consider Comparable 3 similar to the subject property. Comparables 7 and 8 are significantly

APPRAISAL REPORT

larger than the subject property and require an upward adjustment for this element of comparison.

The following table ranks the comparables based on the overall comparison to the subject property:

Comparison Chart		
Comparable No.	Comparison	Price/Square Foot
5	Superior	\$11.09
4	Superior	\$7.00
1	Superior	\$6.50
6	Comparable	\$5.24
8	Comparable	\$5.00
Subject	-	-
2	Comparable	\$4.65
3	Inferior	\$4.40
7	Inferior	\$3.50

As previously stated the eastern 1.716 acres of the property are heavily encumbered by pipeline easements, we estimate that this portion of the subject property is worth 10% of the per square foot value of the unencumbered property. Based on the above described transactions we estimate the market value of the property as of August 26, 2013 to be as follows:

Unencumbered Property Size in SF (1.689 ac)	73,560
Market Value Estimate per Square Foot	x <u>\$5.00</u>
Unencumbered Property Market Value Estimate	\$367,799
Encumbered Property Size in SF (1.716 ac)	74,749
Market Value Estimate per Square Foot	x <u>\$0.50</u>
Encumbered Market Value Estimate	\$37,374
Unencumbered Property Market Value Estimate	\$367,799
Encumbered Market Value Estimate	+ <u>\$37,374</u>
Whole Property Market Value Estimate	\$405,173
Rounded Market Value Estimate	\$405,000

\$405,000

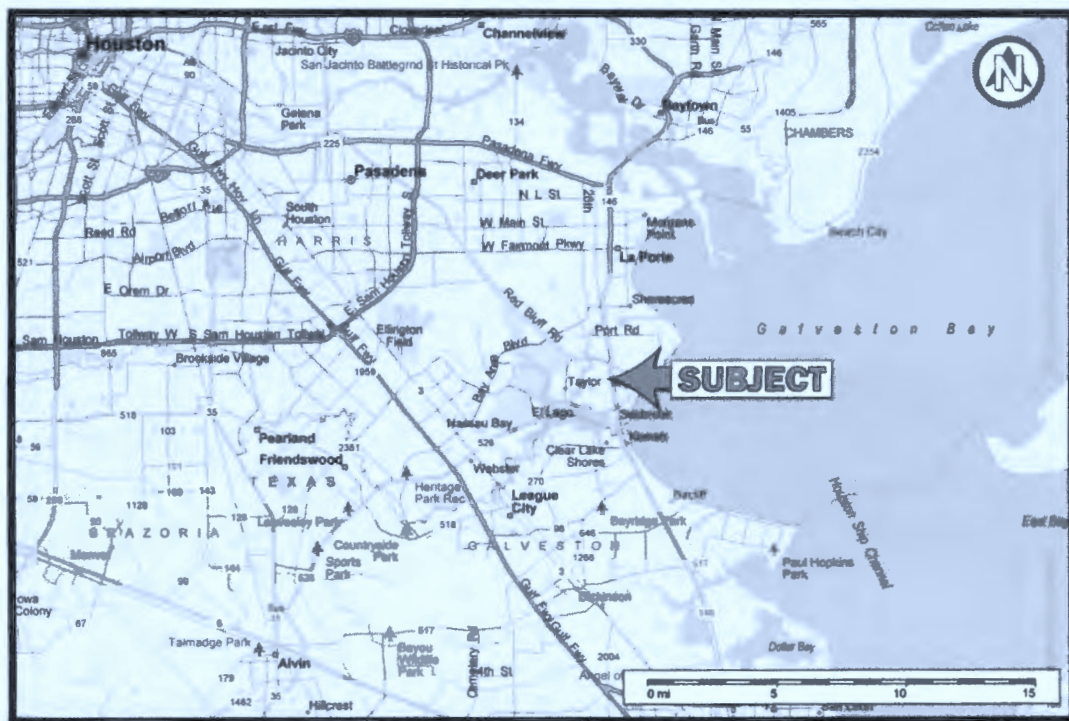
FOUR HUNDRED FIVE THOUSAND DOLLARS

MAPS AND PHOTOGRAPHS

Regional Map



Market Area Map



MAPS AND PHOTOGRAPHS

Aerial Photograph



Oblique Aerial (Facing North)

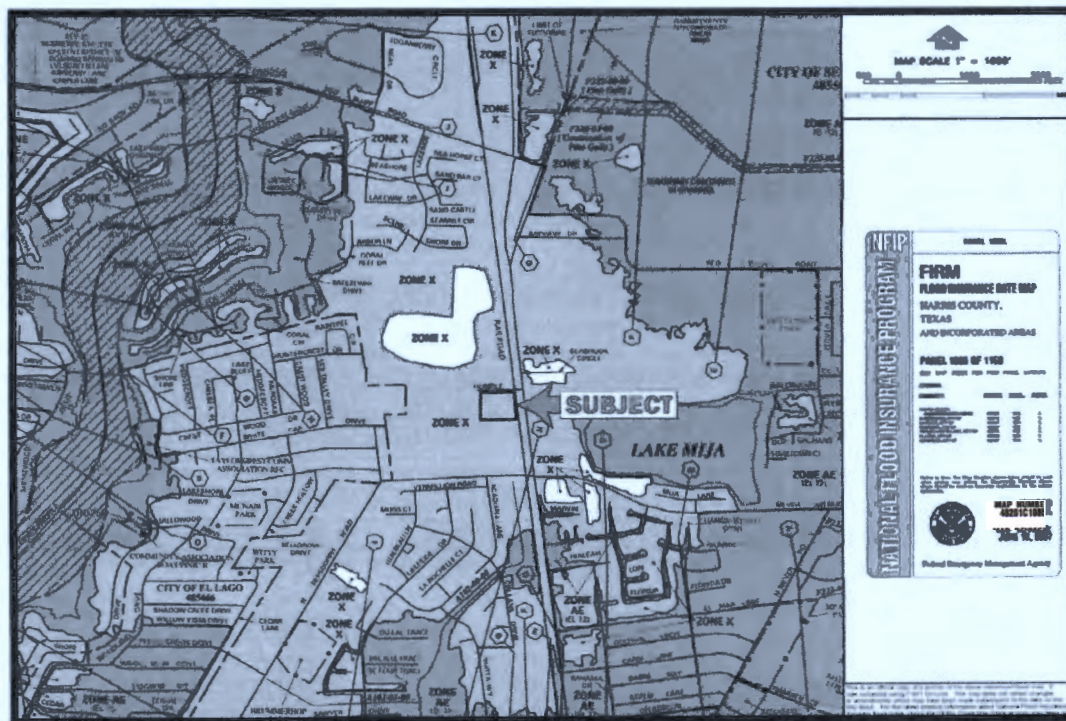


MAPS AND PHOTOGRAPHS

Tax Map



Flood Plain Map



MAPS AND PHOTOGRAPHS

Property Photographs



MAPS AND PHOTOGRAPHS

Property Photographs



LAND COMPARABLES

LAND COMPARABLE NO. 1

General Data

Property Type	:	Vacant Land
City, County, State	:	La Porte, Harris County, TX
Location	:	W/S of State Highway 146, S of Main Street, La Porte, Harris County, TX 77571
Legal Description	:	2.500 acres out of Block 47, La Porte Townsite, Harris County, TX

Recording Data

Date of Sale	:	Contract
Grantor	:	JSLF Marks Investments, Ltd.
Tax ID No.	:	023-182-047-0033

Property Data

Size (Ac.)	:	2.500
Size (SF)	:	108,900
Zoning	:	GC-General Commercial
Frontage	:	SH 146: 500 FF
Utilities	:	All Available
Flood Plain	:	Within the 500-year flood plain

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's Length
Sales Price	:	\$707,850
Price/SF	:	\$6.50
Proposed Use	:	Commercial
Comments	:	The property is 2.5 acres under contract with an option pending for an additional 1.5 acres.

LAND COMPARABLES**LAND COMPARABLE NO. 2****General Data**

Property Type	:	Vacant Land
City, County, State	:	La Porte, Harris County, TX
Location	:	S/S of Barbours Cut Boulevard, E of N. 4th Street, La Porte, Harris County, TX 77571
Legal Description	:	1.234 acres being Tracts 1 & 2, Lots 10-12, part of Lot 13, 17-22 & 25-32, Block 330, Town of LaPorte Subdivision, Harris County, TX

Recording Data

Date of Sale	:	April 23, 2013
Grantor	:	Narsi, Inc.
Grantee	:	RWC Express LLC
Tax ID No.	:	024-039-030-0019; -0017; 0023; 0028
Recording No.	:	2013.0197577

Property Data

Size (Ac.)	:	1.234
Size (SF)	:	53,750
Zoning	:	N/A
Frontage	:	Barbours Cut: 125 FF N. 4th Street: 80 FF
Utilities	:	All Available
Flood Plain	:	None known to affect property

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$250,000
Price/SF	:	\$4.65
Proposed Use	:	Commercial
Comments	:	Grantor was in process of purchasing the remainder tract out of bankruptcy, but deemed the land excess to their needs. Grantee purchased this tract from grantor with the intention of buying the rest out of bankruptcy.

LAND COMPARABLES

LAND COMPARABLE NO. 3

General Data

Property Type	:	Vacant Land
City, County, State	:	La Porte, Harris County, TX
Location	:	W/S of State Highway 146, S of B Street, La Porte, Harris County, TX 77571
Legal Description	:	1.148 acres being all of Lots 17 thru 32, inclusive, in Block 23 of LaPorte Townsite Subdivision, Harris County, TX

Recording Data

Date of Sale	:	April 08, 2013
Grantor	:	JSLF Marks Investments Ltd.
Grantee	:	PV Land & Locations LLC
Tax ID No.	:	023-164-023-0018
Recording No.	:	2013.0163959

Property Data

Size (Ac.)	:	1.148
Size (SF)	:	50,007
Zoning	:	GC-General Commercial
Frontage	:	: FF : FF : FF
Utilities	:	All Available
Flood Plain	:	100% within the 500-year flood plain

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$220,000
Price/SF	:	\$4.40
Proposed Use	:	Commercial
Comments	:	The property will be used as truck rental location.

LAND COMPARABLES

LAND COMPARABLE NO. 4

General Data

Property Type	:	Vacant Land
City, County, State	:	League City, Galveston County, TX
Location	:	N/C of Marina Bay Drive and Constellation Boulevard, League City, Galveston County, TX 77573
Legal Description	:	2.401 acres being Lot A, Marina West Subdivision, Section 5, Abstract 18, Galveston County, TX

Recording Data

Date of Sale	:	July 25, 2012
Grantor	:	South Shore Harbour Development
Grantee	:	Medpro Development LLC
Tax ID No.	:	R517895
Recording No.	:	2012.039699

Property Data

Size (Ac.)	:	2.401
Size (SF)	:	104,609
Zoning	:	N/A
Frontage	:	Marina Bay Drive: 200 FF Constellation Boulevard: 300 FF
Utilities	:	All Available
Flood Plain	:	None known to affect property

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$731,808
Price/SF	:	\$7.00
Proposed Use	:	Commercial

LAND COMPARABLES

LAND COMPARABLE NO. 5

General Data

Property Type : Vacant Land
City, County, State : Seabrook, Harris County, TX
Location : E/S of State Highway 146, S of 3rd Street, Seabrook, Harris County, TX 77586
Legal Description : 2.589 acres being Lots 1-10, Block 39, Lots 8-10 and a portion of Lots 1-4, 6 & 7, Block 38, Seabrook Addition, Ritson Morris League, Abstract 52 , Harris County, TX

Recording Data

Date of Sale : May 09, 2012
Grantor : Seabrook United Methodist Church
Grantee : Onion Group LLC
Tax ID No. : 133-895-001-0001
Recording No. : 2012.0214736

Property Data

Size (Ac.) : 2.589
Size (SF) : 112,757
Zoning : Commercial
Frontage : State Highway 146: 312 FF
3rd Street: 250 FF
Moskowitz Avenue: 250 FF
Utilities : All Available
Flood Plain : 100% within the 100-year flood plain

Sales Data

Interest Sold : Fee Simple
Financing : Cash to Seller
Conditions of Sale : Arm's-Length
Sales Price : \$1,250,000
Price/SF : \$11.09
Proposed Use : Commercial
Comments : The property is the former site of Seabrook United Methodist Church; however, the site was severely damaged by Hurricane Ike and was demolished shortly after.

LAND COMPARABLES**LAND COMPARABLE NO. 6****General Data**

Property Type	:	Vacant Land
City, County, State	:	La Porte, Harris County, TX
Location	:	S/S of W. Main Street, W of Hwy 146, La Porte, Harris County, TX 77571
Legal Description	:	1.315 acres being Lots 1 through 6 & 27 through 31, Tract 7, Block 48 and a portion of 47, Town of LaPorte Subdivision, Harris County, TX

Recording Data

Date of Sale	:	April 25, 2011
Grantor	:	JSLF Marks Investments, Ltd.
Grantee	:	EMROJC LLC
Tax ID No.	:	023-182-047-0034; 023-180-048-0001
Recording No.	:	2001.0166051

Property Data

Size (Ac.)	:	1.315
Size (SF)	:	57,266
Zoning	:	N/A
Frontage	:	W. Main Street: 250 FF
Utilities	:	All Available
Flood Plain	:	Partially within the 100-year and 500-year flood plain

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$300,000
Price/SF	:	\$5.24
Proposed Use	:	Investment
Comments	:	The property contains no sales conditions that would have affected the sales price. The property contains no environmental concerns. There is a used car sales building totaling 1,588 square feet that sits on the property which may be used for a redevelopment project. The buyer purchased the property for future development.

LAND COMPARABLES

LAND COMPARABLE NO. 7

General Data

Property Type	:	Vacant Land
City, County, State	:	Seabrook, Harris County, TX
Location	:	NW/C of Nasa Road 1 and State Highway 146, Seabrook, Harris County, TX 77586
Legal Description	:	14.872 acres being Tracts 2, 2A, 3 & 3C. Lots 1-17, Block 1, Lots 1-10, Block 2, Lots 1-10, Block 31 & Lots 1-32, Block 32, R. Morris Survey, Abstract 52, Harris County, TX

Recording Data

Date of Sale	:	Listing
Seller	:	Technical Automation, et al
Tax ID No.	:	041-008-009-0300; -0015; 032-133-001-0001; 032-140-031-0001

Property Data

Size (Ac.)	:	14.872
Size (SF)	:	647,824
Zoning	:	Commercial
Frontage	:	Access to SH 146 and Nasa Road 1
Utilities	:	Utilities can be extended to the site
Flood Plain	:	100% within the 100-year flood plain

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$2,267,385
Price/SF	:	\$3.50
Proposed Use	:	Commercial
Comments	:	This site consists of multiple parcels.

LAND COMPARABLES

LAND COMPARABLE NO. 8

General Data

Property Type	:	Vacant Land
City, County, State	:	Seabrook, Harris County, TX
Location	:	E/S of Highway 146, N of Red Bluff Road, Seabrook, Harris County, TX 77586
Legal Description	:	16.900 acres out of the Houston Suburban Heights Subdivision, Whitney Britton Survey, Harris County, TX

Recording Data

Date of Sale	:	Listing
Seller	:	The Estate of John B. Carter, Jr.
Tax ID No.	:	041-008-003-0007

Property Data

Size (Ac.)	:	16.900
Size (SF)	:	736,164
Zoning	:	Commercial
Frontage	:	Highway 146: 1,053 FF Old Highway 146: 726 FF
Utilities	:	All Available
Flood Plain	:	Partially within the 100-year and 500-year flood plain

Sales Data

Interest Sold	:	Fee Simple
Financing	:	Cash to Seller
Conditions of Sale	:	Arm's-Length
Sales Price	:	\$3,680,820
Price/SF	:	\$5.00
Proposed Use	:	Commercial

ASSUMPTIONS & LIMITING CONDITIONS

1. This report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, in the appraisal of realty and realty rights except to the extent that the appraisal required invocation of USPAP's Jurisdictional Exception Rule.
2. The appraiser assumes no responsibility for matters legal in character, nor does he render any opinion as to the title, which is assumed to be good. Unless otherwise specified in the report, the property is analyzed as though free and clear and under responsible ownership and competent management.
3. Information furnished by others is assumed to be true, correct and reliable. A reasonable effort has been made to verify such information; however, the appraiser assumes no responsibility for its accuracy. The value conclusions are subject to the correctness of said data.
4. The appraiser assumes that all applicable use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report. The appraiser assumes that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
5. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has made no engineering survey. Except as specifically stated, data relative to size and areas were taken from sources considered reliable. The utilization of the land and improvements, if applicable, is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

ASSUMPTIONS & LIMITING CONDITIONS

7. The distribution of the total valuation in this report between land, improvements and estimated damages applies only under the reported highest and best use of the property. Such, if applicable, allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
8. The appraisal is for purposes of valuation only and is not to be taken, used or represented as an endorsement or guarantee of the physical, structural or equipment conditions which exist in the property. It is assumed that there are no hidden defects that would not be apparent from visual inspection and, if applicable, that all equipment is operable unless otherwise indicated by the owner or owner's representative.
9. All maps, plats, and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. Unless so noted, they should not be considered as surveys or relied upon for any other purpose
10. Consideration has not been given in this appraisal to personal property located on the premises, or to the cost of moving or relocating such personal property unless otherwise stated.
11. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relation, news, sales or other media without the written consent and approval of Mathew C. Deal or Mark O. Sikes. The appraiser acknowledges that a copy of the report will be provided to the client, or their representative. No opinion is expressed as to the value of subsurface oil, gas, or mineral rights and that the property is not subject to surface entry for the exploration or removal of such materials except as is expressly stated.
12. It is assumed that drainage, the surface condition of the land and easements, access, and will not be detrimental to the value of the property, unless otherwise stated and addressed in the report.

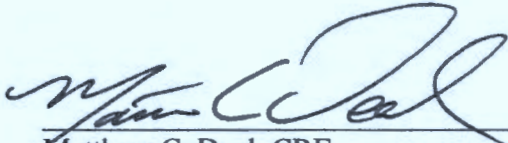
CERTIFICATION

In accordance with the Uniform Standards of Professional Appraisal Practice, we certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*, the Code of Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
8. Matthew C. Deal made a personal inspection of the property that is the subject of this report.
9. No one provided significant real property appraisal assistance to the persons signing this certification.
10. As of the date of this report, I (Matthew C. Deal) have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.

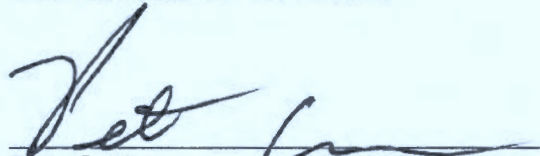
CERTIFICATION

11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.


Matthew C. Deal, CRE
State Certified TX-1324906-G

August 26, 2013

Date


Peter L. Crew
State Licensed TX-1340512-T

August 26, 2013

Date

QUALIFICATIONS

Matthew C. Deal, CRE

Educational Background

- 1984 – Graduated the Kinkaid School in Houston, Texas
- 1988 – Bachelor of Arts Degree, University of Texas at Austin

Professional Employment Experience

- 1989-2008 – Lewis Realty Advisors, co-managing appraiser and consultant
- 2009 – Deal Sikes & Associates, partner

Specialized Professional Competency

- Valuation and counseling for public and private sector clients for virtually every property type.
- Qualified as testifying expert in civil, county, district and federal courts.
- Testified in numerous forums – state legislature, depositions, jury and bench trials, mediations, arbitrations and special commissioner's hearings.

Representative Assignments and Achievements

- Counseled and testified regarding public improvement projects along Interstate Highways 10 and 45, United States Highway 59, State Highways 6 and 249, the Hardy Toll Road, the Grand Parkway, and many other roadways in Houston and other portions of the United States.
- Served as the acquisition counselor and expert valuation witness for the acquisition of Minute Maid Park and Toyota Center by the Harris County-Houston Sports Authority.
- Leads the acquisition counseling and appraisal review team for the Metropolitan Transit Authority of Harris County, Texas for its expansion of light rail throughout Greater Houston.
- Lead the Uptown Development Authority's negotiating team in the acquisition of private property for the widening of San Felipe Road, Sage Road, South Rice Road, and Uptown Park Boulevard.

QUALIFICATIONS

Publications/Presentations

“Decisions, Decisions: Determining the Size of the Subject Property,” CLE International Eminent Domain Conference, Houston, Texas

“Utilizing the Appraiser as Acquisition Counselor,” CLE International Eminent Domain Conference, Houston, Texas

“Potential Impacts of Leaking Underground Storage Tanks on Real Property Value,” Mealey’s Underground Storage Litigation Conference, Amelia Island, Florida

“Eminent Domain – The Government’s Most Awesome Power over Private Property,” San Francisco, California

“Case Studies in Condemnation Litigation,” International Right-of-Way Association, College Station, Texas

Authored and co-authored several articles and speeches related to real property value, acquisition and disposition, and published by the Appraisal Institute, Houston Business Journal and Houston Chronicle

Professional Affiliations

- State Certified General Real Estate Appraiser – License No. TX-1324906-G
- Counselors of Real Estate – CRE designation
- Appraisal Institute – Associate Member
- International Right-of-Way Association

Special Assignments, Awards, and Civic Activities

- Board of Directors – YMCA of Greater Houston, 2013
- Speaker Committee Chairman – Appraisal Institute, 2012
- Chairman – Houston/Gulf Coast Chapter, Counselors of Real Estate, 2011
- Committee Member – Business Issues Subcommittee, Counselors of Real Estate, 2011
- Committee Member – Dispute Resolution Committee, Counselors of Real Estate, 2010-2011
- Speaker Committee Co-Chairman – Appraisal Institute, 2011
- Advisory Board – Houston Achievement Place, 2010
- Business Development Board – Bank of Houston, 2009-2010
- Board of Directors – Houston Achievement Place, 2005-2009
- Board of Directors – Houston Chapter of the Appraisal Institute, 2006-2008
- Key Person Award – Appraisal Institute, 2008
- Board of Directors – Houston Chapter of the Appraisal Institute, 2003-2005
- Public Relations Committee Chairman – Appraisal Institute, 2004
- Region VIII Representative, New Orleans, LA – Appraisal Institute, 2003
- Leadership Development and Advisory Council, Washington, D.C. – Appraisal Institute, 2002
- Board of Directors Award – Appraisal Institute, 2001
- Key Man Award – Appraisal Institute, 2000

QUALIFICATIONS

Peter L. Crew

Educational Background

- 2008 – Graduated from Seven Lakes High School in Katy, Texas
- 2012 – B.B.A. in Finance, Texas A&M University, College Station, Texas

Professional Real Estate Employment Experience

- 2012 – Deal Sikes & Associates, associate appraiser and consultant

Specialized Professional Competency

- Executed deed research and conducted market research and analysis in the Houston Metropolitan Area.
- Performed market research of land and improved transactions and leases.
- Researched rational and quantification for discounting undivided interests held in a real property.
- Assisted in locating contiguous properties of approximately equal utility for a land exchange.
- Consulted a major governmental entity regarding competitive pricing for a transportation corridor.
- Researched legal and physical characteristics for numerous properties for estate planning.
- Reported on alleged damages resulting from a pipeline easement condemnation.
- Applied the appraisal process in multiple properties involved in condemnation proceedings.

Professional Affiliations

- State Licensed Real Estate Appraiser Trainee – License No. TX-1340512-T
- Appraisal Institute – Associate Member



***CITY
OF
SEABROOK***

**AGENDA
BRIEFING**

Date of Meeting: TUESDAY, JUNE 2, 2015

Submitter/Requestor: Sanchez

Date Submitted: 5/22/2015 9:07:00 AM

Presenter: Sanchez

Description/Subject:

Consider and approve to authorize the City Manager to execute an Agreement with Denton, Navarro, Rocha, Bernal, Hyde & Zech, P.C. for Special Counsel Legal Services relating to Police Civil Service and Other Labor and Employment Related Matters.

Purpose/Need: Administration Issue

Background/Issue(What prompted this need):

Impacted Parties(Expected/Notified):

Miscellaneous Comments:

Attachments:

(Please list description of attachments and number of pages in each attachment)

Fiscal Impact:	Budgeted	Yes	Finance	Officer
	Budget Amendment Required	Yes	Review:	
	Future/Ongoing Impact	Yes		
	Budget Dept/Line Item Number			

Funding Comments:

Where on the agenda should this item be placed?

Consent Agenda

Suggested Motion:

Agenda Language:

Approve an agreement with Denton, Navarro, Rocha, Bernal, Hyde & Zech, P.C. for special counsel legal services relating to Police Civil Service and Other Labor and Employment Related Matters and authorize the city manager to execute same. (Cook)

City Manager Review:

(All items are to be reviewed and approved by the city manager, except items submitted by the mayor or any council member or routine consent agenda items such as minutes and second & third readings of ordinances)

(City Attorney should review all ordinances, resolutions, contracts and executive session items.)



Dahill
8200 IH 10 West, Suite 400
San Antonio, TX 78230

Cost Per Copy Agreement – Fixed Purchase Option



Xerox Financial Services LLC
45 Glover Avenue
Norwalk, CT 06856

Lease Agreement #		Dealer Name: Dahill			
LESSEE INFORMATION					
Full Legal Name City of Seabrook		DBA City of Seabrook			
Billing Address 1701 1st. Street		City Seabrook	State Texas	ZIP Code 77586	
Phone 281-291-5600	Contact Name George Szakacs	Contact Email		Lessee POW (Optional)	
EQUIPMENT					
Quantity	Model and Description	Quantity	Model and Description		
1	XEROX XC70				
1	Business Ready Booklet Maker Finisher with 2/3 hole punch				
1	EFI Integrated Controller				
Equipment Location (if different from Billing Address)					
TERM AND PAYMENT		IMAGE TYPE	IMAGES INCLUDED	EXCESS CHARGE	PRINTS INCLUDED
Initial Lease Term (in months):		B&W	12000	0.0065	
		Color	4000	0.045	
Monthly Lease Payment: \$ 707.76 plus applicable charges & taxes		Everyday Color			N/A
		Color Level 2			N/A
		Color Level 3			N/A
LESSEE ACCEPTANCE					
BY YOUR SIGNATURE BELOW, YOU ACKNOWLEDGE THAT YOU ARE ENTERING INTO A NON-CANCELLABLE LEASE AND THAT YOU HAVE READ AND AGREED TO ALL APPLICABLE TERMS AND CONDITIONS SET FORTH ON PAGES 1 AND 2 OF THIS LEASE.					
Authorized Signer X <i>Gayle Cook</i>		Date 5-20-15	Federal Tax ID # (Required) 74-1402289		
Print Name Gayle Cook		Title (Indicate President, Partner, Proprietor, etc.) City Manager			
LESSOR ACCEPTANCE					
Accepted By: Xerox Financial Services LLC		Name and Title		Date	
TERMS & CONDITIONS					

1. Definitions. The words "you" and "your" mean the legal entity identified in "Lessee Information" above, and "XFS," "we," "us," "Lessor" and "our" means Xerox Financial Services LLC. "Party" means you or XFS, and "Parties" means both you and XFS. "Dealer" means the entity identified in "Dealer Name" above. "Discount Rate" means a rate equal to the 1-year Treasury Constant Maturity rate as published in the Selected Interest Rates table of the Federal Reserve statistical release H.15(519) or successor publication for the week ending immediately prior to the Commencement Date. "Equipment" means the items identified in "Equipment" above and in any attached Equipment schedule, plus any Software (as defined in Section 5 hereof), attachments, accessories, replacements, replacement parts, substitutions, additions and repairs thereto. "Excess Charges" means the applicable excess copies and/or prints charges. "Original Term" means the term commencing on the Commencement Date and ending at the end of your budget year in effect on the Commencement Date. "Renewal Term" means any one-year term after the Original Term coinciding with your budget year. "Full Lease Term" means the Original Term and all Renewal Terms up to the total number of months indicated above. "Commencement Date" means (a) the date Dealer determines Equipment installed by Dealer is operating satisfactorily and is available for your use, or (b) the date Equipment identified by Dealer as being installable by you is delivered to your premises. "Lease" means this Cost Per Copy Agreement, including any attached Equipment schedule. "Lease Payment" means the Monthly Lease Payment specified above, which includes the fixed component of maintenance charges payable to Dealer under the Maintenance Agreement, the Excess Charges (unless otherwise agreed by you, Dealer and XFS), and other charges you, Dealer and XFS agree will be invoiced by XFS on a monthly basis, plus applicable Taxes. "Maintenance Agreement" means a separate agreement between you and Dealer for maintenance and support purposes. "UCC" means the Uniform Commercial Code as adopted in your State.

2. Lease, Payments and Late Payments. You agree and represent that all Equipment was selected, configured and negotiated by you based upon your own judgment and has been, or is being, supplied by Dealer. At your request, XFS has acquired, or will acquire, the same to lease to you under this Lease and you agree to lease the same from XFS. If requested, you will sign a separate Equipment Delivery and Acceptance Certificate. We may at our discretion confirm by telephone that you have the Equipment and that telephone verification of your acceptance of the Equipment shall have the same effect as a signed delivery and acceptance certificate. You agree to pay XFS the first Lease Payment 30 days after the Commencement Date; each subsequent Lease Payment, which may include charges you, Dealer and XFS agree will be invoiced by us, shall be payable on the same date of each month thereafter, whether or not XFS invoices you. Late fees shall be paid in accordance with the Texas Prompt Payment Act. Restrictive covenants on any method of payment will be ineffective.

3. Continuation of Lease Term. The Full Lease Term, as indicated above, commences on the Commencement Date and continues thereafter for an Original Term ending at the end of your budget year in effect on the Commencement Date and may be continued by you for an additional one-year Renewal Term coinciding with your budget year up to the total number of months indicated above as the Full Lease Term, provided, however, that at the end of the Original Term and at the end of each Renewal Term until the Full Lease Term has been

completed, you shall be deemed to have continued this Lease for the next Renewal Term unless you shall have terminated this Lease pursuant to Section 4.

The decision whether to budget or appropriate funds and to extend this Lease for any Renewal Term is solely within the discretion of your then-current governing body. The Full Lease Term does not exceed 25 years.

4. Non-appropriation. You are obligated only to pay such Lease Payments under this Lease as may lawfully be made from funds budgeted and appropriated for that purpose during your then current budget year. If you fail to appropriate or otherwise make available funds to pay the Lease Payments required to be paid in the next occurring Renewal Term, this Lease shall be terminated at the end of the then current Original Term or Renewal Term. You agree to deliver written notice to us of such termination at least 90 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice shall not extend the term of this Lease beyond the then current Original Term or Renewal Term. If this Lease is terminated in accordance with this Section, you agree, at your cost and expense, to peaceably deliver the Equipment to us at the location or locations specified by us.

5. Equipment and Software. To the extent that the Equipment includes intangible property or associated services such as software licenses, such intangible property shall be referred to as "Software." You acknowledge and agree that that XFS has no right, title or interest in the Software and you will comply throughout the Lease Term with any license and/or other agreement ("Software License") with the supplier of the Software ("Software Supplier"). You are responsible for entering into any required Software License with the Software Supplier no later than the Commencement Date. You agree the Equipment is for your lawful business use in the United States (including its possessions and territories), will not be used for personal, household or family purposes, and is not being acquired for resale. You will not attach the Equipment as a fixture to real estate or make any permanent alterations to it.

6. ABSOLUTE, UNCONDITIONAL OBLIGATION. SUBJECT TO SECTION 4 HEREOF, YOUR OBLIGATION TO MAKE ALL LEASE PAYMENTS, AND TO PAY ALL OTHER AMOUNTS DUE OR TO BECOME DUE, IS ABSOLUTE AND UNCONDITIONAL AND NOT SUBJECT TO DELAY, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM OR RECOUPMENT FOR ANY REASON WHATSOEVER, IRRESPECTIVE OF THE PERFORMANCE OF THE EQUIPMENT, DEALER, ANY THIRD PARTY OR XFS. Any pursued claim by you against XFS for alleged breach of our obligations hereunder shall be asserted solely in a separate action; provided, however, that your obligations under this Lease shall continue unabated.

7. Payment of Fixed Purchase Amount. At the end of the Initial Lease Term, provided that you are not in default hereunder and amounts due under this Lease have been paid in full, you have the option to purchase the Equipment for one-dollar (\$1.00). Upon the exercise of the purchase price option under this Section, Lessee shall be deemed to take the Equipment "AS IS, WHERE IS" and WITHOUT ANY WARRANTY AS TO CONDITION OR VALUE at the time of purchase.

8. Equipment Return. Any Equipment returned to XFS shall be in the same condition as when delivered to you, normal wear and tear excepted and, if not in such condition, you will be liable to the extent permitted by law for all expenses XFS incurs to return the Equipment to such "normal

wear and tear" condition. **IT IS SOLELY YOUR RESPONSIBILITY TO SECURE ANY SENSITIVE DATA AND PERMANENTLY DELETE SUCH DATA FROM THE INTERNAL MEDIA STORAGE PRIOR TO RETURNING THE EQUIPMENT TO XFS. YOU SHALL HOLD XFS HARMLESS FROM YOUR FAILURE TO SECURE AND PERMANENTLY DELETE ALL SUCH LESSEE DATA AS OUTLINED IN THIS SECTION.**

9. Equipment Delivery and Maintenance. Equipment will be delivered to you by Dealer at the location specified on the first page hereof or in an Equipment schedule, and you agree to execute a Delivery & Acceptance Certificate at XFS's request (and confirm same via telephone and/or electronically) confirming that you have received, inspected and accepted the Equipment, and that XFS is authorized to fund the Dealer for the Equipment. If you reject the Equipment, you assume all responsibility for any purchase order or other contract issued on your behalf directly with Dealer. Equipment may not be moved to another location without first obtaining XFS's written consent, which shall not be unreasonably withheld. You shall permit XFS to inspect Equipment and any maintenance records relating thereto during your normal business hours upon reasonable notice. You represent you have entered into a Maintenance Agreement with Dealer to maintain the Equipment in good working order in accordance with the manufacturer's maintenance guidelines, and to provide you with supplies for use with the Equipment. You understand and acknowledge that XFS is acting solely as an administrator for Dealer with respect to the billing and collecting of the charges under the Maintenance Agreement and Excess Charges included in the Lease Payments. **IN NO EVENT WILL XFS BE LIABLE TO YOU FOR ANY BREACH BY THE DEALER OF ANY OF ITS OBLIGATIONS TO YOU, NOR WILL ANY OF YOUR OBLIGATIONS UNDER THIS LEASE BE AFFECTED, MODIFIED, RELEASED OR EXCUSED BY ANY ALLEGED BREACH BY DEALER.**

10. Equipment Ownership, Labeling and UCC Filing. You have title to the Equipment, provided that title to the Equipment will immediately and without any action by you vest in us, and you shall immediately surrender possession of the Equipment to us, (a) upon any termination of this Lease other than termination pursuant to Section 3 or (b) if you are in default of this Lease. It is the intent of the parties hereto that any transfer of title to us pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. You shall, nevertheless, execute and deliver any such instruments as we may request to evidence such transfer. As security for your obligations hereunder, XFS retains a security interest in the Equipment and all proceeds thereof. You authorize XFS to file by any permissible means a UCC financing statement to show, and to do all other acts to protect, our interest in the Equipment and in the proceeds thereof. You agree to pay any filing fees and administrative costs for the filing of such financing statements. You agree to keep the Equipment free from any liens or encumbrances and to promptly notify XFS if there is any change in your organization such that a refinancing or amendment to XFS's UCC financing statement against the Equipment becomes necessary. You have the right to use the Equipment during the term of this Lease, except as otherwise expressly set forth in this Lease. The parties agree that the Equipment is and will remain personal property.

11. Assignment. YOU MAY NOT ASSIGN, SELL, PLEDGE, TRANSFER, SUBLEASE OR PART WITH POSSESSION OF THE EQUIPMENT, THIS LEASE OR ANY OF YOUR RIGHTS OR OBLIGATIONS UNDER THIS LEASE (COLLECTIVELY "ASSIGNMENT") WITHOUT XFS'S PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD, BUT SUBJECT TO THE SOLE EXERCISE OF XFS'S REASONABLE CREDIT DISCRETION AND EXECUTION OF ANY NECESSARY ASSIGNMENT DOCUMENTATION. If XFS agrees to an Assignment, you agree to pay the applicable assignment fee and reimburse XFS for any costs we incur in connection with that Assignment. XFS may sell, assign or transfer all but not part of the Equipment, this Lease and/or any of our rights (but none of our obligations) under this Lease. XFS's assignee will have the same rights that we have to the extent assigned (but none of our obligations) and YOU AGREE NOT TO ASSERT AGAINST SUCH ASSIGNEE ANY CLAIMS, DEFENSES, COUNTERCLAIMS, RECOUPMENTS, OR SET-OFFS THAT YOU MAY HAVE AGAINST XFS. XFS agrees and acknowledges that any Assignment by us will not materially change your obligations under this Lease. If this Lease is tax-exempt, you agree to maintain a written record of each assignment in form necessary to comply with Section 149(a) of the Internal Revenue Code of 1986, as amended. No such assignment shall be binding on you until you have received written notice from XFS of the name and address of the assignee.

12. Taxes. You will be responsible for, indemnify and hold XFS harmless from, all applicable taxes, fees or charges (including sales, use, personal property and transfer taxes, other than net income taxes), plus interest and penalties, assessed by any governmental entity on the Equipment, this Lease or the amounts payable under this Lease (collectively, "Taxes"), which will be included in XFS's invoice to you unless you timely provide continuing proof of your tax exempt status. If Equipment is delivered to a jurisdiction where certain taxes are calculated and paid at the time of lease initiation, you authorize XFS to finance and adjust your Lease Payment to include such Taxes over the Original Lease Term unless you require otherwise. Unless and until XFS notifies you in writing to the contrary, XFS will file all personal property tax returns covering the Equipment, pay the personal property taxes levied or assessed thereon, and collect from your account all personal property taxes on the Equipment.

13. Equipment Warranty Information and Disclaimers. XFS IS MERELY A FINANCIAL INTERMEDIARY, AND HAS NO INVOLVEMENT IN THE SALE, DESIGN, MANUFACTURE, CONFIGURATION, DELIVERY, INSTALLATION, USE OR MAINTENANCE OF THE EQUIPMENT. THEREFORE, WITH RESPECT TO EQUIPMENT, XFS DISCLAIMS, AND YOU WAIVE SOLELY AGAINST XFS, ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT AND FITNESS FOR PARTICULAR PURPOSE, AND XFS MAKES NO REPRESENTATIONS OF ANY KIND OR TYPE, INCLUDING, BUT NOT LIMITED TO, THE EQUIPMENT'S SUITABILITY, FUNCTIONALITY, DURABILITY, OR CONDITION. Since you have selected the Equipment and the Dealer, you acknowledge that you are aware of the name of the manufacturer of each item of Equipment and agree that you will contact each manufacturer and/or Dealer for a description of any warranty rights you may have under the Equipment supply contract, sales order, or otherwise. Provided you are not in default hereunder, XFS hereby assigns to you any warranty rights we may have against Dealer or manufacturer with respect to the Equipment. If the Equipment is returned to XFS, such rights are deemed reassigned by you to XFS. **IF THE EQUIPMENT IS NOT PROPERLY INSTALLED, DOES NOT OPERATE AS WARRANTED, BECOMES OBSOLETE, OR IS UNSATISFACTORY FOR ANY REASON WHATSOEVER, YOU SHALL MAKE ALL RELATED CLAIMS SOLELY AGAINST MANUFACTURER OR DEALER AND NOT AGAINST XFS, AND YOU SHALL NEVERTHELESS CONTINUE TO PAY ALL LEASE PAYMENTS AND OTHER SUMS PAYABLE UNDER THIS LEASE.**

14. Liability and Indemnification. XFS IS NOT RESPONSIBLE FOR ANY LOSSES, DAMAGES, EXPENSES OR INJURIES OF ANY KIND OR TYPE, INCLUDING, BUT NOT LIMITED TO, ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (COLLECTIVELY, "CLAIMS"), TO YOU OR ANY THIRD PARTY CAUSED BY THE EQUIPMENT OR ITS USE, EXCEPT THOSE CLAIMS ARISING DIRECTLY AND

PROXIMATELY FROM XFS'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. In addition, except for Claims arising directly and proximately from XFS's gross negligence or willful misconduct, you assume the risk of liability for, and to the extent permitted by law, hereby agree to indemnify and hold safe and harmless, and covenant to defend, XFS, its employees, officers and agents from and against: (a) any and all Claims (including legal expenses of every kind and nature) arising out of the manufacture, purchase, shipment and delivery of the Equipment to you, acceptance or rejection, ownership, leasing, possession, operation, use, return or other disposition of the Equipment, including, without limitation, any liabilities that may arise from patent or latent defects in the Equipment (whether or not discoverable by you), any claims based on absolute tort liability or warranty and any claims based on patent, trademark or copyright infringement; and (b) any and all loss or damage of or to the Equipment.

15. Default and Remedies. Subject to Section 4, you will be in default under this Lease if (1) XFS does not receive any payment within 10 days after its due date, or (2) you breach any other obligation under this Lease or any other agreement with XFS. If you default, and such default continues for 10 days after XFS provides notice to you, XFS may, in addition to other remedies, (including requesting the Dealer to cease performing under the Maintenance Agreement), with or without terminating the Lease, declare the entire balance of the unpaid Lease Payments for the then current Original Term or Renewal Term immediately due and payable; sue for and receive all Lease Payments and any other payments then accrued or accelerated under this Lease (including the fixed maintenance component thereof, if permitted under the Maintenance Agreement), charge you interest on all monies due us until paid at the rate that will be in accordance with the laws of the State of Texas covering state agencies and the applicable codes covering political subdivisions, and require you to promptly return the Equipment as provided in Sections 4 and 8 hereof. You agree to pay all reasonable costs, including attorneys' fees and disbursements, incurred by XFS to enforce this Lease.

16. Risk of Loss and Insurance. You assume and agree to bear the entire risk of loss, theft, destruction or other impairment of the Equipment upon delivery. You, at your own expense, (i) shall keep Equipment insured against loss or damage at a minimum of full replacement value thereof, and (ii) shall carry public liability insurance against bodily injury, including death, and against property damage (collectively, "Required Insurance"). All such Required Insurance shall be with loss payable to "XFS, its successors and/or assigns, as their interests may appear," and shall be with companies reasonably acceptable to XFS. In addition, XFS shall be similarly named as an additional insured on all public liability insurance policies. The Required Insurance shall provide for 30 days' prior notice to XFS of cancellation.

YOU MUST PROVIDE XFS SATISFACTORY WRITTEN EVIDENCE OF REQUIRED INSURANCE WITHIN 30 DAYS OF THE COMMENCEMENT DATE AND ANY SUBSEQUENT WRITTEN REQUEST BY XFS. You must promptly notify XFS of any loss or damage to Equipment which makes any item of Equipment unfit for continued or repairable use. You hereby irrevocably appoint XFS as your attorney-in-fact to execute and endorse all checks or drafts in your name to collect under any such Required Insurance. Insurance proceeds from Required Insurance or Equipment Insurance received shall be applied, at XFS's option, to (x) restore the Equipment so that it is in the same condition as when delivered to you (normal wear and tear excepted), or (y) if the Equipment is not restorable, to replace it with like-kind condition Equipment from the same manufacturer, or (z) pay to XFS the greater of (i) the total unpaid Lease Payments for the entire term hereof (discounted to present value at the Discount Rate) plus XFS's residual interest in such Equipment (herein agreed to be 20% of the Equipment's original cost to XFS, discounted to present value at the Discount Rate) plus any other amounts due to XFS under this Lease, or (ii) the fair market value of the Equipment immediately prior to the loss or damage, as determined by XFS. Any balance of remaining insurance proceeds after paying the costs set forth above shall be paid to you. **NO LOSS OR DAMAGE TO EQUIPMENT, OR XFS'S RECEIPT OF INSURANCE PROCEEDS, SHALL RELIEVE YOU OF ANY OF YOUR REMAINING OBLIGATIONS UNDER THIS LEASE.** Notwithstanding procurement of Required Insurance, you remain primarily liable for performance under subclauses (x), (y) or (z) in the third sentence of this paragraph in the event the applicable insurance carrier fails or refuses to pay any claim. **NO LOSS OR DAMAGE TO EQUIPMENT, OR XFS'S RECEIPT OF INSURANCE PROCEEDS, SHALL RELIEVE YOU OF ANY OF YOUR REMAINING OBLIGATIONS UNDER THIS LEASE.**

17. Finance Lease and Lessee Waivers. The parties agree this Lease is a "finance lease" under UCC Article 2A. You waive, solely against XFS and its successors and assigns, (a) all rights and remedies conferred on a lessee under Article 2A (Sections 508-522) of the UCC, any (b) any rights you now or later may have which require XFS to sell, lease or otherwise use any Equipment to reduce our damages including our realization of the remaining value of the Equipment, or which may otherwise limit or modify any of our rights or remedies.

16. Representations and Warranties. You warrant and represent as follows: (a) you are a public body corporate and politic duly organized and existing under the constitution and laws of your State with full power and authority to enter into this Lease and to perform all of your obligations hereunder; (b) you have duly authorized the execution and delivery of this Lease, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Lease; (c) you have complied with such public bidding requirements as may be applicable to this Lease and the acquisition by you of the Equipment; (d) this Lease constitutes the legal, valid and binding obligation of you enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy laws affecting creditors' rights generally; (e) you have, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year and to meet your other obligations under this Lease for the current budget year, and those funds have not been expended for other purposes; (f) the Equipment is essential to your functions or to the services you provide to your citizens, you have an immediate need for the Equipment and expect to make immediate use of the Equipment, your need for the Equipment is not temporary and you do not expect the need for any item of the Equipment to diminish in the foreseeable future, including the Full Lease Term, and the Equipment will be used by you only for the purpose of performing governmental or proprietary functions consistent with the permissible scope of your authority; (g) you have never failed to appropriate or otherwise make available funds sufficient to pay rental or other payments coming due under any lease purchase, installment sale or other similar agreement; and (h) You agree to furnish financial information that XFS may request including your tax identification number, and you authorize XFS to obtain credit reports on you in the future should you default or fail to make prompt payments under the Lease.

18. Original and Sole Controlling Document; No Modifications Unless in Writing. This Lease constitutes the entire agreement between the Parties as to the subjects addressed herein, and representations or statements not included herein are not part of this Lease and are not binding on the Parties. You agree that an executed copy of this Lease that is signed by your authorized representative and by XFS's authorized representative (an original manual signature or such signature reproduced by means of a reliable electronic form, such as electronic transmission of a facsimile or electronic signature) shall be marked "original" by XFS and shall constitute the only original document for all purposes. All other copies shall be duplicates. To the

extent this Lease constitutes chattel paper (as defined in the UCC), no security interest in this Lease may be created except by the possession or transfer of the copy marked "original" by XFS. IF A PURCHASE ORDER OR OTHER DOCUMENT IS ISSUED BY YOU, NONE OF ITS TERMS AND CONDITIONS SHALL HAVE ANY FORCE OR EFFECT, AS THE TERMS AND CONDITIONS OF THIS LEASE EXCLUSIVELY GOVERN THE TRANSACTION DOCUMENTED HEREIN. THE DEALER AND ITS REPRESENTATIVES ARE NOT OUR AGENTS AND ARE NOT AUTHORIZED TO MODIFY OR NEGOTIATE THE TERMS OF THIS LEASE. **THIS LEASE MAY NOT BE AMENDED OR SUPPLEMENTED EXCEPT IN A WRITTEN AGREEMENT SIGNED BY AUTHORIZED REPRESENTATIVES OF THE PARTIES AND NO PROVISIONS CAN BE WAIVED EXCEPT IN A WRITING SIGNED BY XFS.** XFS's failure to object to terms contained in any communication from you will not be a waiver or modification of the terms of this Lease. You authorize XFS to insert or correct missing information on this Lease, including but not limited to your proper legal name, lease numbers, serial numbers and other information describing the Equipment, so long as there is no material impact to your financial obligations.

19. Governing Law, Jurisdiction, Venue. THIS LEASE IS GOVERNED BY, AND SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS. THE JURISDICTION AND VENUE OF ANY ACTION TO ENFORCE THIS LEASE OR OTHERWISE RELATING TO THIS LEASE, SHALL BE IN A FEDERAL OR STATE COURT WHERE THE EQUIPMENT IS LOCATED.

20. Miscellaneous. Your obligations under the "Taxes" and "Liability" Sections commence upon execution, and survive the expiration or earlier termination, of this Lease. Notices under this Lease must be in writing. Notices to you will be sent to the "Billing Address" provided on the first page hereof, and notices to XFS shall be sent to our address provided on the first page hereof. Notices will be deemed given 5 days after mailing by first class mail or 2 days after sending by nationally recognized overnight courier. Invoices are not considered notices and are not governed by the notice terms hereof. You authorize XFS to communicate with you by any electronic means (including cellular phone, email, automatic dialing and recorded messages) using any phone number (including cellular) or electronic address you provide to us. If a court finds any term of this Lease unenforceable, the remaining terms will remain in effect. The failure by either Party to exercise any right or remedy will not constitute a waiver of such right or remedy. If more than one party has signed this Lease as lessee, each such party agrees that its liability is joint and several. The following four sentences control over every other part of this Lease. Both Parties will comply with applicable laws. XFS will not charge or collect any amounts in excess of those allowed by applicable law. Any part of this Lease that would, but for the last four sentences of this Section, be read under any circumstances to allow for a charge higher than that allowed under any applicable legal limit, is modified by this Section to limit the amounts chargeable under this Lease to the maximum amount allowed under the legal limit. If, in any circumstances, any amount in excess of that allowed by law is charged or received, any such charge will be deemed limited by the amount legally allowed and any amount received by XFS in excess of that legally allowed will be applied by us to the payment of amounts legally owed under this Lease or refunded to you.



A Xerox Company

Austin 512-836-2100
Corpus Christi 361-289-0900
Harlingen 956-425-3010
Laredo 956-724-8188

Bryan 979-774-2200
El Paso 915-595-2250
Houston 713-329-9909
San Antonio 210-805-8200

Maintenance Agreement *Shaded areas for in-house use only*

Order Date:	Effective Date	Customer No.	Lease No.	PO No.
Service Location:		Bill To:		
Name: City of Seabrook		Name: City of Seabrook		
Address: 1701 1st. Street		Address: 1701 1st. Street		
City/State/Zip/County Seabrook, Texas 77586		City/State/Zip/County Seabrook, Texas 77586		
Contact: George Szakacs	Phone: 281-291-5600	Contact: George Szakacs	Phone: 281-291-5600	
Hours of Operation: 8-5	Fax:	Email address:		
Model	Serial No.	Equip ID	Start Meter	
Xerox XC70				
*Additional Equipment List on Table A				
SPECIAL INSTRUCTIONS:				
Staples included, per terms and conditions of HCDE co op contract				
MAINTENANCE PRICING: Includes parts, toner, labor and travel, unless stated otherwise				
MAINTENANCE MONTHLY BASE:				
☒ Included in Lease Agreement		☐ Billable Monthly \$ _____		
MFP:		COLOR QUBE:		
Included # of Impressions:	Overage Rate:	Included # of Impressions:	Overage Rate:	
Black 12,000	\$.0065	Meter 1 _____	\$ _____	
Color 4,000	\$.045	Meter 2 _____	\$ _____	
		Meter 3 _____	\$ _____	
Electrical Requirements:				
☐ Sole Use Circuit	☐ Dedicated Line	☐ Special:		
ALL OVERAGES BILLED QUARTERLY				
☒ Automated Meter Collection		☐ Manual Meter Collection		
APPROVALS: By signing below, you accept all terms and conditions of the contract, listed above and on reverse of agreement.				
Customer Signature: <i>Gayle Cook</i>		Account Manager:		Date:
Title: <i>City Manager</i>	Date: <i>5-20-15</i>	Credit Approval Signature:		Date:
Dahill Acceptance:		Title:		Date:

MAINTENANCE AGREEMENT – TERMS AND CONDITIONS

In this agreement, the words "you" and "your" refer to the Customer. The words "we" or "us" refer to Dahill. The word "parties" refer to you and us. The word "Agreement" refers to this Maintenance Agreement. The word "Supplier" refers to the seller of the equipment. The word "Equipment" refers to the equipment identified above or in Exhibit A and which is covered by this Agreement. The word "Lease" or "Lease Agreement" refers to a lease that you have with a third party (or a Lease or Rental Agreement that you have with us provided a separate Lease or Rental Agreement is executed between you and us). This Agreement is written in plain English. Every attempt has been made to eliminate confusing language and create a simple, easy-to-read document.

1. Agreement for Service. This Agreement is for the maintenance and service of the Equipment. This is not an agreement for the lease or for the purchase of the equipment. We agree to maintain and service the Equipment and you agree to pay us for that maintenance and service. This Agreement is non-cancellable, for the exception of the sale of business.

2. Service Guarantees. The service guarantees provided in our written proposal shall apply only if the equipment is operated within the following guidelines: (a) the Equipment is used in a climate controlled environment and free from excessive dust and ammonia fumes; (b) the Equipment is used and operated according to the manufacturers specifications; (c) the Equipment is operated within the specified contractual volume limitations; (d) only supplies that meet the manufacturer's required specifications are used; and (e) the Equipment is operated on an isolated electrical line. We guarantee to perform service in a good and workmanlike manner. This paragraph contains the only guarantees we offer.

3. Commencement of Agreement. This Agreement becomes valid upon execution by us, and our mutual obligations commence when the Equipment is delivered to you, installed, and determined by you to be in good working condition. The Equipment will be considered in good working condition unless you notify us within three (3) calendar days from the date of delivery that you do not accept the equipment and specify the defect or malfunction.

4. Term; Automatic Renewal. The "Initial Term" of this Agreement is for a period equal to the term of any Lease Agreement that you have with the Equipment; or for a period of twelve (12) months if the Equipment is not subject to a lease or the term of the Lease does not exceed twelve (12) months. Unless You notify us in writing at least sixty (60) days before the end of the initial or any renewal term, that you intend not to renew this Agreement, then: (a) this Agreement shall automatically renew for an additional one-year period (a "Renewal Term") and (b) the payment and other terms of this Agreement will continue to apply, subject to any escalation provided elsewhere in this Agreement.

5. Service Payments. In consideration for our obligations under this Agreement, you agree to pay us for each service period the amount listed above and by the due date set forth on our invoice to you: (i) the Monthly Base Maintenance shown above; (ii) the applicable Overage Rate for each metered image in excess of the applicable number of the Included Impressions; (iii) any other costs for non-covered parts, supplies, and shipping fees; (iv) applicable taxes, late fees and shipping charges; (v) and other charges provided for herein. You agree that the monthly base amount(s) is(are) a minimum payment that you agree to pay even if you do not make the applicable number of Included Impressions. You agree that, at our sole discretion, we may increase the monthly base amount(s) and the Overage Rate specified above once each year during the Initial Term and once each year during any Renewal Term, by an amount not to exceed 18% per year. You agree we may apply any base and overage payment first to any past-due amount owed. All payments made under this Agreement are non-refundable.

6. Parts; Supplies; Reconditioning. Unless otherwise stated above, the Supplies covered under this agreement are toner, PM kits, and developer. Staples and paper are not covered. All other parts and drums are included, unless the need for replacement is the result of your misuse or abuse. This Agreement does not cover any of the following: (a) damage to the Equipment caused by misuse, negligence, or intentional acts; or (b) repairs and parts necessitated by operation of the Equipment outside the service guarantee guidelines. You agree to pay for any shipping charges for replacement parts and supplies.

7. Limitations of Service. Connected equipment will be covered up to the computer/network connection. Service calls produced by computer/network problems may be billed at current published rate.

8. Late Charges. If you do not pay all charges by the due date specified on an invoice, or 30 days from the date of the invoice if it does not specify a due date, you agree to pay a late fee equal to 10% of the amount of the amount due under the invoice.

9. Meter Collection. You agree to comply with our billing procedures, including but not limited to, providing us with monthly meter readings for each equipment item. We will provide, at no cost to you, automated meter reading technology that will enable automatic periodic meter readings. However, if you elect not to use this technology, for each non-automated meter read, you agree to pay, in addition to the periodic service payments above, \$25 per device.

10. Service Hours. Our "Standard Service Hours" are available Monday-Friday, 8:00 a.m. – 5:00 p.m. local time. If you request service to occur outside standard hours, it will be provided within forty-eight hours after receiving such notice and with the following additional charges: (a) at one and one-half the prevailing hourly rate; and (2) at twice the prevailing hourly rate if service is requested to occur after 5:00 p.m. on a Sunday or any time a holiday.

11. Relocation. In the event you relocate the Equipment outside our service area, we shall have the sole right to either locate another qualified dealer to provide service for the equipment at the new location or to cancel this Agreement.

12. Default. Each of the following is a "Default" under this Agreement: (a) you fail to pay any Service Payment or any other payment due under this or any other agreement you have with us, by the due date indicated on any invoice; or (b) you do not perform any of your other obligations under this Agreement or in any other agreement with us and this failure continues for ten (10) days after we have notified you. Our acceptance of a partial payment does not waive a default.

13. Remedies. If you Default under this Agreement, we may do one or more of the following: (a) suspend service until past-due balance is satisfied; (b) furnish service on a C.O.D. "per call" basis at published service rates; (c) cancel or terminate this Agreement and any or all other agreements that you have entered into with us; (d) require you, as liquidated damages for loss of bargain and not as a penalty, to pay us, on demand: (i) any amount past due and owing; and (ii) an amount equal to the sum of remaining Service Payments for the remainder of the Initial or Renewal Term; and (e) exercise any other remedy available at law. You also agree to reimburse us, on demand, for all reasonable expenses of enforcement (including, without limitation, reasonable attorneys' fees, court costs, and costs of collection). The remedies set forth herein are cumulative, are in addition to any other remedies provided for by applicable law, and may be exercised concurrently or separately. Any failure or delay by us to declare default or exercise any other right or remedy shall not operate as a waiver of any other right or future right. In the event we do not satisfy these guarantees, and in the event we do not cure the deficiency within ten (10) days after receiving notice of such deficiency, you may, as your sole remedy, cancel this Agreement without any further obligations. Dahill's Common Sense Total Satisfaction Guarantee applies to this contract.

14. No Warranties. Other than the service guarantees provided in paragraph two, and the obligations set forth herein, WE DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY AND ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

15. Limitations of Liability. WE SHALL NOT BE LIABLE TO YOU FOR ANY CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES ARISING FROM, OR RELATED TO, THIS AGREEMENT. YOU ACKNOWLEDGE AND AGREE THAT IN ENTERING INTO THIS AGREEMENT YOU DID NOT RELY ON ANY WRITTEN OR ORAL COMMUNICATIONS, REPRESENTATIONS, OR GUARANTEES (INCLUDING BUT NOT LIMITED TO BROCHURES OR PROPOSALS) NOT EXPRESSLY SET FORTH IN THIS AGREEMENT. IN MAKING YOUR DECISION TO ENTER INTO THIS AGREEMENT, YOU AGREE AND REPRESENT THAT YOU RELIED ONLY ON YOUR OWN INVESTIGATION REGARDING THIS AGREEMENT'S SUBJECT MATTER AND THE INFORMATION CONTAINED HEREIN.

16. Indemnity. YOU AGREE TO INDEMNIFY, DEFEND AND HOLD US HARMLESS FROM ANY AND ALL CLAIMS, DEMANDS, ACTIVITIES, SUITS, ALLEGATIONS, ACTIONS, OR CAUSES OF ACTION ARISING FROM OR INCIDENT, WHETHER DIRECTLY OR INDIRECTLY, TO ANY MISCONDUCT, NEGLIGENCE, REPRESENTATION, OR OMISSION ON THE PART OF YOU, IN THE CONDUCT OF ITS/THEIR DUTIES OR ANY CONDUCT OUTSIDE THE SCOPE OF ITS/THEIR DUTIES WHICH MAY GIVE RISE TO LIABILITY OR POTENTIAL LIABILITY ON US, OUR SUBSIDIARIES, AFFILIATES, DIRECTORS, OFFICERS, AGENTS, REPRESENTATIVES, ATTORNEYS, EMPLOYEES, SUCCESSORS OR ASSIGNS.

17. Unconditional Obligation. You agree that your obligation to pay us under this Agreement is unconditional and is independent of any lease or other maintenance agreement that you may have with us or anyone else.

18. Notices. All notices and other communications directed to us as required or permitted under this Agreement shall be deemed to have been duly given if made in writing via U.S. mail at the address provided on page one of this Agreement.

19. Assignment. You may not assign any rights or obligations under this Agreement without our prior written consent. We may, without your consent and without prior notification, assign this Agreement, or any right or obligation thereof, to a third party.

20. Applicable Law; Venue; Jury Waiver. This Agreement shall be deemed fully executed, performed, governed, and construed in, and under the laws of, the State of Texas. You agree that performance of your payment obligation under this Agreement shall be in San Antonio, Texas, and that the State of Texas shall have sole jurisdiction of all matters relating to this Agreement. YOU AND WE HEREBY WAIVE OUR RIGHT TO A TRIAL BY JURY.

21. Severability. If any provision of this Agreement is held unenforceable then such provision will be modified to reflect the parties' intention. All remaining provisions of this Agreement shall remain in full force and effect.

22. Merger; Integration. This Agreement contains the entire agreement of the parties with respect to the subject matter of this Agreement, and supersedes all prior negotiations, agreements, representations, and understandings with respect thereto. This agreement may only be modified by a written document duly exercised by the parties.

23. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

24. End Agreement

Maintenance Agreement Schedule A

CUSTOMER NAME:			
Model	Serial No.	Equip ID	Start Meter
*Additional Equipment List on Table A			
Special Instructions:			

**CITY OF SEABROOK
RESOLUTION NO. 2015 - 13
CREATION OF NEIGHBORHOOD EMPOWERMENT ZONE 4 "OLD SEABROOK"**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEABROOK, TEXAS, CREATING A NEW NEIGHBORHOOD EMPOWERMENT ZONE, TO BE DESIGNATED AS THE "NEIGHBORHOOD EMPOWERMENT ZONE 4", ESTABLISHING ITS BOUNDARIES TO COINCIDE WITH THE "OLD SEABROOK DISTRICT" AS REFERENCED IN THE "OFFICIAL ZONING MAP", SECTION 2.05 SEABROOK CITY CODE OF ORDINANCES, APPENDIX A, "COMPREHENSIVE ZONING", ARTICLE 2, "ADMINISTRATION", AS CURRENTLY DEPICTED IN EXHIBIT "A", ATTACHED HERETO AND INCORPORATED BY REFERENCE, AND OTHER MATTERS RELATING THERETO

WHEREAS, the Seabrook City Council (the "City") desires to encourage the development or redevelopment of a certain contiguous geographic area within its jurisdiction by creation of a neighborhood empowerment zone; and

WHEREAS, the City, evaluated the creation of this neighborhood empowerment zone at its meeting on April 21, 2015, (minutes attached), and has determined that the creation of this new neighborhood empowerment zone, for the zoning district for "Old Seabrook District", with boundaries as established by the "Official Zoning Map" referenced in the Seabrook Code of Ordinances, Appendix A, "Comprehensive Zoning", Article 2, "Administration" Section 2.05, Official Zoning Map", as currently depicted herein, (subject to any future revision of such zoning district), would promote at least one of the following: (1) the creation of affordable housing, (2) an increase in economic development within the zone, (3) an increase in the quality of social services, education, or public safety or, (4) the rehabilitation of affordable housing as provided in Texas Local Government Code 378.002; and

WHEREAS, the City finds that the creation of this neighborhood empowerment zone benefits and is for the public purpose of increasing the public health, safety, and welfare of the persons within the City; and

WHEREAS, the City finds that the creation of this Neighborhood Empowerment Zone satisfies the requirements of Section 378.001 et. seq. of the Texas Local Government Code and Section 312.202, Texas Tax Code.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEABROOK, STATE OF TEXAS:

Section 1. That the facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. That the City Council finds that the creation of this zone benefits and is for the public purpose of increasing the public health, safety, and welfare of the persons in the City.

Resolution No. 2015-13
Page 2

Section 3. That the area for the zoning district of “Old Seabrook District”, with boundaries as established by the “Official Zoning Map” referenced in the Seabrook Code of Ordinances, Appendix A, “Comprehensive Zoning”, Article 2, “Administration” Section 2.05, Official Zoning Map” as currently depicted in Exhibit “A” which is incorporated by reference, (subject to any future revision of such zoning district), be designated as a neighborhood empowerment zone, hereinafter designated as the “Neighborhood Empowerment Zone 4”, and the creation of such zones satisfies the requirements of Section 312.202, Texas Tax Code and Chapter 378 of the Texas Local Government Code.

Section 4. That pursuant to the creation of the subject neighborhood empowerment zone, “Neighborhood Empowerment Zone 4”, that the City be vested with the power within such zone to: waive or adopt fees related to construction of buildings, including impact fees and fees for inspection of buildings; enter into municipal sales tax refund agreements; enter into agreements abating municipal property taxes; set baseline performance standards to encourage the use of alternative building materials that address concerns relating to the environment; and such other powers accorded by law.

ADOPTED AND APPROVED this the 5th day of May 2015.

CITY OF SEABROOK, TEXAS

BY: _____
Glenn R. Royal, Mayor

ATTEST:

Michele L. Glaser, TRMC
City Secretary

Seabrook Empowerment Zones

Zone #4



Section 11.23. Comprehensive Master Plan Review Commission. (As amended by Charter Election of May 9, 2015)

If, as or when the Comprehensive Master Plan is proposed to be amended, Council shall appoint at its next regular meeting a Comprehensive Master Plan Review Commission comprised of seven (7) citizens of the City. Council may not amend the Comprehensive Master Plan unless such an amendment is recommended by the Commission. Such a Commission shall be appointed no sooner than two (2) years and no later than five (5) years after the most recent appointment of the Commission. The function of the Comprehensive Master Plan Review Commission is to develop a Comprehensive Master Plan that is a planning tool in keeping with the intent of Chapter 213 of the Texas Local Government Code. "Comprehensive Master Plan" as referenced in this section, is intended as an ongoing planning tool and does not constitute zoning regulations or establish zoning district boundaries.

(a) *Duties of the Commission:*

- (1) To inquire into the timeliness of the Comprehensive Master Plan, the usefulness of the plan in the interpretation, implementation and enforcement of the zoning ordinance and the reflection in the document of any and all new conditions in the City subsequent to the adoption of the Comprehensive Master Plan. To this end, public hearings shall be held at which hearings the public shall have the right to be heard and the Commission shall have the power to compel the attendance of any official or employee of the City and/or to compel the production of any City records deemed necessary, unless such records are exempt from public disclosure as a matter of law.
- (2) To propose any change(s) it deems desirable to ensure that the plan is effective and/or timely and/or to ensure that it reflects any new conditions arising subsequent to its adoption.
- (3) Report all recommended changes to Council who shall accept or reject such recommended changes to the plan in their entirety.

- (b) *Term of Office:* The term of office of the Comprehensive Master Plan Review Commission shall be six (6) months, which may be extended with the approval of City Council. At the completion of the term, a report shall be presented to Council and all records of the proceedings of such Commission shall be filed with the City Secretary and shall become a public record.

TEXPOOL REPORT

MONTH OF JANUARY 2015
0.0465%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Jan)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	2,150,114.37	(456,643.90)	88.80	1,693,559.27	Working capital
ENTERPRISE FUND - UNRESTRICT	2,112,899.62	(149,934.22)	89.42	1,963,054.82	Working capital
ENTERPRISE FUND - RESTRICTED	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,385,923.33	0.00	94.20	2,386,017.53	Water & sewer lines extensions & expansions
PARK FEES	110,223.75	0.00	4.35	110,228.10	Reserved for acquisition & development of park land
SEIZURE	70,010.33	0.00	2.76	70,013.09	Solely to purchase equipment for Law Enforcement
CHILD SAFETY PROGRAMS	32,128.38	0.00	1.27	32,129.65	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	32,091.29	(10,000.00)	1.27	22,092.56	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	1,125,874.80	(428.22)	44.44	1,125,491.02	Restricted for promotion of tourism
DEBT SERVICE FUND	2,332,163.86	609,109.67	92.85	2,941,366.38	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	292,140.16	0.00	11.53	292,151.69	Funds transferred from Bond Mkt Acct to allow liquidity
FIRE BONDS	4,370.78	(4,370.95)	0.17	0.00	Funds transferred from Bond Mkt Acct to allow liquidity
LIBRARY BONDS	70.54	0.00	0.00	70.54	Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	354,731.97	(30,000.00)	14.00	324,745.97	
CAROTHERS	25,007.41	0.00	0.99	25,008.40	
CRIME DISTRICT	391,742.23	(3,985.92)	15.33	387,771.64	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	1,993,807.78	46,253.54	87.13	2,040,148.45	Seabrook Economic Development Corporation II
SEDC II - RESTRICT FOR EMERGENCY	180,000.00	0.00	incl in above	180,000.00	Emergency Reserve
STEP FUND	33,483.84	0.00	1.32	33,485.16	
PUBLIC SAFETY	173,276.53	0.00	6.84	173,283.37	
MUNI COURT - SECURITY FUND	21,664.11	0.00	0.86	21,664.97	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	9,376.14	0.00	0.37	9,376.51	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUND	6,485.17	0.00	0.26	6,485.43	
STABILIZATION FUND	801,626.16	0.00	31.65	801,657.81	
TOTAL TEXPOOL FUND	14,939,212.55	0.00	589.81	\$14,939,802.36	

The investment portfolio of the City of Seabrook is in compliance with the investment strategies expressed in the City's Investment Policy and relevant provisions of Chapter 2256 of the Local Government Code.

Pam Lab
Finance Director

TexPool Participant Services
C/O Federated Investors Inc.
1001 Texas Avenue, Suite 1400
Houston, TX 77002



Participant Statement

CITY OF SEABROOK
GENERAL ACCOUNT
ATTN: PAM LAB
1700 FIRST STREET
SEABROOK TX 77586-3540

Statement Period 01/01/2015 - 01/31/2015

Page 1 of 2

Customer Service 1-866-TEX-POOL
Location ID 000077632
Investor ID 000006495

TexPool Update

Did you know that you can make payments directly to your Vendors without completing a Special Wire Instruction Form? Use the Vendor Payment Instructions Form to add a Vendor to your account today! Contact TexPool Participant Services to learn more!

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$14,939,212.55	\$0.00	\$0.00	\$589.81	\$14,939,802.36	\$14,939,212.55
Total Dollar Value	\$14,939,212.55	\$0.00	\$0.00	\$589.81	\$14,939,802.36	

Portfolio Value

Pool Name	Pool/Account	Market Value (01/01/2015)	Share Price (01/31/2015)	Shares Owned (01/31/2015)	Market Value (01/31/2015)
Texas Local Government Investment Pool	449/1011800001	\$14,939,212.55	\$1.00	14,939,802.360	\$14,939,802.36
Total Dollar Value		\$14,939,212.55			\$14,939,802.36

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1011800001	\$589.81	\$589.81
Total		\$589.81	\$589.81

TexPool Participant Services
C/O Federated Investors Inc.
1001 Texas Avenue, Suite 1400
Houston, TX 77002

Statement Period 01/01/2015 - 01/31/2015

Page 2 of 2

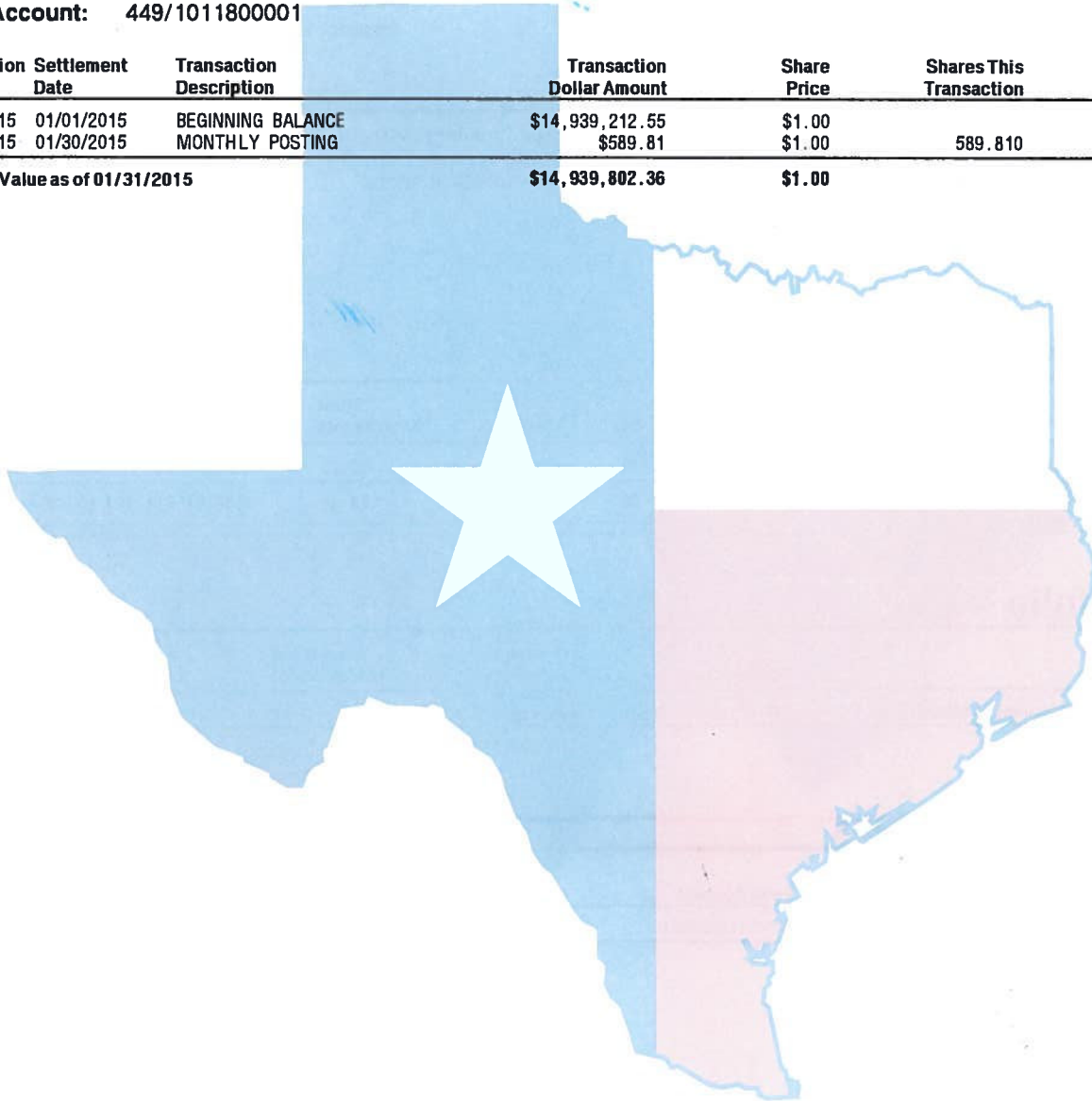
Transaction Detail

Texas Local Government Investment Pool

Participant: CITY OF SEABROOK

Pool/Account: 449/1011800001

Transaction Date	Settlement Date	Transaction Description	Transaction Dollar Amount	Share Price	Shares This Transaction	Shares Owned
01/01/2015	01/01/2015	BEGINNING BALANCE	\$14,939,212.55	\$1.00		14,939,212.550
01/30/2015	01/30/2015	MONTHLY POSTING	\$589.81	\$1.00	589.810	14,939,802.360
Account Value as of 01/31/2015			\$14,939,802.36	\$1.00		14,939,802.360



TEXPOOL

ANNOUNCEMENTS

We would like to recognize and welcome the following entity who joined the TexPool program in January 2015:

TexPool Prime

Guadalupe Regional Medical Center

Upcoming Events

2/16/15 – 2/20/15

TASBO Annual Conference
Houston

4/12/15 – 4/15/15

GFOAT Spring Conference
San Marcos

4/20/15 – 4/23/15

County Treasurers' Education Seminar
San Marcos

TexPool Advisory Board

Overseen by the State of Texas Comptroller of Public Accounts Glenn Hegar.

Operated under the supervision of the Texas Treasury Safekeeping Trust Company.

Additional information regarding TexPool is available upon request:

www.texpool.com

1-866-839-7665

(1-866-TEX-POOL)

Fax: 866-839-3291

Federated®

Federated, founded in 1955, is publicly traded on the NYSE. It is one of the largest managers of AAA-rated money market portfolios in the country (Source: iMoneyNet as of 11/30/14).

Visit us at FederatedInvestors.com.

G35884-24 (2/15)

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Monthly Newsletter February 2015

Economic and Market Commentary

Month in Cash: The scavenger hunt for yield

February 1, 2015

We look forward to normal conditions, but wouldn't mind orderly ones, too.

No, we're not talking about weather. Unpredictable conditions and too frequent "storms of the century" seem here to stay. It's the normalization of interest rates to above zero that is on our, and most everyone's, minds.

We as cash managers would like to see some orderliness, too.

We search tirelessly for the highest yield, yet these days it can feel like a scavenger hunt. Sometimes it goes well. For instance, early in January we went out the curve for some 1-year products, both fixed- and floating-rate, that brought better returns, and we didn't have to rely on the Federal Reserve as much. Other days can be less fruitful in this land of historically low rates.

The truth is, for all cash managers, the irregular movement of rates and uneven supply simply makes trading more difficult than it need be. You have good rates for a week or two, say 15 or 20 basis points, and then get zero for three or four days. It's been like this since 2011-12. But the Fed's offering of term repo has helped and will help (the last meeting of the Federal Open Market Committee included an announcement from the New York Fed of more term repo in upcoming months and at quarter-end). The \$300 billion allotment for 2014's year-end definitely helped to smooth what might have been a difficult trading period. And some of that—and even some of the \$300 billion in overnights—went unused. That suggests there was enough liquidity and supply in the open market so that cash managers didn't need to rely solely on the Fed.

Of course, we would love to return to a time when the Fed was not the lender of "first" resort and we could work primarily with our traditional partners. But we need rates to rise first. While "international developments" (as the Fed's recent policy statement referred to weakening Europe), the swooning price of oil and continued low inflation concern the Fed, our outlook still puts liftoff of the target fed funds rate somewhere around mid-year, perhaps at the August or September FOMC meeting.

(continued page 6)

PERFORMANCE AS OF JANUARY 31, 2015

	TexPool	TexPool Prime
Current Invested Balance	\$16,089,782,441.87	\$1,648,984,350.98
Weighted Average Maturity (1)*	42 Days	38 Days
Weighted Average Maturity (2)*	62 Days	41 Days
Net Asset Value	1.00007	1.00002
Total Number of Participants	2,321	184
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$592,161.66	\$101,875.00
Management Fee Collected	\$590,034.34	\$84,954.49
Standard & Poor's Current Rating	AAAm	AAAm

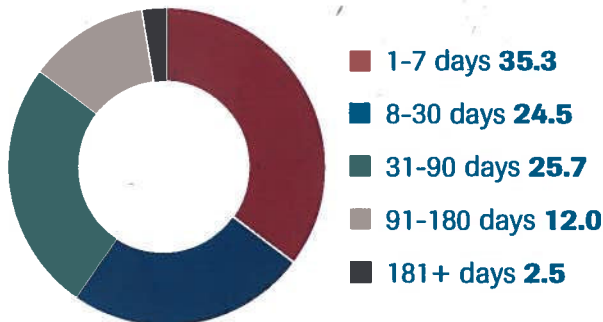
Month Averages

Average Invested Balance	\$15,005,836,059.57	\$1,702,822,687.63
Average Monthly Yield, on a simple basis (3)*	0.05%	0.07%
Average Weighted Average Maturity (1)*	44 Days	43 Days
Average Weighted Average Maturity (2)*	68 Days	46 Days

*Definitions for Average Monthly Yield and Weighted Average Maturity can be found on page 2.

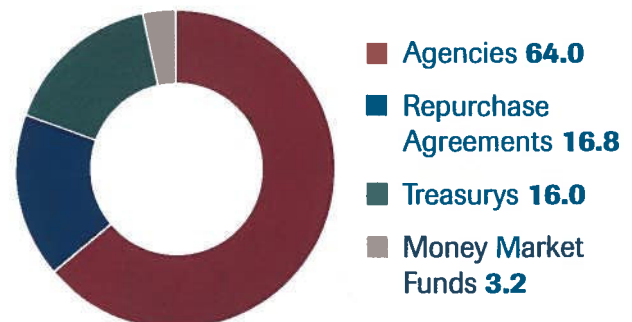
Portfolio by Maturity (%)

As of January 31, 2015



Portfolio by Type of Investment (%)

As of January 31, 2015



PORTFOLIO ASSET SUMMARY AS OF JANUARY 31, 2015

	Book Value	Market Value
Uninvested Balance	-\$84,416.46	-\$84,416.46
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	24,728,216.01	24,728,216.01
Interest and Management Fees Payable	-591,662.49	-591,662.49
Payable for Investments Purchased	-189,956,300.60	-189,956,300.60
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	2,732,494,000.00	2,732,464,310.00
Mutual Fund Investments	525,009,280.50	525,009,280.50
Government Securities	10,397,050,830.44	10,398,240,609.04
US Treasury Bills	0.00	0.00
US Treasury Notes	2,601,132,494.47	2,601,087,750.00
Total	\$16,089,782,441.87	\$16,090,897,786.00

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

PARTICIPANT SUMMARY

	Number of Participants	Balance
School District	575	\$5,496,212,197.99
Higher Education	56	\$1,242,312,917.48
Healthcare	80	\$723,850,907.34
Utility District	717	\$1,819,998,904.43
City	451	\$4,321,696,098.12
County	175	\$1,390,648,804.40
Other	267	\$1,043,096,589.25

Definition of Weighted Average Maturity (1) & (2)

*(1) "WAM Days" is the mean average of the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid, (b) would be repaid upon a demand by TexPool, or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (b) and (c) if their scheduled maturity is 397 days or less; and the later of the two dates set forth in (b) and (c) if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

*(2) "WAM Days" is calculated in the same manner as the described in footnote 1, but is based solely on the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid or (b) would be repaid upon a demand by TexPool, without reference to when interest rates of securities within TexPool are scheduled to be readjusted.

Definition of Average Monthly Yield (3)

*(3) This current yield for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.

TEXPOOL

DAILY SUMMARY

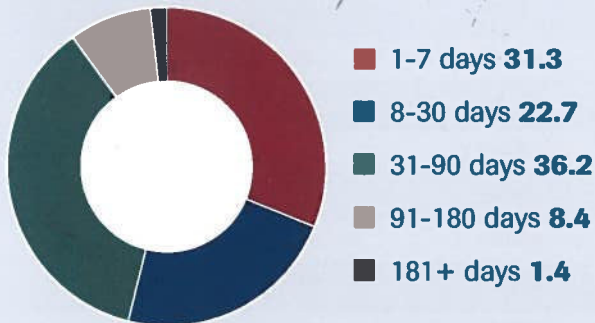
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
1/1	0.0430%	0.000001177	\$13,845,826,587.92	1.00006	46	72
1/2	0.0420%	0.000001152	\$14,089,697,002.74	1.00006	44	70
1/3	0.0420%	0.000001152	\$14,089,697,002.74	1.00006	44	70
1/4	0.0420%	0.000001152	\$14,089,697,002.74	1.00006	44	70
1/5	0.0413%	0.000001132	\$14,318,726,319.49	1.00004	41	66
1/6	0.0404%	0.000001106	\$14,406,670,788.53	1.00005	42	66
1/7	0.0408%	0.000001118	\$14,485,804,625.22	1.00005	45	69
1/8	0.0429%	0.000001176	\$14,577,850,120.34	1.00006	46	69
1/9	0.0445%	0.000001219	\$14,785,361,562.74	1.00006	46	69
1/10	0.0445%	0.000001219	\$14,785,361,562.74	1.00006	46	69
1/11	0.0445%	0.000001219	\$14,785,361,562.74	1.00006	46	69
1/12	0.0464%	0.000001270	\$14,784,628,608.50	1.00006	47	70
1/13	0.0468%	0.000001282	\$14,870,270,023.01	1.00006	46	71
1/14	0.0472%	0.000001292	\$14,961,796,777.19	1.00005	45	70
1/15	0.0463%	0.000001268	\$14,977,370,087.22	1.00004	45	69
1/16	0.0621%	0.000001701	\$15,013,793,738.14	1.00005	46	70
1/17	0.0621%	0.000001701	\$15,013,793,738.14	1.00005	46	70
1/18	0.0621%	0.000001701	\$15,013,793,738.14	1.00005	46	70
1/19	0.0621%	0.000001701	\$15,013,793,738.14	1.00005	46	70
1/20	0.0470%	0.000001288	\$15,043,994,919.46	1.00006	42	66
1/21	0.0452%	0.000001237	\$15,273,303,764.68	1.00006	42	65
1/22	0.0447%	0.000001225	\$15,314,915,043.30	1.00007	44	65
1/23	0.0443%	0.000001213	\$15,401,306,336.11	1.00006	45	67
1/24	0.0443%	0.000001213	\$15,401,306,336.11	1.00006	45	67
1/25	0.0443%	0.000001213	\$15,401,306,336.11	1.00006	45	67
1/26	0.0443%	0.000001214	\$15,596,239,294.41	1.00006	43	64
1/27	0.0437%	0.000001197	\$15,620,006,914.44	1.00006	43	64
1/28	0.0432%	0.000001184	\$15,969,043,203.84	1.00006	43	63
1/29	0.0446%	0.000001221	\$16,070,636,227.98	1.00006	42	62
1/30	0.0464%	0.000001270	\$16,089,782,441.87	1.00007	42	62
1/31	0.0464%	0.000001270	\$16,089,782,441.87	1.00007	42	62
Average	0.0465%	0.000001274	\$15,005,836,059.57	1.00006	44	68

TEXPOOL PRIME

February 2015

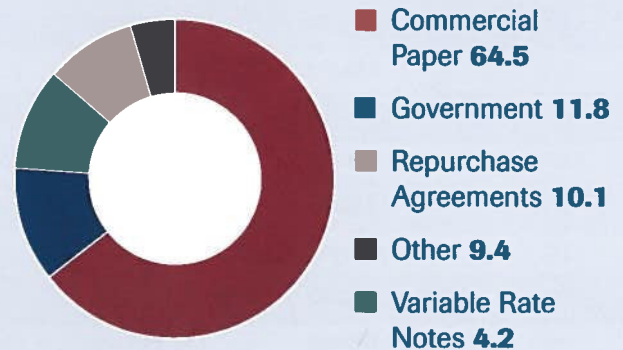
Portfolio by Maturity (%)

As of January 31, 2015



Portfolio by Type of Investment (%)

As of January 31, 2015



PORTFOLIO ASSET SUMMARY AS OF JANUARY 31, 2015

	Book Value	Market Value
Uninvested Balance	-\$266,100.21	-\$266,100.21
Accrual of Interest Income	1,140,011.33	1,140,011.33
Interest and Management Fees Payable	-101,872.52	-101,872.52
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	165,894,000.00	165,894,000.00
Commercial Paper	1,091,424,903.68	1,091,452,199.62
Bank Instruments	103,000,000.00	102,999,880.00
Mutual Fund Investments	155,001,817.75	155,001,817.75
Government Securities	94,991,735.97	95,000,340.00
Variable Rate Notes	37,899,854.98	37,899,051.00
Total	\$1,648,984,350.98	\$1,649,019,326.97

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

PARTICIPANT SUMMARY

	Number of Participants	Balance
School District	83	\$916,504,500.17
Higher Education	8	\$77,453,155.99
Healthcare	9	\$12,764,897.62
Utility District	5	\$42,008,531.53
City	37	\$225,794,441.45
County	20	\$262,202,652.89
Other	22	\$112,522,150.93

TEXPOOL PRIME

DAILY SUMMARY						
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Prime Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
1/1	0.0587%	0.000001608	\$1,679,954,937.37	1.00001	38	40
1/2	0.0627%	0.000001718	\$1,761,560,584.98	1.00000	36	38
1/3	0.0627%	0.000001718	\$1,761,560,584.98	1.00000	36	38
1/4	0.0627%	0.000001718	\$1,761,560,584.98	1.00000	36	38
1/5	0.0629%	0.000001722	\$1,774,836,161.85	1.00001	38	42
1/6	0.0650%	0.000001781	\$1,803,727,188.21	1.00001	43	46
1/7	0.0690%	0.000001891	\$1,857,260,848.62	1.00001	45	48
1/8	0.0692%	0.000001895	\$1,856,807,703.75	1.00001	45	48
1/9	0.0699%	0.000001916	\$1,855,032,184.74	1.00001	45	49
1/10	0.0699%	0.000001916	\$1,855,032,184.74	1.00001	45	49
1/11	0.0699%	0.000001916	\$1,855,032,184.74	1.00001	45	49
1/12	0.0682%	0.000001869	\$1,868,564,680.27	1.00002	44	47
1/13	0.0826%	0.000002263	\$1,628,060,344.34	1.00002	50	53
1/14	0.0737%	0.000002018	\$1,631,285,236.43	1.00002	49	52
1/15	0.0756%	0.000002071	\$1,602,234,724.93	1.00002	49	52
1/16	0.0758%	0.000002077	\$1,605,899,861.42	1.00001	48	52
1/17	0.0758%	0.000002077	\$1,605,899,861.42	1.00001	48	52
1/18	0.0758%	0.000002077	\$1,605,899,861.42	1.00001	48	52
1/19	0.0758%	0.000002077	\$1,605,899,861.42	1.00001	48	52
1/20	0.0730%	0.000002000	\$1,615,616,813.91	1.00002	44	48
1/21	0.0684%	0.000001875	\$1,629,435,070.48	1.00002	43	46
1/22	0.0653%	0.000001790	\$1,639,721,704.51	1.00002	42	46
1/23	0.0665%	0.000001822	\$1,645,764,763.25	1.00001	42	46
1/24	0.0665%	0.000001822	\$1,645,764,763.25	1.00001	42	46
1/25	0.0665%	0.000001822	\$1,645,764,763.25	1.00001	42	46
1/26	0.0716%	0.000001963	\$1,661,797,701.69	1.00002	39	43
1/27	0.0699%	0.000001915	\$1,667,174,200.98	1.00002	38	42
1/28	0.0685%	0.000001878	\$1,685,578,458.24	1.00002	38	41
1/29	0.0799%	0.000002188	\$1,676,806,794.54	1.00002	38	41
1/30	0.0830%	0.000002274	\$1,648,984,350.98	1.00002	38	41
1/31	0.0830%	0.000002274	\$1,648,984,350.98	1.00002	38	41
Average	0.0706%	0.000001934	\$1,702,822,687.63	1.00001	43	46

TEXPOOL

Participant Services
1001 Texas Ave. 14th Floor
Houston, TX 77002

PRSRT STD
U.S. POSTAGE
PAID
AUSTIN, TX
PERMIT NO. 1264



MS. PAM LAB
CITY OF SEABROOK
1700 1ST ST
SEABROOK TX 77586-3540

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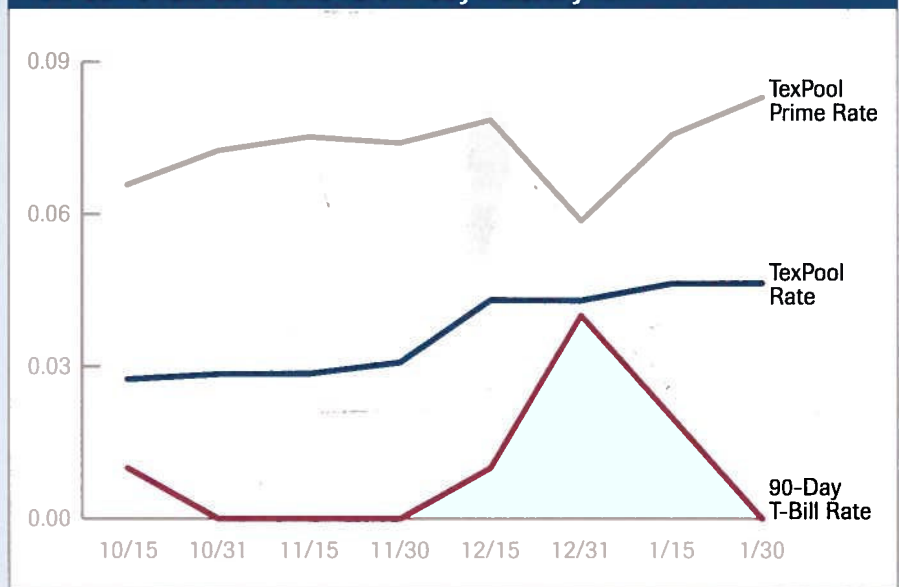
(continued from page 1)

That is not to say that changes in the economic environment can't upset plans. We truly think that the Fed's mantra of data dependency is as much of a factor going forward as it ever has been. Although we seem to be going nicely in the U.S., we are not isolationists. We are impacted by other issues and have to see how potent they are.

Speaking of international developments, the European Central Bank finally made its move, laying out its plan for quantitative easing (QE) at €60 billion a month. While we do invest a great deal with European banks, all are from the stronger countries with robust banking systems—and they are global. But like everyone else, we are in a mode of “wait and see” how this all turns out in the coming months.

Our weighted average maturity (WAM) for January didn't change much from December of 2014: 40-50 days for Prime and 45-55 for government, on the low end of both of these ranges. The 1- and 3-month London interbank offered rate (Libor) didn't budge over the month, at 17 and 25 basis points, respectively.

TexPool & TexPool Prime vs. 90-Day Treasury Bill



90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.

Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day Treasury Bills.

TEXPOOL REPORT

MONTH OF FEBRUARY 2015
0.0441%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Feb)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	1,693,559.27	4,883,592.66	98.51	6,577,250.44	Working capital
ENTERPRISE FUND - UNRESTRICT	1,963,054.82	(162,366.29)	71.14	1,800,759.67	Working capital
ENTERPRISE FUND - RESTRICTED	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,386,017.53	0.00	80.70	2,386,098.23	Water & sewer lines extensions & expansions
PARK FEES	110,228.10	0.00	3.73	110,231.83	Reserved for acquisition & development of park land
SEIZURE	70,013.09	0.00	2.37	70,015.46	Solely to purchase equipment for Law Enforcement
CHILD SAFETY PROGRAMS	32,129.65	0.00	1.09	32,130.74	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	22,092.56	2,913.49	0.75	25,006.80	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	1,125,491.02	(475.72)	38.05	1,125,053.35	Restricted for promotion of tourism
DEBT SERVICE FUND	2,941,366.38	(277,794.69)	96.22	2,663,667.91	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	292,151.69	(273.69)	9.88	291,887.88	Funds transferred from Bond Mkt Acct to allow liquidity
IT BONDS	0.00	525,000.00	7.68	525,007.68	Fiber Optics
PD & GF BONDS	0.00	6,850,000.00	100.18	6,850,100.18	Public Wokrks Facility
FIRE BONDS	0.00	725,000.00	10.60	725,010.60	Fire Engine
PARK BONDS	(0.00)	450,000.00	6.58	450,006.58	Splash Pad
LIBRARY BONDS	70.54	0.00	0.00	70.54	Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	324,745.97	0.00	10.98	324,756.95	
CAROTHERS	25,008.40	500.00	0.86	25,509.26	
CRIME DISTRICT	387,771.64	(33,202.35)	12.02	354,581.31	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	2,040,148.45	78,813.80	76.50	2,119,038.75	Seabrook Economic Development Corporation II
SEDC II - RESTRICT FOR EMERGENCY	180,000.00	0.00	incl in above	180,000.00	Emergency Reserve
STEP FUND	33,485.16	0.00	1.13	33,486.29	
PUBLIC SAFETY	173,283.37	0.00	5.86	173,289.23	
MUNI COURT - SECURITY FUND	21,664.97	0.00	0.73	21,665.70	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	9,376.51	0.00	0.32	9,376.83	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUND	6,485.43	0.00	0.22	6,485.65	
PEG Fund	0.00	8,292.79	0.25	8,293.04	
STABILIZATION FUND	801,657.81	0.00	27.11	801,684.92	
TOTAL TEXPOOL FUND	14,939,802.36	13,050,000.00	663.46	\$27,990,465.82	

The investment portfolio of the City of Seabrook is in compliance with the investment strategies expressed in the City's Investment Policy and relevant provisions of Chapter 2256 of the Local Government Code.

Pam Lab
Finance Director

TexPool Participant Services
C/O Federated Investors Inc.
1001 Texas Avenue, Suite 1400
Houston, TX 77002



Participant Statement

CITY OF SEABROOK
GENERAL ACCOUNT
ATTN: PAM LAB
1700 FIRST STREET
SEABROOK TX 77586-3540

Statement Period 02/01/2015 - 02/28/2015

Page 1 of 2

Customer Service 1-866-TEX-POOL
Location ID 000077632
Investor ID 000006495

TexPool Update

Have you tried TexPool Academy yet? TexPool Academy is an approved provider for continuing education credits under the Public Funds Investment Act, CPE credit under the Texas State Board of Public Accountancy and CEU credit under Texas Association of School Business Officials. Contact the TexPool Participant Services to learn more!

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$14,939,802.36	\$13,050,000.00	\$0.00	\$663.46	\$27,990,465.82	\$20,050,564.04
Total Dollar Value	\$14,939,802.36	\$13,050,000.00	\$0.00	\$663.46	\$27,990,465.82	

Portfolio Value

Pool Name	Pool/Account	Market Value (02/01/2015)	Share Price (02/28/2015)	Shares Owned (02/28/2015)	Market Value (02/28/2015)
Texas Local Government Investment Pool	449/1011800001	\$14,939,802.36	\$1.00	27,990,465.820	\$27,990,465.82
Total Dollar Value		\$14,939,802.36			\$27,990,465.82

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1011800001	\$663.46	\$1,253.27
Total		\$663.46	\$1,253.27

TexPool Participant Services
C/O Federated Investors Inc.
1001 Texas Avenue, Suite 1400
Houston, TX 77002

Statement Period 02/01/2015 - 02/28/2015

Page 2 of 2

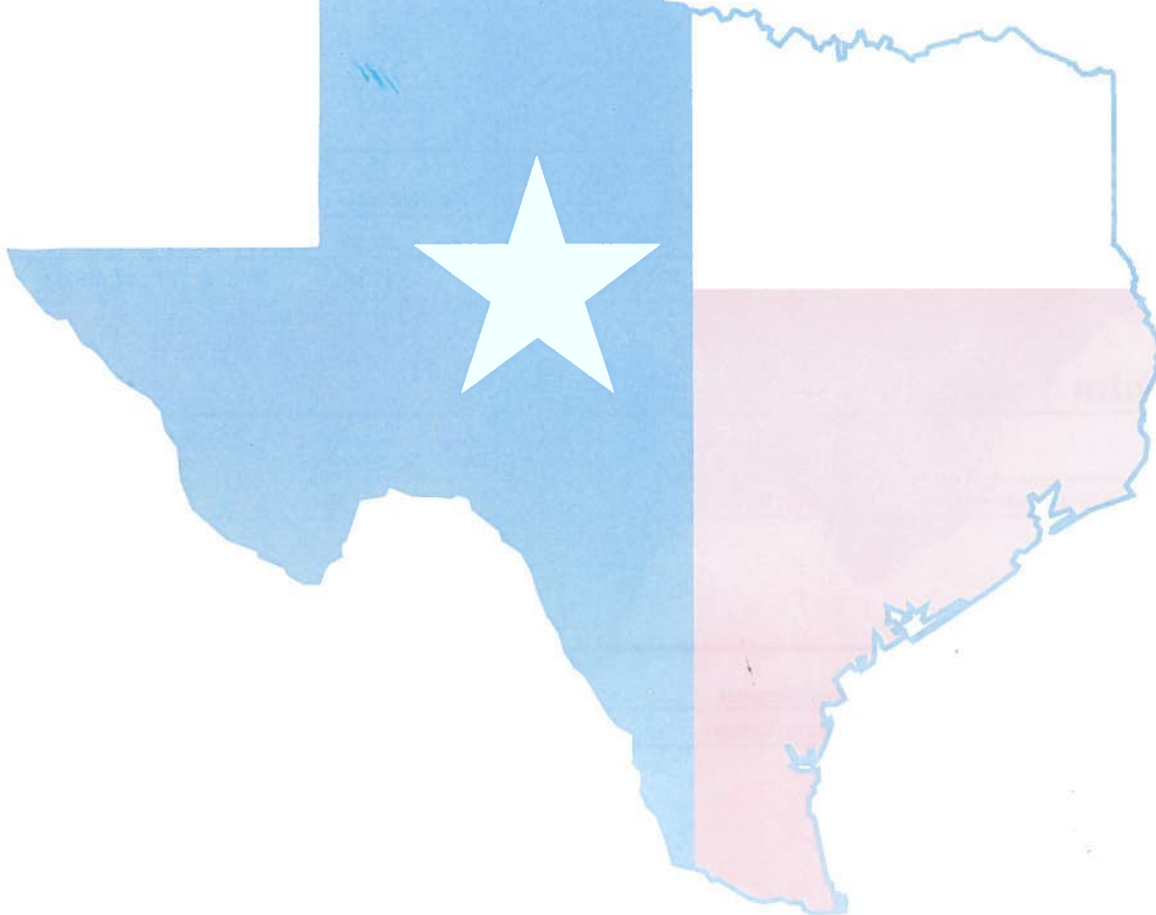
Transaction Detail

Texas Local Government Investment Pool

Participant: CITY OF SEABROOK

Pool/Account: 449/1011800001

Transaction Date	Settlement Date	Transaction Description	Transaction Dollar Amount	Share Price	Shares This Transaction	Shares Owned
02/01/2015	02/01/2015	BEGINNING BALANCE	\$14,939,802.36	\$1.00		14,939,802.360
02/17/2015	02/17/2015	TRANSFER DEPOSIT	\$8,550,000.00	\$1.00	8,550,000.000	23,489,802.360
02/20/2015	02/23/2015	ACH DEPOSIT	\$4,500,000.00	\$1.00	4,500,000.000	27,989,802.360
02/27/2015	02/27/2015	MONTHLY POSTING	\$663.46	\$1.00	663.460	27,990,465.820
Account Value as of 02/28/2015			\$27,990,465.82	\$1.00		27,990,465.820



TEXPOOL

ANNOUNCEMENTS

We would like to recognize and welcome the following entities who joined the TexPool program in February 2015:

TexPool

Highlands at Mayfield Ranch MUD
Willow Point MUD
Fort Bend County MUD 169
Montgomery County MUD 119

Upcoming Events

4/12/15 – 4/15/15
GFOAT Spring Conference
San Marcos
4/20/15 – 4/23/15
County Treasurers' Education Seminar
San Marcos
5/07/15 – 05/10/15
LBJ School/TACA
Austin

TexPool Advisory Board Members

Overseen by the State of Texas Comptroller of Public Accounts Glenn Hegar.

Operated under the supervision of the Texas Treasury Safekeeping Trust Company.

Additional information regarding TexPool is available upon request:

www.texpool.com
1-866-839-7665
(1-866-TEX-POOL)
Fax: 866-839-3291

Federated

Federated, founded in 1955, is publicly traded on the NYSE. It is one of the largest managers of AAA-rated money market portfolios in the country (Source: iMoneyNet as of 11/30/14).

Visit us at FederatedInvestors.com.

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Monthly Newsletter March 2015

Economic and Market Commentary

Month in Cash: Rate hike not the only issue to play out this year

March 1, 2015

You know things are getting interesting when the timing of the Federal Reserve's long-delayed hike in rates is not the most uncertain issue facing cash managers.

Liftoff—probably to another target range rather than a specific number—is pretty much written in stone for 2015. It is just a question of the timing. At present, we think the move will take place midyear, in one of the two policymaking meetings of June or July. The consensus is around 70% for the hike to be approved at one of those two meetings, and nearly everyone agrees the latest it will come is at the September meeting. Neither the minutes of the recent Federal Open Market Committee (FOMC) or Chair Janet Yellen's testimony on Capitol Hill last week altered this outlook significantly.

What's less clear is what path money funds will take to adapt to the Securities and Exchange Commission's 2014 ruling regarding them. If you recall, the SEC announced that starting in 2016, prime institutional money funds must state the value of its shares down to the fourth decimal place. This means a move from the stable \$1 per share to a "floating" net asset value (NAV). There are many strategies out there for money market firms, from transitioning an institutional fund into a retail product (which are permitted to maintain the stable NAV), or changing a fund's composition, such as converting a prime fund into one that invests in government securities.

While these potential moves will affect the competitive landscape, their effect on the supply of government debt could be a greater issue. There are plenty of short-term Treasuries available now. But if more players get in the game, the supply could diminish. For example, money currently invested in CDs, commercial paper, and the like could soak up Treasuries and agencies on a massive scale. More to come on this subject when some of these conversions begin to take place mid-year.

Even as we wait for its big decision, the Fed continues to give us plenty to handle on a weekly basis. It is constantly tweaking its reverse repurchase program (RRP) in an effort to "ensure that this tool will be ready to support the monetary policy

(continued page 6)

PERFORMANCE AS OF FEBRUARY 28, 2015

	TexPool	TexPool Prime
Current Invested Balance	\$16,074,756,742.12	\$1,562,579,883.87
Weighted Average Maturity (1)*	50 Days	36 Days
Weighted Average Maturity (2)*	75 Days	41 Days
Net Asset Value	1.00007	1.00002
Total Number of Participants	2,325	184
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$561,526.03	\$105,383.03
Management Fee Collected	\$592,226.33	\$68,075.69
Standard & Poor's Current Rating	AAAm	AAAm

Month Averages

Average Invested Balance	\$16,628,835,971.81	\$1,667,529,777.93
Average Monthly Yield, on a simple basis (3)*	0.04%	0.08%
Average Weighted Average Maturity (1)*	46 Days	34 Days
Average Weighted Average Maturity (2)*	66 Days	39 Days

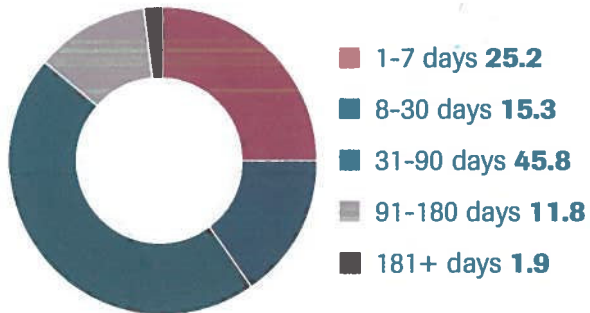
*Definitions for Average Monthly Yield and Weighted Average Maturity can be found on page 2.

TEXPOOL

March 2015

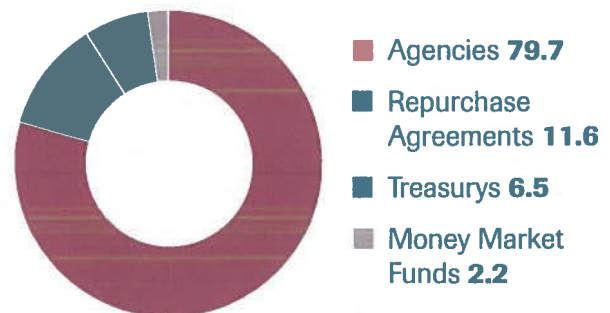
Portfolio by Maturity (%)

As of February 28, 2015



Portfolio by Type of Investment (%)

As of February 28, 2015



PORTFOLIO ASSET SUMMARY AS OF FEBRUARY 28, 2015

	Book Value	Market Value
Uninvested Balance	-\$25,716,364.50	-\$25,716,364.50
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	2,059,163.71	2,059,163.71
Interest and Management Fees Payable	-561,575.10	-561,575.10
Payable for Investments Purchased	-89,995,320.90	-89,995,320.90
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	1,884,968,000.00	1,884,940,145.00
Mutual Fund Investments	350,014,068.65	350,014,068.65
Government Securities	12,903,446,802.12	12,904,516,940.16
US Treasury Bills	0.00	0.00
US Treasury Notes	1,050,541,968.14	1,050,523,400.00
Total	\$16,074,756,742.12	\$16,075,780,457.02

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

PARTICIPANT SUMMARY

	Number of Participants	Balance
School District	575	\$5,878,702,070.24
Higher Education	56	\$1,221,782,627.62
Healthcare	80	\$764,996,403.46
Utility District	721	\$1,762,664,984.28
City	451	\$4,015,272,654.31
County	175	\$1,364,924,554.55
Other	267	\$1,066,210,024.01

Definition of Weighted Average Maturity (1) & (2)

*(1) "WAM Days" is the mean average of the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid, (b) would be repaid upon a demand by TexPool, or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (b) and (c) if their scheduled maturity is 397 days or less; and the later of the two dates set forth in (b) and (c) if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

*(2) "WAM Days" is calculated in the same manner as the described in footnote 1, but is based solely on the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid or (b) would be repaid upon a demand by TexPool, without reference to when interest rates of securities within TexPool are scheduled to be readjusted.

Definition of Average Monthly Yield (3)

*(3) This current yield for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.

TEXPOOL

DAILY SUMMARY

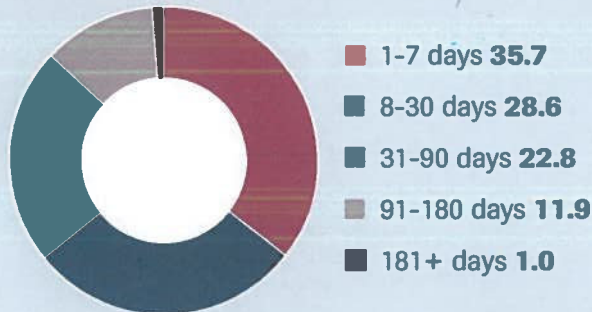
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
2/1	0.0464%	0.000001270	\$16,089,782,441.87	1.00007	42	62
2/2	0.0433%	0.000001187	\$16,353,505,457.53	1.00007	40	59
2/3	0.0398%	0.000001091	\$16,434,183,865.31	1.00007	42	59
2/4	0.0403%	0.000001104	\$16,875,814,093.45	1.00007	43	61
2/5	0.0422%	0.000001156	\$17,023,948,398.42	1.00007	44	61
2/6	0.0430%	0.000001179	\$17,272,733,026.51	1.00006	45	62
2/7	0.0430%	0.000001179	\$17,272,733,026.51	1.00006	45	62
2/8	0.0430%	0.000001179	\$17,272,733,026.51	1.00006	45	62
2/9	0.0430%	0.000001177	\$17,332,694,643.78	1.00007	43	61
2/10	0.0428%	0.000001173	\$17,256,997,006.61	1.00007	45	62
2/11	0.0430%	0.000001178	\$17,239,296,917.49	1.00007	46	63
2/12	0.0451%	0.000001235	\$16,982,063,975.96	1.00007	46	63
2/13	0.0465%	0.000001273	\$16,570,510,284.62	1.00007	47	65
2/14	0.0465%	0.000001273	\$16,570,510,284.62	1.00007	47	65
2/15	0.0465%	0.000001273	\$16,570,510,284.62	1.00007	47	65
2/16	0.0465%	0.000001273	\$16,570,510,284.62	1.00007	47	65
2/17	0.0448%	0.000001227	\$16,441,235,786.18	1.00007	44	62
2/18	0.0442%	0.000001211	\$16,410,186,618.89	1.00007	43	63
2/19	0.0439%	0.000001204	\$16,353,414,403.99	1.00005	48	67
2/20	0.0441%	0.000001208	\$16,349,544,047.58	1.00006	51	75
2/21	0.0441%	0.000001208	\$16,349,544,047.58	1.00006	51	75
2/22	0.0441%	0.000001208	\$16,349,544,047.58	1.00006	51	75
2/23	0.0437%	0.000001196	\$16,344,332,674.63	1.00006	48	72
2/24	0.0456%	0.000001248	\$16,309,633,023.70	1.00006	51	75
2/25	0.0429%	0.000001174	\$16,405,288,214.67	1.00005	49	74
2/26	0.0447%	0.000001226	\$16,456,643,843.10	1.00007	49	75
2/27	0.0459%	0.000001257	\$16,074,756,742.12	1.00007	50	75
2/28	0.0459%	0.000001257	\$16,074,756,742.12	1.00007	50	75
Average	0.0441%	0.000001208	\$16,628,835,971.81	1.00007	46	66

TEXPOOL PRIME

March 2015

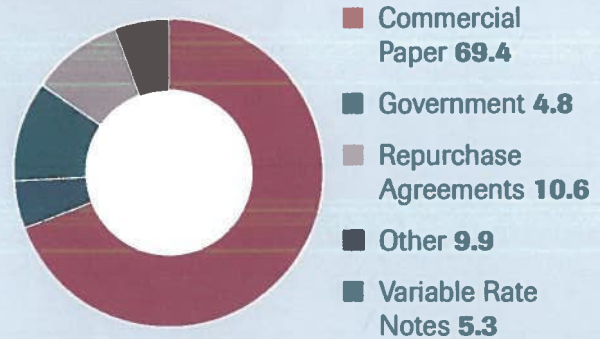
Portfolio by Maturity (%)

As of February 28, 2015



Portfolio by Type of Investment (%)

As of February 28, 2015



PORTFOLIO ASSET SUMMARY AS OF FEBRUARY 28, 2015

	Book Value	Market Value
Uninvested Balance	\$651.21	\$651.21
Accrual of Interest Income	20,362.62	20,362.62
Interest and Management Fees Payable	-105,383.12	-105,383.12
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	165,032,000.00	165,032,000.00
Commercial Paper	1,113,632,568.91	1,113,655,157.00
Bank Instruments	3,000,000.00	2,999,940.00
Mutual Fund Investments	155,003,923.88	155,003,923.88
Government Securities	74,997,200.70	75,000,300.00
Variable Rate Notes	\$50,998,559.47	\$50,998,110.00
Total	\$1,562,579,883.67	\$1,562,605,061.59

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

PARTICIPANT SUMMARY

	Number of Participants	Balance
School District	83	\$961,855,923.28
Higher Education	8	\$85,863,521.51
Healthcare	9	\$16,365,584.36
Utility District	5	\$43,571,433.92
City	37	\$189,660,205.56
County	20	\$147,838,973.64
Other	22	117,423,480.61

TEXPOOL PRIME

DAILY SUMMARY

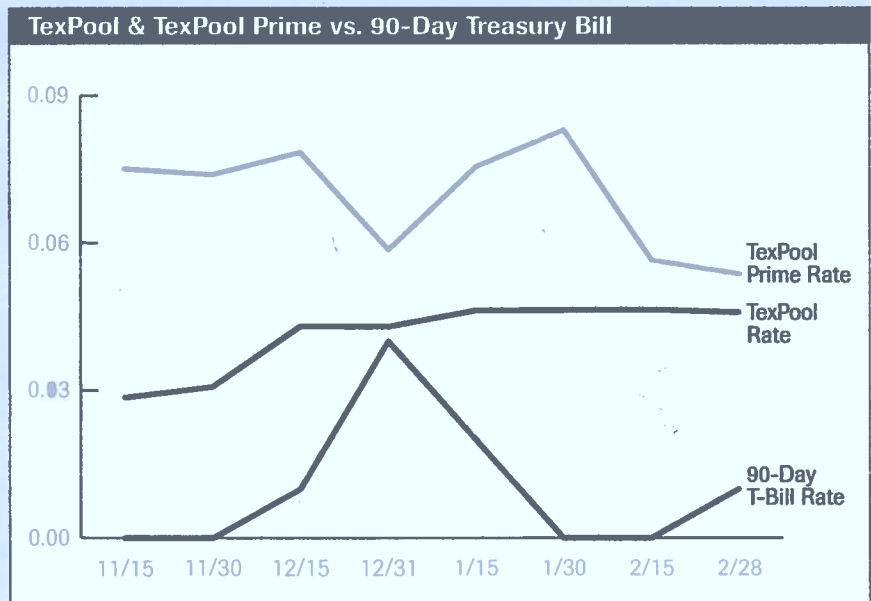
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Prime Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
2/1	0.0830%	0.000002274	\$1,648,984,350.98	1.00002	38	41
2/2	0.0748%	0.000002049	\$1,707,452,333.12	1.00002	34	37
2/3	0.0771%	0.000002111	\$1,770,941,369.76	1.00002	32	36
2/4	0.0740%	0.000002028	\$1,765,468,880.98	1.00003	32	38
2/5	0.0788%	0.000002158	\$1,759,852,214.50	1.00003	31	37
2/6	0.0829%	0.000002270	\$1,760,083,542.73	1.00002	34	39
2/7	0.0829%	0.000002270	\$1,760,083,542.73	1.00002	34	39
2/8	0.0829%	0.000002270	\$1,760,083,542.73	1.00002	34	39
2/9	0.0821%	0.000002249	\$1,757,003,103.59	1.00002	34	39
2/10	0.0839%	0.000002299	\$1,754,076,688.12	1.00002	33	39
2/11	0.0821%	0.000002249	\$1,757,624,594.08	1.00002	34	39
2/12	0.0903%	0.000002475	\$1,690,303,031.84	1.00002	36	41
2/13	0.0925%	0.000002534	\$1,593,576,782.73	1.00001	37	43
2/14	0.0925%	0.000002534	\$1,593,576,782.73	1.00001	37	43
2/15	0.0925%	0.000002534	\$1,593,576,782.73	1.00001	37	43
2/16	0.0925%	0.000002534	\$1,593,576,782.73	1.00001	37	43
2/17	0.0874%	0.000002395	\$1,639,433,432.86	1.00002	34	40
2/18	0.0868%	0.000002377	\$1,635,209,380.76	1.00002	33	39
2/19	0.0814%	0.000002230	\$1,626,202,467.94	1.00002	33	38
2/20	0.0793%	0.000002172	\$1,628,935,408.06	1.00001	33	38
2/21	0.0793%	0.000002172	\$1,628,935,408.06	1.00001	33	38
2/22	0.0793%	0.000002172	\$1,628,935,408.06	1.00001	33	38
2/23	0.0785%	0.000002152	\$1,637,804,644.94	1.00002	31	37
2/24	0.0782%	0.000002142	\$1,632,972,864.56	1.00002	32	38
2/25	0.0764%	0.000002092	\$1,632,263,606.21	1.00002	35	40
2/26	0.0797%	0.000002184	\$1,608,717,067.27	1.00002	35	41
2/27	0.0811%	0.000002223	\$1,562,579,883.67	1.00002	36	41
2/28	0.0811%	0.000002223	\$1,562,579,883.67	1.00002	36	41
Average	0.0826%	0.000002263	\$1,667,529,777.93	1.00002	34	39

TEXPOOL

Participant Services
1001 Texas Ave. 14th Floor
Houston, TX 77002

(continued from page 1)

objectives of the FOMC.” In addition to the \$300 billion overnight reverse repo program, the policymakers undertook four smaller weekly term operations and also announced a quarter-end term offering in March. Why all the complication? The Fed is experimenting with how the participants react to rate adjustments. Think of it as a litmus test to see what will work when the Fed raises the federal funds rate. These term reverse-repo offerings have not had a significant effect. Participants are generally not using all the overnight repo as it is, meaning that the Fed’s guaranteed five-basis-point return has been often providing that crucial floor for participants.



90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.

Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day Treasury Bills.

TEXPOOL REPORT

MONTH OF March 2015
0.0480%

	BEGINNING BALANCE	TRANSFER IN/(OUT)	INT EARNED (Posted Mar)	ENDING BALANCE	PURPOSE OF FUND
GENERAL FUND - UNRESTRICTED	6,577,250.44	(382,779.91)	254.77	6,194,725.30	Working capital
ENTERPRISE FUND - UNRESTRIC	1,800,759.67	(148,811.52)	79.62	1,652,027.77	Working capital
ENTERPRISE FUND - RESTRICTED	300,000.00	0.00	incl in above	300,000.00	Customer liability
CAPITAL IMPACT FEES	2,386,098.23	0.00	97.29	2,386,195.52	Water & sewer lines extensions & expansions
PARK FEES	110,231.83	0.00	4.49	110,236.32	Reserved for acquisition & development of park land
SEIZURE	70,015.46	0.00	2.85	70,018.31	Solely to purchase equipment for Law Enforcement
CHILD SAFETY PROGRAMS	32,130.74	0.00	1.31	32,132.05	Reserved for Child Safety/School Zones
FEDERAL SEIZURE	25,006.80	0.00	1.02	25,007.82	Criminal Investigation - Federal Funds
HOTEL/MOTEL FUND	1,125,053.35	(428.22)	45.86	1,124,670.99	Restricted for promotion of tourism
DEBT SERVICE FUND	2,663,667.91	403,022.46	123.88	3,066,814.25	Restricted for General fund reserves & yearly debt service
WTR/SWR BONDS	291,887.88	0.00	11.90	291,899.78	Funds transferred from Bond Mkt Acct to allow liquidity
IT BONDS	525,007.68	0.00	21.41	525,029.09	Fiber Optics
PD & GF BONDS	6,850,100.18	(3,000.00)	279.31	6,847,379.49	Public Wokrks Facility
FIRE BONDS	725,010.60	(60,000.00)	29.48	665,040.08	Fire Engine
PARK BONDS	450,006.58	0.00	18.35	450,024.93	Splash Pad
LIBRARY BONDS	70.54	0.00	0.00	70.54	Funds transferred from Bond Mkt Acct to allow liquidity
LAKESIDE DRIVE CERT DEP	324,756.95	0.00	13.24	324,770.19	
CAROTHERS	25,509.26	0.00	1.04	25,510.30	
CRIME DISTRICT	354,581.31	(2,914.29)	14.31	351,681.33	Funds transferred from Bond Mkt Acct to allow liquidity
SEDC II - UNRESTRICTED	2,119,038.75	194,911.48	98.19	2,314,048.42	Seabrook Economic Development Corporation II
SEDC II - RESTRICT FOR EMERGENCY	180,000.00	0.00	incl in above	180,000.00	Emergency Reserve
STEP FUND	33,486.29	0.00	1.37	33,487.66	
PUBLIC SAFETY	173,289.23	0.00	7.07	173,296.30	
MUNI COURT - SECURITY FUND	21,665.70	0.00	0.88	21,666.58	Funds from fines to be used for security
COURT - TIME PAYMENT FEES	9,376.83	0.00	0.38	9,377.21	Funds from fines to be used to improve court
MUNI COURT - TECHNOLOGY FUND	6,485.65	0.00	0.26	6,485.91	
PEG Fund	8,293.04	0.00	0.34	8,293.38	
STABILIZATION FUND	801,684.92	0.00	32.69	801,717.61	
TOTAL TEXPOOL FUND	27,990,465.82	0.00	1,141.31	\$27,991,607.13	

The investment portfolio of the City of Seabrook is in compliance with the investment strategies expressed in the City's Investment Policy and relevant provisions of Chapter 2256 of the Local Government Code.

Pam Lab
Finance Director

TexPool Participant Services
C/O Federated Investors Inc.
1001 Texas Avenue, Suite 1400
Houston, TX 77002



Participant Statement

CITY OF SEABROOK
GENERAL ACCOUNT
ATTN: PAM LAB
1700 FIRST STREET
SEABROOK TX 77586-3540

Statement Period **03/01/2015 - 03/31/2015**

Page 1 of 2

Customer Service **1-866-TEX-POOL**
Location ID **000077632**
Investor ID **000006495**

TexPool Update

Do you need to place a transaction or view an account balance and you can't get to the office? Visit TexConnect Online on your smart phone and you will be connected to TexConnect Mobile!

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$27,990,465.82	\$0.00	\$0.00	\$1,141.31	\$27,991,607.13	\$27,990,502.64
Total Dollar Value	\$27,990,465.82	\$0.00	\$0.00	\$1,141.31	\$27,991,607.13	

Portfolio Value

Pool Name	Pool/Account	Market Value (03/01/2015)	Share Price (03/31/2015)	Shares Owned (03/31/2015)	Market Value (03/31/2015)
Texas Local Government Investment Pool	449/1011800001	\$27,990,465.82	\$1.00	27,991,607.130	\$27,991,607.13
Total Dollar Value		\$27,990,465.82			\$27,991,607.13

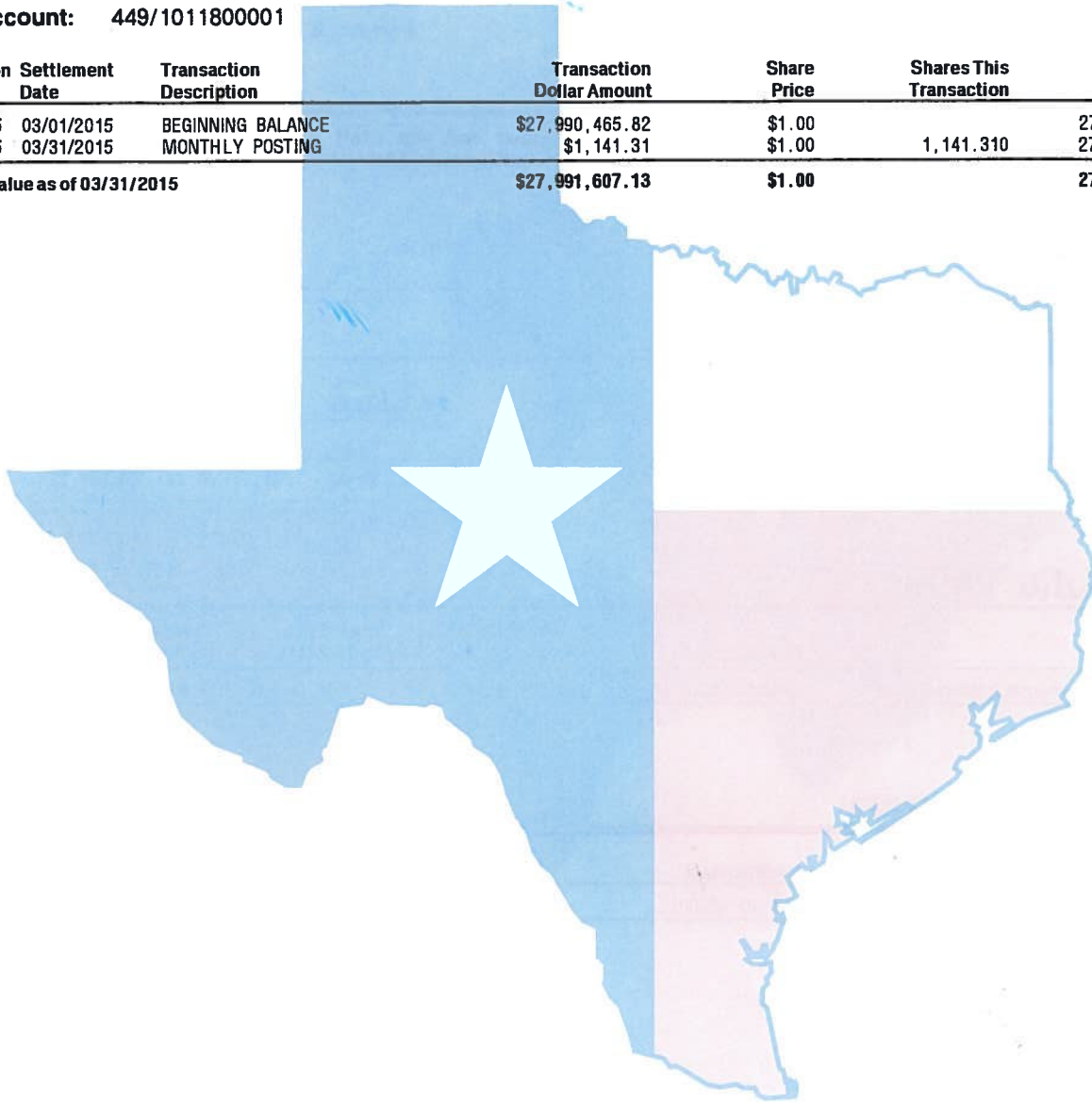
Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	449/1011800001	\$1,141.31	\$2,394.58
Total		\$1,141.31	\$2,394.58

Page 2 of 2

Pool/Account: 449/1011800001

Transaction Date	Settlement Date	Transaction Description	Transaction Dollar Amount	Share Price	Shares This Transaction	Shares Owned
03/01/2015	03/01/2015	BEGINNING BALANCE	\$27,990,465.82	\$1.00		27,990,465.820
03/31/2015	03/31/2015	MONTHLY POSTING	\$1,141.31	\$1.00	1,141.310	27,991,607.130
Account Value as of 03/31/2015			\$27,991,607.13	\$1.00		27,991,607.130



ANNOUNCEMENTS

We would like to recognize and welcome the following entities who joined the TexPool program in March 2015:

TexPool

Montgomery County ESD 11
Starr County Memorial Hospital

TexPool Prime

McLennan County
Starr County Memorial Hospital

Upcoming Events

4/12/15 – 4/15/15

GFOAT Spring Conference
San Marcos

4/20/15 – 4/23/15

County Treasurers' Education Seminar
San Marcos

5/12/15 – 5/15/15

LBJ School/TACA
Austin

TexPool Advisory Board Members

Overseen by the State of Texas Comptroller of Public Accounts Glenn Hegar.

Operated under the supervision of the Texas Treasury Safekeeping Trust Company.

Additional information regarding TexPool is available upon request:

www.texpool.com

1-866-839-7665

(1-866-TEX-POOL)

Fax: 866-839-3291

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G35884-24 (4/15)

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Month in Cash: Is the Fed willing to overlook soft patch in push for liftoff?

April 1, 2015

The Federal Reserve has always operated with a good measure of mystery. Even former Chairman Ben Bernanke's implementation of press conferences and the vast amount of Fed governor speeches have shed little light on what the Fed will actually do in any given Federal Open Market Committee (FOMC) meeting. Lately, however, it has been more ambiguous and taking more seemingly conflicting positions than typical.

On the one hand, comments by Fed officials, including Chair Janet Yellen, and changes in statement language seem to confirm a hike is likely in 2015, and maybe sooner rather than later. If the policymakers aren't "impatient," they at least often sound eager to get the process underway. That would seem to point to a September date for liftoff.

But on the other hand, the Fed has expressed that any rate move will be data dependent, and economic data has not been stellar as of late. Strong employment growth has been somewhat offset by poor wage gains. Inflation is still low, although recently the Fed has basically been saying it does not have to get to two percent to trigger a hike. So what are they looking at? Are they also considering housing, or Gross Domestic Product (GDP)? There are many things that could deter them from raising rates in the near term due to this soft patch.

And then you have the surging dollar. The Fed says currency is never a focus, but in this case it is probably high on the list of ancillary data simply because it has a potentially bigger impact on what the growth from an overall economic perspective will be. Obviously a stronger dollar is less than helpful to our exports, but it really depends on who the dollar is strengthening against. Unfortunately, at this point it is most of our largest trading partners in Europe and Asia. But the FOMC is never going to point to that as a reason for or against normalization.

And it is important to keep in mind that the next stage of Fed maneuvers is indeed not "tightening" but "normalization." Traditionally what we think of as tightening is when the Fed starts raising interest rates. What Yellen keeps emphasizing, and what the market doesn't always get, is we have to withdraw from ultra-accommodative

(continued page 6)

PERFORMANCE AS OF MARCH 31, 2015

	TexPool	TexPool Prime
Current Invested Balance	\$15,213,429,167.24	\$1,548,812,800.90
Weighted Average Maturity (1)*	50 Days	44 Days
Weighted Average Maturity (2)*	75 Days	48 Days
Net Asset Value	1.00003	1.00001
Total Number of Participants	2,327	186
Management Fee on Invested Balance	0.0473%	0.0638%
Interest Distributed	\$631,516.74	\$116,241.69
Management Fee Collected	\$614,503.03	\$68,568.88
Standard & Poor's Current Rating	AAAm	AAAm

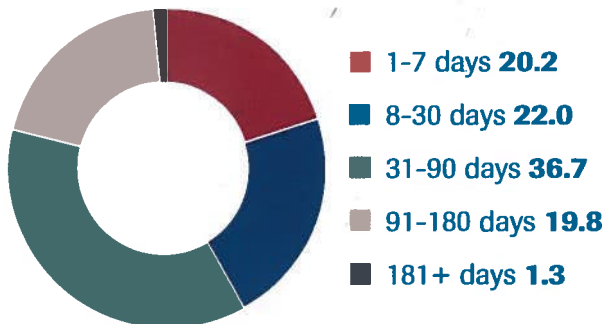
Month Averages

Average Invested Balance	\$15,504,564,664.58	\$1,556,862,555.77
Average Monthly Yield, on a simple basis (3)*	0.05%	0.09%
Average Weighted Average Maturity (1)*	53 Days	38 Days
Average Weighted Average Maturity (2)*	78 Days	43 Days

*Definitions for Average Monthly Yield and Weighted Average Maturity can be found on page 2.

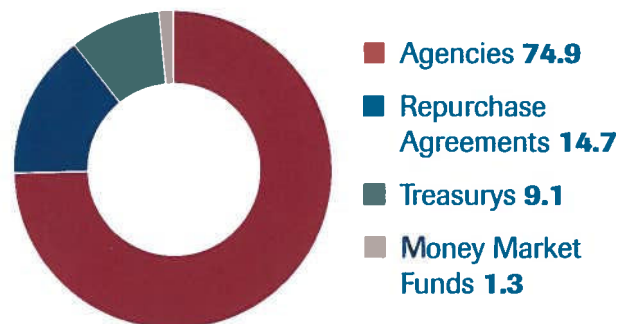
Portfolio by Maturity (%)

As of March 31, 2015



Portfolio by Type of Investment (%)

As of March 31, 2015



PORTFOLIO ASSET SUMMARY AS OF MARCH 31, 2015

	Book Value	Market Value
Uninvested Balance	\$179.13	\$179.13
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	3,820,409.30	3,820,409.30
Interest and Management Fees Payable	-631,325.19	-631,325.19
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	2,235,964,000.00	2,235,905,452.50
Mutual Fund Investments	200,018,226.60	200,018,226.60
Government Securities	11,387,976,803.21	11,388,615,649.16
US Treasury Bills	0.00	0.00
US Treasury Notes	1,386,280,874.19	1,386,441,229.86
Total	\$15,213,429,167.24	\$15,214,169,821.35

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

PARTICIPANT SUMMARY

	Number of Participants	Balance
School District	575	\$5,478,558,505.29
Higher Education	56	\$1,194,459,658.99
Healthcare	81	\$687,876,003.08
Utility District	721	\$1,768,593,274.60
City	451	\$3,635,417,508.76
County	175	\$1,300,731,883.62
Other	268	\$1,147,995,837.87

Definition of Weighted Average Maturity (1) & (2)

*(1) "WAM Days" is the mean average of the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid, (b) would be repaid upon a demand by TexPool, or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (b) and (c) if their scheduled maturity is 397 days or less; and the later of the two dates set forth in (b) and (c) if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

*(2) "WAM Days" is calculated in the same manner as the described in footnote 1, but is based solely on the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid or (b) would be repaid upon a demand by TexPool, without reference to when interest rates of securities within TexPool are scheduled to be readjusted.

Definition of Average Monthly Yield (3)

*(3) This current yield for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.

TEXPOOL

DAILY SUMMARY

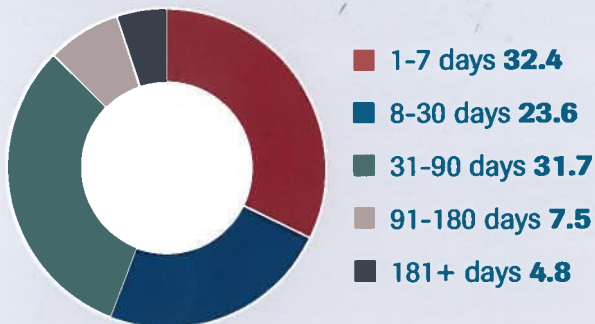
Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
3/1	0.0459%	0.000001257	\$16,074,756,742.12	1.00007	50	75
3/2	0.0438%	0.000001199	\$15,907,594,162.79	1.00007	48	74
3/3	0.0441%	0.000001208	\$15,890,002,166.74	1.00007	52	78
3/4	0.0451%	0.000001235	\$15,851,142,822.30	1.00006	53	78
3/5	0.0464%	0.000001272	\$15,779,772,270.89	1.00006	52	78
3/6	0.0464%	0.000001270	\$15,642,032,021.78	1.00006	55	81
3/7	0.0464%	0.000001270	\$15,642,032,021.78	1.00006	55	81
3/8	0.0464%	0.000001270	\$15,642,032,021.78	1.00006	55	81
3/9	0.0469%	0.000001285	\$15,587,088,074.86	1.00005	53	78
3/10	0.0467%	0.000001280	\$15,565,697,519.94	1.00006	52	78
3/11	0.0458%	0.000001255	\$15,494,225,710.42	1.00006	52	77
3/12	0.0465%	0.000001274	\$15,313,643,061.75	1.00004	51	77
3/13	0.0467%	0.000001280	\$15,282,521,617.95	1.00004	52	79
3/14	0.0467%	0.000001280	\$15,282,521,617.95	1.00004	52	79
3/15	0.0467%	0.000001280	\$15,282,521,617.95	1.00004	52	79
3/16	0.0473%	0.000001296	\$15,375,737,494.22	1.00002	49	75
3/17	0.0495%	0.000001357	\$15,335,880,597.76	1.00001	53	79
3/18	0.0499%	0.000001368	\$15,555,867,110.06	1.00002	52	78
3/19	0.0494%	0.000001354	\$15,541,901,544.33	1.00002	53	78
3/20	0.0499%	0.000001366	\$15,481,334,362.99	1.00003	55	81
3/21	0.0499%	0.000001366	\$15,481,334,362.99	1.00003	55	81
3/22	0.0499%	0.000001366	\$15,481,334,362.99	1.00003	55	81
3/23	0.0501%	0.000001372	\$15,452,300,887.50	1.00004	54	79
3/24	0.0502%	0.000001376	\$15,488,524,622.08	1.00003	53	77
3/25	0.0457%	0.000001251	\$15,503,041,506.88	1.00006	55	80
3/26	0.0508%	0.000001392	\$15,438,938,328.45	1.00002	54	79
3/27	0.0511%	0.000001399	\$15,301,738,656.34	1.00004	54	79
3/28	0.0511%	0.000001399	\$15,301,738,656.34	1.00004	54	79
3/29	0.0511%	0.000001399	\$15,301,738,656.34	1.00004	54	79
3/30	0.0502%	0.000001374	\$15,149,080,834.60	1.00004	51	76
3/31	0.0520%	0.000001425	\$15,213,429,167.24	1.00003	50	75
Average	0.0480%	0.000001315	\$15,504,564,664.58	1.00004	53	78

April 2015

TEXPOOL PRIME

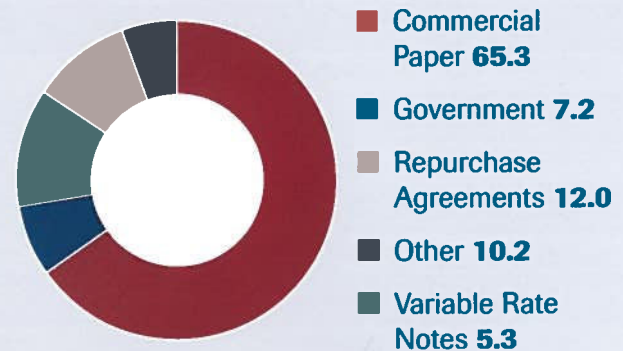
Portfolio by Maturity (%)

As of March 31, 2015



Portfolio by Type of Investment (%)

As of March 31, 2015



PORTFOLIO ASSET SUMMARY AS OF MARCH 31, 2015

	Book Value	Market Value
Uninvested Balance	\$317.65	\$317.65
Accrual of Interest Income	195,622.49	195,622.49
Interest and Management Fees Payable	-116,241.65	-116,241.65
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	0.00	0.00
Repurchase Agreements	183,588,000.00	183,588,000.00
Commercial Paper	1,024,678,533.83	1,024,705,458.24
Bank Instruments	49,467,324.57	49,487,404.56
Mutual Fund Investments	155,008,305.02	155,008,305.02
Government Securities	84,992,154.87	84,995,715.00
Variable Rate Notes	50,998,784.12	50,998,669.00
Total	\$1,548,812,800.90	\$1,548,863,250.31

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

PARTICIPANT SUMMARY

	Number of Participants	Balance
School District	83	\$994,573,865.38
Higher Education	8	\$88,337,250.05
Healthcare	10	\$17,166,612.81
Utility District	5	\$44,933,081.40
City	37	\$158,770,310.90
County	21	\$124,912,545.51
Other	22	\$120,148,404.78

TEXPOOL PRIME

DAILY SUMMARY

Date	Money Mkt. Fund Equiv. (SEC Std.)	Daily Allocation Factor	TexPool Prime Invested Balance	Market Value Per Share	WAM Days (1)	WAM Days (2)
3/1	0.0811%	0.000002223	\$1,562,579,883.67	1.00002	36	41
3/2	0.0869%	0.000002381	\$1,518,583,583.25	1.00002	34	40
3/3	0.0833%	0.000002283	\$1,532,325,042.09	1.00002	33	39
3/4	0.0887%	0.000002430	\$1,515,406,233.05	1.00002	34	40
3/5	0.0903%	0.000002474	\$1,535,974,874.91	1.00002	35	40
3/6	0.0906%	0.000002481	\$1,515,114,014.41	1.00001	36	40
3/7	0.0906%	0.000002481	\$1,515,114,014.41	1.00001	36	40
3/8	0.0906%	0.000002481	\$1,515,114,014.41	1.00001	36	40
3/9	0.0897%	0.000002458	\$1,515,106,332.88	1.00001	35	40
3/10	0.0869%	0.000002380	\$1,513,483,111.48	1.00001	35	39
3/11	0.0842%	0.000002308	\$1,513,205,245.42	1.00001	34	38
3/12	0.0806%	0.000002207	\$1,531,203,442.58	1.00002	33	38
3/13	0.0805%	0.000002205	\$1,596,534,504.28	1.00001	37	41
3/14	0.0805%	0.000002205	\$1,596,534,504.28	1.00001	37	41
3/15	0.0805%	0.000002205	\$1,596,534,504.28	1.00001	37	41
3/16	0.0862%	0.000002363	\$1,613,971,833.65	1.00001	34	38
3/17	0.0889%	0.000002436	\$1,613,971,823.14	1.00001	36	40
3/18	0.0875%	0.000002396	\$1,599,867,490.99	1.00002	36	40
3/19	0.0845%	0.000002314	\$1,615,309,696.73	1.00002	36	40
3/20	0.0852%	0.000002333	\$1,597,213,512.81	1.00002	36	41
3/21	0.0852%	0.000002333	\$1,597,213,512.81	1.00002	36	41
3/22	0.0852%	0.000002333	\$1,597,213,512.81	1.00002	36	41
3/23	0.0885%	0.000002425	\$1,597,930,537.52	1.00002	43	47
3/24	0.0906%	0.000002482	\$1,571,364,574.59	1.00002	44	48
3/25	0.0941%	0.000002578	\$1,542,626,562.25	1.00002	46	50
3/26	0.0945%	0.000002589	\$1,545,465,888.77	1.00001	45	49
3/27	0.0952%	0.000002608	\$1,525,310,285.98	1.00001	45	50
3/28	0.0952%	0.000002608	\$1,525,310,285.98	1.00001	45	50
3/29	0.0952%	0.000002608	\$1,525,310,285.98	1.00001	45	50
3/30	0.0915%	0.000002506	\$1,573,033,318.71	1.00002	44	48
3/31	0.0945%	0.000002590	\$1,548,812,800.90	1.00001	44	48
Average	0.0880%	0.000002410	\$1,556,862,555.77	1.00001	38	43

TEXPOOL

Participant Services
1001 Texas Ave. 14th Floor
Houston, TX 77002

PRSRT STD
U.S. POSTAGE
PAID
AUSTIN, TX
PERMIT NO 1264



MS. PAM LAB
CITY OF SEABROOK
1700 1ST ST
SEABROOK TX 77586-3540

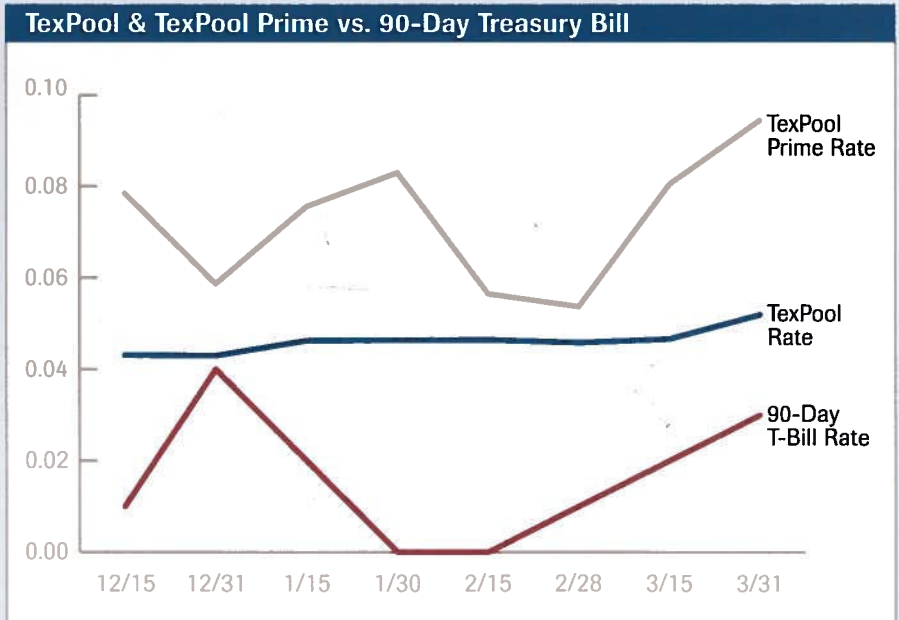
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(continued from page 1)

monetary policy before a rise in rates will have the same impact as tightening has had in the past. If the federal funds rate increased to a range around even one and a quarter percent, it is probably still easy money. It is important to distinguish between normalizing in an increasing rate environment and tightening in an increasing rate environment.

The range for the weighted average maturity (WAM) remained at 45-55 days for government portfolios and 40-50 days for Prime. We didn't change our purchasing strategy either, staying away from the longer end of the yield curve because it again is not providing ample compensation for where we think rates will be at the end of the year.

The London interbank offered rate (Libor) increased about a basis point to three basis points over the 12-month part of the curve.



90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.

Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day Treasury Bills.

Seabrook City Council Special Meeting
Minutes of May 4, 2015
Page 1

The City Council of the City of Seabrook met in special session on Monday, May 4, 2015 at 6:00 p.m. in Seabrook City Hall, 1700 First Street, Seabrook, Texas to discuss, consider and if appropriate, take action on the items listed below.

THOSE PRESENT WERE:

GLENN R. ROYAL

MAYOR

ROBERT LLORENTE – Ex. Abs.

COUNCIL PLACE NO. 1

MIKE GIANGROSSO – Ex. Abs.

COUNCIL PLACE NO. 2

GARY JOHNSON

MAYOR PRO TEM &

COUNCIL PLACE NO. 3

MELISSA BOTKIN

COUNCIL PLACE NO. 4

THOM KOLUPSKI

COUNCIL PLACE NO. 5

O. J. MILLER

COUNCIL PLACE NO. 6

GAYLE COOK

CITY MANAGER

MICHELE L. GLASER

CITY SECRETARY

Mayor Royal called the meeting to order at 6:00 p.m.

1.0 PUBLIC COMMENTS AND ANNOUNCEMENTS – None.

2.0 EXECUTIVE SESSION

At 6:02 p.m. Mayor Royal announced that the City Council would hold a closed executive meeting pursuant to the provisions of the Open Meetings Act, Charter 551, Government Code, and Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074, Personnel Matters.

2.1 Deliberate the appointment, employment, evaluation and duties for the position of City Secretary as provided for by Section 551.074, Texas Government Code. (Council)

3.0 OPEN MEETING

Mayor Royal reconvened the meeting in open session at 9:00 p.m. and stated that candidates for the position of city secretary had been interviewed, but no action had been taken in executive session.

3.1 Consider appointment of a new City Secretary. (Council)

Motion was made by Councilor Johnson and seconded by Councilor Botkin

To approve the appointment of Robin Hicks as city secretary in training effective June 1, 2015 and as city secretary effective July 1, 2015. The offer is contingent upon successful completion of all due diligence.

Seabrook City Council Special Meeting
Minutes of May 4, 2015
Page 2

MOTION CARRIED BY UNANIMOUS CONSENT.

Upon a motion duly made and seconded, Mayor Royal adjourned the meeting at 9:02 p.m.

Approved on this 2nd day of June 2015.

Glenn R. Royal, Mayor

Michele L. Glaser, TRMC
City Secretary

Seabrook City Council Special Meeting
Minutes of May 19, 2015
Page 1

The City Council of the City of Seabrook met in special session on Tuesday, May 19, 2015 at 7:00 p.m. in Seabrook City Hall, 1700 First Street, Seabrook, Texas to discuss, consider and if appropriate, take action on the items listed below.

THOSE PRESENT WERE:

GLENN R. ROYAL	MAYOR
ROBERT LLORENTE – Ex. Abs.	COUNCIL PLACE NO. 1
MIKE GIANGROSSO	COUNCIL PLACE NO. 2
GARY JOHNSON	MAYOR PRO TEM &
	COUNCIL PLACE NO. 3
MELISSA BOTKIN	COUNCIL PLACE NO. 4
THOM KOLUPSKI	COUNCIL PLACE NO. 5
O. J. MILLER	COUNCIL PLACE NO. 6
GAYLE COOK	CITY MANAGER
SEAN LANDIS	ASSISTANT CITY MANAGER
STEVEN L. WEATHERED	CITY ATTORNEY
MICHELE L. GLASER	CITY SECRETARY

1.0 PRESENTATIONS

1.1 Recognize outgoing Councilmember, Thom Kolupski. (Council)

Mayor Royal presented a plaque of appreciation. Councilmembers and staff thanked Councilor Kolupski for his service. Councilor Kolupski then thanked council, staff and his family.

2.0 PUBLIC COMMENTS AND ANNOUNCEMENTS - None

3.0 NEW BUSINESS

3.1 Consider proposed Ordinance No. 2015-13, "Order Canvassing the May 9, 2015 Special Charter Amendments Election and Declaring All Approved Amendments as Adopted." (Glaser)

AN ORDINANCE AND ORDER CANVASSING THE RETURNS AND DECLARING THE RESULTS OF THE SPECIAL CHARTER AMENDMENTS ELECTION HELD ON MAY 9, 2015, DECLARING ALL APPROVED AMENDMENTS AS ADOPTED AND INSTRUCTING THE MAYOR TO CERTIFY THE RESULTS OF THE ELECTION TO THE TEXAS SECRETARY OF STATE.

Motion was made by Councilor Johnson and seconded by Councilor Botkin

To approve proposed Ordinance No. 2015-13, "Order Canvassing the May 9, 2015 Special Charter Amendments Election", on first and final reading with the reading of the caption serving as the reading of the ordinance.

**Seabrook City Council Special Meeting
Minutes of May 19, 2015
Page 2**

Mrs. Glaser announced that out of 20 propositions, 19 were approved by voters. Only Proposition 16 failed. The canvass is attached as Exhibit A to these minutes.

3.2 Administer the Oath of Office and Certificates of Election to re-elected Councilmember, Gary Johnson and newly elected Councilmember, Glenna Adovasio.

Mrs. Glaser administered the oath of office to Councilors Gary Johnson and Glenna Adovasio and presented them with their Certificates of Election.

Upon a motion duly made and seconded, Mayor Royal adjourned the special meeting at 7:08 p.m. and announced that a short reception would be held honoring outgoing and incoming councilmembers.

Approved this 2nd day of June 2015.

Glenn R. Royal, Mayor

Michele L. Glaser, TRMC
City Secretary

**Seabrook City Council Regular Meeting
Minutes of May 19, 2015
Page 1**

The City Council of the City of Seabrook met in regular session on Tuesday, May 19 2015 at 7:20 p.m. in Seabrook City Hall, 1700 First Street, Seabrook, Texas to discuss, consider and if appropriate, take action on the items listed below.

THOSE PRESENT WERE:

GLENN R. ROYAL	MAYOR
ROBERT LLORENTE – Ex. Abs.	COUNCIL PLACE NO. 1
MIKE GIANGROSSO	COUNCIL PLACE NO. 2
GARY JOHNSON	MAYOR PRO TEM &
MELISSA BOTKIN	COUNCIL PLACE NO. 3
GLENNA ADOVASIO	COUNCIL PLACE NO. 4
O. J. MILLER	COUNCIL PLACE NO. 5
GAYLE COOK	COUNCIL PLACE NO. 6
SEAN LANDIS	CITY MANAGER
STEVEN L. WEATHERED	ASSISTANT CITY MANAGER
MICHELE L. GLASER	CITY ATTORNEY
	CITY SECRETARY

Mayor Royal called the meeting to order at 7:42 p.m. and led the audience in the United States and Texas Pledge of Allegiance.

1.0 PUBLIC COMMENTS AND ANNOUNCEMENTS – None.

1.1 Mayor, City Council and/or members of the city staff may make announcements about city/community events. (Council)

Councilor Giangrosso announced that the Veterans' Parade would be held on Monday, May 23.

2.0 CONSENT AGENDA

2.1 Approve nominations for volunteer recognition which include Melanie Bentley, David Fosdick, Cristin Rogers, Jess Strickland and Tara Canales. Nominations were made by the Open Space & Trails Committee and if approved by Council, will be recognized at the June 2 meeting. (OSC)

2.2 Approve an Interlocal Agreement with Harris County Department of Education for the purpose of purchasing goods and services under competitively bid contracts as provided by Section 271.102 of the Texas Local Government Code and authorize the city manager to execute the agreement. (Cook)

2.3 Approve excused absences for Councilors Giangrosso and Llorente for the May 5, 2015 Council Meeting and for Councilor Llorente for the May 19, 2015 Council meeting. (Glaser)

Seabrook City Council Regular Meeting
Minutes of May 19, 2015
Page 2

2.4 Approve Resolution No. 2015-15, "Amendment to Personnel Policies - Vacation Policies". (Sanchez)

A RESOLUTION AMENDING RESOLUTION NO. 2008-08, "PERSONNEL POLICIES" ADOPTED ON MAY 6, 2008 AND RESOLUTION NO. 2010-15, AMENDMENT TO PERSONNEL POLICIES" ADOPTED ON AUGUST 3, 2010 BY AMENDING CHAPTER 5, SECTION 23 AND CHAPTER 6, SECTION 10, DEALING WITH VACATION POLICIES, INCLUDING ACCRUAL AND FINAL PAYMENT AND PROVIDING FOR AN EFFECTIVE DATE.

2.5 Approve the April 10, 2015 special City Council meeting minutes. (Glaser)

2.6 Approve the May 5, 2015 regular City Council meeting minutes.

2.7 Approve the April 2015 Building Report. (Landis)

2.8 Approve the April 2015 Public Safety Report. (Wright)

Motion was made by Councilor Johnson and seconded by Councilor Botkin

To approve the Consent Agenda as presented.

MOTION CARRIED BY UNANIMOUS CONSENT.

END OF CONSENT AGENDA

The following item was taken out of order.

5.0 EXECUTIVE SESSION

At 7:46 p.m. Mayor Royal announced that the City Council would now hold a closed executive meeting pursuant to the provisions of the Open Meetings Act, Charter 551, Government Code, and Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.071, Consultation with Attorney.

5.1 Consult with attorney to receive legal advice to address legal issues associated with proposed right of way use agreement requested by Dow Hydrocarbons and Resources LLC, as provided by Section 551.071 of the Texas Government Code. (Cook)

6.0 OPEN MEETING

At 7:56 Mayor Royal reconvened the meeting in open session and stated that Item 5.1 had been discussed, but that no action had been taken in Executive Session.

3.0 NEW BUSINESS

Seabrook City Council Regular Meeting
Minutes of May 19, 2015
Page 3

3.1 Consider approval authorizing the City to convey a 12' wide easement to Dow Hydrocarbons and Resources, LLC for a 12" Ethane Pipeline and authorize the city manager to execute. (Cook)

Motion was made by Councilor Johnson and seconded by Councilor Botkin

To approve a Ethane Pipeline License Agreement with Dow Hydrocarbons and Resources, LLC for a 12 inch Ethane pipeline for approximately 301.45 linear feet on city owned property and authorize the City Manager to execute the agreement and the offer from Dow to pay the city \$2,500 a rod, pending submission of all documents and revisions .

Representatives of Dow confirmed that only Ethane would flow through the pipeline. A new agreement would have to be negotiated and approved by the city for any change in materials. Representatives also confirmed that the pipeline would be located west of the railroad tracks.

MOTION CARRIED BY UNANIMOUS CONSENT.

4.0 ROUTINE BUSINESS

4.1 Approve the Action Items Checklist which is attached and made a part of this agenda. (Council)

Concerning Item 23, Mayor Royal announced that he and Mrs. Cook would meet with Harris-Galveston Area Council on May 20 concerning county right of way options.

Motion was made by Councilor Giangrosso and seconded by Councilor Johnson

To approve the Action Items Checklist as presented.

MOTION CARRIED BY UNANIMOUS CONSENT.

4.2 Establish future meeting dates and agenda items. (Council)

Council photos have been tentatively scheduled for June 2, before the regular meeting.

Council was reminded of the TxDOT meeting on Thursday, May 28 at Bay Elementary School to start at 5:30 p.m.

Upon a motion, duly made and seconded, Mayor Royal adjourned the meeting at 8:10 p.m.

Approved this 2nd day of June 2015.

**Seabrook City Council Regular Meeting
Minutes of May 19, 2015
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Glenn R. Royal, Mayor

Michele L. Glaser, TRMC
City Secretary



***CITY
OF
SEABROOK***

**AGENDA
BRIEFING**

Date of Meeting: TUESDAY, JUNE 2, 2015

Submitter/Requestor: Cook

Date Submitted: 5/22/2015 5:41:17 PM

Presenter: Cook and Mark Ingram, Cobb Fendley

Description/Subject:

Consider presentation of Residential Traffic Management Plan for approval and implementation.

Purpose/Need: NA

Background/Issue(What prompted this need):

Establishment of the Seabrook Residential Traffic Plan is a response to concerns about traffic impacts in residential neighborhoods including speeding, non-neighborhood traffic using local streets, and motorists not observant of the rights and safety of pedestrians.

Impacted Parties(Expected/Notified):

Miscellaneous Comments:

Attachments:

(Please list description of attachments and number of pages in each attachment)

Plan

Fiscal Impact:

Budgeted

Yes

Finance
Review:

Officer

Budget Amendment Required

Yes

Future/Ongoing Impact

Yes

Budget Dept/Line Item Number

Funding Comments:

Where on the agenda should this item be placed?

New Business

Suggested Motion:

Agenda Language:

Consider presentation of Residential Traffic Management Plan for approval and implementation. (Cook)

City Manager Review:

(All items are to be reviewed and approved by the city manager, except items submitted by the mayor or any council member or routine consent agenda items such as minutes and second & third readings of ordinances)

(City Attorney should review all ordinances, resolutions, contracts and executive session items.)

CITY OF SEABROOK

**RESIDENTIAL TRAFFIC
MANAGEMENT PLAN**

June 2015



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PURPOSE

This policy establishes consistent procedures for addressing the traffic-related issues that may occasionally arise along roadways within or nearby residential areas in the city. Neighborhood traffic issues specifically addressed in this policy include the following:

- No Parking Zone Implementation Requests
- Resident Only Restricted Parking Requests
- Cut Through Traffic Mitigation Requests
- Pedestrian Treatment Requests
- School Zone Safety Requests
- Speed Control Requests
- Intersection Control Requests (Multi-way Stops, Traffic Signals, and Roundabouts)
- Other Advisory or Advanced Warning Sign Requests
- Other Public Safety and Traffic Issue Requests

Other neighborhood traffic issues not specifically addressed in this policy may be presented to staff for review by any citizen, business, or group. The Seabrook Public Works-Streets Department staff will work with those parties to review their situation and formulate an appropriate response as necessary.

STATE, COUNTY, AND CITY STREETS

This plan serves to address city street issues. However, many are unaware that many of our streets feeding into our residential areas are under the control of other jurisdictions such as Texas Department of Transportation or Harris County.

State:

Texas Department of Transportation (TxDOT) 713-802-5000

NASA Parkway
SH 146
Old SH 146

While this highway is not under the control of the City of Seabrook, City Staff does receive requests concerning the roadway and synchronization of the traffic lights and communicates this information to TxDOT.

County:

Harris County Traffic Engineering Department 713-881-3210

Todville Rd
Red Bluff
Repsdorph
Lakeside Dr. (beginning at Traffic Circle)

SCOPE

The City of Seabrook is committed to improving the quality of life within its neighborhoods. When a request is made to review a neighborhood related traffic concern, the City's direct efforts are to work and coordinate with the requesting party in understanding and addressing concerns in a defined area within the neighborhood. Seabrook Public Works-Streets Department will inform the affected residents of any significant changes to their neighborhood.

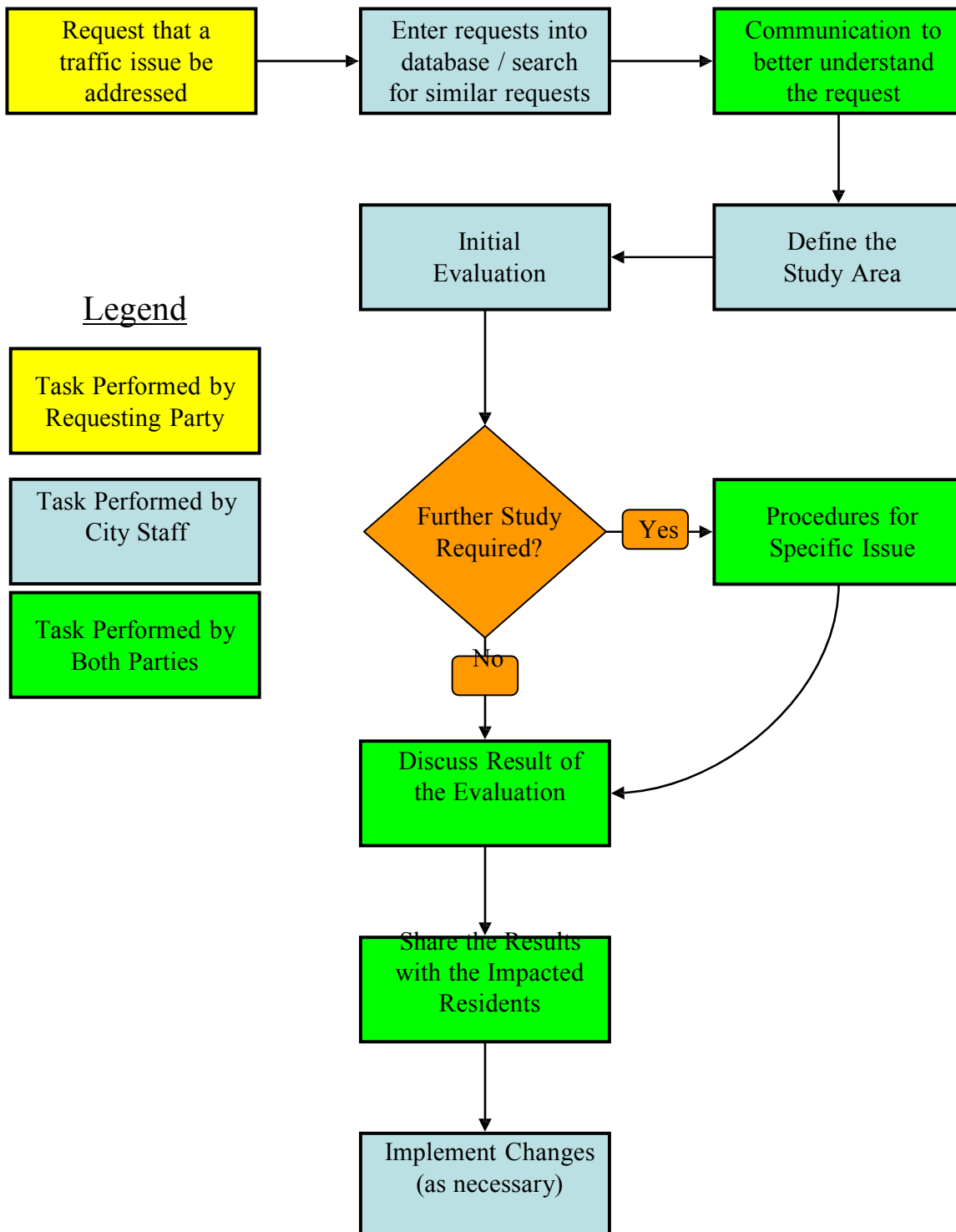
The adoption of this policy is not intended and should not be construed to affect or waive the City's immunity from damages under the Texas Tort Claims Act (CCP Chapt. 101) or any other law or ordinance. This policy does not require the City to install, remove, or modify any traffic control device, sign, signal, or warning device if the City has, in the absence of this policy, the discretion under State law to install, remove, or modify the traffic control device, sign, signal, or warning device.

PROCEDURES

1. Residents, homeowners associations or similar type groups may make a written request to the City of Seabrook's City Manager's Office requesting that a traffic issue be addressed. Traffic issue request form may be obtained from the City of Seabrook website at www.seabrooktx.gov
2. The requesting party's issue will be researched by the Seabrook Police Department and Seabrook Public Work's Department to search for similar requests in the subject area and determine the scope of the problem.
3. Staff may communicate with the requesting party to fully understand their request and thoroughly define the area of concern.
4. City Manager's assigned work group will identify the area of concern and define the area affected.
5. City staff will evaluate the request, collect data if necessary to confirm the magnitude of the problem and determine if further study is necessary. Please note that in order to properly evaluate a specific situation, adequate time must be allowed. Following the initial request, city staff will need to collect and review data, conduct studies and then develop possible remedies to address the issues.
6. If the City staff determines that by further study a change is warranted, procedures to address the specific traffic issue will be implemented. These procedures are detailed in the following portion of this policy, **"Specific Neighborhood Traffic Issues."**
7. Should changes be warranted, City of Seabrook City Manager's Office or designee will share the proposed changes with the impacted residents before any improvements are implemented.

A flow chart that graphically illustrates the above listed procedures is illustrated on the following page.

PROCEDURES UTILIZED FOR NEIGHBORHOOD TRAFFIC ISSUES.



SPECIFIC NEIGHBORHOOD TRAFFIC ISSUES

Specific types of neighborhood traffic requests in the City of Seabrook are addressed in this section of the policy.

No Parking Zone Implementation Requests

As with all other requests to review traffic issues in the City of Seabrook, requests for “No Parking” zone implementation will be addressed with the same measures outlined in the *Procedures* section of this policy.

- Seabrook Public Works-Streets Department and the originator of the request will define a study area for property owners that may be impacted by a proposed “No Parking” zone.
- A traffic study will determine if a “No Parking” zone is appropriate for the requested area for 24 hours per day or for specific days and/or time periods.
- In order to implement a “No Parking” zone, 100% of the property owners that are projected to lose parking spaces adjacent to their property must agree in writing to the “No Parking” zone implementation. The requestor will be required to obtain signatures from the owners.
- If deemed appropriate by the traffic study and agreed to by the property owners that will lose parking spaces adjacent to their property, “No Parking” signs will be posted by the entire street, block or logical termination point as determined by Seabrook Public Works-Streets Department. Other advisory or advanced warning signs will be placed as dictated by sound common engineering practice or the Texas Manual on Uniform Traffic Control devices, latest edition.

As with all other requests to review traffic issues in the City of Seabrook, should the implementation of a “No Parking” zone in the study area be warranted, Seabrook Public Works-Streets Department will share the proposed changes with the impacted residents before any modifications or improvements are implemented.

Cut Through Traffic Requests:

As with all other requests to review traffic issues in the City of Seabrook, requests for cut through traffic control will be addressed with the same measures outlined in the *Procedures* section of this policy.

- If speeding is reported, staff will review the collected information and verify the speed limit, which is set by City ordinance.
- The next step would be to evaluate the problem in terms of the traffic management strategies. The Police Department would be informed of the speed data and determine if an increased enforcement presence should be attempted.
- If after review of the traffic count and the 85th percentile speed (as per the Texas Administrative Code) along with any data from the increased enforcement there continues to warrant such a measure, a traffic engineering study will determine the measures that are appropriate to address the specific cut through traffic issues that may exist for the given the study area. *In order to be considered a candidate for measures to reduce cut through traffic, a roadway must be a local roadway or a collector roadway with residential characteristics that carries more than 10 times total homes in the platted and recorded subdivision affected within a 24 hour period one way with more than 30% cutting through from a major thoroughfare to another. (Establishment of cut through traffic must be performed through a detailed license plate study).
- To add, change or reverse any portion or all of a current traffic plan which limits cut through traffic, 75% of the affected property owners must sign a petition as implemented through these policy guidelines.

*Studies have found that, on average, a single family residential property generates ten vehicle trips a day. Large areas of single family housing can generate a large amount of traffic in and out of a neighborhood.

As with all other requests to review traffic issues in the City of Seabrook, should changes to the study area to control cut-through traffic in the study area be warranted, Seabrook Public Works-Streets Department will share the proposed changes with the impacted residents before any modifications or improvements are implemented.

Pedestrian Crossing Requests:

As with all other requests to review traffic issues in the City of Seabrook, requests for pedestrian improvements will be addressed with the same measures outlined in the *Procedures* section of this policy.

- Seabrook's contracted Engineer firm will study the requested location and perform a crosswalk analysis which includes volume of pedestrian traffic, proximity of the subject location to schools, parks, swimming pools, retail centers, hike and bike facilities, vehicular traffic volume, etc.
- The placement of a crosswalk at an uncontrolled intersection or in the middle of a block shall be considered only in rare cases. In general, the placement of a crosswalk at an uncontrolled intersection may create a false sense of security for pedestrians that could increase the likelihood of a vehicle-pedestrian incident.

As with all other requests to review traffic issues in the City of Seabrook, should pedestrian improvements be warranted, Seabrook Public Works-Streets Department will share the proposed changes with the impacted residents before any modifications or improvements are implemented.

School Zone Safety Requests

As with all other requests to review traffic issues in the City of Seabrook, requests for school zone safety will be addressed with the same measures outlined in the *Procedures* section of this policy. School zone safety requests encompass a broad range of requests in the vicinity of a school. Common requests in the City of Seabrook are addressed specifically below. Other requests will be addressed on a case per case basis.

- The neighborhood traffic policy is not intended to replace or alter the existing provisions and ordinances established by the City of Seabrook.
- Reduced speed school zones are areas in which the speed limit is reduced for certain periods of the day that may be requested by individual citizens, communities, or schools. A traffic engineering study will determine if a reduced speed school zone is warranted based on the proximity of the roadway to the school, the type of school (elementary, junior high, senior high, etc.), vehicular volumes, pedestrian volumes, vehicular speeds, availability of sidewalks, alternative routes between the school residential areas served by the school, and other factors.
- Requests for a crosswalk in the vicinity of a school will be treated with the same procedures as outlined in the “Pedestrian Facility Requests” section of this policy. Proximity to schools and type of vehicular control are major factors in the consideration of crosswalks.
- Parking restrictions in the vicinity of a school will be treated with the same procedures as outlined in the “No Parking Zone Implementation” section of this policy. Proximity of schools is a major factor in the consideration of parking restrictions.
- The Texas Manual of Uniform Traffic Control Devices (latest edition) does not require the installation of flashing beacons to alert motorists to school zones. The City of Seabrook may consider the installation of school flashing beacons on arterial and collector roadways, but not on local streets.

As with all other requests to review traffic issues in the City of Seabrook, should changes to the conditions within a school zone be warranted, Seabrook Public Works-Streets Department will share the proposed changes with the impacted residents before any modifications or improvements are implemented.

Speed Control Requests

As with all other requests to review traffic issues in the City of Seabrook, requests for speed control will be addressed with the same measures outlined in the *Procedures* section of this policy.

- Public Works-Streets Department will maintain a database of locations at which excessive vehicular speeds have been reported that will be shared with the Police Department for enforcement purposes.
- Speed limits of less than 30 miles per hour within the City of Seabrook for enforcement purposes must be per Texas State Law or City Ordinance.
- The Texas Manual of Uniform Traffic Control Devices (latest edition) requires that a speed limit be posted within 5 mph of the 85th percentile speed of the free-flowing traffic.
- When a significant percentage of vehicles utilizing a roadway appear to exceed the State Law or City Ordinance speed limit, the Seabrook Police Department can determine if a speeding problem exists by conducting a traffic study. A speeding problem is indicated on a residential street when the 85th-percentile speed is equal to or greater than 5 mph over the legal speed limit. If a speeding problem is determined from the traffic study, steps will be taken to address the problem:
 - Increased patrol and enforcement in the area
 - Consultation from City's Traffic Engineer for additional signage
 - Seabrook Speed Watch Program
 - Aggressive Traffic Calming Measures (See Appendix "A")

Seabrook Speed Watch Program:

- The Seabrook Speed Watch Program is a public awareness program **not a formal speed study** through which concerned citizens can take an active role in making neighborhood streets safer by observing and recording traffic speeds in their neighborhood. Additional information and application forms to participate in the *Neighborhood Speed Watch Program* may be obtained from Seabrook Police Department or downloaded at www.seabrooktx.gov.
- A speed feedback sign may be installed to alert motorists to their actual speed and the posted speed limit on a roadway. Additional information concerning the speed feedback sign is included in the information on *Neighborhood Speed Watch Program* may be obtained from Seabrook Police Department or downloaded at www.seabrooktx.gov.
- A **formal** speed study may be conducted at the site by the City or contracted to the City Engineer as approved through the Request Form procedure. The **formal** speed study will determine:
 - ✓ 85th percentile speed
 - ✓ consider other issues in the site vicinity including pedestrian traffic volume
 - ✓ roadway curvature
 - ✓ frequency of traffic accidents
 - ✓ sight distance restrictions
 - ✓ other issues specific to the study site

A **formal** speed study may determine that the posted speed limit at the study site is too low and may recommend that the posted speed be raised to the 85th percentile speed.

Aggressive Traffic Calming Measures:

<i>Traffic Device</i>	<i>Traffic Reduction</i>	<i>Speed Reduction</i>	<i>Noise & Pollution</i>	<i>Traffic Access Restriction</i>	<i>Maintenance Problems</i>	<i>Level of Violation</i>	<i>Impact to Bicycles</i>	<i>Costs</i>
Speed Humps	Low	Yes	Increase	None	Moderate	Low	Low	Moderate
Road Closures	High	Yes	Decrease	Yes	Moderate	Low	Low	High
Medians & Barriers	High	Yes	Decrease	Yes	Moderate	Low	High	High

The following measures have to be initiated by residents through a petition of 75% of the entire subdivision. (See Appendix “A”)

Intersection Control Requests (Multi-way Stops, Traffic Signals, and Roundabouts):

(Please remember some streets are not City Streets and are under other agencies such as TxDOT and Harris County)

As with all other requests to review traffic issues in the City of Seabrook, requests for intersection control will be addressed with the same measures outlined in the *Procedures* section of this policy.

- Multi-way stop signs or traffic signals shall not be installed within the corporate City limits of the City of Seabrook unless approved by an authorized warrant analysis and by the City Traffic Engineer.
- Multi-way stops and traffic signals are warranted based on vehicular traffic volumes, pedestrian traffic volumes, vehicular speeds, traffic accident data, and other traffic data in accordance with guidelines defined in the **Texas Manual of Uniform Traffic Control Devices (TMUTCD)**.
- According to the TMUTCD, “regulatory and warning signs should be used conservatively because these signs, if used to excess, tend to lose their effectiveness.” If confirmed by a traffic engineering study, existing multi-way stop locations that are not warranted will be removed by the City of Seabrook.
- According to the TMUTCD, stop signs or traffic signals shall not be installed for the

purpose of controlling the speed of a roadway as they have been shown to become a hazard at times when installed without warrant.

- Implementation of multi-way stop signs, traffic signal, and roundabouts will be in accordance with necessary budget considerations.

As with all other requests to review traffic issues in the City of Seabrook, should changes to the intersection control in the study area be warranted, Seabrook Public Works-Streets Department will share the proposed changes with the impacted residents before any modifications or improvements are implemented.

“Children at Play” and “Deaf Child Area” Sign Requests:

“Children at Play” and “Deaf Child Area” signs are not recognized by the State of Texas or by the Federal Highway Administration as official traffic control devices. These signs may create a false sense of security for parents of children and typically do not achieve the desired safety benefits.

The city does not erect “Children at Play” signs within its boundaries. Existing “Children at Play” signs will be removed by the city.

“Deaf Child Area” signs may only be installed in school zones if deaf children attend the school. If installed, these signs will be removed when the deaf child no longer attends the school.

Other Advisory or Advanced Warning Sign Requests:

As with all other requests to review traffic issues in the City of Seabrook, requests for advisory or advanced warning signs will be addressed with the same measures outlined in the *Procedures* section of this policy.

- The City of Seabrook will study the requested location and perform an advisory/advanced warning sign analysis which includes volume of pedestrian traffic, proximity of the subject location to schools, parks, swimming pools, retail centers, hike and bike facilities, vehicular traffic volume, etc.
- The requesting party will be informed that it is City policy to only install advisory or advanced warning signs that are in accordance with the Texas Manual on Uniform Traffic Control devices, latest edition.

Other Public Safety and Traffic Issue Requests:

Other requests to review traffic issues in the City of Seabrook will be addressed with the same measures outlined in the *Procedures* section of this policy.

Seabrook Public Works-Streets Department will share the proposed changes with the impacted residents before any modifications or improvements are implemented.

Appendix A – Aggressive Traffic Calming Criteria and Considerations Policy

OVERVIEW

Prior to starting a petition for an Aggressive Traffic Calming Device, City Staff will let the homeowners group know if the following factors should be considered prior to the installation of any traffic calming device:

1. Impact on vehicles, motorcyclists, bicyclists, and pedestrians
2. Drainage patterns
3. Vehicular speeds and volumes
4. Other streets or alleys from diverted traffic
5. Emergency response vehicles
6. Street maintenance activities

FUNDING FOR INSTALLATION OF TRAFFIC CALMING DEVICES

When the installation of a traffic calming device is appropriate to address an identified traffic problem, it will be the responsibility of neighborhood representatives to gather the neighborhood signatures and any funding share for the project. The level of funding participation is determined based on the measured 85th percentile speed (see below). All neighborhood funds must be provided to the City in the form of a cashiers' check prior to preparation of the work order for installation. If a neighborhood is requesting that a device be removed, funding for the removal must be gathered in the same manner as its installation.

The cost of installation of a traffic calming device can be very expensive. A typical speed cushion may cost \$3,000 to procure and install the device at each location. More elaborate curb and median modifications can easily cost more than \$10,000 per installation.

The cost of the traffic calming devices , if approved, would have to be paid for 100% by the HOA.

Appendix B – Sample Petition Form for Resident or Homeowner’s Association

Residential Traffic Management

PETITION FOR RESIDENTIAL TRAFFIC MANAGEMENT REVIEW

Homeowner's Association:	
Contact Person:	Phone # Home:
Alternate Contact Person:	Phone # Home:

We, the undersigned hereby petition the City of Seabrook to review, examine and address our concerns regarding the residential traffic patterns according to policies and procedures established by the City of Seabrook. We understand that any recommended solutions or roadway improvement will be subject to engineering evaluation and review.

Street(s) of concern: _____

Primary Problems or Concerns: _____

Note: The street(s) mentioned above will be considered for physical devices (called aggressive management techniques) ONLY after previous attempts with less invasive traffic management measures have proved unsuccessful. City staff reserves the right to determine the extent, dimension, location and application of all supplemental traffic management techniques applied. Only one signature from each household/business will be considered.

Residential Traffic Management

Residence/ Street Address	Name (Please Print Clearly)	Phone Number	(Optional)
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1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

11.

12.



***CITY
OF
SEABROOK***

**AGENDA
BRIEFING**

Date of Meeting: TUESDAY, JUNE 2, 2015

Submitter/Requestor: Cook

Date Submitted: 5/22/2015 6:20:44 PM

Presenter: Cook and Mark Ingram, Cobb Fendley

Description/Subject:

Consider approval of a proposal from Cobb Fendley for a Thoroughfare Plan in amount not to exceed \$____.

Purpose/Need: NA

Background/Issue(What prompted this need):

In direct coordination with the City's ongoing update to the Comprehensive Master Plan, the creation of professional Thoroughfare Plan will instill that the current and future goals and objective of the city's transportation system are collectively approved and documented. By having an approved and comprehensive document, the city will be able to apply for additional funding on projects through regional plans such as the RTP and the TIP.

Impacted Parties(Expected/Notified):

Miscellaneous Comments:

Attachments:

(Please list description of attachments and number of pages in each attachment)

plan

plan

Fiscal Impact:

Budgeted

Yes

Budget Amendment Required

Yes

Future/Ongoing Impact

Yes

Finance
Review:

Officer

Budget Dept/Line Item Number

Funding Comments:

Where on the agenda should this item be placed?

New Business

Suggested Motion:

Agenda Language:

Consider approval of a proposal from Cobb Fendley, City Engineers, for a Thoroughfare Plan in amount not to exceed \$55,633.00. (Cook)

City Manager Review:

(All items are to be reviewed and approved by the city manager, except items submitted by the mayor or any council member or routine consent agenda items such as minutes and second & third readings of ordinances)

(City Attorney should review all ordinances, resolutions, contracts and executive session items.)

Exhibit "A"

5/22/2015

Project:	City of Seabrook
Description:	Thoroughfare Plan
Method of Pay	Lump Sum

Attachment 13, Item # 5.2
Page 1 of 1

Task Description	Task Cost	Principal Hours	Project Manager Hours	Project Engineer Hours	Design Engineer Hours	EIT Hours	CADD Operator Hours	Total Labor Hours
1. Vision, Goals and Performance Measures	\$2,000.00	1	3	3	6	0	0	13
2. Data Collection and Evaluation of Existing Conditions	\$9,175.00	1	4	8	16	30	20	79
3. Evaluation of Future Conditions	\$11,935.00	1	4	8	28	50	10	101
4. Roadway Functional Classification	\$7,975.00	1	4	8	16	10	30	69
5.Design Standards	\$6,195.00	1	2	4	20	16	8	51
6.Recommendations	\$6,550.00	2	4	8	20	8	8	50
7.Final Report	\$11,530.00	3	6	8	40	25	8	90
Hours Subtotals		10	27	47	146	139	84	453

Contract Rate Per Hour	Principal \$245.00/HR.	Project Manager \$175.00/HR.	Project Engineer \$150.00/HR.	Design Engineer \$130.00/HR.	EIT \$105.00/HR.	CADD Operator \$90.00/HR.	Labor Subtotal
Subtotal Labor Costs	\$2,450.00	\$4,725.00	\$7,050.00	\$18,980.00	\$14,595.00	\$7,560.00	\$55,360.00

Direct Expenses	Unit	Quantity	Unit Cost				Subtotal
Vehicle Mileage - (Current State Rate)	Mile	200	\$ 0.565				\$ 113.00
Data Collection (Third Party)	-	-	-				-
Printing Mylar (Up to 11" X 17")	Each	0	\$ 3.50				\$ -
Printing B/W (Up to 11" X 17")	Each	200	\$ 0.15				\$ 30.00
Printing Color (Up to 11" X 17")	Each	20	\$ 1.50				\$ 30.00
Report Binding (Including Covers)	Each	4	\$ 25.00				\$ 100.00

Direct Expenses Subtotal	\$ 273.00
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TOTAL COST (LUMP SUM)	\$ 55,633.00
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Cobb, Fendley & Associates, Inc.
 TBPE Firm Registration No. 274
 13430 Northwest Freeway, Suite 1100 | Houston, TX 77040
 Phone 713.462.3242 | Fax 713.462.3262

City of Seabrook Thoroughfare Plan SCOPE OF WORK

Study Objective

The primary objective of this study is to ensure the preservation of right-of-way and to create a thoroughfare plan for the City of Seabrook, Texas.

The Plan will:

1. Define goals and objectives for the City's transportation system.
2. Recommend roadway functional classifications and typical sections consistent with regional planning efforts.
3. Propose multi-modal thoroughfares that enhance the regional mobility within the City and complement connections established by surrounding communities.
4. Complement the Comprehensive Plan, Regional Transportation Plan (RTP) and Transportation Improvement Plans (TIP) of the City.
5. Provide guidance on speed zones based on functional classification within the urban district.

Task 1 - Vision, Goals and Performance Measures

The Consultant shall develop the vision, goals, and performance measures associated with the development and evaluation of the Thoroughfare Plan.

Deliverables:

- A. Summary of vision and goals
- B. Summary of performance measures

Task 2 - Data Collection and Evaluation of Existing Conditions

The data collected will be used to identify and document existing conditions. Data to be collected includes:

- A. Roadway Inventory (Major arterials and significant roadways) –roadway geometry, speed limits, driveway density and traffic signals.
- B. Obtain available traffic counts (Houston Regional Traffic Count Map, TxDOT)
- C. Identify major traffic generators
- D. Hot spot crash locations using Crash Records Information System (CRIS) data (provided by H-GAC) and information from coordination with Seabrook Police Department

Deliverables:

- A. Congestion Map
- B. Traffic Generator Map – A summary of current and planned transportation projects (RTP, TIP, Known developments)
- C. Speed Limit Map – major roadway speed limits

Task 3 – Evaluation of Future Conditions

The Consultant shall assess future traffic conditions projected for the City of Seabrook. The assessment includes:

- Growing traffic volumes to 2035 using area growth percentages
- Obtaining 2035 volumes from the Travel Demand Model from HGAC and/or City of Houston Planning office, if available.
- Coordinate with Freese and Nichols on travel demand model information obtained for the Comprehensive Plan.

Deliverables:

- A. Congestion Map –2035 volumes
- B. List of issues and needs based on analysis

Task 4 - Roadway Functional Classification

The Consultant will develop standard roadway classifications compatible with regional Functional Classifications.

Deliverables:

- A. Table of functional classification descriptions
- B. Guidance on statutory speed limit establishment by functional classification and Urban District Classification.
- C. Typical Sections
- D. Map of existing street functional classification
- E. Map of future roadway functional classification

Task 5 – Design Standards

The Consultant shall propose standards to be used for Access Management and Traffic Impact Analysis Guidelines

Deliverables:

- A. Access Management Guidelines
- B. Traffic Impact Analysis Guidelines

Task 6 –Recommendations

The Consultant shall identify recommendations by functional classification.

Deliverables:

- A. Identification of thoroughfares that need to be improved.
- B. Identification of future thoroughfares to aid with the area's mobility.

Task 7 - Final Report

The Consultant shall prepare a final document documenting all findings, methodologies, analysis and maps. Maps will be developed in GIS. Electronic copies of the GIS shapefiles will be provided upon completion of the project for implementation in the city GIS base map.

Deliverables:

- A. Two (2) bound copies of the final report, which shall include:
 - 1. Executive Summary
 - 2. Documentation of Existing Conditions and Planned Developments
 - 3. Evaluation of Existing Conditions
 - 4. Evaluation of Future Conditions
 - 5. Roadway Functional Classification
 - 6. New City of Seabrook Thoroughfare Plan map
 - 7. Design Standards
 - 8. Recommendations
 - 9. Appendix
- B. PowerPoint presentation summarizing the City of Seabrook Thoroughfare Plan and its key recommendations for use with City Council.
- C. GIS shapefiles of thoroughfare plan (electronic copy) for implementation in the city GIS base map.

CHARTER

§ 2.05

Section 2.04. Mayor and Mayor Pro-Tem.

The Mayor shall be the official head of the City government. He or she shall preside at all meetings of the Council, shall have a vote on all Council actions, and shall when authorized by the Council, sign all official documents such as ordinances, resolutions, conveyances, grant agreements, official plats, contracts, and bonds. He or she shall perform such other duties consistent with this Charter or as may be imposed upon him or her by Council. He or she shall not have the power of veto.

The Mayor Pro-Tem shall be a Councilmember and be selected by the Council at the second regular Council meeting following a runoff election if any, but not more than the second regular Council meeting in June of each year in those years of no elections for Councilmembers. The Mayor Pro-Tem shall act as Mayor during the disability or absence of the Mayor or if the office is vacated and in this capacity shall have the rights conferred upon the Mayor. Should the Mayor refuse or is unable to perform in his or her official capacity, the Mayor Pro-Tem shall act in his or her stead for that specific case. Should neither the Mayor nor Mayor Pro-Tem be able to perform, the Council may designate another member to act in his or her stead for that specific case.

(Election of 5-7-2005; Charter Election of 5-8-2010)

Section 2.05. Vacancies, forfeiture, filling of vacancies.

(a) *Vacancies:* The office of a Councilmember or office of the Mayor shall become vacant upon his or her death, resignation, removal from office in any manner authorized by law, or forfeiture of his or her office.

(b) *Forfeiture of Office:* A Councilmember or the Mayor shall forfeit his or her office if he or she:

- (1) Lacks at any time during his or her term of office any qualification for the office prescribed by this Charter or by law,
- (2) Violates any expressed prohibition of this Charter,

- (3) Fails to discharge official duties as provided in this Charter,
- (4) Is convicted of a felony, or
- (5) Fails to attend three (3) consecutive regular Council meetings without being excused by the Council by first notifying the City Secretary of the absence; emergency absence notwithstanding. Regular Council meeting is defined as the Council meeting required in Section 2.10 in this Charter, which is held at least once each month and is identified on the agenda as "regular" scheduled meeting.

(c) *Filling of Vacancies:* Any Council vacancy shall be filled in accordance with state law, which requires that all vacancies of Councilmembers with three (3) year terms shall be filled by a majority vote of the qualified voters at a special election called for such purpose within one hundred twenty (120) days after such vacancy or vacancies occur. However, if such vacancy or vacancies occur within one hundred twenty (120) days preceding a regular election, then no special election shall be called and the vacant positions shall be filled at the same time as the next regular election.

Notwithstanding the requirement in section 2.12 that a quorum of the Council consists of four (4) members, if at any time the membership of the Council is reduced to less than four (4), elections shall be held in conformance with state law. All vacancies filled by election shall be for the remainder of the unexpired term of the office so filled.

(d) *Removal from Office:* Any charge of a violation or infraction must be formally submitted in writing to the City Secretary at a regular Council meeting with copies furnished to all Councilmembers. A charge filed in accordance with this Section may not be considered by the City without a favorable vote of a super majority of all Councilmembers present excepting the member or members charged. In the event a majority of Councilmembers are included in a charge, all Councilmembers shall be entitled to vote on proceeding with the charges. The Council may, by majority vote, appoint a special investigator to investigate and present facts surrounding the charge and may establish review processes not in

MAYOR PRO-TEM & COUNCIL REPRESENTATIVE POSITIONS

BOARD AND COMMITTEES	Appointees 2014/15	Appointees 2015/16
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MAYOR PRO TEM

Gary Johnson

EDC MEMBER (in addition to Mayor)

Thom Kolupski

BAY AREA-HOUSTON CONVENTION & VISITORS BUREAU

Mike Giangrosso
Thom Kolupski

BAY AREA HOUSTON ECONOMIC PARTNERSHIP

Robert Llorente, Rep
Gary Johnson, Alt

BAY AREA TRANSPORTATION PARTNERSHIP

Robert Llorente, Rep

CLEAR LAKE EMERGENCY MEDICAL CORPS

Mike Giangrosso
Gary Johnson
O. J. Miller,

ECONOMIC ALLIANCE, PORT REGION (*The Alliance*)

Melissa Botkin, Rep
Robert Llorente, Alt.

GALVESTON BAY FOUNDATION

O. J. Miller

HOUSTON-GALVESTON AREA COUNCIL

Glenn Royal, Rep.
Gary Johnson, Alt.

HOTEL TAX LIAISON COMMITTEE

Thom Kolupski
Mike Giangrosso

ACTION ITEM CHECK LIST STATUS

#	STATUS	DATE ASSIGNED	NEXT REVIEW DATE	PROPOSED CLOSURE DATE	RESPONSIBLE ORGANIZATION	City Council RESPONSIBILITY	PLANNING OBJECTIVE #	AGENDA ITEM NUMBER	DESCRIPTION OF ACTION ITEM	STATUS AND DATE
23	OPEN/IN WORK	11/4/2014			Mayor/ City Mgr.			5.1	Provide periodic updates on TxDOT's progress to improve/widen SH 146.	
30	OPEN/IN WORK	11/18/2014			Staff			4.2	Provide periodic updates of Strategic Plan	
31	OPEN/IN WORK	12/2/2014			Staff			6.1	Mystic Village traffic issues and traffic count	Traffic plan is being considered on a staff level.
32	OPEN/IN WORK	2/17/2015			Staff			6.1	Provide periodic project updates	
33	OPEN/IN WORK	2/17/2015			Staff			6.1	Provide periodic updates on Master Plan	

DRAFT PRELIMINARY
CITY OF SEABROOK
2015 BUDGET CALENDAR FOR 2015-16 BUDGET

DATE	DAY	EVENT
Mar 1 - 12	Mon - Fri	Finance Dept review & update new budget sheets & forecasts for each department
Mar 12	Thur	Distribute budget worksheet files & current forecasts to department directors.
Apr 1	Wed	Dept budget sheets due back to finance
Apr 2-20	Mon-Fri	Finance - Review revenue/expense estimates, assist in completion of personnel sheets
April 10	Fri	Strategic planning staff retreat
Apr 21	Tue	Download March final numbers, update forecasts and distribute
Apr 29	Wed	Distribute 1st raw draft of 2015-16 budget to department heads
May 5 - 8	Tues-Fri	Budget review with City Manager
May 12	Tues	Budget discussion with staff
May 11-May 29	Mon-Fri	Departments update their accomplishments and goals for new year
May 19-20	Tue-Fri	City Manager meeting wit HR to discuss personnel changes for new budget
May 26	Tues	Finance update budgets with personnel changes and distribute to dept heads for meeting
May 26	Tues	Staff review of budget, personnel changes, decision packages
Late May		Receive rate letter and estimates from TMRS, receive premium pricing on health insurance
Late May		Update budgets to reflect new TMRS & healthcare costs
May 27-Jun 30	Mon-Fri	Continue working with staff to get budget balanced
Jul 7	Tue	Present balanced budget to Council REGULAR MEETING
Jul 14	Tue	City Council Budget & CIP Update Workshop SPECIAL MEETING
Jul 28	Tue	City Council Budget Workshop SPECIAL MEETING
Aug 11	Tue	POSSIBLE City Council Budget Workshop SPECIAL MEETING
Aug 21 (est)	Fri	Report of Certified Appraised Values from Harris County Tax Assessor. (60 days starts)
Aug 27	Thur	Publication of Notice of Public Hearing on 2015-16 Budget (14 days required before public hearing)
TIMING IS CRITICAL FOR EVENTS LISTED BELOW		
HOWEVER ALL DATES ARE CONTINGENT UPON RECEIPT OF TAX ROLLS FROM HARRIS COUNTY		
Aug 21 (est)	Fri	Report of Certified Appraised Values from Harris County Tax Assessor. (60 days starts)
Aug 24	Mon	Calculation of Effective and Rollback tax rates.
Sep 1	Tue	Council Agenda - Discuss final budget and effective & proposed tax rates. Take record vote on proposed tax rate if increased and schedule public hearings. If no increase, tax rate can be adopted any time after the budget is adopted. If additional tax workshop is desired, all public hearings and adoption date will be pushed back by 1 week.
Sep 3	Thur	Publication of Effective and Rollback tax rates.
Sep 10	Thur	Publication of notice of Public Hearings on Tax Rate change. (7 days required before public hearing)
Sep 15	Tue	Public Hearing on 2015-16 Budget.
Sep 15	Tue	Council adopts 2015-16 Budget. RECORD VOTE REQUIRED
Sep 22	Tue	First public hearing on tax rate change. SPECIAL MEETING
Sep 27	Sun	Last day to adopt budget per Charter.
Sep 29	Tue	Second public hearing on tax rate change. SPECIAL MEETING
Sep 30	Wed	Post on website/TV Notice of Tax Rate Increase
Oct 1	Thur	Publication of Notice of Tax Rate Increase
Oct 6	Tue	Council adopts 2015 Ad Valorem Tax Rate. (Not <3 days or >14 days after 2nd public hearing) (Meeting is 7 days AFTER 2nd PH)
Oct 20	Tue	Last day to adopt tax rate per state law (60 days after receipt of rolls)

June 2015

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	<i>1</i> Master Plan 6 p.m.	<i>2</i> Council 7 p.m.	<i>3</i>	<i>4</i> P&Z 7 p.m.	<i>5</i>	<i>6</i>
<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i> EDC 7 p.m.	<i>12</i>	<i>13</i>
<i>14</i>	<i>15</i>	<i>16</i> Council 7 p.m.	<i>17</i>	<i>18</i> P&Z 7:00 p.m. Tx Outlaw Challenge	<i>19</i> Tx Outlaw Challenge	<i>20</i> Tx Outlaw Challenge
<i>21</i> Tx Outlaw Challenge	<i>22</i>	<i>23</i>	<i>24</i>	<i>25</i> Michele's Re- tirement Party 4:30-6:30pm Comm. House	<i>26</i>	<i>27</i>
<i>28</i>	<i>29</i>	<i>30</i>				

**MEMORANDUM OF SETTLEMENT AGREEMENT
CITY OF SEABROOK AND PORT OF HOUSTON AUTHORITY**

This Memorandum of Settlement Agreement (the "Agreement") is entered into as of the date last set forth beneath the parties' signatures below (the "Approval Date"), by and between the City of Seabrook, Texas, a home rule municipality ("Seabrook"), and the Port of Houston Authority of Harris County, Texas, a governmental subdivision of the State of Texas ("PHA"), with reference to the following:

- A. PHA is the owner of certain real property as depicted on Exhibit "A" to this Agreement (the "Bayport Property").
- B. PHA holds Department of the Army Permit No. 21520 (the "Permit") authorizing, among other things, the development of a container terminal and cruise terminal (collectively, the "Terminals") on the Bayport Property.
- C. In connection with the development of the Terminals, PHA has sought to acquire (i) the real property depicted on Exhibit "A" (the "Acryl I Property"), in the matter entitled *Port of Houston Authority v. American Acryl, NA LLC, et al.*, Cause No. 774,891 in the County Civil Court at Law No. 3 of Harris County, Texas (the "Acryl I Suit") and (ii) the real property depicted on Exhibit "A" (the "Acryl II Property"), in the matter entitled *Port of Houston Authority v. American Acryl, NA LLC, et al.*, Cause No. 806,268 in the County Civil Court at Law No. 3, Harris County, Texas (the "Acryl II Suit").
- D. Portions of the Bayport Property, and the Acryl I Property and the Acryl II Property, are located within the city limits of Seabrook, as depicted on Exhibit "A."
- E. Seabrook has intervened in the Acryl I Suit (the "Seabrook Intervention"), to challenge PHA's right to acquire the Acryl I Property, and has appealed the County Civil Court's ruling in the Acryl I Suit in the matter entitled *The City of Seabrook, Texas v. Port of Houston Authority*, Cause No. 01-04-00925 in the Court of Appeals for the First District of Texas at Houston, Texas (the "Seabrook Appeal"), which is now before the Texas Supreme Court under Case Number 06-0566.
- F. Seabrook maintains that PHA's construction of the Terminals has caused or is related to sedimentation of Pine Gully in Seabrook as depicted on Exhibit "B" ("Pine Gully"). PHA disputes these claims. The parties' disagreement with respect to such matters is termed the "Pine Gully Dispute."
- G. The Official Zoning Map and the Comprehensive Zoning Ordinance of Seabrook (the "Zoning Ordinance") provides that portions of the Bayport Property are within L-I and Residential zoning districts. PHA maintains that Seabrook's power to zone property does not extend to any property that may be owned by the PHA within Seabrook, and that Seabrook cannot use its zoning powers to prevent or restrict the exercise of PHA's port development authority. Seabrook disputes these claims. The parties' disagreement with respect to such matters is termed the "Zoning Dispute."

H. Seabrook previously requested relocation of the proposed PHA rail switchyard outside of its city boundaries pursuant to a study conducted by PHA, which included this option; however, due to objections of other municipalities, it was determined that Seabrook's request for placement of the rail switchyard outside of its boundaries was not a viable option. The parties' disagreement with respect to such matters is termed the "Rail Dispute."

I. Seabrook and PHA each recognize that there are legal limitations on governmental entities, including authority to surrender, delegate or barter away governmental functions, and understanding such limitations, each now desire to utilize their best efforts to finally settle and resolve the Seabrook Intervention, the Seabrook Appeal, the Pine Gully Dispute, the Zoning Dispute, and the Rail Dispute, on the terms and conditions set forth herein. As further essential elements of that settlement, Seabrook and PHA desire to (i) provide for the joint improvement of Pine Gully, (ii) provide for the conveyance of a portion of the Bayport Property as illustrated on Exhibit "A" and described by metes and bounds in Exhibit "C" (the "Park Property") by PHA to Seabrook pursuant to the terms hereof, (iii) provide for disannexation from Seabrook of certain portions of the Bayport Property and, following their acquisition by the PHA, the Acryl I Property and the Acryl II, as illustrated on Exhibit "A" (collectively, the "Industrial District Property"), and (iv) enter into an Industrial District Agreement, in order to establish certain guidelines, standards, and agreements to govern improvement and use of the Industrial District Property. The parties consider that such a settlement would be in the best interests of each, and that proceeding with the measures described herein will assist PHA's construction and operation of the Terminal, enhance the economic stability and growth of Seabrook, and provide economic development with Harris County.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seabrook and PHA agree as follows:

1. Resolution of the Seabrook Intervention and the Seabrook Appeal.

a. The parties acknowledge that they shall advise the County Civil Court in the Acryl I Suit and the Texas Supreme Court of the fact that Seabrook and PHA have settled their disputes subject to the terms and conditions hereof.

b. As soon after the Effective Date (as defined below) as reasonably possible, the parties shall cause their respective counsel to file with the Texas Supreme Court in the Seabrook Appeal a Joint Motion to Dismiss the Appeal, and shall take all other actions and execute all other documents necessary to obtain entry of a Final Judgment in the Seabrook Appeal, in form and substance reasonably acceptable to the parties and their respective counsel.

c. As soon after the Effective Date as reasonably possible, Seabrook shall cause its counsel to file with the County Civil Court in the Acryl I Suit a Motion to Dismiss its Claims with Prejudice, incorporating the terms of this Agreement for matters within the jurisdiction of such Court, in form and substance reasonably acceptable to the parties and their respective counsel, and shall take all other actions and execute all other documents necessary to obtain dismissal of

Seabrook's claims in the Acryl I Suit, in form and substance reasonably acceptable to the parties and their respective counsel.

d. Seabrook agrees not to further intervene in the Acryl I Suit, or intervene in the Acryl II Suit.

2. Pine Gully.

a. In the interest of resolving the Pine Gully Dispute, each of the parties has contracted with the Galveston Bay Foundation ("GBF"), under substantially identical agreements providing for equal shares of responsibility and reimbursement in all respects, to investigate and mitigate sedimentation of Pine Gully in Seabrook (the "Pine Gully Project"). In connection therewith, GBF engaged the engineering firm Moffat & Nichols ("M&N") to assist with Pine Gully Creek – Phase I of the Pine Gully Project, as described under the heading of "PHASE I SCOPE OF WORK" in M&N's letter of June 7, 2007.

b. The parties agree to further contract with GBF, under substantially identical agreements acceptable to the parties and providing for equal shares of responsibility and reimbursement in all respects (individually, a "Pine Gully II Agreement"), to assist with Pine Gully Creek – Phase II of the Pine Gully Project ("Pine Gully Project – Phase II"), provided that the cost thereof incurred by each party shall not exceed \$36,400. The parties agree and stipulate that they each have available funds for the expenditure of the subject costs. The parties agree that Pine Gully Project – Phase II shall consist of preliminary engineering design and permitting of the Pine Gully Project, as further described under the heading of "PHASE II OUTLINE OF WORK" in M&N's letters of June 7, 2007 and October 5, 2007. It is the express understanding and intent of the parties that the GBF shall be the permittee of the Pine Gully Project and shall apply for such permits (collectively, the "Pine Gully Permits") on or before one hundred twenty (120) days following the Approval Date.

c. The parties agree to further contract with GBF, under agreements acceptable to the parties providing for equal shares of responsibility, and that PHA shall bear the costs of the work (individually, a "Pine Gully III Agreement"), to assist with Pine Gully Creek – Phase III of the Pine Gully Project ("Pine Gully Project – Phase III"), provided that the cost thereof incurred by the PHA shall not exceed \$302,200. In the event the cost of Pine Gully Project – Phase III exceeds, or is expected to exceed, such amount, the parties shall attempt to resolve the matter using the procedures set forth in Section 10 below. The parties agree that Pine Gully Project – Phase III shall consist of the final design and construction services phase of the Pine Gully Project, as further described under the heading of "PHASE III OUTLINE OF WORK" in M&N's letters of June 7, 2007 and October 5, 2007, and with terms providing for construction to begin on or before three (3) months after GBF obtains all the Pine Gully Permits. It is the express understanding and intent of the parties that the GBF shall manage construction of the Pine Gully Project. The Pine Gully III Agreement shall also provide that GBF shall use its reasonable best efforts to diligently complete the Pine Gully Project – Phase III after obtaining all the Pine Gully Permits and the funds required to complete it.

d. The parties further agree that PHA shall commit and/or set aside an additional \$200,000 that would be available during a period of three (3) years from the completion of the re-vegetation of Pine Gully at the end of Phase III, with such funds to be applied by GBF to any expenditures required for additional rehabilitation of Pine Gully only if future problems, such as re-sedimentation of Pine Gully, arise within that three-year period (Pine Gully Project – Phase IV). The criteria of Pine Gully Project – Phase IV are set forth in Exhibit B-1. PHA stipulates that it has currently available funds for the obligations required herein.

e. The parties acknowledge that they have cooperated to obtain third-party funding for the Pine Gully Project. The parties agree that any third-party funds, including any CEPR grant funds from the Texas General Land Office, shall be applied to permissible expenditures relating to the design/permit and/or restoration of Pine Gully, and that funds that Seabrook and/or PHA would have otherwise spent, as described above, shall be applied as necessary to cover monitoring costs associated with Pine Gully restoration. It is further agreed that any remaining funds intended for Phase II or Phase III shall be available for enhancement and improvement of Pine Gully Park within the time limitations of Pine Gully Project – Phase IV in the manner requested by Galveston Bay Foundation and approved by the parties. The parties shall continue to reasonably cooperate to obtain third-party funding.

3. Park Property.

a. The parties agree that contemporaneously with the dismissal of the Seabrook Intervention and Seabrook Appeal as described herein, PHA shall transfer to Seabrook, and Seabrook shall accept conveyance of, the approximately forty one (41) acres comprising the Park Property and more particularly described in Exhibit “C.” PHA shall transfer the Park Property by quitclaim deed in form and substance reasonably acceptable to the parties and their respective counsel (the “Quitclaim Deed”), and pursuant to closing instructions that the parties may enter into containing such provisions as are reasonably acceptable to the parties.

b. The parties acknowledge and agree, and the Quitclaim Deed shall incorporate provisions, that:

i. PHA makes no representations or warranties, express or implied, with respect to any aspect of the Park Property.

ii. Seabrook is receiving the Park Property strictly in “AS-IS, WHERE-IS, AND WITH ALL FAULTS” condition, and Seabrook accepts and agrees to bear all risks regarding all attributes and conditions, latent or otherwise, of the Park Property.

iii. Seabrook has made, or will make prior to the transfer of the Park Property, its own inspection and investigation of the Park Property, and is agreeing to accept transfer and conveyance of the Park Property based upon its own inspection and investigation and not in reliance on any statement, representation, inducement or agreement of PHA except as specifically provided herein.

iv. Seabrook agrees that neither PHA nor anyone acting on its behalf has made any representation, guarantee, or warranty whatsoever, either written or oral, concerning the Park

Property.

v. PHA shall not have any responsibility, liability, or obligation hereunder subsequent to transfer and conveyance of the Park Property with respect to any conditions, or as to any other matters whatsoever, respecting in any way the Park Property.

c. The parties acknowledge and agree, and the Quitclaim Deed shall incorporate, provisions restricting use of the Park Property to public park purposes by Seabrook, and providing for preservation in natural condition of that portion of the Park Property within one hundred (100) yards south of Pine Gully, and for development for park purposes of the remainder of the Park Property no later than fifteen (15) years following the Effective Date. It is specifically understood and agreed that notwithstanding any provision in this Agreement or any other agreement to the contrary, that there shall be no other condition or event for which the Park Property shall revert to PHA.

d. The parties acknowledge that transfer of the Park Property, and preservation and use as provided herein, substantially assist in mitigation of the effects of operation of the Terminal, and settlement of the parties' disputes.

4. Non-Terminal Improvements.

a. Berm and Trail System.

i. Berm Routing and Development. PHA agrees to construct a non-continuous berm on the south border of the Terminals, as depicted on Exhibit "D" (the "Berm"), on the terms and conditions provided herein.

x. PHA agrees to construct the portions of the Berm west of the intersecting Commercial Road (as defined below), as depicted on Exhibit "D" and Exhibit "E" (the "West Berm"), prior to PHA's construction of the Exterior Rail Line (as defined below) for cargo operations. PHA shall complete landscaping of the West Berm as soon as reasonably possible in connection with such construction. Completion of construction and landscaping shall be subject to approval of any third-party permits required in connection therewith, and weather and other conditions of force majeure.

y. PHA agrees to construct the portions of the Berm east of the intersecting Commercial Road, as depicted on Exhibit "D" (the "East Berm"), prior to PHA's construction of the remainder of the Terminal rail line as shown on Exhibit "D" for cargo operations. PHA shall complete landscaping of the East Berm as soon as reasonably possible in connection with such construction. Completion of construction and landscaping shall be subject to approval of any third-party permits required in connection therewith, and weather and other conditions of force majeure.

ii. Berm Specifications. PHA agrees that height, width, and landscaping of the Berm shall comply in all respects with the specifications provided for in the Permit, and set forth in Exhibit "E."

iii. Trail System.

x. The parties shall cooperate to plan a trail system south of the Berm, in the areas depicted on Exhibit "A" (the "Trail System"), to become a portion of the established network of hike and bike trails in Seabrook.

y. PHA agrees to dedicate easements for applicable portions of the Trail System prior to the commencement of Seabrook's improvement of such portion(s) of the Trail System. The instrument(s) dedicating the Trail System shall provide that Seabrook shall improve, or cause third parties to improve, and maintain, and bear responsibility for use of the Trail System, and shall otherwise be in form and substance reasonably acceptable to the parties and their respective counsel.

z. The parties acknowledge that dedication of the Trail System as provided herein substantially assists in mitigation of the effects of operation of the Terminal, and settlement of the parties' disputes.

b. Commercial Road.

i. Routing. The parties agree upon the routing of a new commercial road within Seabrook as depicted on Exhibit "E" (and labeled in the exhibit "Prop. Cruise Road") (the "Commercial Road"). The parties acknowledge that the configuration of the West Berm and Commercial Road are related to one another, and therefore any change in the configuration of either the West Berm or Commercial Road shall require consideration of the impact of any such reconfiguration on both, and the consent of both parties. The parties acknowledge that a portion of the Bayport Property located within the city limits of Seabrook adjoins the Commercial Road, as depicted on Exhibit "A" (the "PHA Commercial Property").

ii. Dedication. Contemporaneous with the Effective Date, PHA shall dedicate for public use those portions of the Commercial Road located on the Bayport Property for formal acceptance by Seabrook. The parties acknowledge that the width of such dedicated property shall total eighty six (86) feet. The instrument dedicating such portions of the Commercial Road shall not require PHA to improve, maintain, or bear responsibility for use of the Commercial Road, and shall otherwise be in form and substance reasonably acceptable to PHA and the grantee, and their respective counsel. The parties acknowledge that dedication of the Commercial Road substantially assists in mitigation of the effects of operation of the Terminal, and settlement of the parties' disputes.

iii. Improvement. The parties acknowledge that at this time no mechanism exists for the improvement, maintenance, or ownership of the Commercial Road. However, the parties shall reasonably cooperate, at no obligation to incur any expense, to obtain the improvement of Commercial Road in compliance with the specifications set forth in Exhibit "G." The parties shall in addition reasonably cooperate, at no obligation to incur any expense, to request that a suitable third-party government agency own and maintain the Commercial Road. The parties acknowledge that in the event reasonable changes in the specifications and routing of Commercial Road are required to

obtain its improvement or the consent of such government agency to own and maintain it, such changes shall be deemed acceptable to each party.

iv. Rezoning. Seabrook shall take the following actions notwithstanding and without prejudice to either party's claims in the Zoning Dispute. Prior to the dismissal of the Seabrook Intervention, the Seabrook Appeal and PHA conveyance to Seabrook of the Park Property, as described herein, Seabrook shall prepare and place on the agenda of the Seabrook Planning and Zoning Commission (the "Commission"), for its consideration and action, the rezoning of the PHA Commercial Property to provide that the PHA Commercial Property is within the C-3 zoning district (the "Commercial Rezoning"). No later than thirty (30) days following consideration or action on the Commercial Rezoning by the Commission, Seabrook shall place the Commercial Rezoning on the agenda of the Council, for consideration and action by the Council.

c. Rail.

i. Routing. The parties agree upon the routing within Seabrook of rail service to the Terminals as depicted on Exhibit "D" and Exhibit "E" (the "Exterior Rail Line"). The parties acknowledge that in the event reasonable changes in the routing of the Exterior Rail Line are required to obtain any third party consents to its improvement or operations, they shall reasonably cooperate to design such changes to be acceptable to each party.

ii. Sound Barrier. The parties shall cooperate to design a sound barrier in the vicinity of the Exterior Rail Line, as generally depicted on Exhibit "D" and Exhibit "E," and PHA shall acquire easements as required to construct it, and shall thereafter construct it, to help ameliorate the operational sounds from use of the Exterior Rail Line (the "Sound Barrier").

x. PHA agrees to construct the Sound Barrier prior to PHA's construction of the Exterior Rail Line for cargo operations, subject to approval of any third party permits required in connection therewith, acquisition of the easements and third-party agreements required for its construction, and weather and other conditions of force majeure.

y. PHA shall construct the Sound Barrier pursuant to improvement plans prepared by PHA and acceptable to Seabrook in its reasonable discretion, provided that the total cost of the Sound Barrier incurred by PHA shall not exceed One Million Six Hundred Thousand Dollars (\$1,600,000). In the event that the Sound Barrier cannot be constructed by PHA for reasons beyond the control of either party, the parties shall attempt to determine an alternative use for the funds using the procedures set forth in Section 10 below.

d. Ponds.

i. Pond Location and Development. PHA agrees to construct detention ponds, retention ponds, and detention/retention ponds on the south border of the Terminals, as depicted on Exhibit "D" (the "Pond Areas"), when required under the Permit. The parties acknowledge that the Pond Areas shall be included in the Industrial District Property.

ii. Pond Specifications. PHA agrees that specifications for construction of the detention ponds shall comply in all respects with the specifications provided for in the Permit, and set forth in Exhibit "D."

iii. Use Restrictions. PHA agrees that the Pond Area shall be designated a special conservation area, restricted to pond use as provided for in the Permit.

5. Terminal Use and Development.

a. Terminal Use Restrictions. PHA agrees to the following matters (collectively, the "Terminal Use Restrictions") with respect to the Industrial District Property:

i. Light. Outdoor lighting improvements within the Industrial District Property shall adhere to the lighting specifications provided for in the Permit, and the specifications set forth in Exhibit "H-1."

ii. Sound. Operations equipment used within the Industrial District Property shall adhere to the sound specifications set forth in Exhibit "H-2."

iii. Container Storage. Container storage within the Industrial District Property shall adhere to the container storage specifications set forth in Exhibit "H-3."

iv. Rail. Rail operations within the Industrial District Property shall be conducted to minimize sound and related interference with Seabrook, and the parties shall reasonably cooperate to design the rail improvements and associated switchyard to minimize sound and related interference with Seabrook, provided that the rail shall be routed as provided in Section 4(c).

b. Exterior Rail Line. Seabrook agrees that PHA may locate and construct the Exterior Rail Line within Seabrook, and conduct operations on the Exterior Rail Line, subject to the terms of this Agreement.

6. Disannexation and Industrial District Agreement. In the interest of resolving the Zoning Dispute, the parties intend to take the following actions:

a. Prior to the dismissal of the Seabrook Intervention, the Seabrook Appeal and PHA conveyance to Seabrook of the Park Property, as described herein, and subject to receipt of the final legal description for the Industrial District Property, no later than December 4, 2007, Seabrook shall prepare and place on the agenda of the Council, for its consideration and action, (i) the petition of PHA for disannexation and a proposed ordinance for disannexation from Seabrook that portion of the Industrial District Property owned by PHA, (ii) a proposed ordinance (the "Industrial District Ordinance") establishing an Industrial District covering that portion of the Industrial District Property owned by PHA, and (iii) adoption of an Industrial District Agreement, in the form attached as Exhibit "J" (the "Industrial District Agreement"), with respect to such property (collectively, the "Industrial District Actions").

b. No later than thirty (30) days following PHA's notice to Seabrook that it acquired the Acryl I Property, Seabrook shall prepare and place on the agenda of the Council, for its consideration and action, (i) a proposed ordinance for disannexation from Seabrook the Acryl I Property, (ii) an amendment to the Industrial District Ordinance enlarging the previously established Industrial District to cover the Acryl I Property, and (iii) an amendment to the Industrial District Agreement with PHA to include the Acryl I Property (collectively, the "Acryl I Actions").

c. No later than thirty (30) days following PHA's notice to Seabrook that it acquired the Acryl II Property, Seabrook shall prepare and place on the agenda of the Council, for its consideration and action, (i) a proposed ordinance to disannex from Seabrook the Acryl I Property, (ii) an amendment to the Industrial District Ordinance enlarging the previously established Industrial District to cover the Acryl I Property, and (iii) an amendment to the Industrial District Agreement with PHA to include the Acryl II Property (collectively, the "Acryl II Actions").

7. Seabrook Regulation of Development and Operations.

a. Seabrook shall not impose or enact any additional conditions, exactions, improvements, dedications, rules, regulations, or official policies applicable to, or governing the development or operation of, the Berm, Trail System, Commercial Road, PHA Commercial Property, Exterior Rail Line, Pond Area, or Industrial District Property except as provided herein or in the Industrial District Agreement. To the extent that any new or amended rules, regulations, or official policies of Seabrook not specifically enumerated in this Section 7 above conflict with this Agreement or Industrial District Agreement, this Agreement or the Industrial District Agreement shall control.

b. Seabrook shall timely cooperate and process promptly any requests and applications for any necessary approvals relating to the development of the PHA Commercial Property by PHA and its successors and assigns, or otherwise provided for hereunder, in the same manner as it cooperates and processes requests and applications for similar properties owned by third parties.

c. The parties shall cooperate with respect to any future action by PHA to acquire property north of the Berm for port and terminal development and PHA's development of any such property or the Industrial District Property as provided for herein or in the Permit, or PHA's use of any such property or the Industrial District Property as a maritime terminal as provided for herein.

8. Conditions to Effectiveness of Agreement.

a. The effectiveness of this Agreement is expressly conditioned upon the occurrence of the following actions on or before the dates specified herein, or any extensions as provided for herein:

i. Approval by the Council of the Pine Gully II Agreement on or before January 22, 2008, with no conditions or stipulations unacceptable to PHA in its sole discretion.

ii. Approval by the Port Commission of the Pine Gully II Agreement on or before January 22, 2008, with no conditions or stipulations unacceptable to Seabrook in its sole discretion.

iii. To the extent permitted by law, approval by the Council of the Commercial Rezoning, on or before February 5, 2008, with no conditions or stipulations unacceptable to the PHA in its sole discretion.

iv. Approval by the Port Commission of the Industrial District Agreement on or before January 22, 2008, with no conditions or stipulations unacceptable to Seabrook in its sole discretion.

v. Approval by the Council of the Industrial District Actions, on or before January 22, 2008, with no conditions or stipulations unacceptable to the PHA in its sole discretion.

vi. Approval by the Council of the Pine Gully III Agreement on or before January 22, 2008, with no conditions or stipulations unacceptable to PHA in its sole discretion.

vii. Approval by the Port Commission of the Pine Gully III Agreement on or before January 22, 2008, with no conditions or stipulations unacceptable to Seabrook in its sole discretion.

The conditions described in Section 8(a) of this Agreement are referred to herein as the "Conditions."

b. The parties do not believe that this Agreement or any action to be taken or approved in furtherance of this Agreement is subject to stay, injunction, referendum, or appeal (any appeal rights of the parties hereto being expressly waived). If however, a court of competent jurisdiction were to determine otherwise, the effectiveness of this Agreement shall further be conditioned on the entry of a final non-appealable judgment dismissing or terminating such injunction, stay, or referendum, or upon confirmation of this Agreement in an appropriate referendum election, provided however that PHA shall have the right in its sole discretion to waive this condition at any time and from time to time.

c. Subject to the provisions of Section 8(b) of this Agreement, the Conditions may only be waived or extended by written agreement of the parties; provided, however, that either party may, in its sole and unfettered discretion, extend the date for the other party's compliance with the Conditions by written notification of such extension.

d. In the event of failure of a Condition which has not been waived, this Agreement shall be void and of no force or effect. In such circumstances, the parties shall take all actions and execute all documents, instruments and stipulations (and instruct their counsel to take all actions and to execute all documents, instruments and stipulations), necessary to restore to parties, to the extent practicable, to the status quo existing prior to execution of this Agreement, and neither this Agreement nor the negotiations which led to the execution of such agreements, shall be admissible in

any action involving the parties (including Acryl I Suit, the Acryl II Suit, and the Seabrook Appeal) other than an action to enforce, or to declare the rights of the parties, under this Agreement.

e. The date upon which all conditions (including, without limitation, the Conditions) to effectiveness of this Agreement have been satisfied or fulfilled is referred to in this Agreement as the "Effective Date."

9. Mutual Releases.

a. Releases, representations and covenants.

i. To the extent permitted by the Constitution and the laws of the State of Texas, Seabrook for itself and its officials, employees, agents, representatives, successors and assigns and each of them (the "Seabrook Releasors") hereby releases, acquits and forever discharges the PHA and its officials, employees, agents, representatives, successors, and assigns, and each of them (the "Seabrook Releasees") of and from any and all alleged claims, demands, charges, accounts, obligations, liabilities, causes of action, sums of money, and other claims of every kind and nature, now in existence, whether known or unknown, and whether anticipated or unanticipated, which the Seabrook Releasors have or may now claim to have or may hereinafter claim to have against the Seabrook Releasees with respect to the Seabrook Intervention, the Seabrook Appeal, the Pine Gully Dispute, and the Zoning Dispute (collectively, the "Released Matters"). Seabrook hereby covenants for itself and the Seabrook Releasors not to bring any claims, actions, suits, or proceedings, in law or in equity, against the Seabrook Releasees, arising out of the Released Matters.

ii. To the extent permitted by the Constitution and the laws of the State of Texas, the PHA for itself and its officials, employees, representatives, successors and assigns and each of them (the "PHA Releasors"), hereby releases, acquits and forever discharges Seabrook and its officials, employees, agents, representatives, successors and assigns, and each of them (the "PHA Releasees"), of and from any and all alleged claims, demands, charges, accounts, obligations, liabilities, causes of action, sums of money, and other claims of every kind and nature, now in existence, whether known or unknown, and whether anticipated or unanticipated, which the PHA Releasors have or may now claim to have or may hereinafter claim to have against the PHA Releasees with respect to the Released Matters. PHA hereby covenants for itself and the PHA Releasors not to bring any claims, actions, suits, or proceedings, in law or in equity, against the PHA Releasees, arising out of the Released Matters.

iii. Notwithstanding anything in Sections 9(a)(i) and (ii) to the contrary, the covenants contained in this Agreement shall survive the Effective Date, and are specifically excluded from coverage of any and all of the releases contained in this Agreement.

iv. Each party hereby represents and warrants to the other that as of the Effective Date, it does not know of any claims it may have against the other with respect to the Released Matters except as expressly provided in this Agreement.

v. Each party represents and warrants that it has relied wholly upon its judgment, belief and knowledge of, and the full and complete legal advice of counsel, as to the existence, nature, extent or duration of any claim, demand, debt, cause of action, rights, agreements or promises

that it may have against the other or released herein, or regarding any other matters, made by the other, or by any other persons representing the other, or by any other person, except as otherwise set forth herein.

b. Additional Facts. The parties hereto and each of them acknowledges that they may hereafter discover facts different from or in addition to those which they know or believe to be true with respect to all or any of the claims, causes of action, costs or demands herein released. However, the parties hereto and each of them agree these mutual releases shall be and remain effective in all respects, notwithstanding the discovery of such different or additional facts.

10. Cooperation and Alternative Dispute Resolution.

a. To further the commitment of the parties to cooperate in the implementation of this Agreement, upon the request of either party, Seabrook and PHA shall each designate and appoint a representative to act respectively on behalf of Seabrook and PHA, except as otherwise provided in this Agreement or by law. The initial representative for Seabrook shall be [Chuck Pinto,] and the initial representative for PHA shall be [Charlie Jenkins.] Each party may identify alternative representatives from time to time. The representatives shall be available at all reasonable times to discuss and review the performance of the parties to this Agreement, and shall cooperate in order to facilitate any third party action needed to complete the actions contemplated by this Agreement.

b. If an impasse or dispute arises out of or relates to this Agreement, or the breach thereof, the parties shall first try in good faith to settle the dispute by negotiation. In the event of any such negotiation, the parties shall personally meet in an effort to resolve such dispute within twenty (20) days of written request to do so by either Seabrook or PHA.

c. In the event the parties cannot, within a reasonable time, resolve any impasse or dispute pursuant to the procedures set forth in Sections 10(a) and 10(b), the parties shall submit the disputed issue to non-binding mediation. The parties shall try in good faith to settle the dispute by mediation, but in no event shall they be obligated to pursue mediation that does not resolve the issue within thirty (30) days after the mediation is initiated or sixty (60) days after mediation is requested. The parties shall share the costs of the mediation equally.

d. Upon a failure or unreasonable delay by either party to perform or otherwise act in accordance with any term or provision of this Agreement, and failure of the procedures set forth in Sections 10(a), 10(b), and 10(c), the other party may give written notice of default specifying the nature of the failure or delay and the manner in which it may be satisfactorily cured, if possible. In the event such failure or delay is not cured within ten (10) days after such notice, the party receiving such notice shall be in default hereunder, and the non-defaulting party shall have all rights and remedies that may be available at law or in equity against the party in default hereunder.

11. Notices and Filings.

a. All notices, filings, consents, approvals and other communications provided for herein or given in connection herewith shall be validly given, filed, made, delivered or served if in

writing and delivered personally or sent by telephonic facsimile or registered or certified United States Mail, postage prepaid, if to:

Seabrook,
the Council, and
the Seabrook City Secretary:

Seabrook City Secretary
City of Seabrook
1700 1st St
Seabrook, TX 77586
Fax No. (281) 291-5600

With a copy to:

City Attorney
Steven L. Weathered
Ross, Banks, May, Cron & Cavin, P.C.
2 Riverway, Suite 700
Houston, Texas 77056-1918
Fax No. (713) 623-6014

PHA:

111 East Loop North
Houston, Texas 77029
Attention: Executive Director
Fax No. (713) 670-2429

or to such other addresses as either party hereto may from time to time designate in writing and deliver in a like manner.

b. Mailing or Facsimile Effective. Notices, filings, consents, approvals, and communications given by mail or facsimile shall be deemed delivered twenty-four (24) hours following deposit in the U.S. mail, postage prepaid and addressed as set forth above, or confirmation of facsimile delivery to the telephone number set forth above.

12. General Provisions.

a. Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by Seabrook or PHA of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

b. Headings. The descriptive headings of the sections and paragraphs of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

c. Exhibits. Any exhibit attached hereto shall be deemed to have been incorporated herein by this reference with the same force and effect as if fully set forth in the body hereof.

d. Further Acts. Each of the parties hereto shall execute, acknowledge and deliver all such documents, instruments, stipulations, and affidavits and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement.

e. Texas Local Government Code Chapter 245. Seabrook agrees that this Agreement shall be considered a "permit" filed on the Effective Date (as defined herein), under Texas Local Government Code Chapter 245, with respect to the PHA Commercial Property.

f. Third Parties. No term or provision of this Agreement is intended to or shall be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

g. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

h. Amendments. No change or addition shall be made to this Agreement except by a written amendment executed by the parties hereto. Any such amendment shall be adopted by Seabrook ordinance or resolution, and Port Commission action.

i. Approvals. Each of the parties respectively represents and warrants to the other that all approvals or consents necessary to the effectiveness of this Agreement have been granted or obtained.

j. Authority. Each party hereby represents that:

i. Each party has complied or shall timely comply with all applicable laws and has taken or shall take all necessary steps, including without limitation, the holding of all required public hearings, to enter into this Agreement and obligate itself hereunder.

ii. Each party has the authority to enter into this Agreement and comply with its requirements.

iii. The individuals executing this Agreement on behalf of the respective parties is authorized and empowered to bind the party on whose behalf each such individual is signing.

k. Severability. Except for the conditions to effectiveness of this Agreement set forth in Section 8, if any other provision of this Agreement is declared void or unenforceable, such provision shall be severed from this Agreement, which shall otherwise remain in full force and effect and this Agreement shall be deemed reformed to replace the void or unenforceable provision with a valid and enforceable provision as similar as possible in effect to the void or unenforceable provision. The parties shall meet and confer as soon as practicable for the purpose of drafting, in good faith, the substitute provision. If an applicable law or court of competent jurisdiction prohibits or excuses either party from undertaking any contractual commitment to perform an act hereunder, this

Agreement shall remain in full force and effect, but the provision requiring such action shall be deemed to permit such party to take such action at its discretion. If, however, such party fails to take the action required hereunder, the other shall be entitled (subject to, and in addition to the remedies provided in Section 10) to terminate this Agreement. Further, in the event that this Agreement is terminated for any reason, including any of the reasons contemplated and described herein, after Seabrook has dismissed its claims as specified in Section 1 of this Agreement, the parties agree that Seabrook's dismissal is provided as consideration for PHA's transfer of certain Park Property as described in Section 3 of this Agreement, and PHA shall effectuate such transfer in accordance with the terms and restrictions described in Section 3. In that event, Section 3 shall survive termination of this Agreement.

l. Time of Essence. Time is of the essence of this Agreement and each provision hereof.

m. Counterparts. This Agreement may be signed in counterparts, and the fully executed counterparts shall together constitute a single original Agreement.

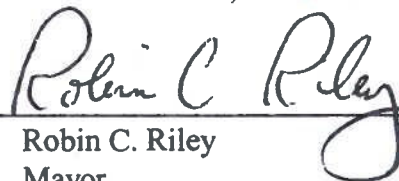
n. Attorneys' Fees. Each party shall bear its own costs and attorneys' fees in the Acryl I Suit and the Seabrook Appeal and its own costs and attorneys' fees in connection with the negotiation and drafting of this Agreement.

IN WITNESS WHEREOF, this instrument has been executed in multiple counterparts by the parties as of the Approval Date, to be effective upon the Effective Date.

ATTEST:

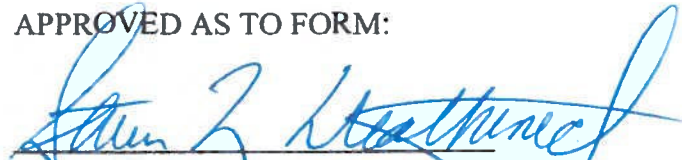
CITY OF SEABROOK, TEXAS


Michele L. Glaser
City Secretary

By: 
Robin C. Riley
Mayor

Date: _____

APPROVED AS TO FORM:


Steven L. Weathered
City Attorney

PORT OF HOUSTON AUTHORITY

By: 
H. Thomas Kornegay
Executive Director

Date: _____



APPROVED AS TO FORM:



Erik A. Eriksson
General Counsel

APPROVED AS TO CONTENT:



Charlie Jenkins
Director of Planning and Environment

Table of Exhibits

Exhibit "A"	Bayport Property Map, also depicting Acryl I Property Acryl II Property Park Property Industrial District Property Trail System Area PHA Commercial Property
Exhibit "B"	Pine Gully Map
Exhibit "B-1"	Pine Gully Phase IV Criteria
Exhibit "C"	Park Property Legal Description and Survey
Exhibit "D"	Bayport Land Use Map, also depicting Sound Barrier West Berm East Berm Commercial Road (i.e. "Cruise Terminal Access Road") Pond Areas
Exhibit "E"	Off-Site Rail Map, also depicting Sound Barrier West Berm Portion of East Berm Portion of Commercial Road (i.e. "Prop. Cruise Road")
Exhibit "F"	Berm Specifications
Exhibit "G"	Commercial Road Specifications
Exhibit "H-1"	Lighting Specifications
Exhibit "H-2"	Equipment Sound Specifications
Exhibit "H-3"	Container Storage Specifications
Exhibit "T"	Form of Industrial District Agreement

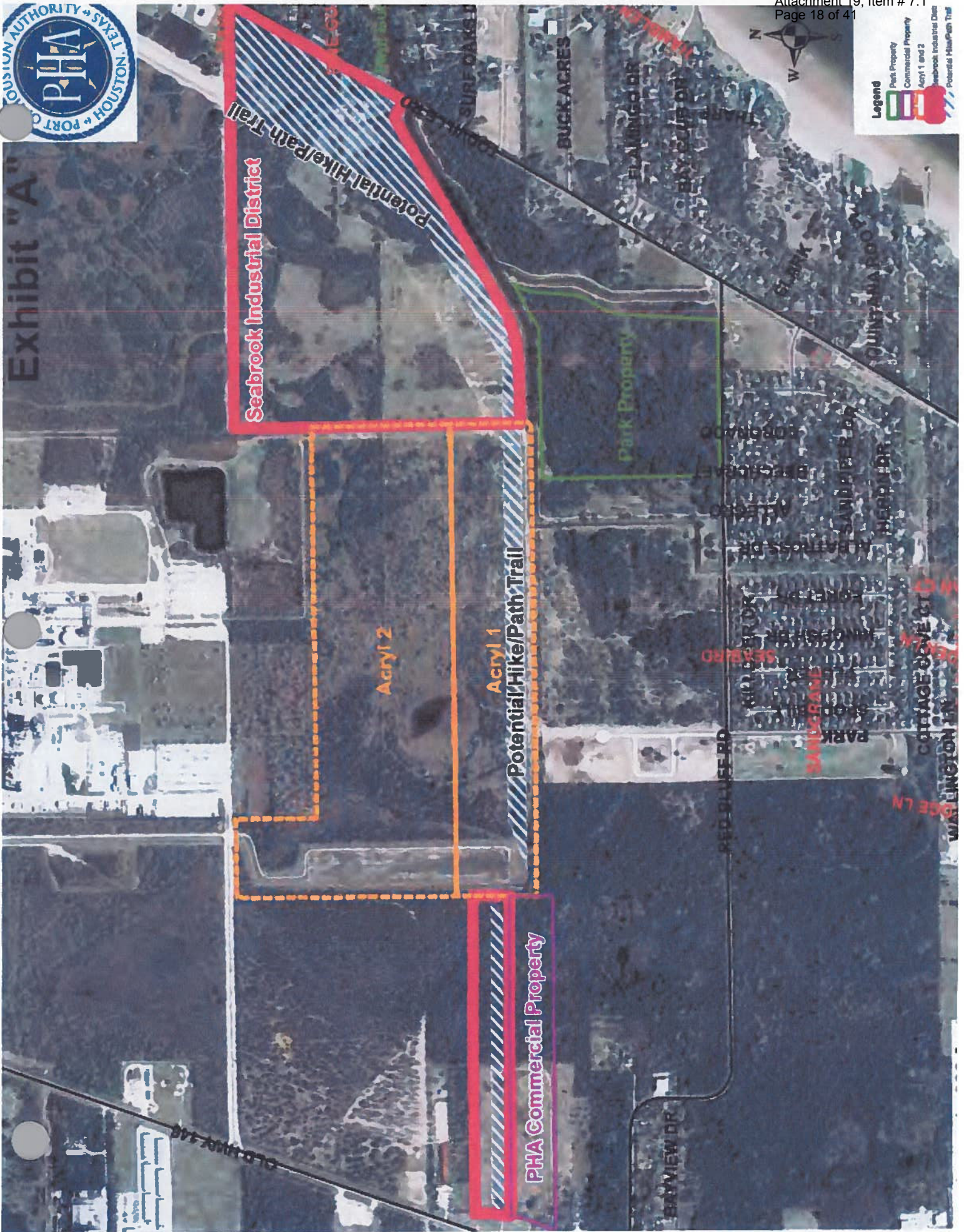




Exhibit B

1 inch equals 200 feet

EXHIBIT B-1

Pine Gully Phase 4 Criteria

- 1) Based on topographic/hydrographic surveys, the Gully main channel or north branch is blocked at any cross-section with less than a 15 ft width in main channel or 5 ft width in north branch below the mean lower low water (MLLW) datum.
- 2) Based on topographic/hydrographic surveys, the Gully main channel has an average depth of less than 2 ft MLLW for reach from mouth of Galveston Bay to the bend just east of Todville Road or the north branch has an average depth of less than 1 ft MLLW for reach from Pine Gully Road to main channel.
- 3) Shoaling occurs which substantially (>60% of cross-sectional area) blocks the culverts under Pine Gully Road.
- 4) Based on georeferenced aerial or satellite photos ground-truthed by biological surveys, shoaling causes significant (>50% aerial extent) loss of established wetland vegetation (vegetation which has been in place for at least 6 months).

These criteria are based on biannual monitoring topographic/hydrographic and biological surveys performed during the first three years of the project. If the surveys show that any one of the four above criteria have been met for two consecutive surveys (12 months) then further assessment of the issue and its cause, and possible restoration work will be triggered, unless the sedimentation is directly attributable to a tropical storm or hurricane.

EXHIBIT C

METES AND BOUNDS 41.194 ACRES OUT OF THE RITSON MORRIS SURVEY A-52

A tract of land containing 41.194 acres being out of a called 500 acre tract as described in Harris County Clerk's File No. P201191 and being located in the Ritson Morris Survey, Abstract No. 52, Harris County, Texas and being more particularly described by metes and bounds as follows;

BEGINNING, at a found five eighths inch iron rod marking the southwest corner of a called 19.184 acre tract as described in Harris County Clerk's File No. R714160 and being the southeast corner of said called 500 acre tract and being in the north line of Red Bluff Road (60 feet wide);

1. THENCE, South 86 degrees 50 minutes 39 seconds West, along the north line of said Red Bluff Road and the south line of said called 500 acre tract, for a distance of 1296.55 feet to a set five eighths inch iron rod with cap stamped "CCI" marking the southwest corner of said called 500 acre tract and the southeast corner of a called 3.05 acre tract as described in Harris County Clerk's File No. X911771, from which a found five eighths inch iron rod with cap bears South 88 degrees East, 0.50 feet;

2. THENCE, North 03 degrees 07 minutes 07 seconds West, along the west line of said called 500 acre tract, for a distance of 1324.83 feet to a set five eighths inch iron rod with cap stamped "CCI" in the south line of a Harris County Flood Control District Easement and Right-of-way as described in Harris County Clerk's File No. D193039;

3. THENCE, North 86 degrees 55 minutes 53 seconds East, along the south line of said Harris County Flood Control District Easement and Right-of-way, for a distance of 1139.04 feet to a set five eighths inch iron rod with cap stamped "CCI";

4. THENCE, North 57 degrees 29 minutes 14 seconds East, continuing along the Harris County Flood Control District Easement and Right-of-way, for a distance of 389.44 feet to a found five eighths inch iron rod with cap stamped "CCI", in the westerly line of said called 19.184 acre tract, from which a found five eighths inch iron rod bears South 41 degrees West, 0.6 feet and a found five eighths inch iron rod bears South 33 degrees West, 1.9 feet;

5. THENCE, South 27 degrees 03 minutes 51 seconds West, along the westerly line of said called 19.184 acre tract for a distance of 30.20 feet (called 29.56 feet) to a found five eighths inch iron rod being the beginning of a tangent curve to the left;

6. THENCE, continuing along the westerly line of said called 19.184 acre tract and following the curve to the left, having a radius of 300.00 feet an chord bearing of South

12 degrees 03 minutes 51 seconds West, a chord length of 155.29 feet for an arc length of 157.08 feet to a found five eighths inch iron rod with cap;

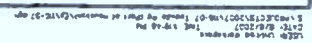
7. THENCE, South 02 degrees 56 minutes 09 seconds East, continuing along the westerly line of said 19.184 acre tract, for a distance of 258.07 feet to a found five eighths inch iron rod with cap and being the beginning of a tangent curve to the right;

8. THENCE, continuing along the westerly line of said 19.184 acre tract and following the curve to the right, having a radius of 180.00 feet, a chord bearing of South 12 degrees 03 minutes 51 seconds West, a chord distance of 93.18 feet, for an arc length of 94.25 feet to a set five eighths inch iron rod with cap stamped "CCI";

9. THENCE, South 27 degrees 03 minutes 51 seconds West, continuing along the westerly line of said called 19.184 acre tract for a distance of 111.38 feet to a set five eighths inch iron rod with cap stamped "CCI" being the beginning of a curve to the left, from which a found five eighths inch iron rod with cap bears South 53 degrees East, 0.9 feet;

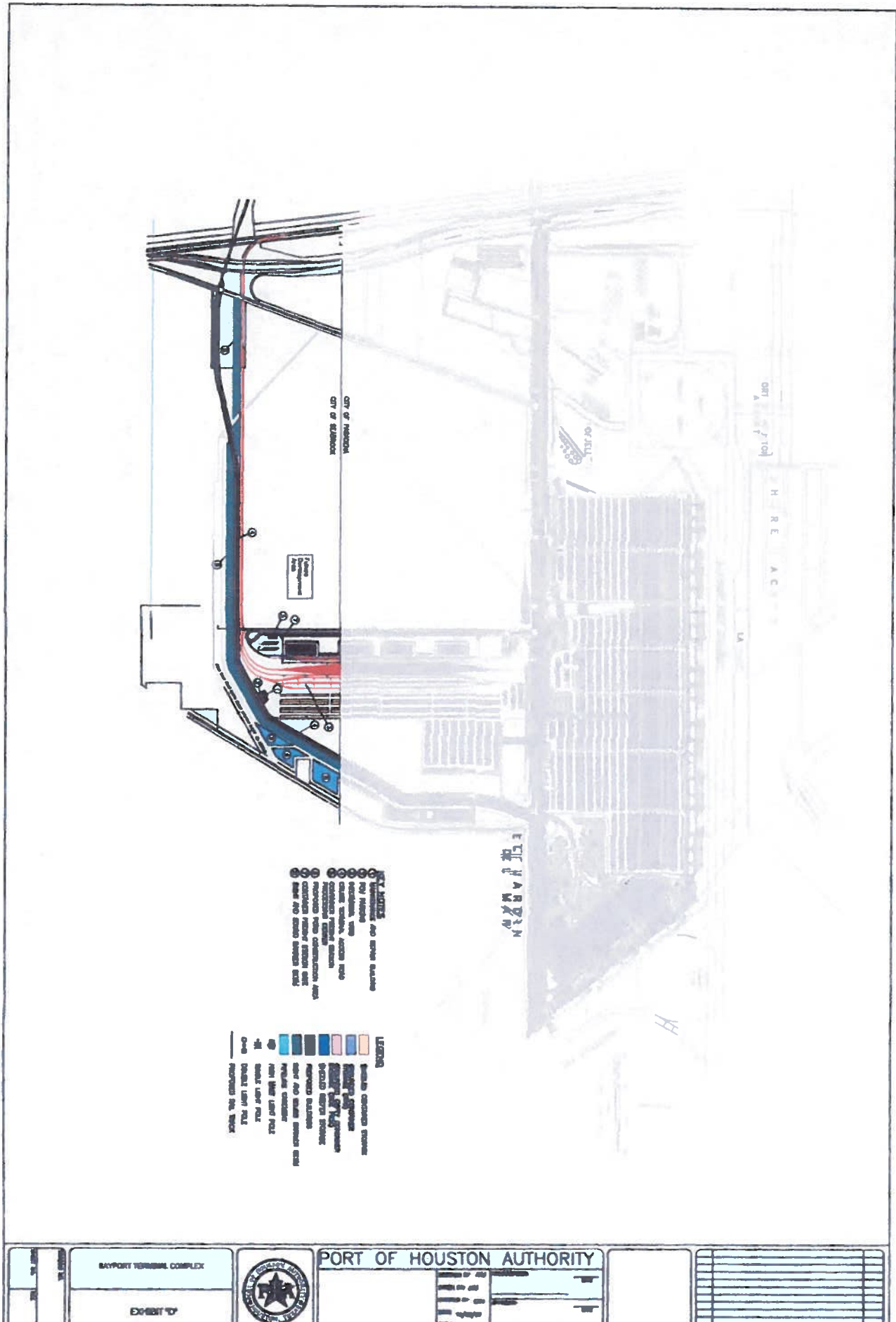
10. THENCE, continuing along the westerly line of said called 19.184 acre tract and following the curve to the left, having a radius of 300.00 feet, a chord bearing of South 12 degrees 03 minutes 51 seconds West, a chord distance of 155.29, for an arc length of 157.08 feet, to a set five eighths inch iron rod with cap stamped "CCI";

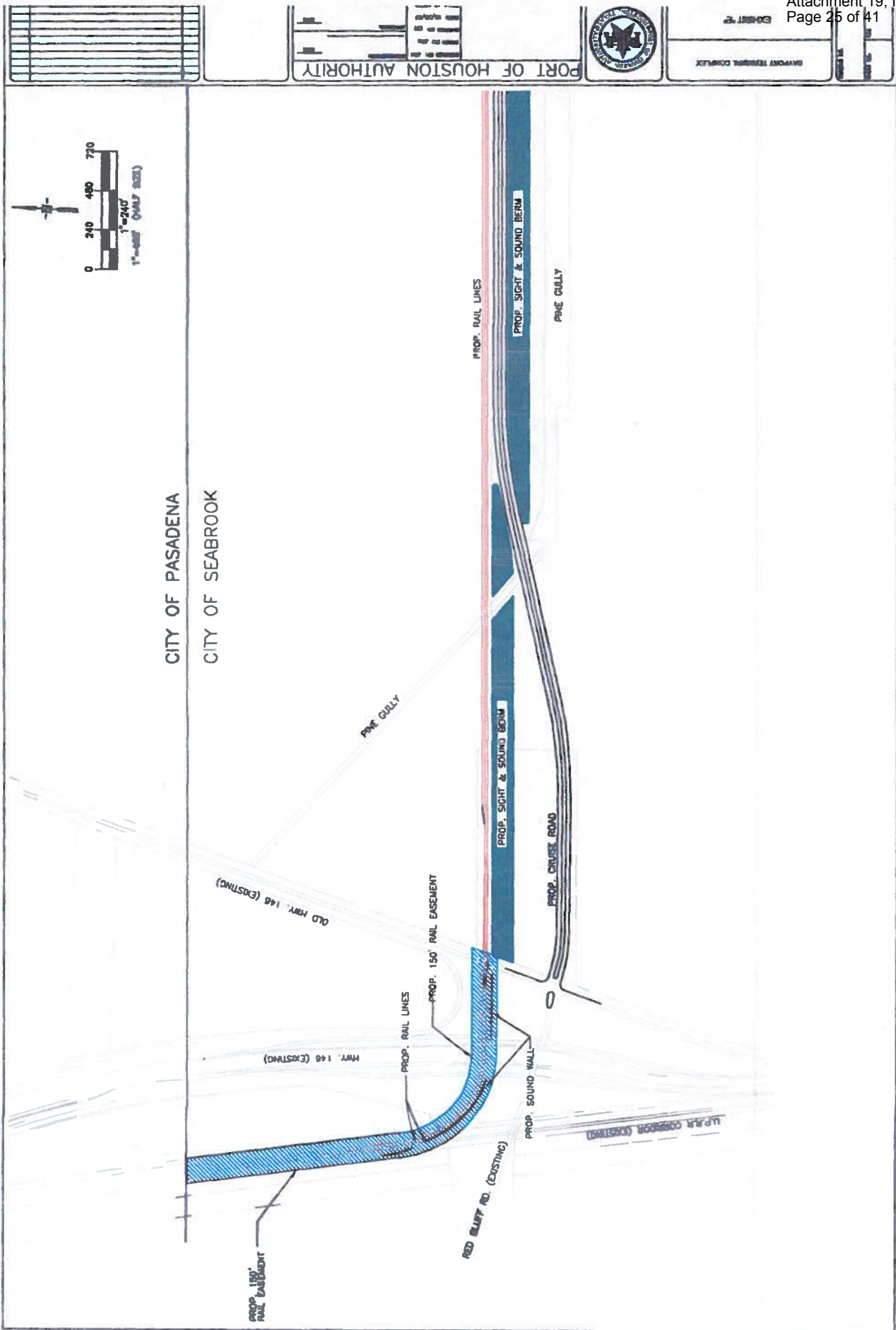
11. THENCE, South 02 degrees 59 minutes 01 seconds East (called South 02 degrees 56 minutes 09 seconds East) continuing along the westerly line of said called 19.184 acre tract, for a distance of 744.02 feet (called 744.58 feet) to the POINT OF BEGINNING.

[illegible]

RED CLIFF ROAD

LEGEND





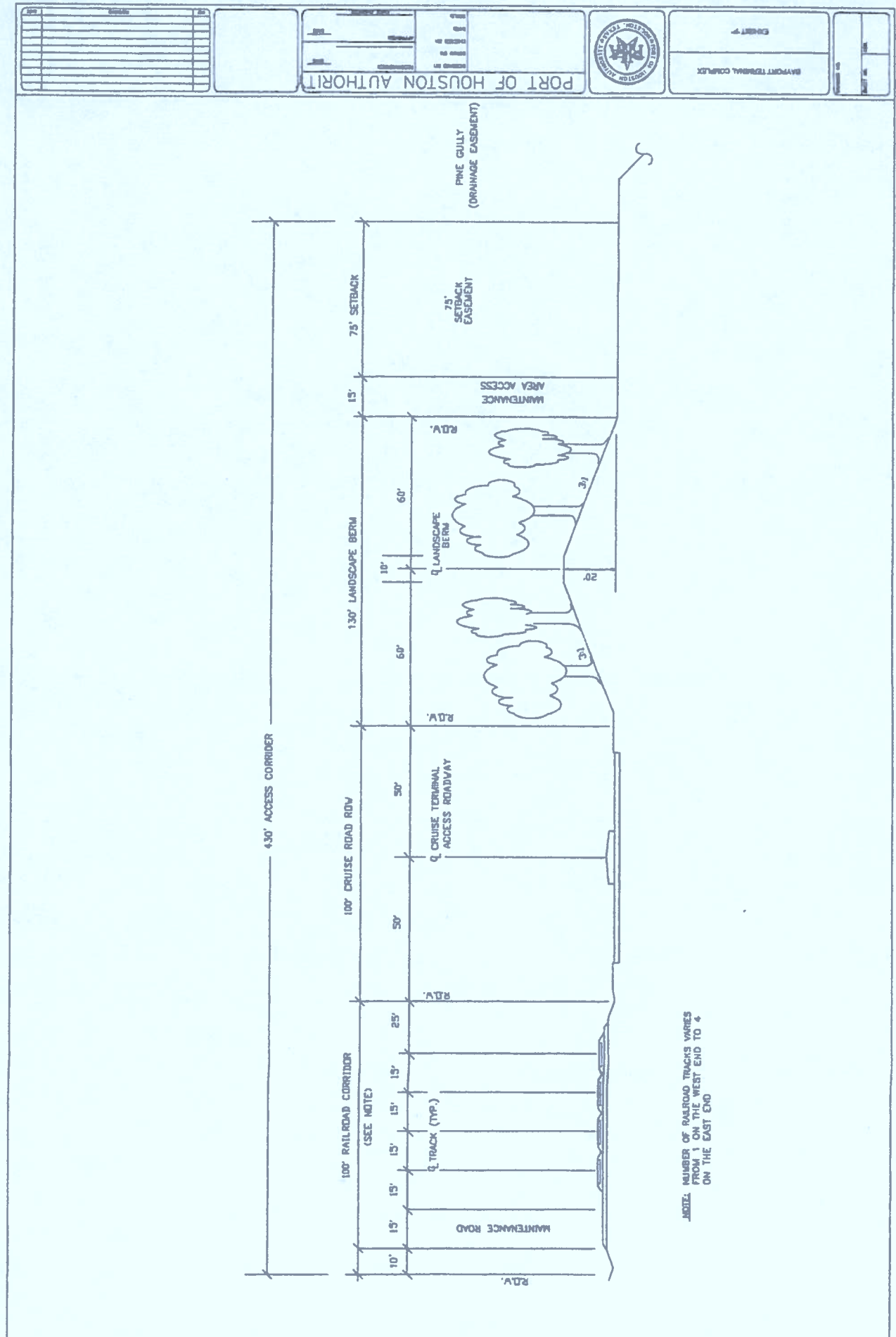
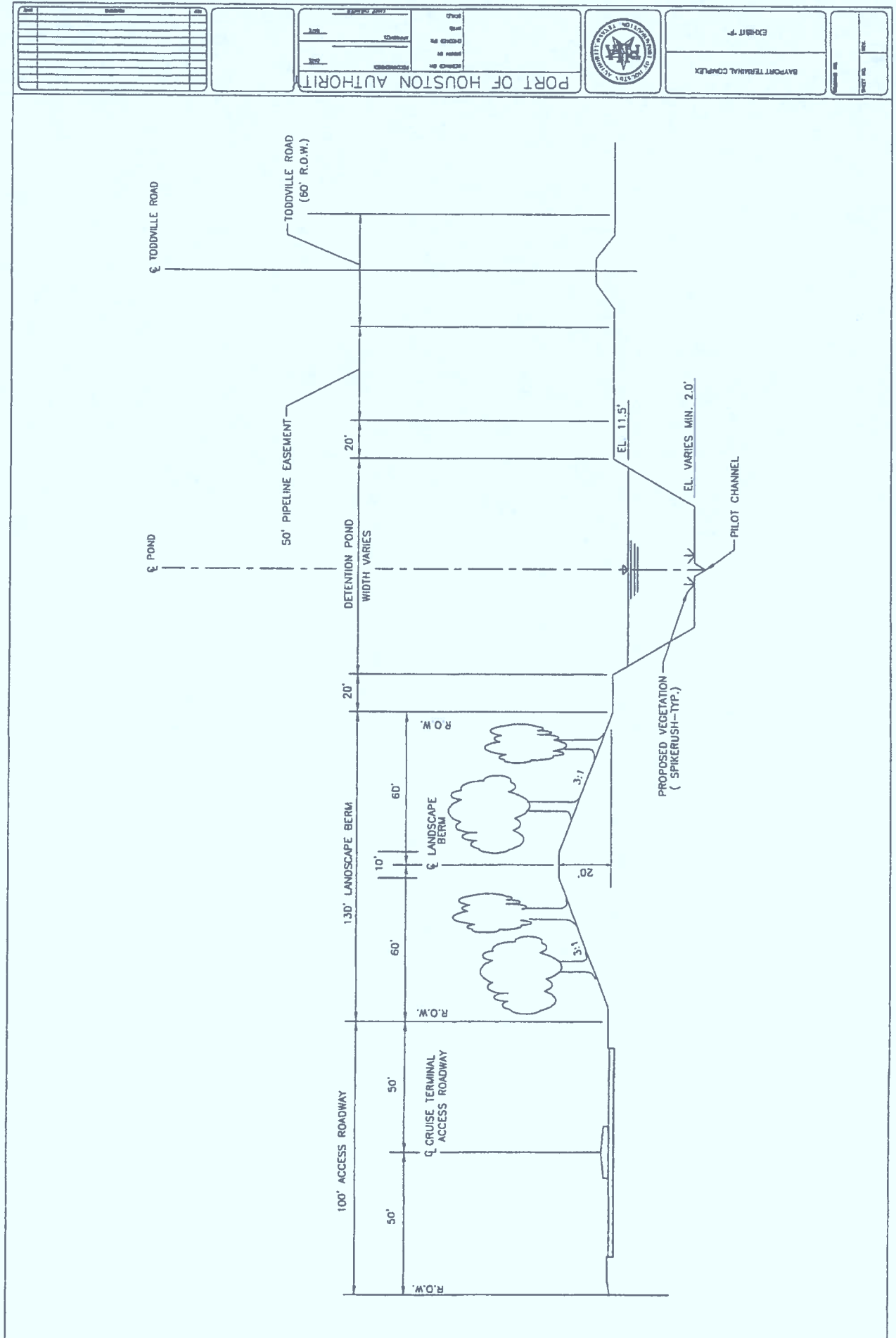


EXHIBIT "F" - CRUISE ROAD - BERM - DETENTION POND CROSS SECTION



PLANT PALETTE

EVERGREEN TREES
 CHERRY LAUREL - PRUNUS CAROLINIANA
 LIVE OAK - QUERCUS VIRGINIANA
 LOBELLY PINE - PRUNUS NIDA
 SHAWBARK HOLLY - ILEX X ATTENUATA "SHAWBARK"

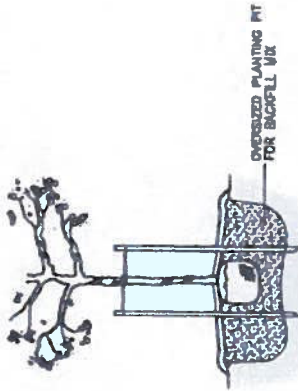
DECIDUOUS TREES
 BALD CYPRESS - TAXODIUM DISTICHUM
 SWEET OAK - QUERCUS MACROCARPA
 CEDAR ELM - ULMUS PAUMIA
 REDGUM PALM - PRUNUS NIDA
 WHITE OAK - QUERCUS ALBA
 WATER OAK - QUERCUS NIGRA
 YELLOW OAK - QUERCUS PELLORA

EVERGREEN SHRUBS
 DAWGWOOD BURFORD HOLLY - ILEX CORNUTA "BURFORD"
 JAMBOON HOLLY - ILEX CASPENSIS "JAMBOON"
 ELDERBUSH ELEGANTIS PRUNUS
 TEA OLEA - LIGUSTRUM PALMISTE
 WAX MYRTLE - MYRTICA CORYMBOSA
 YALPOON - ILEX VIOLESCENS

DECIDUOUS SHRUBS
 AMERICAN BEAUTYBERRY - *GALLIOTEA AMERICANA* VAR. *AMERICANA*
 RED TWIG DOGWOOD - *COUSCOGNETA* *COUSCOGNETA*
 RED BUD - *SPYRUS* *COUSCOGNETA*
 RED BUD - *SPYRUS* *COUSCOGNETA*
 PINK POKERBUSH - *CLYPTERIS ALABAMA*
 SWEETGUM - *ITEA VIRGINICA*

HERBACEOUS LAYER
 BAMBOO WULF - *MULHEDICIA DUMOSA*
 BIG BLUESTEM - *ANDROPOGON GERMER*
 CORALBARK - *ERYTHINA HERACIA*
 CULF COAST WOLF - *MULHEDICIA CAPILLARS*
 INLAND SEA OATS - *CHASANTHUS LANTIFOLIA*
 INLAND GRASS - *CHASANTHUS SENSUS "DOLLINUS"*
 MEDIAN FEATHER GRASS - *STRA TRUSSISSA*
 TEXAS WAX MALLOW - *MALVACENSIS ARBOREUS*

EVERGREEN SHRUBS
 DWARF BURFORD HOLLY - ILEX CORNUTA 'BURFORD'
 GAMBON HOLLY - ILEX CASPERE 'GAMBON'
 OLEANDER - ELEAGNUS PUNICENS
 FOSTER'S HOLLY - ILEX X ATTENUATA 'FOSTER'
 TEXAS SAGE - LEUCOPHYLLUM FRUTICOSA
 WAX MYRTLE - MYRTA CERRATA
 YALPOM - ILEX VOMITORIA



TYPICAL TREE PLANTING

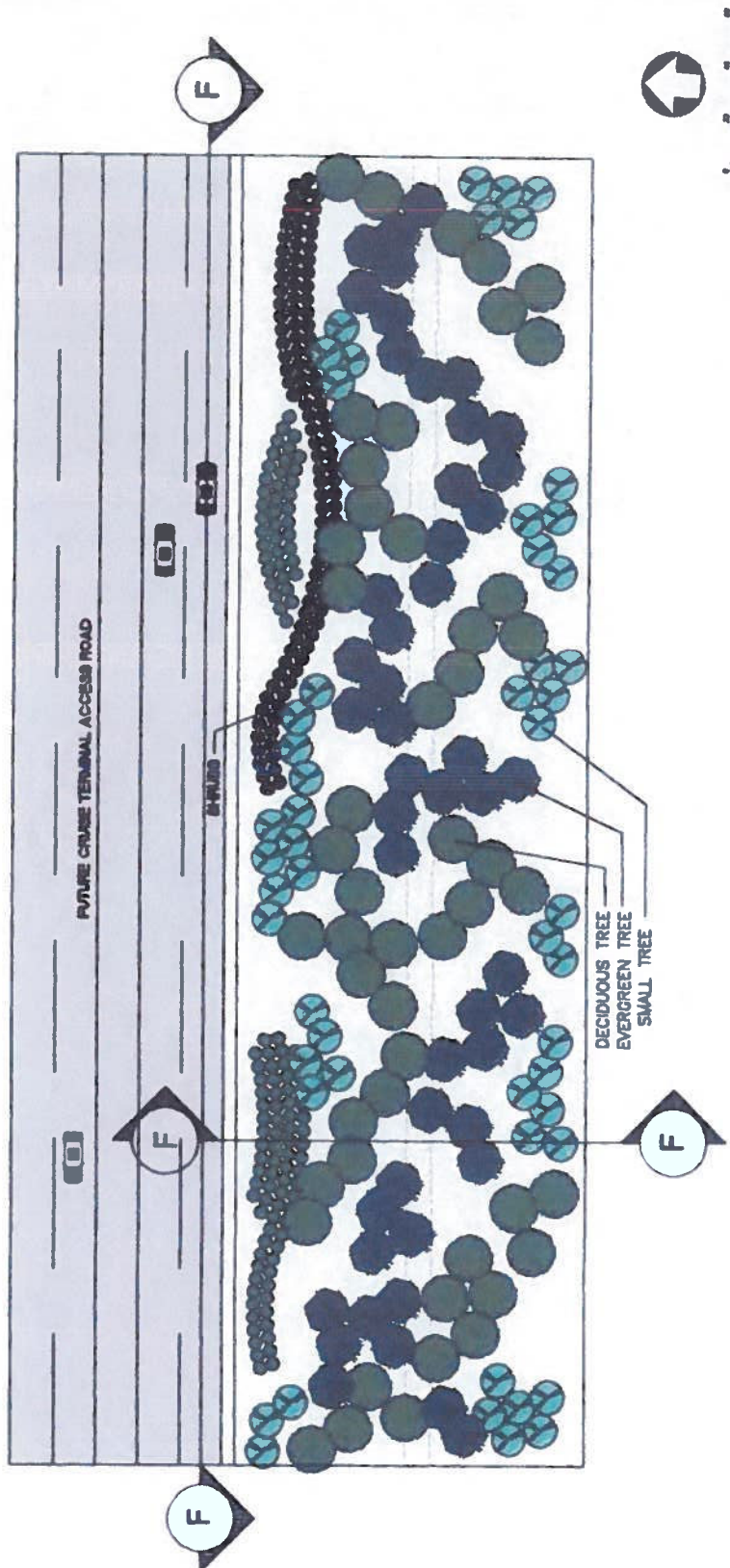
**IGMUNDO TAVARELLA**

EXHIBIT "F" - CONCEPTUAL LANDSCAPE BERM ELEVATION AND SECTION

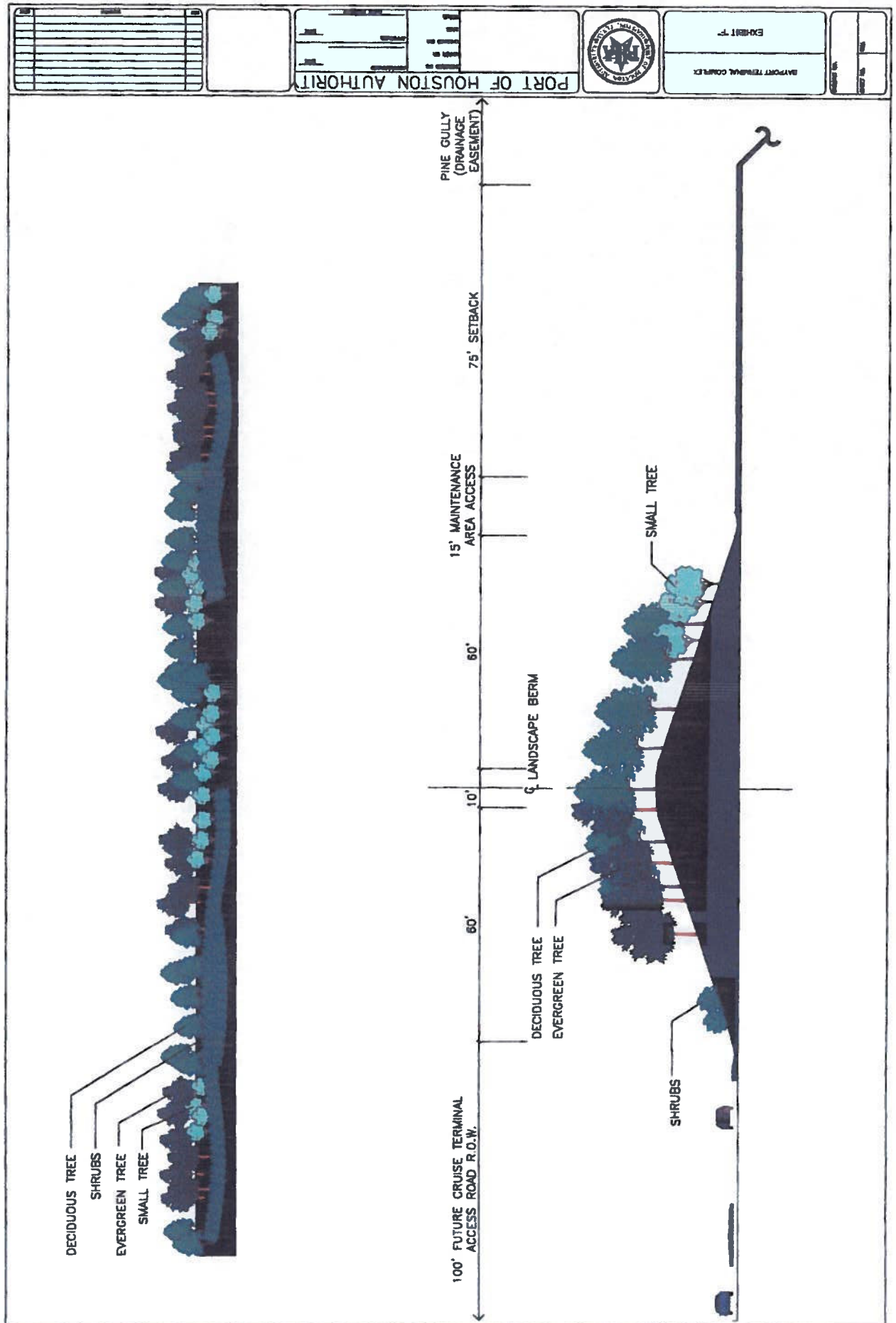
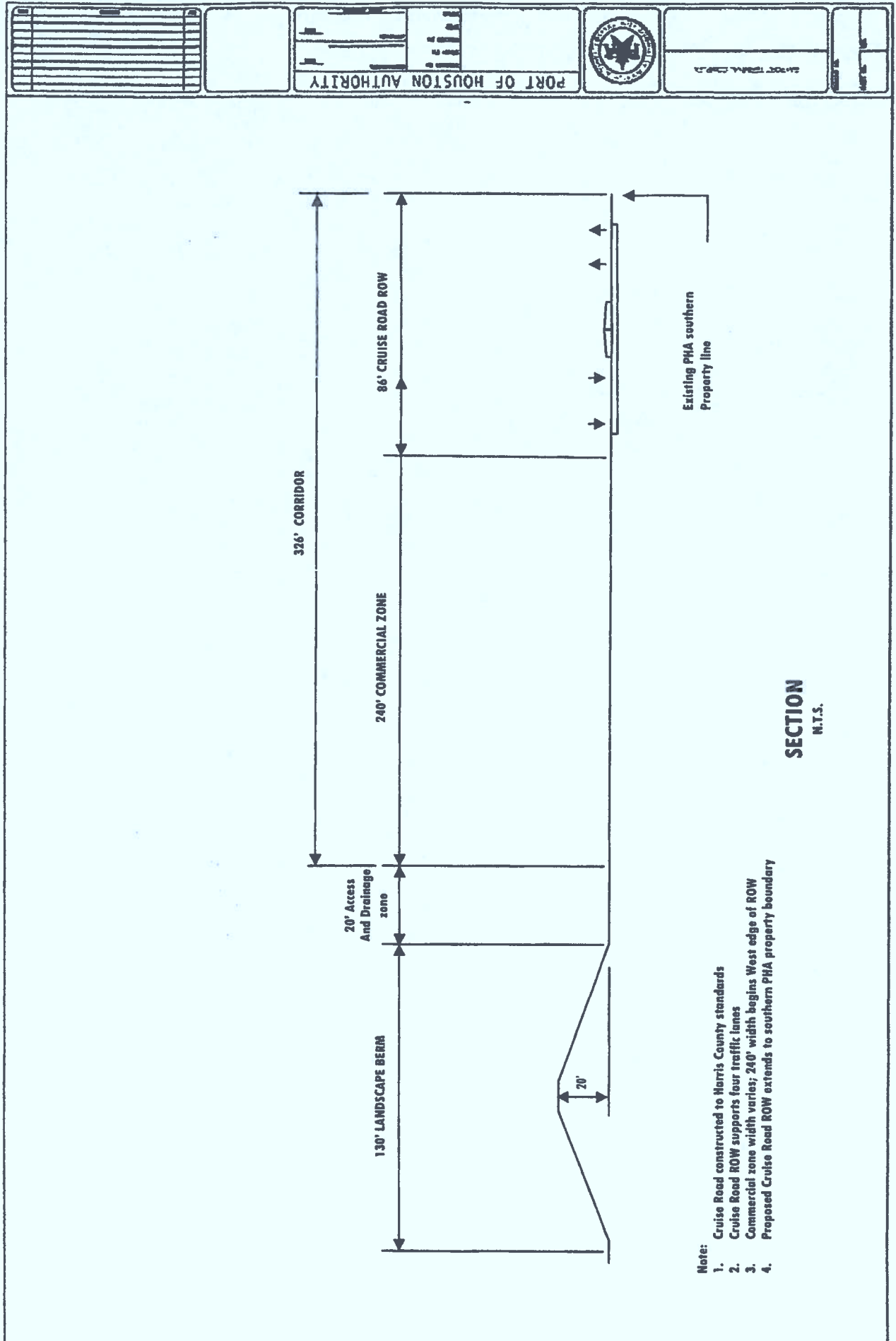


EXHIBIT G

BERM-COMMERCIAL ZONE-CRUISE ROAD CROSS SECTION



- Note:**
1. Cruise Road constructed to Harris County standards
 2. Cruise Road ROW supports four traffic lanes
 3. Commercial zone width varies; 240' width begins West edge of ROW
 4. Proposed Cruise Road ROW extends to southern PHA property boundary

SECTION
N.T.S.

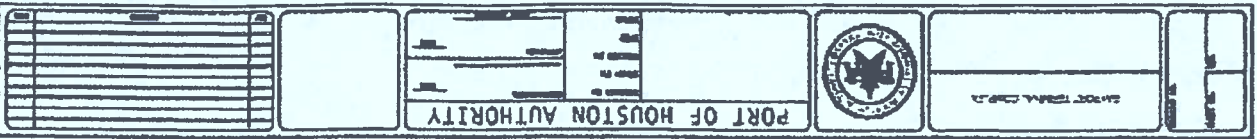


EXHIBIT H-1

Lighting Specifications

The design elements have been developed to minimize glare, light spill, light trespass, and light pollution to surrounding areas, especially residential areas. These elements are:

All high mast lighting fixtures will be of the "dark sky" type developed by major manufacturers.

All high mast lighting will incorporate the use of either light shields or compact bulbs solutions to avoid changes to lighting conditions to Seabrook.

During the lighting design, an effort would be made to control light rays to avoid unacceptable light trespass or pollution while adhering to these general lighting criteria.

EXHIBIT H-2

Equipment Sound Specifications

Excessive Noise will be prohibited from 10:00 p.m. to 7:00 a.m. during construction. Excessive noise, in this case, is defined as +55 dBA L_{eq} (h) (hourly equivalent sound level) or 5 dBA above the ambient sound level where the ambient sound level is less than 50 dBA L_{eq} (h). This limit will be applied at the property line of the noise receptor. Reports of non-compliance will be referred to the appropriate local authorities for investigation and resolution.

EXHIBIT H-3

Container Storage Specifications

Containers shall be stored at the Terminal within Seabrook so as not to be visible to a normal adult observer standing on Todville Road or Red Bluff Road within Seabrook, once the Berm is constructed and landscaped as required in the Agreement.

EXHIBIT I
INDUSTRIAL DISTRICT AGREEMENT
CITY OF SEABROOK AND PORT OF HOUSTON AUTHORITY

This Industrial District Agreement (the "Agreement") is entered into as of the date last set forth beneath the parties' signatures below (the "Effective Date"), by and between the City of Seabrook, Texas, a municipal corporation ("Seabrook"), and the Port of Houston Authority of Harris County, Texas, a governmental subdivision of the State of Texas ("PHA"), with reference to the following:

A. It is established policy of the City Council of Seabrook to adopt reasonable measures permitted by law, which will enhance the economic stability and growth of Seabrook and its environs, and such policy is hereby reaffirmed and adopted by the Seabrook City Council as being in the best interest of Seabrook and its citizens.

B. Pursuant to that certain Memorandum of Settlement Agreement, which was approved by the parties _____, 2007 (the "Memorandum of Settlement Agreement"), Seabrook and PHA have undertaken to finally settle and resolve certain disputes between them on the terms set forth therein. In consideration therewith, Seabrook has disannexed certain property owned by PHA as more particularly described in Exhibit "A" (the "Industrial District Property") as established by Ordinance __-__, and designated the Industrial District Property as the City of Seabrook Industrial District (the "PHA Industrial District"), as established by Ordinance __-__, and the parties intend to enter into an Industrial District Agreement, in order to establish certain guidelines, standards, and agreements to govern improvement and use of the Industrial District Property.

C. Pursuant to said policy, the Memorandum of Settlement Agreement, and the provisions of Local Government Code §42.044, Seabrook desires to enter into this Agreement with PHA pursuant to Resolution adopted by Seabrook and recorded in the official minutes of Seabrook.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seabrook and PHA agree as follows:

1. Industrial District Property Status. Seabrook covenants and agrees that during the term of this Agreement, and subject to the terms and provisions of this Agreement, the Industrial District Property shall continue and retain its extraterritorial status within the Industrial District. Seabrook does further covenant and agree that the Industrial District Property shall be immune from annexation by Seabrook during the term of this Agreement, subject to the provisions of this Agreement.

2. Term. The term of this Agreement shall be fifteen (15) years, beginning on the Effective Date, unless extended for additional period or periods of time upon mutual consent of PHA and Seabrook as provided by Local Government Code §42.044.

3. No Municipal Services. During the term of this Agreement, Seabrook shall have no obligation to provide any governmental, proprietary, or other municipal services to the Industrial District Property, including without limitation, any (a) sewer or water service, (b) police protection, (c) fire protection, (d) road or street repairs, or (e) garbage pickup service.

4. No Exercise of Powers. Seabrook further covenants and agrees that during the term of this Agreement, Seabrook shall not extend or enforce with respect to the Industrial District Property any exercise or attempted exercise of any police power or powers of health, safety and welfare of Seabrook, including without limitation its extension or enforcement of any ordinances, rules or regulations attempting to (a) govern zoning, plats and subdivisions of land, (b) prescribe any building, electrical, plumbing, inspection, or other development code or codes, (c) exercise, in any manner whatsoever, control over the conduct of PHA's development of the Industrial District Property, except as set forth in the Memorandum of Settlement Agreement and/or this Agreement, or (d) exercise, in any manner whatsoever, control over the conduct of PHA's business with respect to the Industrial District Property, except as set forth in the Memorandum of Settlement Agreement, which is incorporated herein by reference. The conduct of PHA's business with respect to the Industrial District Property shall be governed by the Memorandum of Settlement Agreement. As a condition hereto, PHA covenants and agrees that PHA will not file any type of subdivision plat or related development document for the Property with Harris County or Seabrook without Seabrook's consent.

5. Remedies. In the event either party breaches or attempts to breach this Agreement, then at the option of the non-breaching party, the party breaching or attempting to breach this Agreement shall be temporarily enjoined from the date of its breach for the balance of the term of this Agreement, from taking any action in violation of this Agreement.

6. Attempted Annexation or Incorporation by Third Party.

a. If any attempt to annex the Industrial District Property or any portion thereof is made by another municipality, or if the incorporation of any new municipality should be attempted so as to include within its limits all or any portion of the Industrial District Property, Seabrook and PHA jointly shall have the right to institute or intervene in a judicial proceeding seeking a temporary and permanent injunction against such annexation or incorporation and shall take such other legal action as may be necessary or advisable under the circumstances.

b. The costs of any such legal action shall be equally shared by Seabrook and PHA to pursue a joint and common effort, the judicial proceedings seeking the temporary and permanent injunction against such annexation or incorporation and any other legal action as may be necessary or advisable under the circumstances for the good and benefit of both Seabrook and PHA. However, the fees of any special legal counsel shall be paid by the party retaining same.

c. If Seabrook and PHA are unsuccessful in obtaining a temporary injunction enjoining such annexation or incorporation, PHA shall have the option of terminating this Agreement.

7. PHA Affiliates. The benefits accruing to the Industrial District Property under this Agreement shall extend only to PHA or PHA's "Affiliates" that are governmental non-taxable entities (as hereinafter defined) that may own such land and property, and where reference is made herein to land and property owned by PHA, such reference shall also include land and property owned by PHA's Affiliates. "Affiliates" as used in this Agreement shall mean all corporations, partnerships, limited liability companies, or other business enterprises in which PHA directly or indirectly through one or more intermediaries, owns or controls a majority of the equity interests of such corporation, partnership, limited liability, company, or other business enterprise so long as the Affiliate is a non taxable governmental subdivision/entity.

8. Transfer of Industrial District Property. If the Industrial District Property or any portion thereof is sold by PHA, or any other owner to a third party, PHA shall provide prior written notice of this Agreement to the prospective purchaser/grantee and to Seabrook. Seabrook shall, if the purchaser is a non taxable governmental subdivision/entity, enter into an agreement binding the purchaser and its assigns upon terms substantially similar to those contained in this Agreement for the balance of the term of this Agreement. If the proposed purchaser is a taxable entity, than Seabrook, in its sole discretion shall determine whether to enter into a similar Agreement, and evaluate other terms/conditions determined necessary by Seabrook to address issues associated with a third party that is not a political subdivision, (specifically including payment for the taxable values of the subject property and taxable sales of the entity), for the balance of the term of this Agreement. If such purchaser or its assigns for any reason fail to execute such agreement within four (4) months after the date of the sale, all the Industrial District Property sold shall be excluded from coverage of this Agreement and shall be subject to annexation and regulation by Seabrook.

9. Authority for Agreement. This Agreement is made under the authority of the Constitution and laws of the State of Texas, including Local Government Code §42.044, as amended, and under the general power to contract of each of the parties to this Agreement. It is understood and agreed that should Local Government Code §42.044 ever be held by a court of competent jurisdiction to be void or invalid, such holding shall not affect the validity and enforceability of this Agreement by and against the parties to this Agreement.

10. Recordation. An original counterpart of the Agreement shall be promptly recorded by PHA in the Real Property Records of Harris County, Texas following the Effective Date.

11. Notices and Filings.

a. All notices, filings, consents, approvals and other communications provided for herein or given in connection herewith shall be validly given, filed, made, delivered or served if in writing and delivered personally or sent by telephonic facsimile or registered or certified United States Mail, postage prepaid, if to:

Seabrook, the City Council,
and
the Seabrook City Secretary:

Seabrook City Secretary
City of Seabrook
1700 1st St
Seabrook, TX 77586

Fax No. (281) 291-5600

With a copy to:

City Attorney
Steven L. Weathered
Ross, Banks, May, Cron & Cavin, P.C.
2 Riverway, Suite 700
Houston, Texas 77056-1918
Fax No. (713) 623-6014

PHA:

111 East Loop North
Houston, Texas 77029
Attention: Executive Director
Fax No. (713) 670-2429

or to such other addresses as either party hereto may from time to time designate in writing and deliver in a like manner.

b. Mailing or Facsimile Effective. Notices, filings, consents, approvals, and communications given by mail or facsimile shall be deemed delivered twenty-four (24) hours following deposit in the U.S. mail, postage prepaid and addressed as set forth above, or confirmation of facsimile delivery to the telephone number set forth above.

12. General Provisions.

a. Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by Seabrook or PHA of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

b. Headings. The descriptive headings of the sections and paragraphs of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

c. Exhibits. Any exhibit attached hereto shall be deemed to have been incorporated herein by this reference with the same force and effect as if fully set forth in the body hereof.

d. Further Acts. Each of the parties hereto shall execute, acknowledge and deliver all such documents, instruments, stipulations, and affidavits and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement.

e. Third Parties. No term or provision of this Agreement is intended to or shall be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

f. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

g. Amendments. No change or addition shall be made to this Agreement except by a written amendment executed by the parties hereto. Any such amendment shall be adopted by Seabrook ordinance or resolution, and Port Commission action.

h. Approvals. Each of the parties respectively represents and warrants to the other that all approvals or consents necessary to the effectiveness of this Agreement have been granted or obtained.

i. Authority. Each party hereby represents that:

i. Each party has complied or shall timely comply with all applicable laws and has taken or shall take all necessary steps, including without limitation, the holding of all required public hearings, to enter into this Agreement and obligate itself hereunder.

ii. Each party has the authority to enter into this Agreement and comply with its requirements.

iii. The individuals executing this Agreement on behalf of the respective parties is authorized and empowered to bind the party on whose behalf each such individual is signing.

j. Severability. If any provision of this Agreement is declared void or unenforceable, such provision shall be severed from this Agreement, which shall otherwise remain in full force and effect and this Agreement shall be deemed reformed to replace the void or unenforceable provision with a valid and enforceable provision as similar as possible in effect to the void or unenforceable provision. The parties shall meet and confer as soon as practicable for the purpose of drafting, in good faith, the substitute provision. If an applicable law or court of competent jurisdiction prohibits or excuses either party from undertaking any contractual commitment to perform an act hereunder, this Agreement shall remain in full force and effect, but the provision requiring such action shall be deemed to permit such party to take such action at its discretion. If, however, such party fails to take the action required hereunder, the other shall be entitled (subject to, and in addition to the remedies provided elsewhere herein) to terminate this Agreement.

k. Counterparts. This Agreement may be signed in counterparts, and the fully executed counterparts shall together constitute a single original Agreement.

l. Attorneys' Fees. Each party shall bear its own costs and attorneys' fees in connection with the negotiation and drafting of this Agreement.

m. Change in Law. No subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or Seabrook's ability to annex the properties covered herein pursuant to the terms of this Agreement.

n. Survival of Agreement. This Agreement shall survive its termination to the extent necessary for the implementation of the provisions of paragraphs 2, 4, and 5 herein.

IN WITNESS WHEREOF, this instrument has been executed in multiple counterparts by the parties to be effective as of the Effective Date.

ATTEST:

CITY OF SEABROOK, TEXAS

Michele L. Glaser
City Secretary

By: _____
Robin C. Riley
Mayor

Date: _____

APPROVED AS TO FORM:

Steven L. Weathered
City Attorney

PORT OF HOUSTON AUTHORITY

By: _____
H. Thomas Kornegay
Executive Director

Date: _____

APPROVED AS TO FORM:

Erik A. Eriksson
General Counsel

APPROVED AS TO CONTENT:

Charlie Jenkins
Director of Planning and Environment

SEABROOK ACKNOWLEDGEMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on this _____, 2007,
by Robin C. Riley, Mayor of the City of Seabrook, Texas, a municipal corporation, on behalf of
said municipal corporation.

Notary Public, State of Texas

PHA ACKNOWLEDGEMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on this _____, 2007,
by H. Thomas Kornegay, Executive Director of the Port of Houston Authority of Harris County,
Texas, a governmental subdivision of the State of Texas, on behalf of said governmental
subdivision.

Notary Public, State of Texas

Table of Exhibits

Exhibit "A"

Industrial District Property