



**CITY OF LAKE WORTH**

**ECONOMIC DEVELOPMENT CORPORATION AGENDA**

**3805 ADAM GRUBB  
LAKE WORTH, TEXAS 76135  
TUESDAY, JANUARY 9, 2018**

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**REGULAR MEETING: 6:00 PM**

Held in the City Council Chambers

**A. CALL TO ORDER**

**A.1 INVOCATION AND PLEDGE OF ALLEGIANCE**

**A.2 ROLL CALL**

**A.3 SPECIAL PRESENTATION(S) AND RECOGNITION(S)**

No items for this category.

**A.4 REMOVAL OF ITEM(S) FROM CONSENT AGENDA**

**B. CONSIDER APPROVAL OF CONSENT AGENDA ITEM(S)**

B.1 [Approve minutes of the September 5, 2017 Economic Development Corporation Board meeting.](#)

B.2 [Approve the Economic Development Corporation \(EDC\) Summary of Revenue and Expenses and Cash Position as of December 31, 2017.](#)

**C. GENERAL ITEMS**

C.1 [Discuss and consider amending the FY 2017-2018 Economic Development Corporation \(EDC\) budget.](#)

C.2 [Discuss and consider Resolution No. 2018-01E, recommending termination of the Economic Development Corporation and approving a termination plan.](#)

C.3 [Discuss and consider an agreement terminating the Lease Agreement and Sublease Agreement between the City, the Economic Development Corporation and the Lake Worth Area Historical Society.](#)

## D. ADJOURNMENT

*All items on the agenda are for discussion and/or action.*

### Certification

I do hereby certify that the above notice of the meeting of the Lake Worth Economic Development Corporation Board was posted at City Hall, City of Lake Worth, Texas in compliance with Chapter 551, Texas Government Code on January 5, 2018 at 3:00 P.M.

\_\_\_\_\_  
City Secretary

**This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at 817-237-1211 ext. 105 for further information.**

The Board may confer privately with its attorney to seek legal advice on any matter listed on the agenda or on any matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551, Texas Government Code.

**Lake Worth Economic Development Corporation Meeting – January 9, 2018**

**Agenda Item No. B.1**

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**FROM:** Monica Solko, City Secretary

**ITEM:** Approve minutes of the September 5, 2017 Economic Development Corporation meeting.

**SUMMARY:**

The minutes of the Economic Development Corporation (EDC) Board are approved by majority vote of the board at the Economic Development Corporation meetings.

The EDC Board Secretary prepares action minutes for each meeting. The minutes for the previous meeting are placed on the agenda for review and approval by the board, which contributes to a time efficient meeting. Upon approval of the minutes, an electronic copy will be uploaded to the City's website.

**FISCAL IMPACT:**

N/A

**ATTACHMENTS:**

1. September 5, 2017 Economic Development Corporation meeting minutes

**RECOMMENDED MOTION OR ACTION:**

Move to approve the minutes of the September 5, 2017 Economic Development Corporation meeting.

**MINUTES OF THE REGULAR MEETING  
OF THE ECONOMIC DEVELOPMENT CORPORATION OF THE  
CITY OF LAKE WORTH, TEXAS  
HELD IN CITY HALL, COUNCIL CHAMBERS, 3805 ADAM GRUBB  
THURSDAY, SEPTEMBER 5, 2017**

**REGULAR MEETING: 6:30 PM**

**A. CALL TO ORDER.**

President Narmore called the Economic Development Corporation meeting to order at 6:30 p.m.

**A.1 INVOCATION AND PLEDGE OF ALLEGIANCE.**

Board member White gave the invocation. Attendees recited the pledge of allegiance.

**A.2 ROLL CALL.**

Present:	Clint Narmore	President, Place 4
	Geoffrey White	Vice-President, Place 1
	Gary Stuard	Board member, Place 2
	Jim Smith	Board member, Place 3
	Jason McAfee	Board member, Place 5
	Yvonne Amick	Board member, Place 7
	Sara Riley	Board member, Place 6
Staff:	Stacey Almond	City Manager
	Debbie Whitley	Assistant City Manager/Finance Director
	Monica Solko	City Secretary
	Sean Densmore	Public Works Director
	Misty Christian	City Engineer

**A.3 SPECIAL PRESENTATION(S) AND RECOGNITION(S):**

No items for this category.

**A.4 REMOVAL OF ITEM(S) FROM CONSENT AGENDA**

No items were removed from the consent agenda.

**B. CONSIDER APPROVAL OF CONSENT AGENDA ITEM(S)**  
**APPROVED**

**B.1 APPROVE MINUTES OF THE JULY 13, 2017 ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING.**

**B.2 APPROVE OF ECONOMIC DEVELOPMENT CORPORATION SUMMARY OF REVENUE AND EXPENSES AND CASH POSITION AS OF JULY 31, 2017.**

**BOARD MEMBER STUARD MADE A MOTION, SECONDED BY BOARD MEMBER AMICK, TO APPROVE THE CONSENT AGENDA AS PRESENTED.**

**MOTION TO APPROVE CARRIED 7-0.**

**C. GENERAL ITEMS**

**C.1 DISCUSS AND CONSIDER RESOLUTION NO. 2017-02E, APPROVING AN EXPENDITURE IN AN AMOUNT NOT TO EXCEED \$417,000 FOR THE DESIGN OF THE 16" FORCE MAIN ALONG HIGHWAY 199 FROM PAUL MEADOR ROAD TO ROBERTS CUT OFF.**

**APPROVED**

Public Works Director Sean Densmore presented the item. Staff is requesting the EDC to approve funding for the design costs attributable to the construction of the force main along Highway 199 from Paul Meador Road to Roberts Cut Off. The line was built in the 1960's and recently had a major collapse with 342 linear feet replaced by the City of Fort Worth and 80 feet replaced by the City of Lake Worth. It is one of the major transports of waste water out of the city. Highway 199 is the main business corridor for Lake Worth and the updated force main is critical and vital to the economic stability and growth of the city. This expense is a fund a project defined in Section 501.103 of the Development Act and the expenditure is suitable for infrastructure necessary to promote or develop new or expanded business enterprises in the City of Lake Worth.

City Engineer Misty Christian explained the scope of the project which included constructions costs, alignment of the structure, Geotech testing, identification of franchise lines, and conducting a citizen survey.

**BOARD MEMBER MCAFEE MADE A MOTION, SECONDED BY BOARD MEMBER RILEY, TO APPROVE RESOLUTION No. 2017-02E.**

**BOARD MEMBER WHITE ASKED FOR AN AMENDMENT TO MOTION TO INCLUDE THE NOT TO EXCEED \$417,000 FOR THE DESIGN OF THE 16' FORCE MAIN ALONG HIGHWAY 199 FROM PAUL MEADOR ROAD TO ROBERTS CUT-OFF.**

Board member McAfee and Board member Riley accepted the amendment.

**BOARD MEMBER McAFEE STATED THE MOTION IS TO APPROVE RESOLUTION NO. 2017-02E, APPROVING AN EXPENDITURE IN AN AMOUNT NOT TO EXCEED \$417,000 FOR THE DESIGN OF THE 16' FORCE MAIN ALONG HIGHWAY 199 FROM PAUL MEADOR ROAD TO ROBERTS CUT-OFF. MOTION SECONDED BY BOARD MEMBER WHITE.**

**MOTION TO APPROVE CARRIED 7-0.**

**C.2 DISCUSS AND CONSIDER RESOLUTION NO. 2017-03E, APPROVING AN EXPENDITURE IN AN AMOUNT NOT TO EXCEED \$250,000 FOR THE DESIGN OF INFRASTRUCTURE AND WATER/SEWER UTILITIES ALONG AZLE AVENUE FROM HIGHWAY 199 TO BOAT CLUB ROAD.**

**APPROVED**

Public Works Director Sean Densmore summarized the item. Staff is requesting the EDC to approve an expenditure in amount not to exceed \$250,000 for the design of infrastructure and water/sewer utilities along Azle Avenue from Highway 199 to Boat Club Road. Azle Avenue is a main business corridor for the City of Lake Worth and sufficient infrastructure is vital to the economic stability and growth of the city.

City Engineer Misty Christian explained the scope of the project which includes costs for the reconstruction of the entire five (5) lane road along with major water, sewer, storm water, curbs/gutters, and sidewalks. The design stage will allow the City Engineer along with key staff to engage the City Council to determine the best way to approach the Azle Avenue reconstruction efforts. It's anticipated this project will be executed in a phased approach.

**BOARD MEMBER SMITH MADE A MOTION, SECONDED BY BOARD MEMBER RILEY, TO APPROVE ITEM C.2, RESOLUTION NO. 2017-03E, AN EXPENDITURE IN AN AMOUNT NOT TO EXCEED \$250,000 FOR THE DESIGN INFRASTRUCTURE AND WATER/SEWER UTILITIES ALONG AZLE AVENUE FROM HIGHWAY 199 TO BOAT CLUB ROAD, AS PRESENTED.**

**MOTION TO APPROVE CARRIED 7-0.**

## **D. ADJOURNMENT**

President Narmore adjourned the meeting at 6:56 p.m.

**APPROVED:**

\_\_\_\_\_  
Clint Narmore, President

**ATTEST:**

\_\_\_\_\_  
Monica Solko, TRMC  
City Secretary/Secretary

**Lake Worth Economic Development Corporation Meeting – January 9, 2018**

**Agenda Item No. B.2**

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**From:** Debbie Whitley, ACM/ Director of Finance

**Item:** Approve the Economic Development Corporation (EDC) Summary of Revenue and Expenses & Cash Position as of December 31, 2017.

**Summary:**

A summary of revenue and expenses and cash position are prepared and presented to the EDC Board for approval. The purpose of the reports is to keep the EDC Board informed on the status of the revenues and expenses as related to the current year budget projections and on the cash position of the EDC.

**Fiscal Impact:**

N/A

**Attachments:**

1. Summary of Revenue and Expenses & Cash Position Report

**Recommended Motion or Action:**

Approve the EDC Summary of Revenue and Expenses & Cash Position as of December 31, 2017.



City of Lake Worth Economic Development Corporation  
 Summary of Revenue and Expenses & Cash Position  
 As of December 31, 2017  
**Summary Report Only**

**REVENUE**

	Current Budget	Year To Date	Amount to Receive
Sales Tax	2,185,000.00	325,051.97	1,859,948.03
Interest & Misc Income	27,675.00	7,865.86	19,809.14
Use of Prior Year Rsrvs			
Total Revenue	2,212,675.00	332,917.83	1,879,757.17

Note: Numbers with a (-) indicate amount collected over budgeted

**EXPENDITURES**

Expenditures	Current Budgeted	Year To Date	Unexpended Amount
Administration	1,134,075.00	18,528.61	1,115,546.39
LWAM	5,838.00	989.69	4,848.31
Total Expenses	1,139,913.00	19,518.30	1,120,394.70

**CASH AND INVESTMENT POSITION**

TexPool Investments	1,471,264.03
Lone Star Investments	1,565,075.83
LOGIC Investments	1,505,844.43
Total Cash & Investments	4,542,184.29

Submitted by:  
 Debbie Whitley  
 Director of Finance  
 Treasurer, EDC Corporation

*Debbie Whitley*

January 3, 2018

**Economic Development Corporation Board Meeting – January 9, 2018**

**Agenda Item No. C.1**

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**From:** Debbie Whitley, Asst. City Manager/Director of Finance

**Item:** Discuss and consider amending the FY 2017-2018 Economic Development Corporation (EDC) budget.

**Summary:**

During the EDC Board meeting held on September 5, 2017 a project was approved for the design of a 16" force main along Highway 199 from Paul Meador Road to Roberts Cut Off in an amount not to exceed \$417,000. At the same meeting another project was approved for the design of infrastructure and water/sewer utilities along Azle Avenue from Highway 199 to Boat Club Road in an amount not to exceed \$250,000. Since neither of these projects were funded with the budget for the fiscal year ending September 30, 2018, a budget amendment is required to complete these approved projects.

**Fiscal Impact:**

The budget amendment would increase expenses by a total of \$667,000 as detailed below:

110-830-505-000	16" Force Main (Hwy 199)	\$417,000
110-831-505-000	Azle Avenue Design	\$250,000

The current approved budget reflects a surplus of \$1,072,762. With these added expenditures the budgeted surplus will be reduced to \$405,762.

**Attachments:**

None

**Recommended Motion or Action:**

Motion to approve the Economic Development Corporation budget amendment increasing expenses by a total of \$667,000 for approved projects and recommend approval of the budget amendment to City Council.

**Lake Worth Economic Development Corporation – January 9, 2018**

**Agenda Item No. C.2**

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**From:** Stacey Almond, City Manager

**Item:** Discuss and consider Resolution No. 2018-01E recommending termination of the Economic Development Corporation and approving a termination plan.

**Summary:**

A Special Election was held in Lake Worth on November 7, 2017, at which time a proposition was submitted to the registered voters of the city to authorize repealing the sales and use tax of one-half (1/2) of one percent for the benefit of the General Fund Sales and Use Tax Fund.

The results of the election have been verified and returned to the proper judges and clerks where a majority of the voters elected in favor of the termination and reallocation of the Economic Development Sales and Use Tax.

In order to facilitate the termination to proposed Resolution shall be approved and a recommendation to terminate presented to the City Council. Attached to the Resolution, as Exhibit A, is a Plan of Termination. This allows for the Board President, Executive Director and their attorney to prepare and execute documents necessary to effectively terminate the Corporation, including the certificate of termination.

**Fiscal Impact:**

None

**Attachments:**

1. Resolution No. 2018-01E with Exhibit A (Plan of Termination)

**Recommended Motion or Action:**

Move to approve Resolution No. 2018-01E recommending termination of the Economic Development Corporation and approve a termination plan.

**RESOLUTION NO. 2018-01E**

**RESOLUTION OF THE LAKE WORTH ECONOMIC DEVELOPMENT CORPORATION RECOMMENDING TERMINATION OF THE CORPORATION; APPROVING A TERMINATION PLAN; AUTHORIZING THE PREPARATION AND EXECUTION OFF ALL DOCUMENTS NECESSARY TO TERMINATE THE CORPORATION.**

**WHEREAS**, a special election was held in the City of Lake Worth, Texas on November 7, 2017, at which a proposition was submitted to the duly qualified registered voters of the City for their action thereon, said proposition to authorize to repeal the sales and use tax of one-half (1/2) of one percent for the benefit of the Lake Worth Economic Development Corporation (“Corporation”); and

**WHEREAS**, said election was duly and legally held in conformity with the election laws of the State of Texas, and the results of said election have been verified and returned by the proper judges and clerks; and

**WHEREAS**, a majority of the voters elected in favor of the abovementioned proposition; and

**WHEREAS**, reflective of the above election results and the Board of Directors of the Corporation wishes to terminate the Corporation.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LAKE WORTH ECONOMIC DEVELOPMENT CORPORATION:**

Section 1. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct, and are incorporated by reference herein and expressly made a part hereof.

Section 2. That pursuant to the voters’ decision to authorize the repeal of the above sales and use tax, the Corporation elects to wind-up and recommends termination to the City Council.

Section 3. That a plan of termination, attached hereto as Exhibit “A”, is adopted and approved.

Section 4: That the Corporation, through its Executive Director and attorney, shall prepare all documents necessary to effectively terminate the Corporation, including but not limited to a certificate of termination.

Section 5: That the Corporation’s Board President is authorized to execute all documents necessary to effectively terminate the Corporation, including but not limited to a certificate of termination.

Section 6. That this resolution shall take effect immediately from and after its passage.

**PASSED, APPROVED AND ADOPTED** this the 9th day of January 2018.

**LAKE WORTH ECONOMIC  
DEVELOPMENT CORPORATION**

By: \_\_\_\_\_  
Clint Narmore, President

**ATTEST:**

\_\_\_\_\_  
Monica Solko, Secretary

**EXHIBIT "A"**

Plan of Termination

**PLAN OF TERMINATION OF  
LAKE WORTH ECONOMIC DEVELOPMENT CORPORATION**

This Plan of Termination (the "Plan") is intended to accomplish the complete liquidation of the Lake Worth Economic Development Corporation (the "Corporation").

1. Adoption of Plan. This Plan shall become effective as of the first date and time that this Plan and resolutions providing for the termination of the Corporation are adopted by the directors of the Corporation and the City Council of Lake Worth, Texas (the "Effective Date").

2. Notice to Claimants. As promptly as practicable after the Effective Date, the Corporation shall cause written notice of its intention to terminate to be sent by registered or certified mail to each known claimant against the Corporation, if any.

3. Payment of Obligations. As promptly as practicable after the Effective Date, the Corporation shall pay or make adequate provision for the payment of all known debts, obligations or liabilities of the Corporation.

4. Distribution of Assets. As promptly as practicable after the payment of all known debts, obligations, or liabilities of the Corporation (or the provision for such payment is made), the remaining assets of the Corporation, if any, shall be distributed to the City of Lake Worth, or otherwise in accordance with the Texas Business Organizations Code (the "Code") and the Texas Development Corporation Act.

5. Termination. As promptly as practicable after the Effective Date, a Certificate of Termination of the Corporation and related required documents, if any, shall be filed with the Secretary of State of Texas in accordance with the Code, the Texas Development Corporation Act, and all other applicable law.

6. Termination of Business. From and after the Effective Date, the Corporation shall not engage in any business activity, except for operations and activities related to maintaining and preserving its assets pending the termination and winding-up of its affairs in an orderly manner, and its withdrawal from the State of Texas, in which it is qualified to transact business, all in accordance with this Plan and applicable law.

7. Power of Officers. The officers of the Corporation, or any of them, shall do all acts and things provided for in this Plan and any and all other acts and things that they, or any of them, may deem necessary or advisable to effectuate the liquidation and dissolution of the Corporation and to carry out fully this Plan in accordance with the laws of the State of Texas.

**LAKE WORTH ECONOMIC  
DEVELOPMENT CORPORATION**

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By: Clint Narmore  
Title: President

**ATTEST:**

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By: Monica Solko  
Title: Secretary



**Lake Worth Economic Development Corporation – January 9, 2018**

**Agenda Item No. C.3**

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**From:** Stacey Almond, City Manager

**Item:** Discuss and consider an agreement terminating the Lease Agreement and Sublease Agreement between the City, the Economic Development Corporation and the Lake Worth Area Historical Society.

**Summary:**

The Lake Worth Area Historical Society has subleased property from the Economic Development Corporation for the Lake Worth Area Museum. Do to the termination of the EDC this lease will no longer be renewable.

Staff is recommending approval of the proposed agreement for the limited purpose of Section 2 (d) which reads as follows:

Upon their execution of this Lease, the City, Historical Society, and EDC agree that the following agreements are terminated and of no effect: (1) the Lease Agreement for the Premises entered into December 17, 2010 by and between the City and EDC, and any renewal agreements thereafter; and (2) the Sublease Agreement for the Premises entered into on January 7, 2012 by and between the EDC and the Historical Society, and any renewal agreements thereafter. The EDC is not a party to this Lease, except for the limited purpose of terminating the Lease Agreement and Sublease Agreement as described in this section.

This lease agreement is proposed to the Lake Worth City Council for adoption at the January 9, 2018 regular meeting.

**Fiscal Impact:**

None

**Attachments:**

1. Proposed Lease Agreement

**Recommended Motion or Action:**

Move to approve an agreement terminating the Lease Agreement and Sublease Agreement between the City, the Economic Development Corporation and the Lake Worth Area Historical Society.

**LEASE OF REAL PROPERTY**

STATE OF TEXAS           §  
  §  
COUNTY OF TARRANT   §

THIS LEASE AGREEMENT (“**Lease**”) is made by and between the City of Lake Worth, (“**City**”), a Texas municipal corporation and the Lake Worth Area Historical Society (“**Historical Society**”), a Texas non-profit corporation, to be effective on the Commencement Date as specified below. For convenience, the City and the Historical Society may be referred to hereinafter collectively as “parties” or individually as a “party.”

**W I T N E S S E T H:**

**WHEREAS**, the Lake Worth Economic Development Corporation (“**EDC**”) purchased an approximately 1,868 sq. ft. wood framed stone veneer historic structure, (formerly known as the Foster House, presently known as the Lake Worth Area Museum, hereinafter referred to in this Lease as the “**Structure**”) and funded the relocation and restoration of the Structure; and

**WHEREAS**, the Structure was placed on property located at 7001 Charbonneau Road, in Lake Worth, Tarrant County, Texas which is owned by the City, and thereupon became a fixture on the property owned by the City; and

**WHEREAS**, by attaching the Structure to property owned by the City, the EDC intended to and conveyed all ownership of the Structure to the City; and

**WHEREAS**, the City determined that the Structure should again be put to productive use; and

**WHEREAS**, the City previously leased the Structure and Premises (as defined below) to the EDC and the EDC subleased the Structure and Premises to the Historical Society for use as a historical museum, and other lawful public purposes; and

**WHEREAS**, a special election was held on November 7, 2017, at which a proposition was submitted to the duly qualified registered voters of the City for their action thereon, said proposition to authorize to repeal the sales and use tax of one-half (1/2) of one percent for the benefit of the EDC; and

**WHEREAS**, a majority of the voters elected in favor of the abovementioned proposition; and

**WHEREAS**, reflective of the above election results, the City Council of City and Board of Directors of EDC intend to terminate the EDC; and

**WHEREAS**, the purpose of this Lease is to terminate the prior leases and subleases between the parties and EDC, and allow the Historical Society to lease the Premises directly from the City.

**NOW, THEREFORE**, for and in consideration of the mutual agreements and covenants of the parties as expressed in this Lease, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby mutually agree as follows:

**ARTICLE 1**  
**PREMISES**

a. Subject to the provisions hereof, the City hereby leases to the Historical Society for the Term, and any renewal or extension of this Lease, the following real property, with all the improvements (to include the Structure), rights, easements and appurtenances to the same, located thereon:

*That property located in Lake Worth, Texas, on Block 1, Lot 1, Charbonneau Addition, located at 7001 Charbonneau Road (“**Premises**”).*

b. This Lease shall include the right of egress and ingress, and the right to use the parking areas and driveways that are belonging to the City subject to the terms, conditions and provisions of this Lease.

c. The Historical Society acknowledges that it has had an opportunity to inspect the Premises and accepts the Premises “as is” as suitable for its intended use.

**ARTICLE 2**  
**TERM OF LEASE**

a. Term. The term of the Lease shall be for a period of two (2) years (“**Term**”), beginning on the Commencement Date, with an option to renew the Lease upon the mutual written consent of the parties.

b. Renewal. After the expiration of the Term, if the Lease is not renewed in writing by the parties and the Historical Society continues to occupy the Premises with no written notice of termination by the City, the Lease shall remain in effect on a month-to-month basis. If a month-to-month term is established, all other terms and conditions set forth in this Lease shall remain in full force and effect. Either party may terminate this month-to-month lease by written notice of intention to terminate at least 30 days prior to the desired date of termination of the Lease.

c. Termination. In addition to termination of this Lease as described above in section 2.b., this Lease may be terminated as follows:

i. The Historical Society may terminate this Lease at any time upon thirty (30) days written notice to the City.

ii. Upon the occurrence of any breach, default or failure by the Historical Society to perform any of the duties or obligations assumed by the Historical Society hereunder or to faithfully keep and perform any of the terms, conditions and provisions of this Lease, the City may terminate this Lease. A default by Historical Society shall include but is not limited to: (a) failure to timely pay rental; (b) abandoning or vacating a substantial portion of the Premises, (c) failure to comply with subsection 5.a.v. for two consecutive months; or (d) failing to comply, within (10) ten days after written notice from the City, with any provision of this Lease.

iii. Any failure by the City to terminate this Lease after any breach, default or failure by the Historical Society of the terms of this Lease shall not be determined to be a waiver by the City of any rights to terminate this Lease for any subsequent breach, default or failure.

d. Prior Leases and Subleases. Upon their execution of this Lease, the City, Historical Society, and EDC agree that the following agreements are terminated and of no effect: (1) the Lease Agreement for the Premises entered into December 17, 2010 by and between the City and EDC, and any renewal agreements thereafter; and (2) the Sublease Agreement for the Premises entered into on January 7, 2012 by and between the EDC and the Historical Society, and any renewal agreements thereafter. The EDC is not a party to this Lease, except for the limited purpose of terminating the Lease Agreement and Sublease Agreement as described in this section.

### **ARTICLE 3** **CONSIDERATION**

In consideration for this Lease and the leasing of the Premises, the Historical Society agrees to pay the City \$100.00 per year (the "**Rent**"), to be paid in full by the Historical Society for the entire Term of the Lease on the Commencement Date. The Historical Society acknowledges as consideration it has received the benefit of the City's provision of the land and the City's provision of parking space for visitors to the Structure. The City acknowledges the agreement to maintain the Structure and to maintain insurance, or otherwise provide therefore, on the Structure. In consideration, for obtaining the lease of the Structure for less than full market value, the Historical Society hereby agrees to use the Structure for purposes of operating a historical museum (the "**Permitted Use**").

### **ARTICLE 4** **MAINTENANCE**

The City covenants and agrees that the City shall, at the City's sole cost and expense, maintain the Premises and any buildings and improvements on the Premises in such a manner so as to comply with all applicable federal, state, county and City laws, codes, ordinances, and other regulations.

**ARTICLE 5**  
**TERMS OF USE**

- a. The Historical Society covenants and agrees:
- i. That it shall not make or allow any unlawful, improper, immoral or offensive use of the Premises or any part thereof; and the Historical Society further agrees to maintain and secure the Premises in order to keep the Premises in a condition at all times in compliance with all ordinances and regulations of the City.
  - ii. To comply with all laws, federal, state and local, including all ordinances of the City, all rules and regulations of the Police, Fire, and Health Departments as such laws, rules and regulations exist or may hereafter be amended or adopted.
  - iii. To permit the City, through their duly authorized representatives, to inspect the Premises at any time so as to determine compliance with the above listed standards. It is understood and agreed that if the City calls to the attention of the Historical Society any such violation on the part of the Historical Society or any of its officers, agents, employees, contractors, subcontractors, licensees or invitees, the Historical Society shall immediately desist from and correct such violation.
  - iv. To vacate the Premises and return all keys to the Premises on termination of this Lease.
  - v. To operate a museum on the Premises for a minimum of 40 hours each month of the Term.
- b. Historical Society agrees not to:
- i. Use the Premises for any purpose other than the Permitted Use unless written permission is obtained from the City.
  - ii. Create a nuisance.
  - iii. Permit any waste.
  - iv. Use the Premises in any way that is extra hazardous, would increase insurance premiums, or would void insurance on the Structure.
  - v. Change the Structure's lock system.
  - vi. Allow a lien to be placed on the Premises. The Historical Society shall indemnify and hold the City harmless from any claims for non-payment and

from and against any and all mechanics and materialmen liens or any other types of claims or liens imposed upon the Premises arising as a result of Historical Society's conduct or activities on the Premises.

vii. Assign this Lease or any portion of the Premises without City's written consent and any attempted assignment without such prior written approval shall be void.

## **ARTICLE 6** **IMPROVEMENTS**

The City is authorized to make any repairs, improvements, or modifications to the Structure or Premises, without the need for written permission from the Historical Society. All improvements, repairs or modifications to the Structure or Premises shall be performed at the City's expense and the Historical Society shall not be responsible for any amounts due for material, services and labor furnished in connection therewith, unless the Historical Society makes such improvements, repairs, or modifications; provided, however that the Historical Society may not make improvements, repairs, or modifications to the Structure without the prior written consent of the City. The Historical Society agrees that any permanent improvements to the Structure or Premises shall belong to the City upon termination or expiration of this Lease.

## **ARTICLE 7** **UTILITIES**

The City will arrange for and pay all utility charges for water, gas, electricity and telephone service used on and about the Premises during the Term of the Lease directly to the utility company or municipality furnishing the utilities before such charges become delinquent. The City's obligations shall include paying for all alarm and monitoring fees for security systems on the Premises.

## **ARTICLE 8** **INSURANCE**

The City covenants and agrees that during the Term and during any renewal or extension of this Lease, the City will maintain a policy insuring the Premises including all buildings and improvements thereon, to the full insurable value thereof, from property damage caused by explosion, fire, flood, wind and like perils. Such policy shall be in minimum amounts satisfactory to the City.

The City further covenants and agrees that during the Term and during any renewal or extension of this Lease, the City will maintain a policy providing public liability insurance covering all public risks related to the leasing, use, occupancy, maintenance, existence or location of the Premises in an amount satisfactory to the City.

The parties acknowledge that the City may obtain the equivalent of the foregoing coverage requirements by virtue of the City's relationship with the Texas Municipal League Joint Self Insurance Fund and the Texas Municipal League Intergovernmental Risk Pool.

**ARTICLE 9**  
**INDEMNIFICATION**

a. The City shall in no way, nor under any circumstance, be responsible for any property belonging to the Historical Society, its officers, agents, employees, licensees and invitees, which may be stolen, destroyed or in any way damaged, and the Historical Society hereby indemnifies and holds harmless the City, its officers, agents and employees from and against any and all such claims. The Historical Society agrees that the personal property of the Historical Society located on the Premises is the sole responsibility of the Historical Society and any insurance coverage of the personal property is in the sole discretion and responsibility of the Historical Society.

b. It is expressly understood and agreed that the Historical Society shall operate hereunder as an independent contractor as to all rights and privileges granted herein, and not as an agent, representative or employee of the City; that the Historical Society shall be solely responsible for the acts and omissions of its officers, agents, employees, or invitees; that the doctrine of *respondeat superior* shall not apply as between the City and the Historical Society, its officers, agents, employees, and invitees, and that nothing herein shall be construed as creating a partnership or joint enterprise between the City and the Historical Society.

**c. THE HISTORICAL SOCIETY COVENANTS AND AGREES TO AND DOES HEREBY, INDEMNIFY, HOLD HARMLESS AND DEFEND THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES, IN THEIR INDIVIDUAL AND OFFICIAL CAPACITIES, FROM AND AGAINST ANY AND ALL CLAIMS OR SUITS FOR PROPERTY LOSS OR DAMAGE AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF WHATSOEVER KIND OR CHARACTER, WHETHER REAL OR ASSERTED, ARISING OUT OF OR IN CONNECTION WITH THE LEASING, MAINTENANCE, USE, OCCUPANCY, EXISTENCE OR LOCATION OF THE PREMISES, WHETHER OR NOT CAUSED, IN WHOLE OR IN PART, BY ALLEGED NEGLIGENCE OF OFFICERS, AGENTS, SERVANTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, LICENSEES OR INVITEES OF THE CITY; AND THE HISTORICAL SOCIETY HEREBY ASSUMES ALL LIABILITY AND RESPONSIBILITY OF THE CITY, THEIR OFFICERS, AGENTS, SERVANTS, AND EMPLOYEES, FOR PROPERTY LOSS OR DAMAGE AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF WHATSOEVER KIND OR CHARACTER, WHETHER REAL OR ASSERTED, ARISING OUT OF OR IN CONNECTION WITH THE LEASING, MAINTENANCE, USE, OCCUPANCY, EXISTENCE OR LOCATION OF THE PREMISES, WHETHER OR NOT CAUSED, IN WHOLE OR IN PART, BY ALLEGED NEGLIGENCE OF OFFICERS, AGENTS, SERVANTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, LICENSEES, OR INVITEES OF THE CITY. THE HISTORICAL SOCIETY SHALL LIKEWISE INDEMNIFY AND HOLD HARMLESS THE CITY FOR ANY AND ALL INJURY OR**

**DAMAGE TO THE PREMISES, WHETHER ARISING OUT OF OR IN CONNECTION WITH ANY AND ALL ACTS OR OMISSIONS OF THE HISTORICAL SOCIETY, ITS OFFICERS, AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, LICENSEES, INVITEES OR TRESPASSERS, OR CAUSED IN WHOLE OR IN PART BY ALLEGED NEGLIGENCE OF OFFICERS, AGENTS, SERVANTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, LICENSEES OR INVITEES OF THE CITY.**

**ARTICLE 10**  
**MISCELLANEOUS**

a. Commencement Date. The Commencement Date of this Lease will be the date the last party executes the Lease.

b. Governing Law/Venue. This Lease shall be construed under and governed by and in accordance with the substantive laws of the State of Texas, notwithstanding any choice-of-law provisions thereof. All obligations of the parties created by this Lease are fully performable in Tarrant County, Texas. Venue in any suit or cause of action under this Lease shall lie exclusively in Tarrant County, Texas.

c. Parties Bound. This Lease shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.

d. Severability. In case any one or more of the provisions contained in this Lease shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability of such provision shall not affect the validity or enforceability of any other provision of this Lease, and this Lease shall be construed as if the invalid, illegal, or unenforceable provision had never been contained herein.

e. Entirety. This Lease constitutes the sole and only agreement of the parties regarding the subject matter of this Lease and supersedes any prior understandings or written or oral contracts between the parties respecting the subject matter of this Lease.

f. Amendment. This Lease may not be modified or amended unless such modification or amendment is in writing and signed by both parties.

g. Captions. The captions to the various provisions of this Lease are for informational purposes only and shall not alter the substance of the terms and conditions of this Lease.

h. Construction. This Lease shall not be construed against the drafting party, but all other rules of lease construction shall apply .



EXECUTED to be effective on the Commencement Date.

**CITY:**

**THE CITY OF LAKE WORTH**, a Texas  
municipal corporation

\_\_\_\_\_  
By: Stacey Almond, City Manager

ADDRESS: 3805 Adam Grubb Rd.  
Lake Worth, Texas 76135

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Monica Solko, TRMC  
City Secretary

**HISTORICAL SOCIETY:**

**LAKE WORTH AREA HISTORICAL SOCIETY**,  
a Texas non-profit corporation

\_\_\_\_\_  
By: \_\_\_\_\_

ADDRESS: PO Box 137222  
Lake Worth, Texas 76135

Date: \_\_\_\_\_

**EDC:**

**LAKE WORTH ECONOMIC  
DEVELOPMENT CORPORATION,**  
a Texas non-profit corporation

For the limited purpose of section 2.d.:

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By: Clint Narmore, President

ADDRESS: 3805 Adam Grubb Rd.  
Lake Worth, Texas 76135

Date: \_\_\_\_\_