

**AGENDA MEMORANDUM**  
for the City Council Meeting of March 27<sup>th</sup>, 2012

**DATE:** March 15<sup>th</sup>, 2012

**TO:** Ronald L. Olson, City Manager

**FROM:** Gustavo Gonzalez, P.E. *mcg*  
Director of Water Operations  
gustavogo@cctexas.com  
361.826.1874

Lease agreement with Girl Scouts of Greater South Texas

**CAPTION:** Ordinance authorizing the City Manager, or designee, to execute a Lease Agreement with Girl Scouts of Greater South Texas for the use of a 76-acre tract adjacent to Lake Corpus Christi through December 31, 2041; and providing for publication

**BACKGROUND AND FINDINGS:** The property has been owned on a long-term basis by the City of Corpus Christi and leased to the State of Texas. It has been under sublease from the State of Texas by the Girl Scouts of America as Camp Greenhill. It is a 76.0 acre ranch located southwest of Park Road 25 adjoining the southeast and southwest sides of the Lake Corpus Christi State Park and the east side of Lake Corpus Christi. This Girl Scouts of America leased property has 76.0 net usable acres in total being made of two adjoining tracts of 38.0 acres each. These properties are currently under a month-to-month lease agreement.

The camp has been improved over the years with roadways, restrooms, dining halls, swimming pools, and various facilities mixed into a relatively unspoiled ranch for camping experience.

**ALTERNATIVES:**

None

**OTHER CONSIDERATIONS:**

None

**CONFORMITY TO CITY POLICY:**

This lease agreement conforms to City Charter requirements

**EMERGENCY / NON-EMERGENCY:**

Non -Emergency

**DEPARTMENTAL CLEARANCES:**

Water Department

**FINANCIAL IMPACT:**

☐ Not Applicable    ☐ Operating Expense    ☒ Revenue    ☐ CIP

<b>Fiscal Year: 2011-2012</b>	<b>Project to Date Expenditures (CIP)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Budget				
Encumbered / Expended Amount				
This item		1.00	1.00	30.00
BALANCE				

Fund(s): Water

**Comments:**

The annual lease price of \$1.00 will be a revenue to the Water Department.

**RECOMMENDATION:**

Staff recommends approval of this item.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance  
Lease agreement

**Approvals:** Lisa Aguilar, Assistant City Attorney  
Constance Sanchez, Director of Financial Services  
Eddie Houlihan, Assistant Director of Management and Budget  
Oscar Martinez, Assistant City Manager

**Ordinance authorizing the City Manager, or designee, to execute a Lease Agreement with Girl Scouts of Greater South Texas for the use of a 76-acre tract adjacent to Lake Corpus Christi through December 31, 2041; and providing for publication**

**Be it ordained by the City Council of the City of Corpus Christi, Texas:**

**SECTION 1.** The City Manager, or his designee, is authorized to execute Lease Agreement with the Girl Scouts of Greater South Texas for the use of a 76-acre tract adjacent to Lake Corpus Christi. A copy of the contract shall be filed with the City Secretary.

**SECTION 2.** If, for any reason, any section, paragraph, subdivision, clause, phrase, word, or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, for it is the definite intent of the City Council that every section, paragraph, subdivision, phrase, word and provision hereof shall be given full force and effect for its purpose.

**SECTION 3.** Publication shall be made in the official publication of the City of Corpus Christi as required by the City Charter of the City of Corpus Christi. This contract takes effect on the 61<sup>st</sup> day following City Council approval.

That the foregoing ordinance was read for the first time and passed to its second reading on this the 21 day of March, 2012, by the following vote:

Joe Adame	<u>Aye</u>	David Loeb	<u>Aye</u>
Chris N. Adler	<u>absent</u>	John E. Marez	<u>Aye</u>
Kelley Allen	<u>Aye</u>	Nelda Martinez	<u>Aye</u>
Larry Elizondo	<u>Aye</u>	Mark Scott	<u>Aye</u>
Priscilla G. Leal	<u>Aye</u>		

That the foregoing ordinance was read for the second time and passed finally on this the \_\_\_\_\_ day of \_\_\_\_\_, 2012, by the following vote:

Joe Adame	_____	David Loeb	_____
Chris N. Adler	_____	John E. Marez	_____
Kelley Allen	_____	Nelda Martinez	_____
Larry Elizondo	_____	Mark Scott	_____
Priscilla G. Leal	_____		

PASSED AND APPROVED, this the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

ATTEST:

\_\_\_\_\_  
Armando Chapa  
City Secretary

\_\_\_\_\_  
Joe Adame  
Mayor

APPROVED as to form: March 12, 2012

By: Lisa Aguilar  
Lisa Aguilar, Assistant City Attorney  
for the City Attorney

**LONG TERM LEASE AGREEMENT  
GIRL SCOUTS OF GREATER SOUTH TEXAS**

**THE STATE OF TEXAS §**

**COUNTY OF NUECES §**

**WHEREAS**, the City of Corpus Christi has certain lands adjacent to its water reservoir located on the Nueces River near the City of Mathis; and

**WHEREAS**, portions of said land are intermittently used in connection with said reservoir, and request has been made for use of portions of said lands by Girl Scouts of Greater South Texas, and such use will be subordinate to the use by the City of Corpus Christi of said lands.

**NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS** that the City of Corpus Christi, hereinafter referred to as "**City**," acting herein by and through its City Manager, for and in consideration of the agreements herein contained by the Girl Scouts of Greater South Texas, a Texas nonprofit corporation, hereinafter referred to as "**Lessee**," do hereby enter into the following lease agreement:

**1. DESCRIPTION OF PREMISES.**

The City of Corpus Christi, subject to the terms and conditions set forth herein, does hereby lease to Girl Scouts of Greater South Texas, the following described land and premises:

A 38 acre tract of land, more or less, located adjacent to the water reservoir of the City of Corpus Christi formerly owned by the Lower Nueces River Water Supply District, south of the City of Mathis, Texas, and being the same tract referred to as "First Tract" in Lease Agreement dated April 10, 1958, between the City of Corpus Christi, The Lower Nueces River Water Supply District, and State Parks Board of the State of Texas; and additionally,

Approximately 38 acres located adjacent to and north of the present Girl Scout Area;

Beginning at the northwest corner of the Kate Jones Tract described in Volume 105, Page 153, of the Deed Records of San Patricio County, Texas;

THENCE N 34°42'E, a distance of 200 feet to the point of beginning of the tract herein described on the east line of said tract;

THENCE N 34°42'E. a distance of 800 feet to the northeast corner of this tract;

THENCE N 47°43'30"W, a distance of 1,816 feet to a point for the northwest corner of this tract;

THENCE S 34°42'W, a distance of 1,040 feet to a point on the west line of this tract;

THENCE S 55°18'E, a distance of 1,800 feet to the PLACE OF BEGINNING;

Containing approximately 38 acres of land. ("Premises" or "Leased Premises")

2. TERM.

This Lease shall be for an Original Term beginning sixty (60) days after final approval by City Council and expiring on December 31, 2041 (approximately thirty years).

3. RENT.

3.1 Amount. Rental for the Leased Premises shall be paid in annual installments and shall be the sum of One Dollar \$1.00 per year, the receipt and sufficiency of which are hereby acknowledged.

3.2 As additional consideration for this Lease, Lessee agrees to construct improvements at the Leased Premises and maintain them in good condition, with annual value of improvements and maintenance to be at least \$12,000.00 per year, adjusted annually by the Consumer Price Index.

3.3 As additional consideration for this Lease, Lessee agrees to allow Lessor free use of the Premises and Improvements at the Premises for Lessor-sponsored events, on mutually agreed upon dates, for a maximum of four events per year.

4. USE OF PREMISES.

4.1 Use. It is agreed that the Premises shall be used for no other purposes than for the recreational activities of Girl Scouts of Greater South Texas, Lessee herein, and the activities sponsored by Lessee for the benefit of the public.

4.2 Improvements. It is further agreed and stipulated that Lessee may erect on such Premises such buildings as it may desire to erect for the purpose of carrying out and aiding the recreational activities of Lessee, provided, however, that no such building shall be erected without the prior written approval of the Director of Water Operations

for the City of Corpus Christi, and no such building shall be erected that would interfere in any manner with the ingress and egress to said Premises by City, its agents, and employees, in carrying out such municipal purposes for which said Premises was acquired; and, it further being understood that City shall not be liable in any respect for any taxes incurred by said Lessee as the result of building and erecting structures of other improvements on said Premises, and Lessee shall pay such taxes before they become delinquent, if any are assessed.

4.2.1. Before constructing any improvements, Lessee must have an assessment of the septic tank system and its ability to treat increased flows.

4.2.2 Lessee shall have the plans and specifications for the improvements prepared by state-licensed architects or engineers. LESSEE shall submit a copy of the plans and specifications to the City Manager or designee ("City Manager") for review and approval. If not approved by the City Manager, the City Manager shall furnish his written objections to LESSEE along with the requested changes that will make the plans and specifications acceptable.

4.2.3. LESSEE shall require the contractors who are awarded contracts for construction of the improvements to furnish the following bonds by surety companies authorized to do business in Texas:

4.2.3.1 Payment Bond - A payment bond in the amount of One Hundred Percent (100%) of the contract shall be furnished for the protection of all persons, firms and corporations who may furnish materials or perform labor. The payment bond shall be made with City as an Obligee.

4.2.3.2 Performance Bond - A performance bond in the amount of One Hundred Percent (100%) of the Contract shall be furnished covering the faithful performance of the contract. The performance bond shall be made with City as an Obligee. If the City Attorney determines that Texas law does not require performance bond for the improvements, then the performance bond requirement is waived.

4.2.4. LESSEE shall include in all construction agreements for any improvements, the following provisions:

4.2.4.1. Contractor does hereby agree to waive all claims, release, indemnify, defend and hold harmless City and all of its officials, officers, agents and employees, in both their public and private capacities, from and against any and all liability, claims, losses, damages, suits, demands or causes of action including all expenses of litigation and/or settlement, court costs and attorney

fees which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property occasioned by error, omission, or negligent act of Contractor, its officers, agents, employees, subcontractors, invitees or any other person, arising out of or in connection with the performance of this agreement, and Contractor shall at his or her own cost and expense defend and protect the City of Corpus Christi from any and all such claims and demands.

4.2.4.2. In any and all claims against any party indemnified hereunder by any employee of Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation herein provided shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any subcontractor under workman's compensation or other employee benefit acts.

4.2.5. LESSEE shall also require the contractors, in all LESSEE construction agreements for the improvements to furnish insurance in the amounts specified in the attached Exhibit and include in all construction agreements for the improvements the following language:

"Prior to commencement of any activity on City of Corpus Christi's property, Contractor shall purchase and maintain during the term of this contract, at its own expense, hereinafter stipulated minimum insurance with companies duly authorized to do business in the State of Texas. Contractor shall not allow any subcontractor to commence work until all similar insurance of the subcontractor has been obtained. All insurance policies provided under this Agreement shall be written on an 'occurrence' basis."

"It is agreed by all parties to this Agreement that the insurance required under this Agreement shall:

- a. Be written with the City of Corpus Christi and LESSEE as an additional insured on applicable policies and that the policy phrase "other insurance" shall not apply to the City of Corpus Christi where the City of Corpus Christi is an additional insured shown on the policy.
- b. Provide for thirty (30) days notice of cancellation to the City of Corpus Christi, for nonpayment of premium, material change or any other cause.



c. Be written through companies duly authorized to transact that class of insurance in the State of Texas.

d. Waive subrogation rights for loss or damage so that insurers have no right to recovery or subrogation against the City of Corpus Christi, it being the intention that the required insurance policies shall protect all parties to the Agreement and be primary coverage for all losses covered by the policies.

e. Provide a Certificate of Insurance evidencing the required coverages to:

Donna James-Spruce  
Risk Manager  
City of Corpus Christi  
Post Office Box 9277  
Corpus Christi, Texas 78469-9277

Gustavo Gonzalez, P.E.  
Director of Water Operations  
City of Corpus Christi  
Post Office Box 9277  
Corpus Christi, Texas 78469-9277

4.2.6. LESSEE agrees that all work to be performed by it or its contractors, including all workmanship and materials, shall be of first-class quality and shall be performed in full compliance and in accordance with all federal, state and local laws, ordinances, codes and regulations, and the work shall be subject to City inspection during the performance thereof and after it is completed. However, the City shall have no duty to inspect. All proposed improvements at the Premises must be reviewed and permitted through City of Corpus Christi Development Services.

4.2.7. LESSEE shall discharge all obligations to contractors, subcontractors, materialmen, workmen and/or other persons for all work performed and for materials furnished for or on account of LESSEE as such obligations mature. LESSEE expressly agrees that it will neither give nor grant, nor purport to give or grant any mechanic's or materialmen's lien upon the CITY's property or upon any improvements thereupon in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party should be entitled, as a matter of law, to a mechanic's or materialmen's lien against the City's property or improvements thereon, and LESSEE shall discharge that lien within thirty (30) days after notice of filing thereof.

4.2.8. All plans and specifications referred to above and all construction upon the City's property shall comply with all applicable federal, state or municipal laws,

ordinances, rules, regulations and requirements. During the progress of all work, City's duly authorized representative may enter upon the premises and make such inspections as may be reasonably necessary for the purpose of satisfying CITY that the work or construction meets the requirements or standards.

4.2.9. Before any work on City property begins, LESSEE shall present the City Director of Engineering, the City Risk Manager, and the City Manager with evidence of Contractor's insurance coverages, and City building and construction permits.

4.2.10. The complete cost of developing all necessary plans and specifications and the cost of construction of the improvements by LESSEE shall be borne solely by LESSEE and be at no expense to City whatsoever. LESSEE shall pay all taxes, special assessments, or levies, if any, assessed during the term against or relating to the improvements, including ad valorem taxes pursuant to the Texas Property Tax Code, if any, until ownership of the Improvements is transferred to the City at the end of the term of this Agreement.

4.2.11 Any warranties given to the LESSEE regarding the improvements shall be transferred and assigned to City at the same time as the improvements are transferred to the City.

4.2.12. In the event of damage or destruction to the improvements, City shall have no obligation to repair or rebuild the improvements or any fixtures, equipment or other personal property installed by LESSEE. However, if said damage or destruction occurs prior to City's acceptance of the improvements, any insurance proceeds from any casualty loss shall be applied to the repair or rebuilding of the improvements, which will be the extent of LESSEE's obligation for repair.

## 5. INSPECTIONS.

5.1 Lessee must conduct an initial inventory of all improvements on the property and deliver to City of Corpus Christi Real Estate Section within 90 days of the execution of the lease.

5.2 Lessee must have a professional engineer or sanitary engineer conduct an inspection of the septic tank or tanks and drainfield biannually and provide a written report to the Director of Water Operations. The first inspection and report must be provided by October 1, 2012. Thereafter, a new inspection and report will be provided by Lessee each six months.

## 6. TERMINATION.

6.1 Termination with cause. In the event of Lessee's breach of any provision of this Lease, Lessor shall provide Lessee with written notice of the breach, and give

Lessee thirty (30) days to cure. If the breach remains uncured, then Lessor may terminate this Lease by providing Lessee with written notice of termination.

6.2 In the event that a court finds that this agreement is not in compliance with applicable Federal, State or local laws, then the parties agree to terminate this lease within sixty (60) days of court ruling and renegotiate new agreement with terms that are mutually satisfactory.

6.3 In the event Lessee ceases to utilize the Premises for its intended purposes for period of one year or longer, then the Lessor may terminate this lease after providing Lessee with thirty days written notice of default and opportunity to cure.

## **7. CONDITION OF LEASED PREMISES.**

7.1 No Warranty. LESSOR GIVES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE PREMISES OR ANY IMPROVEMENTS THEREON, INCLUDING NO WARRANTY FOR HABITABILITY OR FITNESS FOR A PARTICULAR USE.

7.2 Improvements. It is agreed that Lessee, subject to the prior approval of the City Manager, shall have the right from time to time at its sole cost and expense, to construct on the Leased Premises such buildings and other improvements, as deemed necessary for the purpose of conducting Lessee's activities, the complete direction and control of which shall be the responsibility and prerogative of the Board of Directors of Lessee.

7.3 Permits. Any permit for improvement to the property under this Lease Agreement must comply with the terms of this Lease Agreement, and all applicable City, State and Federal laws, codes and regulations.

7.4 Maintenance. Lessee agrees to keep, repair and maintain any and all structures in place, erected, or caused to be erected or placed on the Leased Premises in good condition and appearance, and further agrees to keep said Premises in neat and clean condition, including prompt removal of all trash, litter, debris and junk.

7.5 Failure to Maintain. In the event Lessee shall fail to keep said Premises and improvements in a manner acceptable to the City of Corpus Christi, then the City Director of Water Operations, after reasonable notice, shall have the power and express authority to cause or require the Premises to be cleaned, cleared or mowed, and Lessee expressly authorizes the cost of any such cleaning, clearing or mowing to be added to the annual rental payment with interest at the rate of six percent (6%) per annum, beginning thirty (30) days from the date on which the work was completed, until such cost is paid in full.

## **8. LIMITATIONS OF LESSEE IN LEASED PREMISES.**

**8.1 Reservations.** Lessor, its agents and assigns, reserves the privilege and right at any time to execute and deliver valid oil, gas, and other mineral leases upon the Premises, valid right of way easements for gas, oil, or water pipelines, telephone, cable electric or other utility pole transmission lines on said Premises, or any part thereof, and in such event, this Lease Agreement shall be subject and subordinate to the rights, terms, and privileges of any such oil, gas, and other mineral lease or such easements as may have been executed heretofore or hereafter by Lessor, its agents or assigns.

**8.2 Easements.** An easement across the Premises is hereby retained by Lessor for the purpose of laying sewer and water lines and/or for necessary rights-of-way for roads, alleys, or other throughways.

**8.3 No Assignment or Subletting.** Lessee will not assign or sublet this Lease Agreement, in whole or in part, without the written consent of Lessor.

**8.4 No Encumbrances.** Lessee shall not have the right to encumber the Leased Premises without the prior written consent of the City Council.

**8.5 Lessor's Right to Enter.** At all times, Lessor or its agents shall have the right to enter said Premises during reasonable hours for the purpose of examining and inspecting the same and determining whether Lessee shall have complied with all of its obligations hereunder in respect to all the terms and conditions of this Lease Agreement. When camp is occupied Lessor or agent shall immediately report to GSGST representative upon entering Premises.

**8.6** This Lease shall be subject to the continued uses by City of said Premises as a part of a municipal water supply system, including the use thereof for the drilling of wells and the production of water, gas, and other minerals therefrom.

**8.7** This lease shall also be subject to all outstanding agreements heretofore executed by the former Lower Nueces River Water Supply District and City, and the uses and activities by the Lessee shall be subject at all times to the uses by City, its agents, and employees of such Premises for the municipal purposes for which said property was acquired.

**8.8** City reserves all oil, gas, uranium, lignite, and other mineral interests, together with the right of ingress and egress for the exploration, development, production, transportation, and processing the products hereof, in, under, or concerning said Premises or any part thereof, which the City or its assigns have or may have.

**8.9** City also reserves the right to use said Premises as an evacuation area in case of disaster or enemy attack.

## 9. DEBTS RELATED TO LEASED PREMISES.

9.1 Taxes. Lessee shall pay and discharge all taxes, general and special assessments, and other charges of every description which during the term of this Lease Agreement may be levied on or assessed against the Leased Premises and all interest therein and all improvements and other property thereon, whether belonging to Lessor or Lessee, or to which either of them may become liable. Lessee shall pay all such taxes, charges, and assessments to the public officer charged with the collection thereof not less than fifteen (15) days before the same shall become delinquent, and Lessee agrees to indemnify and save harmless Lessor from all such taxes, charges, and assessments.

9.2 Incidental Charges. Lessee shall pay or cause to be paid all incidental charges, including, but not limited to, permit fees incurred in connection with its operations and use of the Leased Premises.

9.3 Utilities. Lessee shall pay or cause to be paid all charges for water, sewer, gas, electricity, trash pick-up, cable, and any and all other utilities used on the Leased Premises throughout the term of this Lease Agreement, including any connection fees. The City of Corpus Christi reserves the right to request that the water well be metered to record water consumption. If the water well is used for irrigation or gray water, pumpage must be limited as directed by the City Director of Water Operations or his designee. Lessee remains responsible to test water quality at the Premises to insure quality meets applicable Federal, State, and local standards and regulations.

## 10. COVERAGES.

### 10.1 Indemnification.

10.1.1 General Indemnification. Lessee agrees to indemnify, defend, and hold City of Corpus Christi, its council members, board and commission members, officials, agents, guests, invitees, consultants and employees, hereinafter called "Indemnitees," free and harmless from and against any and all claims, demands, proceedings, suits, judgments, costs, penalties, fines, damages, losses, attorneys' fees and expenses asserted by any person or persons, including agents or employees of Lessee or City, by reason of death or injury to persons, or loss or damage to property, resulting from or arising out of, the violation of any law or regulation or in any manner attributable to any act of commission, omission, negligence or fault of Lessee, its agents or employees, or the joint negligence of Lessee and any other entity, as a consequence of its execution or performance of this Contract or sustained in or upon the Premises, or as a result of anything claimed to be done or admitted to be done by Lessee hereunder. The Lessee shall fully indemnify, save, and hold harmless the Indemnitees against any and all liability, damage, loss, claims, demands, and actions of

any nature whatsoever on account of personal injuries, including, without limitation on the foregoing, workers' compensation and death claims, or property loss or damage of any kind whatsoever, which arise out of or are in any manner connected with, or are claimed to arise out of or be in any way connected with, the use of these Premises and Improvements unless such injury, loss, or damage shall be caused by the sole negligence of Indemnitees. Lessee shall, at Lessee's own expense, investigate all such claims and demands, attend to their settlement or other disposition, defend all actions based thereon, and pay all charges of attorneys and all other costs and expenses of any kind arising from any such liability, damage, loss, claims, demands, and actions. Lessee shall assume full responsibility for the safety of all persons and property using said Premises, including without limitation Lessee's guests, invitees, employees, and licensees. This indemnification shall survive the term of this Contract as long as any liability could be asserted. Nothing herein shall require Lessee to indemnify, defend or hold harmless any indemnified party for the indemnified party's own gross negligence or willful misconduct.

**10.1.2 Prospective Application.** Any and all indemnity provided for in this Contract shall survive the expiration of this Contract and the discharge of all other obligations owed by the parties to each other hereunder and shall apply prospectively not only during the term of this Contract but thereafter so long as any liability (including but not limited to liability for closure and post closure costs) could be asserted in regard to any acts or omissions of Lessee in performing under this Contract.

**10.1.3 Retroactive Application.** The indemnity provided for in this Contract shall extend not only to claims and assessments occurring during the term of this Contract but retroactively to claims and assessments which may have occurred during the term of previous agreements between City and Lessee.

**10.2 Insurance.** Lessee shall comply with all insurance requirements in the attached Exhibit.

## **11. SURRENDER OF PREMISES.**

**11.1 Restoration.** Within thirty (30) days after the expiration or termination of this Lease, Lessee agrees to quit and surrender the said Premises in as good state and condition as the reasonable use and wear thereof will permit, and in such case, Lessee may remove all the personal property owned by it on said Premises, provided that removal will not destroy the Premises, or that any such destruction shall be repaired at Lessee's cost within thirty (30) days of removal.

11.2 Delivery. Lessee agrees to promptly and peacefully deliver possession of the Leased Premises and improvements to Lessor upon termination of this Lease Agreement.

11.3 In no event shall Lessor be required to reimburse Lessee for improvements which remain on the Premises or expenses incurred by Lessee in connection with removal of the improvements.

11.4 Abandoned Property. All items of personal property and the current improvements owned by Lessee remaining in or on the Leased Premises after the expiration of sixty (60) days following the termination of this Lease Agreement shall be deemed abandoned by Lessee and shall become the property of Lessor.

## 12. MISCELLANEOUS.

12.1 Invalid or Illegal Provisions. If any clause or provision of this Lease Agreement is illegal, invalid, or unenforceable under present or future laws effective during the term of this Lease Agreement, then and in that event, it is the intent of the parties that the remainder of this Lease Agreement shall not be affected. It is also the intent of the parties to this Lease Agreement that in lieu of each clause or provision of this Lease Agreement that is illegal, invalid, or unenforceable, there are added as a part of this Lease Agreement a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible to be legal.

12.2 Terms of the Essence. IT IS FURTHER UNDERSTOOD AND AGREED BETWEEN THE PARTIES HERETO THAT EACH AND EVERY TERM, STIPULATION AND RESTRICTION CONTAINED HEREIN IS OF THE ESSENCE TO THIS LEASE AGREEMENT, THE VIOLATION OF WHICH SHALL ENTITLE LESSOR, AT ITS OPTION, TO TERMINATE THIS LEASE AGREEMENT. FAILURE TO EXERCISE SUCH OPTION AT ANY TIME SHALL NEVER BE CONSTRUED AS A WAIVER OF ANY CONDITION OF THIS LEASE AGREEMENT.

### 12.3 Remedies.

12.3.1 Upon Termination. Any termination of this Agreement shall not relieve Lessee from the payment of any sum or sums that then shall be due and payable to Lessor hereunder, or any claim for damages then or theretofore accruing against Lessee hereunder, and any such sum or sums or claim for damages by any remedy provided by law, or from recovering damages from Lessee for any default thereunder.

12.3.2 Cumulative Remedies. All rights, options, and remedies of Lessor contained in this Lease Agreement or otherwise shall be construed and held to be cumulative, and no one of them shall be exclusive of the other, and Lessor shall have the

right to pursue any one or all such remedies or any other remedy or relief which may be provided by law, whether or not stated in this Lease Agreement.

**12.3.3 Reimbursement of Lessor's Expenses.** Lessee shall pay on demand all of Lessor's expenses including, but not limited to, attorney's fees and court costs incurred in enforcing any of Lessee's obligations under this Lease Agreement, which include, but are not limited to, collection of annual rental fees and collection of utility payments, taxes, and other legitimate assessments.

**12.4 No Waiver.** No waiver by Lessor of a breach of any of the covenants, conditions, agreements, or restrictions of this Lease Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition, or restriction herein contained.

**12.5 Notices.** Any notice or demand that either party desires or is required to be given by this Lease Agreement shall be in writing and shall be deemed sufficient if sent by United States certified mail, return receipt requested, postage prepaid to the following:

If to Lessor: City of Corpus Christi  
Attn: City Manager  
P.O. Box 9677  
Corpus Christi, Texas 78401

City of Corpus Christi  
Attn: Director of Water Operations  
P. O. Box 9677  
Corpus Christi, Texas 78401

If to Lessee: **GIRL SCOUTS OF GREATER SOUTH TEXAS**  
**Attn: Chief Executive Officer**  
**Harlingen Service Center**  
**202 E. Madison**  
**Harlingen, Texas 78550**

**12.6 Amendments.** No modification of this Lease Agreement shall be binding unless it be in writing and executed in due form by all of the parties hereto.

**12.7 Easements and Restrictions.** Lessee takes this Lease Agreement and the Leased Premises subject to all recorded easements and restrictions affecting the occupation and use thereof, and subject to all statutes, ordinances, and regulations of



competent governmental authority affecting the occupancy and use thereof, and the construction and maintenance of improvements thereof.

12.8 Relationship of Lessor and Lessee. The relationship between Lessor and Lessee at all times shall remain solely that of Landlord and Tenant and shall not be deemed a partnership or joint venture.

12.9 Headings. The paragraph headings contained herein are for convenience and reference and are not intended to define, extend, or limit the scope of any provisions of this Lease Agreement.

12.10 Interpretation. This Agreement shall be construed in accordance with the laws of the State of Texas.

12.11 Anti-Discrimination. Lessee agrees that it will not violate any federal, state, civil rights, or discrimination laws. A finding of violation of any such laws by a trial court or appropriate state or federal agency is a material breach of this agreement which may result in the termination of the agreement or such other remedy as Lessor may deem appropriate.

12.12 Compliance with ADA. Lessee agrees to comply fully with the provisions of the Americans with Disabilities Act and to make any and all displays, events, or activities on Leased Premises accessible to individuals with disabilities.

12.13 Hold Over. It is distinctly understood and agreed by and between Lessor and Lessee that any holding over by Lessee of the herein demised Premises after the expiration of this Lease Agreement shall operate and be construed only as a tenancy from month to month, terminable at the will of Lessor.

12.14 Compliance with Laws. Lessee further agrees, and it is part of the consideration hereof, to obey any and all rules and regulations enacted by City governing the activities of persons, boats, etc., on Lake Corpus Christi adjacent to the Premises and for the protection of the waters of said Lake from contamination as a water supply reservoir of the City of Corpus Christi, Texas. Lessee shall comply with all applicable Federal, State and Local laws and regulations.

12.15 Venue. Venue for any disputes regarding this lease shall be the courts of Nueces County, Texas.

12.16 Entire Agreement. The Lease Agreement constitutes the entire agreement between the parties hereto, and Lessor is not bound by any agreement, stipulation or representation made by any agent, employee, or official of Lessor.

12.17 This Lease Agreement was executed in duplicate originals.

**LESSOR:**  
**CITY OF CORPUS CHRISTI**

By: \_\_\_\_\_  
Ronald L. Olson, City Manager

ATTEST:

\_\_\_\_\_  
Armando Chapa, City Secretary

Approved as to Legal form: 3-15-, 2012

By: *Nervina Ocasio*  
for Lisa Aguilar, Assistant City Attorney  
for City Attorney

**THE STATE OF TEXAS       §**  
**COUNTY OF NUECES       §**

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2012, by Ronald L. Olson, City Manager for CITY OF CORPUS CHRISTI, a Texas home rule municipal corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public, State of Texas

**LESSEE: Girl Scouts of Greater South Texas**

By: Deborah Branch

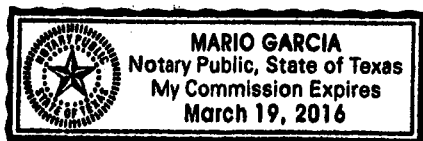
Deborah Branch  
Chair of the Board of Directors

**THE STATE OF TEXAS §**  
**COUNTY OF CAMERON §**

This instrument was acknowledged before me on the 14<sup>th</sup> day of March 2012 2012, by Deborah Branch as Chair of the Board of Directors of the **GIRL SCOUTS OF GREATER SOUTH TEXAS**, a Texas non-profit corporation, on behalf of said corporation.

Mario Garcia

Notary Public, State of Texas



## **INSURANCE REQUIREMENT EXHIBIT**

### **I. LESSEE'S LIABILITY INSURANCE**

- A. Lessee must not commence work under this agreement until all insurance required has been obtained and such insurance has been approved by the City. Lessee must not allow any subcontractor to commence work until all similar insurance required of any subcontractor has been obtained.
- B. Lessee must furnish to the City's Risk Manager, 2 copies of Certificates of Insurance with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. The City must be named as an additional insured on the General liability policy, and a blanket waiver of subrogation is required on all applicable policies.

<b>TYPE OF INSURANCE</b>	<b>MINIMUM INSURANCE COVERAGE</b>
<b>30-written day notice of cancellation, required on all certificates or by applicable policy endorsements</b>	<b>Bodily Injury and Property Damage</b> Per occurrence - aggregate
Commercial General Liability including: 1. Commercial Broad Form 2. Premises – Operations 3. Products/ Completed Operations 4. Contractual Liability 5. Independent Contractors 6. Personal Injury- Advertising Injury	<b>\$1,000,000 COMBINED SINGLE LIMIT</b>
Property Coverage	Lessee will be responsible for any and all damage to property or equipment used regardless if owned, rented, leased or borrowed.
<b>WORKERS' COMPENSATION</b>	<b>Applicable for paid employees, WHICH COMPLIES WITH THE TEXAS WORKERS' COMPENSATION ACT AND SECTION II OF THIS EXHIBIT</b>
<b>EMPLOYERS' LIABILITY</b>	<b>\$500,000 /\$500,000 /\$500,000</b>

- C. In the event of accidents of any kind related to this lease agreement, Lessee must furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.

## **II. ADDITIONAL REQUIREMENTS**

- A. Applicable for paid employees, Lessee must obtain workers' compensation coverage through a licensed insurance company. The coverage must be written on a policy and endorsements approved by the Texas Department of Insurance. The workers' compensation coverage provided must be in an amount sufficient to assure that all workers' compensation obligations incurred by the Lessee will be promptly met.
- B. Lessee's financial integrity is of interest to the City; therefore, subject to Lessee's right to maintain reasonable deductibles in such amounts as are approved by the City, Lessee shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Lessee's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII.
- C. The City shall be entitled, upon request and without expense, to receive copies of the policies, declarations page and all endorsements thereto as they apply to the limits required by the City, and may require the deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Lessee shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Lessee shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:
- City of Corpus Christi  
Attn: Risk Manager and  
Water Dept. Director  
P.O. Box 9277  
Corpus Christi, TX 78469-9277
- D. Lessee agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:
- Name the City and its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation policy;

- Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
- Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
- Provide thirty (30) calendar days advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.

- E. Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, Lessee shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Lessee's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.
- F. In addition to any other remedies the City may have upon Lessee's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Lessee to stop work hereunder, and/or withhold any payment(s) which become due to Lessee hereunder until Lessee demonstrates compliance with the requirements hereof.
- G. Nothing herein contained shall be construed as limiting in any way the extent to which Lessee may be held responsible for payments of damages to persons or property resulting from Lessee's or its subcontractor's performance of the work covered under this agreement.
- H. It is agreed that Lessee's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.
- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.