AGREEMENT FOR ELECTION SERVICES AND LEASE OF CITY PROPERTY

STATE OF TEXAS

COUNTY OF BROWN

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THIS AGREEMENT, made this 27th day of January, 2014, by and between the City of Brownwood, Texas, a Municipal Corporation and body politic, of Brown County, Texas acting herein by its duly authorized Mayor, Stephen E. Haynes, hereinafter called "Lessor", and Brown County, acting herein by its duly authorized County Judge, Ray West, hereinafter called "Lessee".

In consideration of the mutual covenants and agreements set forth, and other good and valuable consideration, Lessor does hereby demise and lease to Lessee, and Lessee does hereby lease from Lessor, Room A, an approximately 20' X 31' room, Room B, an approximately 20' X 31' room, and the voter storage room, an approximately 298 square foot room, and the temporary use of the auditorium room and other meeting rooms on election days and all absentee voting days, located in the Adams Street Community Center (the "Center"), as depicted on the attached Exhibit "A," within the confines of the City of Brownwood, Brown County, Texas, and hereinafter called the "leased premises." Lessee shall also be given access to and be allowed to use jointly with Lessor, the front entry and the side entry to the leased premises and the hallway and bathrooms located in the Center, as depicted on Exhibit "A."

ARTICLE 1. **TERM**

The term of this Lease Agreement shall be one (1) year commencing on the 28th day of February, 2014, and ending on the 27th day of February, 2015, the ("Original Term"). The Lease Agreement shall automatically be renewed for successive one (1) year terms (the "Successive Term") until Lessor or Lessee provides the other party with written notice, no later than sixty (60) days prior to the expiration of the Original Term and/or the Successive Term of this Lease Agreement, that it does not desire to continue the Lease Agreement.

CONSIDERATION: ELECTION SERVICES ARTICLE 2.

2.01. As consideration for the lease and use of the leased premises, Lessee shall provide the following consideration: Lessee shall conduct all City of Brownwood elections at its cost and expense. including all special elections and absentee voting, and in doing so shall provide: (a) supervision of the election process; (b) election judges, alternate judges, clerks and other election workers and office staff as necessary to conduct the election in an amount and number to properly conduct an election in accordance with all applicable laws, rules and regulations; (c) as necessary, election personnel capable of acting as translators, fluent in both the English and Spanish language; (d) all voter lists necessary to conduct an election; (e) all expendable supplies used by the election judges, alternate judges, clerks and other election workers and other personnel; (f) all training for election judges, alternate judges, clerks and other election personnel; (g) and pay compensation for all election judges, alternate judges, clerks and other election workers for training, absentee voting and regular elections (compensation to be paid at the Brown County rate in effect at the time of the election); (h) all necessary equipment and supplies, including the voting machines, to conduct elections in accordance with HAVA requirements and all applicable laws, except as specified below under Lessor's obligations; (i) the necessary space, within the leased premises, to conduct all elections and absentee voting; and (j) provide storage space, during the required retention period for such records, for all voted ballots.

January 27, 2014 (Exhibit #4)

2.02. In consideration for Lessee performing the foregoing election services, Lessor shall provide to Lessee the following consideration: (a) the leased premises to Lessee in accordance with the terms and conditions of this lease, requiring no monetary rental obligation. The leased premises are leased to Lessee "as-is," with no express or implied warranties of any kind, and any and all modifications and alterations to the leased premises shall be the responsibility of Lessor as set forth in Article 5.02. Lessee shall also be allowed the use of the auditorium (as depicted on Exhibit "A") on election days and all absentee voting days at no additional cost; (b) provide for purchase of election ballot(s) layout, printed election ballots, election machine programming, combination forms and all associated publishing, printing and shipping/postage costs for Lessor's elections; (c) provide a list of approved personnel to be appointed as election judges, alternate judges, clerks and other election personnel; (d) provide for appropriate signage on the front of the Center to indicate the location of the Brown County election offices therein; (e) appointment of an election administrator as the election officer for each election held; and (f) appointment of an election administrator to serve as the custodian of the keys to the ballot boxes for voted ballots.

ARTICLE 3. USE OF PREMISES

3.01. Lessee will use the leased premises only for elections and storage related to Lessee's operations, unless Lessor shall give Lessee prior written consent.

ARTICLE 4. MAINTENANCE AND SURRENDER

- 4.01. Lessee acknowledges that its acceptance of possession of the leased premises constitutes a conclusive admission that it has inspected the leased premises and have found them in good condition and repair.
- 4.02 Lessor shall be responsible for the maintenance of all grounds, janitorial service, utilities and property insurance for the leased premises and building, but shall be under no obligation to provide insurance for any of Lessee's personal property or effects located thereon and shall not be responsible for any loss, damage or injury to such personal property or effects of the Lessee.
- 4.03. Notwithstanding the foregoing, Lessee shall throughout the Lease Agreement term maintain the leased premises and keep them free from waste or nuisance, and shall deliver up the premises in a clean and sanitary condition at, the termination of this Lease Agreement, in good repair and condition, reasonable wear and tear and damage by fire, tornado, or other casualty excepted. Maintenance of plumbing and lighting shall be the responsibility of the Lessor during the term hereof.

ARTICLE 5. OBLIGATIONS OF LESSOR AND LESSEE

Taxes on Lessee's Property

5.01 Lessee shall be liable for all taxes levied or assessed against personal property, furniture or fixtures placed by Lessee in the leased premises.

Alterations, Additions and Improvements

5.02 (a) Lessee shall not make any alterations, additions or improvements to the leased premises without the prior written consent of Lessor. Notwithstanding the foregoing, Lessee shall have the right to install at its own expense any additional electrical outlets, telephone outlets and any additional wiring to support same. Consent for nonstructural alterations, additions or improvements shall not be unreasonably withheld by Lessor. Lessee shall have the right at all times to erect or install furniture and

fixtures provided that Lessee complies with all applicable governmental laws, ordinances, and regulations. Lessee shall have the right to remove at the termination of this Lease Agreement such items so installed, provided Lessee is not in default of the terms of this Lease Agreement; however, Lessee shall, prior to the termination of this Lease Agreement, repair any damage caused by such removal.

(b) Except to the extent provided in Section 5.02(a), all alterations, additions or improvements made by Lessee shall become the property of Lessor at the termination of this Lease Agreement; however, Lessee shall promptly remove, if Lessor so elects, all alterations, additions and improvements, and any other property placed in the premises by Lessee, and Lessee shall repair any damage caused by such removal.

Rules and Regulations

5.03 Lessee and Lessee's agents, employees and invitees will comply fully with all requirements of the rules and regulations of the building and related facilities. Lessor shall at all times have the right to change such rules and regulations or to promulgate other rules and regulations in such reasonable manner as may be deemed advisable for safety, care or cleanliness of the building and related facilities, or premises, and for preservation of good order therein, all of which rules and regulations, changes and amendments will be forwarded to Lessee in writing and shall be carried out and observed by Lessee. Lessee shall further be responsible for the compliance with such rules and regulations by the employees, servants, agents, visitors and invitees of Lessee.

Mechanic's Lien

5.04 Lessee will not permit any mechanic's lien or liens to be placed upon the leased premises or the building or improvements thereon during the term hereof, and in case of the filing of any such lien, Lessee will promptly pay same. If default in payment thereof shall continue for twenty (20) days after written notice thereof from Lessor to Lessee, the Lessor shall have the right and privilege at Lessor's option of paying the same or any portion thereof without inquiry as to the validity thereof, and any amounts so paid, including expenses and interest, shall be so much additional indebtedness hereunder due from Lessee to Lessor and shall be repaid to Lessor immediately on rendition of bill therefor, together with interest at ten per cent per annum until repaid.

ARTICLE 6. UTILITIES

6.01. Lessee will pay for all utility charges for electricity used by the leased premises, including, without limitation, the auditorium (for the time it is used by Lessee), and the other meeting rooms (for the time they are used by Lessee) during the lease term. Lessor shall either separately meter the leased premises at its expense or work with Lessee to develop a formula for allocation of the electrical costs based on square footage of the leased premises in proportion to the square footage of the Center or hours of use of the leased premises in proportion to the hours of use of the Center by Lessor. Lessee shall pay the charges directly to the Lessor. Lessee shall be responsible for any costs and/or charges related to telephone service and/or any other utility services and shall pay the charges directly to the utility furnishing the service. Lessor shall provide and pay for sanitation services and any water used by the leased premises.

ARTICLE 7. HOLD HARMLESS

7.01. All property of every kind and whatsoever nature, which may be on said leased premises during the term hereof, shall be at the sole risk of Lessee or those claiming or to claim under Lessee and the Lessor shall not be liable to Lessee, or to any other person whatsoever, for any injury, loss or damage to any person or property in or upon said leased premises, or upon any property contiguous thereto. Lessee hereby covenants and agrees to assume all liability for or on account of any injury, loss or damage above-described, and to save Lessor harmless therefrom. Furthermore, Lessor shall not be liable to Lessee or to Lessee's patrons, employees, licensees, permittees or visitors, for any damage to person or property due to the building on said premises or any appurtenances thereof being improperly constructed, or being or becoming in need of repair, nor for any damages from any defects or want of repair of any part of the building of which the leased premises form apart, but Lessee accepts said premises as wholly suitable for the purposes for which same is leased and accepts the building and each and every appurtenance thereof and waives defects therein, and further agrees to hold Lessor harmless from all claims for any such damage.

ARTICLE 8. LIABILITY INSURANCE

- 8.01. Lessee, at its own expense, must provide and maintain in force during the lease term liability insurance. Choice of an insurance company is subject to approval by Lessor, who will not unreasonably withhold approval if the company has a Best's Insurance Rating of B++ or a Best's Financial Performance Rating of VIII or better. The policy must name Lessor as an additional insured, waive the insurance company's subrogation rights against Lessor and must be with one or more insurance companies authorized or admitted to transact business in Texas. Lessor will obtain property insurance on the building. Lessee will be responsible for obtaining insurance on all personal property and contents located on the leased premises.
- 8.02. Lessee must furnish Lessor with certificates of all insurance required by this article. If Lessee does not provide the certificates when Lessor delivers possession to Lessee or if Lessee allows any insurance required under this article to lapse, Lessor may, at its option, take out and pay the premiums on the necessary insurance to comply with Lessee's obligations under this article. Lessor is entitled to immediate reimbursement from Lessee for all amounts spent to procure and maintain the insurance, with interest at the rate of prime plus three (3) percent annually from the date of payment by Lessor until reimbursed.

ARTICLE 9. ASSIGNMENT AND SUBLEASE

9.01. Without the prior written consent of Lessor (such consent not to be unreasonably withheld), Lessee shall not have the right to assign this Lease Agreement and any interest therein, and/or to sublet the leased premises, or any part thereof, or any right or privilege pertinent thereto.

ARTICLE 10. TERMINATION

10.01. In case of default of any covenants herein or upon default in performance of the consideration for this Lease as hereinafter set out, Lessor may terminate this lease if any such default continues for thirty (30) days after notice thereof in writing to Lessee of Lessor's intention to declare the lease forfeited.

10.02. In the event the leased premises or any portion thereof is needed for a municipal use by Lessor, Lessor expressly reserves the right to cancel this lease upon giving Lessee ninety (90) days written notice. In the event that Lessor exercises its right to terminate the lease for a municipal use pursuant to this paragraph, Lessor agrees to provide Lessee with comparable lease space located in the central business district of the City of Brownwood on the same terms and conditions of this Lease Agreement.

ARTICLE 11. MISCELLANEOUS

Notices and Addresses

11.01 All notices provided to be given under this agreement shall be given by certified mail or registered mail, addressed to the proper party, at the following addresses:

LESSOR

LESSEE

THE CITY OF BROWNWOOD 501 Center Ave., PO Box 1389 Brownwood, Texas 76801 Attn: City Manager BROWN COUNTY.
P.O. Box 700
Brownwood, Texas 76804
Attn: County Judge

Gender

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

Parties Bound

11.03 This agreement shall be binding upon and inure to the benefit of the parties hereto and its respective heirs, executors, administrators, legal representative, successors, and assigns where permitted by this agreement.

Texas Law To Apply

11.04 This agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Brown County, Texas.

Limitation of Warranties

11.05 There are no implied warranties of merchantability, of fitness for a particular purpose, or of any other kind arising out of this lease, and there are no other warranties that extend beyond those expressly stated in this lease.

Use of Common Areas

11.06 Lessee shall have the nonexclusive right to use the common areas subject to such reasonable rules and regulations governing use as Lessor may prescribe.

Legal Construction

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

Prior Agreements Superseded

11.08 This agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

Amendment

11.09 No amendment, modification, or alteration of the terms hereof shall be binding unless the same is in writing, dated subsequent to the date hereof, and duly executed by the parties hereto.

Rights and Remedies Cumulative

11.10 The rights and remedies provided by this Lease Agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waiver its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

Waiver of Default

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

Attorney's Fees

11.12 In the event Lessor or Lessee breaches any of the terms of this agreement whereby the party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting party agrees to pay the other party reasonable attorney's fees so incurred by such other party.

IN WITNESS WHEREOF, the undersigned Lessor and Lessee hereto have executed this agreement as of the day and year first above written.

LESSOR:

CITY OF BROWNWOOD, TEXAS

LESSEE:

BROWN COUNTY

By: E. RAY WEST III, COUNTY JUDGE

