

September 23, 2020

WHEREAS, on June 13, 2001, by Resolution No. 01-1809, the City Council of the City of Dallas authorized a three-year lease agreement dated June 15, 2001, (the "Lease") between the City of Dallas, a Texas municipal corporation ("City"), as tenant, and Continental Electronics Corporation, a Nevada corporation, ("Landlord") as landlord, for approximately 28,000 square feet of warehouse and office space, and 127 secured parking spaces located at 8231 and 8239 Hoyle Avenue, Dallas, Dallas County, Texas (the "Premises") to be used by Water Utilities Pumping Division and Wastewater Collections Division; and

WHEREAS, Continental Electronics Corporation changed its name to DRS Broadcast Technologies, Inc., effective December 2, 2003; and

WHEREAS, on June 9, 2004, by Resolution No. 04-1828, City Council authorized the First Amendment to the Lease Agreement dated June 15, 2004, to extend the lease term for an additional five years; and

WHEREAS, DRS Broadcast Technologies, Inc. changed its name to Continental Electronics Corporation, effective March 17, 2005; and

WHEREAS, on August 12, 2009, by Resolution No. 09-1944, City Council authorized the Second Amendment to the Lease Agreement dated August 24, 2009, to extend the lease term for an additional three years; and

WHEREAS, on September 26, 2012, by Resolution No. 12-2377, City Council authorized the Third Amendment to the Lease Agreement dated October 1, 2012, to extend the lease term for an additional five years; and

WHEREAS, on September 27, 2017, by Resolution No. 17-1559, City Council authorized the Fourth Amendment to the Lease Agreement dated October 6, 2017, to extend the lease term for an additional three years; and

WHEREAS, the Lease, as amended, expires by its own terms on September 30, 2020; and

WHEREAS, the parties desire to renew, extend, modify and/or amend the lease to (1) extend the term for an additional four-year term ("Extension Term"), and (2) modify Section II of the Lease, as amended, to provide for a rental administrative fee ("Late Charge") for rental payments received after five business days after payments are due, upon certain amended terms as provided below.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

September 23, 2020

SECTION 1. That the City Manager, upon approval as to form by the City Attorney, be and is hereby authorized to execute a Fifth Amendment to the Lease Agreement between Continental Electronics Corporation, a Nevada corporation and the City of Dallas.

SECTION 2. That the special terms and conditions of the Fifth Amendment to the Lease Agreement are:

(a) The term of the Lease is hereby extended for an additional four (4) years (the "Extension Term") beginning October 1, 2020 and ending September 30, 2024, provided however, that City and Landlord retain the right to terminate the Lease as provided elsewhere therein, including the right of either party to terminate the amended Lease upon ninety (90) day written notice.

(b) Monthly Rental Payments during the Extension Term shall be as follows:
(subject to annual appropriations)

October 1, 2020 – September 30, 2021	\$11,580.00 per month
October 1, 2021 – September 30, 2022	\$11,925.00 per month
October 1, 2022 – September 30, 2023	\$12,285.00 per month
October 1, 2023 – September 30, 2024	\$12,285.00 per month

(c) The second paragraph of Section II of the Lease, as amended, shall be deleted and replaced with the following paragraph:

"Landlord agrees that a temporary delay in making said payments due to City's accounting and disbursement procedures shall not place City in default of this Lease, as amended, but City shall be subject to a five percent (5%) rental administrative fee ("Late Charge"). Such Late Charge shall be deemed Rental and shall be due and payable within five (5) business days after written notice from Landlord. In addition, if such past due payment is not received prior to the fifteenth (15th) business day after the date such written notice from the Landlord is received, that past due balance shall bear interest at an annual percentage rate of ten percent (10%) from the date first due until paid. Such late charge and interest shall constitute Additional Rent and shall be due and payable with the next Monthly Rental Payment due hereunder."

(d) All other terms and conditions of the Lease, as amended, not expressly amended hereby, shall remain in full force and effect.

September 23, 2020

SECTION 3. That the Chief Financial Officer be and is hereby authorized to draw warrants payable to Continental Electronics Corporation, or its successors and assigns on the first day of each month in advance during the extended lease term beginning October 1, 2020 in the amount specified below:

October 1, 2020 – September 30, 2021: \$11,580.00
per month (subject to annual appropriations)

October 1, 2021 – September 30, 2022: \$11,925.00
per month (subject to annual appropriations)

October 1, 2022 – September 30, 2023: \$12,285.00
per month (subject to annual appropriations)

October 1, 2023 – September 30, 2024: \$12,285.00
per month (subject to annual appropriations)

SECTION 4. That the payments will be charged as follows:

October 1, 2020 – September 30, 2021: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7311, Object 3330, Encumbrance No. DWU7311A1700M, Contract No. CX-DWU-2020-00012833, Commodity 97145, Vendor 262812, Amount \$9,148.20.

October 1, 2020 – September 30, 2021: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7411, Object 3330, Encumbrance No. CTDWU7411A1701M, Contract No. CX-DWU-2020-00012833, Commodity 97145, Vendor 262812, Amount \$2,431.80.

October 1, 2021 - September 30, 2022: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7311, Object 3330, Encumbrance No. DWU7311A1700M, Contract No. CX-DWU-2020-00012833, Commodity 97145, Vendor 262812, Amount \$9,420.75.

October 1, 2021 - September 30, 2022: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7411, Object 3330, Encumbrance No. CTDWU7411A1701M, Contract No. CX-DWU-2020-00012833, Commodity 97145, Vendor 262812, Amount \$2,504.25.

September 23, 2020

SECTION 4. (continued)

October 1, 2022- September 30, 2023: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7311, Object 3330, Encumbrance No. DWU7311A1700M, Contract No. CX-DWU-2020-00012833, Commodity 97145, Vendor 262812, Amount \$9,705.15.

October 1, 2022- September 30, 2023: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7411, Object 3330, Encumbrance No. CTDWU7411A1701M, Contract No. CX-DWU-2020-00012833, Commodity 97145, Vendor 262812, Amount \$2,579.85.

October 1, 2023- September 30, 2024: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7311, Object 3330, Encumbrance No. DWU7311A1700M, Contract No. CX-DWU-2020-00012833, Commodity 97145, Vendor 262812, Amount \$9,705.15.

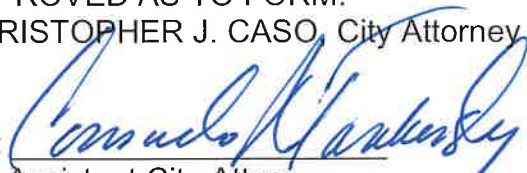
October 1, 2023- September 30, 2024: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7411, Object 3330, Encumbrance No. CTDWU7411A1701M, Contract No. CX-DWU-2020-00012833, Commodity 97145, Vendor 262812, Amount \$2,579.85.

SECTION 5. That the Chief Financial Officer is hereby authorized to draw warrants payable to the respective communications, security, utility and janitorial companies upon receipt of a bill for such services or other applicable charges throughout the lease term.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:
CHRISTOPHER J. CASO, City Attorney

BY:


Assistant City Attorney