

AGENDA ITEM 27

Consider approving Lease Agreement for Commissioner Pct. #1 office.

Commissioner Birkman addressed the Court.

Moved: **Commissioner Birkman**

Seconded: **Commissioner Boatright**

Motion: To approve Lease Agreement for Commissioner Pct. #1 office.

Vote: **3 – 0. Commissioner Limmer** was absent from the dais.

< Attachment >

**Williamson County Commissioner's Court
301 S.E. Inner Loop - Suite 109
Georgetown, Texas 78626**

AGENDA ITEM REQUEST FORM

All items due the Tuesday at noon one week before scheduled court meeting

REQUESTING DEPARTMENT: Commissioner Lisa Birkman, Pct. 1

DATE: October 4, 2006

REQUESTED AGENDA DATE: October 10, 2006

CONSENT OR REGULAR AGENDA: Consent

AGENDA ITEM: Consider approving lease agreement for Commissioner's Office, Pct. 1.

*approved 10-10-06
John C. Drayton*

REQUESTOR: Commissioner Birkman

CONTACT INFORMATION: Mary Clark
Executive Assistant to the Commissioner
400 West Main, Ste. 216
Round Rock, TX 78664
Phone: (512) 733-5380
Fax: (512) 733-5384
mclark@wilco.org

BACKGROUND INFORMATION:

COUNTY ATTORNEY APPROVAL (if applicable). N/A

OFFICE LEASE AGREEMENT
400 West Main, Round Rock, Texas 78664

This OFFICE LEASE AGREEMENT (the "Lease") is to be effective as of October 1, 2006, by and between Nagle Holdings, L.P. ("Landlord"), having the address of 400 West Main Street, Suite 210; Round Rock, Texas 78664, and Williamson County, a political subdivision of the State of Texas ("Tenant"), having an address of 301 S.E. Inner Loop, Ste. 109, Georgetown, Texas 78626.

WITNESSETH:

1. TERM AND OPTION TO EXTEND TERM. Landlord hereby leases to Tenant and the Tenant hereby leases from the Landlord, the following property: The space(s) designated as Suite(s) 216 ("the Leased Premises"), being located at 400 West Main Street, Round Rock, Texas 78664, described in **Exhibit "A"** attached to this Lease and made a part of this Lease for all purposes. As demonstrated in **Exhibit "A,"** the Leased Premises are a part of the entire property located at 400 West Main Street, Round Rock, Texas ("the Property"). By this Lease, Landlord leases the Leased Premises for the term of 3 years commencing on the 1st day of October, 2006; and terminating on the 30th day of September, 2009, under the terms and conditions set forth herein, unless terminated sooner or extended as provided in this Lease. Tenant may extend the term of this Lease beyond the expiration date provided in this paragraph on the following conditions:
 - a. Tenant may, if it is not in default either on the date required for notice or on the date such extension commences, extend the lease term for an additional period of three years which shall begin on the day following the expiration date of the initial lease term specified above.
 - b. Tenant may exercise each option to extend this lease by giving Landlord notice its intention to do so not later than 60 days before the initial lease term expires. Notice of an intention to exercise an option to extend must, to be effective, be sent to Landlord as provided in Section 25 below and no later than the latest date provided in this section for Tenant's exercising the option.

If the Tenant holds over and continues in possession of the Leased Premises after the lease term (or any extension of it) expires, Tenant will be considered to be occupying the Leased Premises on a month-to-month tenancy, subject to all the terms of this Lease.

2. USE AND POSSESSION. It is understood that the Leased Premises are to be used for general office use of tenant its subsidiaries affiliated and associated companies' offices and shall not be used for any other purpose without prior written consent of Landlord. Tenant shall not use the Leased Premises for any unlawful purpose or so as to constitute a nuisance. Landlord covenants and agrees to have the Leased Premises completed and ready for possession on or before the

above commencement date, barring strikes, insurrections, acts of God and other casualties or unforeseen events beyond the control of the Landlord. Tenant agrees to accept possession of the Leased Premises upon completion. The Tenant, at the expiration of the term, shall deliver up the Leased Premises to Landlord in good repair and condition.

3. RENT. Tenant hereby covenants and agrees to pay to Landlord an Annual Base Rent of \$30,000.00 payable in advance annually, beginning on the commencement date of this Lease and continuing on the first day of each October thereafter for the balance of the Term, unless adjusted pursuant to Section 4. Tenant agrees to pay an annual increase in rent of 0%. Tenant also agrees to pay to Landlord any additional rents specified herein. Rent shall be paid to Landlord at any address designated by Landlord. Landlord may charge Tenant a late charge of \$25.00 plus \$5.00 per day for each rental payment which is not postmarked or received by the Landlord by the 5th of each October in which rent is due.
4. RENT ADJUSTMENT UPON EXERCISE OF OPTION OF EXTENSION. If Tenant exercises his option to extend the term of the lease for an additional three years, the Annual Base Rent for this additional three years will be adjusted at the time of renewal so as to be in line with competitive, market rates in the area. If Landlord and Tenant cannot agree on the Annual Base Rent for the additional three year period, Tenant's exercise of its option for an additional three years will be void. If Landlord agrees to allow tenant to hold over beyond the term of this lease, tenant agrees to pay Landlord a fixed sum of 150% of the monthly base and the estimated pro-rata share of the lease monthly for the holdover period.
5. SALES AND USE TAX. Tenant is a body corporate and politic under the laws of the State of Texas and claims exemption from sales and use taxes under Texas Tax Code Ann. § 151.309, as amended, and the tenancy hereof is being secured for use by Tenant.
6. TENANT SHALL NOT PAY PRO-RATA OPERATING EXPENSES. Landlord and Tenant agree that the amount of Tenant's Annual Base Rent satisfies any obligation that Tenant may have as to the payment of all of Tenant's pro-rata share of the Operating Expenses attributable to the Leased Premises. Landlord hereby agrees that Tenant shall only be obligated to pay the Annual Base Rent and Tenant shall not be required to pay an amount in addition to Tenant's Annual Base Rent for Tenant's pro-rata share of the Operating Expenses attributable to the Leased Premises. Operating Expenses include but are not limited to expenditures for all property management, maintenance, repairs, replacements, and upkeep to the Leased Premises; assessments and governmental charges (including taxes on rents or services); ad valorem property taxes with respect to each year this Lease is in force; water, drainage, septic and/or sewage; cleaning, including supplies, janitorial services; pest control; utilities, including electricity and gas; licenses, permits and inspection fees; refuse collection; general liability and fire/casualty insurance covering all improvements (including but not limited to all Tenant improvements, the buildings on the Property, and all other aspects of

the Leased Premises), fire protection; snow and ice removal; landscape maintenance; window washing; professional services; security; depreciation; commissions paid for leasing; and salaries of officers and executives of Landlord or Owner. Capital Improvements, such as major structural defects, foundation improvements, roof replacement and new HVAC units, parking lot reconfigurations shall be paid by the Landlord. Furthermore, Landlord agrees to pay, at its sole cost and expense, for cleaning and painting the Leased Premises prior to Tenant's occupancy of the Leased Premises.

7. **SECURITY DEPOSIT.** Concurrently with the execution of this Lease, Tenant has deposited (or previously deposited) with Landlord the sum of \$0.00, the receipt of which is hereby acknowledged, which sum shall be retained by Landlord without liability for interest as security for the payment by Tenant of the rent herein agreed to be paid and for the faithful performance of this Lease. If at any time Tenant shall be in default under any of the provisions of this Lease, Landlord shall have the right to use said deposit, or so much thereof as may be necessary in payment of any rent or of any damages incurred by Landlord by reason of such default of Tenant. At Landlord's option, the deposit may be retained by Landlord in liquidation of part of the damages suffered by Landlord by reason of default of Tenant. Should all or any portion of the security deposit be appropriated and applied by Landlord under the terms of this Section 7, Tenant shall, within five (5) days following demand by Landlord, remit to Landlord a sufficient amount of cash to restore the security deposit to the original sum deposited. If Tenant shall have fully and faithfully performed all of its obligations under this Lease, the security deposit shall be refunded to Tenant not later than 30 days from the expiration of the Lease term or complete move-out, whichever is later. In the event of a sale or transfer of Landlord's interest in the Property, Landlord shall have the right to transfer the security deposit to such purchaser or transferee, in which event Tenant shall look only to the new Landlord for the return of the security deposit and Landlord shall thereupon be released from all liability to Tenant for the return of the security deposit.
8. **LAWS, RULES AND REGULATIONS.** Tenant hereby covenants and agrees to comply at its sole cost and expense with all of the ordinances, rules, regulations and laws of the city, county or state and federal authorities having jurisdiction over the Leased Premises, including all environmental laws and regulations, and with the Property Rules and Agreed Regulations which are listed in **Exhibit "B"** of this Lease Agreement. Landlord shall at all times have the right to change such rules and regulations or to amend them in such reasonable manner as may be deemed advisable for the safety, protection, care, and cleanliness of the Property and appurtenances and for preservation of good order therein, all of which rules and regulations, changes and amendments will be forwarded to Tenant in writing and shall be compiled with and observed by Tenant. Notwithstanding the foregoing, the Lease shall prevail in the event of any conflicts between **Exhibit "B"** and the main body of the Lease.
9. **SIGNS.** Tenant is required to place an exterior and an interior sign on the premises, at Tenant's sole expense, and in accordance with Landlord

specifications. Tenant will not place any sign(s) or other advertising material on the exterior of the buildings on the Property or in the common areas, without the prior written consent of Landlord. Landlord consent does not imply approval by governmental agencies. The form and content of all signs must be approved by the Landlord.

10. CARE OF LEASED PREMISES. ALTERATIONS. Tenant, by its occupancy here under, accepts the Leased Premises "as is" and as being in good repair and condition. Tenant shall maintain the Leased Premises and every part thereof in good repair and condition, ordinary wear and tear excepted. If Tenant fails to maintain the Leased Premises as required in the Lease, Landlord may maintain and make necessary repairs in a reasonable and timely manner and Tenant shall be liable to Landlord for all costs incurred in making such repairs. Tenant shall not make or suffer to be made any alterations, additions or improvements to or of the Leased Premises or any part thereof without written consent of Landlord. In the event Landlord consents to the proposed alterations, additions, or improvements, Landlord will contribute \$0.00 to the finish out of the Leased Premises. Landlord will have the right to inspect the work. Landlord shall pay one-half of the above amount when the work has been fifty percent completed in a proper fashion and will pay the remainder when the work has been fully completed in a proper fashion. The remainder of the finish out shall be at Tenant's sole cost and expense, and Tenant shall hold Landlord harmless on account of the cost thereof. Landlord is not responsible for Tenant's telephone system wiring or the payment of Tenant's telephone bills. Tenant must leave the Leased Premises in a useable fashion upon termination of this Lease. Any and all alterations, physical additions or improvements to the Leased Premises (other than moveable equipment, trade fixtures or furniture of Tenant) shall be the property of the Landlord upon termination of Lease. If required by Landlord, however, alterations shall be removed by Tenant upon termination of the term of this Lease and Tenant shall repair damage to the Leased Premises caused by such removal, all at Tenant's cost and expense. Landlord shall not be liable for, and the Leased Premises shall not be subject to any mechanics, materialman's or other liens and Tenant shall keep the Leased Premises and the Property free from any such liens and shall indemnify Landlord against and satisfy any such liens which may arise as a result of acts of Tenant.
11. USE OF COMMON AREAS. Restrooms, stairs, hallways, lobbies, parking lots and all other common areas of the Property are for the joint use of the Tenant and the other tenants of the Property. Tenant and its officers, employees, agents and invitees will use the common areas in a reasonable, orderly and sanitary manner in cooperation with all other tenants and their officers, employees, agents, and invitees.
12. QUIET ENJOYMENT. So long as Tenant shall observe and perform all of its obligations under this Lease, Tenant shall peacefully and quietly have and enjoy possession of the Leased Premises without any unreasonable encumbrance or hindrance by, from or through Landlord except as provided for elsewhere under

this Lease. Nothing in this Section 12 shall prevent Landlord from performing alterations or repairs on the Property, nor shall performance of such alterations or repairs be construed as a breach of the covenant made by Landlord.

13. LANDLORD'S RIGHT TO INSPECT AND DISPLAY. Landlord shall have the right, at all times during usual business hours throughout the term of this Lease, to enter the Leased Premises for the purpose of examination or inspection and of making such repairs or alterations as the Landlord shall deem necessary. The Landlord shall also have the right to enter the Leased Premises at all reasonable hours for the purpose of showing the Leased Premises to prospective tenants, and potential purchasers of the Property. Twenty-four (24) hour verbal notice must be given to Tenant upon such showings, and Tenant has the option of having an employee present.
14. DESTRUCTION OF PREMISES. (a) If the Leased Premises are fifty percent or more destroyed by fire or other casualties, both Landlord and Tenant shall have the option of terminating this Lease or any renewal thereof, upon giving written notice to the other party at any time within thirty (30) days from the date of such destruction, and if the Lease be so terminated, all rent shall cease as of the date of destruction and prepaid rent shall be refunded. (b) If the Leased Premises are less than fifty percent damaged by fire or other casualty, or more than fifty percent destroyed thereby and neither party elects to terminate the Lease within the provisions of Section (a) above or (c) below, Landlord agrees, at Landlord's sole cost and expense, to restore the Leased Premises to a kind and quality substantially similar to that immediately prior to such destruction or damage. Said restoration shall commence within a reasonable time and be completed without delay on the part of the Landlord and in an event shall be accomplished within one hundred eighty (180) days from the date of the fire or other casualty. In such case all rents paid in advance shall be proportioned as of the date of damage or destruction and all rent thereafter accruing shall be equitably and proportionally suspended and adjusted according to the nature and extent of the destruction or damage. If the damage is so extensive as to make it unfeasible for the Tenant to conduct Tenant's business on the Leased Premises, the rent shall be completely abated until the Leased Premises are restored by the Landlord or until the Tenant resumes use and occupancy of the Leased Premises, whichever shall first occur. Landlord shall not be liable for any inconvenience or interruption of business of Tenant occasioned by fire or other casualty. (c) If the Landlord undertakes to restore, rebuild or repair the Leased Premises, and such restoration, rebuilding or repair is not accomplished within one hundred eighty (180) days, and such failure does not result from causes beyond the control of Landlord, Tenant shall have the right to terminate this Lease by written notice to Landlord within thirty (30) days after expiration of said one hundred eighty (180) day period. (d) Landlord shall not be liable to carry fire, casualty or extended damage insurance on the person or property of Tenant or any person. Notwithstanding anything contained in (b) and (c) above, Landlord shall not be required to spend money to repair the Leased Premises or the Property if the cost of repairs exceed insurance proceeds received by Landlord, or if any mortgagor of the property requires Landlord to apply the insurance proceeds to its debt.

15. CONDEMNATION. If during the term of this Lease or any renewal thereof, the whole of the Leased Premises, or such portion thereof as will make the Leased Premises unusable for the purpose leased, is acquired or condemned by public authority for public use, then the term of this Lease shall cease and terminate as of the date of the vesting of title in such public authority, or when possession is given to such public authority, whichever event occurs first. Upon such occurrence, the rent shall be proportioned as of such date and any prepaid rent shall be returned to Tenant. The Landlord shall be entitled to the entire award for such taking except for any separate statutory claim (recoverable from the condemning authority and not from Landlord) of Tenant for injury, damage or destruction of Tenant's business accomplished by such taking. If a portion of the Leased Premises are taken or condemned by public authority for public use so as not to make the remaining portion of the Leased Premises unusable for the purpose Leased, then rents shall be proportionally adjusted according to the extent of the taking or condemnation. In no event shall Landlord be liable to Tenant for any business interruption, diminution in use or for the value of any unexpired term of this Lease. All compensation awarded or paid for any taking or acquiring under the power or threat of eminent domain, whether for the whole or a part of the Demised Premises shall be the property of Landlord, whether such damages shall be awarded as compensation for diminution in the value of the leasehold or the fee of the Demised Premises or otherwise; provided, however, that Landlord shall not be entitled to any award specifically made to Tenant for the taking of Tenant's trade fixtures, furniture or leasehold improvements to the extent of the cost Tenant or said improvements (exclusive of Landlord's contribution) less depreciation computed from the date of said improvements to the expiration of the original Lease Term.
16. ASSIGNMENT AND SUBLEASE. Tenant shall not encumber or assign this Lease or sublet all or any part of the Leased Premises without the prior written consent of Landlord. If such assignment is granted, which may or may not be granted by Landlord at its sole discretion, said assignment shall in no way relieve Tenant from its obligation to pay rent or to perform the conditions, covenants and provisions of this Lease. In no event shall this Lease be assigned or be assignable by operation of law or by voluntary or involuntary bankruptcy proceedings or otherwise, and in no event shall this Lease or any right or privileges here under be an asset of Tenant under any bankruptcy, insolvency or reorganization proceedings. Landlord, at its option, may collect rents from any assignees or subtenants without a release of Tenant under this Lease.
17. SUBORDINATION AND ATTORNMENT. Tenant's rights under this lease are and shall always be subordinate to the operation and effect of any mortgage, deed of trust, ground lease, assignment of leases or other security instrument of operating agreement, or any renewal, modification, consolidation, participation, replacement or extension thereof, now or hereafter entered into by Landlord with respect to the building or related improvements and Property on which the Leased Premises are located, or any part thereof. This clause shall be self-operative, and no further instrument of subordination shall be required. Tenant agrees to execute

all instruments requested by landlord or any mortgagee, trustee, beneficiary, or assignee of Landlord to confirm such subordination. In the event Tenant fails to execute and deliver a subordination instrument or estoppel certificate within thirty (30) days after Landlord's request, Tenant will be in a performance default. Tenant hereby attorns to any successors to Landlord's interest in the Lease, and shall recognize such successor as Landlord here under. Tenant agrees to execute all instruments requested by such successor to confirm such attornment.

18. TENANT'S LIABILITY INSURANCE. Tenant shall, at Tenant's expense, obtain and keep in force during the term of this Lease, a policy of commercial general liability insurance with an insurance company reasonably acceptable to Landlord and in the minimum amount of \$1,000,000 combined annual aggregate limits for bodily injury and property damage (with no lower per occurrence limits), insuring Tenant against any liability arising out of the use, occupancy and/or maintenance of the Property and/or Leased Premises, and naming Landlord additional insured. The limit of such insurance shall not limit the liability of Tenant under this Lease. Before the earlier of the date on which this Lease commences or the date Tenant takes occupancy of the Leased Premises, Tenant shall furnish Landlord with a certificate evidencing the insurance required or, if Landlord requests, a copy of the policy. The certificate or the policy, as the case may be, must state that no modification or cancellation of the coverage may be effective without at least fifteen (15) days prior written notice to Landlord. If Tenant fails to procure and maintain such insurance, Landlord may, but shall not be required to, procure and maintain such insurance at Tenant's sole expense, which Tenant agrees to pay as additional rent.

Additionally, Tenant shall, at Tenant's expense, obtain and keep in force during the term of this Lease, fire liability coverage for the buildings on the Property and all other aspects of the Leased Premises. The certificate or the policy, as the case may be, must state that no modification or cancellation of the coverage may be effective without at least thirty (30) days prior written notice to Landlord. If Tenant fails to procure and maintain such insurance, Landlord may, but shall not be required to, procure and maintain such insurance, at Tenant's sole expense, which Tenant agrees to pay as additional rent.

19. LIMITED RECOURSE OF LANDLORD. Tenant acknowledges and agrees that the liability of Landlord under this Lease shall be limited to its interest in the Property and any judgments rendered against Landlord shall be satisfied solely out of the proceeds of sale of its interest in the Property. No personal judgment shall lie against Landlord upon extinguishment of its rights in Property and any judgment so rendered shall not give rise to any right of execution of levy against Landlord's assets. The provisions hereof shall inure to the benefit of Landlord's successors and assigns including any Mortgagee. The foregoing provisions are not intended to relieve Landlord from the performance of any of the Landlord's obligations under this Lease, but only to limit the personal liability of Landlord in case of a judgment against Landlord; nor shall the foregoing be deemed to limit Tenant's rights to obtain injunctive relief or specific performance or to avail itself

of any other right or remedy which, may be awarded Tenant by law or under this Lease.

20. INDEMNIFICATION. Tenant shall not indemnify Landlord in connection with loss or damage due to gross negligence of Landlord. Landlord shall not be liable for any damage or injury to any person or property whether it be the person or property of Tenant, Tenant's employees, agents, vendors, guests, invitees, customers or otherwise by reason of, or related to, Tenant's occupancy of the Leased Premises or because of fire, flood, windstorm, acts of God or for any other reason. Landlord acknowledges and agrees that under the Constitution and the laws of the State of Texas, Tenant, as a political subdivision of the State of Texas, cannot enter into an agreement whereby County agrees to indemnify or hold harmless any other party, including but not limited to Landlord; therefore, all references of any kind to Tenant indemnifying, holding or saving harmless any other party, including but not limited to Landlord, for any reason whatsoever are hereby deemed void and deleted. If Tenant's use of the Leased Premises causes Landlord's insurance premium for the building to be increased, Tenant agrees to pay, as additional rent, the entire cost of such increase.
21. TENANT DEFAULT. In the event the Tenant shall: (a) default in the payment of rent or any other sums payable by the Tenant herein, and such default shall continue for a period of fifteen (15) days; (b) default in the performance of any other covenants or agreements of this Lease and such default shall continue for ten (10) days after written notice thereof; or (c) if the Tenant should become bankrupt or insolvent or any debtor proceedings be taken by or against the Tenant, then and in addition to any and all other legal remedies and rights, the Landlord may declare the entire balance of the rent for the remainder of the term to be due and payable and may collect the same by distress or otherwise, Landlord may terminate this Lease and retake possession of the Leased premises, or enter the Leased Premises and relet the same without termination, in which latter event the Tenant covenants and agrees to pay reasonable attorney's fees and costs and expenses of the Landlord, including court costs.
22. LANDLORD DEFAULT. If Landlord defaults in performing any term or covenant that must be performed under this Lease, Tenant may, after not fewer than thirty (30) days' notice to Landlord, (a) remedy the default by any necessary action and, in connection with this remedy, may pay expenses and employ counsel; (b) terminate this lease; and/or (c) seek any remedy available to Tenant at law or in equity. Landlord, must, on demand, pay Tenant all sums expended or obligations incurred by Tenant in connection with remedying Landlord's default.
23. CUMULATIVE REMEDIES. The rights and remedies provided by this Lease are cumulative and either party's using any right or remedy will not preclude or waive its right to use any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance or otherwise.
24. NON-WAIVER. No waiver of any covenant or condition of this Lease by either

party shall be deemed to imply or constitute a further waiver of the same covenant or condition or any other covenant or condition of this Lease.

25. NOTICES. Any notice to be given hereunder shall be in writing and may be affected by personal delivery or in writing by certified mail, return receipt requested, addressed to the proper party, at the following address:

LANDLORD: Nagle Holdings, L.P.
400 West Main, Ste. 210
Round Rock, Texas 78664

TENANT: Williamson County Judge
301 S.E. Inner Loop, Ste. 109
Georgetown, Texas 78626

with a copy to: Lisa Birkman, Williamson County
Commissioner Precinct No. 1
400 West Main, Ste. 216
Round Rock, Texas 78664

26. INDEPENDENT OBLIGATIONS. Tenant hereby acknowledges that Landlord has made no warranties to Tenant (or to any of Tenant's employees). Landlord hereby expressly disclaims any warrant (including any implied warranty) that the Leased Premises are suitable for Tenant's intent concerning the condition of the Leased Premises or the performance by Landlord. Tenant shall perform, without abatement, its obligations under this Lease.

27. SUCCESSORS AND ASSIGNEES. This Lease shall bind and inure to the benefit of the successors, assignees, heirs, executors, administrators and legal representatives of the parties hereto.

28. ENTIRE AGREEMENT; MODIFICATION; SEVERABILITY. This Lease and any addenda's or exhibits signed or initialed by the parties containing all or part of the agreements and conditions between Landlord and Tenant may not be amended or modified unless set forth in a writing executed by both parties. The unenforceable, invalid or illegal nature of any provision of this Lease shall not render any other provision herein unenforceable, invalid or illegal.

29. CONSTRUCTION OF LANGUAGE. Words of any gender used in this Lease, shall be held to include any other gender, and words in the singular shall be held to include the plural and the plural to include the singular, when the sense requires. The Section headings and titles are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

30. HAZARDOUS MATERIALS. The term "Hazardous Materials" as used in this

Lease, shall mean pollutants, contaminants, toxic or hazardous wastes, radioactive materials or any other substances, the use and/or the removal of which is required or the use of which is restricted, prohibited or penalized by any "Environmental Law." "Environmental Law" shall mean any federal, state or local statute, ordinance, regulation or other law of a governmental or quasi-governmental authority relating to pollution or protection of the environment or the regulation of the storage or handling of Hazardous Materials.

31. MISCELLANEOUS. Please refer to **Exhibits "A", "B", "C", and "D"** attached hereto and incorporated herein by this reference.
32. BROKER. Tenant warrants that it has had no dealings with any broker or agent in connection with the negotiation or execution of this Lease. Tenant agrees to pay, at its sole cost, any and all costs, expenses or liability for commissions or other compensation or charges by any broker or agent claiming to operate on behalf of Tenant.
33. TENANT'S RIGHT TO TERMINATE DUE TO RELOCATION. In addition to the rights granted to Tenant hereunder and under the laws of this state, Landlord hereby agrees that Tenant may terminate this Lease, without liability, upon the following conditions:
- a. The Tenant, acting through its County Commissioners, decides to move its office and business to a new location or building that is being provided by Williamson County; and
 - b. Tenant provides the Landlord with at least one hundred twenty (120) days prior written notice of its intent to terminate the Lease due to Williamson County's decision to relocate its office and business to such a new location that is being provided by Williamson County.
34. AUTHORITY TO EXECUTE LEASE. If Tenant is not an individual person or a sole proprietorship but rather is an entity such as a corporation, limited liability company, limited partnership, limited liability partnership, trust, general partnership or the like, then each individual executing this Lease on behalf of said entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity in accordance with a duly adopted instrument of the board or other governing body of the entity or in accordance with the bylaws or other governing rules of the entity, and that this Lease is binding upon said entity in accordance with its terms. Upon Landlord's request, tenant shall furnish Landlord with proper proof of due authorization for Tenant's execution of this Lease as Landlord shall require.
35. CURRENT REVENUES. Under Texas law, a contract with a governmental entity that contains a claim against future revenues is void; therefore, each party paying for the performance of governmental functions or services must make those payments from current revenues available to the paying party.

36. NON-WAIVER OF IMMUNITIES. Nothing in this Lease shall be deemed to waive, modify or amend any legal defense available at law or in equity to Tenant, its past or present officers, employees, or agents or employees, nor to create any legal rights or claim on behalf of any third party. Tenant does not waive, modify, or alter to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.
37. NO INDEMNIFICATION BY TENANT. Landlord acknowledges and agrees that under the Constitution and the laws of the State of Texas, Tenant, as a political subdivision of the State of Texas, cannot enter into an agreement whereby Tenant agrees to indemnify or hold harmless any other party, including but not limited to Landlord; therefore, all references of any kind to Tenant indemnifying, holding or saving harmless any other party, including but not limited to Landlord, for any reason whatsoever are hereby deemed void and deleted.
38. TENANT'S RIGHT TO AUDIT. Landlord agrees that Tenant or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Lease, have access to and the right to examine and photocopy any and all books, documents, papers and records of Landlord which are directly pertinent to the Lease to be performed under this agreement for the purposes of making audits, examinations, excerpts, and transcriptions. Landlord agrees that Tenant shall have access during normal working hours to all necessary Landlord facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. Tenant shall give Landlord reasonable advance notice of intended audits.
39. GOVERNING LAW AND VENUE. This Lease and all of the rights and obligations of the parties and all of the terms and conditions shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas without reference to its conflicts of law provisions. Williamson County shall be the sole place of venue for any legal action arising from or related to this Lease in which Williamson County is a party.
40. COMPLIANCE WITH LAWS. The parties hereto shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this Lease, including, without limitation, Worker's Compensation laws, minimum and maximum salary and wage statutes and regulations, licensing laws and regulations.

THE REMAINDER OF THIS PAGE IS BLANK

IN WITNESS WHEREOF, Tenant and Landlord have caused this Lease to be executed as of this _____ day of _____, 2006, to be effective as of October 1, 2006, by their respective duly authorized officers or parties.

Landlord:

Nagle Holdings, L.P.

Nelson L. Nagle
Signature

Nelson L. Nagle
Printed Name

Representative
Capacity: President

Tenant:

Williamson County

John C. Goerfler 10-10-06
Signature

John C. Goerfler
Printed Name

Representative
Capacity: County Judge

**EXHIBIT "A" TO LEASE AGREEMENT
FLOOR PLAN WITH SUITE NUMBERS**

**400 WEST MAIN STREET
Professional Garden Offices**

**EXHIBIT "B" TO LEASE AGREEMENT PROPERTY
RULES AND AGREED REGULATIONS**

1. Sidewalks and doorways and other similar areas shall not be obstructed by tenants or used by any tenant for any purpose other than ingress to or egress from the Leased Premises or for going from one to another of the Property.
2. Plumbing, fixtures, and appliances shall be used only for the purposes for which designed, and no sweepings, rubbish, rags, or other unsuitable materials shall be thrown or placed therein. Damage resulting to any such fixtures or appliances from misuse by a tenant shall be paid by that tenant, and Landlord shall not in any case be responsible therefore.
3. Absent an emergency situation, Tenant shall not place any addition lock or locks on any doors in its leased premises without Landlord's prior written consent, which shall not be unreasonably withheld.
4. With respect to work being performed by tenants in any leased area with the approval of Landlord, Tenants will refer all contractors, contractors' representatives, and workmen rendering any service to them to Landlord for Landlord's supervision, approval and control before the performance of any contractual services. All contractors must be state licensed, insured and will conduct all work in accordance with all county, state, fire or other governmental regulation, (including obtaining building permits). Tenant/Contractor shall furnish Landlord with contractors insurance and the construction contract before work is scheduled to commence.
5. Landlord shall have the power to prescribe the weight and position of safes and other heavy equipment, which shall, in all cases, to distribute the weight, stand on supporting devices approved by Landlord. All damage done to the Property by taking in or putting out any property of a tenant, or done by a tenant's property in the building, shall be repaired at the expense of such tenant.
6. Tenant shall keep its leased premises neat and clean.
7. Should a tenant require telegraphic, telephonic, annunciator, or other communication service, Landlord will direct the electrician where and how wires are to be introduced and placed and none shall be introduced or placed except as Landlord shall direct.
8. Tenant shall not make or permit any improper noises at the Property or otherwise interfere in any way with other tenants or persons having business with them.
9. Nothing shall be swept or thrown into corridors, halls, or stairways. No animals shall be brought into or kept in, on, or about the Property.

10. No machinery other than standard office equipment shall be operated by any tenant in its leased premises without the prior written consent of Landlord, nor shall any tenant use or keep at the Property any inflammable or explosive fluid or substance.
11. No portion of any tenant's leased premises shall at any time be used or occupied as sleeping or lodging quarters.
12. Landlord reserves the right to rescind any of these rules and regulations within reason and to make such other and further rules and regulations as in its judgment shall from time to time be advisable for the safety, protection, care, and cleanliness of the Property, the operation thereof, the preservation of good order therein and the protection and comfort of the tenants and their agents, employees, and invitees, which rules and regulations, when made and written notice thereof is given to a tenant, shall be binding upon it in like manner as if originally herein prescribed.
13. Landlord will not be responsible for lost or stolen property, money or jewelry from a tenant's leased property or public area, regardless of whether such loss occurs when the area is locked against entry or not.
14. A leased area shall not be occupied by an average of more than one (1) employee per 125 square feet of space in a tenant's leased premises without the prior written consent of Landlord.
15. Alcoholic beverages cannot be consumed or sold on this property and there shall not be any smoking inside any building on the property.
16. Tenant agrees at Tenant's sole cost to vent Leased Premises of smoke or other fumes caused by Tenant's equipment.
17. Any additional electricity required for Tenant's use will be supplied at Tenant's sole expense, including pulling power to building and/or internal circuits or outlets. Such additional electricity may only be supplied with the Landlord's consent. Tenant accepts electrical circuits, wiring, outlets in Leased Premises "as is".
18. Landlord has the right to evacuate the Property in the event of an emergency or catastrophe.
19. No bicycles, motorcycles or similar vehicles will be allowed in the building or on the property.
20. Tenants shall not do, or permit to be done on or about the Property, or bring or keep anything therein, that will in any way increase the rate of fire or other insurance on the Property and its buildings, or otherwise increase the possibility of fire or other casualty.
21. Tenant shall comply with such parking rules and regulations as may be posted and

distributed from time to time.

22. Prior written approval, which shall be at Landlord's sole discretion, must be obtained for installation of window shades, blinds, drapes, or any other window treatment of any kind whatsoever. Landlord will control all internal lighting that may be visible from the exterior of the Building and shall have the right to change any unapproved lighting, without notice to Tenant, at Tenant's expense.

23. Tenant shall provide Plexiglas or other pads for all chairs mounted on rollers or casters.

24. Moving of any heavy or other significant items in or out of the Building must be done after 5:30 p.m. or before 7:30 a.m. during the regular work week, Monday through Friday. On weekends, Saturdays or Sundays, any moving must be cleared with the Management. The Tenant will be responsible for any damages incurred during his/her move. Scratches, dents, tears in wall paper, holes in walls and carpet tears, chips in door jams and broken light fixtures are all considered damages.

**EXHIBIT "C" TO LEASE AGREEMENT
SAFETY WARNING ACKNOWLEDGMENT**

Tenant acknowledges that Tenant has been warned as set forth below and agrees to the following:

1. To take all necessary precautions to protect Tenant, Tenant's customers, invitees and licensees and each of their respective property from and against any and all criminal~ negligent, tortious intention or other conduct by persons on or about or near the Leased Premises and the Property.
2. The Landlord has informed Tenant that, as of the date of this Lease, the Landlord does not provide security of any type.
3. The Tenant should call 911 for emergencies and contact local police with any and all information about a crime.
4. That Landlord has not made by warranty or representation, any guarantees as to the safety of the Leased Premises or the Property.
5. That Tenant assumes on behalf of Tenant's customers, invitees and licensees the risk of loss and property damage and loss which may be caused to them while at this Property transacting business with Tenant.

Tenant hereby acknowledges that personal injury, death and property damage and loss may be caused to Tenant, Tenant's customers, invitees and licensees by the criminal negligent, tortious, intentional or other conduct of persons on or about or near the Leased Premises or the Property. Tenant is advised and warned to take all necessary precautions to protect Tenant, Tenant's. customers, invitees and licensees and each of their respective property located on or about or near the Leased Premises or the Property.

EXHIBIT "D" TO LEASE AGREEMENT SECURITY GUIDELINES

The Landlord would like to give you some important safety guidelines. Follow these guidelines and use common sense in practicing safe conduct. Inform all people in your office about these guidelines.

PERSONAL SECURITY - WHILE INSIDE THE OFFICE

1. Lock your doors, and windows if applicable, if you are alone or it is after hours.
2. When answering the door, if you do not know the person, first talk to him or her without opening the door. Do not open the door if you have doubts. Do not allow solicitors in your office.
3. Do not give out keys, entry codes, gate cards or lock combinations.
4. Do not put your name, address, or phone number on your key ring.
5. If you are concerned because you have lost your key or because someone you distrust has a key, ask the management company to rekey the locks. We think you have a right to this as long as you pay for all rekeying required. If you cannot afford this, reasonable accommodation will be made.
6. Dial 911 for emergencies. In case the 911 number does not operate properly, keep phone numbers handy for the police, fire and EMS. If an emergency arises, call the appropriate governmental authorities first, then call the management.
7. Check your door locks, window latches, if applicable, and other security devices regularly to be sure they are working properly.
8. Immediately report the following to management in writing, dated and signed:
 - Any needed repairs of locks, latches, doors, windows, smoke detectors and alarm systems; and/or
 - Any malfunction of other safety devices outside your office such as broken gate locks, burned out lights in stairwells and parking lots, blocked passages, broken railings, etc.
9. Close blinds and window shades at night.
10. Mark or engrave identification on valuable personal property. Be sure to carry personal business property insurance. Do not leave valuables, purses, money, etc. where they can be seen or easily accessed.

PERSONAL SECURITY - WHILE OUTSIDE YOUR OFFICE

11. Lock your doors while you are gone, even if only for a minute.
12. Do your best not to walk alone at night.
13. Do not hide a key under the doormat, ashtray, above the door or a nearby flower pot. These are the first places a burglar will look.
14. Carry your door key in your hand, whether it is daylight or dark, when walking to your door. You are much more vulnerable when you are looking for your keys.

PERSONAL SECURITY - WHILE USING YOUR VEHICLE

15. Lock your car doors when driving. Lock your car doors and roll up your windows when leaving your vehicle parked.
16. Do not leave exposed items in your car such as cassette tapes, CD's, wrapped packages, briefcases, purses, phones, etc.
17. Carry your key in your hand while walking to your car, whether it is day or night.
18. Check the back seat before getting into your car.
19. Do not stop at gas stations or automatic teller machines at night or anytime you suspect danger.

PERSONAL SECURITY AWARENESS

No security warning, program or system is fail-safe. Even the best system cannot prevent crime. Always proceed as if security systems do not exist since they are subject to malfunction, tampering, and human error. We disclaim any expressed or implied warranties of security.

AGENDA ITEM 28

Consider authorizing County Judge to sign a lease agreement between the City of Round Rock and Williamson County for the use of land by the County for purposes related to the operation of a public safety radio communications system.

Judge Doerfler addressed the Court.

Moved: **Commissioner Birkman**

Seconded: **Commissioner Boatright**

Motion: To authorize County Judge to sign a lease agreement between the City of Round Rock and Williamson County for the use of land by the County for purposes related to the operation of a public safety radio communications system.

Vote: **3 – 0. Commissioner Limmer** was absent from the dais.

< Attachment >