

AN ORDINANCE 2014 - 08 - 07 - 0 54 1

CREATING AND APPROVING THE DOWNTOWN CARSHARE PILOT PERMIT PROGRAM AND AUTHORIZING APPROPRIATIONS IN AN AMOUNT UP TO \$25,000.00 FROM THE ENERGY EFFICIENCY FUND FOR PROGRAM INCENTIVES AND COSTS.

* * * * *

WHEREAS, Ordinance 2012-01-12-0016 authorized a carshare pilot program with Hertz-On-Demand for three years; and

WHEREAS, The contract with Hertz-On-Demand will terminate on August 13, 2014; and

WHEREAS, The Center City Development and Operations Department and the Office of Sustainability recommend a program be established to provide on-street dedicated space to multiple carshare operators on a permit basis for specific parking locations; and

WHEREAS, The Center City Development and Operations Department and the Office of Sustainability further recommend incentives and cost sharing measures to help the program accommodate San Antonio's increasing density and reduce parking demand and auto dependence within the proposed designation area; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or her designee is hereby authorized to implement a pilot Carshare Parking Permit Program in the Community Revitalization Action Group Area identified on Exhibit I, and according to rules and regulations as presented in Exhibit II.

SECTION 2. The pilot Carshare Parking Permit Program established under this ordinance shall remain in effect until August 31, 2016, unless reenacted or terminated by the City Council on or before that date. This ordinance and any associated parking permits issued under this ordinance shall expire if there is not a renewal of the program before that date.

SECTION 3. The amount of \$25,000.00 is appropriated for this ordinance in Fund 29652000, Cost Center 8055030001, General Ledger 5202020 and the Fiscal Year 2014 budget is amended to reflect this change.

SECTION 4. Payment not to exceed the budgeted amount is authorized to and should be encumbered with a purchase order.

SECTION 5. Funds generated by this ordinance will be deposited into Fund 53001000, Internal Order 219000000126 and General Ledger 4202420.

SECTION 6. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund

Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.


SECTION 7. Should any Article, Section, Part, Paragraph, Sentence, Phrase, Clause, or Word of this Ordinance, or any appendix thereof, for any reason, be held illegal, inoperative, or invalid or if any exception to or limitation upon any general provision herein contained be held to be unconstitutional or invalid or ineffective, the remainder shall stand effective and valid as if it had been enacted and ordained without the portion held to be unconstitutional or invalid or ineffective.

SECTION 8. This Ordinance becomes effective 10 days after passage, unless it receives the eight votes requisite to immediate effectiveness under San Antonio Municipal Code § 1-15, in which case it becomes effective immediately.

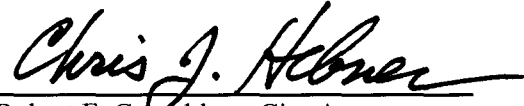
PASSED AND APPROVED this 7th day of August, 2014.


M A Y O R
Ivy R. Taylor

ATTEST:

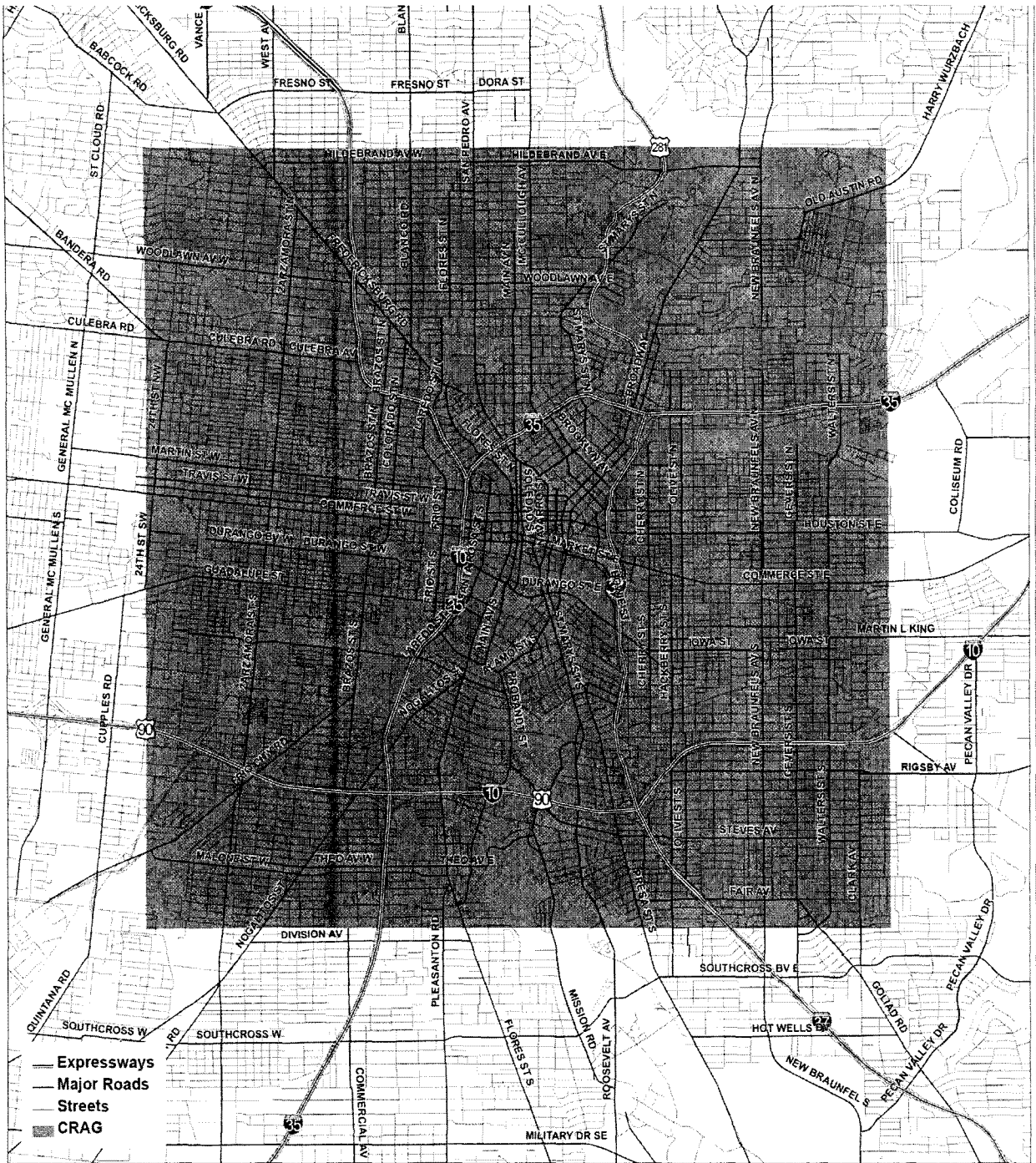

Leticia M. Vacell, City Clerk

APPROVED AS TO FORM:


for
Robert F. Greenblum, City Attorney

Agenda Item:	24 (in consent vote: 6, 7, 8, 9, 12, 13, 15, 16, 17A, 17B, 17C, 17D, 18, 19, 21, 22, 23, 24, 25, 26, 27)						
Date:	08/07/2014						
Time:	11:34:24 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance approving the Downtown Carshare Pilot Permit Program- Phase II and authorizing appropriations in the amount of \$25,000.00 from the Energy Efficiency Fund for program incentives and project costs. [Carlos Contreras, Assistant City Manager; Lori Houston, Director, Center City Development]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy Taylor	Mayor		x				
Diego Bernal	District 1		x				
	District 2	x					
Rebecca Viagran	District 3		x				x
Rey Saldaña	District 4		x			x	
Shirley Gonzales	District 5		x				
Ray Lopez	District 6	x					
	District 7	x					
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

EXHIBIT I



San Antonio, Texas
City of San Antonio
Planning and Development Services Department
1001 E. Market Street
San Antonio, Texas 78202
781-371-1000
www.sanantonio.gov

**Community Revitalization Action Group (CRAG) Area
(Original 36 Sq. Mi.)**

City of San Antonio

0 0.25 0.5 0.75 1 Miles

City of San Antonio
Planning and Development
Services Department
1001 E. Market Street
San Antonio, Texas 78202

EXHIBIT II

Rules and Regulations Pertaining To The Administration of A Two-Year Pilot Carshare Parking Permit Program

DEFINITIONS

1. **Carshare** - A fee-based membership service that provides all qualified drivers in the community access to a fleet of vehicles on a minute, hourly, or other basis. This shared vehicle fleet is available to members 24 hours, 7 days a week at unattended self-service locations. No separate written agreement is required each time a member reserves and uses a vehicle.
2. **Carshare Organization (CSO)** - An entity offering vehicles to members for a fee. No differentiation is made in these policies between non-or for-profit entities offering carshare.
3. **Carshare Fleet** - Vehicle(s) that are owned by the CSO or a parent company and registered with the Texas Department of Motor Vehicles that are registered in the program. These vehicles must be permitted through the City of San Antonio Carshare Parking Permit Program.
4. **CCDO** – Center City Development and Operations Department.
5. **Downtown Area** - All publically managed curb lane space within the area identified in Figure 1. This area is referred to as the Community Revitalization Action Group (CRAG) area and is the original 36 square miles of the City of San Antonio.
6. **Dedicated Space** - a parking space in the Public Right-of-Way (ROW) that is either metered or unmetered and approved as a part of the program.

II. INTENT

A robust carshare program provides the opportunity to reduce parking demand and vehicles miles traveled, and enhance mobility options for members. These rules and regulations provide a framework to enable a robust carshare network, made up of multiple operators, to be located on-street within the Downtown Area. The success of carshare will have environmental, economic, and quality of life benefits for residents, employees, and visitors while also balancing the needs of other uses in the ROW. It is not the intent of these rules and regulations to regulate carshare business models or impact the interaction between the carshare operator and member.

III. DEDICATED SPACE IN THE PUBLIC RIGHT OF WAY

CSO may locate its fleet on-street at the existing dedicated spaces outlined in Figure 2. The Director of CCDO reserves the right to add dedicated on-street metered or non-metered spaces up to 25% of the program's spaces within the two year pilot. Requirements and restrictions for the placement of carshare vehicles in the ROW apply only the Downtown Area:

1. A CSO may locate vehicles not to exceed 10 locations at dedicated on-street locations. The Director of CCDO shall designate where the 25 dedicated spaces will be located.

Each CSO may select up to 10 locations, to place dedicated spaces. CSOs may not propose locations where existing taxi cab stands are located. If more than one CSO requests the same location, a lottery process will be implemented to allocate dedicated space. There is a maximum cap of 10 locations to be allocated to each participating CSO in the Downtown Area.

2. In the event of a lottery, each CSO who desires the same space(s) will receive a drawing number; these numbers will be placed on drawing balls. Each CSO will receive one number, and when the drawing ball is drawn the CSO that has been assigned that number will be issued that space. This process will be repeated for all spaces that received more than one application. The Director of CCDO is authorized to approve alternate locations from the CSOs that did not receive the desired space in the lottery if additional spaces are available and the request is made in writing from the CSO within five business days from the lottery.
3. Allocated dedicated spaces will be permitted for one year from issuance date, not to exceed the two year pilot program timeframe.
4. Issued permits are revocable by CCDO with or without cause. Fees and conditions are subject to change at the time of renewal of the program. At the time of the end of the one year permit period, the current CSO has the first right of renewal for the space. If not renewed, the space would be available for another CSO. CSOs will be notified in writing of the space availability with a written response indicating their desire for space required within 10 business days. If multiple CSOs request the available space, the lottery process will be followed. If not selected, the space would revert back to its original use. The non-renewing CSO would be responsible for the sign removal of that location. The use of these spaces can be superceded by City Council action.
5. A permit shall be issued to dedicated spaces within the ROW. The dedicated space is vehicle specific, the vehicle information will be provided on the permit. Vehicle information includes make, model, and license plate number. Vehicle information may be updated before the permit is up for renewal provided written notice is given to CCDO five business days prior to the change.

IV. PERMIT FEES AND ENFORCEMENT

1. All participating CSO are subject to the following annual fee schedule:
Downtown Area Dedicated Space: \$1,200.00 per year.

Permit fees are non-refundable and must be made in the form of a cashier's check. Within the second year of the pilot program the permit will be pro-rated based on the number of months the CSO will occupy the space. The permit will not be issued for a length longer than the two year pilot program.

2. CSO may request to locate vehicles on-street at dedicated spaces. Subject to additional fees including but not limited to issuance, sign fabrication and installation.

3. Incentives for the carshare permit program shall be offered based on availability of funds and approval by City Council.

4. Violations of any parking or other city code provision may result in the revocation of an approved permit. The city reserves the right to revoke an approved permit, or refuse issuance of a permit, without reason or cause, at its sole discretion. Unauthorized vehicles parked in assigned spaces may be in violation of applicable city code provisions and may face fines, towing or other action as permitted by law.

V. RESPONSIBILITY OF PERMITEE

1. Each CSO fleet vehicle, as reported by the CSO, must be owned by the CSO or a parent company and vehicle(s) registered with the Texas Department of Motor Vehicles.

2. Each CSO must provide the CCDO a sales tax license issued by the City of San Antonio to obtain a ROW permit.

3. In order to apply to the carshare permit program a CSO must pay all parking citations associated with its fleet and each six months thereafter CCDO will verify all citations are paid in order for the CSO to maintain the permit. The CSO is required to set-up a fleet account with the City's parking citation and payment vendor to pay all citations on a monthly basis to avoid booting/towing. Failure to pay all parking citations before the renewal date shall result in a revocation of the CSOs permits, preventing the CSO from operating in the ROW.

4. CSO shall not advertise or publish the City's participation in carshare program operations without the City's prior written authorization.

5. Permits are vehicle specific (by license plate) and are only transferable from one vehicle to another if the CSO provides the new vehicle information to CCDO at least five days prior to the proposed transfer and CCDO agrees to the transfer. Failure to provide this information to CCDO will result in automatic revocation of the permit. Each participating carshare vehicle must be identified as such with a clearly visible logo or marking on the vehicle's exterior.

VI. INSURANCE AND INDEMNIFICATION REQUIREMENTS

The CSO shall meet the City's insurance and indemnification requirements outlined on the permit application.

VII. REPORTING AND OUTREACH

CSO permit holders will provide reports to the Director of the CCDO, or designee, as requested.

2. CSOs are required to report, on at least a semi-annual basis, information regarding their participating fleet and membership. The goal of these reports is to better understand how the entire carshare system is being utilized and to better inform future policy changes. CSOs will

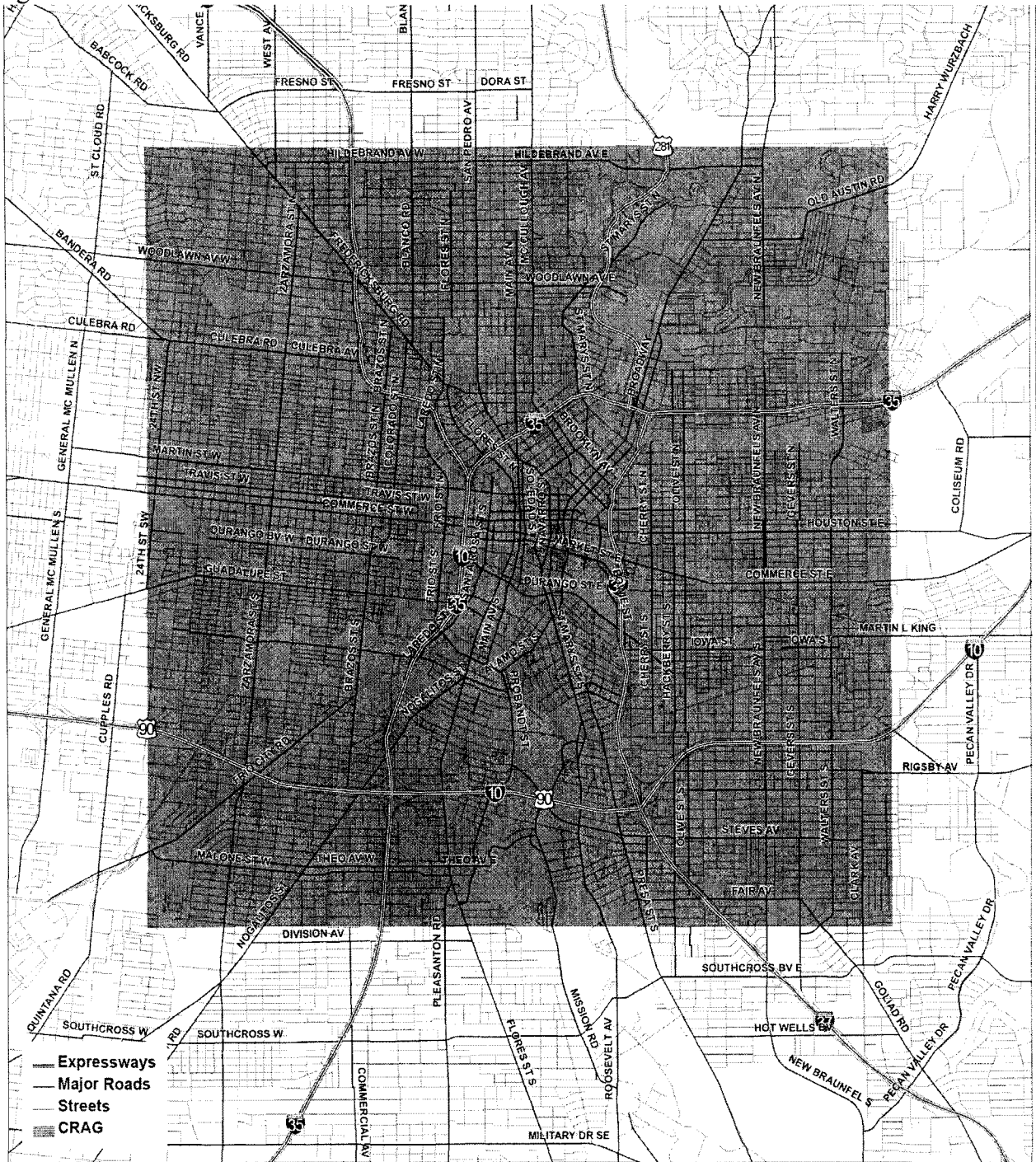
work with the City to provide the following information on their company's operations in San Antonio:

- A. Number of vehicles in fleet
- B. Location of vehicles (both on and off-street)
- C. Fleet usage
- D. Total number of members
- E. Member Survey and General Demographics
- F. Any other information as requested

3. Information submitted to the City is subject to the Texas Public Information Act. If the CSO believes that any material it submits constitutes trade secrets, privileged information, or confidential commercial or financial data, then the CSO should mark those items as confidential or proprietary prior to submittal. The City is not bound by the CSO's determination as to whether materials are subject to disclosure under the Public Information Act and reserves the right to independently determine whether the materials are required to be made available for inspection or otherwise produced under the Public Information Act. If the City receives a request for such information marked as confidential, it will notify the CSO. If a suit is filed to compel disclosure of such information, the City will notify the CSO, and the CSO shall be responsible for taking appropriate action to defend against disclosure of its confidential information, and will hold the City harmless from any costs or liability resulting from any Public Information Act litigation.

4. The City of San Antonio, through the Director of the CCDO, reserves the right to deny location or permit requests in its sole discretion.

Figure 1- Downtown Area



Date: 08/07/2014
City of San Antonio, Department of Planning and Development Services
10000 N. Loop West, Suite 1000, San Antonio, TX 78241
www.sanantonio.gov
© 2014 City of San Antonio. All rights reserved.
Map of the City of San Antonio, Texas, showing the location of the CRAG area.

Community Revitalization Action Group (CRAG) Area (Original 36 Sq. Mi.)

City of San Antonio

0 0.25 0.5 0.75 1 Miles

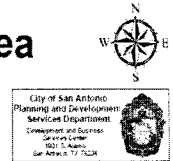
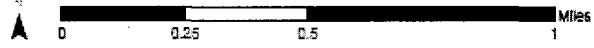


Figure 2 – Locations and Map of Existing Dedicated Spaces

<i>Location</i>	<i>Number of Spaces</i>
1. 200 block of Market (north side of street, near the Convention Center)	2
2. 500 block of Dolorosa (north side of street, along Plaza de Armas)	4
3. 300 block of West Houston (south side of street, near the Alameda Theater)	2
4. 125 Jack White Way (east side of street, at Villita Street)	1
5. 200 block of Avenue A (at 12th Street and 1221 Broadway and the river entrance)	2
6. 300 Richmond (at Augusta)	2
7. 100 block of Soledad (near Houston)	2
8. 200 block of Convent (north side of street at N. St. Mary's)	2
9. 300 block of Labor	2
10. 300 block of 3 rd Street at N. Alamo	2
11. Determined by the City Manager or her designee within CRAG boundary	4
Total	25



The geographic information system product contained here "The City of San Antonio" is provided "as is" without warranty of any kind, and the City of San Antonio expressly disclaims all express and implied warranties, including but not limited to the implied warranties of merchantability and fitness for a particular purpose. The City of San Antonio does not intend to guarantee or make any representation regarding the use or the results of the use of the information contained in any of the City of San Antonio's forms of any software, equipment, materials, or services. There is no warranty as to the accuracy or performance of any information obtained from the City of San Antonio or any data received by the recipient.
 May/December 2010/2014
 Please contact the appropriate City of San Antonio Department for specific information."



Downtown Carshare

Carshare Service Area = 1/2 Mile Radius
 Total Service Area = 3.42 Square Miles

-  Carshare Location
-  B-Cycle
-  Carshare Service Area
-  San Antonio River

Carshare Permit Program Application

Center City Development Office – Parking Division
243 N. Center Street
San Antonio, Texas 78205

*Please allow at least five (5) business days to process this permit request.
Initial Deadline August 21, 2014. Rolling applications accepted after that deadline for remaining available spaces.*

Carshare Operator Information:

Operator Name: _____ Contact Person: _____

Sales Tax License: _____ Email Address: _____

Mailing Address: _____ Phone Number: _____

Carshare Dedicated Space Permit:

Allows permitted carshare vehicles to park in designated on-street space(s). A permit number shall be affixed to a corresponding sign demarking the space. Only vehicles listed on the permit are allowed to park in a designated space. All other vehicles are prohibited from parking in said space and are subject to towing:

Submit ALL of the following submittal documents (see page 2 for more information on each required document)

- | | |
|--|--|
| <input type="checkbox"/> Insurance Certificate | <input type="checkbox"/> Vehicle Information Spreadsheet |
| <input type="checkbox"/> Location(s) Information | <input type="checkbox"/> Vehicle Registration |

I declare that the information provided on this application and all attachments is true, correct and complete to the best of my knowledge. I also acknowledge that it is my responsibility as well as that of my agents and employees to comply with the provisions of the City of San Antonio "Rules and Regulations Pertaining To The Administration of A Two-Year Pilot Carshare Parking Permit Program.". This permit does not grant exclusive use of the right-of-way. This permit may be revoked in the event of a special event, emergency or street construction, as may become necessary.

Carshare Operator Authorized Signature: _____

Title: _____

Print Name: _____ Date: _____

<input type="checkbox"/> Insurance Certificate	See below for sample insurance certificate. Coverages are outlined in the program rules and regulations.
<input type="checkbox"/> Vehicle Information Spreadsheet	Submit a spreadsheet listing all vehicles included in this permit application. Format spreadsheet to include the following information: company name, vehicle year, make and model and license plate number in separate rows and columns.
Location(s) Information	Submit the following information for each location requested on the application: <ul style="list-style-type: none"> <input type="checkbox"/> Approximate address and nearest cross-street <input type="checkbox"/> Image of location (if possible, include in image any existing parking conditions) <input type="checkbox"/> List of adjacent property uses (list tenant names or identify as residential, retail, etc) <input type="checkbox"/> Specify the vehicle registration/license plate(s) allowed to park in requested dedicated space <input type="checkbox"/> Other useful information that would assist in the review process

Note the Additional Insured special instructions below

ACORD CERTIFICATE OF LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMPLIFY, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURERS, AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(s) must be endorsed. ENDORSEMENT IS REQUIRED, SUBJECT TO THE TERMS AND CONDITIONS OF THE POLICY. Certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in favor of such endorsement(s).

PRODUCER: Insurance Broker Name & Address

INSURED: CSO's Legal Name
Contractor's Legal Name and Address

COVERAGES: GENERAL LIABILITY, COMMERCIAL GENERAL LIABILITY, AUTOMOBILE LIABILITY, UMBRELLA LIABILITY, EXCESS LIABILITY, PROFESSIONAL LIABILITY, AND EMPLOYERS' LIABILITY.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES: The City and County of Denver, its Elected and Appointed Officials, Employees and Volunteers are Additional Insured as respects the Commercial General Liability and Business Auto Liability policies.

CERTIFICATE HOLDER: City and County of Denver - Public Works
201 West Colfax, Dept. 507
Denver, CO 80202

CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

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Insurance Requirements

General Conditions: Carshare Operator (CSO) agrees to secure, at or before the time of execution of the permit, the following insurance covering all operations, goods or services provided pursuant to the permit. CSO shall keep the required insurance coverage in force at all times during the term of the permit and any extension thereof. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Texas and rated by A.M. Best Company as "A-"VIII or better, or provided by CSO as a self-insurer. Such coverages shall contain a valid provision or endorsement requiring notification to the City in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the parties identified in section VIII of these regulations. Such notice shall reference the City permit number. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, CSO shall provide written notice of cancellation, nonrenewal and any reduction in coverage to the parties identified in the Notices section by certified mail, return receipt requested within three (3) business days of such notice by its insurer(s) and referencing the City's permit number. If any policy is in excess of a deductible or self-insured retention, the City must be notified by the CSO. CSO shall be responsible for the payment of any deductible or self-insured retention. The insurance coverages specified are the minimum requirements, and these requirements do not lessen or limit the liability of the CSO. The CSO shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under the permit.

1. **Proof of Insurance:** CSO may not commence services or work relating to the permit prior to placement of coverage. CSO certifies that the certificate of insurance/self-insurance, preferably an ACORD certificate, complies with all insurance requirements. The City requests that the City's permit number be referenced on the Certificate. The City's acceptance of a certificate of insurance/self-insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Agreement shall not act as a waiver of Contractor's breach of the permit or of any of the City's rights or remedies under the permit. The City's Risk Management Office may require additional proof of insurance, including but not limited to policies and endorsements.

2. **Additional Insureds:** For Commercial General Liability and Auto Liability, CSO's insurer(s) shall name the City of San Antonio, its elected and appointed officials, employees and volunteers as additional insured. For self insured CSO's, the City shall be treated as an additional insured under the self insurance program.

3. **Waiver of Subrogation:** For all coverages, CSO's insurer shall waive subrogation rights against the City.

4. **Subcontractors and Subconsultants:** All subcontractors and subconsultants (including independent CSOs, suppliers or other entities providing goods or services required by the permit) shall be subject to all of the requirements herein and shall procure and maintain the same coverages required of the CSO. CSO shall include all such subcontractors as additional insured

under its policies (with the exception of Workers' Compensation) or shall ensure that all such subcontractors and subconsultants maintain the required coverages. CSO agrees to provide proof of insurance for all such subcontractors and subconsultants upon request by the City.

5. Workers' Compensation/Employer's Liability Insurance: CSO shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits of \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims. CSO expressly represents to the City, as a material representation upon which the City is relying in entering into the permit that none of the CSO's officers or employees who may be eligible under any statute or law to reject Workers' Compensation Insurance shall effect such rejection during any part of the term of the permit, and that any such rejections previously effected, have been revoked as of the date CSO executes the permit.

6. Commercial General Liability: CSO shall maintain a Commercial General Liability insurance coverage with limits of \$1,000,000 for each occurrence, \$1,000,000 for each personal and advertising injury claim, \$2,000,000 products and completed operations aggregate, and \$2,000,000 policy aggregate.

7. Business Auto Liability: CSO shall maintain business auto liability coverage with a combined single liability limit of \$1,000,000 applicable to all owned, hired and non-owned vehicles used in performing services under the permit.

8. Additional Provisions:

A. For Commercial General Liability, the policy must provide the following:

- i. That the permit is an Insured Contract under the policy;
- (ii) Defense costs are in excess of policy limits;
- ii. A severability of interests or separation of insureds provision (no insured vs. insured exclusion); and
- iii. A provision that coverage is primary and non-contributory with other coverage or self-insurance maintained by the City.

B. For claims-made coverage:

- i. The retroactive date must be on or before the contract date or the first date when any goods or services were provided to the City, whichever is earlier

C. CSO shall advise the City in the event any general aggregate or other aggregate limits are reduced below the required per occurrence limits. At their own expense, and where such general aggregate or other aggregate limits have been reduced below the required per occurrence limit, the CSO will procure such per occurrence limits and furnish a new certificate of insurance showing such coverage is in force.

D. This permit is revoked automatically without further action or notice if insurance is permitted to lapse, is canceled, or for any other reason becomes inoperative.

Indemnification

1. **CSO covenants and agrees to FULLY INDEMNIFY, DEFEND and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors, volunteers and representatives of the CITY, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the CITY directly or indirectly arising out of, resulting from or related to CSO'S activities under this Agreement, including any acts or omissions of CSO, any agent, officer, director, representative, employee, consultant or subcontractor of CSO, and their respective officers, agents employees, directors and representatives while in the exercise of the rights or performance of the duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of CITY, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE EVENT CSO AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.**
2. The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. CSO shall advise the CITY in writing within 24 hours of any claim or demand against the CITY or CSO known to CSO related to or arising out of CSO's activities under this AGREEMENT and shall see to the investigation and defense of such claim or demand at CSO's cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving CSO of any of its obligations under this paragraph.
3. Defense Counsel - City shall have the right to select or to approve defense counsel to be retained by CSO in fulfilling its obligation hereunder to defend and indemnify City, unless such right is expressly waived by City in writing. CSO shall retain City approved defense counsel within seven (7) business days of City's written notice that City is invoking its right to indemnification under this Agreement. If CSO fails to retain Counsel within such time period, City shall have the right to retain defense counsel on its own behalf, and CSO shall be liable for all costs incurred by City. City shall also have the right, at its option, to be represented by advisory counsel of its own selection and at its own expense, without waiving the foregoing.

4. Employee Litigation - In any and all claims against any party indemnified hereunder by any employee of CSO, 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 CSO or any subcontractor under worker's compensation or other employee benefit acts.

DRAFT