

This LEASE AGREEMENT (the "Agreement") is entered into by and between Goose Creek Consolidated Independent School District, having its principal address at 4544 Interstate 10 East, Baytown, Texas 77521 ("Lessor") and the City of Baytown, a Texas Municipal Corporation having its principal address at 2401 Market Street, Baytown, Texas 77520 ("Lessee").

I.    PURPOSE: The purpose of this Agreement is to allow Lessee to utilize the first floor of Lessor's property located at 124 W. Texas Ave., more particularly described as 2615 Virginia St Baytown, TX 77520, Harris County Texas (the "Premises"), for public purposes, including the provision of a public library. Lessee shall not use the Premises for any other purpose other than for a public library and related uses thereto without prior written consent from Lessor which shall not be unreasonably withheld.

II.   TERM AND TERMINATION:

a. Lessee will utilize the Premises for the purposes described hereinabove and may make improvements to the Premises to create and maintain a public library on the Premises. The term of this Agreement shall be three (3) years from the Effective Date (the "Initial Term"). Notwithstanding anything in this paragraph to the contrary, either Party may provide written notice of its intent to terminate the lease at least thirty (30) days prior to the expiration of the then-current term.

b. Further, either party shall have the right to terminate this Agreement if the other party breaches any portion of this Agreement; provided the non-breaching party has given the breaching party at least thirty (30) days' written notice of the default and provided at least thirty (30) days to cure the default described in the notice. If the breach is cured during the cure period, this Agreement will remain in full force and effect; otherwise, the non-breaching party may terminate this Agreement. If a party exercises this option, the Parties agree to make reasonable efforts to ensure timely vacating of the Premises.

III.  LESSEE'S RIGHTS AND OBLIGATIONS:

a. Lessee shall be responsible for all costs associated with the maintenance of the Premises.

b. Lessee shall, as a condition of this Lease, complete the following repairs within a reasonable time after the effective date of this Lease:

- i. HVAC System & Units
- ii. Plumbing
- iii. Lighting
- iv. Doors
- v. Indoor Remodeling
- vi. IT Improvements
- vii. Outdoor Improvements

("Improvements"). Plans for the repairs and improvements identified will be presented to the Lessor for approval. All such permanent Improvements shall become a part of the Premises upon completion and shall become the property of Lessor unless otherwise agreed upon by both parties. Lessee shall have reasonable access to the second floor and roof above the Premises for the purposes of completing the improvements, repairs and inspections contemplated by this Agreement.

c. Lessee shall pay for all utility costs, including, but not limited to, electricity, natural gas, water, sewer, telephone, cable, and internet services, if any, furnished on the Premises during the Term. Lessee shall also be responsible for maintenance, and completion of any required inspections, related to the fire systems and elevators on the Premises.

d. Lessee shall obtain and maintain, at its sole cost and expense, the following insurance coverages with insurers licensed to do business in the State of Texas and reasonably acceptable to Lessor:

- i. Commercial General Liability insurance with limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate, covering bodily injury, property damage and personal injury arising out of or in connection with Lessee's use and occupancy of the Premises. Such policy shall name Lessor as an additional insured;
- ii. Property insurance on an all-risk basis, covering Lessee's fixtures and improvements installed by Tenant for the full replacement cost value thereof;
- iii. Workers' compensation insurance as required by applicable Texas law, and Employer's liability insurance with limits of not less than \$1,000,000.00 per occurrence.
- iv. Commercial Property Insurance, in the name of Lessee, on the Premises and all improvements thereof on an all-risk basis, for the full replacement cost value of the improvements.

- e. The Parties acknowledge that Lessee is a governmental entity and may be entitled to assert sovereign and/or governmental immunity under Texas law. To the extent Lessee self-insures, participates in a government risk pool (such as TMLIRP) or maintains a program of self-funded coverage in lieu of commercial insurance, such program shall be deemed to satisfy the requirements of this section, provided that Lessee furnishes Lessor with written evidence of such coverage, including the applicable coverage limits, within ten (10) days of the execution of this Lease and annually thereafter. In consideration for the Lessee's use of the Premises throughout the Initial Term, the Lessee shall apply a credit of up to \$95,000.00 to the Robert E. Lee Drainage Project balance owing from Lessor to Lessee and to the acquisition, configuration, and specific installation requirements imposed by the Lessee relating to the inclusion of cooling tower flow meters by Lessor for the benefit of Lessor's properties as listed on Exhibit A hereto. No monthly rent shall be due during the Initial Term, it being the agreement of the Parties that the improvements to be made under Section III(b) hereof and the provision of credits as contemplated by this section are adequate payments in lieu of rent.
  - f. The Premises shall be returned to its original state, the Improvements and normal wear and tear excepted, within thirty (30) days after the termination or expiration of this Agreement.
- IV. RIGHT OF INSPECTION: Lessor reserves the right to enter upon the Premises at all reasonable times for the purpose of inspecting the Premises, provided that such inspection does not conflict with Lessee's rights hereunder.
- V. NOTICE: Any notice, request or other communication required or permitted under this Agreement shall be in writing and shall be considered effective as of the date presented personally or mailed by certified mail, return receipt requested, to the addresses listed hereinabove.
- VI. IMMUNITY: Nothing in this Agreement shall be construed so as to limit or waive the sovereign immunity of either Party.
- VII. NON-WAIVER: If either party fails to require the other party to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms.
- VIII. FORCE MAJEURE:
- a. Timely performance by both parties is essential to this Lease. However, neither party is liable for reasonable delay in performing its obligation under this Lease to the extent the delay is caused by Force Majeure that directly impacts the Lessor or Lessee. The event of Force Majeure may permit a reasonable delay in performance but does not excuse a party's obligations to complete performance under this Lease.
  - b. As used in this Lease, "Force Majeure" means fires, riots, labor disputes, war, terrorism, weather, acts of god, epidemics, and/or other circumstances or events outside the reasonable control or responsibility of Lessee.
  - c. Notwithstanding Paragraph VII(a), if an event of Force Majeure:
    - i. totally destroys the Premises, as determined by Lessee, this Lease will immediately terminate.
    - ii. the Premises are damaged, but the damage does not amount to a total destruction, as determined by Lessee and Lessor, at its sole option:
      - 1. does not rebuild or repair the Premises to substantially the same condition as on the Effective Date, this Lease will immediately terminate;
      - 2. proceeds immediately with the rebuilding or repairing of the Premises to substantially the same condition as on the Effective Date, Lessee may, at its sole option:
        - a. permanently withhold all rental payments until such time as Lessee determines that the Premises have been rebuilt or repaired to substantially the same condition as on the Effective Date.
          - i. Rental payments, during the period in which the Premises are not in substantially the same condition as on the Effective Date, shall abate and be permanently withheld.
          - ii. Rental payments shall resume once the Premises are rebuilt or repaired to substantially the same condition as on the Effective Date, and Lessee is able to use the Premises as a public library; or
        - b. Immediately terminate the Lease.
- IX. TERMINATION: Upon termination of this Lease for any reason whatsoever, Lessee shall surrender possession of the Premises Upon any termination of this Lease, all rent paid but not earned shall not be refunded.
- X. ASSIGNMENTS: Neither Party shall assign this Lease without the prior written consent of the other.
- XI. AMBIGUITIES: If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

- XII. REMEDIES CUMULATIVE: Unless otherwise specified elsewhere in this Lease, the rights and remedies contained in this Lease are not exclusive, but are cumulative of all rights and remedies, which exist now or in the future. Neither Party may terminate its duties under this Lease except in accordance with its provisions.
- XIII. CHOICE OF LAW/VENUE: The terms of this Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and venue for all purposes shall be in Harris County, Texas.
- XIV. AUTHORITY TO ENTER INTO CONTRACT: Each Party has the full power and authority to enter into and perform this Lease, and the person signing this Lease on behalf of each Party has been properly authorized and empowered to enter into this Lease. The persons executing this Lease hereby represent that they have authorization to sign on behalf of their respective entities.
- XV. NO RIGHT TO ARBITRATION: Notwithstanding anything to the contrary contained in this Agreement, the Parties hereby agree that no claim or dispute between them arising out of or relating to this Lease shall be decided by any arbitration proceeding, including, without limitation, any proceeding under the Federal Arbitration Act (9 U.S.C. Sections 1-14), or any applicable State arbitration statute, including, but not limited to, the Texas General Arbitration Act, provided that in the event that either Party is subjected to an arbitration proceeding notwithstanding this provision, the other Party consents to be joined in the arbitration proceeding if the Party's presence is required or requested by the other, of complete relief to be recorded in the arbitration proceeding.
- XVI. SUCCESSORS AND ASSIGNS: This Agreement binds and benefits the parties and their legal successors, permittees and assigns. This Agreement does not bestow any rights upon any third party, but binds and benefits the Lessee and Lessee only.
- XVII. AGREEMENT READ: The parties acknowledge that they have read, understand and intend to be bound by the terms and conditions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of which shall be deemed to be an original, but all of which shall constitute but one and the same Agreement on the \_\_\_ day of \_\_\_\_\_, 2026, the date of execution by the City Manager or his designee of the City of Baytown.

GOOSE CREEK CONSOLIDATED INDEPENDENT  
SCHOOL DISTRICT

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

CITY OF BAYTOWN

\_\_\_\_\_  
JASON REYNOLDS, City Manager

ATTEST:

\_\_\_\_\_  
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
SCOTT LEMON, City Attorney

**EXHIBIT A**

Per Section III (c) of the Lease Agreement, the following is a listing of Goose Creek ISD sites that will be included in the cooling tower meters initiative. This list is subject to the specific conditions as described in Section III (c), and may be modified upon approval of both parties.

<b>School #</b>	<b>School Name</b>	<b>School Address</b>
1	DeZavala Elementary	305 Tri City Beach Rd
2	Harlem Elementary	3333 I-10 Frontage Rd
3	Highlands Elementary	200 E Wallisville Rd
4	Highlands JHS	1212 E Wallisville Rd
5	Lamar Elementary	816 N Pruett St
6	Smith Elementary	403 E James St
7	Sterling HS	300 W Baker Rd
8	Cedar Bayou JHS	2610 E Elvinta St
9	George H Gentry JHS	1919 E Archer Rd
10	Robert E Lee HS*	1809 Market St
11	Memorial HS	6001 E Wallisville Rd

*\*Requires two meters for this site.*