



CITY COUNCIL REGULAR MEETING CITY OF BAY CITY

Tuesday, July 16, 2024 at 6:00 PM
COUNCIL CHAMBERS | 1901 5th Street

COUNCIL MEMBERS

Mayor: Robert K Nelson

Mayor Pro Tem: Becca Sitz

Council Members: Benjamin Flores, Jim Folse, Bradley Westmoreland, Blayne Finlay

Vision Statement

Through a united and collaborative effort, we seek to grow the City of Bay City with a diverse culture that is proud to call Bay City home. We envision a thriving family-centered community where citizens are involved in the future development of our city. We desire our citizens to work, play, worship and shop in the community in which we live. Visitors are welcomed and encouraged to enjoy the friendly environment and amenities the citizens and business owners have created together.

AGENDA

THE FOLLOWING ITEM WILL BE ADDRESSED AT THIS OR ANY OTHER MEETING OF THE CITY COUNCIL UPON THE REQUEST OF THE MAYOR, ANY MEMBER(S) OF COUNCIL AND/OR THE CITY ATTORNEY:

ANNOUNCEMENT BY THE MAYOR THAT COUNCIL WILL RETIRE INTO CLOSED SESSION FOR CONSULTATION WITH CITY ATTORNEY ON MATTERS IN WHICH THE DUTY OF THE ATTORNEY TO THE CITY COUNCIL UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE OPEN MEETINGS ACT (TITLE 5, CHAPTER 551, SECTION 551.071(2) OF THE TEXAS GOVERNMENT CODE).

CALL TO ORDER AND CERTIFICATION OF QUORUM

INVOCATION & PLEDGE

Texas State Flag Pledge: *"Honor The Texas Flag; I Pledge Allegiance To Thee, Texas, One State Under God, One And Indivisible."*

Mayor Pro Tem Becca Sitz

MISSION STATEMENT

The City of Bay City is committed to fostering future economic growth by collaborating with our citizens, employers, current and future businesses, as well as the Community and Economic Development Centers. We strive to deliver superior municipal services and to invest in quality-of-life initiatives such as housing, businesses, jobs and activities for all citizens. We make a concerted effort to respond to resident's concerns in a timely and professional manner in order to achieve customer satisfaction.

Mayor Pro Tem Becca Sitz

APPROVAL OF AGENDA**PUBLIC COMMENTS**

State Law prohibits any deliberation of or decisions regarding items presented in public comments. City Council may only make a statement of specific factual information given in response to the inquiry; recite an existing policy; or request staff places the item on an agenda for a subsequent meeting.

AWARDS & PROCLAMATIONS

- 1. Recognition ~ City of Bay City employee promotions - Rhonda Clegg, Human Resource Director**

ACKNOWLEDGEMENT FROM CITY MANAGER**ITEMS / COMMENTS FROM THE MAYOR & COUNCIL MEMBERS****CONSENT AGENDA ITEMS FOR CONSIDERATION AND/OR APPROVAL**

- 2. Accounts Payable, Direct Payable and Utility Refunds for April, May, and June 2024.**
- 3. Ratify the Declaration of Local State Disaster, Order 2024-01, resulting from Hurricane Beryl.**
- 4. Waiving of building permit fees for repairs related to damage caused by Hurricane Beryl.**

DEPARTMENT REPORTS

- 5. Library 3rd Quarter Report. Samantha Denbow, Library Director**
- 6. Parks and Recreation Report and Events. Kelly Penewitt, Interim Parks & Recreation Director**

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

- 7. Resolution ~ Discuss, consider, and/ or approve a resolution of the City Council of Bay City, Texas, accepting the Preliminary Service and Assessment Plan for the Russell Ranch Public Improvement District; setting a date for public hearing on the proposed levy of assessments; authorizing the publication and mailing of notice; and enacting other provisions relating thereto. Scotty Jones, Interim City Manager**
- 8. Agreement ~ Discuss, consider, and/or approve the reimbursement agreement between Crescent Capital Investments, LLC and the city of Bay City, Texas. Scotty Jones, Interim city Manager**
- 9. Contract ~ Discuss, consider, and/or award the bid for the 2024 Brush Site Wood Chipping Services at the City's brush site to the lowest responsible bidder and**

authorize the City Manager to execute a contract approved to form by the City Attorney between the City of Bay City and Austin Wood Recycling in the amount of \$71,000. Krystal Mason, Assistant Public Works Director

- 10. Property ~ Discuss, consider, and/or approve a declaration of unusable equipment: 2 surplus police vehicles, and authorize staff to sell said surplus equipment through the use of an online auction or other means.** Lieutenant Chris Hadash
- 11. Development ~ Discuss and review proposed Tax Increment Reinvestment Zone Number Five (TIRZ #5) redevelopment boundaries.** Scotty Jones, Interim City Manager
- 12. Agreement ~ Discuss, consider, and/or approve ratification of the agreement by and between the City of Bay City, Texas and DebrisTech, LLC.** Scotty Jones, Interim City Manager
- 13. Contract ~ Discuss, consider, and/or approve ratifying the contract with DRC Emergency Services, LLC for debris removal and finding that competitive bidding is not feasible because an emergency or exigency exists that could affect the health and safety of the public due to Hurricane Beryl.** Scotty Jones, Interim City Manager
- 14. Resolution ~ Discuss, consider, and/or approve a Resolution to ratify and renew the Declaration of Disaster until further action by City Council.** Scotty Jones, interim City Manager

CLOSED / EXECUTIVE SESSION

RECONVENE AND ACTION

ITEMS / COMMENTS FROM THE MAYOR, COUNCIL MEMBERS AND CITY MANAGER

ADJOURNMENT

AGENDA NOTICES:

Attendance By Other Elected or Appointed Officials: It is anticipated that members of other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or committee subject to the Texas Open Meetings Act.

CERTIFICATION OF POSTING

This is to certify that the above notice of a Regular Called Council Meeting was posted on the front window of the City Hall of the City of Bay City, Texas on **Friday, July 12, 2024 before 6:00 p.m.** Any questions concerning the above items, please contact the Mayor and City Manager's office at (979) 245-2137.



Human Resources Department PROMOTIONS for 3rd Quarter

Below is the breakdown of recent promotions for the third quarter of FY24.

Quarter 3 - FY24

- **Public Works**
 - Kameron Kilbride – Utilities Maintenance Tech
- **City Secretary**
 - Angela Hadash – Administrative Assistant III
- **Parks and Recreation**
 - Troy Casey – Lead Parks Specialist

AGENDA ITEM REQUEST FOR CITY COUNCIL APPROVAL

PER CHARTER SECTION 4.10 (C) - AT LEAST ONCE A QUARTER, COUNCIL SHALL VOTE TO APPROVE THE CITY EXPENDITURES MADE SINCE THE LAST QUARTER. EXPENDITURE DETAIL CAN BE FOUND ON THE CITY'S WEB. <https://cityofbaycity.mygovcenter.com>

ACCOUNTS PAYABLE	04/05/24
ACCOUNTS PAYABLE	04/10/24
ACCOUNTS PAYABLE	04/12/24
ACCOUNTS PAYABLE	04/16/24

ACCOUNTS PAYABLE	04/18/24
ACCOUNTS PAYABLE	04/26/24
ACCOUNTS PAYABLE	05/02/24
ACCOUNTS PAYABLE	05/10/24
ACCOUNTS PAYABLE	05/20/24
ACCOUNTS PAYABLE	05/31/24
ACCOUNTS PAYABLE	06/07/24
ACCOUNTS PAYABLE	06/12/24
ACCOUNTS PAYABLE	06/28/24

DIRECT PAYABLES	04/08/24
DIRECT PAYABLES	04/18/24
DIRECT PAYABLES	04/23/24
DIRECT PAYABLES	04/29/24
DIRECT PAYABLES	05/06/24
DIRECT PAYABLES	05/13/24
DIRECT PAYABLES	05/22/24
DIRECT PAYABLES	06/06/24
DIRECT PAYABLES	06/20/24
DIRECT PAYABLES	06/24/24

UTILITY REFUNDS	04/05/24
UTILITY REFUNDS	04/26/24
UTILITY REFUNDS	05/29/24
UTILITY REFUNDS	06/12/24

**RESPECTFULLY SUBMITTED
ASSISTANT CITY MANAGER/CFO**



SCOTTY JONES



DECLARATION OF DISASTER – HURRICANE BERYL

WHEREAS, the City of Bay City, Texas on the 7th day of July 2024, is under imminent threat of widespread or severe damage, injury, or loss of life or property resulting from Hurricane Beryl immediately preceding and following landfall on or near the Texas Coast; and

WHEREAS, the Mayor of The City of Bay City, Texas has determined that extraordinary measures must be taken to alleviate the suffering of people and to protect or rehabilitate property,

NOW, THEREFORE, BE IT PROCLAIMED BY THE Mayor of Bay City, Texas:

1. That a local state of disaster is hereby declared for the City of Bay City, Texas, pursuant to section 418.108(a) of the Texas Government Code.
2. Pursuant to section 418.108(b) of the Government Code, the state of disaster shall continue for a period of not more than seven (7) days from the date of this declaration unless continued or renewed by the Mayor of the City of Bay City, Texas.
3. Pursuant to section 418.108(c) of the Government Code, this declaration of a local state of disaster shall be given prompt and general publicity and shall be filed promptly with the City Secretary.
4. Pursuant to section 418.108(d) of the Government Code, this declaration of a local state of disaster activates the Bay City emergency management plan.
5. Pursuant to section 418.108(f) of the Texas Government Code, the Mayor of the City of Bay City may order the evacuation of all or part of the population from a threatened area if the County Mayor considers the action necessary for the preservation of life or other disaster mitigation, response, or recovery.
6. Pursuant to section 418.108(g) of the Texas Government Code, the Mayor of the City of Bay City may control ingress to and egress from a threatened area and control the movement of persons and the occupancy of premises in that area. *Declaration of Disaster – Hurricane Beryl*

7. That this proclamation shall take effect immediately from and after its issuance.

DECLARED this the 7th day of July 2024.



Robert K. Nelson, Mayor City of Bay City



CITY OF BAY CITY
 1901 FIFTH STREET
 BAY CITY, TEXAS 77414
 (979) 245-2137
 FAX: (979) 323-1626

AGENDA ITEM SUBMISSION FORM

Any item(s) to be considered for action by the City Council, must be included on this form, and be submitted along with any supporting documentation. Completed Agenda Item Submission forms must be submitted to the City Secretary's Office no later than 4:00 p.m. on the Monday of the week prior to the Regular Council meeting.

Requestor Name: Mason, Krystal **Date Submitted:** 07/12/2024
Last, First *MM/DD/YYYY*

Requestor Type : City Staff **Meeting Date:** 07/16/2024
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Assistant Director of Public Works
For City Staff Only

Agenda Location: Consent Agenda
(e.g.: Consent Agenda/ Discussion Item/ Public Hearing/ Executive Session/ Presentation)

Agenda Content:

Consider and/or approve waiving building permit fees for repairs related to damage caused by Hurricane Beryl.

Executive Summary of Item:

Hurricane Beryl, a category 1 hurricane, impacted Matagorda County and Bay City the morning of July 8, 2024. The destructive winds and rain resulted in damage to many structures in Bay City. As an effort to minimize the financial impact on its citizens, the City of Bay City will waive building permit fees for any repairs related to damage caused by Hurricane Beryl. This includes building, electrical, plumbing and mechanical permits. The City of Bay City will have the opportunity to seek reimbursement from FEMA via the Disaster Recovery Reform Act Section 1206.



Public Assistance Companion Guide

Disaster Recovery Reform Act Section 1206

Background & Purpose

This document provides greater clarity around **building code** and **floodplain management (FPM)** administration and enforcement activities eligible for reimbursement through the FEMA's **Public Assistance (PA) program**. It serves as a **companion guide** to the Building Code and Floodplain Management Administration and Enforcement Project Application and the [Disaster Recovery Reform Act \(DRRA\) Section 1206 policy](#). This resource provides FEMA staff and state, local, tribal, and territorial (SLTT) governments with a greater understanding of the Disaster Recovery Reform Act 1206 policy and eligible activities to support submitting a Project Application. This document does not address Direct Federal Assistance through FEMA's Federal Insurance and Mitigation Administration contracting mechanism. For additional information on how to access the contract, please work directly with FEMA disaster or regional staff.

DRRA 1206 Overview: New Resources for Post-Disaster Building Code and Floodplain Management Administration & Enforcement

When disaster strikes, many communities have hundreds, if not thousands, of structures needing repair. Effective rebuilding ensures structures are more protected from future damage by following locally-adopted codes and standards. **DRRA 1206** authorizes FEMA to provide communities approved for Public Assistance funding following a presidentially-declared disaster with the resources needed to effectively administer and enforce building codes and floodplain management regulations (e.g., substantial damage assessments or determinations, permitting, etc.) — increasing the speed of recovery and enhancing National Flood Insurance Program (NFIP) compliance. **NOTE: NFIP-participating communities are required to adhere to their locally-adopted regulations to remain in good standing.**

TO BE ELIGIBLE FOR PUBLIC ASSISTANCE GRANT FUNDING MADE AVAILABLE THROUGH DRRA 1206, STATE, LOCAL, TRIBAL OR TERRITORIAL GOVERNMENTS MUST:

- ☒ Be in good standing with the National Flood Insurance Program
- ☒ Be authorized for assistance under a major disaster declaration
- ☒ Be legally responsible for administering and enforcing adopted building codes and floodplain management regulations
- ☒ Report list of impacts to FEMA within 60 days of the Recovery Scoping Meeting
- ☒ Submit supporting documentation through the [Public Assistance Grants Portal](#) (grantee.fema.gov)

Disaster Recovery Reform Act 1206 Requirements:

180 Days

Time Limit: Activities occurring up to **180 days** after a major disaster declaration may be eligible for reimbursement.



Fees and Fines: Revenue collected by the Applicant is considered program income. The Project Application will be reduced accordingly during closeout. If the Applicant waives fees or fines following the disaster, FEMA still reduces the eligible costs by the amount of the fees or fines.



Documentation: Good recordkeeping is critical for reimbursement and PA Grants Portal submission (e.g., receipts, activity logs, sign-in sheets, substantial damage assessments, etc.). **NOTE:** If the event has not yet received a major disaster declaration, officials should still collect documentation in the event a disaster becomes eligible for funding at a later date.



Federal Cost-Share: Eligible costs are reimbursed at the Permanent Work cost-share applicable to the disaster.



NOTE: Ineligible Work

- Activities associated with non-disaster damaged structures or non-disaster-related development
- Activities to update a community's laws, rules, procedures, or requirements
 - Examples: Updating building codes, adopting new zoning requirements, developing new land use plans



TIP: Plan Ahead for Success!

- Costs associated with 1206-eligible work executed through interstate/interlocal mutual aid agreements, direct contracts, temporary employees, and/or mutual aid may be eligible for Public Assistance reimbursement
- Communities should plan today to meet the 180-day funding limit by establishing these resource mechanisms before the next disaster strikes

Communities interested in DRRA 1206 should contact their local Emergency Management Office

For more information on these DRRA 1206 policy-related requirements, review additional resources [here](#).

Stakeholder Coordination

Successful implementation of the DRRA 1206 policy requires close collaboration between federal, state, tribal, territorial, and local partners. The following section provides a high-level overview of the key personnel involved in the recovery process for post-disaster building code and floodplain management administration and enforcement activities. Local officials interested in applying for Public Assistance grant funds made available through DRRA 1206 should coordinate with their community staff member who typically works directly with the FEMA Program Delivery Manager (PDMG) or State Public Assistance official.

Table 1: Key Personnel Responsible for Supporting Public Assistance Reimbursement of DRRA 1206-Eligible Activities

State and Local Officials		FEMA Officials
Floodplain Administrator	Building Official	Public Assistance Program Delivery Manager (PDMG)
Responsible for administering and enforcing NFIP Floodplain Management requirements and has the land-use jurisdiction and authority for floodplain management.	The officer or other designated authority charged with the administration and enforcement of a community's building codes, or a duly authorized representative.	The PDMG serves as the primary point-of-contact for the state, tribal, territorial, and local governments applying for funding and assists throughout the Public Assistance grant development process.
Other Personnel: <ul style="list-style-type: none"> ▪ State Recovery Partners ▪ Emergency Manager ▪ County Executive Officer or Mayor ▪ Budget or Finance Office ▪ Tax Assessor's Office ▪ State National Flood Insurance Program Coordinator's Office 		Other Personnel: <ul style="list-style-type: none"> ▪ FEMA Regional Building Science point of contact ▪ FEMA Regional Building Code Coordination Specialist ▪ FEMA Floodplain Management & Insurance Branch Staff ▪ FEMA Disaster Field Staff

DRRA 1206 Activities Eligible for PA Reimbursement

The Project Application and DRRA 1206 policy provide a list of sample activities eligible for reimbursement through the PA Program. The following section provides greater clarity around these examples, including key descriptions and potential resources needed, to advance understanding of post-disaster floodplain management and building code administration and enforcement.

What About Activities NOT on this List?

- Communities should consult [Section B.3 of the DRRA 1206 policy](#) to review a list of example activities eligible under 1206. Activities not included on the list will be evaluated on a case by-case basis. ITEM #4.

SUBSTANTIAL DAMAGE PROCEDURES

Relevant Activity Listed in the Project Application: Substantial Damage Determinations

Rebuilding after a disaster provides an opportunity to make buildings stronger and safer as they are repaired.

Substantial Damage (SD) is damaged sustained on a structure in the Special Flood Hazard Area (SFHA)—or regulated floodplain—for which the total cost of repairs is 50% or more of the structure's market value before the disaster occurred, regardless of the cause of damage (i.e., flood, fire, wind, etc.).



Substantial Damage

Floodplain Management

Building Code Administration

What Does this Look Like?

After a disaster, there may be hundreds or even thousands of structures substantially damaged in a community's Special Flood Hazard Area. Before residents can begin repairs, it is the responsibility of the local official designated to administer floodplain management regulations to identify which structures are substantially damaged (SD).

The moment it is safe to do so, local officials should conduct SD assessments in areas of the floodplain to assess all damaged structures. This includes field survey inspections, data collection, and documentation of impacts. Next, SD determinations must be made to assess whether the damage to structures meets or exceeds 50% of a structure's market value. FEMA's Substantial Damage Estimator tool (or other methods) are typically employed to ensure a sound methodology. The results of SD determinations must be stored either digitally or in paper files in the community.

Finally, it is critical the results of these determinations be communicated quickly to property owners before repairs begin. Determinations are typically delivered via letters, emails, or in-person. At the conclusion of this process, Substantial Damage processes typically transition over to the permitting office (see below).

The consensus-based building codes or *International Building Code (IBC)* include regulations for substantial damage. For example, as referenced in the 2018 series:

IBC Section 1612.3: all new construction of buildings, structures and portions or buildings and structures, including substantial improvement and restoration of Substantial Damage to buildings and structures, shall be designed and constructed to resist the effects of flood hazards and flood loads.

IRC Section 322.1: ...repair of substantial damage of buildings and structures in flood hazard areas, shall be designed and constructed in accordance with the provision contained in this section.

When using the building codes to administer floodplain requirements, the SD assessments, notifications, and permitting is the same as the process if the local community has stand-alone floodplain regulations.

Resources that May be Needed¹

Nearly 1 in 3 National Flood Insurance Program communities have over 100 structures in the SFHA². Large scale disasters can quickly overwhelm communities' capacity to meet their SD responsibilities. **Resources that may be eligible for Public Assistance reimbursement as a result of DRRA 1206 include:**

- Hiring temporary workers and surge staff, contractors, mutual aid teams, and overtime for budgeted employees to support Substantial Damage assessments and determinations, and notifying property owners
- Travel costs and accommodations for extra hires or contracted support
- Vehicle usage for conducting SD assessments
- Clip boards, pens/pencils, notebooks, highlighters
- Address board and dry erase markers
- Laptop computers, tablets
- Cell phones or walkie-talkies
- Hard hat, gloves, safety glasses and vests (Personal Protective Equipment)
- Mailing and outreach costs

- Communities should consult the PA Program and Policy Guide for more information regarding disposition and reporting requirements for purchased equipment and supplies and real property.
- U.S. Census Bureau.

PERMITTING PROCEDURES

Relevant Activity Listed in the Project Application: Building Code Administration; FPM Ordinance Administration

Permitting is a critical part of a community's building code and Floodplain Management program. A well-functioning permitting process post-disaster is necessary to capture all development either in the floodplain (FPM administration) or throughout the community (building code administration). But post-disaster, communities' permitting functions are pushed to the max. Thankfully, DRRA 1206 allows FEMA to reimburse communities after a disaster for the resources secured to scale up permitting capabilities to meet their post-disaster responsibilities. Communities can now rest assured that required post-disaster building code and floodplain management responsibilities are eligible for Public Assistance grant funding.



Permitting	Floodplain Management	Building Code Administration
<p>What Does this Look Like?</p>	<p>Whether blue-skies or the aftermath of a Category 5 hurricane, communities that participate in the NFIP, must permit all development in the floodplain. Yet after a major disaster, the demand for permits can quickly become overwhelming. Officials with land-use permitting authority are responsible for ensuring that all development, including repairs, meet the requirements of the NFIP and the community's floodplain management regulations. This is accomplished by issuing or denying permits and repairs for development. The process is typically conducted as follows:</p> <p>First, the property owner prepares the permit application. Then, the local official verifies the floodplain location and checks flood maps and data. A record of submission and collection of fees (if applicable) follows. Next, the reviewer reviews the application for submission and either returns an incomplete application back to the property owner or sends it up to the next review (if applicable).</p> <p>Then, the application is reviewed for compliance and either approved and a permit is issued or returned to the property owner. If approved, the property owner can begin construction, which is later inspected to ensure compliance (see below).</p>	<p>Communities that adopt building codes are responsible for permitting the construction of new buildings and the repair, alteration, and addition of existing buildings throughout the community. The most widely used process for code enforcement occurs through permitting. The typical permitting process is described below:</p> <p>A developer, designer, owner or contractor submits an application for a permit to construct a new or add to an existing building, repair or remodel a building, change a building's use, or demolish an existing building. Building code officials/inspectors or their designees process the application and review the plans (including location on flood map) prior to issuing any permits. Note: several revisions to the plan may be required before a permit is processed and issued. A permit is issued per the community's adopted codes and based on the approved set of plans.</p> <p>Note: A community may have additional requirements in approving a permit including planning and zoning. At set milestones during construction, the Building Code Official conducts inspections to ensure compliance with the adopted building code package in accordance with approved sets of plans. A Certificate of Occupancy is issued, the Building Code Official is satisfied all requirements have been met, and the building is allowed to be moved into. Future safety inspections may be triggered by the International Property Maintenance Code or an equivalent.</p>
<p>Resources that May be Needed</p>	<p>Following a major disaster, it is not unusual to have thousands of individuals seeking permits for repairs and development at the same time. It is critical local officials review every application to ensure they meet FPM or building code regulations, in manner that allows for resilient recovery. Additional resources that may be needed to administer the permitting function of a community include:</p> <ul style="list-style-type: none"> ▪ Hiring temporary workers and surge staff, contractors, mutual aid teams, and force account labor to support administering floodplain management or building permits ▪ Certifying, training, licencing and supervising staff to review applications for and issue floodplain management or building permits ▪ Conduct outreach to the public on floodplain or building permit requirements applicable to the repair, replacement, or retrofit of disaster-damaged buildings ▪ Laptop computers, tablets ▪ Mailing and outreach costs 	

ENFORCEMENT PROCEDURES

Relevant Activity Listed in the Project Application: Code Enforcement; FPM Ordinance Enforcement

Local officials are responsible for ensuring that all development in the floodplain (floodplain management) or throughout the community (building codes) are built according to approved plans. If it is discovered that development activities occur without permits or contrary to the approved plans, local officials must enforce their regulations. In the post-disaster environment, enforcement activities can quickly overwhelm existing resources. DRRA 1206 provides resources to support communities with building code and floodplain management enforcement.



Enforcement	Floodplain Management Enforcement	Building Code Enforcement
What Does this Look Like?	<p>In order to ensure that post-disaster development meets the community's floodplain management regulations, local officials must monitor the floodplain and where necessary inspect rebuilding activities. If development activities are discovered without permits or contrary to the approved plans, then communities must follow their enforcement procedures and take corrective action to ensure compliance with floodplain management regulations.</p> <p>This may be accomplished in a variety of ways, including voluntary compliance, formal notifications and issuance of violations, issuance of stop-work orders, and other legal recourse. If necessary, communities may have to process requests for floodplain management variances. Communities may also be required to manage substantial damage determination appeals resulting from property owners' disagreement on the basis of a variety of potential issues.</p>	<p>For most Authorities Having Jurisdiction (AHJ) building code enforcement is carried out as a process by a team of building code professionals. It can be an official part of the AHJ's governmental organization called the Department of Building and Safety or similar, a contracted function, or some combination of the two.</p> <p>It includes building officials with specialized skillsets like plans examiners and inspectors based on the occupancy, size, type of the building, material of construction, or mechanical, electrical, plumbing system. It may include zoning, planning, fire, or floodplain management officials. The 2021 <i>International Building Code (IBC)</i> Appendix A describes this essential team's best qualifications, experience, training and certifications.</p>
Resources that May be Needed	<p>Depending on the scope of the disaster, local officials may be overwhelmed by enforcement proceedings. Resources unlocked by DRRA 1206 that may be leveraged include:</p> <ul style="list-style-type: none"> Hiring temporary workers, surge staff, and overtime pay for force account labor to review and process appeals Costs associated with legal proceedings to adjudicate any regulations are also eligible for reimbursement 	

Additional Resources

- DRRA 1206 POLICY: [Building Code and Floodplain Management Administration and Enforcement](#)
- FREQUENTLY ASKED QUESTIONS for DRRA 1206: [Volume 1](#) and [Volume 2](#)
- INTRODUCTORY DRRA 1206 VIDEO: [Disaster Recovery Reform Act Section 1206 Animated Video](#)
- DRRA 1206 FLYER: [Informational Flyer on DRRA 1206](#)
- BUILDING CODES PLAYBOOK: [Building Codes Adoption Playbook](#)
- PUBLIC ASSISTANCE PROGRAM GUIDANCE: [PA Program and Policy Guide \(PAPPG\)](#)
- PUBLIC ASSISTANCE PROGRAM DELIVERY GUIDE: [Assistance Program Delivery Guide \(fema.gov\)](#)
- QUESTIONS? Contact Your FEMA Regional Office: [NFIP Coordinating Office](#)



FEMA



CITY OF BAY CITY
 1901 FIFTH STREET
 BAY CITY, TEXAS 77414
 (979) 245-2137
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AGENDA ITEM SUBMISSION FORM

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Requestor Name: Denbow, Samantha **Date Submitted:** 7/3/2024
Last, First *MM/DD/YYYY*

Requestor Type : City Staff **Meeting Date:** 7/9/2024
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Library Director
For City Staff Only

Agenda Location: Presentation
(e.g.: Consent Agenda/ Discussion Item/ Public Hearing/ Executive Session/ Presentation)

Agenda Content:

Report: Library 3rd Quarter Report

Executive Summary of Item:

Report of the April -June 2024 library activities, projects, and general updates.

Library Quarterly Report

April – June 2024



SAMANTHA DENBOW, CPLA
LIBRARY DIRECTOR

FY24 Business Plan

- Complete Strategic Plan for FY25-29 *(Completed and approved May 14, 2024)*
- ~~Create Outdoor library space~~ *(removed from plan)*
- Develop services and programs for preserving local history *(in progress – equipment purchased through BC Library Association funding)*
- Implement sensory inclusive initiative *(in progress - meeting with KultureCity to determine costs and applicability)*
- Add Adult Education services *(Complete – 6/7 scholarships for Career Online High School used)*

Materials

Main Branch	1 st Quarter	2 nd Quarter	3 rd Quarter	YTD
Print Materials	6,147	6,695	8,578	21,420 (16,959)
Other Physical Items	-	32	42	74 (81)
Digital Materials	1,682	1,712	1,902	5,296 (5,049)
Interlibrary Loans Sent	19	14	32	65 (52)
Interlibrary Loans Received	4	0	1	5 (6)

Sargent Branch	1 st Quarter	2 nd Quarter	3 rd Quarter	YTD
Print Materials	426	432	461	1,353 (870)
Other Physical Items	34	18	9	27 (14)

Other Services

Main Branch	1 st Quarter	2 nd Quarter	3 rd Quarter	YTD
New Cards	151	141	206	498 (670)
Computer Use	785	890	918	2,593 (2,382)
Foot Traffic	6,576	7,478	9,149	23,203 (14,186*)
Reference Questions	898	1237	983	3,118 (1,304*)

Sargent Branch	1 st Quarter	2 nd Quarter	3 rd Quarter	YTD
New Cards	10	8	12	30 (37)
Computer Use	30	43	30	103 (17*)
Foot Traffic	596	844	658	2,098 (1,308)
Reference Questions	85	91	92	268 (55*)

*Missing data from previous months

Other Services Contd.

Main Branch	1 st Quarter	2 nd Quarter	3 rd Quarter	YTD
Room Reservations	33	29	18	80 (108)
Volunteers	208.5	178.5	312	699 (730.25)

Sargent Branch	1 st Quarter	2 nd Quarter	3 rd Quarter	YTD
Room Reservations		17	10	27 (37)
Volunteers		35.5	17	52.5 (17)

Programs

Main Branch	1 st Quarter	2 nd Quarter	3 rd Quarter	YTD
Number of Programs	53	64	56	173 (141)
Total Attendance	2,034	1,292	1,454	4,780 (3,246)
Recorded Programs	-	-	9	9
Total Views	-	-	119	119

Sargent Branch	1 st Quarter	2 nd Quarter	3 rd Quarter	YTD
Number of Programs	30	40	70	140 (22)
Total Attendance	288	230	181	699 (102)

*Missing data from previous months

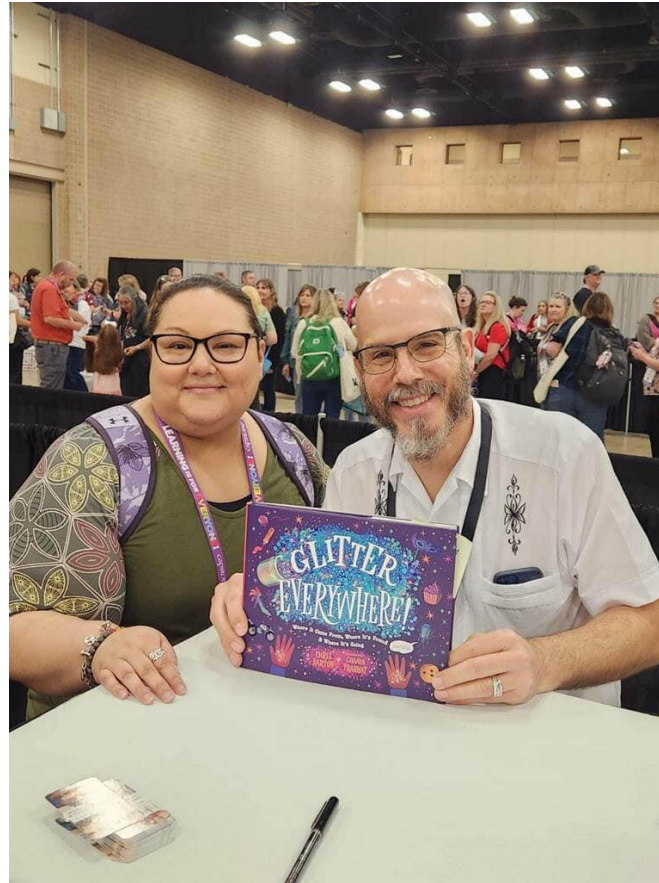
Current Projects

- Inventory - 6 weeks
- Policy Update
- Summer Program

Trainings

- All staff completed Homeless Training
- All staff completed Library Reference Interview Training
- All staff attend City Customer Service Training
- 3 Staff attended Texas Library Association Annual Conference in San Antonio

Texas Library Association Conference



- Attendees:
Library Director, Children's Specialist, and Branch Specialist
- Approximately 20 professional development hours
- Networking and Exhibit Hall
- Tour of San Antonio's Central Library

DISCOVER



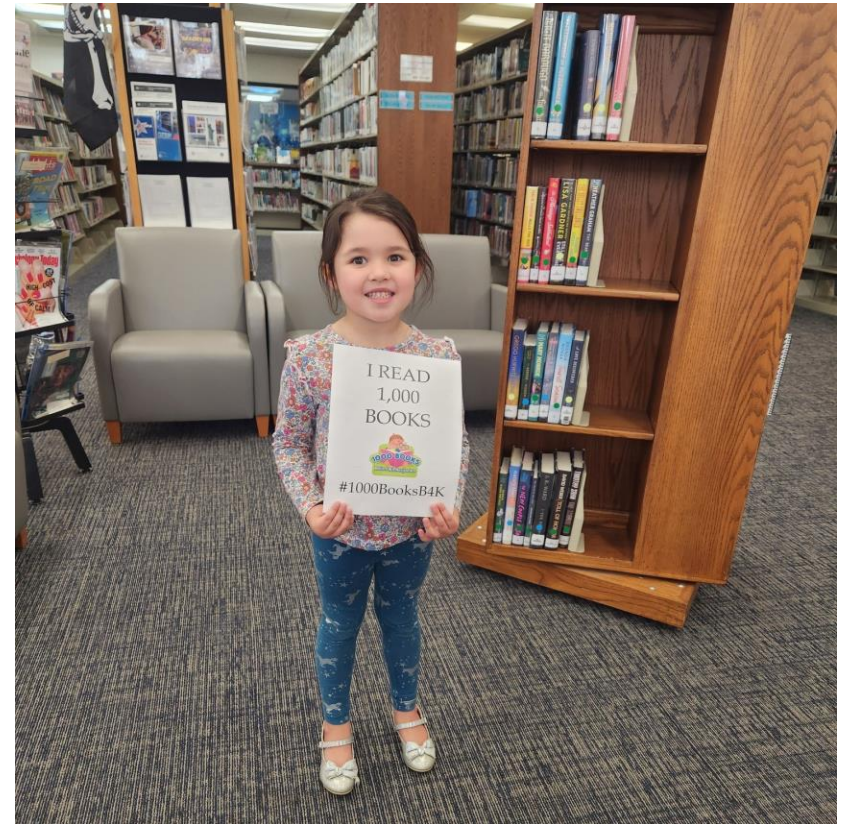
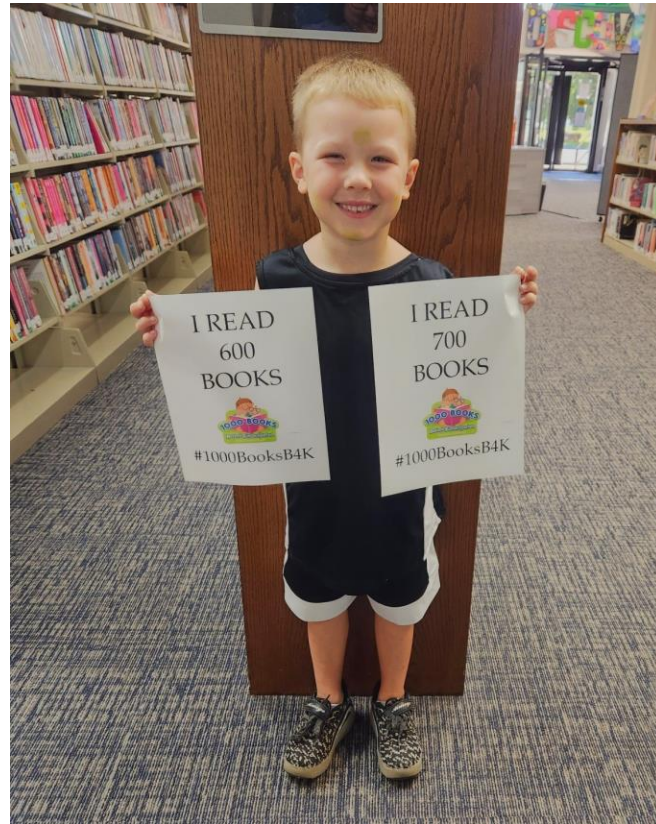
- New art piece - made by staff
- Currently placed at entrance for summer will move to become a focal piece when entering the building

Markham Elementary Tour



- Markham Elementary scheduled a tour and special storytime in April
- 31 Students/Teachers
- Special Guest: Sharkie (unofficial library mascot)

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CITY OF BAY CITY
 1901 FIFTH STREET
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AGENDA ITEM SUBMISSION FORM

Any item(s) to be considered for action by the City Council, must be included on this form, and be submitted along with any supporting documentation. Completed Agenda Item Submission forms must be submitted to the City Secretary's Office no later than 4:00 p.m. on the Monday of the week prior to the Regular Council meeting.

Requestor Name: Penewitt, Kelly **Date Submitted:** 6/28/2024
Last, First *MM/DD/YYYY*

Requestor Type : City Staff **Meeting Date:** 7/9/2024
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Interim Director of Parks and Recreation
For City Staff Only

Agenda Location: Presentation
(e.g.: Consent Agenda/ Discussion Item/ Public Hearing/ Executive Session/ Presentation)

Agenda Content:

Report: Parks and Recreation Report

Executive Summary of Item:

Report on Parks and Recreation and upcoming events.

Resolution~ Discuss, consider, and/or approve a resolution of the City Council of the City of Bay City, Texas, accepting the Preliminary Service and Assessment Plan for the Russell Ranch Public Improvement District; setting a date for the public hearing on the proposed levy of assessments; authorizing the publication and mailing of notice; and enacting other provisions relating thereto.



EXECUTIVE SUMMARY

BACKGROUND:

On December 21, 2021, the City Council approved by resolution the creation of a public improvement district (PID) under Chapter 372 of the Texas Local Government Code. The PID was created to act as a financing tool for reimbursement of public improvements in relation to a residential development known as Russell Ranch. The boundaries are approximately 50 acres located in the East part of the City of Bay City between Hubbard Road and Old Van Vleck Road, North of the intersection of FM 457 and Hwy 35.

A PID can finance capital costs to meet community needs which could not otherwise be constructed or provided. The costs of the capital improvements and/or supplemental services are paid entirely by property owners within the Public Improvement District.

In order to levy assessments on property within the PID for public improvements, there is a two-step process. First, the City has to accept the preliminary service and assessment plan (“SAP”) attached to the Resolution, and call a public hearing on the levy of assessments. Notice of the public hearing is published in the newspaper and mailed to each property owner in the PID. After the public hearing, the City will approve an Ordinance levying assessments on property in the PID for the financing of the public improvements. The SAP is the document that apportions the levy on the properties in the PID for the costs of the public improvements. The SAP is prepared by the City’s consultants based on an Engineer’s opinion of probable costs of the public improvements to construct and complete the project and it provides the method and formula for levying against the lots in the PID.

The Public Hearing will be held on August 13, 2024 and anyone can come and speak on the levy of Assessments. After the Public Hearing, the City will approve the Assessment Ordinance which approves the final SAP and levies assessments on property within the PID.

RECOMMENDATION: Staff recommends City Council approve the Resolution.

ATTACHMENTS: Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BAY CITY, TEXAS, ACCEPTING THE PRELIMINARY SERVICE AND ASSESSMENT PLAN FOR THE RUSSELL RANCH PUBLIC IMPROVEMENT DISTRICT; SETTING A DATE FOR PUBLIC HEARING ON THE PROPOSED LEVY OF ASSESSMENTS; AUTHORIZING THE PUBLICATION AND MAILING OF NOTICE; AND ENACTING OTHER PROVISIONS RELATING THERETO.

Whereas, the City Council (the "City Council") of the City of Bay City, Texas (the "City") received a petition (the "Petition") requesting creation of a public improvement district (the "District") under Chapter 372 of the Texas Local Government Code (the "Act"), from the record owners of taxable real property representing more than fifty percent ("50%") of the appraised value of the real property liable for assessment (as determined by the most recent certified tax roll) in the proposed District and the record owners of taxable real property that constitute more than 50% of all of the area of all taxable real property that is liable for assessment in the proposed District; AND

WHEREAS, on September 28, 2021, the City Council accepted the Petition and called a public hearing for October 26, 2021, on the creation of the District and the advisability of the improvements; and

WHEREAS, notice of the hearing was published in a newspaper of general circulation in the City in which the District is to be located on October 6, 2021; and,

WHEREAS, on September 30, 2021, notice to the owners of property within the proposed District was sent by first-class mail to the owners of 100% of the property subject to assessment under the proposed District containing the information required by the Act such that such owners had actual knowledge of the public hearing to be held on October 26, 2021; and

WHEREAS, the City Council approved the creation of the District by Resolution approved on December 21, 2021 (the "Creation Resolution") and filed the Creation Resolution in the real property records as authorized by the Act; and

WHEREAS, pursuant to Sections 372.013, 372.014, and 372.016 of the Act, the City Council has directed the preparation of a Preliminary Amended and Restated Service and Assessment Plan (the "Preliminary Plan"), for the levy of assessments for certain public improvement projects (the "Authorized Improvements") that benefit the District (the "Assessments") such Preliminary Plan attached hereto as Exhibit B, covers a period of at least five years and defines the annual indebtedness and the projected costs of the Authorized Improvements within the District; and

WHEREAS, the Preliminary Plan also includes assessment plans that apportion the cost of an Authorized Improvements to be assessed against property within the District and such apportionment is made on the basis of special benefits accruing to the assessed property within the District because of the Authorized Improvements; and

WHEREAS, the City Council also directed the preparation of an assessment roll for the District that states the assessment for the Authorized Improvements against each parcel of land within the District (the "Assessment Roll") and such Assessment Roll is attached to and a part of the Preliminary Plan; and

WHEREAS, after determining the total costs of the Authorized Improvements, the City Council notes that the Preliminary Plan and proposed Assessment Roll may be changed as the City Council deems appropriate before such Preliminary Plan and Assessment Roll are adopted as final by the City Council; and

WHEREAS, the City has determined to call a public hearing regarding the proposed levy of Assessments pursuant to the Preliminary Plan and the proposed Assessment Roll on property within the District, pursuant to Section 372.016 of the Act; and

WHEREAS, the City desires to publish and mail notice of such public hearing in order to provide notice to all interested parties of the City's proposed levy of Assessments against such property in the District, pursuant to Section 372.016 of the Act; and

WHEREAS, the City desires to file the Preliminary Plan and Assessment Roll with the City Secretary such that they are available for public inspection pursuant to Section 372.016 of the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BAY CITY, TEXAS, THAT:

Section 1. Findings. The findings and determinations set forth in the preambles hereto are hereby incorporated by reference for all purposes.

Section 2. Calling Public Hearing. The City Council hereby calls a public hearing (the "Public Hearing") for 6:00 p.m. on August 13, 2024 at the regular meeting place of the City, the City Council Chamber at Bay City City Hall, 1901 Fifth Street Street, Bay City, Texas 77414, to consider approving the Preliminary Plan, with such changes and amendments as the City Council deems necessary, and the proposed Assessment Roll with such amendments to the Assessments on any parcel as the City Council deems necessary, as the final Service and Assessment Plan (the "Final Plan") and final Assessment Roll (the "Final Roll") for the District. After all objections made at such hearing have been heard, the City Council may (i) levy the Assessments as special assessments against each parcel of property in the District as set forth in the Final Plan, including the Final Roll; (ii) specify the method of payment of the Assessments; and (iii) provide that Assessments be paid in periodic installments. Notice of the Public Hearing setting out the matters required by Section 372.016 of the Act shall be given by publication at least eleven (11) days

before the date of the hearing, in a newspaper of general circulation in the City. Notice of such hearing shall also be given by the City Secretary, by mailing a copy of the notice containing the information required by Section 372.016(b) of the Act to the last known address of each owner of property liable for an Assessment in the proposed Final Roll as reflected on the tax rolls of the Matagorda County Appraisal District. All residents and property owners within the District, and all other persons, are hereby invited to appear in person, or by their attorney, and contend for or contest the Preliminary Plan and the Final Roll, and the proposed assessments and offer testimony pertinent to any issue presented on the amount of the Assessments, purpose of the Assessments, special benefit of the Assessments, and the costs of collection and the penalties and interest on delinquent Assessments. At or on the adjournment of the hearing conducted pursuant to Section 372.016 on the proposed Assessments, the City Council must hear and pass on any objection to a proposed Assessment. The City Council may amend a proposed Assessment on any parcel in the District. The failure of a property owner to receive notice does not invalidate the proceeding.

Section 3. Publication of Notice. The City Council hereby directs the City Secretary to cause the publication and mailing of notice of the Public Hearing substantially in the form attached as Exhibit A. Such publication shall occur before the 10th day before the date of the Public Hearing.

Section 4. Conduct of Public Hearing. The City Council shall convene at the location and at the time specified in the notice described above for the Public Hearing and shall conduct the Public Hearing in connection with its consideration of the Final Plan, including the Final Roll, for the District and the levy of the proposed Assessments, including costs of collection, penalties and interest on delinquent Assessments. At the Public Hearing, the City Council will hear and pass on any objections to the Preliminary Plan and the proposed Assessment Roll and the levy of the proposed Assessments (which objections may be written or oral). At or on the adjournment of the Public Hearing, the City Council may amend a proposed Assessment on any parcel in the District. After all objections, if any, have been heard and passed upon, the City may (i) levy the Assessments as special assessments against each parcel of property in the District as set forth in the Final Plan and Final Roll for the District, (ii) specify the method of payment of the assessments, and (iii) provide that the Assessments be paid in periodic installments.

Section 5. Filing of Proposed Assessment Roll. The proposed Final Roll shall be filed in the office of the City Secretary and be made available to any member of the public who wishes to inspect the same.

Section 6. Further Action. The City Secretary is hereby authorized and directed to take such other actions as are required, including providing notice of the Public Hearing as required by the Texas Open Meetings Act and placing the Public Hearing on the agenda for the August 13, 2024 meeting of the City Council.

[Signature Page Follows]

DULY RESOLVED by the City Council of the City of Bay City, Texas, on the 16th day of July, 2024.

Mayor

ATTEST:

APPROVED:

City Clerk

City Attorney

EXHIBIT A
CITY OF BAY CITY
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of the City of Bay City, Texas for 6:00 p.m. on August 13, 2024 at the regular meeting place of the City, the City Council Chamber at Bay City City Hall, 1901 Fifth Street, Bay City, Texas 77414. The public hearing will be held to consider proposed assessments to be levied against certain assessable property in the Russell Ranch Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the "Act").

The general nature of the proposed public improvements (collectively, the "Authorized Improvements") may include: (i) design, construction and other allowed costs related to street and roadway improvements, including related drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) design, construction and other allowed costs related to storm drainage improvements, (iii) design, construction and other allowed costs related to water, wastewater and drainage (including detention) improvements and facilities, (iv) design, construction and other allowed costs related to parks, open space and recreational improvements including trails and landscaping related thereto; (v) design, construction and other allowed costs related to projects similar to those listed in sections (i) – (iv) above authorized by the Act, including similar of-site projects that provide a benefit to the property within the PID; (vi) payment of expenses incurred in the establishment, administration, and operation; and (vii) payment of expenses associated with financing such public improvement projects, which may include but are not limited to, costs associated with the issuance and sale of revenue bonds secured by assessments levied against the Property within the PID and (viii) maintenance and operation expenses of the Authorized Improvements. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property.

The estimated cost to design, acquire and construct the Authorized Improvements, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred in the establishment, administration and operation of the District is \$9,000,000 plus the annual cost of supplemental services and operation and maintenance costs, if any. The City will pay no costs of the Authorized Improvements, supplemental services or operation and maintenance costs from funds other than assessments levied on property within the District. The remaining costs of the proposed improvements will be paid from sources other than those described above.

The proposed District is composed of approximately 50 acres located in the East part of the City of Bay City between Hubbard Road and Old Van Vleck road, North of the intersection of FM 457 and Highway 35A. A metes and bounds description is available from the City Secretary at Bay City City Hall, 1901 Fifth Street, Bay City, Texas 77414.

All written or oral objections relating to the levy of the proposed assessments will be considered at the public hearing.

A copy of the Preliminary Amended and Restated Service and Assessment Plan, including the proposed Assessment Roll, for the District, which includes the Assessments to be levied against each parcel in the District is available for public inspection at the office of the City Secretary, Bay City City Hall, 1901 Fifth Street, Bay City, Texas 77414.

City of Bay City, Texas
/s/ Jeanna Thompson, City Secretary

EXHIBIT B
PRELIMINARY SERVICE AND ASSESSMENT PLAN

Russell Ranch Public Improvement District

PRELIMINARY SERVICE AND ASSESSMENT PLAN

JULY 9, 2024, VERSION 5.0



TABLE OF CONTENTS

Table of Contents	1
Introduction	2
Section I: Definitions	3
Section II: The District	9
Section III: Authorized Improvements	9
Section IV: Service Plan	11
Section V: Assessment Plan	12
Section VI: Terms of the Assessments	15
Section VII: Assessment Roll	21
Section VIII: Additional Provisions	22
List of Exhibits	24
List of Appendices	24
Exhibit A – Map of the District	25
Exhibit B – Authorized Improvements	26
Exhibit C – Service Plan	27
Exhibit D – Sources and Uses of Funds	28
Exhibit E – Maximum Assessment	29
Exhibit F-1 – Assessment Roll	30
Exhibit F-2 – Annual Installments	31
Exhibit G – TIRZ Number 4 Maximum Annual Credit Amount	32
Exhibit H-1 – Maps of Public Improvements	33
Exhibit H-2 – Maps of Private Improvements	38
Exhibit I – Form of Notice of Assessment Termination	42
Exhibit J – District Legal Description	45
Appendix A – District Engineer’s Report	46
Appendix B – Buyer Disclosures	60
Russell Ranch Public Improvement District – Initial Parcel Buyer Disclosure	61
Russell Ranch Public Improvement District – Lot Type 1 Buyer Disclosure	67

INTRODUCTION

Capitalized terms used in this Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section” an “Exhibit,” or an “Appendix” shall be a reference to a Section of this Service and Assessment Plan or an Exhibit or Appendix attached to and made a part of this Service and Assessment Plan for all purposes.

On December 21, 2021, the City passed and approved Resolution No. R-2021-0032 authorizing the establishment of the District in accordance with the PID Act, as amended, which authorization was effective upon approval in accordance with the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 49.7981 acres located within the City, as described by the legal description on **Exhibit J** and depicted on **Exhibit A**.

The PID Act requires a service plan must (i) cover a period of at least five years; (ii) define the annual indebtedness and projected cost of the Authorized Improvements; and (iii) include a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan is contained in **Section IV** and the notice form is attached as **Appendix B**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the Assessment against each Parcel determined by the method chosen by the City Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Assessment Roll is included as **Exhibit F-1**.

SECTION I: DEFINITIONS

“Actual Costs” mean, with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of the Owner[s], (either directly or through affiliates), including : (1) the costs for the design, planning, administration/management, acquisition, installation, construction and/or implementation and dedication of such Authorized Improvements; (2) the fees paid for obtaining permits, zoning, licenses, plan approvals, inspections or other governmental approvals for such Authorized Improvements; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, owing to contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Authorized Improvements; (5) all related permitting and public approval expenses, and architectural, engineering, legal, consulting, and other governmental fees, construction security, insurance premiums, directly related to the construction of the Authorized Improvements and charges and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the Owner[s].

“Additional Interest” means the amount collected by the application of the Additional Interest Rate. Additional Interest is not charged on the Reimbursement Obligation.

“Additional Interest Rate” means the 0.50% additional interest rate that may be charged on Assessments securing PID Bonds pursuant to Section 372.018 of the PID Act. The Additional Interest Rate is not charged on Assessments securing the Reimbursement Obligation.

“Administrator” means the City or independent firm designated by the City who shall have the responsibilities provided in this Service and Assessment Plan, any Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District. The initial Administrator is P3Works, LLC.

“Annual Collection Costs” mean the actual or budgeted costs and expenses related to the operation of the District, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) third-party administrative costs relating to paying and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this Service and Assessment Plan, the PID Act, and any Indenture, with respect to the PID Bonds, including the City’s continuing disclosure requirements;

and (9) the paying agent/registrar and Trustee in connection with PID Bonds, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

“Annual Installment” means the annual installment payment on an Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest related to the PID Bonds, if applicable.

“Annual Service Plan Update” means an update to this Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

“Assessed Property” means any Parcel within the District against which an Assessment is levied.

“Assessment” means an assessment levied against Assessed Property, and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on an Assessment Roll, subject to reallocation upon the subdivision of such Assessed Property or reduction according to the provisions herein and in the PID Act.

“Assessment Ordinance” means an ordinance adopted by the City Council in accordance with the PID Act that levies an Assessment on the Assessed Property, as shown on any Assessment Roll.

“Assessment Plan” means the methodology employed to assess the Actual Costs of the Authorized Improvements against the Assessed Property based on the special benefits conferred on such property by the Authorized Improvements, more specifically set forth and described in **Section V**.

“Assessment Roll” means any assessment roll for the Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of PID Bonds or in any Annual Service Plan Updates.

“Authorized Improvements” means improvements authorized by Section 372.003 of the PID Act, including Public Improvements, District Formation Expenses, Bond Issuance Costs, and First Year Collection Costs, as described in **Section III**.

“Bond Issuance Costs” means the costs associated with issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, capitalized interest, reserve fund requirements, underwriter discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

“City” means the City of Bay City, Texas.

“City Council” means the governing body of the City.

“County” means Matagorda County, Texas.

“Delinquent Collection Costs” mean costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this Service and Assessment Plan including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

“District” means the Russell Ranch Public Improvement District containing approximately 49.71 acres located within the City as shown on **Exhibit A** and more specifically described on **Exhibit J**.

“District Formation Expenses” means costs related to the formation of the District and the levy of Assessments including attorney fees, financial consultant fees, and other fees.

“Engineer’s Report” means the report provided by a licensed professional engineer that describes the Authorized Improvements, including their costs, location, and benefit, and is attached hereto as **Appendix A**.

“Estimated Buildout Value” means the estimated value of an Assessed Property with fully constructed buildings, as provided by the Owner and confirmed by the City Council, by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other factors that, in the judgment of the City, may impact value. The Estimated Buildout Value for each Lot Type is shown on **Exhibit E**.

“First Year Annual Collection Costs” means the estimated Annual Collection Costs to be accrued prior to collection of the first Annual Installment of the Assessment securing the applicable PID Bonds, as shown on **Exhibit D**.

“Indenture” means an Indenture of Trust entered into between the City and the Trustee in connection with the issuance of each series of PID Bonds, as amended from time to time, setting forth the terms and conditions related to a series PID Bonds.

“Initial Parcel” means all of the Assessed Property within the District against which the entire Assessment is initially levied, as shown on the Assessment Roll.

“Lot” means (1) for any portion of the District for which a final subdivision plat has been recorded in the Plat or Official Public Records of the County, a tract of land described by “lot” in such subdivision plat; and (2) for any portion of the District for which a subdivision plat has not been recorded in the Plat or Official Public Records of the County, a tract of land anticipated to be described as a “lot” in a final recorded subdivision plat as shown on a concept plan or a

preliminary plat. A “Lot” shall not include real property owned by a government entity, even if such property is designated as a separate described tract or lot on a recorded Subdivision Plat.

“Lot Type” means a classification of final building Lots with similar characteristics (e.g. lot size, home product, Estimated Buildout Value, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the Estimated Buildout Value of the Lot as provided by the Owner, and confirmed by the City Council.

“Lot Type 1” means a Lot within the District marketed to homebuilders as a residential townhome Lot with an Estimated Buildout Value of \$275,000 as of the date of adoption of this Service and Assessment Plan. The buyer disclosure for Lot Type 1 is included in **Appendix B**.

“Maximum Assessment” means, for each Lot Type, an Assessment equal to the lesser of (1) the amount calculated pursuant to **Section VI.A**, or (2) the amount shown on **Exhibit E**.

“Non-Benefited Property” means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements as determined by the City Council and are not assessed.

“Notice of Assessment Termination” means a document that shall be recorded in the Official Public Records of the County evidencing the termination of an Assessment, a form of which is attached as **Exhibit I**.

“Owner” means Crescent Capital Investments, LLC, a limited liability company, and any successors or assigns thereof that intends to develop the property in the District for the ultimate purpose of transferring title to end users.

“Parcel” or “Parcels” means a specific property within the District identified by either a tax parcel identification number assigned by the Matagorda County Appraisal District for real property tax purposes, by legal description, or by lot and block number in a final subdivision plat recorded in the official public records of the County, or by any other means determined by the City.

“PID Act” means Chapter 372, Texas Local Government Code, as amended.

“PID Bonds” means any bonds issued by the City in one or more series and secured in whole or in part by Assessments.

“Prepayment” means the payment of all or a portion of an Assessment before the due date of the final Annual Installment thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment.

“Prepayment Costs” means interest, including Additional Interest and Annual Collection Costs, to the date of Prepayment.

“Private Improvements” means improvements required to be constructed by the Owner that are not Public Improvements, as depicted on **Exhibit H-2**.

“Public Improvements” means those Authorized Improvements, specifically described in **Section III.A** and depicted on **Exhibit H-1**.

“Reimbursement Agreement” means that certain “Russell Ranch Public Improvement District Reimbursement Agreement” effective July 9, 2024 entered into by and between the City and Owner, whereby all or a portion of the Actual Costs not paid to the Owner from the proceeds of PID Bonds will be paid to the Owner from Assessments to reimburse the Owner for Actual Costs paid by the Owner, plus interest, that are eligible to be paid with Assessments.

“Reimbursement Obligation” means the amount not to exceed \$7,450,000 to be paid to the Developer pursuant to the Reimbursement Agreement.

“Service and Assessment Plan” means this Russell Ranch Public Improvement District Service and Assessment Plan as updated, amended, or supplemented from time to time.

“Service Plan” means the plan described in **Section IV** which covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements.

“TIRZ Number 4” means Tax Increment Reinvestment Zone Number 4, City of Bay City, Texas.

“TIRZ Administrative Costs” means those reasonable costs paid or incurred by or on behalf of the City to create and/or administer the TIRZ.

“TIRZ Number 4 Agreement” means the TIRZ Agreement for Russell Ranch PID, to be adopted.

“TIRZ Number 4 Annual Credit Amount” is defined in **Section V.F**, which amount shall not annually exceed the TIRZ Number 4 Maximum Annual Credit Amount, and which shall be transferred from the TIRZ Number 4 Fund to the applicable pledged revenue fund pursuant to the TIRZ Number 4 Agreement.

“TIRZ Number 4 Fund” means the tax increment fund created pursuant to the TIRZ Number 4 Ordinance where TIRZ Number 4 Revenues are deposited annually.

“TIRZ Number 4 Maximum Annual Credit Amount” means for each Lot Type, the amount shown on **Exhibit F**.

“TIRZ Number 4 Ordinance” means Ordinance No. 1689 adopted by the City Council approving the TIRZ Number 4 Project Plan and authorizing the use of TIRZ Number 4 Revenues for project

costs under the Chapter 311, Texas Tax Code as amended, and related to certain public improvements as provided for in the TIRZ Number 4 Project Plan.

"TIRZ Number 4 Project Plan" means the Tax Increment Reinvestment Zone #4, City of Bay City, Texas Final Project and Financing Plan, prepared and adopted by the Board of Directors of the TIRZ and approved by the City (including any amendments or supplements thereto).

"TIRZ Number 4 Revenues" mean, for each year, the amounts which are deposited in the TIRZ Number 4 Fund pursuant to the TIRZ Number 4 Ordinance, TIRZ Number 4 Project Plan, TIRZ Number 4 Agreement and the Russell Ranch Public Improvement District Financing Agreement.

"Trustee" means the trustee or successor trustee under an Indenture.

SECTION II: THE DISTRICT

The District includes approximately 49.71 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit J** and depicted on **Exhibit A**. Development of the District is anticipated to include approximately 192 Lots developed with single family homes.

SECTION III: AUTHORIZED IMPROVEMENTS

Based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, the City has determined that the Authorized Improvements confer a special benefit on the Assessed Property. Public Improvements will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City or by a third party pursuant to a qualified management contract. The budget for the Authorized Improvements is shown on **Exhibit B**.

A. Public Improvements

▪ *Roadways*

Improvements include the construction of the proposed local streets of the subdivision. Improvements to include erosion control measures, earthwork, subgrade stabilization, concrete pavement with curb and gutter, concrete sidewalk segments with ADA ramps, signage, lighting, and construction testing. These roadway improvements will provide street access to each Lot within the District.

▪ *Sanitary Sewer*

Improvements to include erosion control measures, earthwork, trench excavation and embedment, trench safety, pipe installation, manholes, service connections, testing, and all necessary appurtenances required to provide wastewater service to each Lot within the District.

In addition to the construction of the subdivision improvements, removal of existing manholes as well as the re-routing of existing sanitary sewer mains to maintain a better flow that crosses the District are included.

▪ *Water*

Improvements to include earthwork, erosion control measures, trench safety, trench excavation and embedment, pipe installation, fire hydrant assemblies, valves, service connections, testing, and all necessary appurtenances required to provide water service to each Lot within the District.

- *Drainage*

Improvements to include earthwork, erosion control measures, trench safety, trench excavation and embedment, pipe installation, curb inlets, box culverts, manholes, and junction boxes, headwalls, testing, and all necessary appurtenances to provide drainage service for each Lot within the District.

Also included are channels, temporary and permanent flood control detention ponds, clearing, excavation, piping for inbound and outbound drainage lines and outlet structures.

- *Landscaping, Parks & Amenities*

Improvements include an entry monumentation along stat highway 35 with planting beds and landscaping at the entry monument, sidewalks, irrigation, amenity center site, parking lots in addition to landscaped areas and grass covered areas within the subdivision. The improvements include erosion control measures, earthwork, site improvements, planting and vegetation.

- *Soft Costs*

Costs related to designing, constructing, installing, and financing the Public Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, legal fees, consultant fees, contingency, and inspection fees.

B. Private Improvements

- *Roadways*

Improvements include striping and signage, Bay City Seafood Drive closure and re-striping, and site fencing.

- *Landscaping, Irrigation & Sign*

Improvements include an entry monumentation along state highway 35 with planting beds and landscaping at the entry monument, and mail box units.

- *Drainage*

Improvements include removal of trees and clearing, and excavation and fill.

- *Detention*

Improvements include detention pond fountains, and electrical for fountains.

- *Soft Costs*

Costs related to designing, constructing, installing, and financing the Private Improvements including land planning and design, City fees, civil engineering, survey,

construction administration, legal fees, consultant fees, contingency, inspection fees, TxDOT permit fees, preliminary site plan, District Formation Expenses, and other PID costs paid entirely by the Developer and non-reimbursed by PID Bonds or Assessments.

C. Bond Issuance Costs

- *Debt Service Reserve Fund*

Equals the amount to be deposited in a debt service reserve fund under an applicable Indenture in connection with the issuance of PID Bonds.

- *Delinquency and Prepayment Fund*

Equals the amount to be deposited in a debt service reserve fund under an applicable Indenture in connection with the issuance of PID Bonds.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds related to the costs of underwriting such PID Bonds (including a fee for underwriter's counsel).

- *Cost of Issuance*

Includes costs of issuing a particular series of PID Bonds, including but not limited to issuer fees, attorney's fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City's costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

D. Other Costs

- *Initial Administrative Fund Deposit*

Equals the amount necessary to fund the first year's Annual Collection Costs for a particular series of PID Bonds.

- *District Formation Expenses*

Includes the costs associated with forming the District, including, but not limited to, attorney fees, consultant fees, and any other cost or expense directly associated with the establishment of the District.

SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan is also

required to include a copy of the buyer disclosure notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan must be reviewed and updated in each Annual Service Plan Update. **Exhibit C** summarizes the Service Plan for the District. Per the PID Act and Section 5.014 of the Texas Property Code, as amended, this Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosure for the District. The buyer disclosures are attached hereto as **Appendix B**.

Exhibit D summarizes the sources and uses of funds required to construct the Public Improvements. The sources and uses of funds shown on **Exhibit D** shall be updated at the time any PID Bonds are issued in an Annual Service Plan Update to show the amount required to fund the required reserves and to issue the PID Bonds.

SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the Authorized Improvements to the Assessed Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the City Council may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this Service and Assessment Plan describes the special benefit received by each Parcel within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Assessments to be levied on the Assessed Property for such Authorized Improvements.

The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Owner and all future owners of the Assessed Property.

A. Assessment Methodology

Acting in its legislative capacity and based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, the City Council has determined that the costs related to the Authorized Improvements shall be allocated entirely to the Initial Parcel. Upon subdivision of an Assessed Property, the Actual Costs of the Authorized

Improvements shall be reallocated based on Estimated Buildout Value as further described in **Section VI**.

B. Assessments

Assessments will be levied on the Assessed Property according to the Assessment Roll, attached hereto as **Exhibit F-1**. The projected Annual Installments are shown on **Exhibit F-2**, and are subject to revisions made during any Annual Service Plan Update. Upon division or subdivision of the Initial Parcel, the Assessments will be reallocated pursuant to **Section VI**.

The Maximum Assessment for each Lot Type is shown on **Exhibit E**. In no case will the Assessment for Lots classified as Lot Type 1 exceed the corresponding Maximum Assessment shown on **Exhibit E**.

C. Findings of Special Benefit

Acting in its legislative capacity and based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by City, the City Council has found and determined the following:

- The cost of the Authorized Improvements equals \$10,123,720 as shown on **Exhibit B**; and
- The Assessed Property receives special benefit from the Authorized Improvements equal to or greater than the Actual Cost of the Authorized Improvements; and
- The Initial Parcel shall be allocated 100% of the Assessments levied for the Authorized Improvements which equal \$9,564,000, as shown on the Assessment Roll attached hereto as **Exhibit F-1**; and
- The special benefit (\$10,123,720) received by the Initial Parcel from the Authorized Improvements, is equal to or greater than the amount of the Assessment (\$9,564,000) levied on the Initial Parcel for the Authorized Improvements; and
- At the time the City Council approved this Service and Assessment Plan, the Owner owned 100% of the Initial Parcel. The Owner acknowledged that the Authorized Improvements confer a special benefit on the Initial Parcel and consented to the imposition of the Assessment to pay for the Actual Costs associated therewith. The Owner ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the applicable Assessment Ordinance, (2) the Service and Assessment Plan and the applicable Assessment Ordinance; and (3) the levying of the Assessment on the Initial Parcel.

D. Annual Collection Costs

The Annual Collection Costs shall be paid annually by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. The Annual Collection Costs shall be collected as part of and in the same manner as the Annual Installments in the amounts shown on the Assessment Roll, which may be revised in Annual Service Plan Updates based on Actual Costs incurred.

E. Additional Interest

The interest rate on the portion of Assessments securing each respective series of PID Bonds may exceed the interest rate on each respective series of PID Bonds by the Additional Interest Rate. To the extent required by any Indenture, upon the issuance of PID Bonds, Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the applicable Indenture.

The interest on the Assessment securing the Reimbursement Obligation shall be set at a rate of 6.875%. The PID Act requires the rate set on unpaid amounts due under a Reimbursement Agreement may not exceed five percent above the highest average index rate for tax-exempt bonds for a period of not more than five years and may not exceed two percent above the same index rate for the following two-year period. The index rate utilized to set the rate on the Reimbursement Obligation is the S&P Municipal Bond High Yield Index, which rate is 5.58% as of June 27, 2024. The rate set by this Service and Assessment Plan of 6.940% for the seven-year period is less than 2% above the S&P Municipal Bond High Yield Index. The portion of the Annual Installment allocable to the Reimbursement Agreement will not include Additional Interest unless and until PID Bonds secured by the Assessment are issued. Once PID Bonds are issued the interest rate on the Assessment will be equal to the rate on the PID Bonds.

F. TIRZ Number 4 Annual Credit Amount

The City Council, in accordance with the TIRZ Number 4 Agreement, has agreed to use a portion of TIRZ Number 4 Revenues generated from each Assessed Property to offset a portion of the principal and interest of such property's Assessment.

1. The principal and interest portion of the Annual Installment for an Assessed Property shall receive a TIRZ Number 4 Annual Credit Amount equal to the TIRZ Number 4 Revenue generated by the Assessed Property for the previous Tax Year (e.g. TIRZ Number 4 Revenue collected from the Assessed Property for Tax Year 2023 shall be applied as the TIRZ Number 4 Annual Credit Amount applicable to the Assessed Property's Annual Installment to be collected in Tax Year 2024), but in no event shall the TIRZ Number 4 Annual Credit Amount exceed the TIRZ Number 4 Maximum Annual Credit Amount shown in **Section V.F.2** as calculated on **Exhibit G** for each Assessed Property.

2. The TIRZ Number 4 Maximum Annual Credit Amount available to reduce the principal and interest portion of the Annual Installment for an Assessed Property is calculated for each Lot Type, as shown on **Exhibit G**. The TIRZ Number 4 Maximum Annual Credit Amount is calculated so that the average Annual Installment for each Lot Type minus the TIRZ Number 4 Maximum Annual Credit Amount for each Lot Type does not produce an equivalent tax rate for such Lot Type which exceeds \$.9325 per \$100 of assessed value based on Estimated Buildout Values at the time Assessment Ordinance is approved. The resulting TIRZ Number 4 Maximum Annual Credit Amount for each Lot Type is shown below:

1. Lot Type 1:	\$1,706
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3. After the TIRZ Number 4 Annual Credit Amount is applied to provide a credit towards the principal and interest portion of the Annual Installment for the Assessed Property, any excess TIRZ Number 4 Revenues available from the Russell Ranch PID Account of the TIRZ Number 4 Fund shall be transferred to the City for any lawfully available use.

SECTION VI: TERMS OF THE ASSESSMENTS

Any reallocation of Assessments as described in **Section VI** shall be considered an administrative action of the City and will not be subject to the notice or public hearing requirements under the PID Act.

A. Reallocation of Assessments

1. Upon Division Prior to Recording of Subdivision Plat

Upon the division of any Assessed Property (without the recording of a subdivision plat), the Administrator shall reallocate the Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Assessed Property

D = the sum of the Estimated Buildout Value for all for the newly divided Assessed Properties

The calculation of the Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Assessed Property, as provided by the Owner, relying on information from homebuilders, market

studies, appraisals, official public records of the County, and any other relevant information regarding the Assessed Property. The Estimated Buildout Value for Lot Type 1 is shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

2. *Upon Subdivision by a Recorded Subdivision Plat*

Upon the subdivision of any Assessed Property based on a recorded subdivision plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots based on Estimated Buildout Value according to the following formula:

$$A = [B \times (C \div D)] / E$$

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the Estimated Buildout Value of all newly subdivided Lots with same Lot Type

D = the sum of the Estimated Buildout Value for all of the newly subdivided Lots excluding Non-Benefitted Property

E = the number of newly subdivided Lots with same Lot Type

Prior to the recording of a subdivision plat, the Owner shall provide the City an Estimated Buildout Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat. The calculation of the Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council in an Annual Service Plan Update, based on Estimated Buildout Value information provided by the Owner, homebuilders, third party consultants, and/or the official public records of the County regarding the Lot. The Estimated Buildout Value for Lot Type 1 is shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly subdivided Parcels shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

3. Upon Consolidation

If two or more Lots or Parcels are consolidated into a single Parcel or Lot, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update immediately following such consolidation.

The Assessment for any resulting Lot will not exceed the Maximum Assessment, shown on **Exhibit E** for the applicable Lot Type, and compliance may require a mandatory Prepayment of Assessments pursuant to **Section VI.B.**

B. Mandatory Prepayment of Assessments

If Assessed Property is transferred to a person or entity that is exempt from payment of the Assessment, the Owner transferring the Assessed Property shall pay to the City the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the transfer. If the Owner of the Assessed Property causes the Assessed Property to become Non-Benefited Property, the Owner causing the change in status shall pay to the City the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the change in status.

C. True-up of Assessments if Maximum Assessment Exceeded

Prior to the approval of a final subdivision plat, the Administrator shall certify that the final plat will not cause the Assessment for any Lot Type to exceed the Maximum Assessment. If the subdivision of any Assessed Property by a final subdivision plat causes the Assessment per Lot for any Lot Type to exceed the applicable Maximum Assessment for such Lot Type, the Owner must partially prepay the Assessment for each Assessed Property that exceeds the applicable Maximum Assessment for such Lot Type. The City's approval of a final subdivision plat without payment of such amounts does not eliminate the obligation of the Owner to pay such Assessments.

D. Reduction of Assessments

If the Actual Costs of completed Authorized Improvements are less than the Assessments, then (1) in the event PID Bonds have not been issued, the Assessments for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the City Council shall reduce the Reimbursement Obligation on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equals the reduced Actual Costs, or (2) in the event that PID Bonds have been issued for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the Trustee shall apply amounts on deposit in the applicable account of the project fund created under the Indenture relating to such series of PID Bonds as directed by the City pursuant to the terms of such Indenture. Such excess PID Bond proceeds may be used for any purpose authorized by such Indenture. The Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds and any related Reimbursement Obligation, as such any Reimbursement Obligation may be reduced pursuant to this Section. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Assessed Properties from the Authorized Improvements completed.

The Administrator shall update (and submit to the City Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments to reflect the reduced Assessments.

E. Prepayment of Assessments

The Owner of the Assessed Property may, at any time, pay all or any part of an Assessment in accordance with the PID Act. Prepayment Costs, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed, or the Annual Service Plan Update has been approved by the City Council prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment on an Assessed Property is prepaid in full, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced to zero on said Assessed Property and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate with respect to said Assessed Property; and (4) the City shall provide the Owner with a recordable "Notice of Assessment Termination," a form of which is included as **Exhibit I**.

If an Assessment on an Assessed Property is prepaid in part, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced to the extent of the Prepayment made

on said Assessed Property and the Assessment Roll revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment will be reduced to the extent of the Prepayment made.

For purposes of the prepayment of Annual Installments, the Reimbursement Obligation is and will remain subordinated to (i) the PID Bonds and (ii) any additional PID Bonds secured by a parity lien on the Assessments issued to refinance all or a portion of the Reimbursement Obligation. Prepayments shall be allocated pro rata to any outstanding PID Bonds and any outstanding Reimbursement Obligation.

F. Payment of Assessment in Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. **F-2** shows the estimated Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

Prior to the recording of a final subdivision plat, if any Parcel shown on the Assessment Roll is assigned multiple tax parcel identification numbers for billing and collection purposes, the Annual Installment shall be allocated pro rata based on the acreage of the Parcel not including any Non-Benefited Property, as shown by Matagorda County Appraisal District for each tax parcel identification number.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. The Annual Collection Costs for a given Assessment shall be paid by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. Annual Installments shall be reduced by any credits applied under an applicable Indenture, such as capitalized interest, interest earnings on account balances, and any other funds available to the Trustee for such purposes. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes due and owing to the City. To the extent permitted by the PID Act or other applicable law, the City Council may provide for other means of collecting Annual Installments, but in no case shall the City take any action, or fail to take any action, that would cause it to be in default under any Indenture. Assessments shall have the lien priority specified in the PID Act.

Sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed

Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay any of the remaining unpaid Annual Installments as they become due and payable.

The City reserves the right to refund PID Bonds in accordance with applicable law, including the PID Act. In the event of a refunding, the Administrator shall recalculate the Annual Installments so that total Annual Installments will be sufficient to pay the refunding bonds, and the refunding bonds shall constitute "PID Bonds."

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments shall be due when billed and shall be delinquent if not paid prior to February 1, 2025.

Failure of an owner of an Assessed Property to receive an invoice for an Annual Installment shall not relieve the Owner of the responsibility for payment of the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs.

G. Prepayment as a result of Eminent Domain Proceeding or Taking

Subject to applicable law, If any portion of any Parcel of Assessed Property is taken from an Owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a "Taking"), the portion of the Assessed Property that was taken or transferred (the "Taken Property") shall be reclassified as Non-Benefited Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property) (the "Remaining Property") following the reclassification of the Taken Property as Non-Benefited Property, subject to an adjustment of the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The Owner of the Remaining Property will remain liable to pay in Annual Installments, or payable as otherwise provided by this 2024 Amended and Restated Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if that remains due on the Remaining Property exceeds the applicable Maximum Assessment, the Owner of the Remaining Property will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed such Maximum Assessment, in

which case the Assessment applicable to the Remaining Property will be reduced by the amount of the partial Prepayment. If the City receives all or a portion of the eminent domain proceeds (or payment made in an agreed sale in lieu of condemnation), such amount shall be credited against the amount of Prepayment, with any remainder credited against the Assessment on the Remaining Property.

In all instances the Assessment remaining on the Remaining Property shall not exceed the applicable Maximum Assessment.

By way of illustration, if an Owner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefited Property and the remaining 90 acres constituting the Remaining Property shall be subject to the \$100 Assessment, (provided that this \$100 Assessment does not exceed the Maximum Assessment on the Remaining Property). If the Administrator determines that the \$100 Assessment reallocated to the Remaining Property would exceed the Maximum Assessment, as applicable, on the Remaining Property by \$10, then the Owner shall be required to pay \$10 as a Prepayment of the Assessment against the Remaining Property and the Assessment on the Remaining Property shall be adjusted to \$90.

Notwithstanding the previous paragraphs in this subsection if the Owner of the Remaining Property notifies the City and the Administrator that the Taking prevents the Remaining Property from being developed for any use which could support the Estimated Buildout Value requirement, the Owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Assessment required to buy down the outstanding Assessment to the applicable Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirement. The Owner will remain liable to pay the Assessment on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

Notwithstanding the previous paragraphs in this subsection, the Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

H. Allocating Annual Installments if Assessed Property is Sold

If Assessed Property is sold, the Annual Installment shall be allocated between the buyer and seller in the same methodology as property taxes.

SECTION VII: ASSESSMENT ROLL

The Assessment Roll is attached as **Exhibit F-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Assessment Roll and Annual

Installments for each Parcel as part of each Annual Service Plan Update. The Initial Parcels shown on the Assessment Roll will receive the bills for the 2025 Annual Installments which will be delinquent if not paid by January 31, 2025.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the owner of a Parcel claims that error has been made in any calculation required by this Service and Assessment Plan, including, but not limited to, any calculation made as part of any Annual Service Plan Updates, the owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1st of each year following City Council's approval of the calculation. Otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. The Administrator shall provide a written response to the City Council and the owner not later than 30 days after receipt of such written notice of error by the Administrator. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and, not later than 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this Service and Assessment Plan, the applicable Assessment Ordinance, the applicable Indenture, or as otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

B. Termination of Assessments

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the Owner of the affected Assessed Property a recordable "Notice of Assessment Termination," attached hereto as **Exhibit I**.

C. Amendments

Amendments to this Service and Assessment Plan must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this Service and Assessment Plan may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect

Assessments, Annual Installments, and other charges imposed by this Service and Assessment Plan.

D. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this Service and Assessment Plan. Interpretations of this Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners or developers of the Assessed Property adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public meeting at which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners of Assessed Property and their successors and assigns.

E. Form of Buyer Disclosure; Filing in Real Property Records

Within seven days of approval by the City Council, the City Secretary shall file and record in the official public records of the County the executed Assessment Ordinance and this Service and Assessment Plan. In addition, the City Secretary shall similarly file each Annual Service Plan Update approved by the City Council, with each such filing to occur within seven days of the date each respective Annual Service Plan Update is approved.

F. Severability

If any provision of this Service and Assessment Plan is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

LIST OF EXHIBITS

The following Exhibits are attached to and made a part of this Service and Assessment Plan for all purposes:

Exhibit A	Map of the District
Exhibit B	Authorized Improvements
Exhibit C	Service Plan
Exhibit D	Sources and Uses of Funds
Exhibit E	Maximum Assessment and Tax Rate Equivalent
Exhibit F-1	Assessment Roll
Exhibit F-2	Annual Installments
Exhibit G	TIRZ Number 4 Maximum Annual Credit Amount
Exhibit H-1	Maps of Public Improvements
Exhibit H-2	Maps of Private Improvements
Exhibit I	Form of Notice of Assessment Termination
Exhibit J	District Legal Description

LIST OF APPENDICES

The following Appendices are attached to and made a part of this Service and Assessment Plan for all purposes:

Appendix A	District Engineer's Report
Appendix B	Buyer Disclosures

EXHIBIT A – MAP OF THE DISTRICT

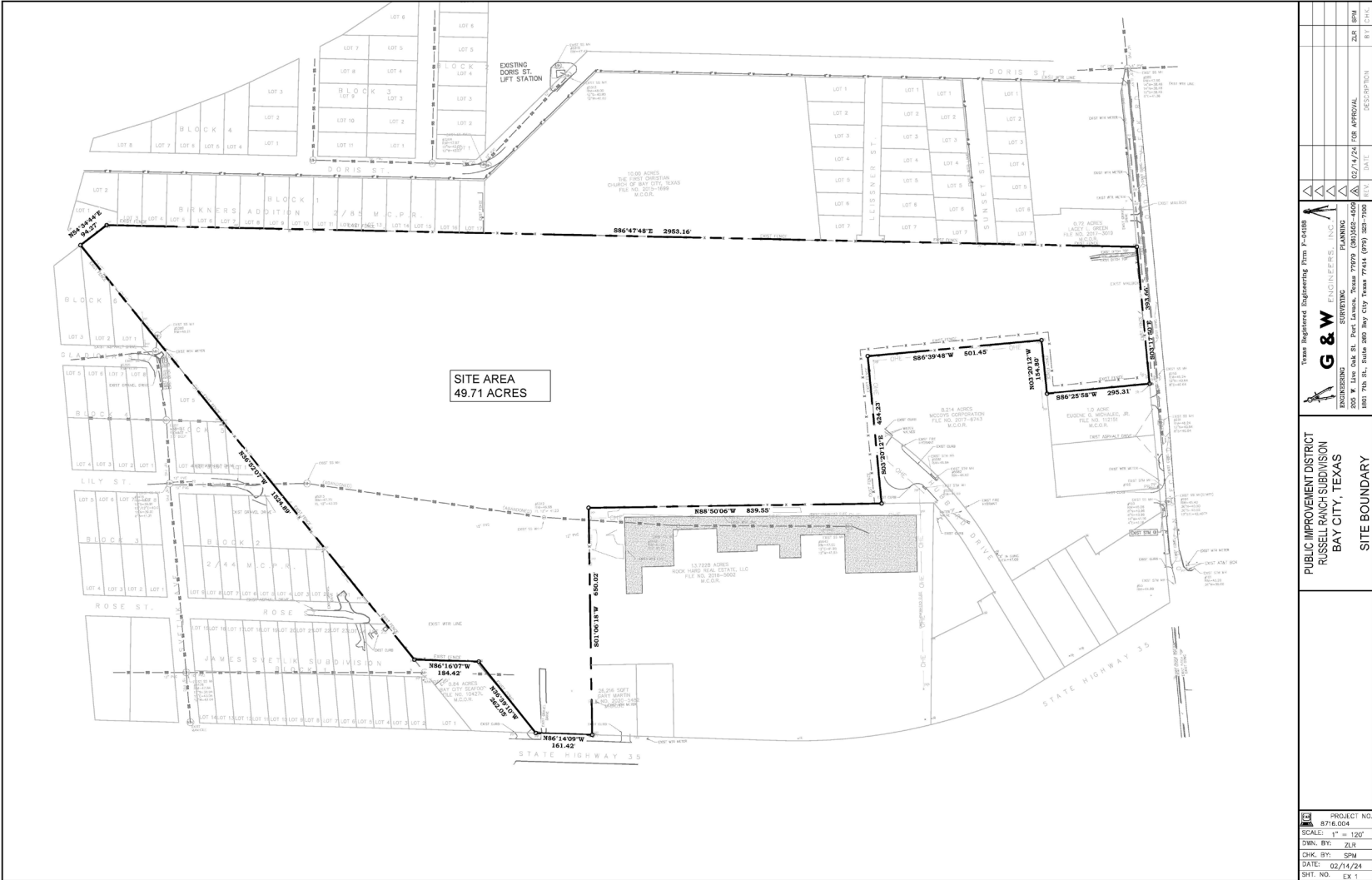


EXHIBIT B – AUTHORIZED IMPROVEMENTS

	Total Costs ^[a]	Private Improvements		District	
		%	\$	%	\$
Public Improvements					
Roadways	\$ 2,062,206	0.00%	\$ -	100.00%	\$ 2,062,206
Water	565,473	0.00%	-	100.00%	565,473
Sanitary Sewer	725,636	0.00%	-	100.00%	725,636
Drainage	2,160,244	0.00%	-	100.00%	2,160,244
Detention	1,024,000	0.00%	-	100.00%	1,024,000
Landscaping, Irrigation & Sign	40,000	0.00%	-	100.00%	40,000
Contingency	252,096	0.00%	-	100.00%	252,096
Soft Costs ^[b]	1,170,229	0.00%	-	100.00%	1,170,229
	<u>\$ 7,999,884</u>		<u>\$ -</u>		<u>\$ 7,999,884</u>
Private Improvements ^[c]					
Roadways	\$ 221,190	100.00%	\$ 221,190	0.00%	\$ -
Landscaping, Irrigation & Sign	28,000	100.00%	28,000	0.00%	-
Drainage	378,500	100.00%	378,500	0.00%	-
Detention	50,000	100.00%	50,000	0.00%	-
Contingency	78,797	100.00%	78,797	0.00%	-
Soft Costs ^[b]	512,343	100.00%	512,343	0.00%	-
	<u>\$ 1,268,830</u>		<u>\$ 1,268,830</u>		<u>\$ -</u>
Bond Issuance Costs ^[d]					
Debt Service Reserve Fund	\$ 819,364		\$ -		\$ 819,364
Capitalized Interest	413,712		-		413,712
Underwriter Discount	286,920		-		286,920
Cost of Issuance	573,840		-		573,840
	<u>\$ 2,093,836</u>		<u>\$ -</u>		<u>\$ 2,093,836</u>
Other Costs					
	-				
Deposit to Administrative Fund	30,000		\$ -		\$ 30,000
	<u>\$ 30,000</u>		<u>\$ -</u>		<u>\$ 30,000</u>
Total	\$ 11,392,550		\$ 1,268,830		\$ 10,123,720

Footnotes:

[a] Costs were determined by the Engineer's Report attached hereto as **Appendix A**.

[b] Soft Costs include Engineering & Surveying, Project Management Costs and Contingency.

[c] Private Improvements will be funded privately by the Owner or Developer and are not reimbursable by PID Bonds or Assessments.

[d] Bond Issuance Costs are subject to change upon issuance of future PID Bonds issued to fund the Reimbursement Obligation.

EXHIBIT C – SERVICE PLAN

		District					
Annual Installments Due		1/31/2025	1/31/2026	1/31/2027	1/31/2028	1/31/2029	
<i>Reimbursement Obligation</i>							
Principal		\$ 102,347	\$ 109,449	\$ 117,045	\$ 125,168	\$ 133,855	
Interest		663,742	656,639	649,043	640,920	632,233	
	(1)	\$ 766,088	\$ 766,088	\$ 766,088	\$ 766,088	\$ 766,088	
Additional Interest ^[a]	(2)	\$ -	\$ -	\$ -	\$ -	\$ -	
Annual Collection Costs	(3)	\$ 30,000	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473	
Total Annual Installments	(4) = (1) + (2) + (3)	\$ 796,088	\$ 796,688	\$ 797,300	\$ 797,924	\$ 798,561	

Footnotes:

[a] Additional Interest will not be charged on the Assessment until PID Bonds are issued.

EXHIBIT D – SOURCES AND USES OF FUNDS

	District
Sources of Funds	
Reimbursement Obligation	9,564,000
Owner Contribution - Private Improvements ^[a]	1,268,830
Owner Contribution ^[b]	559,720
Total Sources of Funds	\$ 11,392,550
Uses of Funds	
Public Improvements	\$ 7,999,884
Private Improvements	1,268,830
	<u>\$ 9,268,714</u>
<i>Bond Issuance Costs</i>	
Debt Service Reserve Fund	\$ 819,364
Capitalized Interest	413,712
Underwriter Discount	286,920
Cost of Issuance	573,840
	<u>\$ 2,093,836</u>
<i>Other Costs</i>	
Deposit to Administrative Fund	30,000
	<u>\$ 30,000</u>
Total Uses of Funds	\$ 11,392,550

Footnotes:

[a] Private Improvements will be funded privately by the Owner or Developer and are not reimbursable by PID Bonds or Assessments.

[b] Non-reimbursable to Owner.

[c] Bond Issuance Costs are subject to change upon issuance of future PID Bonds to finance the Reimbursement Obligation.

EXHIBIT E – MAXIMUM ASSESSMENT

Lot Type	Units ^[a]	Estimated Buildout Value ^[a]		District Assessment		Total Maximum Assessment		Maximum Annual Installment		Value to Lien Per Finished	TRE
		Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Lot Value	
1	192	\$ 275,000	\$ 52,800,000	\$ 49,813	\$ 9,564,000	\$49,813	\$ 9,564,000	\$ 4,268	\$ 819,364	1.205	\$ 1.5518
Total/Weighted Average	192		52,800,000		\$ 9,564,000		\$ 9,564,000		\$ 819,364	1.205	

Footnotes:

[a]Per Developer as of May 15, 2024

EXHIBIT F-1 – ASSESSMENT ROLL

Property ID	Address	District ^[a]					
		Outstanding Assessment ^[b]	Principal	Interest	Additional Interest	Annual Collection Costs	Annual Installment Due 1/31/2025 ^[c]
19964	Initial Parcel	\$ 8,511,960.00	\$ 91,088.46	\$ 590,730.02	\$ -	\$ 26,700.00	\$ 708,518.49
19988	Initial Parcel	\$ 1,052,040.00	\$ 11,258.12	\$ 73,011.58	\$ -	\$ 3,300.00	\$ 87,569.70
Improvement Area #1 Total		\$ 9,564,000.00	\$ 102,346.59	\$ 663,741.60	\$ -	\$ 30,000.00	\$ 796,088.19

Footnotes:

[a] Totals may not match the total Outstanding Assessment or Annual Installment due to rounding.

[b] The total Outstanding Assessment represents the amount secured by a Reimbursement Obligation.

[c] For billing purposes, the Annual Installment for the District Initial Parcels are allocated pro rata to the Property IDs based on acreage.

EXHIBIT F-2 – ANNUAL INSTALLMENTS

	Reimbursement Obligation				
Installment Due 1/31	Principal	Interest ^[a]	Additional Interest ^[b]	Annual Collection Costs	Total Annual Installment Due ^[c]
2025	\$ 102,347	\$ 663,742	\$ -	\$ 30,000	\$ 796,088
2026	\$ 109,449	\$ 656,639	\$ -	\$ 30,600	\$ 796,688
2027	\$ 117,045	\$ 649,043	\$ -	\$ 31,212	\$ 797,300
2028	\$ 125,168	\$ 640,920	\$ -	\$ 31,836	\$ 797,924
2029	\$ 133,855	\$ 632,233	\$ -	\$ 32,473	\$ 798,561
2030	\$ 143,144	\$ 622,944	\$ -	\$ 33,122	\$ 799,211
2031	\$ 153,079	\$ 613,010	\$ -	\$ 33,785	\$ 799,873
2032	\$ 163,702	\$ 602,386	\$ -	\$ 34,461	\$ 800,549
2033	\$ 175,063	\$ 591,025	\$ -	\$ 35,150	\$ 801,238
2034	\$ 187,213	\$ 578,876	\$ -	\$ 35,853	\$ 801,941
2035	\$ 200,205	\$ 565,883	\$ -	\$ 36,570	\$ 802,658
2036	\$ 214,099	\$ 551,989	\$ -	\$ 37,301	\$ 803,389
2037	\$ 228,958	\$ 537,130	\$ -	\$ 38,047	\$ 804,135
2038	\$ 244,848	\$ 521,241	\$ -	\$ 38,808	\$ 804,896
2039	\$ 261,840	\$ 504,248	\$ -	\$ 39,584	\$ 805,673
2040	\$ 280,012	\$ 486,077	\$ -	\$ 40,376	\$ 806,464
2041	\$ 299,444	\$ 466,644	\$ -	\$ 41,184	\$ 807,272
2042	\$ 320,226	\$ 445,862	\$ -	\$ 42,007	\$ 808,095
2043	\$ 342,450	\$ 423,639	\$ -	\$ 42,847	\$ 808,936
2044	\$ 366,216	\$ 399,873	\$ -	\$ 43,704	\$ 809,793
2045	\$ 391,631	\$ 374,457	\$ -	\$ 44,578	\$ 810,667
2046	\$ 418,810	\$ 347,278	\$ -	\$ 45,470	\$ 811,558
2047	\$ 447,876	\$ 318,213	\$ -	\$ 46,379	\$ 812,468
2048	\$ 478,958	\$ 287,130	\$ -	\$ 47,307	\$ 813,395
2049	\$ 512,198	\$ 253,890	\$ -	\$ 48,253	\$ 814,341
2050	\$ 547,744	\$ 218,344	\$ -	\$ 49,218	\$ 815,306
2051	\$ 585,758	\$ 180,330	\$ -	\$ 50,203	\$ 816,291
2052	\$ 626,409	\$ 139,679	\$ -	\$ 51,207	\$ 817,295
2053	\$ 669,882	\$ 96,206	\$ -	\$ 52,231	\$ 818,319
2054	\$ 716,372	\$ 49,716	\$ -	\$ 53,275	\$ 819,364
Total	\$ 9,564,000	\$ 13,418,646	\$ -	\$ 1,217,042	\$ 24,199,688

Footnotes:

[a] Interest on the Reimbursement Obligation is calculated at a rate of 6.94% which is less than 2% above the S&P Municipal Bond High Yield Index which was 5.58% as of June 27, 2024, as required by the PID Act. If PID Bonds are issued, the interest rate on the Assessment will adjust to the interest rate on the Bonds plus the Additional Interest.

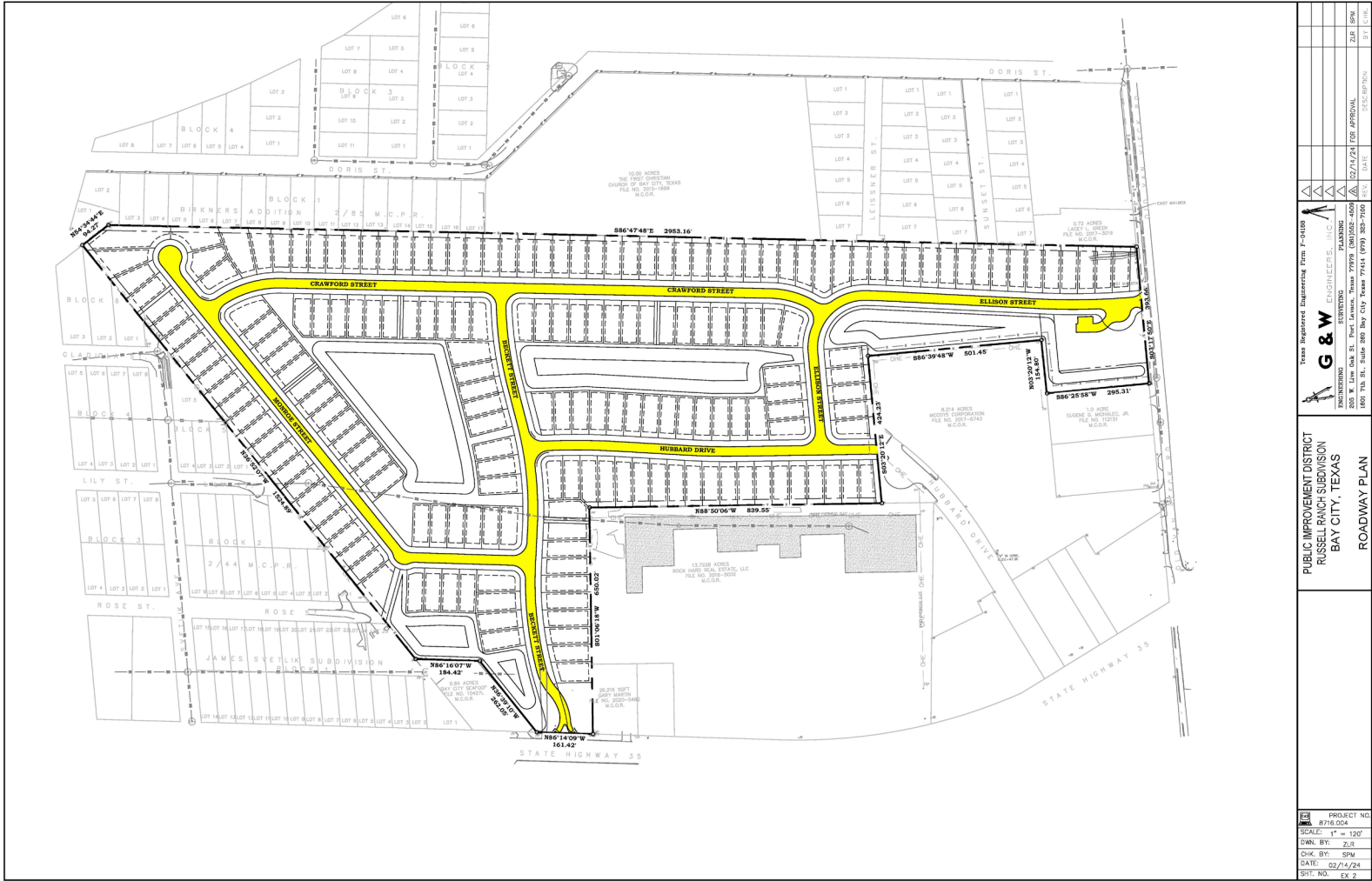
[b] Additional Interest will be collected if PID Bonds are issued.

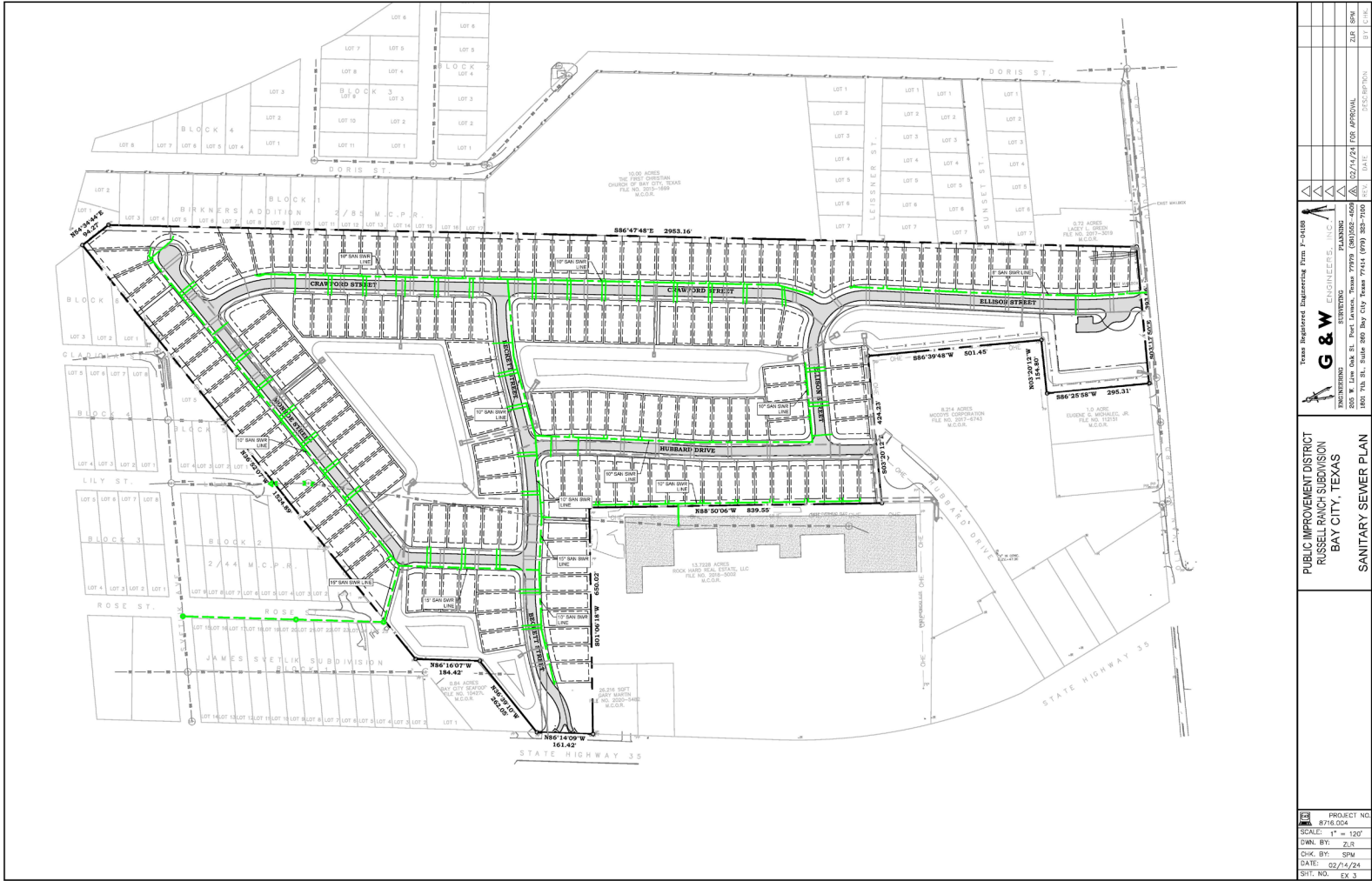
[c] Excludes the TIRZ Annual Credit Amount which will be calculated annually in each Annual Service Plan Update. The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

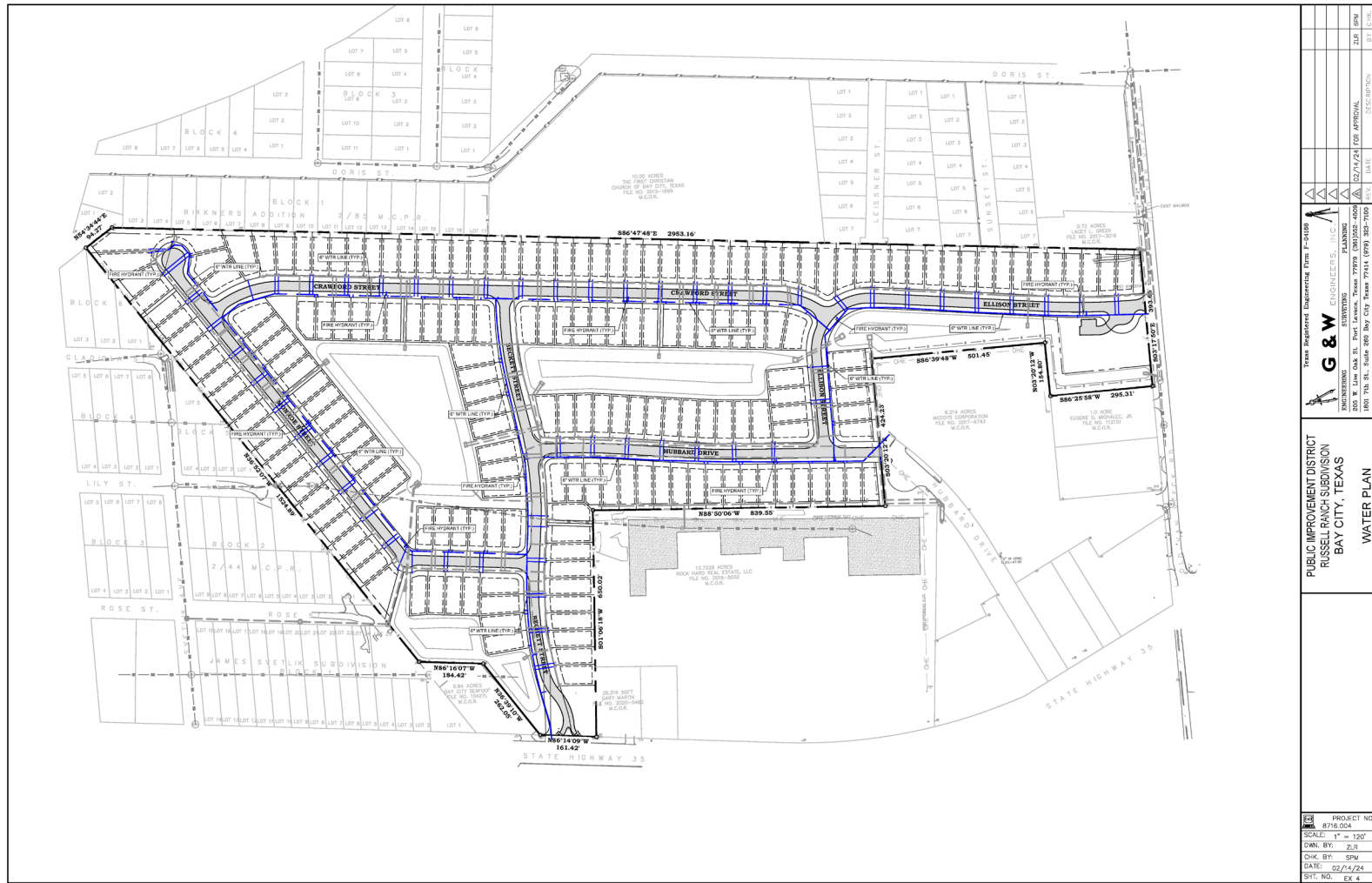
EXHIBIT G – TIRZ NUMBER 4 MAXIMUM ANNUAL CREDIT AMOUNT

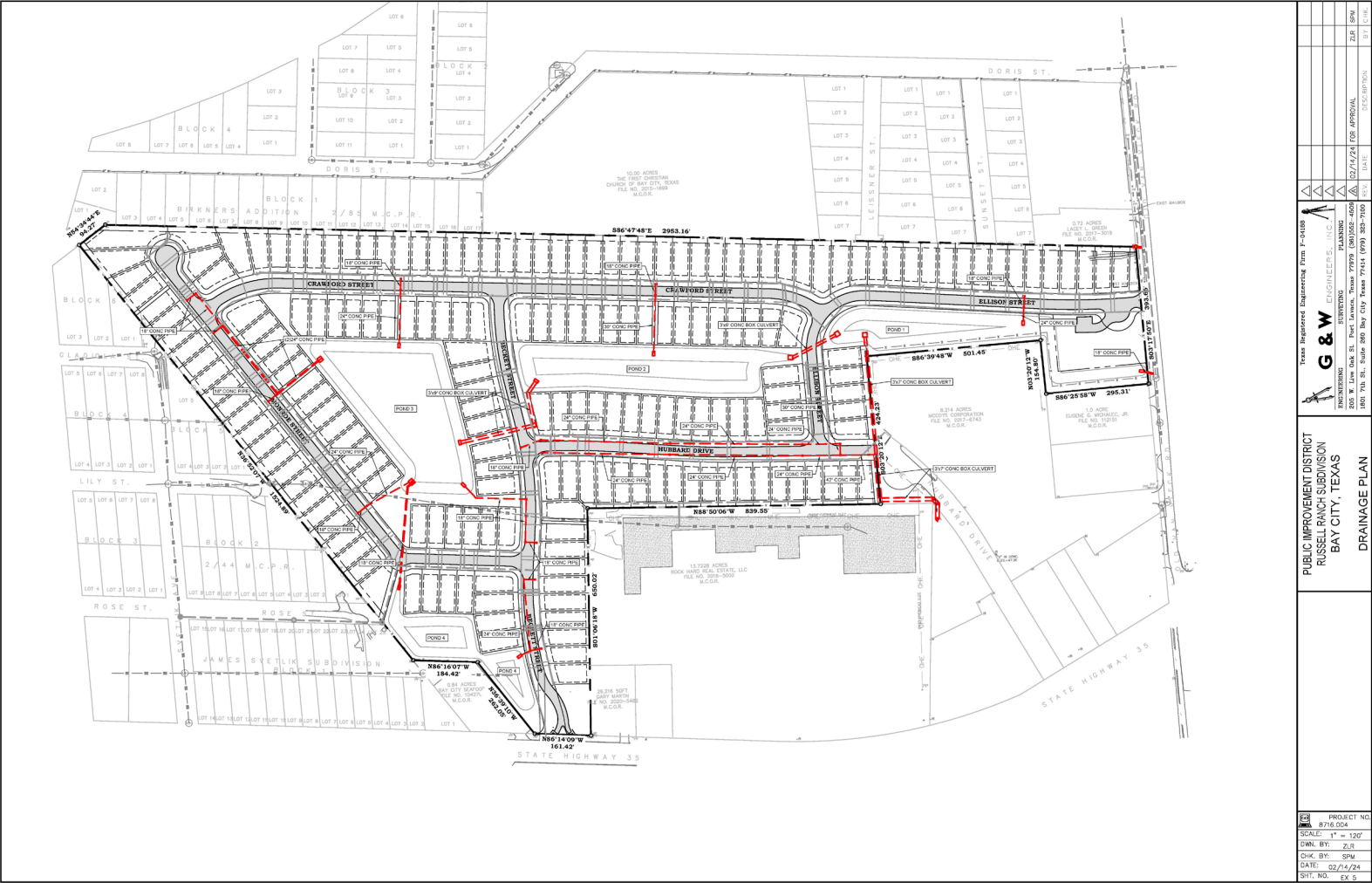
Lot Type	Units	TIRZ No. 4 Maximum Annual Credit Amount		Annual Installment Per Unit Pre-TIRZ Credit	Net Annual Installment Per Unit	Net District Tax Rate Equivalent
		Amount	Per Unit			
Lot Type 1	192	\$ 0.6203	\$ (1,706)	\$ 4,268	\$ 2,562	\$ 0.9315
Total	192	\$ (327,529)				

EXHIBIT H-1 – MAPS OF PUBLIC IMPROVEMENTS









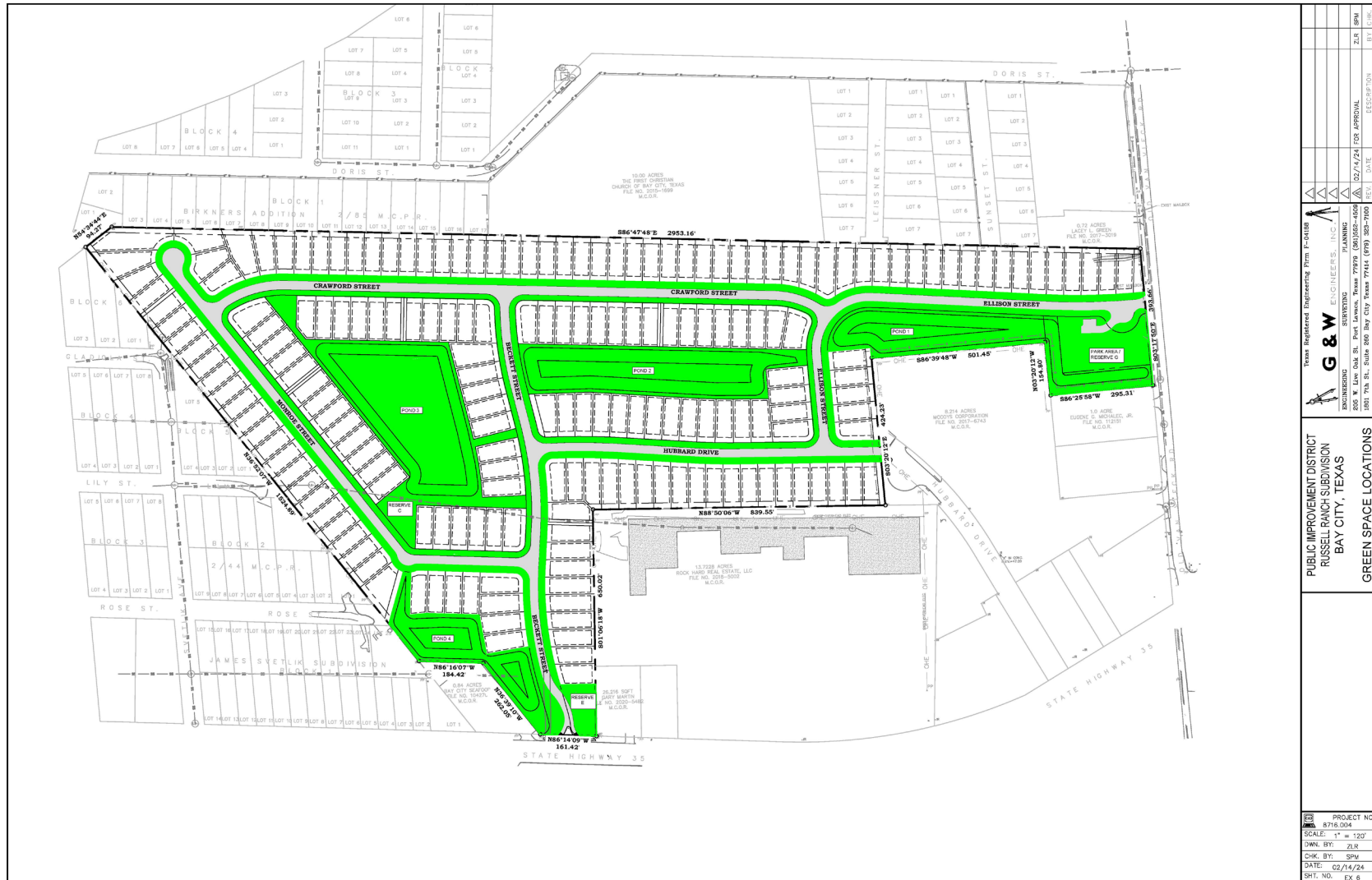


EXHIBIT H-2 – MAPS OF PRIVATE IMPROVEMENTS

[TO BE PROVIDED BY DEVELOPER]

[TO BE PROVIDED BY DEVELOPER]

[TO BE PROVIDED BY DEVELOPER]

[TO BE PROVIDED BY DEVELOPER]

EXHIBIT I – FORM OF NOTICE OF ASSESSMENT TERMINATION



P3Works, LLC
9284 Huntington Square, Suite 100
North Richland Hills, TX 76182

[Date]
Matagorda County Civil Courthouse
[County Clerk Name]
1700 7th Street, Room 202
Bay City, Texas 77414

Re: City of Bay City Lien Release documents for filing

Dear Ms./Mr. [County Clerk Name],

Enclosed is a lien release that the City of Bay City is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents below:

City of Bay City
Attn: City Secretary
1901 Fifth Street N.
Bay City, Texas 77414

Please contact me if you have any questions or need additional information.

Sincerely,
[Signature]

P3Works, LLC
P: (817)393-0353
admin@p3-works.com

AFTER RECORDING RETURN TO:

[City Secretary]
City of Bay City
1901 Fifth Street N
Bay City, Texas 77414

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN

STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF MATAGORDA	§	

THIS FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN (this "Full Release") is executed and delivered as of the Effective Date by the City of Bay City, Texas.

RECITALS

WHEREAS, the governing body (hereinafter referred to as the "City Council") of the City of Bay City, Texas (hereinafter referred to as the "City"), is authorized by Chapter 372, Texas Local Government Code, as amended (hereinafter referred to as the "Act"), to create public improvement districts within the corporate limits and extraterritorial jurisdiction of the City; and

WHEREAS, on or about April 18, 2022, the City Council for the City, approved Resolution No. 2022-10, creating the Russell Ranch Public Improvement District; and

WHEREAS, the Russell Ranch Public Improvement District consists of approximately 49.71 contiguous acres located within the City; and

WHEREAS, on or about August 13, 2024, the City Council, approved Ordinance No. _____, (hereinafter referred to as the "Assessment Ordinance") approving a service and assessment plan and assessment roll for the Property within the Russell Ranch Public Improvement District; and

WHEREAS, the Assessment Ordinance imposed an assessment in the amount of \$ _____. (hereinafter referred to as the "Lien Amount") for the following property:

[legal description], a subdivision in Matagorda County, Texas, according to the map or plat of record in Document/Instrument No. _____ of the Plat Records of Matagorda County, Texas (hereinafter referred to as the "Property"); and

WHEREAS, the property owners of the Property have paid unto the City the Lien Amount.

RELEASE

NOW THEREFORE, the City, the owner and holder of the Lien, as established by Ordinance No. _____, which levied the Assessment in the amount of the Lien Amount against the Property releases and discharges, and by these presents does hereby release and discharge, the above-described Property from said lien held by the undersigned securing said indebtedness.

EXECUTED to be **EFFECTIVE** this the ____ day of _____, 20__.

CITY OF BAY CITY, TEXAS,

By: _____
[Name], [Title]

ATTEST:

[Secretary Name], City Secretary

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____, 20__, by [Name], [Title] for the City of Bay City, Texas, on behalf of said municipality.

Notary Public, State of Texas

EXHIBIT J – DISTRICT LEGAL DESCRIPTION

EXHIBIT A:

Legal Description of land:

49.7981 acres, more or less, BEING THE REMAINDER OF:

73.90210 acres of land out of the I&GN RR Co Survey 2, Block 4, Abstract No. 270 and the I&GN RR Co Survey 1, Block 4, Abstract 271, Matagorda County, Texas and being the same land conveyed to A. Uher by Deed dated February 20, 1937 as recorded in Volume 116 at Page 516 of the Deed Records of Matagorda County, Texas and a Deed from The Gulf Coast Water Co. to A. Uher dated June 14, 1937, recorded in Volume 120 at Page 402, Deed Records of Matagorda County, Texas and a Deed from G. A. Bailey to A. Uher dated April 10, 1950, recorded in Volume 214 at Page 28, Deed Records, Matagorda County, Texas.

LESS AND EXCEPT:

0.70 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

12.70 acres out of the I&GN RR Co Survey 1, Block 4, Abstract 271

0.41 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

1.08 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

0.938 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

8.214 acre out of the out of the I&GN RR Co Survey 2, Block 4, Abstract No. 270 and the I&GN RR Co Survey 1, Block 4, Abstract No. 271

APPENDIX A – DISTRICT ENGINEER’S REPORT



205 W. Live Oak • Port Lavaca, TX 77979 • p: (361)552-4509 • f: (361)552-4987
Texas Firm Registration No. F04188

Public Improvement District Engineer’s Report

Russell Ranch Subdivision (RRS)

March 28, 2024

Introduction

Russell Ranch Subdivision (RRS) is a proposed master planned subdivision by Crescent Capital Investments, LLC. The planned subdivision has a total of 193 single family residential lots. The subdivision is located approximately 1,400 LF west of the intersection of state highway 35 and FM 457. The subdivision will also include several open spaces, a recreational park, and four flood control detention ponds. The water and sanitary sewer utility services will be provided by the City of Bay City and the improvements are anticipated to be funded by the PID.

The improvement area consists of the proposed 49.71 acre subdivision and is planned to be completed in one single phase.

This report includes the supporting documentation for the formation of the PID and the issuance of the Improvement Area bonds by the City of Bay City. The bonds are to be used to finance the public infrastructure items listed below that are necessary for buildout of the development.

Development Improvements

- Roadways
This item includes the construction of the proposed local streets of the subdivision. Improvements to include erosion control measures, earthwork, subgrade stabilization, concrete pavement with curb and gutter, concrete sidewalk segments with ADA ramps, signage, lighting, and construction testing
- Sanitary Sewer
Improvements to include erosion control measures, earthwork, trench excavation and embedment, trench safety, pipe installation, manholes, service connections, testing and all necessary appurtenances constructed to the City of Bay City standards required to provide wastewater service to improvements area.

In addition to the construction of the subdivision the improvement area includes the removal of existing manholes as well as the re-routing of existing sanitary sewer mains to maintain a better flow that crosses the proposed subdivision site.

Engineering • Consulting • Planning • Surveying

- **Water**

Improvement to include Earthwork, erosion control measures, trench safety, trench excavation and embedment, pipe installation, fire hydrant assemblies, valves, service connections, testing and all necessary appurtenances to meet the construction standards of the City of Bay City.

- **Drainage**

Improvements to include earthwork, erosion control measures, trench excavation and embedment, trench safety, pipe installation, curb inlets, box culverts, manholes and junction boxes, headwalls, testing and all necessary appurtenances constructed to the City of Bay City standards required to provide drainage service to Improvements Area.

Also included are channels, temporary and permanent flood control detention ponds, clearing, excavation, piping for inbound and outbound drainage lines and outlet structures.

- **Landscaping, Parks & Amenities**

Improvements Area includes an entry monumentation along state highway 35 with planting beds and landscaping at the entry monument, sidewalks, irrigation, amenity center site, park lots in addition to landscaped areas and grass covered areas within the subdivision. These improvements include erosion control measures, earthwork, site improvements, planting and vegetation

- **Soft Costs**

Costs related to designing, constructing, installing, and financing the Improvement Area improvements, including land planning and design, City fees, engineering, soil testing, survey, construction management, legal fees, consultant fees, contingency, inspection fees, district formation costs, and other PID costs incurred and paid by the Developer.

Development Costs

An Engineers' Opinion of Probable Cost (OPC) has been prepared for Improvements Area improvements described above and is included as the Public Improvement District Cost Estimate. The Opinion of Probable Cost is based on contractor pricing and G&W Engineers' reasonable professional judgment and experience and does not constitute a warranty, expressed or implied. Actual costs may vary.


Development and Construction Schedule

Construction Phase:

- Construction commenced
- Complete Construction: Quarter 2 of 2024

Thank you for your review of this letter and the associated plat and related information. Should you have any questions or wish to discuss this submittal in detail, please contact me at smason@gwengineers.com.

Sincerely,



Scott P. Mason, P.E.
Lead Project Engineer
G&W Engineers, Inc.

EXHIBIT A:

Legal Description of land:

49.7981 acres, more or less, BEING THE REMAINDER OF:

73.90210 acres of land out of the I&GN RR Co Survey 2, Block 4, Abstract No. 270 and the I&GN RR Co Survey 1, Block 4, Abstract 271, Matagorda County, Texas and being the same land conveyed to A. Uher by Deed dated February 20, 1937 as recorded in Volume 116 at Page 516 of the Deed Records of Matagorda County, Texas and a Deed from The Gulf Coast Water Co. to A. Uher dated June 14, 1937, recorded in Volume 120 at Page 402, Deed Records of Matagorda County, Texas and a Deed from G. A. Bailey to A. Uher dated April 10, 1950, recorded in Volume 214 at Page 28, Deed Records, Matagorda County, Texas.

LESS AND EXCEPT:

0.70 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

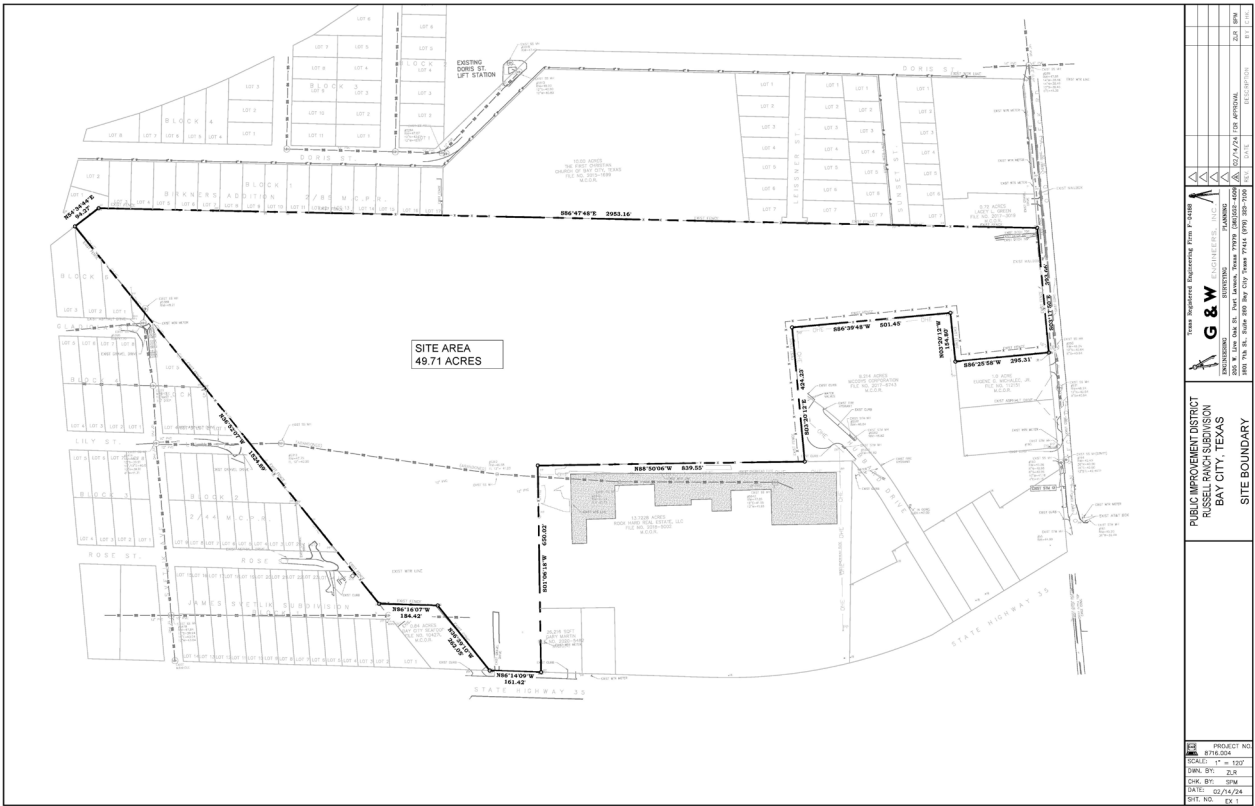
12.70 acres out of the I&GN RR Co Survey 1, Block 4, Abstract 271

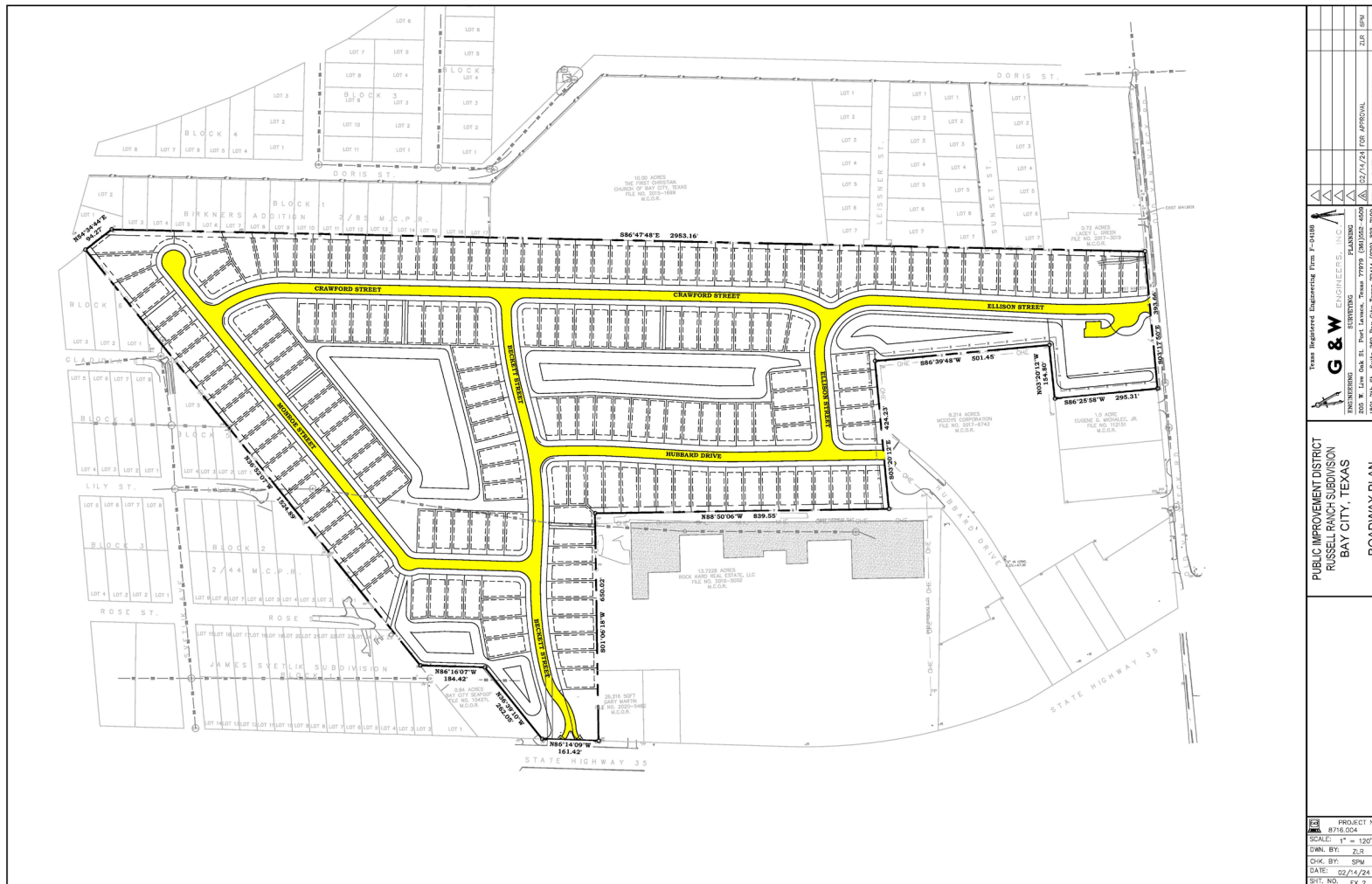
0.41 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

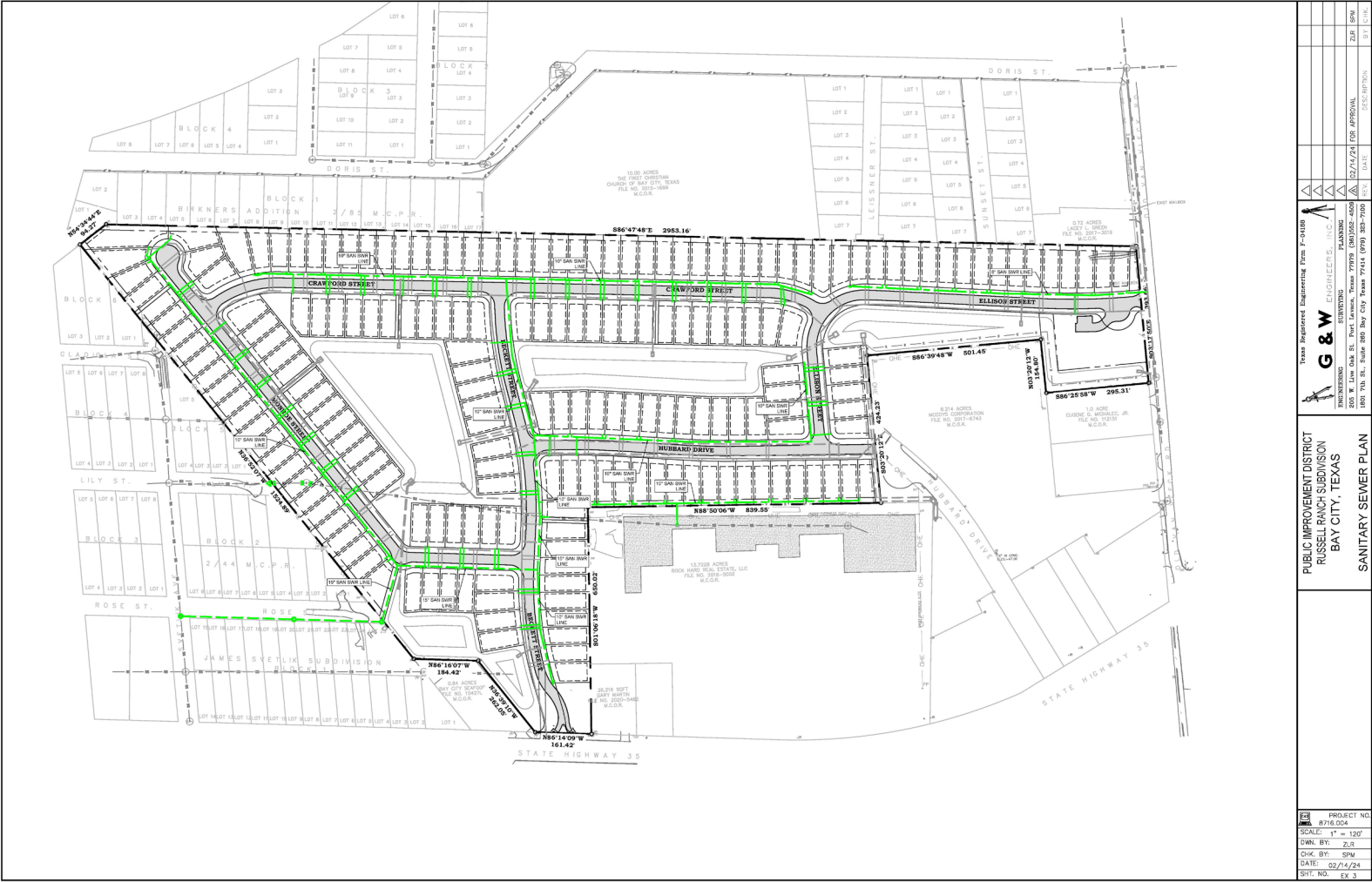
1.08 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

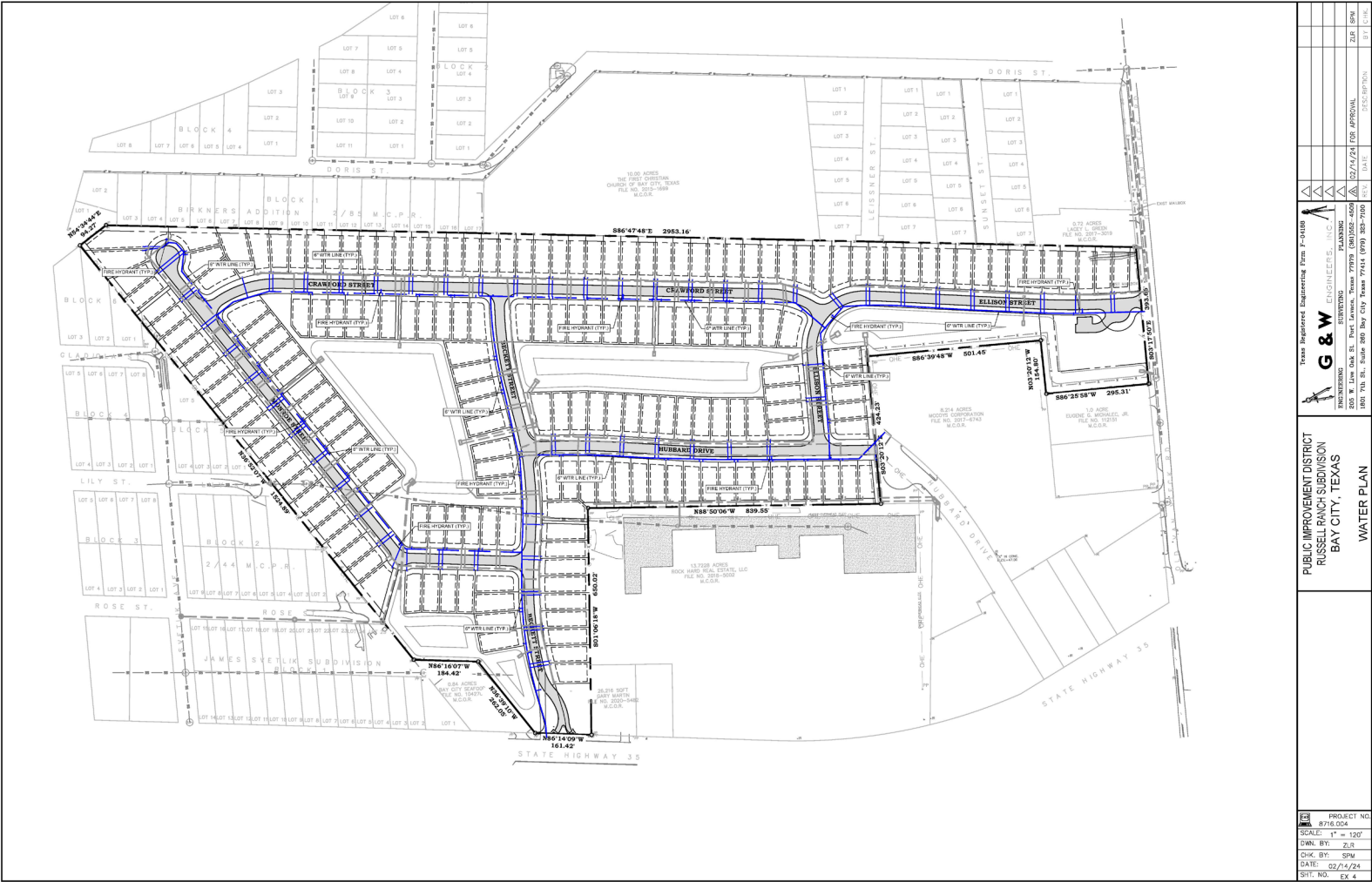
0.938 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

8.214 acre out of the out of the I&GN RR Co Survey 2, Block 4, Abstract No. 270 and the I&GN RR Co Survey 1, Block 4, Abstract No. 271

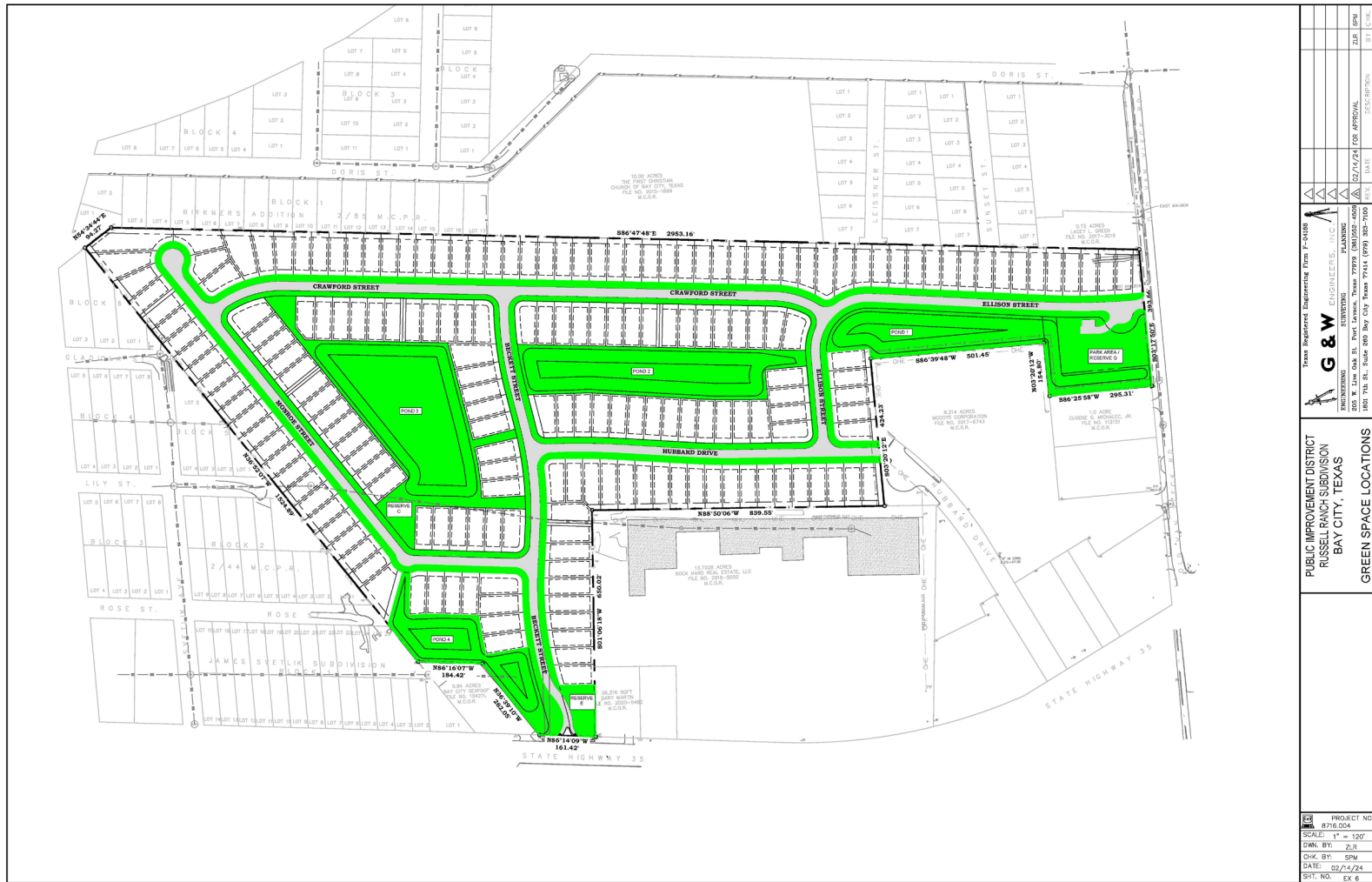












ENGINEER'S OPINION OF PROBABLE COST (EOPC)
 G Engineers, Inc. TREF# F-4188 (361) 552-4509
 Date: July 18, 2023

Preliminary PID Estimate Summary
 BAY CITY, TEXAS STATE HWY 35
 49.8 Acre Site
 Russell Ranch Development
 9/22/2021

Revised
 PID Estimate
 7/18/2023



Work Classification	Itemized Total Amount	Division Total Amount	Public Costs	Private Costs	Itemized Total Amount	Public Costs	Private Costs
PRELIMINARY SITE COSTS							
Boundary Survey	\$8,000.00		8,000.00	0.00	8,941.00	8,941.00	0.00
Topo Survey	6,000.00		6,000.00	0.00	6,000.00	6,000.00	0.00
Platting Documents and Full Site Survey	50,000.00		50,000.00	0.00	50,000.00	50,000.00	0.00
Phase I	12,000.00		12,000.00	0.00	12,000.00	12,000.00	0.00
Traffic Study (required by TX-DOT for new curb cut approval)	15,000.00		0.00	15,000.00	0.00	0.00	0.00
TX-DOT Variance Request (work done by G&M Engineering)	2,500.00		0.00	2,500.00	2,500.00	0.00	2,500.00
TX-DOT Permit Submittal Package Fee for New Curb Cut on I35	5,000.00		0.00	5,000.00	5,000.00	0.00	5,000.00
TX DOT Permit (per TX-DOT no fee)	0.00		0.00	0.00	0.00	0.00	0.00
Preliminary Pond Evaluation & Storm Design Recommendation for District 1 Engineer	12,500.00		12,500.00	0.00	12,500.00	12,500.00	0.00
District One Review Fees	3,600.00		3,600.00	0.00	9,963.00	9,963.00	0.00
Updated/New Geotechnical Investigation	15,000.00		15,000.00	0.00	15,000.00	15,000.00	0.00
Re-Zoning Fees (no re-zoning required per Maddox Properties)	0.00		0.00	0.00	0.00	0.00	0.00
META - Preliminary Site Plan	5,000.00		0.00	5,000.00	3,738.00	0.00	3,738.00
SWPPP Report and Permit for The City of Bay City	10,000.00		10,000.00	0.00	0.00	0.00	0.00
Easement Abandonment Fees (if required)	10,000.00		0.00	10,000.00	10,000.00	10,000.00	0.00
Create New Utility Easements	10,000.00		10,000.00	0.00	10,000.00	10,000.00	0.00
Total Preliminary Site Costs:		\$164,600.00	\$127,100.00	\$37,500.00	\$145,642.00	\$134,404.00	\$11,238.00
SITE CLEARING							
Removal of Trees and Clearing	\$300,000.00		84,350.00	215,650.00	298,900.00	85,400.00	213,500.00
Erosion Control, Construction Ingress and Egress	25,000.00		25,000.00	0.00	22,950.00	22,950.00	0.00
SWPPP Plan, Installation and Maintenance	10,000.00		10,000.00	0.00	0.00	0.00	0.00
Total Site Clearing:		\$335,000.00	\$119,350.00	\$215,650.00	\$321,850.00	\$108,350.00	\$213,500.00
MISC DEVELOPMENT SITE COSTS							
Temporary Fencing	\$5,000.00		5,000.00	0.00	5,000.00	5,000.00	0.00

**Preliminary PID Estimate Summary
BAY CITY , TEXAS STATE HWY 35
49.8 Acre Site
Russell Ranch Development
9/22/2021**

**Revised
PID Estimate
7/18/2023**

Work Classification	Itemized Total Amount	Division Total Amount	Public Costs	Private Costs	Itemized Total Amount	Public Costs	Private Costs
Traffic Control/Signage	15,000.00		15,000.00	0.00	15,000.00	15,000.00	0.00
Site Planning Review Fees	15,000.00		15,000.00	0.00	15,000.00	15,000.00	0.00
City of Bay City Permitting Fees and Platting Fees	2,720.00		2,720.00	0.00	2,720.00	2,720.00	0.00
Water Meter and Tap Fees (2 ea. 6" taps)	0.00		0.00	0.00	0.00	0.00	0.00
Sanitary Tap Fees	0.00		0.00	0.00	0.00	0.00	0.00
Impact Fees (no fees per the City of Bay City)	0.00		0.00	0.00	0.00	0.00	0.00
Re-Staking of Lots for Revised Survey Once Plat is Approved	20,000.00		0.00	20,000.00	20,000.00	0.00	20,000.00
As-Built Surveying for all Public and Private Utilities and Ponds	60,000.00		50,000.00	10,000.00	60,000.00	50,000.00	10,000.00
Materials Testing	95,000.00		95,000.00	0.00	95,000.00	95,000.00	0.00
Off-Site and Pond Inspection Fees by Bay City	2,500.00		2,500.00	0.00	2,500.00	2,500.00	0.00
Gas	45,000.00		0.00	45,000.00	0.00	0.00	0.00
Lift Station Maintenance Agreement	0.00		0.00	0.00	0.00	0.00	0.00
Mail Box Unit	0.00		0.00	0.00	8,000.00	0.00	8,000.00
Total Misc. Development Site Costs and Fees:		\$260,220.00	\$185,220.00	\$75,000.00	\$223,220.00	\$185,220.00	\$38,000.00
EARTHWORK, SITE UTILITIES, PAVING, SIDEWALKS							
Sitework - Excavation and Fill	\$150,000.00		25,000.00	125,000.00	235,000.00	70,000.00	165,000.00
Earthwork Import	\$0.00		0.00	0.00	169,950.00	169,950.00	0.00
Lime Stabilation	\$0.00		0.00	0.00	215,358.00	215,358.00	0.00
Site Surveying	40,000.00		30,000.00	10,000.00	40,000.00	30,000.00	10,000.00
Trench/Haul Off Back fill for AEP	20,000.00		0.00	20,000.00	0.00	0.00	0.00
Water Lines	132,000.00		132,000.00	0.00	483,723.00	483,723.00	0.00
Fire Hydrants	55,000.00		55,000.00	0.00	61,750.00	61,750.00	0.00
Gate Valves, Boxes, Blow-Offs	20,000.00		20,000.00	0.00	20,000.00	20,000.00	0.00
Sanitary Lines, Manholes, Splits	552,000.00		552,000.00	0.00	591,486.00	591,486.00	0.00
Abandonment and Relocation of Existing Sanitary Lines for Shopping Center	75,000.00		75,000.00	0.00	134,150.00	134,150.00	0.00
Lift Station/Force Main	550,000.00		550,000.00	0.00	0.00	0.00	0.00
Storm Drainage	750,000.00		750,000.00	0.00	1,877,844.00	1,877,844.00	0.00
Storm Drainage (Road)	92,000.00		92,000.00	0.00	92,000.00	92,000.00	0.00
Bore Under New McCoy Drive for Tie-in to Public Storm	10,000.00		10,000.00	0.00	10,000.00	10,000.00	0.00
Trench Safety	20,000.00		20,000.00	0.00	20,000.00	20,000.00	0.00
Striping/Signage	15,000.00		0.00	15,000.00	15,000.00	0.00	15,000.00
Concrete Paving and Curbing (205,535 SF)	1,200,000.00		1,200,000.00	0.00	1,313,086.00	1,313,086.00	0.00
Sidewalks and Ramps Only at Public Areas	80,000.00		80,000.00	0.00	85,862.00	85,862.00	0.00
Access Drives (3 each)	75,000.00		75,000.00	0.00	75,000.00	75,000.00	0.00
Bay City Seafood Drive Closure and Re-Striping (30,000 SF)	10,000.00		0.00	10,000.00	11,218.00	0.00	11,218.00
Fencing for Site (8,333 LF, 6' high wood fencing)	250,000.00		0.00	250,000.00	194,972.00	0.00	194,972.00
Total Earthwork, Site Utilities, Paving, Sidewalk Costs:		\$4,096,000.00	\$3,666,000.00	\$430,000.00	\$5,646,399.00	\$5,250,209.00	\$396,190.00

Copy of Bay City Budget Revised PID NUMBERS 7.17.23

Page 2

Preliminary PID Estimate Summary
 BAY CITY, TEXAS STATE HWY 35
 49.8 Acre Site
 Russell Ranch Development
 9/22/2021

Revised
 PID Estimate
 7/18/2023

Work Classification	Itemized Total Amount	Division Total Amount	Public Costs	Private Costs	Itemized Total Amount	Public Costs	Private Costs
LANDSCAPE AND IRRIGATION							
Landscaping and Irrigation	\$25,000.00		0.00	25,000.00	25,000.00	25,000.00	0.00
Landscaping and Irrigation in ROW	15,000.00		0.00	15,000.00	15,000.00	15,000.00	0.00
Monument Sign	20,000.00		0.00	20,000.00	20,000.00	0.00	20,000.00
Total Landscaping and Irrigation:		\$60,000.00	\$0.00	\$60,000.00	\$60,000.00	\$40,000.00	\$20,000.00
DETENTION/RETENTION PONDS							
Excavation of Ponds	\$312,000.00		312,000.00	0.00	312,000.00	312,000.00	0.00
Haul-Off	150,000.00		150,000.00	0.00	150,000.00	150,000.00	0.00
Retaining Walls/Footings	0.00		0.00	0.00	0.00	0.00	0.00
Hydromulching of Ponds	30,000.00		30,000.00	0.00	30,000.00	30,000.00	0.00
Fountains (estimated for ponds 2 and 3 only) Allowance	25,000.00		0.00	25,000.00	25,000.00	0.00	25,000.00
Fencing Around Ponds (no fencing around ponds per Maddox Properties)	0.00		0.00	0.00	0.00	0.00	0.00
Concrete Wing Walls (included above)	0.00		0.00	0.00	0.00	0.00	0.00
Total Detention/Retention Ponds:		\$517,000.00	\$492,000.00	\$25,000.00	\$517,000.00	\$492,000.00	\$25,000.00
ELECTRICAL							
AEP (street lights)	\$500,000.00		0.00	500,000.00	150,000.00	150,000.00	0.00
Pad Mounted Transformer/ Panel for power to Pond Fountains	25,000.00		0.00	25,000.00	25,000.00	0.00	25,000.00
Temporary Service Panel	15,000.00		15,000.00	0.00	15,000.00	15,000.00	0.00
Site Lighting (included in AEP number per the Rep)	0.00		0.00	0.00	0.00	0.00	0.00
Phone Lines	125,000.00		0.00	125,000.00	0.00	0.00	0.00
Cable	75,000.00		0.00	75,000.00	0.00	0.00	0.00
Total Electrical:		\$740,000.00	\$15,000.00	\$725,000.00	\$190,000.00	\$165,000.00	\$25,000.00
TOTAL SITE DEVELOPMENT AND CONSTRUCTION COSTS:					\$7,104,111.00	\$6,375,183.00	\$723,928.00
OVERHEAD AND PROFIT, INSURANCE							
General Conditions, Insurance, OH&P	\$695,700.00		\$556,560.00	\$139,140.00			
Total General Conditions, Insurance, Overhead and Profit Fees:		\$695,700.00	\$556,560.00	\$139,140.00	\$583,745.00	\$460,105.00	\$123,105.00
Sub Total Estimated Construction Costs and Development Fees:		\$6,868,520.00	\$5,161,230.00	\$1,707,290.00	\$7,687,856.00	\$6,835,288.00	\$847,033.00
Cost Escalation Contingency:		\$330,893.00	\$252,096.00	\$78,797.00	330,893.00	252,096.00	78,797.00
Performance and Payment Bond:		55,330.00	\$55,330.00	\$0.00	55,000.00	55,000.00	0.00
Total Estimated Construction Costs and Development Fees:		\$7,254,743.00	\$5,468,656.00	\$1,786,087.00	\$8,073,749.00	\$7,142,384.00	\$925,830.00
					Itemized Total Amount	Public Costs	Private Costs
DESIGN FEES							
Mechanical and Electrical Fee for Construction Documents	\$15,000.00		0.00	15,000.00	\$15,000.00	\$0.00	\$15,000.00

Copy of Bay City Budget Revised PID NUMBERS 7.17.23

Page 3

Preliminary PID Estimate Summary
BAY CITY , TEXAS STATE HWY 35
49.8 Acre Site
Russell Ranch Development
9/22/2021

Revised
PID Estimate
7/18/2023

Work Classification	Itemized Total Amount	Division Total Amount	Public Costs	Private Costs	Itemized Total Amount	Public Costs	Private Costs
Civil Engineer Fee for Construction Documents	150,000.00		120,000.00	30,000.00	150,000.00	120,000.00	30,000.00
Civil Engineer for Detention/Retention Ponds District One Design	25,000.00		25,000.00	0.00	25,000.00	25,000.00	0.00
Additional Civil Engineer for Detention/Retention Ponds District One Design	0.00		0.00	0.00	59,000.00	59,000.00	0.00
Construction Administration/Inspections by Civil Engineer	50,000.00		40,000.00	10,000.00	50,000.00	40,000.00	10,000.00
Landscaping	5,000.00		0.00	5,000.00	5,000.00	5,000.00	0.00
Reproductions and Misc. Costs	5,000.00		2,500.00	2,500.00	5,000.00	4,000.00	1,500.00
Estimated Design Fees:		\$250,000.00	\$187,500.00	\$62,500.00	\$309,000.00	\$253,000.00	\$56,500.00
CONSTRUCTION CONSULTANT FEES							
Fees for Preparing New Easements or Modifications of Existing Easements	\$15,000.00		15,000.00	0.00	15,000.00	15,000.00	0.00
Construction Management Fee	75,000.00		52,500.00	22,500.00	75,000.00	52,500.00	22,500.00
Additional Construction Management Fees for District One Review	0.00		0.00	0.00	5,000.00	5,000.00	0.00
Estimated Construction Consultant Fees:		\$90,000.00	\$67,500.00	\$22,500.00	\$95,000.00	\$72,500.00	\$22,500.00
MISC./FINANCE FEES							
Land Costs (14 AC. For ponds and paving)	\$532,000.00		532,000.00	0.00	532,000.00	532,000.00	
Development Costs (legal fees, financing fees, interest)	259,000.00			259,000.00	259,000.00		259,000.00
Estimated Misc./Finance Fees:		\$791,000.00	\$532,000.00	\$259,000.00	\$791,000.00	\$532,000.00	\$259,000.00
PID FEES							
Consultant Fees for P3 Work	15,000.00		0.00	15,000.00	15,000.00	0.00	15,000.00
Estimated PID Fees:		\$15,000.00	\$0.00	\$15,000.00	\$15,000.00	\$0.00	\$15,000.00
PROJECT COST TOTAL:		\$8,400,743.00	\$6,255,656.00	\$2,145,087.00	\$9,283,749.00	\$7,999,884.00	\$1,278,830.00
ESTIMATED TOTAL PID PROJECT COST:			\$6,255,656.00			\$7,999,884.00	

This budget has been prepared exclusively for Maddox Properties. The information in this report is not intended to be used or relied upon by any third party. Development Consulting Services shall incur no liability and disclaims any responsibility for the use or reliance upon this budget by any third party. The estimated budget shall not be construed as a guarantee of the final costs of the project as no construction documents exist.

APPENDIX B – BUYER DISCLOSURES

Buyer disclosures for the following Lot Types are found in this Appendix:

- Initial Parcel
- Lot Type 1

RUSSELL RANCH PUBLIC IMPROVEMENT DISTRICT – INITIAL PARCEL BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
 BAY CITY, TEXAS
 CONCERNING THE FOLLOWING PROPERTY

 PROPERTY ADDRESS

INITIAL PARCEL PRINCIPAL ASSESSMENT: \$9,564,000.00

As the purchaser of the real property described above, you are obligated to pay assessments to Bay City, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the ***Russell Ranch Public Improvement District*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Bay City. The exact amount of each annual installment will be approved each year by the Bay City City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Bay City.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the d of Matagorda County when updating for the Current Information of Obligation to Pay Improvement District.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER_____
SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER_____
SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County.

ANNUAL INSTALLMENTS - INITIAL PARCEL

	Reimbursement Obligation				
Installment Due 1/31	Principal	Interest ^[a]	Additional Interest ^[b]	Annual Collection Costs	Total Annual Installment Due ^[c]
2025	\$ 102,347	\$ 663,742	\$ -	\$ 30,000	\$ 796,088
2026	\$ 109,449	\$ 656,639	\$ -	\$ 30,600	\$ 796,688
2027	\$ 117,045	\$ 649,043	\$ -	\$ 31,212	\$ 797,300
2028	\$ 125,168	\$ 640,920	\$ -	\$ 31,836	\$ 797,924
2029	\$ 133,855	\$ 632,233	\$ -	\$ 32,473	\$ 798,561
2030	\$ 143,144	\$ 622,944	\$ -	\$ 33,122	\$ 799,211
2031	\$ 153,079	\$ 613,010	\$ -	\$ 33,785	\$ 799,873
2032	\$ 163,702	\$ 602,386	\$ -	\$ 34,461	\$ 800,549
2033	\$ 175,063	\$ 591,025	\$ -	\$ 35,150	\$ 801,238
2034	\$ 187,213	\$ 578,876	\$ -	\$ 35,853	\$ 801,941
2035	\$ 200,205	\$ 565,883	\$ -	\$ 36,570	\$ 802,658
2036	\$ 214,099	\$ 551,989	\$ -	\$ 37,301	\$ 803,389
2037	\$ 228,958	\$ 537,130	\$ -	\$ 38,047	\$ 804,135
2038	\$ 244,848	\$ 521,241	\$ -	\$ 38,808	\$ 804,896
2039	\$ 261,840	\$ 504,248	\$ -	\$ 39,584	\$ 805,673
2040	\$ 280,012	\$ 486,077	\$ -	\$ 40,376	\$ 806,464
2041	\$ 299,444	\$ 466,644	\$ -	\$ 41,184	\$ 807,272
2042	\$ 320,226	\$ 445,862	\$ -	\$ 42,007	\$ 808,095
2043	\$ 342,450	\$ 423,639	\$ -	\$ 42,847	\$ 808,936
2044	\$ 366,216	\$ 399,873	\$ -	\$ 43,704	\$ 809,793
2045	\$ 391,631	\$ 374,457	\$ -	\$ 44,578	\$ 810,667
2046	\$ 418,810	\$ 347,278	\$ -	\$ 45,470	\$ 811,558
2047	\$ 447,876	\$ 318,213	\$ -	\$ 46,379	\$ 812,468
2048	\$ 478,958	\$ 287,130	\$ -	\$ 47,307	\$ 813,395
2049	\$ 512,198	\$ 253,890	\$ -	\$ 48,253	\$ 814,341
2050	\$ 547,744	\$ 218,344	\$ -	\$ 49,218	\$ 815,306
2051	\$ 585,758	\$ 180,330	\$ -	\$ 50,203	\$ 816,291
2052	\$ 626,409	\$ 139,679	\$ -	\$ 51,207	\$ 817,295
2053	\$ 669,882	\$ 96,206	\$ -	\$ 52,231	\$ 818,319
2054	\$ 716,372	\$ 49,716	\$ -	\$ 53,275	\$ 819,364
Total	\$ 9,564,000	\$ 13,418,646	\$ -	\$ 1,217,042	\$ 24,199,688

Footnotes:

[a] Interest on the Reimbursement Obligation is calculated at a rate of 6.94% which is less than 2% above the S&P Municipal Bond High Yield Index which was 5.58% as of June 27, 2024, as required by the PID Act. If PID Bonds are issued, the interest rate on the Assessment will adjust to the interest rate on the Bonds plus the Additional Interest.

[b] Additional Interest will be collected if PID Bonds are issued.

[c] Excludes the TIRZ Annual Credit Amount which will be calculated annually in each Annual Service Plan Update. The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

RUSSELL RANCH PUBLIC IMPROVEMENT DISTRICT – LOT TYPE 1 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
BAY CITY, TEXAS
CONCERNING THE FOLLOWING PROPERTY

PROPERTY ADDRESS

LOT TYPE 1 PRINCIPAL ASSESSMENT: \$49,812.50

As the purchaser of the real property described above, you are obligated to pay assessments to Bay City, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the ***Russell Ranch Public Improvement District*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Bay City. The exact amount of each annual installment will be approved each year by the Bay City City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Bay City.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

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The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

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[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER_____
SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF HARRIS

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER_____
SIGNATURE OF SELLER

STATE OF TEXAS

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COUNTY OF HARRIS

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The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County.

ANNUAL INSTALLMENTS - LOT TYPE 1

	Reimbursement Obligation					
Installment Due 1/31	Principal	Interest ^[a]	Additional Interest ^[b]	Annual Collection Costs	Total Annual Installment Due ^[e]	
2025	\$ 533.06	\$ 3,456.99	\$ -	\$ 156.25	\$ 4,146.29	
2026	\$ 570.05	\$ 3,419.99	\$ -	\$ 159.38	\$ 4,149.42	
2027	\$ 609.61	\$ 3,380.43	\$ -	\$ 162.56	\$ 4,152.61	
2028	\$ 651.92	\$ 3,338.13	\$ -	\$ 165.81	\$ 4,155.86	
2029	\$ 697.16	\$ 3,292.88	\$ -	\$ 169.13	\$ 4,159.17	
2030	\$ 745.54	\$ 3,244.50	\$ -	\$ 172.51	\$ 4,162.56	
2031	\$ 797.28	\$ 3,192.76	\$ -	\$ 175.96	\$ 4,166.01	
2032	\$ 852.62	\$ 3,137.43	\$ -	\$ 179.48	\$ 4,169.52	
2033	\$ 911.79	\$ 3,078.26	\$ -	\$ 183.07	\$ 4,173.11	
2034	\$ 975.07	\$ 3,014.98	\$ -	\$ 186.73	\$ 4,176.78	
2035	\$ 1,042.73	\$ 2,947.31	\$ -	\$ 190.47	\$ 4,180.51	
2036	\$ 1,115.10	\$ 2,874.94	\$ -	\$ 194.28	\$ 4,184.32	
2037	\$ 1,192.49	\$ 2,797.55	\$ -	\$ 198.16	\$ 4,188.21	
2038	\$ 1,275.25	\$ 2,714.80	\$ -	\$ 202.13	\$ 4,192.17	
2039	\$ 1,363.75	\$ 2,626.29	\$ -	\$ 206.17	\$ 4,196.21	
2040	\$ 1,458.39	\$ 2,531.65	\$ -	\$ 210.29	\$ 4,200.33	
2041	\$ 1,559.61	\$ 2,430.44	\$ -	\$ 214.50	\$ 4,204.54	
2042	\$ 1,667.84	\$ 2,322.20	\$ -	\$ 218.79	\$ 4,208.83	
2043	\$ 1,783.59	\$ 2,206.45	\$ -	\$ 223.16	\$ 4,213.21	
2044	\$ 1,907.37	\$ 2,082.67	\$ -	\$ 227.63	\$ 4,217.67	
2045	\$ 2,039.74	\$ 1,950.30	\$ -	\$ 232.18	\$ 4,222.22	
2046	\$ 2,181.30	\$ 1,808.74	\$ -	\$ 236.82	\$ 4,226.87	
2047	\$ 2,332.69	\$ 1,657.36	\$ -	\$ 241.56	\$ 4,231.60	
2048	\$ 2,494.57	\$ 1,495.47	\$ -	\$ 246.39	\$ 4,236.43	
2049	\$ 2,667.70	\$ 1,322.35	\$ -	\$ 251.32	\$ 4,241.36	
2050	\$ 2,852.83	\$ 1,137.21	\$ -	\$ 256.34	\$ 4,246.39	
2051	\$ 3,050.82	\$ 939.22	\$ -	\$ 261.47	\$ 4,251.51	
2052	\$ 3,262.55	\$ 727.49	\$ -	\$ 266.70	\$ 4,256.74	
2053	\$ 3,488.97	\$ 501.07	\$ -	\$ 272.04	\$ 4,262.08	
2054	\$ 3,731.10	\$ 258.94	\$ -	\$ 277.48	\$ 4,267.52	
Total	\$ 49,812.50	\$ 69,888.78	\$ -	\$ 6,338.76	\$ 126,040.04	

Footnotes:

[a] Interest on the Reimbursement Obligation is calculated at a rate of 6.94% which is less than 2% above the S&P Municipal Bond High Yield Index which was 5.58% as of June 27, 2024, as required by the PID Act. If PID Bonds are issued, the interest rate on the Assessment will adjust to the interest rate on the Bonds plus the Additional Interest.

[b] Additional Interest will not be charged unless PID Bonds are issued.

[c] Excludes the TIRZ Annual Credit Amount which will be calculated annually in each Annual Service Plan Update. The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Discuss, consider, and/or approve the reimbursement agreement between Crescent Capital Investments, LLC and the City of Bay City, Texas



EXECUTIVE SUMMARY

REIMBURSEMENT AGREEMENT – CRESCENT CAPITAL INVESTMENTS, LLC (MADDOX DEVELOPMENT)

BACKGROUND:

September 23, 2021- A petition for a public improvement district (PID) was signed by owners of said property.

September 28, 2021- The City Council called for a public hearing for the creation of a public improvement district (PID) under Chapter 372 of the Texas Local Government Code.

October 26, 2021- Public Hearing was held.

December 21, 2021 - A resolution was approved for the creation of the PID which allowed the developer to begin construction 20 days from the creation.

January 25, 2022- Development Agreement approved by City Council (development standards created)

This agreement allows the Developer, Crescent Capital Investments, LLC to be reimbursed for public improvements or authorized improvements as outlined in the Service and Assessment Plan. This reimbursement will be paid from assessments against the property.

RECOMMENDATION: Staff recommends City Council approve the reimbursement agreement

ATTACHMENTS: Russell Ranch PID Reimbursement Agreement

RUSSELL RANCH PUBLIC IMPROVEMENT DISTRICT REIMBURSEMENT AGREEMENT

This Russell Ranch Public Improvement District Reimbursement Agreement (this “Reimbursement Agreement”) is executed by and between the City of Bay City, Texas (the “City”) and Crescent Capital Investments LLC a Texas limited liability company, (the “Developer”) (individually referred to as a “Party” and collectively as the “Parties”) to be effective as of July 16, 2024. (the “Effective Date”).

RECITALS

WHEREAS, capitalized terms used in this Reimbursement Agreement shall have the meanings given to them in the Russell Ranch Public Improvement District Service and Assessment Plan to be approved by the City; and

WHEREAS, on October 26, 2021, the City Council passed and approved a resolution creating the Russell Ranch Public Improvement District (the “District”) as described by metes and bounds in said Resolution (the “District Property”); and

WHEREAS, the purpose of the District is to finance public improvements (the “Authorized Improvements”) as provided by Subchapter A of Chapter 372, Texas Local Government Code, as amended (the “PID Act”) that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, the District Property is being developed in accordance with that certain “Amalfi Development Agreement,” executed by and between the Developer, and the City effective January 25, 2022, (the “Development Agreement”); and

WHEREAS, the Developer has begun construction certain of the Authorized Improvements within District (the “Authorized Improvements”) and the City approve an ordinance (the “Assessment Ordinance”) levying assessments in the District (the “Assessments”) and to approving a service and assessment plan for the District which sets forth the Assessments against all property within the District (the “Service and Assessment Plan” or “SAP”), the City and the Developer desire to enter into this reimbursement agreement (the “Reimbursement Agreement”) to reflect the amount of reimbursement due to the Developer for the costs of the Authorized Improvements pursuant to the approved SAP and to express the City’s intent to reimburse the Developer for certain costs of the Authorized Improvements; and

WHEREAS, all revenue received and collected by the City from the collection of the Assessments and Annual Installments (excluding Delinquent Collection Costs and Administrative Expenses) (the “Assessment Revenue”) shall be deposited first for the payment of debt service on any bonds issued by the City with the pledge of Assessment (the “PID Bonds”) and second, into an assessment fund and accounts therein, that is segregated from all other funds of the City (the “Reimbursement Fund”); and

WHEREAS, the Assessment Revenue deposited into the Reimbursement Fund shall be used to reimburse Developer and its assigns for the cost of the Authorized Improvements advanced in a principal amount to be set forth in the SAP, plus interest as set forth herein; and

WHEREAS, the obligations of the City to use the Assessments hereunder is authorized by the PID Act; and

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS OF THE PARTIES SET FORTH IN THIS REIMBURSEMENT AGREEMENT AND FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. The recitals in the “WHEREAS” clauses of this Reimbursement Agreement are true and correct, create obligations of the Parties, and are incorporated as part of this Reimbursement Agreement for all purposes.
2. The City intends to levy Assessments to finance the cost of the Authorized Improvements and to reimburse the Developer for the costs of such Authorized Improvements incurred by Developer prior to the levy and/or to pay directly the costs of the Authorized Improvements.
3. Strictly subject to the terms, conditions, and requirements and solely from the revenues as herein provided and in accordance with the SAP, the City agrees to pay the Developer and the Developer shall be entitled to receive from the City, the amount equal to the actual costs of the Authorized Improvements paid by the Developer as set forth in the SAP, in accordance with the terms of this Reimbursement Agreement, in a principal amount not to exceed \$9,564,000, as set forth in the SAP (the “Reimbursement Obligation”), plus interest accrued, as provided in Section 2(a) below. The City hereby covenants to create, concurrently with the execution of this Reimbursement Agreement, a separate fund to be designated the “Reimbursement Fund” containing accounts therein for each Improvement Area of development. The Reimbursement Obligation is payable from Assessment Revenue to be deposited in the Reimbursement Fund as described below and in accordance with the Development Agreement and the SAP:
 - a. The Reimbursement Obligation is payable solely from: (i) Assessment Revenue received and collected by the City from Assessments deposited an account within the Reimbursement Fund after the payment of debt service on bonds issued to finance the Authorized Improvements containing a pledge of Assessments (the “PID Bonds”) (ii) the net proceeds (after funding reserve funds, payment of costs of issuance, including the costs paid or incurred by the City and City Administrative Expenses) of one or more series of PID Bonds issued by the City to fund all or a portion of the Reimbursement Obligation in accordance with the terms of the

Development Agreement and the SAP and secured by the Assessment Revenue; or (iii) a combination of items (i) and (ii) immediately above. Assessment Revenue shall be received, collected and deposited into the applicable account of the Reimbursement Fund subject to the following limitations:

- i. Calculation of the Assessments and the first Annual Installment for a Lot or Parcel in the District shall begin as shall be provided in the SAP.
 - ii. Assessments collected for the Reimbursement Obligation listed above shall accrue simple interest annually at the rate set forth in the SAP, such rate to be in compliance with Subsections 372.023(e)(1) and (e)(2) of the PID Act. Such interest shall accrue upon levy of the Assessments only for the portion of the Assessment that is not allocated to outstanding PID Bonds. If accrued, interest shall begin and continue on the unpaid principal amount of the Assessments as set forth in the SAP until the earlier of (i) the expiration of the term set forth in the SAP, or (ii) the issuance of PID Bonds to fund a portion of the Reimbursement Obligation, as reduced by annual payments made pursuant to (iv) below.
 - iii. Assessment Revenue dedicated to the payment of all or a portion of the Reimbursement Obligation and interest thereon, shall be deposited into the applicable account of the Reimbursement Fund after the payment of debt service on the outstanding PID Bonds.
 - iv. The Developer shall receive the Unpaid Balance in annual installments as set forth in the SAP and in Section 3 below from the applicable account of the Reimbursement Fund, for the time period set forth in the SAP or until PID Bonds are issued to fund such Reimbursement Obligation, and as allowed under Section 2(a) above.
4. The Reimbursement Obligation, as set forth in the SAP, plus the interest as described above, if accruing, are collectively, the “Unpaid Balance.” The Unpaid Balance is secured by and payable solely from Assessment Revenue received and collected for such purpose and deposited into the applicable account of the Reimbursement Fund subject to Section 3(a)(iii), and Section 5 herein. No other City funds, revenue, taxes, or income of any kind shall be used to pay the Unpaid Balance, even if the Unpaid Balance is not paid in full by the term of this Agreement, as set forth herein. Payment of Assessment Revenue from the applicable account of the Reimbursement Fund after the payment of debt service on outstanding PID Bonds, shall be made annually to the Developer subject to the term of this Reimbursement Agreement as set forth in Section 22. The outstanding Unpaid Balance and the Reimbursement Obligation shall be reduced by the amount of each annual payment to the Developer from the applicable account of the Reimbursement Fund.

5. This Reimbursement Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or a debt or other obligation of the City payable from any source other than Assessment Revenue received, collected and deposited into the Reimbursement Fund. The City covenants that it will comply with the provisions of this Reimbursement Agreement, the Development Agreement, and the PID Act, including provisions relating to the administration of the District and the enforcement and collection of assessments, and all other covenants provided therein. Notwithstanding its collection efforts, if the City fails to receive all or any part of the Assessment Revenue or does not receive an amount in excess of the annual debt service due on the outstanding PID Bonds, and, as a result, is unable to make transfers from the Reimbursement Fund for payments to the Developer as required under this Reimbursement Agreement, such failure and inability shall not constitute a Failure or Event of Default (both defined below) by the City under this Reimbursement Agreement.
6. PID Bonds may be issued to fund the cost of the Authorized Improvements as set forth in the SAP. If Assessments are levied concurrently with the issuance of PID Bonds, such PID Bond proceeds shall reimburse or pay directly the costs of the Authorized Improvements, as set forth in an indenture. If PID Bonds are issued to fund all or a portion of the Reimbursement Obligation after the levy of the Assessments, the net proceeds of such PID Bonds shall be used to pay the outstanding Reimbursement Obligation, as reduced by payments made pursuant to Section 3 herein, due to the Developer under this Reimbursement Agreement for the costs of the Authorized Improvements as set forth in the SAP. However, no PID Bonds shall be issued unless the funds necessary to complete the Authorized Improvements are deposited with the net proceeds of the applicable series of PID Bonds on the closing date of such PID Bonds, or alternately, the Developer has expended funds (verified by the City) for construction of the Authorized Improvements to be financed with the PID Bonds in an amount that is greater than the deposit that would have otherwise been required at the time such PID Bonds are issued. This Reimbursement Agreement shall terminate on the earlier of (i) the issuance of PID Bonds to fund the Reimbursement Obligation as reduced by payments made pursuant to Section 3 herein, (ii) the expiration of the Assessments as set forth in the SAP, or (iii) termination of this Agreement pursuant to an Event of Default or termination event herein or under the Development Agreement. Notwithstanding the foregoing, the Developer shall only be entitled to repayment of the costs of the Authorized Improvements in the amounts set forth in the SAP. The Developer represents and warrants that it will not request payment with respect to any Authorized Improvements that is not part of the Authorized Improvements identified in the SAP and it will follow all procedures set forth in the Development Agreement with respect to certification for payments, including for payments of the Unpaid Balance from the Reimbursement Fund.

7. The Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with written notice to) the City, the Developer's right, title, or interest in the revenue streams identified in this Reimbursement Agreement including, but not limited to, any right, title, or interest of the Developer in and to payment of the Unpaid Balance (any of the foregoing, a "Transfer," and the person or entity to whom the Transfer is made, a "Transferee"). Notwithstanding the foregoing, however, no Transfer shall be effective until five (5) days after Developer's written notice of the Transfer is received by the City, including for each Transferee the information required by Section 25 below. The City may rely on any notice of a Transfer received from the Developer without obligation to investigate or confirm the validity or occurrence of such Transfer. No conveyance, transfer, assignment, mortgage, pledge or other encumbrance shall be made by the Developer or any successor or assignee of the Developer that results in the City being an "obligated person" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission. The Developer waives all rights or claims against the City for any such funds provided to a third party as a result of a Transfer for which the City has received notice. The City shall not be required to make payments pursuant to this Reimbursement Agreement to more than two parties, nor shall it be required to execute any consent or make any representations or covenants relating to such assignment.
8. The obligations of the City under this Reimbursement Agreement are non-recourse and payable only from the Reimbursement Fund and such obligations do not create a debt or other obligation payable from any other City revenues, taxes, income, or property. None of the City or any of its elected or appointed officials or any of its officers or employees shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omissions under this Reimbursement Agreement.
9. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against the Developer, any Transferee, or any other person or entity involved in the design, construction or installation of the Authorized Improvements. The obligations of Developer hereunder shall be those as a Party hereto and not solely as an owner of property in the District. Nothing herein shall be constructed, nor is intended, to affect the City's or Developer's rights and duties to perform their respective obligations under other agreements, regulations and ordinances.
10. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement.

In the event of a dispute involving this Reimbursement Agreement, exclusive venue for such dispute shall lie in any court of competent jurisdiction in Harris County, Texas.

11. Any notice required or contemplated by this Reimbursement Agreement shall be signed by or on behalf of the Party giving the Notice, and shall be deemed effective as follows: (i) when delivered by a national company such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person was the named addressee; or (ii) 72 hours after the notice was deposited with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section. All Notices given pursuant to this Section shall be addressed as follows:

To the City: City Manager
1901 Fifth Street
Bay City, TX 77414

With a copy to: Attn: City Attorney
1901 Fifth Street
Bay City, TX 77414

To the Developer: Attn: Zulfiqar Momin
Crescent Capital Investment LLC
7051 Southwest Freeway
Houston, Texas 77074

With a copy to: PRASLA LAW FIRM, PLLC
c/o Zulfiqar N. Prasla
800 Bonaventure Way, Suite 154
Sugar Land, Texas 77479
713-400-2444

12. Notwithstanding anything herein to the contrary, nothing herein shall otherwise authorize or permit the use by the City of the Assessments contrary to the provisions of the PID Act.

13. Remedies:

- a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a "Failure") and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute an "Event of Default." Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party and all Transferees of the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a

Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional 30 day period so long as the non-performing Party cures such default within 90 days. Any Transferee shall have the same rights as the Developer to enforce the obligations of the City under this Reimbursement Agreement and shall also have the right, but not the obligation, to cure any alleged Failure by the Developer within the same time periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer shall constitute a cure by the Developer.

- b. Notwithstanding the foregoing, the following are Events of Default under this Agreement:
 - i. The Developer shall fail to pay to the City any monetary sum hereby required of it as and when the same shall become due and payable and shall not cure such default within thirty (30) days after the later of the date on which written notice thereof is given by the City to the Developer, as provided in this Agreement.
 - ii. The Developer shall fail to comply in any material respect with any term, provision or covenant of this Reimbursement Agreement (other than the payment of money to the City), and shall not cure such failure within ninety (90) days after written notice thereof is given by the City to the Developer;
 - iii. The filing by Developer of a voluntary proceeding under present or future bankruptcy, insolvency, or other laws respecting debtors, rights;
 - iv. The consent by Developer to an involuntary proceeding under present or future bankruptcy, insolvency, or other laws respecting debtor's rights;
 - v. The entering of an order for relief against Developer or the appointment of a receiver, trustee, or custodian for all or a substantial part of the property or assets of Developer in any involuntary proceeding, and the continuation of such order, judgment or degree unstayed for any period of ninety (90) consecutive days; OR
 - vi. The failure by Developer or any Affiliate to pay impositions, and Assessments on property owned by the Developer and/or any Affiliates within the PID, if such failure is not cured within thirty (30) days.
 - vii. A Developer event of default under the Development Agreement.
 - viii. The Developer shall breach any material covenant or default in the performance of any material obligation hereunder.

- c. If the City is in Default, the Developer's sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the City; or (2) seek specific enforcement of this Reimbursement Agreement
 - d. If the Developer is in Default, the City may pursue any legal or equitable remedy or remedies, including, without limitation, actual damages, and termination of this Agreement. The City shall not terminate this Reimbursement Agreement unless it delivers to the Developer a second notice expressly providing that the City will terminate within thirty (30) additional days. Termination or non-termination of this Reimbursement Agreement upon a Developer Event of Default shall not prevent the City from suing the Developer for specific performance, actual damages, excluding punitive, special and consequential damages, injunctive relief or other available remedies with respect to obligations that expressly survive termination. In the event the Developer fails to pay any of the expenses or amounts or perform any obligation specified in this Reimbursement Agreement, then to the extent such failure constitutes an Event of Default hereunder, the City may, but shall not be obligated to do so, pay any such amount or perform any such obligations and the amount so paid and the reasonable out of pocket costs incurred by the City in said performance shall be due and payable by the Developer to the City within thirty (30) days after the Developer's receipt of an itemized list of such costs.
 - e. No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing at law or in equity.
 - f. The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.
14. The Developer shall assume the defense of, and indemnify and hold harmless the City's inspector, the City employees, officials, officers, representative and agents of the City and each of them (each an "Indemnified Party") from and against, all actions, damages, claims, losses or expense of every type and description to which they may be subject or put, by reason of, or resulting from the breach of any provisions of this Reimbursement Agreement by the Developer, the Developer's nonpayment under contracts between the Developer and its consultants, engineers, advisors, contractors, subcontractors and suppliers in the provision of the Authorized Improvements constructed by Developer, or any claims by persons employed by the Developer relating to the construction of such projects. Notwithstanding the foregoing, no indemnification is given hereunder for any action, damage, claim, loss or expense directly attributable to the willful misconduct or gross negligence of any Indemnified Party. The City does not waive its defenses and immunities, whether governmental, sovereign, official or otherwise and nothing in this Reimbursement

Agreement is intended to or shall confer any right or interest in any person not a party hereto.

15. To the extent there is a conflict between this Reimbursement Agreement and an indenture securing PID Bonds issued to fund the Reimbursement Obligation or the SAP, the indenture securing such PID Bonds or the SAP shall control as the provisions relate to the Assessments.
16. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.
17. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the Developer to enforce its remedies under this Reimbursement Agreement.
18. Nothing in this Reimbursement Agreement, express or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer and its assigns any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the Developer.
19. The City represents and warrants that this Reimbursement Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Reimbursement Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Reimbursement Agreement has been approved by appropriate action of the Developer, and that the individual executing this Reimbursement Agreement on behalf of the Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Reimbursement Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.
20. This Reimbursement Agreement represents the entire agreement of the Parties and no other agreement, statement or promise made by any Party or any employee, officer or agent of any Party with respect to any matters covered hereby that is not in writing and signed by all the Parties to this Agreement shall be binding. This Reimbursement Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of

this Reimbursement Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Reimbursement Agreement; and (b) the remainder of this Reimbursement Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

21. This Reimbursement Agreement may be executed in any number of counterparts, each of which shall be deemed an original.
22. The term of this Reimbursement Agreement is the earlier of (i) the expiration of the Assessments as set forth in the SAP, (ii) until the Unpaid Balance is paid in full in accordance herewith, (iii) the issuance of one or more series of PID Bonds to fund, Reimbursement Obligation, as reduced by payments made pursuant to Section 3 herein, or (iv) termination pursuant to an Event of Default under this Agreement or under the Development Agreement, whichever occurs first. If a series of PID Bonds does not fully fund the Reimbursement Obligation as set forth in the Service and Assessment Plan, the remaining amount of the Reimbursement Obligation remains outstanding and subject to annual payments and/or an additional series of PID Bonds. If the Developer defaults under this Reimbursement Agreement or the Development Agreement, the Development Agreement shall not terminate with respect to the costs of the Authorized Improvements that have been previously been approved by the City pursuant to a Certification for Payment (as defined in the Development Agreement) prior to the date of default.
23. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Reimbursement Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to Force Majeure, to perform its obligations under this Reimbursement Agreement, then the obligations affected by the Force Majeure shall be temporarily suspended. Within fifteen (15) business days after the occurrence of a Force Majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including a detailed explanation of the Force Majeure and a description of the action that will be taken to remedy the Force Majeure and resume full performance at the earliest possible time. For purposes of this Reimbursement Agreement, "Force Majeure" means any act that (i) materially and adversely affects the affected Party's ability to perform the relevant obligations under this Reimbursement Agreement or delays such affected Party's ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party's fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party;

(e) fires; (f) epidemics or pandemics that result in a governmental action that stops or delays construction or halts, impedes or delays the operations of the City; and (g) actions or omissions of a governmental authority (including the actions of the City in its capacity as a governmental authority) that were not caused by, voluntarily induced or promoted by the affected Party (including the submission of incomplete or erroneous information to the City), or brought about by the breach of its obligations under this Reimbursement Agreement or any applicable law or failure to comply with City regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (u) changes in market condition; (v) any strike or labor dispute involving the employees of the Developer or any affiliate of the Developer, other than industry or nationwide strikes or labor disputes; or (w) the occurrence of any manpower, material or equipment shortages.

24. Any amounts or remedies due pursuant to this Reimbursement Agreement are not subject to acceleration.
25. Notice of Assignment. Notwithstanding anything to the contrary in this Agreement, the following requirements shall apply in the event that the Developer effectuates a Transfer of its rights to the Unpaid Balance pursuant to Section 7 herein to a Transferee:
 - i. within 30 days after the effective date of any such Transfer, the Developer must provide written notice of same to the City;
 - ii. the notice must describe the extent to which any rights or benefits under this Agreement have been Transferred;
 - iii. the notice must state the name, mailing address, and telephone contact information of the Transferee;
 - iv. the notice must be signed by a duly authorized person representing the Developer.
26. Statutory Verifications. The Developer makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Reimbursement Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Reimbursement Agreement shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of this Reimbursement Agreement, notwithstanding anything in this Reimbursement Agreement to the contrary.

Not a Sanctioned Company. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

No Boycott of Israel. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Reimbursement Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

No Discrimination Against Firearm Entities. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Reimbursement Agreement. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

No Boycott of Energy Companies. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Reimbursement Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

27. *Form 1295.* The Developer will provide a completed and notarized Form 1295 generated by the Texas Ethics Commission's electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the Texas Ethics Commission (a "Form 1295"), in connection with entry into this Agreement. Upon receipt of the Developer's Form 1295, the City agrees to acknowledge the Developer's Form 1295 through its electronic filing application. The Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, the City is not responsible for the information contained in the Developer's Form 1295 and the City has not verified such information.

The Developer agrees to either (i) file a Texas Ethics Commission Disclosure of Interested Parties form to the City or (ii) represent in writing that it is exempt from filing of such form, no later than the date upon which the City Council approves this Reimbursement Agreement.

28. *Choice of Law.* This Agreement shall be governed by the laws of the State of Texas.

29. Out of State Issuer. This Agreement may not be assigned to an out-of-state issuer of debt and the City shall not participate in any third-party financing relating to the Assessment Revenues received by the Developer pursuant to this Agreement.
30. Standing Letter. If requested by the Texas Attorney General, the Developer will file a standing letter addressing the representations made in Section 26 of this Agreement in a form acceptable to the Texas Attorney General.

[SIGNATURE PAGES TO FOLLOW]

Executed by Developer and City to be effective on the Effective Date.

ATTEST:

CITY OF BAY CITY

City Secretary

Mayor

CRESCENT CAPITAL INVESTMENTS LLC,
a Texas limited liability company

By: _____

Zulfiqar A. Momin, Member

By: _____

Moez A. Momin, Member

By: _____

Jamshed A. Momin, Member



CITY OF BAY CITY
 1901 FIFTH STREET
 BAY CITY, TEXAS 77414
 (979) 245-2137
 FAX: (979) 323-1626

AGENDA ITEM SUBMISSION FORM

Any item(s) to be considered for action by the City Council, must be included on this form, and be submitted along with any supporting documentation. Completed Agenda Item Submission forms must be submitted to the City Secretary's Office no later than 4:00 p.m. on the Monday of the week prior to the Regular Council meeting.

Requestor Name: Mason, Krystal **Date Submitted:** 6/25/2024
Last, First *MM/DD/YYYY*

Requestor Type : City Staff **Meeting Date:** 7/9/2024
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Assistant Director of Public Works
For City Staff Only

Agenda Location: Discussion Item
(e.g.: Consent Agenda/ Discussion Item/ Public Hearing/ Executive Session/ Presentation)

Agenda Content:

Discuss, consider, and/or award the bid for the 2024 Brush Site Wood Chipping Services at the City's brush site to the lowest responsible bidder and authorize the City Manager to execute a contract approved to form by the City Attorney between the City of Bay City and Austin Wood Recycling in the amount of \$71,000

Executive Summary of Item:

BACKGROUND: The City's brush site accepts green waste (grass clippings, brush, limbs) from citizens as well as the brush collected inside city limits by GFL. As brush accumulates, it is pushed into piles at the brush site. Over the last year, we've had several storm events that dropped a considerable amount of brush across the City. Brush piles must be chipped so it can be hauled from the site to minimize fire danger and keep the site accessible.

RECOMMENDATIONS: Award to the only bidder, Austin Wood and Recycling.

ATTACHMENTS: Bid Tabulation



**CONTRACTOR AGREEMENT
BETWEEN
THE CITY OF BAY CITY
AND
CONTRACTOR**

Owner: City of Bay City, Texas

Address: 1901 5th Street, Bay City, TX 77414

Contractor: Contractor

Address: Contractor Address

Project No: 2024-149-01

Project Title: 2024 Brush Site Wood Chipping

Project Location: 5261 CR 106 (Skelly Road), Bay City, Texas 77414, Matagorda County

THE OWNER AND THE CONTRACTOR AGREE AS SET FORTH BELOW:

**ARTICLE 1
WORK OF THIS CONTRACT**

The Contractor shall execute the Work in accordance with the provisions of the Contract Documents, except to the extent specifically indicated in the Contract Documents to be the responsibility of others, or as otherwise provided herein. Work shall be described in the Work Order. More than one Work Order may be issued at any time under the Contract or no Work Orders may be issued under the Contract.

**ARTICLE 2
CONTRACT TERM AND CONTRACT TIME**

2.1 This contract shall commence subsequent to award by the City Council. The contractor is obligated to commence work immediately after receiving notice to proceed, but not before, and will complete the work within thirty (30) calendar days.

2.2 The Date of Commencement of the Work is the date from which the Contract Time is measured, which date is established by the notice to proceed.

2.3 The Contractor shall achieve substantial completion of the Work during the Contract Time, subject to adjustments as provided in Contract Documents.

2.4 The contract will expire twelve (12) months from date of execution.

ARTICLE 3 THE CONTRACT PRICE

3.1 The City's duty to pay money to the Contractor for the Work (as described herein) under the Contract is limited in its entirety by this Article 3.

3.2 The contract amount is \$ 71,000. Any other provision of this Contract to the contrary notwithstanding the City shall never be obligated to pay any money by, though, or under this Contract, which exceeds this amount, unless otherwise provided by act of City Council.

3.3 The Contract Price for those items of work listed in Exhibit "A", herein, is subject to readjustment due to variations in quantities of units of work actually incorporated in the work to be completed as provided in the Contract Documents.

ARTICLE 4 PAYMENTS

4.1 The City's payments under the Contract, including the time of payment and the payment of interest on overdue amounts, are subject to Chapter 2251, Texas Government Code.

4.2 As security for the faithful completion of the Improvements, Contractor and City agree that City shall retain ten percent of the total dollar amount of the contract price until after final approval or acceptance of the Improvements by City. City shall thereafter pay Contractor the retainage, only after Contractor has furnished to the City satisfactory evidence that all indebtedness connected with the work and all sums of money due for labor, materials, apparatus, fixtures or machinery furnished for and used in performance of the work have been paid or otherwise satisfied.

4.3 Contractor shall promptly pay all workmen and materialmen and shall not allow liens to be placed on the Improvements. Upon completion and approval or acceptance of the Improvements by City, the Improvements shall become the property of City free and clear of all liens, claims, charges or encumbrances of any kind. If, after acceptance of the Improvements, any claim, lien, charge or encumbrance is made, or found to exist, against the Improvements, or land dedicated to the City, to which they are affixed, Contractor shall upon notice by City promptly cause such claim, lien, charge or encumbrance to be satisfied and released or promptly post a bond with City in the amount of such claim, lien, charge or encumbrance, in favor of the City, to insure payment of such claim, lien, charge or encumbrance.

4.4 Intentionally omitted.

ARTICLE 5 SCOPE OF SERVICES

5.1 The Contractor shall furnish all materials, labor, equipment, tools, supplies, and/or services to furnish the Work as described in Exhibit "A", and shall carry out all obligations, duties, and responsibilities imposed on Contractor by the Agreement Documents. Contractor shall include everything requisite and necessary to complete the entire Work properly, notwithstanding that every item necessarily involved may

not be specifically mentioned. Details which are not indicated by the Specifications and Drawings shall be provided by the Contractor at no extra cost, if such details are necessary to complete the general intent of the Agreement or Agreement Documents. Contractor shall not be relieved of any obligations or responsibilities with respect to the Work except by City's written consent.

5.2 The Contractor shall have the sole responsibility to satisfy itself concerning the nature and location of the Work, the Site, and the general and local conditions, including but not limited to, the following:

- (a) Transportation, access, disposal, handling and storage of materials;
- (b) Availability and quality of labor, water, electric power and road conditions;
- (c) Climatic conditions and seasons;
- (d) Physical conditions at the Site and the Project as a whole;
- (e) Topography, subsurface and ground surface conditions; and
- (f) Construction equipment and facilities needed preliminary to and during the performance of Contractor's Work.

5.2.1 The failure of Contractor to acquaint itself with any applicable conditions will not relieve Contractor of the responsibility for properly estimating the difficulties or for the cost of successfully performing Contractor's obligations in the time and manner provided under the Agreement Documents.

5.3 The Contractor shall at all times keep the Site and surrounding area clean and free from rubbish caused by Contractor's operations. Prior to completing its Work in an area, the Contractor shall remove all accumulated rubbish and Contractor's equipment, tools, machinery and materials. The Contractor shall dispose of all rubbish, debris, and construction waste at a site and by the means designated at the sole discretion of Contractor in a manner that is in compliance with all Laws.

5.4 Unless otherwise stated, all specifications listed are minimum requirements; respondents are requested to submit corrective action alternatives to any and all other deficiencies not included within this basic scope of services.

5.5 The Contractor, its officers, agents, employees, contractors and subcontractors shall abide by and comply with all laws (certifications), federal, state, and local. It is agreed and understood that, if the City calls attention of the Contractor to any such violations on the part of the Contractor, its officers, agents, employees, contractors and subcontractors, and then the Contractor shall immediately cease from and correct such violation.

ARTICLE 6 INSURANCE

6.1 All bonds and insurance required by the Contract Documents shall be obtained from solvent surety or insurance companies that are duly licensed by the State of Texas and authorized to issue bonds or insurance policies for the limits and coverages required by the Contract Documents.

6.2 Contractor shall provide for insurance and workers compensation coverage in accordance with the requirements applicable to contractors as provided for in **Exhibit "B"**, the provisions of which are expressly incorporated herein by reference.

ARTICLE 7 INDEMNIFICATION

CONTRACTOR WILL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY, IT OFFICERS, EMPLOYEES, AND REPRESENTATIVES, FROM AND AGAINST ALL LIABILITY FOR ANY AND ALL CLAIMS, SUITS, DEMANDS, OR ACTIONS TO THE EXTENT ARISING FROM OR BASED UPON THE NEGLIGENCE OR OTHER WRONGFUL ACTS ON THE PART OF CONTRACTOR, ITS AGENTS, REPRESENTATIVES, OR EMPLOYEES WHICH MAY ARISE OUT OF OR RESULT FROM CONTRACTOR'S OPERATIONS UNDER THIS CONTRACT.

THIS INDEMNITY PROVISION, INCLUDING CONTRACTOR'S DUTY TO DEFEND AND HOLD HARMLESS, EXTENDS TO ANY AND ALL SUCH CLAIMS, SUITS, DAMAGES OR ACTIONS REGARDLESS OF THE TYPE OF RELIEF SOUGHT THEREBY AND WHETHER SUCH RELIEF IS IN THE FORM OF DAMAGES, JUDGMENTS, COSTS, REASONABLE ATTORNEY FEES AND EXPENSES. THIS INDEMNITY PROVISION SHALL APPLY REGARDLESS OF THE NATURE OF THE INJURY OR HARM ALLEGED AND WHETHER SUCH CLAIMS ARE ALLEGED AT COMMON LAW, STATUTORY OR CONSTITUTIONAL. THIS INDEMNITY PROVISION, SHALL APPLY TO THE EXTENT THE BASIS FOR THE CLAIM, SUIT OR DEMAND BE ATTRIBUTABLE IN WHOLE OR IN PART TO THE CONTRACTOR, OR ANY OF ITS AGENTS, REPRESENTATIVES OR EMPLOYEES.

ARTICLE 8 PERFORMANCE AND PAYMENT BONDS

Contractor agrees to secure, prior to commencing any activities under this Agreement, a Performance and a Labor and Materials Payment Bond each in the about of 100% of the contract amount from a surety authorized to transact business in the State of Texas in accordance with Texas Government Code § 2253.021.

ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS

9.1 The basis for this Agreement is this executed Document-Agreement between the City of Bay City and Contractor. Other Contract Documents, except for Work Orders and Modifications issued after execution of this Agreement, are enumerated under this Article, and incorporated by reference as follows:

9.1.1 Invitation for Bids 2024 Brush Site Wood Chipping

9.1.2 Contractors Bid for 2024 Brush Site Wood Chipping:

9.1.3 In the event of a conflict between this Agreement and the "Invitation for Bids 2024 Brush Site Wood Chipping", this Agreement shall prevail.

9.2 In the event of a conflict between the "Invitation for Bids 2024 Brush Site Chipping", and "Contractors Bid for 2024 Brush Site Chipping" including subparts, the "Invitation for Bids 2024 Brush Site Wood Chipping", shall prevail.

ARTICLE 10 SAFETY

10.1 Contractor shall perform the Work at all times in a safe and prudent manner, and shall seek to avoid bodily injury as well as loss or damage to property, by taking reasonable steps to protect:

- (a) Contractor's employees and other persons at the Site;
- (b) Materials stored at the Site or at off-site locations; and
- (c) All property and structures located at the Site, whether or not involved in the Work.

10.2 Contractor shall continuously and diligently inspect all Work to discover any conditions which might involve such risks and shall be solely responsible for discovery and correction of any such conditions. Contractor shall develop, adopt, implement and enforce, with respect to Contractor's Work at the Site, comprehensive safety policies and programs which, at a minimum, comply with all Laws and safety requirements outlined by the Occupational Safety & Health Administration (OSHA).

ARTICLE 11 SUCCESSORS AND ASSIGNS

This CONTRACT shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and their assigns, however, CONSULTANT may not assign this CONTRACT without CITY's prior written consent.

ARTICLE 12 MISCELLANEOUS PROVISIONS

12.1 **SUBCONTRACTING.** No part of the work performed under the contract will be subcontracted or assigned to another firm without prior written consent by the City. The Contractor must furnish the names, qualifications, and experience of the proposed subcontractor(s). The primary contractor will remain completely responsible for all services performed and shall assure compliance with all requirements of the contract.

12.2 **TAXES:** The City of Bay City is exempt from Texas State sales tax and Federal excise taxes and will issue exemption certificates upon request.

12.3 **TERM OF CONTRACT:** This contract shall commence subsequent to award by the City Council. The contractor is obligated to commence work immediately after receiving notice to proceed and will complete the work within thirty (30) calendar days.

12.4 **TERMINATION OF CONTRACT:** The contract may be canceled by the City of Bay City by written notice – thirty (30) days prior to termination.

12.5 **PROFESSIONAL LIABILITY:** In connection with the provisions of the Contractor's obligation, the Contractor shall indemnify and hold the City of Bay City and its employees harmless for any and all claims, lawsuits, legal expenses, and any other costs related to the negligent or other wrongful performance or non-performance of this Agreement.

12.6 **VENUE AND GOVERNING LAW:** Venue of any court action brought directly or indirectly by reason of this CONTRACT shall be in Matagorda County, Texas. This CONTRACT is made and is to be performed in Matagorda County, Texas, and is governed by the laws of the State of Texas.

**ARTICLE 13
ENTIRE AGREEMENT**

13.1 This CONTRACT embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters in this CONTRACT, and except as otherwise provided herein, cannot be modified without written agreement of the parties to be attached to and made a part of this CONTRACT.

13.2 This Agreement is effective as of the date of signature by the City's Mayor and is executed in two original copies of which one is to be retained by the City Secretary and one to be delivered to the Contractor.

13.3 By executing this Contract, the contractor verifies that it does not boycott Israel, and agrees that during the term of this Contract, it will not boycott Israel, as that term is defined in Section 2270.001 of the Texas Government Code, as amended.

[signature page to follow]

Effective on the last date executed below:

CONTRACTOR

By: AUSTIN WOOD AND RECYCLING

Print Name: MARTIN TREVIÑO

Title: DIRECTOR OF BUSINESS DEVELOPMENT

Date: 6-18-24

CITY OF BAY CITY, TEXAS

By: _____
Scotty Jones, Assistant City Manager

Date: _____

ATTEST:

City Secretary

APPROVED AS TO FORM:

Anne Marie Odefey, City Attorney

END OF DOCUMENT

Finance Review Initials _____

Page 7 of 13

EXHIBIT "A"**SCOPE OF WORK**

In accordance with Article 5, the detailed description of the Work, the specifications for the work and the schedule for the performance of the work are as set forth below.

Item	Description	Quantity	UOM	Unit Price	Amount
1	Mobilization	1	LS	\$	\$6,000
2	Processing Residential Brush	33,000 35,000	CY	\$1.90	\$66,500
3					
4					
5					
Grand Total					\$72,500

NOTES: All changes in scope must be approved in written prior to commencing extra work.

Additional Notes:

Requests for Material-On-Hand payments must be submitted in writing. Proof of delivery and paid material invoices shall be included in the written request.

Contractor is responsible for reporting all injuries and accidents incurred on the Site.

Finance Review Initials _____

Page 8 of 13

EXHIBIT "B"**INSURANCE**

1. The Contractor shall procure and maintain at its sole cost and expense for the duration of this Agreement insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, volunteers, employees, or subcontractors. The Contractor's insurance coverage shall be primary insurance with respect to the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers shall be considered in excess of the Contractor's insurance and shall not contribute to it. Further, the Contractor shall include the City as an additional insured under its. All coverages for subcontractors shall be subject to all of the requirements stated herein. Certificates of Insurance and endorsements shall be furnished to the City and approved by the City before work commences.
2. Standard Insurance Policies Required:
 - (a) Commercial General Liability Policy
 - (b) Automobile Liability Policy
 - (c) Workers' Compensation Policy
3. General Requirements Applicable to All Policies:
 - (a) General Liability and Automobile Liability insurance shall be written by a carrier with a A:VIII or better rating in accordance with the current Best Key Rating Guide.
 - (b) Only Insurance Carriers licensed and admitted to do business in the State of Texas will be accepted.
 - (c) Deductibles shall be listed on the Certificate of Insurance and are acceptable only on a per occurrence basis for property damage only.
 - (d) "Claims Made" policies will not be accepted.
 - (e) The City of Bay City, its officials, employees and volunteers, are to be added as "Additional Insured" to the General Liability policy. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees or volunteers.
 - (f) A Waiver of Subrogation in favor of the City with respect to Workers' Compensation Insurance must be included.
 - (g) Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City of Bay City.
 - (h) Upon request, certified copies of all insurance policies shall be furnished to the City of Bay City.

4. Commercial General liability
 - (a) Minimum Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage.
 - (b) No coverage shall be deleted from the standard policy without notification of individual exclusions being attached for review and acceptance.
5. Automobile Liability
 - (a) Minimum Combined Single limit of \$500,000.00 per occurrence for bodily injury and property damage.
6. Worker's Compensation
 - (a) Employer's Liability limits of \$100,000.00 for each accident is required.
7. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent, and shall contain the following provisions and warranties:
 - (a) The company is licensed and admitted to do business in the State of Texas.
 - (b) The insurance policies provided by the insurance company are underwritten on forms that have been provided by the Texas State Board of Insurance or ISO.
 - (c) All endorsements and insurance coverage according to requirements and instructions contained herein.
 - (d) The form of the notice of cancellation, termination, or change in coverage provisions to the City of Bay City.
 - (e) Original endorsements affecting coverage required by this section shall be furnished with the certificates of insurance.

EXHIBIT "C"**VENDOR INFORMATION PACKET**

All subsequent forms must be completed for this contract to be fully executed.

1. Vendor Information Form
2. Conflict of Interest Disclosure
3. Conflict of Interest Questionnaire
 - a. FORM CIQ – The Conflict of Interest Questionnaire (Form CIQ) Revised 11/30/2015 may be downloaded from www.ethics.state.tx.us.
4. Certificate of Interested Parties (Form 1295)
 - a. Form 1295 – Certificate of Interested Parties can be filed at the following website:
https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm
5. Request for Taxpayer Identification Number and Certification
 - a. Form W-9 – The Request for Taxpayer Identification Number and Certification (Form W-9) may be downloaded from <http://www.irs.gov/Forms-&-Pubs>.

**City of Bay City
Finance Department**

VENDOR INFORMATION FORM

Company Information

☐ Sole Proprietorship ☐ Partnership ☒ Corporation ☐ Limited Liability Company

Name of Company AUSTIN WOOD AND RECYCLING

DBA (if registered) _____

Name of Owner(s) MICHAEL MARTIN

Contact Person CLAUDIA RANGEL

Phone Number (512) 748 - 8987

Other Number _____

Fax Number _____

Email Address CLAUDIA.RANGEL@AUSTINWOODRECYCLING.COM

FEIN 740521609

DUNS Number
(if registered) _____

Remittance

Mailing Address 2100 COUNTY ROAD 118

HUTTO, TX 78634

Shipping Address _____

Finance Review Initials _____

Page 12 of 13

City of Bay City
CONFLICT OF INTEREST
STATE DISCLOSURE

The form on the following page, disclosing potential conflicts of interest involving counties, cities, and other local government entities may be required to be filed after January 1, 2006, by vendors or potential vendors to local government entities.

The new requirements are set forth in Chapter 176 of the Texas Local Government Code added by H.B. No. 914 of the last Texas Legislature. Companies and individuals who contract, or seek to contract, with the City of Bay City and its agents may be required to file with the following office:

City of Bay City
City Secretary
1901 5th Street
Bay City, Texas 77414

A Conflict of Interest Questionnaire that describes affiliations or business relationships with the City of Bay City's officers, or certain family members or business relationships of the City of Bay City's officers, with which such persons do business, or any gifts in an amount of \$25.00 or more to the listed City of Bay City's officers or certain family members.

The new requirements are in addition to any other disclosures required by law. The dates for filing disclosure statements begin on January 1, 2006. A violation of the filing requirements is a Class C misdemeanor.

The Conflict of Interest Questionnaire (Form CIQ) Revised 11/30/2015 may be downloaded from www.ethics.state.tx.us.

The City of Bay City's officials who come within Chapter 176 of the Local Government Code relating to filing of **Conflicts of Interest Questionnaire (Form CIQ)** include:

1. **Mayor**
2. **Council Members**
3. **Members of the Fire Fighters and Police Officers**
4. **Members of the Planning Commission**

If additional information is needed, please contact the City of Bay City Finance Director at (979) 245-7597.

BIDDING DOCUMENT

Bay City, Texas

Date: 2:00 pm Friday, June 21, 2024

AUSTIN WOOD AND RECYCLING (hereinafter called "Bidder"), doing business as (circle one) (a corporation), a partnership, an individual) to the City of Bay City, Texas (hereinafter called "Owner").

The Bidder, in compliance with your invitation for bids for the **2024 Brush Site Wood Chipping**, having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all the conditions surrounding the construction of the proposed project, including the availability of materials and labor, hereby proposes to furnish all labor, materials and supplies, and to construct the Project in accordance with the Contract Documents, within the time set forth therein, and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the Contract Documents and drawings, of which this proposal is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in writing in the "Notice to Proceed" issued by the Owner's Engineer and fully complete the Project within the number of calendar days shown on the bid sheets depending on which owner's options are selected thereafter as stipulated in the Contract Documents.

Bidder acknowledges receipt of the following addenda:

Description	Qty	UOM	Unit Price	Amount
1. Mobilization	1	LS	\$	\$ 6,000
2. Processing Residential Brush	50,000 35,000	CY	\$ 1.90	\$ 66,500
			TOTAL	\$ 72,500

Contractor Information:

Company Name: AUSTIN WOOD AND RECYCLING

Signature: M. Brown

The above Unit Prices shall include all labor, materials, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for.

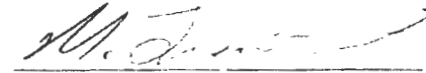
The Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informality in the bidding.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of 90 calendar days after the scheduled closing time for receiving bids.

Upon receipt of written Notice of Award of the Contract, the Bidder will execute one original copy of the Contract Documents and a Certificate of Insurance. Additional copies of the original contract will be distributed to all appropriate parties. Within **fourteen (14) calendar days** of the Notice of Award of Contract, the signed documents shall be delivered to Andrea Cornier, Office Manager, at the Bay City Municipal Services Building, 1217 Avenue J, Bay City, Texas 77414 to be executed by the Owner.

A payment bond is required for this project.

Respectfully submitted by:



Signature

MARTIN TREVIN — DIRECTOR OF SALES
Printed Name — Title

2100 COUNTY ROAD 118 Hutto TX 78634
Business Address

(512) 748 8987

Phone Number



CITY OF BAY CITY
 1901 FIFTH STREET
 BAY CITY, TEXAS 77414
 (979) 245-2137
 FAX: (979) 323-1626

AGENDA ITEM SUBMISSION FORM

Any item(s) to be considered for action by the City Council, must be included on this form, and be submitted along with any supporting documentation. Completed Agenda Item Submission forms must be submitted to the City Secretary's Office no later than 4:00 p.m. on the Monday of the week prior to the Regular Council meeting.

Requestor Name: Hadash, Chris **Date Submitted:** 07/02/24
Last, First *MM/DD/YYYY*

Requestor Type : City Staff **Meeting Date:** 07/09/23
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Lieutenant
For City Staff Only

Agenda Location: _____
(e.g.: Consent Agenda/ Discussion Item/ Public Hearing/ Executive Session/ Presentation)

Agenda Content:

Discuss, consider, and/or approve a declaration of unusable equipment: 2 surplus police vehicles, and authorize staff to sell said surplus equipment through the use of an online auction or other means. Lieutenant Chris Hadash

Executive Summary of Item:

2016 Ford Explorer – Unit number 884 mileage 110,119

2017 Ford Explorer – Unit number 899, mileage 129,211.

Discuss and review proposed Tax Increment Reinvestment Zone Number Five redevelopment boundaries.



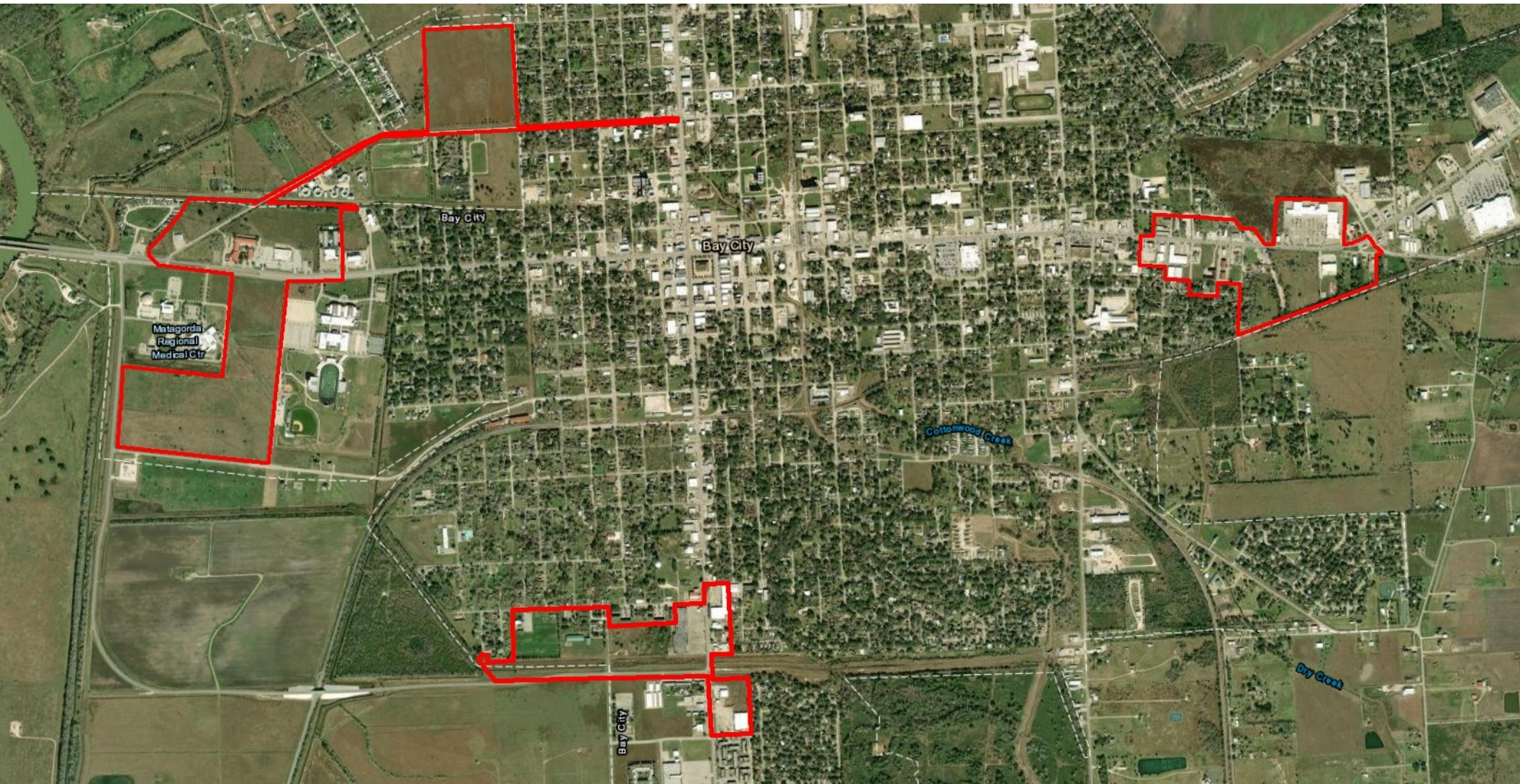
EXECUTIVE SUMMARY

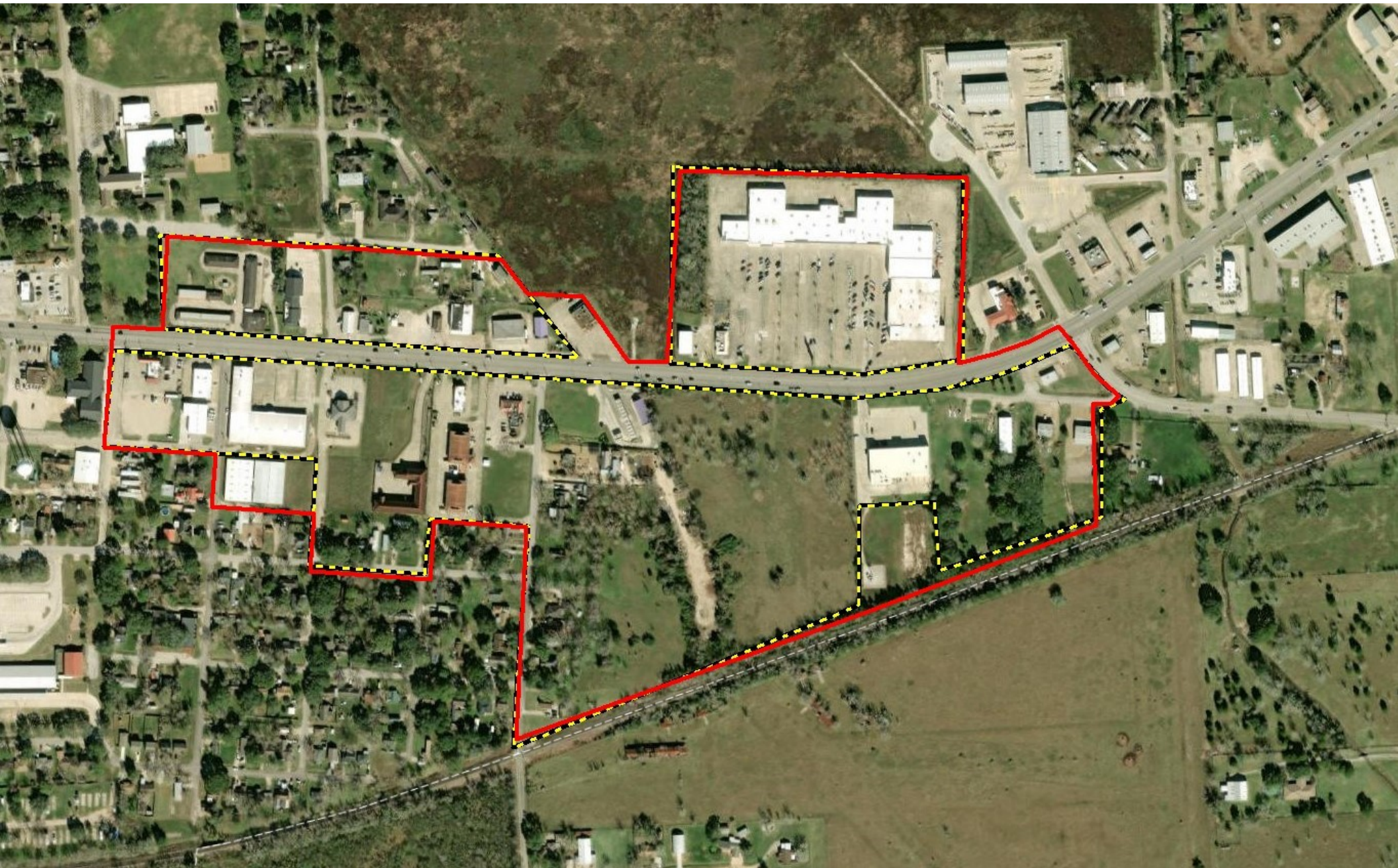
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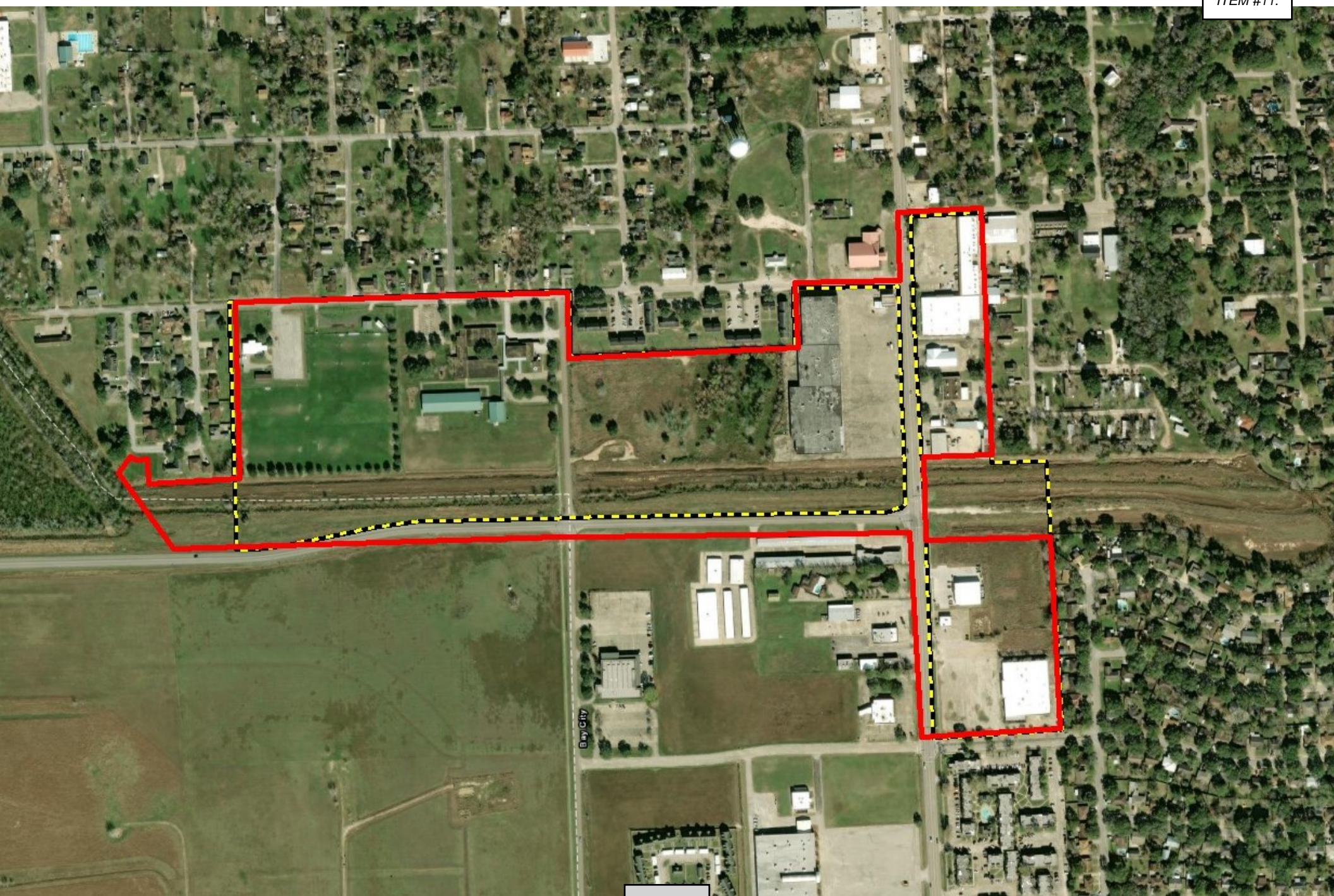
On November 15, 2022, the City Council approved a professional services agreement with David Pettit Development, LLC to create Tax Increment Reinvestment Zone Number Five (TIRZ #5). The proposed TIRZ is a non-contiguous zone focused on redevelopment.

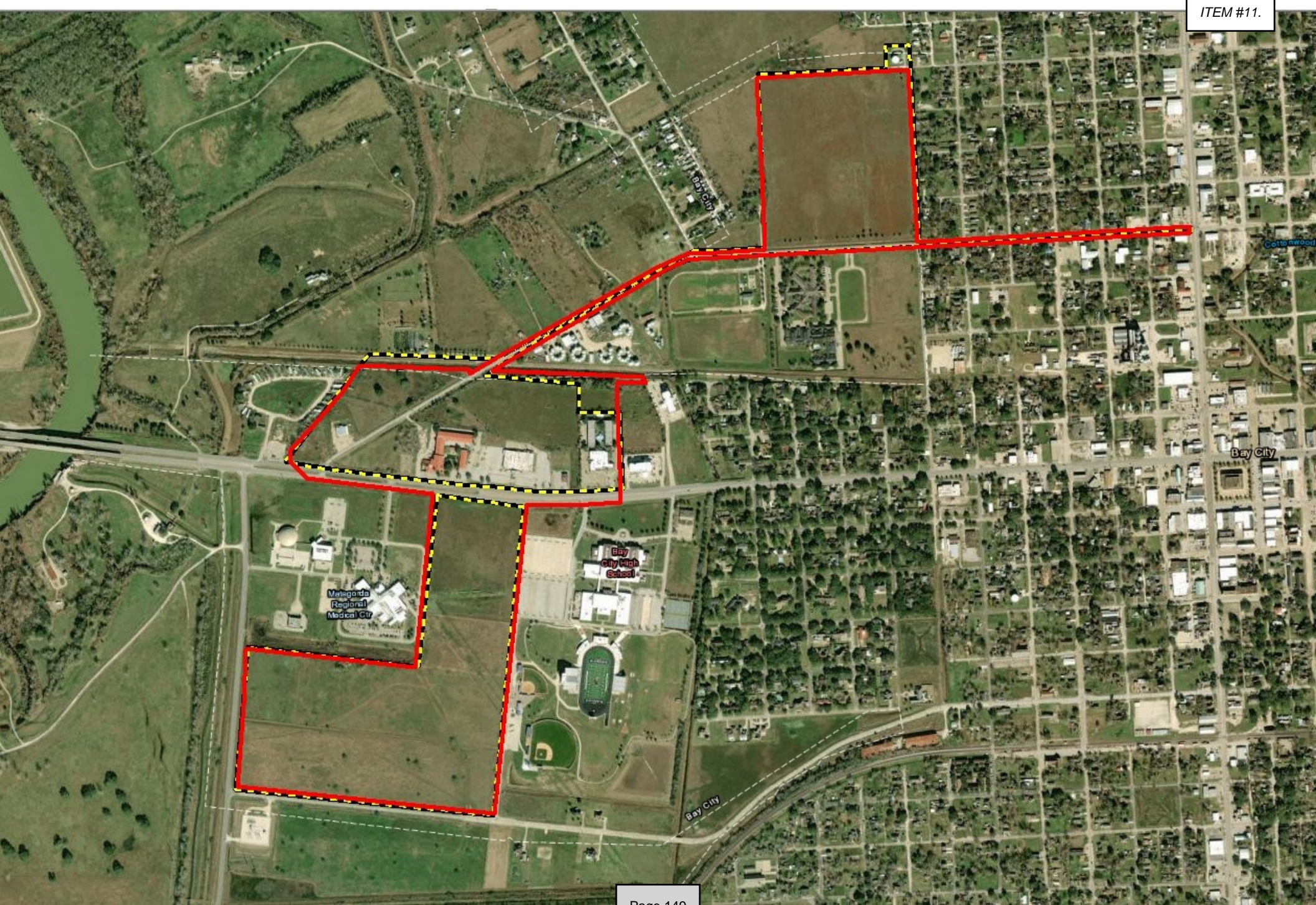
This is for discussion only. Other entities will need to participate before any recommendation is made.

ATTACHMENTS: Proposed Boundaries









DISCUSS, CONSIDER, AND/OR APPROVE THE RATIFICATION OF THE AGREEMENT BY AND BETWEEN THE CITY OF BAY CITY, TEXAS AND DEBRISTECH, LLC.



EXECUTIVE SUMMARY

DEBRIS MONITORING

BACKGROUND:

The Contract attached is monitoring debris services as required by FEMA to be reimbursed. This contract commenced on July 12, 2024 and ends August 11, 2024. This was performed under Emergency Procurement Guidelines.

FINANCIAL IMPLICATIONS:

Rates will be reimbursable by FEMA if the City/County meet threshold.

RECOMMENDATION:

Staff recommend approval of contract.

ATTACHMENTS: Contract

INDEPENDENT CONTRACTOR AGREEMENT

THIS INDEPENDENT CONTRACTOR AGREEMENT (the “Agreement”) is made and entered into effective as of the 12th day of July, 2024 (the “Effective Date”), by and between the CITY OF BAY CITY, TEXAS (the “City” or “Applicant”) and DEBRISTECH, LLC, a Mississippi limited liability company (the “Contractor”).

RECITALS

WHEREAS, the City desires to engage Contractor to perform certain Contractor Services (as hereinafter defined) and Contractor desires to perform such Contractor Services, all on the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Duties of Contractor. Effective as of the date of this Agreement, Contractor agrees to supply personnel as specifically requested in writing by the City to perform the services described in Exhibit A attached hereto (collectively, the “Contractor Services”).

2. Independent Contractor Relationship. Contractor is an independent contractor and is solely responsible for all taxes, withholdings, and other similar statutory obligations in connection with the personnel supplied and services provided by Contractor pursuant to this Agreement, including, but not limited to, workers’ compensation insurance and unemployment insurance. Nothing in this Agreement shall be deemed to create an agency, partnership, or joint venture between the parties, nor shall this Agreement be interpreted or construed as creating or establishing the relationship of employer and employee between the City and Contractor. Neither party hereto has the authority to act on behalf of or to enter into any contract, incur any liability or make any representation on behalf the other party. It is expressly understood that the Contractor is an independent contractor in every respect.

3. No Exclusive Duty. The Contractor shall devote sufficient time, attention, personnel and other resources to perform the Contractor Services, provided, however, the Contractor shall not be required to perform work exclusively for the City and Contractor may have other business interests and may engage in other activities in addition to those relating to the City.

4. Term. The term of this Agreement shall commence on the Effective Date and terminate on August 11, 2024, subject to the provisions of Paragraphs 5 and 6 (the “Initial Term”). Upon expiration of the Initial Term, this Agreement may continue in 30 day increments as set forth in Section 5 below or otherwise extended pursuant to mutually agreeable written terms.

5. Termination. Either party shall have the right to terminate this Agreement immediately upon written notice thereof to the other party, if such other party breaches any of the material terms of this Agreement or fails to perform or observe any of its material obligations hereunder, and such breach or failure is not cured within a period of thirty (30) days after the receipt

by such party of written notice of such breach or failure specifying the nature of the breach or failure. The City or Contractor may terminate this Agreement for convenience and without cause at any time for any reason without any further obligation to the other party by providing the other party with two (2) days written notice. In the event of termination in accordance with this Paragraph, the City shall pay Contractor for services rendered (as set forth in Paragraph 6 of this Agreement) through the effective termination date and the City shall be liable for the same until such amounts are fully and finally settled.

(a) Authority to Modify, Change or Direct Work. The City understands and agrees it is important for Contractor to receive any and all Project directives, changes, guidance and other scope-related correspondence (collectively "Directives") from authorized representatives of the City. As such, the City designates the below listed individuals as City representatives authorized to issue Directives to Contractor on the City's behalf. In the event any additional City representatives are designated for this Project, the City shall promptly notify Contractor of such designation(s) in writing.

Owner-designated representative: Scotty Jones, Interim City Manager.

6. Compensation. The City will pay Contractor an hourly rate for the personnel provided by Contractor pursuant to the payment schedule attached to Exhibit B. For each hour of services provided by any Contractor personnel in excess of forty (40) hours per week, the City will pay Contractor at one and one-half times (1.5x) the hourly rate on Exhibit B. Contractor agrees to track the number of hours worked per week and to provide invoices for services rendered to the City on a weekly basis. Payment shall be due from the City to the Contractor within fifteen (15) days of the regular meeting of the City Council immediately following receipt of the invoice. For any amounts more than sixty (60) days overdue, Contractor shall have the right to suspend its provision of the Contractor Services until such payment is received. In no event shall the amount payable under this Agreement exceed \$75,000.00 (the "Cap"). If the Contractor performs services such that the amount payable under this Agreement reaches the Cap, this Agreement shall automatically terminate unless the parties agree to amend this Agreement to increase the amount of the Cap.

7. Taxes. Contractor shall be solely responsible for the payment of all taxes and/or assessments imposed on the payments of compensation for the performance of services outlined herein, including, without limitation, any unemployment insurance or tax, self-employment tax, federal, state and foreign income taxes, and any federal social security payment or similar taxes (and Contractor shall provide evidence to the City, upon the City's request, that such have been paid). Notwithstanding, the City may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation; provided, however, that the City shall provide the Contractor with written substantiation of withholding and remittance of such taxes upon Contractor's request.

8. No Breach. Each party hereby represents and warrants to the other party that: (a) it has all right, power and authority to grant the rights granted herein and to perform all of its obligations hereunder; (b) by entering into this Agreement and performing the obligations herein, it will not breach or violate any agreement, charter, instrument or other document to which it is a party or otherwise bound; and (c) it is currently in compliance and, throughout the term of this Agreement, it shall comply, in all material respects, with all applicable laws, rules and regulations.

9. Non-Disclosure. In connection with the Contractor Services, the City may be exposed to certain information that Contractor considers to be confidential or proprietary, or which is otherwise designated by the Contractor as confidential or secret (collectively, “Confidential Information”). During the term of this Agreement and for three (3) years thereafter, the City: (a) shall use reasonable care to protect all Confidential Information it receives; (b) shall not use Confidential Information for any purpose unrelated to the Contractor Services; and (c) shall not, directly or indirectly, disclose any Confidential Information to any third party except to such of the City’s employees, agents and representatives who have a need to know such information for purposes of the Contractor Services and are bound by confidentiality obligations no less restrictive than those imposed on the City under this Agreement. The City shall be responsible for any unauthorized disclosure or use of Confidential Information by the City’s employees, agents and representatives.

The obligations set forth in this Paragraph 9 shall not apply to such Confidential Information which (i) is or becomes generally available to the public other than as a result of a disclosure by the City; (ii) was available to City on a non-confidential basis prior to its disclosure by the Contractor or its agents; or (iii) becomes available to City on a non-confidential basis from a source other than the Contractor or its agents.

Notwithstanding the foregoing, if City is requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information, City shall promptly notify the Contractor of such request(s) so that the Contractor may seek an appropriate protective order or waive compliance with the provisions of this Agreement. City agrees to cooperate fully with the Contractor in seeking any protective order. If, in the absence of a protective order or the receipt of a waiver hereunder, City is, nonetheless, in the reasonable opinion of their counsel, compelled to disclose any such Confidential Information or else stand liable for contempt or suffer other censure or penalty, then it may disclose such information pursuant to such request or requirement without liability hereunder.

10. Dispute Resolution.

(a) Should any dispute between the Parties arise under this Agreement (a “Dispute”), written notice of such Dispute shall be delivered from one party to the other and thereafter, the parties, through their appointed representatives or designees (each an “Authorized Representative”), shall first meet and attempt to resolve the Dispute in face-to-face negotiations. This meeting shall occur within thirty (30) days of the date on which a written notice of such Dispute is received from the complaining party.

(b) If no resolution is reached through the informal process set forth in Section 10(a) above, at the direction of either party’s Authorized Representative, the parties shall engage in non-binding mediation. The mediation shall be conducted in Bay City, Texas by a single mediator mutually selected by the parties. The parties shall share equally in the fees of the mediator. If the Dispute remains unresolved for a period of at least sixty (60) days following the mediation, either party may seek any remedy at law or in equity that may be available. Any disputes shall be brought in the appropriate court in Matagorda, Texas.

11. Relationship with Debris Removal Contractor. The City acknowledges that the Contractor and the debris removal contractor are not partners or joint ventures with each other. The

City further acknowledges that the Contractor's relationship with the debris removal contractor is limited to documenting the work that is performed by the debris removal contractor, that the Contractor does not direct the operations of the debris removal contractor, does not have any control over the acts or operations of the debris removal contractor, and is not responsible for the acts or omissions of the debris removal contractor.

12. Standards. The Contractor shall follow the generally accepted standard of care typically exhibited by similarly situated consultants performing like services on projects of similar size, scope, nature and complexity. The City and Contractor agree and understand that Contractor's services hereunder constitute professional services and Contractor makes no warranty or guarantee, express or implied, and guarantees no particular result.

13. Insurance. Contractor shall maintain as a condition precedent to this Agreement an approved and satisfactory general comprehensive liability insurance policy in the minimum amount of \$1,000,000.00, and naming the City, its employees and elected officials as additional insureds. Such general comprehensive insurance, the premiums for which have been paid by the Contractor, shall cover any claim for damages of whatever nature brought by any person, corporation or business entity against the Contractor, the City, its employees, named insureds, or additional insureds, or any of them arising out of or in any manner connected with the services provided to the City. A certificate of insurance shall be provided by its producing agent to the City prior to the Contractor's beginning work under this Agreement.

Contractor shall furnish the City as a condition precedent to this Agreement evidence of approved and satisfactory workers' compensation insurance providing workers' compensation insurance to Contractor's employees, unless Contractor is not required by law to have such insurance coverage.

14. Assignment. This Agreement shall not be assigned, in whole or in part, by Contractor without the prior written consent of the City, which shall not be unreasonably withheld.

15. Solid Waste Disposal Act. During the term of this Agreement and any extensions thereof, the Contractor shall at all times comply with all applicable provisions of The Solid Waste Disposal Act of 1965, as amended (42 USCA § 6901, et seq.).

16. Contract Work Hours and Safety Standards Act.

(a) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(b) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each

individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section. (3) Withholding for unpaid wages and liquidated damages. The City shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section. (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

17. Clean Air Act. Where applicable, the Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq. The Contractor agrees to report each violation to the City and understands and agrees that the City will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency (FEMA), and the appropriate Environmental Protection Agency Regional Office. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance provided by FEMA.

18. Federal Water Pollution Control Act (Clean Water Act). Where applicable, the Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq. The Contractor agrees to report each violation to the (insert name of the non-federal entity entering into the contract) and understands and agrees that the (insert name of the nonfederal entity entering into the contract) will, in turn, report each violation as required to assure notification to the (insert name of the pass-through entity, if applicable), Federal Emergency Management Agency (FEMA), and the appropriate Environmental Protection Agency Regional Office. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance provided by FEMA.

19. Energy Policy and Conservation Act. During the term of this Agreement and any extensions thereof, the Contractor shall at all times comply with all applicable federal, state and local laws pertaining to energy efficiency, including but not limited to, the Energy Policy and Conservation Act, as amended (42 U.S.C.A § 6201 et seq.).

(a) The Contractor shall comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered material practicable, consistent with maintaining a satisfactory level of competition,

where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

20. Byrd Anti-Lobbying Amendment. During the term of this Agreement and any extensions thereof, the Contractor shall at all times comply with all applicable provisions of the Byrd Anti-Lobbying Amendment (42 U.S.C. § 1352, et seq.).

21. Non-Discrimination.

(a) Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(b) Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(c) Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with Contractor's legal duty to furnish information.

(d) Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(e) Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(f) Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(g) In the event of Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(h) Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, Contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be

imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

22. Prohibition on Contracting for Covered Telecommunications Equipment or Services.

(a) Definitions. As used in this clause, the terms backhaul; covered foreign country; covered telecommunications equipment or services; interconnection arrangements; roaming; substantial or essential component; and telecommunications equipment or services have the meaning as defined in FEMA Policy 405-143-1, Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services (Interim), as used in this clause.

(b) Prohibitions. (1) Section 889(b) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232, and 2 C.F.R. § 200.216 prohibit the head of an executive agency on or after Aug. 13, 2020, from obligating or expending grant, cooperative agreement, loan, or loan guarantee funds on certain telecommunications products or from certain entities for national security reasons. (2) Unless an exception in paragraph (c) of this clause applies, the contractor and its subcontractors may not use grant, cooperative agreement, loan, or loan guarantee funds from the Federal Emergency Management Agency to: (i) Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system; (ii) Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system; (iii) Enter into, extend, or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system; or (iv) Provide, as part of its performance of this contract, subcontract, or other contractual instrument, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

(c) Exceptions. (1) This clause does not prohibit contractors from providing:

(i) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles. (2) By necessary implication and regulation, the prohibitions also do not apply to: (i) Covered telecommunications equipment or services that: i. Are not used as a substantial or essential component of any system; and ii. Are not

used as critical technology of any system. (ii) Other telecommunications equipment or services that are not considered covered telecommunications equipment or services.

(d) Reporting requirement. (1) In the event the contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the contractor is notified of such by a subcontractor at any tier or by any other source, the contractor shall report the information in paragraph (d)(2) of this clause to the recipient or subrecipient, unless elsewhere in this contract are established procedures for reporting the information. (2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause: (i) Within one business day from the date of such identification or notification: The contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended. (ii) Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: Any further available information about mitigation actions undertaken or recommended. In addition, the contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services.

(e) Subcontracts. The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts and other contractual instruments.

23. Domestic Preference for Procurements. As appropriate, and to the extent consistent with law, the contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products.

For purposes of this clause: Produced in the United States means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

Manufactured products mean items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

24. Access to Records. The Contractor agrees to provide the City, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.

In compliance with section 1225 of the Disaster Recovery Reform Act of 2018, the City and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

25. DHS Seal, Logo, and Flags. The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval. The contractor shall include this provision in any subcontracts.

26. Compliance with Federal Law, Regulations, And Executive Orders and Acknowledgement of Federal Funding. This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The Contractor will comply with all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives.

27. No Obligation by Federal Government. The federal government is not a party to this contract and is not subject to any obligations or liabilities to the non-federal entity, contractor, or any other party pertaining to any matter resulting from the contract.

28. Program Fraud and False or Fraudulent Statements or Related Acts. The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this contract.

29. Byrd Anti-Lobbying Amendment. Contractors who apply or bid for an award of more than \$100,000 shall file the required certification attached as Exhibit D. Each tier certifies to the tier above that it will not and has not used federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the federal awarding agency.

30. Affirmative Socioeconomic Steps. If subcontracts are to be let, the Contractor is required to take all necessary steps identified in 2 C.F.R. § 200.321(b)(1)-(5) to ensure that small and minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

32. Force Majeure. Except with respect to payment obligations under this Agreement, neither party hereto shall be liable for any failure to perform due to strikes, riots, civil disturbances, acts of terrorism, wars, failures or fluctuations in electrical power or telecommunications equipment, or any other cause beyond such party's reasonable control (each an "Event of Force Majeure"). The parties shall use their commercially reasonable efforts to minimize the consequences of any Event of Force Majeure.

33. Miscellaneous.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without reference to principles of conflict of laws. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. This

Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(b) All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Contractor:
DebrisTech, LLC
Attn: Brooks Wallace
923 Goodyear Boulevard
Picayune, Mississippi 39466

If to the City:
City of Bay City, Texas
Attn: Scotty Jones
1901 Fifth Street
Bay City, Texas 77414

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(c) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(d) The parties' respective rights under this Agreement are cumulative and either party's exercise or enforcement of any right or remedy under this Agreement will not preclude such party's exercise or enforcement of any other right or remedy which such party is entitled to enforce at law or in equity.

(e) Contractor's or the City's failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right Contractor or the City may have hereunder shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(f) If any provision of this Agreement shall be deemed unlawful, void or unenforceable for any reason, it shall be deemed severable, and in no way shall affect the validity or enforceability of, the remaining provisions of this Agreement.

(g) This Agreement shall not be construed or interpreted in favor of or against Contractor or the City on the basis of draftsmanship or preparation of the Agreement.

(h) This Agreement, together with the Exhibits attached hereto, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and shall supersede all prior and contemporaneous agreements and understandings between Contractor and the City, whether written or oral, with respect to the subject matter hereof.

(i) This Agreement can only be amended or modified in a written document signed by both Contractor and the City.

(j) All rights and obligations of the parties hereto that either expressly, or by their nature, survive the expiration or termination of this Agreement shall survive such expiration or termination.

(k) This Agreement and any amendment, waiver, approval or consent relating hereto may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The delivery by any party of an executed signature page to this Agreement or any amendment, waiver, approval or consent relating hereto by facsimile transmission or by electronic email in Adobe Corporation's Portable Document Format (or PDF) shall be deemed to be, and shall be enforceable to the same extent as, an original signature page hereto or thereto. Any party who delivers such a signature page agrees to later deliver an original counterpart to any party that requests it.

IN WITNESS WHEREOF, the parties have executed this Independent Contractor Agreement as of the date first written above.

-CONTRACTOR-

-CITY-

DEBRISTECH, LLC

BAY CITY, TEXAS

By: _____
Brooks R. Wallace, President

By:  _____
Robert K. Nelson, Mayor

EXHIBIT A

SCOPE OF SERVICES

I. BACKGROUND

The City requires management, recovery, and consulting services related to disaster recovery. Upon request of the City other services may include, but not limited to, facilitating communication with FEMA, FHWA, the State of Texas and other agencies, coordination with insurance representatives, pre-event planning, and post-event reconstruction, grant funding, and reimbursement services.

II. SCOPE

A. DISASTER DEBRIS MONITORING SERVICES

The selected firm will be expected to provide disaster debris monitoring services to include debris generated from the public rights-of-way, private property, drainage areas/canals, waterways, and other areas designated as eligible by the City. Specific services may include:

1. Providing technical support and guidance in selecting a debris removal contractor. This shall include the preparation, review and recommendations of Request for Proposals and/or Bids for debris removal.
2. Coordinating daily briefings, work progress, staffing, and other key items with the City.
3. Support with the selection and permitting of Temporary Debris Storage and Reduction Site (TDSRS) locations and other permitting/regulatory issues as requested.
4. Scheduling work for team members and contractors on a daily basis.
5. Hiring, scheduling, and managing field staff.
6. Monitoring recovery contractor operations and making/implementing recommendations to improve efficiency and speed up recovery work.
7. Assisting the City with responding to public concerns and comments.
8. Certifying contractor vehicles for debris removal using methodology and documentation practices appropriate for contract monitoring.
9. The Debris monitoring company shall utilize an Electronic Ticketing System to generate

electronic debris load tickets for each load of debris generated. The Electronic Ticketing System shall capture a digital photograph, GPS coordinates, Electronic Signature, and a timestamp for each load of debris generated as it is loaded and as it dumped. The System shall also capture before and after photos of each Leaner, Hanger, and Stump removed along with GPS coordinates and timestamps. This information shall be transmitted electronically to a central information database that provides real time access to debris removal activities via a web-based interface. Along with the digital records, the system shall also have the ability to generate paper receipts in the field for redundancy and debris removal crew validation if requested by the City at no additional cost. The System shall also be capable of providing a real time connection to the City's GIS system and shall be customizable to meet specific needs of the City with no additional cost to the City. The purpose of the Electronic Ticketing System is to provide the City with complete documentation of every load of debris generated for auditing and reimbursement purposes.

10. Developing daily operational reports to keep the City informed of work progress.
11. Development of maps, GIS applications, etc. as necessary.
12. Comprehensive review, reconciliation, and validation of debris removal contractor(s) invoices prior to submission to the City for processing.
13. Project Worksheet and other pertinent report preparation required for reimbursement by FEMA, FHWA and any other applicable agency for disaster recovery efforts by City staff and designated debris removal contractors.
14. Final report and appeal preparation and assistance.

END OF SCOPE

EXHIBIT B

PAYMENT SCHEDULE

The hourly labor rates shall include all applicable overhead and profit. All non-labor related project costs will be billed to the City at cost without mark-up. All Per Diem expenses shall be billed directly to the City at a rate not to exceed the GSA Per Diem Allowance for the project area. The rates listed below shall be straight time rates. All hours in excess of 40 hours per week shall be billed at 1.5 times the straight time rate.

DISASTER DEBRIS MONITORING SERVICES

POSITIONS	HOURLY RATES
Project Manager	\$ <u>85.00</u>
Operations Manager	\$ <u>70.00</u>
Field Supervisor	\$ <u>50.00</u>
Load Site Monitors	\$ <u>38.00</u>
Debris Site/Tower Monitor	\$ <u>38.00</u>

EXHIBIT C**CERTIFICATION REGARDING DEBARMENT,
SUSPENSION AND OTHER RESPONSIBILITY MATTERS**

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS -Certification in accordance with Section 29.510 Appendix A, C.F.R./Vol. 53, No. 102, page 19210 and 19211:

- (1) The CONTRACTOR certifies to the best of its knowledge and belief that it and its principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - (b) have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification: and
 - (d) have not within a three-year period preceding this application/proposal had one or more public transactions (federal, state or local) terminated for cause or default;
 - (e) has not either directly or indirectly entered into any agreement participated in any collusion; or otherwise taken any action in restraint of free competitive negotiation in connection with this CONTRACT.

- (2) The CONTRACTOR further certifies, to the best of his/her knowledge and belief, that:
 - (f) No federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a member of Congress, an officer or employee of Congress, or employee of a member of Congress in connection with the awarding of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
 - (g) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of Congress, or any employee of a member of Congress in connection with this CONTRACT, Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions will be completed and submitted.

The certification contained in (1) and (2) above is a material representation of fact upon which reliance is placed and a pre-requisite imposed by Section 1352, Title 31, U. S. Code prior to entering into this CONTRACT. Failure to comply shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000. The CONTRACTOR shall include the language of the certification in all subcontracts exceeding \$100,000 and all sub-contractors shall certify and disclose accordingly.

I hereby certify that I am the duly authorized representative of the CONTRACTOR for purposes of making this certification, and that neither I, nor any principal, officer, shareholder or employee of the above firm has:

- (a) employed or retained for commission, percentages, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above CONTRACTOR) to solicit or secure this agreement,
- (b) agreed, as an express or implied condition for obtaining this CONTRACT, to employ or retain the services of any firm or person in connection with carrying out the agreement, or
- (c) paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above CONTRACTOR) any fee, contribution, donation, or consideration of any kind for, or in connection with, procuring or carrying out the agreement; except as herein expressly stated (if any).

I acknowledge that this Agreement may be furnished to the Federal Emergency Management Agency, in connection with the Agreement involving participation of federal disaster relief funds, and is subject to applicable state and federal laws, both criminal and civil.

SO CERTIFIED this day of _____, 20____.

DebrisTech, LLC

Brooks Wallace, President

ATTEST: _____
Notary

EXHIBIT D**BYRD ANTI-LOBBYING AMENDMENT CERTIFICATION****APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING****Certification for Contracts, Grants, Loans, and Cooperative Agreements**

The undersigned certifies, to the best of his or her knowledge and belief, that:

No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, DebrisTech, LLC, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Brooks Wallace, President

Date

DISCUSS, CONSIDER, AND/OR APPROVE RATIFYING THE CONTRACT WITH DRC EMERGENCY SERVICES, LLC FOR DEBRIS REMOVAL AND FINDING THAT COMPETITIVE BIDDING IS NOT FEASIBLE BECAUSE AN EMERGENCY OR EXIGENCY EXISTS THAT COULD AFFECT THE HEALTH AND SAFETY OF THE PUBLIC DUE TO HURRICANE BERYL.



EXECUTIVE SUMMARY

DEBRIS REMOVAL SERVICES

BACKGROUND:

The City sustained damages as a result of Hurricane Beryl making landfall on July 8, 2024. The City took measure to immediately clear debris from the roadways following the storm. The City staff determined that the most efficient route would be to perform emergency procurement to remove unsafe debris piles immediately. In addition, this contractor specializes in these services and are accustomed with all federal requirements. The Contractor is ready and on standby for TCEQ approved disposal sites. The Contractor will honor the same competitive rates as provided to the County.

The City will begin competitive procurement and work to align the contract period with the County's to prepare for a future joint procurement opportunity for debris removal services.

FINANCIAL IMPLICATIONS:

Variable Rates—reimbursable by FEMA if the City/County meet threshold. (Exhibit A)

RECOMMENDATION:

Approve the Emergency Debris Removal Contract

ATTACHMENTS: Contract with DRS Emergency Services

**EXIGENT AND EMERGENCY AGREEMENT FOR DEBRIS REMOVAL AND
RELATED SERVICES BETWEEN
City of Bay City, TX AND DRC EMERGENCY SERVICES, LLC**

This Exigent and Emergency Agreement for Debris Removal and Related Services ("Agreement") dated July 10, 2024 by and between the City of Bay City (the "Government") and DRC Emergency Services, LLC ("Contractor") as follows:

Recitals

WHEREAS, the Government has determined that public exigency and emergency circumstances exist detrimental to the health, safety and welfare of citizens and property and will not permit for the delays resulting from competitive solicitations as recognized under 2 CFR §200.320(f)(2) to procure debris removal and related services.

WHEREAS, the Government has determined that the Contractor is a responsible contractor in accordance with 2 CFR §200.318(h).

NOW THEREFORE, in consideration of the foregoing recitals which are incorporated herein by reference, and other specific consideration set forth in this Agreement the receipt and sufficiency of which is acknowledged by Contractor and Government, the parties agree as follows:

1. The Contractor and Government agree that the foregoing recitals are true, correct and material to this Agreement.
2. The Contractor and Government agree that the active term of this Agreement shall commence on July 12, 2024 and shall expire 30 days thereafter (hereafter the "active term"). This Agreement shall apply to all work performed at the request of the Government or for the benefit of the Government during the active term hereof (the "Work") unless both parties agree in writing that the terms and conditions hereof shall not apply.
3. Contractor's scope of work and rates are set forth on the attached Exhibit "A" which is adopted and incorporated herein by reference.
4. The contract clauses set forth on the attached Exhibit "B" and certification set forth on the attached Exhibit "C" are adopted and incorporated herein by reference.

In witness whereof, the parties herein have executed this Agreement as of the 10th day of July, 2024.

DRC Emergency Services, LLC

By:

Name:

Title:

Date:

City of Bay City

By:

Name: Robert K. Nelson

Title: Mayor

Date: 7-10-24

EXHIBIT “A”
SCOPE OF WORK AND RATES

ROW Vegetative Debris Removal: Work consists of the collection and transportation of eligible vegetative debris on the ROW or public property to approved debris management site (DMS) or approved final disposal site.	\$ per cubic yard (CY)	Low Range 0-100k CY	Mid Range 100k-500k CY	High Range 500k+ CY	\$ per ton (Alternate)
0-15 miles	\$ 7.45	\$ 7.45	\$ 7.45	\$ 7.45	\$ 80.00
16-30 miles	\$ 7.45	\$ 7.45	\$ 7.45	\$ 7.45	\$ 80.00
31-60 miles	\$ 7.45	\$ 7.45	\$ 7.45	\$ 7.45	\$ 80.00
Greater than 60 miles	\$ 7.45	\$ 7.45	\$ 7.45	\$ 7.45	\$ 80.00
ROW C&D Debris Removal: Work consists of the collection and transportation of eligible C&D on the ROW or public property to approved final disposal site.	\$ per cubic yard (CY)	Low Range 0-100k CY	Mid Range 100k-500k CY	High Range 500k+ CY	\$ per ton (Alternate)
0-15 miles	\$ 7.75	\$ 7.75	\$ 7.75	\$ 7.75	\$ 80.00
16-30 miles	\$ 8.25	\$ 8.25	\$ 8.25	\$ 8.25	\$ 85.00
31-60 miles	\$ 14.00	\$ 14.00	\$ 14.00	\$ 14.00	\$ 140.00
Greater than 60 miles	\$ 14.00	\$ 14.00	\$ 14.00	\$ 14.00	\$ 140.00
Demolition, Removal, Transport and Disposal of Non-RACM Structures: Work consists of decommissioning, demolition, an disposal of eligible Non-RACM structures on public or private property and hauling the resulting debris to approved final disposal site	\$ per cubic yard (CY)	Low Range 0-100k CY	Mid Range 100k-500k CY	High Range 500k+ CY	\$ per ton (Alternate)
0-15 miles	\$ 18.95	\$ 18.95	\$ 18.95	\$ 18.95	\$ 185.00
16-30 miles	\$ 19.95	\$ 19.95	\$ 19.95	\$ 19.95	\$ 195.00
31-60 miles	\$ 22.95	\$ 22.95	\$ 22.95	\$ 22.95	\$ 225.00
Greater than 60 miles	\$ 24.95	\$ 24.95	\$ 24.95	\$ 24.95	\$ 245.00
Demolition, Removal, Transport and Disposal of RACM Structures: Work consists of decommissioning, demolition, an disposal of eligible RACM structures on public or private property and hauling the resulting debris to approved final disposal site	\$ per cubic yard (CY)	Low Range 0-100k CY	Mid Range 100k-500k CY	High Range 500k+ CY	\$ per ton (Alternate)
0-15 miles	\$ 28.95	\$ 28.95	\$ 28.95	\$ 28.95	\$ 285.00
16-30 miles	\$ 29.95	\$ 29.95	\$ 29.95	\$ 29.95	\$ 295.00
31-60 miles	\$ 32.95	\$ 32.95	\$ 32.95	\$ 32.95	\$ 325.00
Greater than 60 miles	\$ 34.95	\$ 34.95	\$ 34.95	\$ 34.95	\$ 345.00
DMS Management and Operations: Work consist of managing and operating DMS for acceptance of eligible vegetative disaster related debris. The costs associated with acquiring, preparing, leasing, renting, operating, and remediating land used as DMS is reflected in this bid.	\$ per cubic yard (CY)	Low Range 0-100k CY	Mid Range 100k-500k CY	High Range 500k+ CY	\$ per ton (Alternate)
0-15 miles	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 14.50
16-30 miles	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 14.50
31-60 miles	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 14.50
Greater than 60 miles	\$ 1.45	\$ 1.45	\$ 1.45	\$ 1.45	\$ 14.50
DMS Management and Reduction by Grinding: Work consist of managing and operating DMS for acceptance of eligible vegetative disaster related debris through grinding. The costs associated with acquiring, preparing, leasing, renting, operating, and remediating land used as DMS is reflected in this bid.	\$ per cubic yard (CY)	Low Range 0-100k CY	Mid Range 100k-500k CY	High Range 500k+ CY	\$ per ton (Alternate)
0-15 miles	\$ 2.75	\$ 2.75	\$ 2.75	\$ 2.75	\$ 27.50
16-30 miles	\$ 2.75	\$ 2.75	\$ 2.75	\$ 2.75	\$ 27.50
31-60 miles	\$ 2.75	\$ 2.75	\$ 2.75	\$ 2.75	\$ 27.50
Greater than 60 miles	\$ 2.75	\$ 2.75	\$ 2.75	\$ 2.75	\$ 27.50
DMS Management and Reduction by Air Curtain Incineration: Work consist of managing and operating DMS for acceptance of eligible vegetative disaster related debris through air curtain incinerators. The costs associated with acquiring, preparing, leasing, renting, operating, and remediating land used as DMS is reflected in this bid.	\$ per cubic yard (CY)	Low Range 0-100k CY	Mid Range 100k-500k CY	High Range 500k+ CY	\$ per ton (Alternate)
0-15 miles	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 22.50
16-30 miles	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 22.50
31-60 miles	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 22.50
greater than 60 miles	\$ 2.25	\$ 2.25	\$ 2.25	\$ 2.25	\$ 22.50
Haul-out of Reduced Debris to Approved Final Disposal Site: Work consists of loading and transporting reduced eligible disaster related debris at approved DMS to designated final disposal site.	\$ per cubic yard (CY)	Low Range 0-100k CY	Mid Range 100k-500k CY	High Range 500k+ CY	\$ per ton (Alternate)
0-15 miles	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 40.00
16-30 miles	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 50.00
31-60 miles	\$ 8.50	\$ 8.50	\$ 8.50	\$ 8.50	\$ 85.00
greater than 60 miles	\$ 10.50	\$ 10.50	\$ 10.50	\$ 10.50	\$ 105.00

Removal of Hazardous Trees and Limbs: work consist of removing eligible hazardous trees or limbs and placing them on the safest possible location of the row for collection under the terms and conditions of Scope of Services	\$ Per Tree
6 inch to 12.99 inch diameter	\$ 75.00
13 inch to 24.99 inch diameter	\$ 100.00
25 inch to 36.99 inch diameter	\$ 170.00
37 inch to 48.99 inch diameter	\$ 295.00
49 inch and larger	\$ 395.00
Hanger Removal (Pre Tree)	\$ 85.00
Removal of Hazardous Stumps: Work consists of removing eligible hazardous stumps and transporting resulting debris from the ROW to approved DMS. Rate includes removal, backfill of stump hole, reduction, and final disposal	\$ Per Stump
24.1 inch to 36.99 inch diameter	\$ 150.00
37 inch to 48.99 inch diameter	\$ 200.00
49 inch and larger diameter	\$ 300.00
ROW White Goods Debris Removal: Work consists of the removal of eligible White Goods from the ROW to approved DMS or approval. Facility for recycling. Contractor shall be responsible for recovering/disposing refrigerants as required by law as well as unit decontamination in a contained area. The Contractor shall also be responsible for the transportation of eligible White Goods from the approved DMS to approved facility for recycling.	\$ Per Unit
Refrigerators and freezers requiring refrigerant recovery and	\$ 100.00
Washers, dryers, stoves, ovens, AC units, and hot water heaters	\$ 50.00
Used Electronics Removal: Work consists of recovery and disposal of disaster damaged televisions, computers, computer monitors, and microwaves unless otherwise specified in writing by the County	\$ Per Unit
	\$ 25.00
Household Hazardous Waste Removal, Transport, and Disposal: Work consists of the collection, transportation, and disposal of household hazardous waste from the ROW to approved permitted hazardous waste facility or MSW type I landfill.	\$ Per Pound
	\$ 6.95
Abandoned Vehicle and Vessel Removal: Work Consists of removal and transports of eligible abandoned vehicles and vessels.	\$ Per Unit
Passenger Car	\$ 100.00
Single Axle	\$ 150.00
Vessel less than 20 linear feet	\$ 500.00
Vessels 21 linear feet and greater	\$ 2,500.00
Double Axle	\$ 200.00
Dead Animal Carcasses: Work Consists of the recovery and disposal of dead animal carcasses.	\$ Per Pound
	\$ 1.50

Equipment Type with Operator	Estimated Hours	Hourly Labor Rate	Total
Air Curtain Burner, Self-Contained System	1	\$ 185.00	\$ 185.00
50' Bucket truck	1	\$ 225.00	\$ 225.00
Crash truck w/ Impact Attenuator	1	\$ 145.00	\$ 145.00
Dozer, Tracked D3 or Equivalent	1	\$ 200.00	\$ 200.00
Dozer, Tracked D4 or Equivalent	1	\$ 200.00	\$ 200.00
Dozer, Tracked D5 or Equivalent	1	\$ 200.00	\$ 200.00
Dozer, Tracked D8 or Equivalent	1	\$ 200.00	\$ 200.00
Dump truck, 16+/- CY	1	\$ 100.00	\$ 100.00
Dump Truck, 20+/- CY	1	\$ 120.00	\$ 120.00
Dump Truck, 38+/- CY	1	\$ 140.00	\$ 140.00
Generator, 5.5 kW, List kW Capacity - 5.5kW	1	\$ 25.00	\$ 25.00
Generator, 200 kW, List kW Capacity - 200 kW as available	1	\$ 125.00	\$ 125.00
Generator, 2,500 kW, List kW Capacity 2,500 kW as available	1	\$ 750.00	\$ 750.00
Light Plant with Fuel and Support	1	\$ 75.00	\$ 75.00
Grader w/ 12' Blade (Min. 30,000 LB)	1	\$ 110.00	\$ 110.00
Hydraulic Excavator, 1.5 CY	1	\$ 145.00	\$ 145.00
Hydraulic Excavator, 2.5 CY	1	\$ 155.00	\$ 155.00
Knuckleboom Loader	1	\$ 250.00	\$ 250.00

Lowboy Trailer w/ Tractor	1	\$ 150.00	\$ 150.00
Mobile Crane up to 15 Ton	1	\$ 175.00	\$ 175.00
Pump, 95 HP (Minimum 25' Intake and 200' Discharge to Include Fuel and Support Personnel)	1	\$ 200.00	\$ 200.00
Pump, 200 HP (Minimum 25' Intake and 200' Discharge to Include Fuel and Support Personnel)	1	\$ 400.00	\$ 400.00
Pump, 650 HP (Minimum 25' Intake and 200' Discharge to Include Fuel and Support Personnel)	1	\$ 600.00	\$ 600.00
Vac Truck (Mist Capacity), List Capacity - 2,500 Gallon	1	\$ 325.00	\$ 325.00
Pickup Truck, 1 Ton	1	\$ 40.00	\$ 40.00
Skid-Steer Loader, 1,500 LB Operating Capacity (w/ Utility Grapple)	1	\$ 125.00	\$ 125.00
Skid-Steer Loader, 2,500 LB Operating Capacity (w/ Utility Grapple)	1	\$ 135.00	\$ 135.00
Compact Track Loader, 1,500 LB Operating Capacity (w/ Utility Grapple)	1	\$ 125.00	\$ 125.00
Compact Track Loader, 2,500 LB Operating Capacity (w/ Utility Grapple)	1	\$ 135.00	\$ 135.00
Tub Grinder, 800 to 1,000 HP	1	\$ 550.00	\$ 550.00
Hydraulic Excavator, 1.5 CY (w/ Thumb)	1	\$ 175.00	\$ 175.00
Hydraulic Excavator, 2.5 CY (w/ Thumb)	1	\$ 180.00	\$ 180.00
Truck, Flatbed	1	\$ 120.00	\$ 120.00
Articulated, Telescoping Scissor Lift for Tower, 15 HP/37ft Lift	1	\$ 135.00	\$ 135.00
Water Truck, 2,500 gal (Non-Portable, Dust Control and Pavement Maintenance)	1	\$ 85.00	\$ 85.00
Wheel Loader, 3 CY, 152 HP	1	\$ 185.00	\$ 185.00
Wheel Loader, 4CY, 200 HP	1	\$ 195.00	\$ 195.00
Wheel Loader-Backhoe, 1.5 CY, 95 HP	1	\$ 175.00	\$ 175.00
Other-Please List	N/A	N/A	N/A

Labor Category	Estimated Hours	Hourly Labor Rate	Total
Operations managers w/ Cell Phone and 0.5 ton Pickup	1	\$ 80.00	\$ 80.00
Crew Foreman w/ Cell Phone and 1 ton Equipment Truck w/ Small tools and	1	\$ 75.00	\$ 75.00
Tree Climber W/ Chain Saw	1	\$ 90.00	\$ 90.00
Laborer w/ Chainsaw	1	\$ 45.00	\$ 45.00
Laborer w/Small Tools, Traffic Control, or Flag Person	1	\$ 45.00	\$ 45.00
Bonded and Certified Security Personnel	1	\$ 85.00	\$ 85.00
Other - Please List	N/A	N/A	N/A

Crew Category	Estimated Hours	Hourly Labor Rate	Total
Wheel Loader, 2.5 CY, 950 or Similar w/Operator, Foreman with Support Vehicle and Small Equipment, Laborer w/ Chainsaw, and 2 Laborers w/ Small Tools	1	\$ 395.00	\$ 395.00
Other Please List	N/A	N/A	N/A

EXHIBIT "B"**(A) LIQUIDATED DAMAGES (2 CFR §200.326 Appendix II to Part 200 (A))**

(1) All work to be performed under this AGREEMENT shall be timely commenced. As a breach of this AGREEMENT would cause substantial delay in the completion of the required services affecting the safety and welfare of the public, the parties adopt the following liquidated damages clause.

(2) Liquidated damages are hereby fixed and agreed upon between the parties, recognizing the impossibility of precisely ascertaining the amount of damages that will be sustained by the GOVERNMENT as a consequence of such delay in performance. CONTRACTOR acknowledges and agrees that damages to GOVERNMENT from untimely performance are extremely difficult to determine, and accordingly, the CONTRACTOR agrees that the amount of liquidated damages provided for herein is the nearest and most exact measure of damages for such delays.

(a) Failure of the CONTRACTOR to meet the mobilization requirements under this AGREEMENT: \$100.00 per calendar day.

(3) The GOVERNMENT is authorized to deduct liquidated damage amounts from the monies due to CONTRACTOR for the work under this AGREEMENT, or as much thereof as the GOVERNMENT may, at its own option, deem just and reasonable.

(B) TERMINATION RIGHTS (2 CFR §200.326 Appendix II to Part 200 (B))

(1) Termination for Cause: GOVERNMENT may terminate this AGREEMENT for cause if the CONTRACTOR fails to take corrective action within thirty (30) days after written notice from the GOVERNMENT identifying the breach. Cause for termination shall include, but not be limited to, failure to suitably perform the work, failure to suitably deliver goods in accordance with the specifications and instructions in the AGREEMENT, failure to continuously perform the work in a manner calculated to meet or accomplish the objectives of the GOVERNMENT as set forth in the AGREEMENT, or multiple breaches of the provisions of the AGREEMENT notwithstanding whether any such breach was previously waived or cured.

(2) Termination for Convenience: GOVERNMENT may terminate this AGREEMENT for convenience upon no less than thirty (30) days written notice. In the event this AGREEMENT is terminated for convenience, CONTRACTOR be paid for any goods properly delivered and services properly performed to the date the AGREEMENT is deemed terminated; however, upon being notified of GOVERNMENT's election to terminate, CONTRACTOR shall cease any deliveries, shipment or carriage of goods, and refrain from performing further services or incurring additional expenses under the terms of this AGREEMENT. CONTRACTOR acknowledges and agrees that is has received good, valuable and sufficient consideration from GOVERNMENT, the receipt and adequacy of which are hereby acknowledged for GOVERNMENT's right to terminate this AGREEMENT for convenience.

(C) EQUAL EMPLOYMENT OPPORTUNITY CLAUSE (2 CFR §200.326 Appendix II to Part 200 (C))

If applicable to the work and services performed by CONTRACTOR under the AGREEMENT, during the performance of the AGREEMENT, CONTRACTOR shall comply with the Equal Employment Opportunity Clause (41 CFR 60-1.4(b)):

- (1) CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. AGREEMENTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
- (3) CONTRACTOR will send to each labor union or representative of workers with which it has a collective bargaining agreement or other agreement or understanding, a notice to be provided advising the said labor union or workers' representatives of the CONTRACTOR'S commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) CONTRACTOR will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) CONTRACTOR will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor for purpose of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the CONTRACTOR'S noncompliance with the nondiscrimination clauses of this AGREEMENT or with any of the said rules, regulations or orders, this AGREEMENT may be canceled, terminated, or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (7) CONTRACTOR will include the portion of the sentence immediately preceding paragraph (1) and the provisions of subparagraphs 1 through 7 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon

each subcontractor or contractor. CONTRACTOR will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: provided, however, that in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or contractor as a result of such direction by the administering agency the CONTRACTOR may request the United States to enter into such litigation to protect the interest of the United States.

D. DAVIS-BACON ACT AND COPELAND "ANTI-KICKBACK" ACT (2 CFR §200.326 Appendix II to Part 200 (D))

If applicable to the work and services performed by CONTRACTOR under the parties' AGREEMENT:

(1) Bacon-Davis Act: Applicable to construction or repair of public buildings or public works. see FEMA Public Assistance Program and Policy Guide, Ch.2(V)(G)(2), page 32 and Ch. (FP 104-009-2/January 2016);

(2) Copeland "Anti-Kickback" Act: In contracts subject to the Davis-Bacon Act, CONTRACTOR shall comply with the Copeland "Anti-Kickback" Act (40 U.S.C. §3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that the contractor and subcontractor must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The GOVERNMENT must report all suspected or reported violations to the appropriate Federal agency.

If applicable to the work and services under the parties' AGREEMENT:

(a) CONTRACTOR shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this AGREEMENT.

(b) CONTRACTOR or subcontractor shall insert in any subcontract the clause above and such other clauses as FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The CONTRACTOR shall be responsible for the compliance by any subcontractor or lower tier subcontract with all of these contract clauses.

(c) A breach of the AGREEMENT clause above may be grounds for termination of the AGREEMENT, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. §5.12.

E. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (2 CFR §200.326 Appendix II to Part 200 (E)) (40 U.S.C. 3701-3708)

Contracts in excess of \$100,000 that involve the employment of mechanics or laborers shall comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor and its subcontractors shall compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation: liability for unpaid wages: liquidated damages. In the event of any violation of the clause set forth in paragraph (I) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (I) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (I) of this section.

(3) Withholding for unpaid wages and liquidated damages. The GOVERNMENT shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work

Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

(4) The contractor and subcontractor shall insert in any subcontract the clauses set forth in paragraphs (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts.

F. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT (2 CFR §200.326 Appendix II to Part 200 (F))

If applicable to the work and services performed by CONTRACTOR under the parties' AGREEMENT and if the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the GOVERNMENT wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the GOVERNMENT must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business."

G. CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT (2 CFR §200.326 Appendix II to Part 200 (G))

CONTRACTOR shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

CONTRACTOR shall include the foregoing requirements in each subcontract exceeding \$100,000.

H. ENERGY EFFICIENCY AND CONSERVATION (2 CFR §200.326 Appendix II to Part 200 (H))

If applicable to the work and services performed by CONTRACTOR under the parties' AGREEMENT, CONTRACTOR shall comply with the mandatory standards and policies of the state regulation promulgated in accordance with the Energy Policy and Conservation Act (42 U.S.C. § 6201).

I. DEBARMENT AND SUSPENSION (2 CFR §200.326 Appendix II to Part 200 (I))

(1) This AGREEMENT is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the CONTRACTOR is required to verify that none of the contractor, its principals

(defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

(2) The CONTRACTOR must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

(3) This certification is a material representation of fact relied upon by GOVERNMENT. If it is later determined that the CONTRACTOR did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to GOVERNMENT, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

(4) The CONTRACTOR agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C AGREEMENT is valid and throughout the period of performance. The CONTRACTOR further agrees to include a provision requiring such compliance in its lower tier covered transactions.

J. BYRD ANTI-LOBBYING AMENDMENT (2 CFR §200.326 Appendix II to Part 200 (J))

CONTRACTOR must file with the GOVERNMENT the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. If not provided with the bid response, CONTRACTOR must complete and submit the Certification Regarding Lobbying Form.

K. PROCUREMENT OF RECOVERED MATERIALS (2 CFR §200.326 Appendix II to Part 200 (K) and 2 CFR §200.322)

(1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired-

- (a) Competitively within a timeframe providing for compliance with the contract performance schedule;
- (b) Meeting contract performance requirements; or
- (c) At a reasonable price.

(2) Information about this requirement is available at EPA's Comprehensive Procurement Guidelines web site, <http://www.epa.gov/cpg/>. The list of EPA-designate items is available at <http://www.epa.gov/cpg/products/htm>.

L. AGREEMENTING WITH SMALL AND MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS (2 CFR §200.321)

Should the CONTRACTOR subcontract any of the work under this AGREEMENT, CONTRACTOR shall take the following affirmative steps: place qualified small and minority businesses and women's business enterprises on solicitation lists; assure that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises; establish delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

M. ACCESS TO RECORDS

(1) CONTRACTOR agrees to provide GOVERNMENT, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this AGREEMENT for the purposes of making audits, examinations, excerpts, and transcriptions.

(2) CONTRACTOR agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(3) CONTRACTOR agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.

N. SEAL, LOGO AND FLAGS

CONTRACTOR shall not use the U.S. Department of Homeland Security's seal(s), logos, crests, or reproductions of flags or likenesses of the U.S. Department of Homeland Security's agency officials without specific FEMA preapproval.

O. COMPLIANCE WITH FEDERAL LAW, REGULATIONS AND EXECUTIVE ORDERS

This is an acknowledgement that FEMA financial assistance will be used to fund the AGREEMENT only. If applicable to the work and services performed by CONTRACTOR under the AGREEMENT, the CONTRACTOR will comply will all federal law, regulations, executive orders, FEMA policies, procedures, and directives.

P. NO OBLIGATION BY FEDERAL GOVERNMENT

The Federal Government is not a party to this AGREEMENT and is not subject to any obligations or liabilities to GOVERNMENT, CONTRACTOR, or any other party pertaining to any matter resulting from the contract.

Q. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

CONTRACTOR acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the CONTRACTOR'S actions pertaining to this contract.

EXHIBIT "C"**CERTIFICATION REGARDING LOBBYING**

The undersigned certifies, to the best of his or her knowledge, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned Contractor certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

DRC EMERGENCY SERVICES, LLC

KRISTY FUENTES, VICE-PRESIDENT

Date: _____, 2024



RESOLUTION #

DECLARATION OF DISASTER – HURRICANE BERYL RENEWAL

WHEREAS, the City of Bay City, Texas, as of July 7, 2024, has suffered widespread or severe damage, injury, or loss of life or property (or there is imminent threat of same) resulting from Hurricane Beryl that began on July 7, 2024; and

WHEREAS, the Mayor of the City of Bay City, Texas has determined that extraordinary measures must be taken to alleviate the suffering of people and to protect or rehabilitate property,

WHEREAS, the Texas Government Code Chapter 418 gives the Mayor the power to declare a local disaster within the City “if the threat of disaster is imminent”; and,

WHEREAS, on July 7, 2024, the Mayor declared a local disaster due to the impending impact of Hurricane Beryl; and,

WHEREAS, Hurricane Beryl has caused flooding, wind damage, debris damage, increase of vegetative debris, and loss of utilities to the public at large; and,

WHEREAS, the declaration of such a disaster authorizes the imposition of controls on activities which tend to increase the likelihood of injury to the public; and,

WHEREAS, such controls, once implemented, have the potential of protection lives and property by mitigating the threats or effects from the disaster; and,

WHEREAS, such controls, once implemented, have the potential of protecting lives and property by mitigating the threat to the people and property of City of Bay City, Texas;

WHEREAS, a local disaster declaration expires seven days after its issuance, unless the City Council consents to its renewal or continuance; and,

WHEREAS, this disaster declaration is hereby declared on July 14, 2024, and shall herein be in effect and continue until terminated by the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF the City of Bay City, Texas, to ratify and renew the declaration of a local state of disaster based on the damages

sustained immediately preceding, during and following Hurricane Beryl until further action by City Council as described above.

APPROVED this the 16th day of July, 2024.

Robert K. Nelson, Mayor