



CITY COUNCIL REGULAR MEETING CITY OF BAY CITY

Tuesday, March 26, 2024 at 6:00 PM
COUNCIL CHAMBERS | 1901 5th Street

COUNCIL MEMBERS

Mayor: Robert K Nelson

Mayor Pro Tem: Blayne Finlay

Council Members: Benjamin Flores, Bradley Westmoreland, Becca Sitz, Jim Folse

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."*

Councilman Jim Folse

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.

Councilman Jim Folse

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.

PROCLAMATION

- 1. Presentation of Proclamation declaring April 7-13, 2024 as National Library Week.**

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

- 2. Consider and approve Amendment #1 to the Memorandum of Understanding between the City of Bay City, Texas and Bay City Gas Company for construction and maintenance of BMX Bike Park at City Field.**

DEPARTMENT REPORTS

- 3. Public Works report and presentation.** Krystal Mason, Assistant Public Works Director

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

- 4. Property ~ Discuss, consider, and/or approve declaring radio equipment as surplus property and authorizing proper disposition.** Dan Shook, Fire Marshall
- 5. Discuss, consider, and/or approve awarding the construction quote for the Hilliard Pool to Progressive Commercial Aquatics in the amount of \$255,800.00 and authorize the City Manager to execute a contract by for by the City Attorney.** Kelly Penewitt, Interim Park & Recreation Director
- 6. Resolution ~ Discuss, consider, and adopt a resolution determining that the City of Bay City contains areas which are considered to be blighted.** Gabriel Lopez, Engineering Tech
- 7. Resolution ~ Discuss, consider, and adopt a resolution authorizing the submission of a Texas Community Development Block Grant program application to the Texas Department of Agriculture for the Main Street Program.** Gabriel Lopez, Engineering Tech
- 8. Interlocal Agreement ~ Discuss, consider, and/or approve an Interlocal Agreement between the city of Bay City and Matagorda County regarding the Bay City Service Center.** Scotty Jones, Interim City Manager

- 9.** Resolution ~ Discuss, Consider, and/or approve the Resolution of the City of Bay City suspending the April 4, 2024 effective date of AEP Texas Inc.'s requested rate change to permit the City time to study the request and to establish reasonable rates; approving cooperation with the cities served by AEP Texas and authorizing intervention in AEP Texas Inc.'s requested rate change proceedings before the Commission; hiring Lloyd Gosselink Attorneys and Consulting Services to negotiate the Company and direct any necessary litigation and appeals; requiring reimbursement of cities; rate case expenses; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel. Scotty Jones, Interim City Manager
- 10.** Resolution ~ Discuss, consider, and/or approve a resolution by the City of Bay City, Texas, authorizing publication of Notice of Intention to issue Certificates of Obligation; authorizing preparation of a preliminary official statement and notice of sale; and approving other matters incidental thereto. Scotty Jones, Interim City Manager
- 11.** Property ~ Discuss, consider, and/or approve a Resolution authorizing the sale of 11.6222 acres of land by the City of Bay City to Ivan Depaz-Osoria and Priscilla Marie Depaz and authorizing the Mayor to sign all documents in connection with the sale. Anne Marie Odefey, City Attorney
- 12.** Ordinance ~ Discuss, consider, and/or approve a proposed Ordinance amending the City of Bay City Code of Ordinance Article II - City Council; creating Division 3 - Conduct of City Council Members; providing for Ethical Standards for City Council Members; providing a penalty for violations of the Ethical Standards; providing for Municipal Court Jurisdiction; providing for an effective date; and repeal any conflicting code provisions. Anne Marie Odefey, City Attorney
- 13.** Report ~ Discuss report received on 2500 Hamman Road and take any action deemed necessary. Anne Marie Odefey, City Attorney

CLOSED / EXECUTIVE SESSION

- 14.** Executive Session pursuant to Texas Government Code Section 551.072 (Deliberation regarding Real Property).
- 15.** Executive Session pursuant to the Texas Government Code Section 551.087 to discuss economic development negotiations.
- 16.** Personnel ~ Closed meeting to discuss personnel matters in accordance with Title 5, Section 551.074 of the Texas Government Code (To discuss appointment, employment, evaluation, responsibilities and duties, reassignment, discipline or dismissal of an officer or employee, or to hear a complaint or charge against an officer or employee: Mayor and Council
- 17.** Executive Session pursuant to Section 551.071(1) of the Texas Government Code (Consultation with Counsel on Legal Matters)

RECONVENE AND ACTION

Take any action on matters discussed in closed meeting.

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, March 22, 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.



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: Denbow, Samantha **Date Submitted:** 3/20/2024
Last, First *MM/DD/YYYY*

Requestor Type : City Staff **Meeting Date:** 3/26/2024
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Library Director
For City Staff Only

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

Agenda Content:

PRESENTATION OF A PROCLAMATION DECLARING APRIL 7-13, 2024 AS NATIONAL LIBRARY WEEK.

Executive Summary of Item:

Enter Text Here.

National Library Week 2024 Proclamation

WHEREAS, libraries offer the opportunity for everyone to connect with others, learn new skills, and pursue their passions, no matter where they are on life's journey;

WHEREAS, libraries have long served as trusted institutions, striving to ensure equitable access to information and services for all members of the community,

WHEREAS, libraries adapt to the ever-changing needs of their communities, developing and expanding collections, programs, and services that are as diverse as the populations they serve;

WHEREAS, libraries are accessible and inclusive places that promote a sense of local connection, advancing understanding, civic engagement, and shared community goals;

WHEREAS, libraries play a pivotal role in economic development by providing resources and support for job seekers, entrepreneurs, and small businesses, thus contributing to local prosperity and growth;

WHEREAS, libraries are treasured institutions that preserve our collective heritage and knowledge, safeguarding both physical and digital resources for present and future generations;

WHEREAS, libraries are an essential public good and fundamental institutions in democratic societies, working to improve society, protect the right to education and literacy, and promote the free exchange of information and ideas for all;

WHEREAS, libraries, librarians, and library workers are joining library supporters and advocates across the nation to celebrate National Library Week;

NOW, THEREFORE, be it resolved that I Robert K. Nelson, Mayor of the City of Bay City proclaim National Library Week, April 7-13, 2024. During this week, I encourage all residents to visit their library and celebrate the adventures and opportunities they unlock for us every day. Ready, Set, Library!



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Requestor Name: Jones, Scotty **Date Submitted:** 03/20/2024
Last, First *MM/DD/YYYY*

Requestor Type : City Staff **Meeting Date:** 3/26/2024
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Interim City Manager
For City Staff Only

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

Agenda Content:

Consider and approve Amendment #1 to the Memorandum of Understanding between the City of Bay City, Texas and Bay City Gas Company for construction and maintenance of BMX Bike Park at City Field.

Executive Summary of Item:

The Memorandum of Understanding (MOU) outlines the expectations of each party as to the construction and maintenance of the park. City Council approved the MOU on February 27, 2024 but asked that an amendment be made at a future meeting clarifying areas that did not have a specific dollar amount.

Recommendation: Staff recommends City Council approve Amendment #1 to the MOU with Bay City Gas Company.

Attachments: Original Approved MOU and the Amended MOU

**First Amendment to the
Memorandum of Understanding
Between the City of Bay City
and Bay City Gas Company
for Construction and Maintenance of BMX Park**

This Amendment (the “Amendment”) is entered into between the City of Bay City, Texas (“City”), and Bay City Gas Company (“BCGC”), collectively “the Parties.”

Recitals

Whereas the City and BCGC have entered into that certain Memorandum of Understanding Between the City of Bay City and the Bay City Gas Company for Construction and Maintenance of BMX Park (the “MOU”) on February 27, 2024; and

Whereas the City and BCGC desire to clarify certain terms of the MOU related to shared costs; and

Whereas Paragraph 4.5 of the MOU allows the MOU to be amended at any time only in writing signed by the Parties thereto;

Agreement

Now therefore, in consideration of the mutual promises contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. **Signage.** Subparagraph 2.1 (g) of the MOU is hereby amended and replaced in its entirety to read as follows:

(g) **Signage.** The City shall, at its expense, construct and install signage as designed by BCGC and approved by the Parties, not to exceed the amount of \$500.00. The Parties agree that any expense in excess of \$500.00, but not to exceed \$1,500.00, for the purchase of the signage shall be paid to the City by BCGC within 30 days of receipt of written invoice from the City.

2. **Construction.** Subparagraph 2.1 (h)(iii) of the MOU is hereby amended and replaced in its entirety to read as follows:

iii. City shall supply and deliver, at its expense, dirt and fill as requested by BCGC for initial construction and ongoing maintenance needs. BCGC will reimburse material cost only if purchased from a 3rd party vendor, not to exceed the amount \$2,500.00. The Parties agree that any expense in excess of \$2,500.00, but not to exceed \$3,500.00, for the purchase of the dirt and fill from a third party shall be split equally by the Parties.

3. **Maintenance.** Subparagraph 2.2 (e) of the MOU is hereby added, to read as follows:

(e) **Maintenance.** BCGC shall maintain the grounds and improvements inside of the perimeter walking track in a safe, clean and attractive condition.

4. All remaining paragraphs of the MOU shall remain in effect as originally agreed by the Parties.

5. In the event of any ambiguity or conflict between the MOU and this Amendment, the Parties intend that the MOU should be interpreted to give effect to this Amendment.

In witness whereof, the Parties have executed this First Amendment to the MOU on this date,

_____.

ATTEST:

CITY OF BAY CITY, TEXAS:

JEANNA THOMPSON
City Secretary

ROBERT K. NELSON
Mayor

ATTEST:

BAY CITY GAS COMPANY:

THOMAS GWOSDZ
Attorney

KEVIN HECHT
Director

**Memorandum of Understanding
Between the City of Bay City
and Bay City Gas Company
for Construction and Maintenance of BMX Park**

This Memorandum of Understanding (the “MOU”) is entered into by and between the City of Bay City, Texas (“City”), and Bay City Gas Company (“BCGC”), collectively “the Parties.”

Recitals

Whereas the City and BCGC desire to enter into an MOU whereby the Parties would design, construct, manage, maintain, program, and operate a BMX Bicycle Park, as more particularly set forth herein; (the “Park”);

Whereas the City is stewards of public lands in the City, and the Parties recognize through cooperation, these publicly-held lands can be used to meet broader community needs for recreation and open space than either party can provide separately;

Whereas the Texas Interlocal Cooperation Act, codified at Chapter 791 of the Texas Government Code, authorizes the Parties to this Agreement who are governmental entities to contract with one another to perform governmental functions and services; and

Agreement

Now Therefore, in consideration of the mutual representations, warranties, covenants and promises herein contained, the parties hereto agree as follows:

**Article 1
Goals of Mutual Cooperation**

1.1 **Purpose.** The purpose of this MOU is to establish and define the roles of each Party in relation to the Park; to provide for the Parties’ expectations regarding the construction and operation of the Park, and to provide for disposition of the Property in the event of termination of this MOU.

1.2 **Term.** This MOU will begin effective the date of final execution, below, and will continue until terminated in accordance with Paragraph 1.3.

1.3 **Termination.** Either Party may terminate this MOU in the event of a material breach of an obligation by the other Party that is not timely cured. If a Party intends to terminate this MOU as a result of a material breach, the Party must provide to the breaching Party a written notice of intent to terminate, identifying the breach or default and providing thirty (30) days for the breaching Party to cure the breach on or before the expiration of such 30 days by performing the defaulted obligation or, if such breach cannot reasonably be cured within 30 days, responding with an acceptable plan to cure the breach, which plan shall not unreasonably be rejected.

Article 2 BMX Park Cost Sharing

2.1 **Responsibilities of the City.** The City shall be responsible presently and in the future for the following.

(a) **The Land.** The City shall provide the land for the BMX park at the location of the City Park currently known as the City Field, located at 3212 Avenue E, Bay City, Texas 77414;

(b) **Maintenance.** The City shall maintain the buildings, facilities, and other improvements outside of the perimeter walking track in a safe, clean and attractive condition and free of any litter. The City shall remove all trash and debris left on or near the tracks, and make sure that the park is free of any unsafe or dangerous conditions that may form outside of the BMX tracks;

(c) **Restroom.** The City shall maintain the existing restrooms of the park. Providing the public with functional, clean, and sanitary bathrooms; and

(d) **Rest Area Shade Structure.** The City shall provide a canopy shade of at least 100 square feet for the rest area that provides shade and UV protection for the patrons of the park. The parties agree that any expense in excess of \$5,000 shall be split equally by the Parties.

(e) **Picnic Tables.** The City shall purchase and install two (2) picnic tables at BCGC's expense, not to exceed the amount \$2,500.00 and shall be from a vendor previously used by the City. The Parties agree that any expense in excess of \$2,500.00, but not to exceed \$3,500.00, for the purchase of the picnic tables shall be split equally by the Parties.

(f) **Donations.** The City shall, through its police department, donate impounded bikes to BCGC to be given away to members of the community. The City and BCGC agree that the recipient(s) of the donated bikes shall have met any requirements set forth by BCGC before they are able to take the bike home.

(g) **Signage.** The City shall construct and install signage as designed by BCGC and approved by the Parties.

(h) **Construction.** The city shall assist BCGC in the construction of the BMX Park by providing the following:

- i. City shall remove existing backstop, dugouts, and other structures that are not to be included in the park design;
- ii. City shall provide grader or other earth moving equipment, if available to BCGC for initial construction work; and
- iii. City shall supply and deliver dirt and fill as requested by BCGC for initial construction and ongoing maintenance needs. BCGC will reimburse material cost only if purchased from a 3rd party vendor.

2.2 **Responsibilities of BCGC.** BCGC shall be responsible presently and in the future for the following:

(a) **Design.** BCGC shall design the BMX trails for the Park and provide the design plans to the City for approval prior to commencement of construction. BCGC shall not commence construction of the trails prior to receiving written approval of the design, such approval not to be unreasonably withheld.

(b) **Construction.** BCGC shall construct the BMX trails within the Park in accordance with the design approved by the City.

(c) **Security Lights.** BCGC shall repair existing lights or purchase and install new security lights for the Park. The Parties anticipate that the cost of the lights shall not exceed \$2,500.00 and agree that any cost for the purchase of the lights in excess of \$2,500.00 shall be split evenly between the parties. Lighting costs that exceed \$2,500 shall be agreed upon by both parties to ensure budget appropriation is in place. The lights will be approved by the City prior to purchase if new lighting is necessary for the BMX Bike Park.

(d) **Signage.** Signs are required to have the City and BCGC logo. It is required that there be at a minimum a sign for the following; BMX Park rules, skills rules, and the name of the park.

2.3 **Shared Responsibilities.** The Parties agree that upon completion of construction of the Park, the Parties shall continue to cooperate in the ongoing maintenance and operation of the Park as follows:

(a) **Continuing Maintenance.** The Parties agree to share one half (1/2) of the cost for any future improvements, labor, and/or repairs related to the BMX park. This shall include minimizing the presence of any ruts rocks, loose dirt, potholes, or similar conditions that may form on or around the track. The Parties also agree to share one half (1/2) of the cost for future amenity improvements such as picnic tables, park lighting, and shade structures.

(b) **Promotion.** The Parties shall promote the Park on their respective social media pages (i.e. Facebook, etc.). The City shall also promote the Park on the City website. BCGC shall promote the Park on the company website and the billing invoices that go out to the community. BCGC shall make efforts to engage civic clubs to support maintenance work, provide free bicycles, and/or to provide free bicycles helmets. Such participating civic organizations may be allowed to be recognized on the park signage.

Article 3 Dispute Resolution

3.1 **Dispute Resolution.** While it is understood that the Parties shall strive in good faith to work collaboratively to fulfill the purpose of the MOU, each Party recognizes that legitimate conflicts may arise regarding the construction of the Park. Should a conflict related to construction arise, the Parties agree that, prior to instituting any lawsuit or other proceeding arising from a dispute under this MOU, the Parties will first attempt to resolve the dispute by taking the following steps:

(a) A written notice substantially describing the nature of the dispute shall be delivered by the dissatisfied Party to the other Party, which notice shall request a written response to be delivered to the dissatisfied Party not less than 5 days after receipt of the notice of dispute.

(b) If the response does not reasonably resolve the dispute, in the opinion of the dissatisfied Party, the dissatisfied Party shall give notice to that effect to the other Party whereupon each Party shall appoint a person having authority over the activities of the respective Parties who shall promptly meet, in person, in an effort to resolve the dispute, which meeting and deadline for resolution shall occur not later than ten (10) days after notice is given pursuant to this subdivision (2).

(c) Should these efforts fail to timely resolve the dispute, in the opinion of the dissatisfied Party, the Parties shall mediate the dispute through the use of a mutually selected independent mediator, which mediation shall occur on or before 30 days after the failure of resolution at the step provided in subdivision (3). Should mediation efforts fail to resolve the dispute, either Party may terminate this MOU by providing written notice to the other. This MOU

shall terminate 10 days after receipt of such notice unless the Parties can come to an amenable resolution before the expiration of the 10-day notice period.

3.2 **Deadlines.** All deadlines with regard to steps in the process of resolution may be extended by written agreement of the Parties.

**Article 4
Miscellaneous Provisions**

4.1 **Compensation.** The City and BCGC shall not be entitled to any compensation for work performed pursuant to this MOU.

4.2 **Nondiscrimination.** There shall be no discrimination of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual orientation, age, handicap, ancestry, or national origin in the administration of this Park.

4.3 **Severability.** In the event any provision of this MOU shall be found to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the validity, legality, and enforceability of the remainder of this MOU.

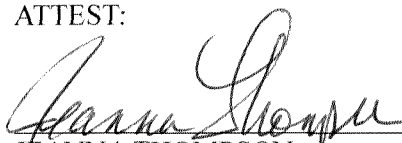
4.4 **Entire MOU.** This MOU constitutes the entire MOU between the Parties on the subject matter hereof and supersedes any and all prior MOUs, arrangements, and understanding, oral or written, between the Parties relating to this MOU.

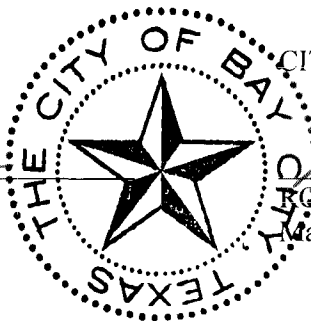
4.5 **Amendments.** This MOU may be amended at any time only in writing by the Parties with mutual consent and authorization of their respective entities.

4.6 **Recitals.** The recitals hereto are incorporated herein for all purposes.

In witness whereof, the Parties hereto certify by their signatures below that they are duly authorized to sign this MOU.

ATTEST:

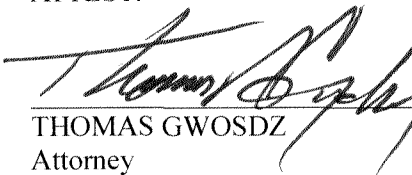

JEANNA THOMPSON
City Secretary



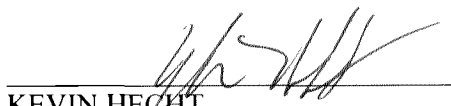
CITY OF BAY CITY, TEXAS:


ROBERT K. NELSON
Mayor

ATTEST:


THOMAS GWODZ
Attorney

BAY CITY GAS COMPANY:


KEVIN HECHT
Director

Bay City Gas Company

A Resolution of the Board of Directors of the Bay City Gas Company approving a Memorandum of Understanding with the City of Bay City for Construction and Maintenance of a BMX Park, and declaring an effective date.

Whereas the City of Bay City, Texas (the “City”) and the Bay City Gas Company (the Company”) desire to enter into a memorandum of understanding whereby the City and the Company would design, construct, manage, maintain, program, and operate a BMX Bicycle Park for the benefit of the residents of the City;

Whereas the City is stewards of public lands in the City, and these publicly-held lands can be used to meet broader community needs for recreation and open space by the cooperative work of the City and the Company;

Now therefore be it resolved by the Board of Directors of the Bay City Gas Company that:

1. The Director of the Company is hereby authorized to execute the Memorandum of Understanding Between the City of Bay City and Bay City Gas Company for Construction and Maintenance of BMX Park, as approved as to form by the Attorney for the Company, attached hereto as exhibit “A”.
2. This resolution shall become effective immediately upon adoption.

Passed and Approved on this day, February 27, 2024.



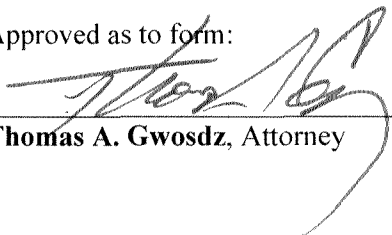
Terrence Allen, Chairman of the Board

Attest:



Kevin Hecht, Director

Approved as to form:



Thomas A. Gwosdz, Attorney



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Requestor Name: Shook, Dan **Date Submitted:** 03/01/2024
Last, First *MM/DD/YYYY*

Requestor Type: Staff **Meeting Date:** 03/26/2024
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Fire Marshal
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 APPROVE

Executive Summary of Item:

There are 24 mobile radios that are old and outdated as part of the city's inventory. The radios are not able to be used on the current system as they are old and outdated. These radios may be donated to another agency who manages an older system. These radios will work with the older system but will not work with our current system. The attached summary is requested to be declared surplus.

Serial Num	Category	Description
514CHT0881	Mobile Voice	XTL2500
514CHT0882	Mobile Voice	XTL2500
514CHT0887	Mobile Voice	XTL2500
514CHT0903	Mobile Voice	XTL2500
514CHT0912	Mobile Voice	XTL2500
514CHT0919	Mobile Voice	XTL2500
514CHT0928	Mobile Voice	XTL2500
514CHT0929	Mobile Voice	XTL2500
514CHT0935	Mobile Voice	XTL2500
514CHT0944	Mobile Voice	XTL2500
514CHT0945	Mobile Voice	XTL2500
514CHT0880	Mobile Voice	XTL2500
514CHT0878	Mobile Voice	XTL2500
514CHT0916	Mobile Voice	XTL2500
514CHT0913	Mobile Voice	XTL2500
775THJ0694	Mobile Voice	XTL1500
775CJX0198	Mobile Voice	XTL1500
775THJ0696	Mobile Voice	XTL1500
775THL0131	Mobile Voice	XTL1500
775THL0143	Mobile Voice	XTL1500
775THL0146	Mobile Voice	XTL1500
775THL0166	Mobile Voice	XTL1500
775THL0225	Mobile Voice	XTL1500
775THL0226	Mobile Voice	XTL1500
775THL0277	Mobile Voice	XTL1500
775THL0332	Mobile Voice	XTL1500
775THL0455	Mobile Voice	XTL1500
775THL0526	Mobile Voice	XTL1500
775THL0620	Mobile Voice	XTL1500



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Requestor Name: Penewitt, Kelly **Date Submitted:** 03/20/2024
Last, First *MM/DD/YYYY*

Requestor Type : City Staff **Meeting Date:** 03/26/2024
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Interim Director of Parks and Recreation
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 approve awarding the construction quote for the Hilliard Pool to Progressive Commercial Aquatics in the amount of \$255,800.00 and authorize the City Manager to execute a contract by for by the City Attorney.

Executive Summary of Item:

Background:

Hilliard Pool was built in the late 40's/early 50's by the Hilliard High School PTA. In 2000, the pool was completely renovated to the current configuration. In 2011, the pool plaster was re-laminated - a process that adds a layer of plaster over the existing plaster. Since then the pool has deteriorated causing major safety issues.

Staff solicited cooperative quotes (pre-bid) from qualified pool service and equipment companies to renovate Hilliard Pool located at 3020 Le Tulle Avenue. Renovations are to include: the re-plaster of both pools (Lap and Baby Pool), tile, coping, baby pool water feature, deck replacement and replacement of pool lights.

The Aquacats have expressed an interest in using the Hilliard Pool for practice this summer.

Financial Implications:

\$255,800.00 - Funding Source (General Fund Reserves). Progressive Commercial Aquatics is on a cooperative purchasing agreement - BuyBoard – contract 701-23.

Recommendations:

Staff recommends City Council approve the quote for the renovations to Hilliard Pool.

Attachments:

Buyboard Quote from Progressive

Progressive Commercial Aquatics, LLC

Quote



2510 Farrell Rd
 Houston TX
 77073 281-982-0212

Quote #: Q7402
Date: 3/7/2024
Shipping Method:
Salesperson: Erica
Exp Date: 5/6/2024

Bill To

City of Bay City (BAYCIT)
 Plaster & More
 kpenewitt@citybaycity.org
 buyboard 701-23

Ship To

City of Bay City (BAYCIT)
 Plaster & More
 1901 5th Street
 kpenewitt@cityofbaycity.org
 Bay City TX
 77414 979-245-7597

Item	Description	Qty	UOM	Unit Price	Tax	Total
PLASTER	Lap & Baby Pool Replaster - Standard White	1	EA	\$105,000.00	\$0.00	\$105,000.00
NONSTOCK	Baby Pool Water Feature - Ombrello!	1	EA	\$7,500.00	\$0.00	\$7,500.00
LABOR	Install & Materials of Ombrello	1	EA	\$3,800.00	\$0.00	\$3,800.00
NONSTOCK	Deck Work ***See Details	1	EA	\$127,800.00	\$0.00	\$127,800.00
NONSTOCK	150' Intellibrite Light w/Install ***See Details	9	EA	\$1,300.00	\$0.00	\$11,700.00

EXMPT \$0.00

Total Weight of Items 0 lbs

Total \$255,800.00
Tax Total \$0.00
Grand Total \$255,800.00

There will be a 25% restocking fee on all returned items.
 Credit Card Purchases will include a 2% Service Fee
 Due to Material Shortages, Quotes are only valid for 60 days

Thank you for business

Progressive Commercial Aquatics, LLC

Quote



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 Houston TX
 77073 281-982-0212

Quote #: Q7402
Date: 3/7/2024
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Item	Description	Qty	UOM	Unit Price	Tax	Total
Plaster	<ul style="list-style-type: none"> - Complete removal of plaster down to concrete shell. - Removal of lane line tile and crosses - these will not be re-installed - Clean and prep surface for new white marcite plaster. - Install of new plaster across entire pool - Clean (brush and vacuum) and balance chemicals for 1 week. - Dumpster for disposal of plaster included. - Chemicals to balance included - New main drain covers exclude - can be quote just need certificates or model info 					
Decking	Project to include 664 lf crack repair,527 lf new expansion joints, 423 lfnew coping expansion joint, 2299 sq ft removal of old concrete and replacement, replacing deck depth markers,9931 sq ft new spray deck.					
Lights	Please note that this excludes any electrical work (i.e. new conduits). This is only replacment of current lights IF they can be pulled.					

EXMPT \$0.00

Total Weight of Items 0 lbs

Total \$255,800.00
Tax Total \$0.00
Grand Total \$255,800.00

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Thank you for business

Progressive Commercial Aquatics, LLC

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Thank you for business



Ideal age group: For all ages

VOR 7445 OMBRELLO N°1

PRODUCT HIGHLIGHTS

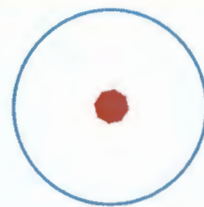
- Creates an immersive play experience by standing under this play feature
- Provides high interactivity with low water consumption
- Offers a visual experience by casting colorful shadows with the Seeflow™





Spray Zone

ø 192" (ø 487 cm)



H/W/L

122/36/36 in
310/91/91 cm

Flow

5-7 GPM
19-27 LPM

Pressure

5-6 PSI
0.3-0.4 BAR

Color Choices: Vortex colors

VORTEX EXCLUSIVE TECHNOLOGIES

This product features the following technologies that are unique to Vortex.



TOEGUARD™

- Soft-touch Elastomer
- Protects children's toes from anchoring hardware
- Durable, vandal resistant, resistant to chemicals
- Infused with a UV resistant bright color
- Available in one or two pieces ensuring tight fit to post



SEEFLOW™

- Impact-resistant polymer
- Resistant to UV rays and chemicals
- Colorful reflections are created with the combination of bright colors, water, and sunlight
- Manufactured with up to 40% pre-consumer recycled materials
- Reusable at the end of life

WATER EFFECTS

- Rainfall (1)



1.877.586.7839 (free USA/CANADA)

+1.514.694.3868 (INTERNATIONAL)

vortex-intl.com • VORTEX-INTL.COM



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: Lopez, Gabriel **Date Submitted:** 3/20/2024
Last, First *MM/DD/YYYY*

Requestor Type: City Staff **Meeting Date:** 3/26/2024
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Engineering Technician
For City Staff Only

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

Agenda Content:

DISCUSS, CONSIDER, AND ADOPT A RESOLUTION DETERMINING THAT THE CITY OF BAY CITY CONTAINS AREAS WHICH ARE CONSIDERED TO BE BLIGHTED.

Executive Summary of Item:

Bay City seeks to address areas within our city showing signs of neglect and deterioration by officially designating them as blighted. This agenda item involves discussing, considering, and adopting a resolution to make this designation formal. Such a step is essential for the city to undertake specific improvements and qualify for relevant funding opportunities aimed at revitalization.

The resolution before city council is to recognize and act upon these blighted areas, facilitating targeted efforts for improvement. Approval of this resolution enables Bay City to pursue necessary enhancements, improving the quality of life for our community and enhancing the appeal of our city to residents and visitors alike.

Additionally, this designation supports our application for the Texas Community Development Block Grant (TxCDBG) Downtown Revitalization/Main Street Program, aligning with our goals for downtown enhancement and economic development.

RESOLUTION R-2024-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BAY CITY, TEXAS, DETERMINING THAT AN AREA OF THE CITY CONTAINS CONDITIONS WHICH ARE DETRIMENTAL TO THE PUBLIC HEALTH, SAFETY, AND WELFARE OF THE COMMUNITY AND CONSTITUTES A BLIGHTED AREA.

WHEREAS, the City Council of the City of Bay City has reviewed and evaluated conditions in the downtown district of the municipality; and

WHEREAS, the City Council has found conditions which are detrimental to the public health, safety, and welfare of the community within the downtown district, as follows:

The Main Street Area sidewalks are deteriorated with cracks, uneven surfaces, inadequate lighting, and inadequate ramps and steps as necessary to comply with ADA required accessibility. The pavement in the area is uneven and not easily navigated by those with mobility issues. Lack of lighting is a safety measure throughout the Main Street Area.

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

THAT THE AREA IDENTIFIED BY THE FOLLOWING BOUNDARIES AND OUTLINE ON THE MAP ATTACHED HERETO AS EHXBIT A HAS BEEN DETERMINED TO BE A BLIGHTED AREA.

Boundaries of the Blighted Area

- North: 8th Street
- South: 5th Street
- East: Avenue H
- West: Hwy 60/Avenue F

PASSED AND APPROVED on the 26th day of March 2024

CITY OF BAY CITY, TEXAS

Robert K. Nelson, Mayor

ATTEST:

APPROVED as to FORM:

Jeanna Thompson, City Secretary

Anne Marie Odefey, City Attorney
ROBERTS, ODEFEY, WITTE & WALL, LLP



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

AGENDA ITEM SUBMISSION FORM

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Requestor Name: Lopez, Gabriel **Date Submitted:** 3/20/2024
Last, First *MM/DD/YYYY*

Requestor Type: City Staff **Meeting Date:** 3/26/2024
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Engineering Technician
For City Staff Only

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

Agenda Content:

DISCUSS, CONSIDER, AND ADOPT A RESOLUTION AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR THE MAIN STREET PROGRAM.

Executive Summary of Item:

Bay City intends to pursue a \$500,000 grant from the Texas Community Development Block Grant (TxCDBG) Downtown Revitalization/Main Street Program, offered by the Texas Department of Agriculture. This grant aims to fund enhancements for sidewalks and compliance with the Americans with Disabilities Act (ADA) in our downtown area, focusing on making these spaces safer and more enjoyable for our residents.

The project involves updating sidewalks and making them ADA compliant, ensuring everyone can navigate our downtown with ease. To support our application, the Bay City Community Development Corporation (BCCDC) will help with the required 15% funding match, demonstrating community backing for this project.

This agenda item requests city council's approval to adopt a resolution authorizing the grant application submission. This action would enable us to advance with the planned enhancements, contributing significantly to the downtown area's appeal and usability for all who visit or live in Bay City.

RESOLUTION R-2024-_____

A RESOLUTION OF THE CITY COUNCIL OF BAY CITY, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR THE DOWNTOWN REVITALIZATION PROGRAM.

WHEREAS, the City Council of the City of Bay City desires to develop a viable community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low-to-moderate income; and

WHEREAS, it is necessary and in the best interests of the City of Bay City to apply for funding under the Texas Community Development Block Grant Program;

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

1. That a Texas Community Development Block Grant Program application for the Downtown Revitalization Program is hereby authorized to be filed on behalf of the City with the Texas Department of Agriculture, and to be placed in competition for funding under the Downtown Revitalization Program.
2. That the City of Bay City commits to dedicating no less than 51% of grant funds for sidewalk improvements and related accessibility implements that comply with the Americans with Disabilities Act (ADA).
3. That all funds will be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, real property acquisition, and civil rights requirements.
4. That the City of Bay City is committing to provide \$75,000.00 in matching funds toward the application's activities, with the specific usage and funding source to be determined prior to any award of grant funding.

PASSED AND APPROVED on the 26th day of March 2024

CITY OF BAY CITY, TEXAS

Robert K. Nelson, Mayor

ATTEST:

APPROVED as to FORM:

Jeanna Thompson, City Secretary

Anne Marie Odefey, City Attorney
ROBERTS, ODEFEY, WITTE & WALL, LLP

~DISCUSS, CONSIDER, AND/OR APPROVE AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF BAY CITY AND MATAGORDA COUNTY REGARDING THE BAY CITY SERVICE CENTER.



EXECUTIVE SUMMARY

INTERLOCAL AGREEMENT FOR SERVICE CENTER

BACKGROUND:

Beginning in 2000, the County provided monetary support of \$3,591 annually to be used for repairs and maintenance at the request of Mrs. Gusman. This was prior to the City being deeded the property in May of 2009.

Since then, the County has honored the same commitment. This contract/agreement was updated in 2020 to reflect the change in ownership (i.e. removing the “Independent Contractor” language; removing the County having “sufficient control” to “sufficient observation” to insure public purpose is served)

The is a two-year agreement effective for the term beginning January 1, 2024 through December 31, 2025.

FINANCIAL IMPLICATIONS: County contributes \$3,591 per year for repairs and maintenance.

RECOMMENDATION: Staff recommends City Council approve the contract.

ATTACHMENTS: Contract between City and County

**Contract with City of Bay City - Service Center
FY 2024 and FY 2025**

This Agreement is made and entered into by and between Matagorda County (“the County”), a Texas county, and the City of Bay City, (“City”) regarding the Bay City Service Center, which is a recreational or cultural facility under Chapter 301 of the Texas Local Government Code.

WITNESSETH

WHEREAS, Bay City Service Center is a recreational or cultural facility located within Matagorda County and providing services to residents of Matagorda County;

WHEREAS, the County is authorized by Chapter 301 of the Texas Local Government Code to expend funds for recreational or cultural facilities jointly with a municipality;

WHEREAS, the parties are undertaking a governmental function or service, the parties do not have a pecuniary purpose, let alone a common one; and there is no profit motive; and the only purpose of the contract is to further the public good;

WHEREAS, the County believes the Service Center is a great asset to the public and is committed to ensure the building stays in good repair for use by residents and non-profits.

WHEREAS, the City agrees to allow the County to exercise sufficient observation to insure that a public purpose is served and that the funds are used solely for the Bay City Service Center.

NOW THEREFORE, in consideration of the mutual covenants contained herein the County and City agree as follows:

I. TERM OF CONTRACT

This Agreement is effective for the term beginning January 1, 2024, through December 31, 2025. The term may be extended for an additional term or terms upon the Agreement of the parties which agreement shall be in writing signed by the parties on or before the last day of the term or any extensions thereof.

II. PAYMENT TERMS

The County agrees to provide THIRTY FIVE HUNDRED NINETY ONE AND NO/100 DOLLARS (\$3,591.00) annually to the City provided such funds are utilized by the City for the maintenance and repair of the Bay City Service Center. The County further agrees that payment of such funds will be made in an annual installment made by the County to the City on or before the 28th day of February, of each year during the term of this Agreement or any extension thereof. The Matagorda County Commissioners Court, at any regular or special session, may increase or decrease funding to The City, as deemed appropriate by County.

III. CITY OF BAY CITY OBLIGATIONS

The City agrees that the money contributed by the County shall be dedicated to the maintenance and repair of the Bay City Service Center.

The City agrees to continue to allow the County the ability to utilize the Bay City Service Center for public purposes such as elections at no cost.

The City agrees to prepare and present to the Commissioners Court a complete financial statement about the condition of the facility and a proposed budget for the anticipated financial needs of the facility for the next year as set forth in § 301.007 of the Texas Local Government Code.

V. SPECIFIC PERFORMANCE

It is understood that the County is contracting with the City and that all of the services to be performed under this Agreement shall be performed by the City and by no other person. The City shall not make, in whole or in part, any assignment of this Agreement or of any duty or obligation of performance hereunder.

VI. INDEMNIFICATION

The City will indemnify and hold harmless Matagorda County, its officers, agents, servants and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses and attorneys' fees arising out of a willful or negligent act or omission of the City, its officers, agents, servants and employees; provided, however, that the City shall not be liable for any suits, actions, legal proceedings, claims, demands, damages, costs, expenses, and attorneys' fees arising out of the award of this contract or a willful or negligent act or omission of the County, its officers, agents, servants and employees.

VII. LAWFUL CONDUCT

In performing the services hereunder, The City agrees to comply with all applicable federal, state, and local laws, regulations, rules, and ordinances now in effect or that may hereafter be promulgated; provided, however, that the general specifications shall govern the obligations of the City where there exists conflicting ordinances of the County on the subject. The City specifically agrees to not discriminate against any person because of race, sex, age, creed, color, religion or national origin.

VIII. TERMINATION AND NOTICES

Notwithstanding anything herein to the contrary, or that may be construed to the contrary, it is understood and agreed that if either party hereto refuses or fails to timely perform any one or more of the undertakings and obligations that are to be performed hereunder, the other party shall have the right to terminate this Agreement upon 10 days written notice to the defaulting party. Within 10 days after the effective date of this termination, The City shall submit its final statement for the month in which termination occurs in the manner set out above for monthly statements.

The term of this Agreement may be terminated by either party giving the other party 30 days written notice of termination thereof. Any notice permitted or required to be given hereunder to The

City may be given by registered or certified United States Mail, postage prepaid, return requested, addressed to:

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

Any notice permitted or requested to be given hereunder to County may be given by registered or certified United States Mail, postage prepaid, return receipt requested, addressed to:

Matagorda County Commissioners Court
1700 Seventh Street, Room 301
Bay City, Texas 77414

Any notice mailed by registered or certified United States Mail, return receipt requested, as herein above provided, shall be deemed given upon deposit in the United States Mail.

IX. UNLAWFUL PROVISIONS

In case any one or more of the provisions contained in this Agreement will for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provisions hereof and this Agreement will be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein. Notwithstanding anything contained herein to the contrary, no party to this Agreement will be required to perform or render any services hereunder, the performance or rendition of which would be violation of any laws, rules or regulations relating hereto.

X. IMMUNITY

County does not waive or relinquish any immunity or defense on behalf of itself, its trustees, officers, employees, and agents as a result of its execution of this Agreement and performance to the covenants contained herein. The County specifically reserves any claim it may have to sovereign, qualified, or official immunity as a defense to any action arising in conjunction with this Agreement.

XI. ATTORNEYS FEES AND COSTS

If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing Party will be entitled to recover all costs of court including, without limitation, reasonable attorney's fees from the other Party, which attorney's fees may be set out by a court in a trial such action or may be enforced in a separate action brought for that purpose, and which fees will be in addition to any other relief which may be awarded.

XII. ENTIRE AGREEMENT

This instrument contains the entire agreement between the parties hereto relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this instrument shall be of no force or effect excepting a subsequent modification in writing signed by all the parties hereto.

EXECUTED on this the _____ day of _____ 2024.

ATTEST:

COUNTY OF MATAGORDA

STEPHANIE WURTZ,
County Clerk

By: _____
NATE MCDONALD
County Judge

ATTEST:

CITY OF BAY CITY

JEANNA THOMPSON
City Secretary

By: _____
ROBERT K. NELSON
Mayor of Bay City

RESOLUTION OF THE CITY OF BAY CITY SUSPENDING THE APRIL 4, 2024 EFFECTIVE DATE OF AEP TEXAS INC.'S REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH THE CITIES SERVED BY AEP TEXAS AND AUTHORIZING INTERVENTION IN AEP TEXAS INC.'S REQUESTED RATE CHANGE PROCEEDINGS BEFORE THE COMMISSION; HIRING LLOYD GOSSELINK ATTORNEYS AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL



EXECUTIVE SUMMARY

BACKGROUND:

In June 2018, the City joined the Texas Coalition for Affordable Power (“TCAP”) which is a non-profit political subdivision corporation established by the 2010 merger of Cities Aggregation Power Project, Inc. (“CAPP”) and South Texas Aggregation Project, Inc. (“STAP”), both created in 2001 to aggregate members’ power needs in order to negotiate better electric prices for their members. TCAP is one of the largest political subdivision aggregation groups in Texas with political subdivision members that purchase approximately 1.3 billion kWh annually.

AEP Texas Inc (“AEP Texas” or “Company”) filed an application on February 29, 2024 with cities retaining original jurisdiction seeking to increase system-wide distribution rates by \$110.4 million per year (an increase of 13.1%) and increase system-wide transmission rates by \$63.1 million (an increase of 9.29%). According to AEP Texas, the impact of this approval on an average residential customer would be an increase of about \$4.59 per month.

The resolution suspends the April 4, 2024 effective date of the Company’s rate change for the maximum period permitted by law to allow the City, working in conjunction with other Cities served by AEP Texas to intervene in the Public Utility Commission Docket No. 56165 to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

The law provides that a rate request made by an electric utility cannot become effective until at least 35 days following the filing of the application to change rates. The law permits the City to suspend the rate change for 90 days after the date the rate change would otherwise be effective. **If the City fails to take some action regarding the filing before the effective date, AEP Texas's rate request is deemed approved.**

Purpose of this Resolution:

The purpose of this Resolution is to suspend the Statement of Intent to Change Rates proposed by AEP Texas and authorize the City to intervene in the Company's rate case proceeding before the Public Utility Commission in Docket No. 56165.

Explanation of "Be It Resolved" Paragraphs:

Section 1. The City is authorized to suspend the rate change for 90 days after the date that the rate change would otherwise be effective for any legitimate purpose. Time to study and investigate the application is always a legitimate purpose. Please note that the resolution refers to the suspension period as "the maximum period allowed by law" rather than ending by a specific date. This is because the Company controls the effective date and can extend the deadline for final city action to increase the time that the City retains jurisdiction if necessary to reach settlement on the case. If the suspension period is not otherwise extended by the Company, the City must take final action on AEP Texas' request to change rates by July 3, 2024.

Section 2. This provision authorizes the City to participate in a coalition of Cities served by AEP Texas ("Cities") in order to more efficiently represent the interests of the City and their citizens and authorizes the hiring of Lloyd Gosselink and consultants to review the filing, negotiate with the Company, and make recommendations to the City regarding reasonable rates. Additionally, it authorizes Cities to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

Section 3. This section authorizes the City to intervene in and participate with Cities Served by AEP Texas as a party in the Company's filing, PUC Docket No. 56165.

Section 4. The Company will reimburse the cities for their reasonable rate case expenses. Legal counsel and consultants approved by Cities will submit monthly invoices that will be forwarded to AEP Texas for reimbursement. No individual city incurs liability for payment of rate case expenses by adopting a suspension resolution.

Section 4. This section merely recites that the resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.

Section 5. This section provides that both AEP Texas' counsel and counsel for the Cities will be notified of the City's action by sending a copy of the approved and signed resolution to certain designated individuals.

FINANCIAL IMPLICATIONS:

AEP will reimburse Cities for their reasonable rate case expenses. Legal counsel and consultants approved by Cities will submit monthly invoices that will be forwarded to AEP for reimbursement.

RECOMMENDATION:

Recommend City Council approve Resolution as stated.

ATTACHMENTS:

Resolution

RESOLUTION OF THE CITY OF BAY CITY SUSPENDING THE APRIL 4, 2024 EFFECTIVE DATE OF AEP TEXAS INC.'S REQUESTED RATE CHANGE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH THE CITIES SERVED BY AEP TEXAS AND AUTHORIZING INTERVENTION IN AEP TEXAS INC.'S REQUESTED RATE CHANGE PROCEEDINGS BEFORE THE COMMISSION; HIRING LLOYD GOSSELINK ATTORNEYS AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL

WHEREAS, on or about February 29, 2024, AEP Texas Inc. (“AEP Texas” or “Company”), pursuant to Public Utility Regulatory Act (“PURA”) §§ 33.001 and 36.001 filed with the City of Bay City (“City”) a Statement of Intent to change electric delivery rates in all municipalities exercising original jurisdiction within its service area, effective April 4, 2024 and

WHEREAS, the City is an electric utility customer of AEP Texas and a regulatory authority with an interest in the rates and charges of AEP Texas; and

WHEREAS, the City is a member of the Cities Served by AEP Texas (“Cities”), a membership of similarly situated cities served by AEP that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in AEP Texas’ service area; and

WHEREAS, PURA § 36.108 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days after the date the rate change would otherwise be effective; and

WHEREAS, the City retains its rights as a city with original jurisdiction including the right to suspend the application; and

WHEREAS, PURA § 33.023 provides that costs incurred by Cities in ratemaking activities are to be reimbursed by the regulated utility; and

WHEREAS, the City’s consultants and attorneys recommend that the City suspend the application for further review.

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

SECTION 1. That the April 4, 2024, effective date of the rate request submitted by AEP Texas on or about February 29, 2024, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

SECTION 2. That the City joins other Cities Served by AEP Texas in this proceeding and, subject to the right to terminate employment at any time, hereby authorizes the hiring of Thomas Brocato of Lloyd Gosselink Rochelle and Townsend, P.C, and consultants to review the Company’s filing, negotiate with the Company, make recommendations regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of city action.

SECTION 3. That the City shall work with Cities Served by AEP Texas in the review and evaluation of whether the proposed rates are appropriate, fair, just, and reasonable; and, intervene as a necessary party in the Public Utility Commission of Texas’ consideration of AEP Texas’ rate filing in Docket No. 56165 as it affects the customers in the unincorporated areas of AEP Texas’ service territory.

SECTION 4. That the City’s reasonable rate case expenses shall be reimbursed by AEP Texas.

SECTION 5. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION 6. A copy of this Resolution shall be sent to AEP Texas, care of Jennifer Frederick, American Electric Power Company, 400 West 15th Street, Suite 1520, Austin, Texas 78701 (aepaustintx@aep.com), and to Thomas Brocato at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 (tbrocato@lglawfirm.com).

PASSED AND APPROVED this _____ day of _____, 2024.

Robert K. Nelson, Mayor

ATTEST:

Jeanna Thompson, City Secretary

APPROVED AS TO FORM:

Anne Marie Odefey, City Attorney

RESOLUTION~ A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BAY CITY, TEXAS, AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; AUTHORIZING PREPARATION OF A PRELIMINARY OFFICIAL STATEMENT AND NOTICE OF SALE; AND APPROVING OTHER MATTERS INCIDENTAL THERETO



EXECUTIVE SUMMARY

Notice of Intent- CO SERIES 2024E

BACKGROUND:

The resolution attached serves as a notice of intent to issue certificates of obligation. The maximum principal amount will not exceed \$17,500,000.

The certificates will fund the following:

- The completion of the Wastewater Treatment Plant Improvements – approximately \$10,000,000
- Design, Improvements, and/or Construction of Public Safety Facilities- approximately \$7,000,000

RECOMMENDATION: Staff recommends City Council approve the resolution as presented.

ATTACHMENTS: Resolution Authorizing the Publication of NOI

RESOLUTION NO. R-2024-013

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BAY CITY, TEXAS, AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; AUTHORIZING THE PREPARATION OF A PRELIMINARY OFFICIAL STATEMENT AND NOTICE OF SALE; AND APPROVING OTHER MATTERS INCIDENTAL THERETO

THE STATE OF TEXAS §
COUNTY OF MATAGORDA §
CITY OF BAY CITY §

WHEREAS, the City Council (the “City Council”) of the City of Bay City, Texas (the “City”) deems it advisable to issue certificates of obligation (the “Certificates”) of the City in accordance with the notice hereinafter set forth; and

WHEREAS, the City desires to authorize the preparation of a preliminary official statement (the “Preliminary Official Statement”) and notice of sale (the “Notice of Sale”) in anticipation of its issuance of the Certificates; and

WHEREAS, it is hereby found and determined that the meeting at which this resolution is considered is open to the public as required by law, and public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended; NOW, THEREFORE

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

Section 1. The findings, determinations, definitions and recitations set out in the preamble to this resolution are found to be true and correct and are hereby adopted by City Council and made a part hereof for all purposes.

Section 2. The City Secretary is hereby authorized and directed to cause to be published and posted in the manner required by law and in substantially the form attached hereto as Exhibit A, a notice of the City’s intention to issue the Certificates (the “Notice”).

Section 3. The Notice shall be published once a week for two (2) consecutive weeks in a newspaper that is of general circulation in the City, the date of the first publication to be at least forty-five (45) days before the date tentatively set in the Notice for the passage of the ordinance authorizing the issuance of the Certificates. In addition, the Notice shall be posted continuously on the City’s website for at least forty-five (45) days before the date tentatively set in the Notice for the passage of the ordinance authorizing the issuance of the Certificates.

Section 4. For the purposes of the Notice, the City hereby designates as self-supporting those public securities listed in the attached Exhibit B, the debt service on which the City currently pays from sources other than ad valorem tax collections. The City plans to continue to pay these

public securities based on this practice; however, there is no guarantee this practice will continue in future years.

Section 5. For purposes of section 1.150-2(d) of the Treasury Regulations, to the extent that an official intent to reimburse has not previously been adopted by the City, this resolution and the Notice serve as the City’s official declaration of intent to reimburse itself from proceeds of the Certificates in the maximum principal amount and for expenditures paid in connection with the projects, each as set forth in Exhibit A hereof. Any such reimbursement will only be made (i) for an original expenditure paid no earlier than 60 days prior to the date hereof and (ii) not later than 18 months after the later of (A) the date the original expenditure is paid or (B) the date the project to which such expenditure relates is placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

Section 6. The City hereby authorizes the preparation and distribution of a Notice of Sale and Preliminary Official Statement relating to the Certificates and authorizes the Finance Director or the person performing the duties of the City Manager to approve the final form of and deem final the Preliminary Official Statement within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission.

Section 7. The City’s financial advisor, USCA Municipal Advisors, LLC, and bond counsel, Bracewell LLP, are hereby authorized and directed to proceed with the necessary arrangements for the sale of the Certificates.

Section 8. The Mayor, the person performing the duties of the City Manager, Finance Director, City Secretary, and other officers and agents of the City are hereby authorized and directed to do any and all things necessary or desirable to carry out the provisions of this resolution.

Section 9. This resolution shall take effect immediately from and after its passage by the City Council.

Section 10. The notice and agenda relating to this meeting and heretofore posted by the City Secretary, and the posting thereof, are hereby authorized, approved, and ratified.

[Execution Page to Follow]

PASSED AND APPROVED on this the _____ day of _____, 2024
by the City Council of the City of Bay City, Texas.

The Honorable Robert K. Nelson, Mayor,
City of Bay City, Texas

ATTEST:

Jeanna Thompson, City Secretary
City of Bay City, Texas

[SEAL]

APPROVED AS TO FORM:

City Attorney
City of Bay City, Texas

EXHIBIT A

NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

(City of Bay City, Texas Resolution No. 2024-013)

NOTICE IS HEREBY GIVEN that the City Council of the City of Bay City, Texas (the “City”), will meet at City Hall, 1901 5th Street, Bay City, Texas 77414 at 6:00 p.m. on the 11th day of June, 2024, which is the time and place tentatively set for the final passage of an ordinance authorizing the issuance of a series of certificates of obligation (the “Certificates”) and such other action as may be deemed necessary to authorize the issuance of the Certificates, in the maximum aggregate principal amount not to exceed \$17,500,000, payable from ad valorem taxes and from a limited pledge of a subordinate lien on the surplus revenues of the City’s water and sewer system, bearing interest at any rate or rates not to exceed the maximum interest rate now or hereafter authorized by law, as shall be determined within the discretion of the City Council of the City at the time of issuance of the Certificates, and maturing over a period not to exceed thirty (30) years from the date of issuance, for the purposes of evidencing the indebtedness of the City for all or any part of the costs associated with (i) the design, construction, acquisition and equipment of water and sewer system improvements, including the rehabilitation of the City’s wastewater treatment plant, (ii) design, construction, acquisition and equipment of public safety facilities, including a new police station, and (iii) the costs of professional services incurred in connection therewith. The estimated combined principal and interest required to pay the Certificates on time and in full is approximately \$31,700,772. Such estimate is provided for illustrative purposes only and is based on an assumed interest rate of approximately 4.727%. Market conditions affecting interest rates vary based on a number of factors beyond the control of the City, and the City cannot and does not guarantee a particular interest rate associated with the Certificates. As of the date of this notice, the aggregate principal amount outstanding of tax-supported debt obligations of the City (excluding public securities secured by an ad valorem tax but designated by the City as self-supporting in Resolution No. R-2024-013, dated March 26, 2024, which resolution is available from the City upon request) is \$8,690,050. Based on the City’s expectations, as of the date of this notice, the combined principal and interest required to pay all of the outstanding tax-supported debt obligations of the City (excluding public securities secured by an ad valorem tax but designated by the City as self-supporting) on time and in full is approximately \$10,485,247.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE CITY, this ___ day of _____, 2024.

Jeanna Thompson
City Secretary
City of Bay City, Texas

EXHIBIT B
SELF-SUPPORTING DEBT

\$70,725,951 Total Principal Amount Designated as Self-Supporting

The total principal amount of self-supporting debt is comprised of some or all of the debt from the following series of obligations:

Series Designation

Tax and Revenue Certificates of Obligation, Series 2014
Tax and Revenue Certificates of Obligation, Series 2016
Tax and Revenue Certificates of Obligation, Series 2020
General Obligation Refunding Bonds, Series 2021
Tax and Surplus Revenue Certificates of Obligation, Series 2021A (CWSRF)
Tax and Surplus Revenue Certificates of Obligation, Series 2021B (DWSRF)
Tax and Surplus Revenue Certificates of Obligation, Series 2022A (CWSRF)
Tax and Surplus Revenue Certificates of Obligation, Series 2022B (DWSRF)
Tax and Surplus Revenue Certificates of Obligation, Series 2023A (CWSRF)
Tax and Surplus Revenue Certificates of Obligation, Series 2023B (DWSRF)
Tax and Surplus Revenue Certificates of Obligation, Series 2024A (CWSRF)
Tax and Surplus Revenue Certificates of Obligation, Series 2024B (DWSRF)
Tax and Surplus Revenue Certificates of Obligation, Series 2024C (DWSRF)
Tax and Surplus Revenue Certificates of Obligation, Series 2024D (DWSRF)

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF MATAGORDA §

I, the undersigned officer of the City Council of the City of Bay City, Texas, hereby certify as follows:

1. The City Council of the City of Bay City, Texas, convened in a regular meeting on the 26th day of March, 2024, at the regular meeting place thereof, within said City, and the roll was called of the duly constituted officers and members of said City Council, to wit:

- | | |
|-------------------|--|
| Robert K. Nelson | Mayor |
| Benjamin Flores | Council Member, Position No. 1 |
| James Folse | Council Member, Position No. 2 |
| Brad Westmoreland | Council Member, Position No. 3 |
| Becca Sitz | Council Member, Position No. 4 |
| Blayne Finlay | Mayor Pro Tem and Council Member, Position No. 5 |

and all of said persons were present, except the following absentee(s): _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

RESOLUTION NO. R-2024-013

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BAY CITY, TEXAS, AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE ITS CERTIFICATES OF OBLIGATION; AUTHORIZING THE PREPARATION OF A PRELIMINARY OFFICIAL STATEMENT AND NOTICE OF SALE; AND APPROVING OTHER MATTERS INCIDENTAL THERETO

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote:

_____ Member(s) of City Council shown present voted "Aye."

_____ Member(s) of City Council shown present voted "No."

Member(s) of City Council shown present abstained from voting.

2. A true, full and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said

resolution has been duly recorded in said City Council's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said meeting pertaining to the adoption of said resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED this ____ day of _____, 2024.

[SEAL]

City Secretary
City of Bay City, Texas

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE SALE OF 11.622 ACRES OF LAND AND AUTHORIZING MAYOR TO APPROVE AND SIGN ALL DOCUMENTS TO EFFECTUATE CLOSING ON BEHALF OF THE CITY OF BAY CITY, TEXAS

WHEREAS, City declared the property described in the attached Earnest Money Contract as surplus on September 26, 2023; and

WHEREAS, City listed the property for sale with James Davant, V on January 17, 2024; and

WHEREAS, the City approved negotiating an offer on the property at its meeting on February 27, 2024;

WHEREAS, upon negotiation of agreed upon terms, the City Manager of the City of Bay City, Texas entered into the Earnest Money Contract attached hereto as Exhibit "A" with Ivan Depaz-Osoria and Priscilla Marie Depaz for the sum of \$138,000.00;

WHEREAS, it is the desire of City to authorize closing on said contract and the Mayor to sign all documents in connection with the closing.

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

SECTION 1. City Council hereby ratifies the Earnest Money Contract authorizing the sale of 11.622 acres of land by the City of Bay City to Ivan Depaz-Osoria and Priscilla Marie Depaz more fully described in the contract attached hereto as Exhibit "A".

SECTION 2. City Council authorizes the Mayor of the City of Bay City, Texas to approve and sign all documents in connection with the sale of the 11.622 acres of land by the City of Bay City to Ivan Depaz-Osoria and Priscilla Marie Depaz.

PASSED AND APPROVED this the 26th day of March, 2024.

CITY OF BAY CITY, TEXAS

By: Robert K. Nelson, Mayor

ATTEST:

APPROVED TO FORM:

Jeanna Thompson, City Secretary

Anne Marie Odefey, City Attorney



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

11-07-2022

UNIMPROVED PROPERTY CONTRACT
NOTICE: Not For Use For Condominium Transactions



1. PARTIES: The parties to this contract are City Of Bay City (Seller) and Ivan Depaz-Osoria, Priscilla Marie Depaz (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY: Lot I & GN, Block AB 274/273, Parcel ID 20172, Addition, City of Bay City, County of Matagorda, Texas, known as 0 457th/ 77414

(address/zip code), or as described on attached exhibit together with all rights, privileges and appurtenances pertaining thereto (Property).

RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. SALES PRICE:

- A. Cash portion of Sales Price payable by Buyer at closing. \$
B. Sum of all financing described in the attached: [X] Third Party Financing Addendum, [] Loan Assumption Addendum, [] Seller Financing Addendum. \$ 138,000.00
C. Sales Price (Sum of A and B) \$ 138,000.00

4. LEASES:

- A. Except as disclosed in this contract, Seller is not aware of any leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property.
B. NATURAL RESOURCE LEASES: "Natural Resource Lease" means an existing oil and gas, mineral, water, wind, or other natural resource lease affecting the Property to which Seller is a party. Seller [] is [X] is not a party to a Natural Resource Lease. If Seller is a party to a Natural Resource Lease, check one of the following:
(1) Seller has delivered to Buyer a copy of all the Natural Resource Leases.
(2) Seller has not delivered to Buyer a copy of all the Natural Resource Leases. Seller shall provide to Buyer a copy of all the Natural Resource Leases within 3 days after the Effective Date. Buyer may terminate the contract within ___ days after the date the Buyer receives all the Natural Resource Leases and the earnest money shall be refunded to Buyer.

5. EARNEST MONEY AND TERMINATION OPTION:

A. DELIVERY OF EARNEST MONEY AND OPTION FEE: Within 3 days after the Effective Date, Buyer must deliver to Bay City Abstract & Title Co (Escrow Agent) at 2021 Avenue G, Bay City, TX 77414 (address): \$ 1,000.00 as earnest money and \$ 100.00 as the Option Fee. The earnest money and Option Fee shall be made payable to Escrow Agent and may be paid separately or combined in a single payment.

- (1) Buyer shall deliver additional earnest money of \$ ___ to Escrow Agent within ___ days after the Effective Date of this contract.
(2) If the last day to deliver the earnest money, Option Fee, or the additional earnest money falls on a Saturday, Sunday, or legal holiday, the time to deliver the earnest money, Option Fee, or the additional earnest money, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or legal holiday.
(3) The amount(s) Escrow Agent receives under this paragraph shall be applied first to the Option Fee, then to the earnest money, and then to the additional earnest money.
(4) Buyer authorizes Escrow Agent to release and deliver the Option Fee to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the Option Fee to Seller. The Option Fee will be credited to the Sales Price at closing.

B. TERMINATION OPTION: For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the Option Fee within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within 7 days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If Buyer gives notice of termination within the time prescribed: (i) the Option Fee will not be refunded and Escrow Agent shall release any Option Fee remaining with Escrow Agent to Seller; and (ii) any earnest money will be refunded to Buyer.

TXR-1607

Initialed for Identification by Buyer

JD, J.H.D.

and Seller

TREC NO. 9-16

EXHIBIT
tabbles
"A"

- C. FAILURE TO TIMELY DELIVER EARNEST MONEY: If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money.
- D. FAILURE TO TIMELY DELIVER OPTION FEE: If no dollar amount is stated as the Option Fee or if Buyer fails to deliver the Option Fee within the time required, Buyer shall not have the unrestricted right to terminate this contract under this Paragraph 5.
- E. TIME: Time is of the essence for this paragraph and strict compliance with the time for performance is required.

6. TITLE POLICY AND SURVEY:

A. TITLE POLICY: Seller shall furnish to Buyer at Seller's Buyer's expense an owner's policy of title insurance (Title Policy) issued by Bay City Abstract & Title Co

(Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:

- (1) Restrictive covenants common to the platted subdivision in which the Property is located.
- (2) The standard printed exception for standby fees, taxes and assessments.
- (3) Liens created as part of the financing described in Paragraph 3.
- (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
- (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
- (6) The standard printed exception as to marital rights.
- (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
- (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:

- (i) will not be amended or deleted from the title policy; or
- (ii) will be amended to read, "shortages in area" at the expense of Buyer Seller.
- (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.

B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)

- (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit promulgated by the Texas Department of Insurance (T-47 Affidavit). If Seller fails to furnish the existing survey or affidavit within the time prescribed, Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date. If the existing survey or affidavit is not acceptable to Title Company or Buyer's lender(s), Buyer shall obtain a new survey at Seller's Buyer's expense no later than 3 days prior to Closing Date.
- (2) Within 14 days after the Effective Date of this contract, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier.
- (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.

D. OBJECTIONS: Buyer may object in writing to (i) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; or disclosed in the Commitment other than items 6A(1) through (9) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity:

Buyer must object the earlier of (i) the Closing Date or (ii) _____ days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate

(Address of Property)

within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

- (1) **ABSTRACT OR TITLE POLICY:** Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) **MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S):** The Property is is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property. Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request. **If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association should be used.**
- (3) **STATUTORY TAX DISTRICTS:** If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (4) **TIDE WATERS:** If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (5) **ANNEXATION:** If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) **PUBLIC IMPROVEMENT DISTRICTS:** If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. An addendum containing the required notice shall be attached to this contract.

Contract Concerning 0 457th/ 77414, Bay City, TX Page 4 of 10 11-07-2022
(Address of Property)

- (8) TEXAS AGRICULTURAL DEVELOPMENT DISTRICT: The Property is is not located in a Texas Agricultural Development District. For additional information, contact the Texas Department of Agriculture.
- (9) TRANSFER FEES: If the Property is subject to a private transfer fee obligation, \$5,205, Property Code requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (10) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.
- (11) NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- (12) REQUIRED NOTICES: The following notices have been given or are attached to this contract (for example, MUD, WCID, PID notices): _____

7. PROPERTY CONDITION:

A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.

NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

B. ACCEPTANCE OF PROPERTY CONDITION: "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- (1) Buyer accepts the Property As Is.
- (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

C. COMPLETION OF REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, Seller shall complete all agreed repairs and treatments prior to the Closing Date and obtain any required permits. The repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. Seller shall: (i) provide Buyer with copies of documentation from the repair person(s) showing the scope of work and payment for the work completed; and (ii) at Seller's expense, arrange for the transfer of any transferable warranties with respect to the repairs and treatments to Buyer at closing. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days, if necessary, for Seller to complete repairs and treatments.

D. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

E. SELLER'S DISCLOSURE:

- (1) Seller is is not aware of any flooding of the Property which has had a material adverse effect on the use of the Property.
 - (2) Seller is is not aware of any pending or threatened litigation, condemnation, or special assessment affecting the Property.
 - (3) Seller is is not aware of any environmental hazards that materially and adversely affect the Property.
 - (4) Seller is is not aware of any dumpsite, landfill, or underground tanks or containers now or previously located on the Property.
 - (5) Seller is is not aware of any wetlands, as defined by federal or state law or regulation, affecting the Property.
 - (6) Seller is is not aware of any threatened or endangered species or their habitat affecting the Property.
 - (7) Seller is is not aware that the Property is located wholly partly in a floodplain.
 - (8) Seller is is not aware that a tree or trees located on the Property has oak wilt.
- If Seller is aware of any of the items above, explain (attach additional sheets if necessary): _____

8. BROKERS AND SALES AGENTS:

A. **BROKER OR SALES AGENT DISCLOSURE:** Texas law requires a real estate broker or sales agent who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the broker or sales agent owns more than 10%, or a trust for which the broker or sales agent acts as a trustee or of which the broker or sales agent or the broker or sales agent's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____

B. **BROKERS' FEES:** All obligations of the parties for payment of brokers' fees are contained in separate written agreements.

9. CLOSING:

A. The closing of the sale will be on or before April 9, 2024, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

- B. At closing:
- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
 - (2) Buyer shall pay the Sales Price in good funds acceptable to the Escrow Agent.
 - (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents, transfer of any warranties, and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
 - (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
 - (5) Private transfer fees (as defined by Chapter 5, Subchapter G of the Texas Property Code) will be the obligation of Seller unless provided otherwise in this contract. Transfer fees assessed by a property owners' association are governed by the Addendum for Property Subject to Mandatory Membership in a Property Owners Association.

10. POSSESSION: Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.

11. SPECIAL PROVISIONS: (This paragraph is intended to be used only for additional informational items. An informational item is a statement that completes a blank in a contract form, discloses factual information, or provides instructions. Real estate brokers and sales agents are prohibited from practicing law and shall not add to, delete, or modify any provision of this contract unless drafted by a party to this contract or a party's attorney. N/A)

12. SETTLEMENT AND OTHER EXPENSES:

- A. The following expenses must be paid at or prior to closing:
- (1) Expenses payable by Seller (Seller's Expenses):
 - (a) Releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract.
 - (b) Seller shall also pay an amount not to exceed \$ _____ to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veterans Land Board or other governmental loan programs, and then to other Buyer's Expenses as allowed by the lender.
 - (2) Expenses payable by Buyer (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; and other expenses payable by Buyer under this contract.
- B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.

13. PRORATIONS AND ROLLBACK TAXES:

A. **PRORATIONS:** Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues (including prepaid items) will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.

Contract Concerning 0 457th/ 77414, Bay City, TX Page 6 of 10 11-07-2022
(Address of Property)

- B. **ROLLBACK TAXES:** If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Assessments are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.
14. **CASUALTY LOSS:** If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.
15. **DEFAULT:** If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.
16. **MEDIATION:** It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.
17. **ATTORNEY'S FEES:** A Buyer, Seller, Listing Broker, Other Broker, or Escrow Agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.
18. **ESCROW:**
- A. **ESCROW:** The Escrow Agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as Escrow Agent. Escrow Agent may require any disbursement made in connection with this contract to be conditioned on Escrow Agent's collection of good funds acceptable to Escrow Agent.
- B. **EXPENSES:** At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, Escrow Agent may: (i) require a written release of liability of the Escrow Agent from all parties before releasing any earnest money; and (ii) require payment of unpaid expenses incurred on behalf of a party. Escrow Agent may deduct authorized expenses from the earnest money payable to a party. "Authorized expenses" means expenses incurred by Escrow Agent on behalf of the party entitled to the earnest money that were authorized by this contract or that party.
- C. **DEMAND:** Upon termination of this contract, either party or the Escrow Agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the Escrow Agent. If either party fails to execute the release, either party may make a written demand to the Escrow Agent for the earnest money. If only one party makes written demand for the earnest money, Escrow Agent shall promptly provide a copy of the demand to the other party. If Escrow Agent does not receive written objection to the demand from the other party within 15 days, Escrow Agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and Escrow Agent may pay the same to the creditors. If Escrow Agent complies with the provisions of this paragraph, each party hereby releases Escrow Agent from all adverse claims related to the disbursement of the earnest money.
- D. **DAMAGES:** Any party who wrongfully fails or refuses to sign a release acceptable to the Escrow Agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- E. **NOTICES:** Escrow Agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by Escrow Agent.
19. **REPRESENTATIONS:** All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.
20. **FEDERAL TAX REQUIREMENTS:** If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

TXR-1607

Initialed for identification by Buyer JD 9.10 and Seller [Signature]
Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwof.com

TREC NO. 9-16
457th, Bay City,

AuthenticSign ID: 461FC884-660F-480D-B2B1-0C079FC2768D

Contract Concerning 0 457th/77414, Bay City, TX Page 7 of 10 11-07-2022
(Address of Property)

21. NOTICES: All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by fax or electronic transmission as follows:

To Buyer at: _____

To Seller at: City of Bay City

Attn: Scotty Jones

Phone: _____

Phone: 979-245-2137

E-mail/Fax: priscillapena89@yahoo.com

E-mail/Fax: sjones@cityofbaycity.org

E-mail/Fax: _____

E-mail/Fax: cinco@matagordarealty.net

With a copy to Buyer's agent at: _____

With a copy to Seller's agent at: _____

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are (check all applicable boxes):

- Third Party Financing Addendum
- Seller Financing Addendum
- Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- Buyer's Temporary Residential Lease
- Seller's Temporary Residential Lease
- Addendum for Reservation of Oil, Gas and Other Minerals
- Addendum for "Back-Up" Contract
- Addendum Concerning Right to Terminate Due to Lender's Appraisal
- Addendum containing Notice of Obligation to Pay Improvement District Assessment
- Addendum for Coastal Area Property
- Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum
- Addendum for Property Located Seaward of the Gulf Intracoastal Waterway
- Addendum for Sale of Other Property by Buyer
- Addendum for Property in a Propane Gas System Service Area
- Other (list): _____

23. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate brokers and sales agents from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's Attorney is: Buyer Choice

Seller's Attorney is: Seller Choice

Anne Marie Odefey

Roberts, Odefey, Witte, & Wall, LLP

Phone: _____

Phone: _____

Fax: _____

Fax: _____

E-mail: _____


E-mail: amo@portlavaca.law.com

Contract Concerning 0 457th/ 77414, Bay City, TX Page 8 of 10 11-07-2022
(Address of Property)

EXECUTED the _____ day of 03/07/2024, _____ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)


Ivan Depaz-Osoria
BUYER 03/07/2024 11:30:29 AM CST
Ivan Depaz-Osoria


Seller
City Of Bay City *Interim City Manager*


Priscilla Marie Depaz
BUYER 03/07/2024 12:05:25 PM CST
Priscilla Marie Depaz

Seller



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. 9-16. This form replaces TREC NO. 9-15.

Contract Concerning 0 457th/ 77414, Bay City, TX Page 9 of 10 11-08-2022
 (Address of Property)

BROKER INFORMATION
 (Print name(s) only. Do not sign)

Realtor Near Me 9014288 Matagorda Realty 583395
Other Broker Firm License No. Listing Broker Firm License No.

represents Buyer only as Buyer's agent represents Seller and Buyer as an Intermediary
 Seller as Listing Broker's subagent Seller only as Seller's agent

Edward Vivanco 707380 James Davant 9013530
Associate's Name License No. Listing Associate's Name License No.

Team Name Team Name

edwardjviva@gmail.com (903)702-0014 jedavant@gmail.com (979)240-9058
Associate's Email Address Phone Listing Associate's Email Address Phone

Licensed Supervisor of Associate License No. Licensed Supervisor of Listing Associate License No.

18447 Grayson Bluff Way (903)702-0014 582 Fisher St. #4 (979)240-9058
Other Broker's Address Phone Listing Broker's Office Address Phone

Richmond TX 77407 Matagorda TX 77457
City State Zip City State Zip

Selling Associate's Name License No.

Team Name

Selling Associate's Email Address Phone

Licensed Supervisor of Selling Associate License No.

Selling Associate's Office Address

City State Zip

Disclosure: Pursuant to a previous, separate agreement (such as a MLS offer of compensation or other agreement between brokers), Listing Broker has agreed to pay Other Broker a fee (2% _____). This disclosure is for informational purposes and does not change the previous agreement between brokers to pay or share a commission.

Contract Concerning 0 457th/ 77414, Bay City, TX Page 10 of 10 11-07-22
(Address of Property)

OPTION FEE RECEIPT

Receipt of \$ _____ (Option Fee) in the form of _____
is acknowledged.

Escrow Agent Bay City Abstract & Title Co _____ Date _____

EARNEST MONEY RECEIPT

Receipt of \$ _____ Earnest Money in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

CONTRACT RECEIPT

Receipt of the Contract is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional Earnest Money in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

11-07-2022



THIRD PARTY FINANCING ADDENDUM

TO CONTRACT CONCERNING THE PROPERTY AT

0 457th/ 77414

Bay City

(Street Address and City)

1. TYPE OF FINANCING AND DUTY TO APPLY AND OBTAIN APPROVAL: Buyer shall apply promptly for all financing described below and make every reasonable effort to obtain approval for the financing, including but not limited to furnishing all information and documents required by Buyer's lender. (Check applicable boxes):

[X] A. CONVENTIONAL FINANCING:

[X] (1) A first mortgage loan in the principal amount of \$ 138,000.00 (excluding any financed PMI premium), due in full in 30 year(s), with interest not to exceed 9.000 % per annum for the first 30 year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed 3.000 % of the loan.

[] (2) A second mortgage loan in the principal amount of \$ (excluding any financed PMI premium), due in full in year(s), with interest not to exceed % per annum for the first year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed % of the loan.

[] B. TEXAS VETERANS LOAN: A loan(s) from the Texas Veterans Land Board of \$ for a period in the total amount of years at the interest rate established by the Texas Veterans Land Board.

[] C. FHA INSURED FINANCING: A Section FHA insured loan of not less than \$ (excluding any financed MIP), amortizable monthly for not less than years, with interest not to exceed % per annum for the first year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed % of the loan.

[] D. VA GUARANTEED FINANCING: A VA guaranteed loan of not less than \$ (excluding any financed Funding Fee), amortizable monthly for not less than years, with interest not to exceed % per annum for the first year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed % of the loan.

[] E. USDA GUARANTEED FINANCING: A USDA-guaranteed loan of not less than \$ (excluding any financed Funding Fee), amortizable monthly for not less than years, with interest not to exceed % per annum for the first year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed % of the loan.

[] F. REVERSE MORTGAGE FINANCING: A reverse mortgage loan (also known as a Home Equity Conversion Mortgage loan) in the original principal amount of \$ (excluding any financed PMI premium or other costs), with interest not to exceed % per annum for the first year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed % of the loan. The reverse mortgage loan [] will [] will not be an FHA insured loan.

[] G. OTHER FINANCING: A loan not of a type described above from (name of lender) in the principal amount of \$ due in year(s), with interest not to exceed % per annum for the first year(s) of the loan with Origination Charges not to exceed % of the loan. Buyer [] does [] does not waive all rights to terminate the contract under Paragraph 2B of this addendum for the loan described in this paragraph.

2. APPROVAL OF FINANCING: Approval for the financing described above will be deemed to have been obtained when Buyer Approval and Property Approval are obtained. Time is of the essence for this paragraph and strict compliance with the time for performance is required.

TXR-1901

Initiated for identification by Buyer [JD] [SM] and Seller [Signature]

TREC NO. 40-10

Third Party Financing Addendum Concerning

11-07-12022
Page 2 of 2

0 457th/ 77414, Bay City, TX
(Address of Property)

A. BUYER APPROVAL (Check one box only):

This contract is subject to Buyer obtaining Buyer Approval. If Buyer cannot obtain Buyer Approval, Buyer may give written notice to Seller within 21 days after the effective date of this contract and this contract will terminate and the earnest money will be refunded to Buyer. If Buyer does not terminate the contract under this provision, the contract shall no longer be subject to the Buyer obtaining Buyer Approval. Buyer Approval will be deemed to have been obtained when (i) the terms of the loan(s) described above are available and (ii) lender determines that Buyer has satisfied all of lender's requirements related to Buyer's assets, income and credit history.

This contract is not subject to Buyer obtaining Buyer Approval.

B. PROPERTY APPROVAL: If Buyer's lender determines that the Property does not satisfy lender's underwriting requirements for the loan (including but not limited to appraisal, insurability, and lender required repairs) Buyer, not later than 3 days before the Closing Date, may terminate this contract by giving Seller: (i) notice of termination; and (ii) a copy of a written statement from the lender setting forth the reason(s) for lender's determination. If Buyer terminates under this paragraph, the earnest money will be refunded to Buyer. If Buyer does not terminate under this paragraph, Property Approval is deemed to have been obtained.

3. SECURITY: If required by Buyer's lender, each note for the financing described above must be secured by vendor's and deed of trust liens.

4. FHA/VA REQUIRED PROVISION: If the financing described above involves FHA insured or VA financing, it is expressly agreed that, notwithstanding any other provision of this contract, the purchaser (Buyer) shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise: (i) unless the Buyer has been given in accordance with HUD/FHA or VA requirements a written statement issued by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement Lender setting forth the appraised value of the Property of not less than \$ _____ or (ii) if the contract purchase price or cost exceeds the reasonable value of the Property established by the Department of Veterans Affairs. The 3-day notice of termination requirements in 2.B. does not apply to this Paragraph 4.

A. The Buyer shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation or the reasonable value established by the Department of Veterans Affairs.

B. If FHA financing is involved, the appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or the condition of the Property. The Buyer should satisfy himself/herself that the price and the condition of the Property are acceptable.

C. If VA financing is involved and if Buyer elects to complete the purchase at an amount in excess of the reasonable value established by the VA, Buyer shall pay such excess amount in cash from a source which Buyer agrees to disclose to the VA and which Buyer represents will not be from borrowed funds except as approved by VA. If VA reasonable value of the Property is less than the Sales Price, Seller may reduce the Sales Price to an amount equal to the VA reasonable value and the sale will be closed at the lower Sales Price with proportionate adjustments to the down payment and the loan amount.

5. AUTHORIZATION TO RELEASE INFORMATION:

A. Buyer authorizes Buyer's lender to furnish to Seller or Buyer or their representatives information relating to the status of the approval for the financing.

B. Seller and Buyer authorize Buyer's lender, title company, and Escrow Agent to disclose and furnish a copy of the closing disclosures and settlement statements to the parties' respective brokers and sales agents provided under Broker Information.

03/04/2024
Buyer Ivan Depaz-Osoria

[Signature]
Seller City Of Bay City
[Signature] City Manager

03/04/2024
Buyer Priscilla Marie Depaz

Seller



This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC No. 40-10. This form replaces TREC No. 40-9.