



# CITY COUNCIL REGULAR MEETING CITY OF BAY CITY

Tuesday, November 12, 2024 at 6:00 PM  
COUNCIL CHAMBERS | 1901 5th Street

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## COUNCIL MEMBERS

**Mayor:** Robert K Nelson

**Mayor Pro Tem:** Becca Sitz

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

### Vision Statement

*We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.*

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## 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 promotes economic growth and invests in quality-of-life initiatives through collaboration. We respond promptly and professionally to residents' concerns and strive to deliver superior municipal services.*

*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.

## **PUBLIC HEARINGS**

## **ACKNOWLEDGEMENT FROM CITY MANAGER**

## **ITEMS / COMMENTS FROM THE MAYOR & COUNCIL MEMBERS**

## **CONSENT AGENDA ITEMS FOR CONSIDERATION AND/OR APPROVAL**

- 1. City Council Workshop minutes of October 22, 2024.**
- 2. City Council Regular Meeting minutes of October 22, 2024.**
- 3. Accounts Payable, Direct Payable and Utility Refunds for July, August, and September 2024.**

## **DEPARTMENT REPORTS**

- 4. Public Works Reports and Updates.** Krystal Mason, Assistant Public Works Director

## **REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL**

- 5. Appointment ~ Discuss, consider and appoint Angela Hadash as Deputy City Secretary.** Jeanna Thompson, City Secretary
- 6. Appointment ~ Discuss, consider and/ or approve the appointment of Bruce Krauskopf to the Planning Commission Board.** Robert K. Nelson, Mayor
- 7. Appointment ~ Discuss, consider and/ or approve the appointment of Melody Ann Yates to the Bay City Housing Authority Board.** Robert K. Nelson, Mayor
- 8. Ordinance ~ Discuss, consider, and/ or approve an ordinance of the City of Bay City, Texas adopting a "Budget Amendment #3" to the "Annual Budget supplemental appropriation and/ or transfer of certain funds; providing for severability; and providing other matters related to the subject.** Jennifer Leverett, Finance Manager
- 9. Report ~ Discuss, consider, and/or approve the City's Quarterly Financial and Investment Report for quarter ending September 30, 2024.** Jennifer Leverett, Finance Manager
- 10. Ordinance ~ An ordinance of the City of Bay City, Texas amending Appendix "B" to include a "Credit Card Processing Fee", to the Code of Ordinances of the City of Bay City, Texas; and providing for the effective date thereof.** Jennifer Leverett, Finance Manager

- 11. Bid ~ Discuss, consider, and/or approve awarding DebrisTech for debris monitoring services and authorize the City Manager to execute a contract approved to form by the City Attorney. Gabriel Lopez, Engineering Tech**
- 12. TIRZ ~ Discuss, review, and take any action deemed necessary on the proposed Tax Increment Reinvestment Zone Number Five (TIRZ #5) redevelopment boundaries (Strategic Goal - Planning & Development). Scotty Jones, Interim City Manager**
- 13. Interlocal Agreement ~ Discuss, consider, and/or approve an Interlocal Agreement between the City of Bay City and the City of Palacios for Code Enforcement services. Scotty Jones, Interim City Manager**
- 14. Resolution ~ Discuss, consider, and/or approve a Resolution of the City of Bay City, Texas adopting covered applications and prohibited technology policy. Jeanna Thompson, City Secretary**
- 15. Discussion ~ Norvell subdivision drainage: past, present, and future. Benjamin Flores, Councilman**
- 16. Appointment ~ Discuss, consider, and/or approve the appointment of a city representative and an alternate to Houston-Galveston Area Council's 2025 General Assembly. Robert K. Nelson, Mayor**
- 17. Appointment ~ Discuss, consider and select a Councilmember for the appointment on the Variance Committee Board. Robert K. Nelson, Mayor**

#### **CLOSED / EXECUTIVE SESSION**

- 18. Executive session pursuant to Texas Government Code §551.074 to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee: City Manager.**
- 19. Executive Session pursuant to Section 551.071(1) of the Texas Government Code (Consultation with Counsel on Legal Matters)**

#### **RECONVENE AND ACTION**

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

#### **ADJOURNMENT**

#### **AGENDA NOTICES:**

**Attendance By Other Elected or Appointed Officials:** It is anticipated that members of other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the

same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or committee subject to the Texas Open Meetings Act.

### **CERTIFICATION OF POSTING**

This is to certify that the above notice of a Regular Called Council Meeting was posted on the front window of the City Hall of the City of Bay City, Texas on **Friday, November 8, 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

MINUTES • OCTOBER 22, 2024

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**COUNCIL  
CHAMBERS | 1901  
5th Street**

**City Council Workshop**

**5:00 PM**

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**1901 5TH STREET  
BAY CITY TX,77414**



**Mayor**

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Robert K. Nelson

**Mayor Pro Tem**

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Becca Sitz

**Councilman**

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Jim Folse

**Councilman**

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Bradley Westmoreland

**Councilman**

---

Blayne Finlay

**Councilman**

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Benjamin Flores

*We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.*

**CALL TO ORDER**

The meeting was called to order at 5:03 p.m.

**CERTIFICATION OF QUORUM**

**PRESENT**

- Mayor Robert K. Nelson
- Mayor Pro Tem Becca Sitz
- Councilman Benjamin Flores
- Councilman Jim Folse
- Councilman Brad Westmoreland
- Councilman Blayne Finlay

**PUBLIC COMMENTS**

There were no public comments.

**REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND / OR APPROVAL**

- 1. **Update on Rail Road Quiet Zone Study-** Russell McNaught, HDR Inc.

Mr. McNaught discussed the Railroad Quiet Zone study and presented a slideshow of the crossings being studied. Among other considerations, the process factors into the number of cars and traffic patterns that then calculate how safe that particular crossing is. Mr. McNaught stated this is a 7 month process and that there was a delay, but the final report should be presented to the City the second week of January, 2025. So far there has been one set of diagnostics done on the BNSF line and UP is scheduled in November. The final concept development and evaluation will be ready in December, 2024. There will be a review meeting before the final reports are presented along with an open house for the public. The City will be financially responsible for any updates and changes to the Quiet Zone crossings. Mayor Nelson thanked Mr. McNaught for coming and speaking.

**ADJOURNMENT**

The meeting was adjourned at 5:45 p.m.

**PASSED AND APPROVED**, this 12th day of November, 2024.

\_\_\_\_\_  
 ROBERT K. NELSON, MAYOR  
 CITY OF BAY CITY, TEXAS

\_\_\_\_\_  
 JEANNA THOMPSON  
 CITY SECRETARY

# CITY OF BAY CITY

MINUTES • OCTOBER 22, 2024

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COUNCIL  
CHAMBERS | 1901  
5th Street

City Council Regular Meeting

6:00 PM

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1901 5TH STREET  
BAY CITY TX, 77414



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**Mayor**

Robert K. Nelson

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**Mayor Pro Tem**

Becca Sitz

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**Councilman**

Jim Folse

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**Councilman**

Bradley Westmoreland

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**Councilman**

Blayne Finlay

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**Councilman**

Benjamin Flores

*We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture*

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**CALL TO ORDER AND CERTIFICATION OF QUORUM**

The meeting was called to order at 6:00 p.m.

**PRESENT**

Mayor Robert K. Nelson  
Mayor Pro Tem Becca Sitz  
Councilman Benjamin Flores  
Councilman Jim Folse  
Councilman Brad Westmoreland  
Councilman Blayne Finlay

**INVOCATION & PLEDGE**

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

*Councilman Benjamin Flores*

**MISSION STATEMENT**

*The City of Bay City promotes economic growth and invests in quality-of-life initiatives through collaboration. We respond promptly and professionally to residents' concerns and strive to deliver superior municipal services.*

*Councilman Benjamin Flores*

**APPROVAL OF AGENDA**

Motion made by Councilman Flores to approve the agenda, Seconded by Councilman Folse. Voting Yea: Mayor Nelson, Mayor Pro Tem Sitz, Councilman Westmoreland, Councilman Finlay. Motion carried.

**PUBLIC COMMENTS**

Stewart Lynn with Lynn Group commented that things were going good with the YMCA. He stated that Loy Sneary would like to keep the pool open and with the YMCA involved there is still a \$60,000 shortfall. Lynn Group is willing to donate \$30,000 if the remaining amount can be funded by other organizations.

Mayor Robert K Nelson recognized the Bay City Girl Scout Troop #156991, made up of girls from Bay City and Van Vleck ISD. They attended the council meeting to earn their government badge. Mayor Nelson had them stand for a photo with Council and he thanked them for attending.



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**1. Proclamation ~ "National Aviation History Month".**

Read by Mayor Robert K. Nelson.

**ACKNOWLEDGEMENT FROM CITY MANAGER**

Interim City Manager, Scotty Jones recognized the Street and Bridge crews for doing a great job repaving the road in LeTulle Park. She then announced upcoming events at Riverside Park, the Library, and around the square.

**ITEMS / COMMENTS FROM THE MAYOR & COUNCIL MEMBERS**

Councilman Jim Folse thanked the Public Works department for the ride on the patch truck during the Rice Festival Parade. Councilman Brad Westmoreland thanked the Police Department and City staff for their efforts to make the parade a success. Councilman Blayne Finlay acknowledged the Lion's Club for their efforts in making the parade and Rice Festival a success. Councilman Benjamin Flores mentioned following up on an email about Norvell drainage and street conditions. Mayor Nelson thanked everyone involved in the parade and Rice Festival for their efforts.

**CONSENT AGENDA ITEMS FOR CONSIDERATION AND/OR APPROVAL**
**2. City Council Regular Meeting minutes of October 8, 2024.**

Motion made by Councilman Finlay to approve the minutes for the October 8, 2024 Regular Meeting, Seconded by Councilman Flores. Voting Yea: Mayor Nelson, Mayor Pro Tem Sitz, Councilman Folse, Councilman Westmoreland. Motion carried.

**DEPARTMENT REPORTS**
**3. Report: Library 4th Quarter Report.** Amanda Garcia, Library & Cultural Arts Manager

Ms. Garcia presented and discussed the 4th Quarter Report for the Library.

**REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL**
**4. Resolution ~ Discuss, Consider, and/ or Approve a Resolution of the City of Bay City, Texas, to authorize the Bay City Community Development Corporation to enter into a contract with Kimberly Willett DBA Next Level Barber Institute, for a term not to exceed two years and providing incentives not to exceed a total amount of \$70,000 over the term of the agreement. (Second Reading) - Jessica Russell, Executive Director, BCCDC**

Motion made by Councilman Westmoreland to approve a Resolution of the City of Bay City, Texas, to authorize the Bay City Community Development Corporation to enter into a contract with Kimberly Willett DBA Next Level Barber Institute, for a term not to

exceed two years and providing incentives not to exceed a total amount of \$70,000 over the term of the agreement. (Second Reading) , Seconded by Councilman Folse. Voting Yea: Mayor Nelson, Mayor Pro Tem Sitz, Councilman Flores, Councilman Finlay. Motion carried.

5. **Grant ~ Discuss, consider, and/or approve authorization to issue Request for Qualifications (RFQ) and Requests for Professional Services (RFP) for engineering and grant administration services related to the City's Project Application and Implementation of the 2025 TxDOT Transportation Alternatives (TA) Program.** Gabriel Lopez, Engineering Tech

Mr. Lopez discussed that the grant the City is seeking will fund sidewalk projects, sidewalk improvements and ADA improvements. It is a bi-annual grant that the City was granted in the past that funded the Southern Pacific Railway on the old Southern Pacific rail line. Anticipating the funding opportunity to happen in January of 2025, Mr. Lopez believes that now is the time to get consultants to help identify problem areas on sidewalks, railroad crossings and bridge crossings and to get a solid plan in place. Having a consultant already in place would also strengthen the City's application for the grant, as would the several developments the City is currently working on. The City qualifies for transportation development credits based on the size, population, and income criteria, these credits would also cover the costs of preliminary engineering. The call for notice of funding opens in January of 2025, the preliminary application is due the first week of February of 2025, and the final application is due in June of 2025. Once the RFP's and RFQ's are issued, the City can move forward with the application.

Motion made by Councilman Finlay to approve authorization to issue Request for Qualifications (RFQ) and Requests for Professional Services (RFP) for engineering and grant administration services related to the City's Project Application and Implementation of the 2025 TxDOT Transportation Alternatives (TA) Program. Seconded by Councilman Flores. Voting Yea: Mayor Nelson, Mayor Pro Tem Sitz, Councilman Folse, Councilman Westmoreland. Motion carried.

6. **Committee ~ Discuss, consider, and/ or approve the creation of a task force committee to address Animal Impound and capacity needs.** Robert K. Nelson, Mayor

Ms. Jones stated that the goal to pursue partnerships that mutually benefit the community was part of the City's Strategic Plan. With that in mind, the City and County would like to partner to establish a task force to see to the Animal Impound building needs and deficiencies. The building is small and in poor condition. Mayor Robert K. Nelson stated there needs to be 1 or 2 council members on the committee, as well as Dotty Grandstaff and himself. Councilman Folse and Councilman Flores agreed to be on the committee. At this time, the task force will be committed to the building needs and deficiencies only, staff and policy sub-committees may come about at a later date.

Motion made by Councilman Folse to approve the creation of a task force committee to address Animal Impound and capacity needs. Seconded by Mayor Pro Tem Sitz. Voting Yea: Mayor Nelson, Councilman Flores, Councilman Westmoreland, Councilman Finlay. Motion carried.

**7. Contract ~ Discuss, consider, and/or approve a contract between the City of Bay City, Texas and YMCA of the Golden Crescent, Victoria, Texas for the management of Valiant Pool.** Scotty Jones, Interim City Manager

Ms. Jones stated the Gas Company will continue to waive the gas fees for the pool for the YMCA as they did for the City. The people involved (Wellness Matagorda County, YMCA, Lynn Group) in making this happen are trying to keep the swim team local. The Bay City team is currently having to travel to El Campo to train and the Van Vleck team is traveling to Lake Jackson. Loy Sneary, representing Wellness Matagorda County, mentioned there are 40-60 kids this swim season in Aquacats and the ISD teams. The pool will remain open to the public year-round even after swim season is over. Wellness Matagorda County will be holding fundraisers to keep the pool running.

Motion made by Mayor Pro Tem Sitz to approve a contract between the City of Bay City, Texas and YMCA of the Golden Crescent, Victoria, Texas for the management of Valiant Pool. Seconded by Councilman Folse. Voting Yea: Mayor Nelson, Councilman Flores, Councilman Westmoreland, Councilman Finlay

### **CLOSED / EXECUTIVE SESSION**

Council adjourned and went into an Executive Session at 6:57 p.m.

- 8. Executive session pursuant to Texas Government Code §551.074 to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee: City Manager.**
- 9. Executive Session pursuant to Section 551.071(1) of the Texas Government Code (Consultation with Counsel on Legal Matters)**

### **RECONVENE AND ACTION**

Council reconvened back into Regular Session at 8:16 p.m. No action was taken.

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

Mayor Pro Tem Becca Sitz mentioned there is a pothole at 3rd street and Avenue I.

**ADJOURNMENT**

The meeting was adjourned at 8:17 p.m.

**PASSED AND APPROVED**, this 12th day of November, 2024.

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ROBERT K. NELSON, MAYOR

CITY OF BAY CITY, TEXAS

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JEANNA THOMPSON

CITY SECRETARY

**AGENDA ITEM REQUEST  
FOR  
CITY COUNCIL APPROVAL**

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

<b>ACCOUNTS PAYABLE</b>	<b>07/12/24</b>
<b>ACCOUNTS PAYABLE</b>	<b>07/19/24</b>
<b>ACCOUNTS PAYABLE</b>	<b>07/26/24</b>
<b>ACCOUNTS PAYABLE</b>	<b>07/31/24</b>
<b>ACCOUNTS PAYABLE</b>	<b>08/02/24</b>
<b>ACCOUNTS PAYABLE</b>	<b>08/09/24</b>
<b>ACCOUNTS PAYABLE</b>	<b>08/09/24</b>
<b>ACCOUNTS PAYABLE</b>	<b>09/06/24</b>
<b>ACCOUNTS PAYABLE</b>	<b>09/13/24</b>
<b>ACCOUNTS PAYABLE</b>	<b>09/20/24</b>
<b>ACCOUNTS PAYABLE</b>	<b>09/27/24</b>
<b>DIRECT PAYABLES</b>	<b>07/02/24</b>
<b>DIRECT PAYABLES</b>	<b>07/16/24</b>
<b>DIRECT PAYABLES</b>	<b>07/31/24</b>
<b>DIRECT PAYABLES</b>	<b>08/15/24</b>
<b>DIRECT PAYABLES</b>	<b>08/29/24</b>
<b>DIRECT PAYABLES</b>	<b>09/06/24</b>
<b>DIRECT PAYABLES</b>	<b>09/11/24</b>
<b>DIRECT PAYABLES</b>	<b>09/27/24</b>
<b>UTILITY REFUNDS</b>	<b>07/12/24</b>
<b>UTILITY REFUNDS</b>	<b>08/29/24</b>
<b>UTILITY REFUNDS</b>	<b>08/30/24</b>

**RESPECTFULLY SUBMITTED**

**FINANCE DIRECTOR  
9.30.2024**



# CITY OF BAY CITY VOLUNTEER INTEREST FORM

**Dear Resident:**

**This form will let the City Council know of your interest and qualifications to serve on a City board or commission. You are encouraged to contact the Mayor concerning your nomination. You may also submit a resume or brief background information regarding your qualifications. This form will be kept on file for a period of two years in the City Secretary's office.**

PLEASE TYPE OR PRINT:

Date: 10/21/2024  
Name: Bruce Krauskopf Home Address: [REDACTED]  
City: Bay City State TX Zip 77414  
Home Phone: [REDACTED] Business Phone: \_\_\_\_\_  
Employer: Matagorda Concrete Occupation: Owner  
E-mail: Bruce@matagordaconcrete.co

Resident of the Bay City Corporate City Limits: (circle one)  Yes  No

Resident of City for 39 years

I am interested in serving on the following boards:

(Boards and Committees include: Bay City Community Development Corporation (BCCDC), Main Street, Planning Commission, Historic Commission, Convention and Visitor Bureau (CVB), and Housing Authority)

1.) <u>Planning Commission</u>	3.) <u>Select Third Choice:</u>
2.) <u>Bay City Community Development Corp (BCCDC)</u>	4.) <u>Select Fourth Choice:</u>

Please list any involvement in civic groups or clubs, current or past service on city boards, or other information qualifying you for service:

BCISD Education Foundation, WCJC Foundation, Bay City Chamber of Commerce, MPMC Foundation, Cub Scouts, Boy Scouts, BC Little League, BC Girls Softball Assoc.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

eSigned via SeamlessDocs.com  
  
Key: b706a7f3e8b9bca9b123267b71b766c  
Signature

Return completed form to the City Secretary's Office: 1901 5th Street, Bay City, Texas 77414



# CITY OF BAY CITY VOLUNTEER INTEREST FORM

**Dear Resident:**

**This form will let the City Council know of your interest and qualifications to serve on a City board or commission. You are encouraged to contact the Mayor concerning your nomination. You may also submit a resume or brief background information regarding your qualifications. This form will be kept on file for a period of two years in the City Secretary's office.**

PLEASE TYPE OR PRINT:

Date: 09/18/2001  
Name: Melody Ann Yates Home Address: [REDACTED]  
City: Bay City State TX Zip 77414  
Home Phone: [REDACTED] Business Phone: 9794297004  
Employer: Taylor Bros. Funeral Home Occupation: Manager  
E-mail: melodyayates@gmail.com

Resident of the Bay City Corporate City Limits: (circle one)  Yes  No

Resident of City for 23 years

I am interested in serving on the following boards:

(Boards and Committees include: Bay City Community Development Corporation (BCCDC), Main Street, Planning Commission, Historic Commission, Convention and Visitor Bureau (CVB), and Housing Authority)

1.) <u>Housing Authority</u> 2.) <u>Select Second Choice:</u>	3.) <u>Select Third Choice:</u> 4.) <u>Select Fourth Choice:</u>
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Please list any involvement in civic groups or clubs, current or past service on city boards, or other information qualifying you for service:

I was born and raised in Bay City, TX. In 2020 I graduated as Valedictorian from Van Vleck and continued my education at Texas A&M University. I graduated last December with a Bachelors degree in Business Management. Since then, I have moved back to Bay City and began working at Taylor Bros. Funeral Home, a business that has been in my family for over 100 years. I have roots that run deep in Bay City and hope to be involved in making it a better place.

eSigned via SeamlessDocs.com  
*Melody Ann Yates*  
Key: b706a7f3e8b9bea69b123267b71b76ec  
Signature

Return completed form to the City Secretary's Office: 1901 5th Street, Bay City, Texas 77414

**Ordinance ~ Discuss, consider, and/or approve an Ordinance of the City of Bay City, Texas adopting a "Budget Amendment #3" to the "Annual Budget of the City of Bay City, Texas, for the Fiscal Year 2024"; providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing other matters related to the subject.**



## **EXECUTIVE SUMMARY**

### **BUDGET AMENDMENTS**

**BACKGROUND:** The legal level of budgetary control for the City of Bay City lies at the departmental level. Any revisions that alter the amount of total expenditures/expenses of the department must be approved by City Council.

**FINANCIAL IMPLICATIONS:** Amending the budget provides a revised parameter for the budget.

**RECOMMENDATION:** Staff recommends City Council approve the budget amendments as presented.

**ATTACHMENTS:** Ordinance and Budget Amendments



**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF BAY CITY, TEXAS, ADOPTING A "BUDGET AMENDMENT #3 TO THE "ANNUAL BUDGET OF THE CITY OF BAY CITY, TEXAS, FOR THE FISCAL YEAR 2024"; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT.**

**WHEREAS**, by Ordinance No. 1715, the City of Bay City, Texas, adopted its "Annual Budget" for Fiscal Year 2024;

**WHEREAS**, the City Council has determined the revenues and/or reserves are available for supplement appropriation and/or transfer of certain funds interdepartmentally is economically feasible and in the best interest of prudent budgeting; and

**WHEREAS**, the City Council desires to amend said Original General Budget to reflect such supplemental appropriation and/or transfer in the fiscal year 2024; now, therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAY CITY, STATE OF TEXAS:**

**Section 1.** The facts and matters set forth in the preamble of this Ordinance are hereby to be true and correct.

**Section 2.** The "Annual Budget" of the City of Bay City, Texas, for the Fiscal Year 2024, is hereby amended as shown on "Budget Amendment #3" to the Original Budget of the City of Bay City, Texas, for the Fiscal Year 2024, attached hereto. These amendments are for municipal purposes. Said Budget Amendment shall be attached to and made a part of such Annual Budget by the City Secretary and shall be filed as required by state law, a true ad correct copy of which is attached hereto as Exhibit "A" and made a part hereof for all purposes.

**Section 3.** In the event any clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held constitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Bay City, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or constitutional, whether there be one or more parts.

**PASSED AND APPROVED on first and final reading this 12th day of November 2024.**

**CITY OF BAY CITY, TEXAS**

\_\_\_\_\_  
Robert K. Nelson, Mayor

ATTEST:

\_\_\_\_\_  
Jeanna Thompson, City Secretary

APPROVED as to FORM:

\_\_\_\_\_  
Anne Marie Odefey, City Attorney

<u>Council Member:</u>	<u>Voted Aye</u>	<u>Voted No</u>	<u>Absent</u>
Brad Westmoreland	_____	_____	_____
Blayne Finlay	_____	_____	_____
Benjamin Flores	_____	_____	_____
Becca Sitz Mayor Pro-Tem	_____	_____	_____
Jim Folse	_____	_____	_____

\_\_\_\_\_  
Robert K. Nelson, Mayor

ATTEST:

\_\_\_\_\_  
Jeanna Thompson, City Secretary

APPROVED AS TO FORM AND SUBSTANCE:

\_\_\_\_\_  
Anne Marie Odefey, City Attorney

**BUDGET AMENDMENT**

ITEM #8.

**FUND:** \_\_\_\_\_  
 Reason for Budget Amendment: (Please indicate)

**General Fund** \_\_\_\_\_

Date: 9/30/2024

- \_\_\_\_\_  \_\_\_\_\_
- \_\_\_\_\_  \_\_\_\_\_
- \_\_\_\_\_  \_\_\_\_\_

1. New revenues (originally unbudgeted) are available.
2. Actual revenues (originally unbudgeted) have exceeded the original adopted budget.
3. A new project, program or special expenditure has been authorized.
4. Transfer reclassification of original adopted budget to realign budget to actual transaction activity as presently needed.

**Brief Description of Request:** FY2024: General Fund- Various

Account Description	Fund #	Account #	Expenditure Increase or Revenue Decrease		Notes
			Debit	Credit	
					<b>Various Departments</b>
Municipal Court	11	125-4105	\$ 35,000		Health and Compensation
Police Department	11	150-4105	\$ 75,000		
Animal Impound	11	155-4105	\$ 7,000		
Recycling Center	11	170-4105	\$ 13,000		
Library	11	190-4105	\$ 30,000		
Health and Compensation	11	110-4496		\$ 160,000	
					<b>Library</b>
Grants & Donations	11	190-4497	\$ 76,000		Various Donations
Donations	11	3670		\$ 76,000	
					<b>City General</b>
Transfer to Airport Fund	11	110-4767		\$ 56,150	Transfer to Airport- Match to Grants
Other Income- BCCDC	11	3698	\$ 56,150		
Transfer to Street Maintenance Fund	11	110-4728	\$ 145,000		<b>City General</b>
Interest Income	11	3605		\$ 40,000	
Gain on Disposal of Assets	11	3693		\$ 105,000	

The amendments above relate to the following:

<b>TOTAL</b>	<b>\$ 437,150.00</b>	<b>\$ 437,150.00</b>
--------------	----------------------	----------------------

Dept. Head Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Finance Manager Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Interim City Manager: \_\_\_\_\_ Date: \_\_\_\_\_

# BUDGET AMENDMENT

ITEM #8.
----------

**FUND:** Utility Fund

Date: 9/30/2024

Reason for Budget Amendment: (Please indicate)

1. New revenues (originally unbudgeted) are available.
2. Actual revenues (originally unbudgeted) have exceeded the original adopted budget.
3. A new project, program or special expenditure has been authorized.
4. Transfer reclassification of original adopted budget to realign budget to actual transaction activity as presently needed.

X

**Brief Description of Request:** FY2024: Utility

			<i>Expenditure Increase or Revenue Decrease</i>	<i>Exp. Decrease or Rev. Increase</i>	
Account Description	Fund #	Account #	Debit	Credit	Notes
					Utility Maintenance
Interest Income	61	3605		\$ 100,000	
Transfer to Street Maint.	61	610-4728	\$ 100,000		

The amendments above relate to the following:

<b>TOTAL</b>	<b>\$ 100,000.00</b>	<b>\$ 100,000.00</b>	
--------------	----------------------	----------------------	--

Dept. Head Signature: \_\_\_\_\_

\_\_\_\_\_ Date

Finance Manager Signature: \_\_\_\_\_

\_\_\_\_\_ Date

Interim City Manager: \_\_\_\_\_

\_\_\_\_\_ Date

**BUDGET AMENDMENT**

ITEM #8.
----------

FUND: Airport Fund Date: 9/30/2024

Reason for Budget Amendment: (Please indicate)

- 
- 
- X**
- 

1. New revenues (originally unbudgeted) are available.
2. Actual revenues (originally unbudgeted) have exceeded the original adopted budget.
3. A new project, program or special expenditure has been authorized.
4. Transfer reclassification of original adopted budget to realign budget to actual transaction activity as presently needed.

Brief Description of Request: **FY2024: Airport**

Account Description	Fund #	Account #	Expenditure	Exp. Decrease	Notes
			Increase or Revenue Decrease	or Rev. Increase	
			Debit	Credit	
					<b>Airport</b>
Capital Contribution]	64	3610		\$ 56,000	Match to Grants
Transfer from BCCDC	64	3722	\$ 56,000		

The amendments above relate to the following:

<b>TOTAL</b>	<b>\$ 56,000.00</b>	<b>\$ 56,000.00</b>
--------------	---------------------	---------------------

Dept. Head Signature:		Date
Finance Manager Signature:		Date
Interim City Manager:		Date

~ **DISCUSS, CONSIDER, AND/OR APPROVE THE CITY'S QUARTERLY FINANCIAL AND INVESTMENT REPORT FOR THE QUARTER ENDING SEPTEMBER 30, 2024**

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## **EXECUTIVE SUMMARY**

### **QUARTERLY FINANCIAL & INVESTMENT REPORT**

**BACKGROUND:** Quarterly financial reports provide the most accurate reflection of the quarter activity for each major fund. Reports are provided to City Council via email with a formal presentation at the next available Council meeting. In addition, the Finance Committee meets quarterly to review the Investment Report in detail. This time also serves as an opportunity to discuss the City's finances. In the event that financial decisions or budgetary amendments need attention prior to this date-the Finance Director shall request a Special Called Meeting. All reports are posted to the City's website along with other financial information.

**FINANCIAL IMPLICATIONS:** Timely financial data provides City Council time to make informed decisions to prevent any negative financial implications.

**IMPACT ON COMMUNITY SUSTAINABILITY:** The report provides financial information to the public. (i.e., costs of services, revenue sources)

**RECOMMENDATION:** Staff recommends City Council approve the Quarterly Financial & Investment Report.

**ATTACHMENTS:** Quarterly Financial Report for Quarter Ending September 30, 2024(Supporting documentation will be emailed out prior to meeting)



## CITY OF BAY CITY

### FY 2024 4th Quarter Financial Report

### As of September 30, 2024

The City of Bay City Finance Department is dedicated to excellence in local government, comprehensive fiscal management, compliance, and reporting. The Quarterly Report is used to provide our internal and external customers financial reporting with easy-to-read narratives regarding the City's financial position.

This report represents a general overview of financial operations through **September 2024**, the twelfth month, and **100.00%** of FY 2024.

1. The **Financial Summaries** provide comparative data for revenues and expenditures by fund. Data shows current monthly and year-to-date information as it relates to budget. Beginning fund balances are estimates until the final audit is complete.
  - The **General Fund** is the general operating fund of the City. It is used to account for all financial resources except those accounted for in other specific funds. This fund includes all general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund. General operating expenditures, fixed charges and capital improvement costs not paid through other funds are paid from this fund.
  - The **Public Utility Fund** accounts for the operations costs to provide water and sewer services to the citizens of Bay City.
  - The **Airport Fund** is used to account for the operations of the Airport, and to account for the rent generated from its T-hangers and fuel sold.
  - The **Hotel/Motel Occupancy Tax Fund** was established to directly enhance and promote tourism and the convention and hotel industry, or other expenses as approved by State Law.
2. The **Investment Report** provides a description of investment activity during the quarter.

*This report does not include all funds related to the City of Bay City's Operations—please refer to the City's Comprehensive Annual Financial Report & the City's Annual Budget available on the City's website ([www.cityofbaycity.org](http://www.cityofbaycity.org)).*

*Go to the Finance Department's Web Page for all financial transparency information. This includes audits, budgets, quarterly reports, and check registers.*



## **General Fund Overview**

### **Revenue Highlights**

Revenues total \$17,768,132 or 99.1% of the budget.

- Property Tax. The certified value totaled \$1.2 billion. Through September, the City received \$5,037,716 or (97.4%) of the 5.2-million-dollar property tax maintenance and operation budget. Most property taxes are received by January to avoid penalties.
- Sales tax. Fourth Quarter Sales Tax Allocation to the City is **down** 3.95% (\$76,011) as compared to the fourth quarter in prior year.
- Franchise fees are slightly under budget due to timing of franchise tax payments.
- Licenses & Permit fees are over budget target due to timing of housing activity.
- Fines and penalties (Court Fines)- \$158,868 (100.7% of budget).
- Charges for services represent sanitation fees - \$3,229,706 (100.1% of budget).
- Miscellaneous Revenue represents interest income, grant payments, interlocal agreements (i.e. County), and various park rental income- \$1,391,942

### **General Fund Expenditure Highlights**

Expenditures total \$17,392,065 or 93.2% of budget.

Most departments are under the 100% budget target. Budgets that are above the budget target are primarily due to timing of payments and will most likely require amendments.

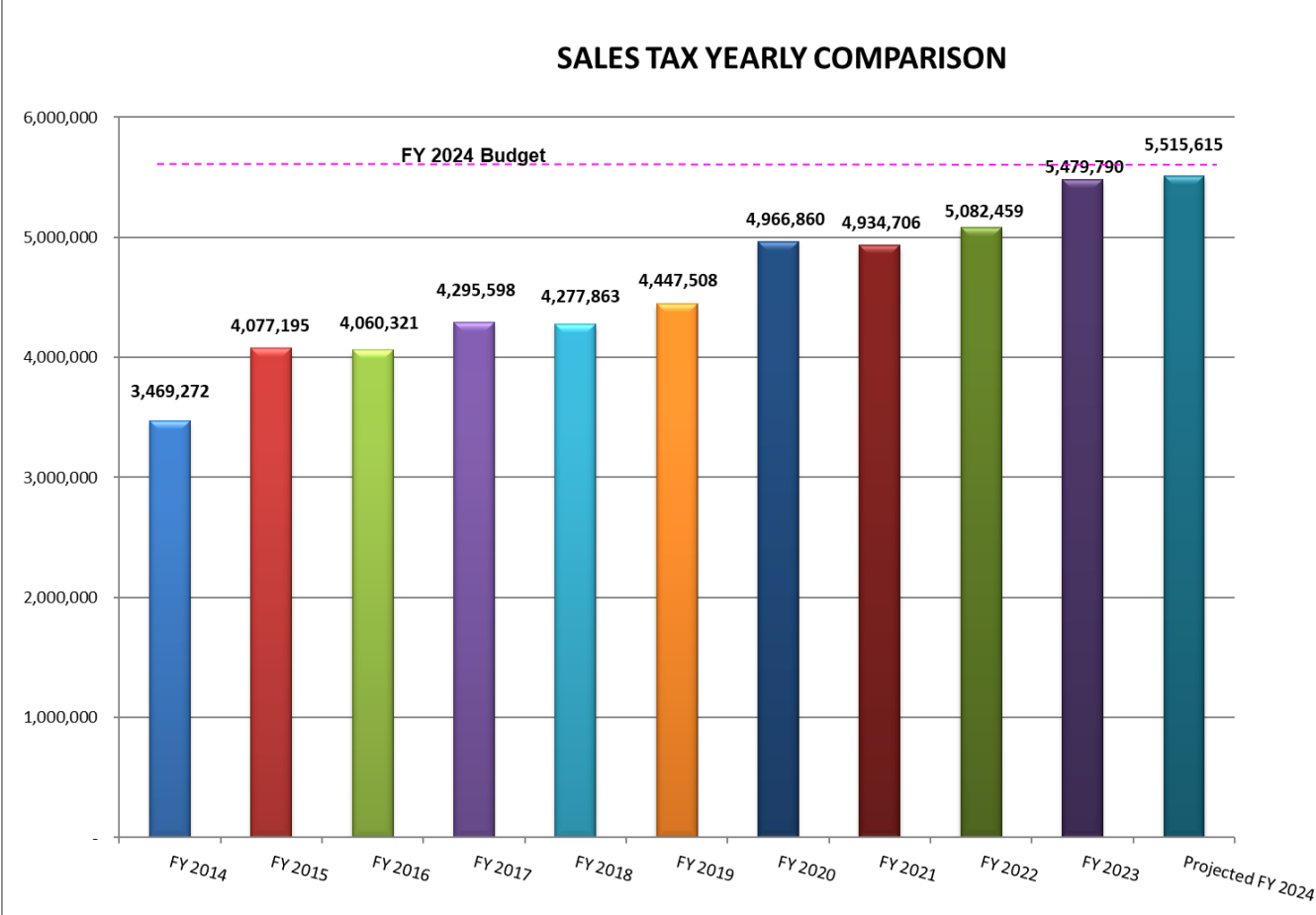
- Municipal Court- Health and Compensation
- Police- Health and Compensation
- Animal Impound- Health and Compensation
- Recycling Center- Health and Compensation
- Library- Timing of grants

### **Fund Balance**

The General Fund's fund balance is budgeted to remain flat. **The City's reserve level currently is above the minimum policy of 25%.** See bottom of page 3 for more clarification. The unaudited beginning cash position (October 1, 2023) was 5.5 million which represents approximately 29% of operating expenditures including transfers. Transfers include funding for departments/funds such as Information Technology, Facilities/Equipment Maintenance, and the Bay City Regional Airport. The City plans to maintain reserves between 90 days (policy) and 120 days (goal) or 25% and 34% of operating expenditures. Reserves above 25% may be used to fund non-reoccurring expenditures (i.e. capital projects).

## GENERAL FUND FINANCIAL SUMMARY

City of Bay City				
Financial Statement				
As of September 30, 2024				
General Fund (Fund 11)				
Percent of Fiscal Year Complete	100%			
	Total Budget	YTD Actual*	(Over)Under Budget to Date	% FY 2024 Budget
<b>Beginning Fund Balance</b>	\$ 5,560,727	\$ 5,560,727	Audited	
<b>REVENUES</b>				
Property Taxes	5,172,000	5,037,716	(134,285)	97.4%
Sales Tax	5,567,000	5,515,615	(51,385)	99.1%
Other Local Taxes (Franchise)	1,350,000	1,343,402	(6,598)	99.5%
Charges for Services (Sanitation)	3,228,000	3,229,706	1,706	100.1%
Fines & Penalties	157,800	158,868	1,068	100.7%
Licenses & Permits	210,000	221,806	11,806	105.6%
Miscellaneous	1,375,700	1,391,942	16,242	101.2%
Transfers (Hotel/Motel & Utility)	873,000	869,078	(3,922)	99.6%
<b>Total Revenues</b>	\$ 17,933,500	\$ 17,768,132	\$ (165,368)	<b>99.1%</b>
<b>EXPENDITURES</b>				
Administrative Council	336,406	331,316	5,090	98.5%
City General Services	3,566,250	3,015,020	551,230	84.5%
City Secretary	207,211	141,677	65,534	68.4%
Main Street	75,000	63,457	11,543	84.6%
Human Resources	275,380	273,303	2,077	99.2%
Municipal Court	467,251	507,312	(40,061)	108.6%
Finance	448,120	393,909	54,211	87.9%
Planning & Development	486,699	481,108	5,591	98.9%
Police	5,112,887	5,141,055	(28,168)	100.6%
Animal Impoundment	196,064	202,890	(6,826)	103.5%
Fire Department	210,050	204,382	5,669	97.3%
Recycling Center	215,652	232,153	(16,501)	107.7%
Street and Bridge	4,467,317	3,922,021	545,296	87.8%
Parks	1,250,037	1,104,503	145,534	88.4%
Riverside Park	209,664	201,715	7,949	96.2%
Recreational Programs	92,600	85,624	6,976	92.5%
Pool Operations	527,169	475,660	51,509	90.2%
Library	516,743	614,959	(98,216)	119.0%
Communications	-	-	-	
<b>Total Expenditures</b>	\$ 18,660,500	\$ 17,392,065	\$ 1,268,435	<b>93.2%</b>
*YTD does not includes encumbrances				
<b>Net Revenue (Expenditures)</b>	\$ (727,000)	\$ 376,067		
Ending Fund Balance	\$ 4,833,727	\$ 5,936,794		
% of Operating Reserves	29%	35%		
Fund Balance Target 90 days (25%)	\$ 4,137,409			
<b>Over/(Under) min Policy Level (25%)</b>	<b>\$ 696,318</b>			



	4th Quarter		% Change from Prior Year	
	Fiscal Year 2023	Fiscal Year 2024		
July	626,693.19	578,500.85	-7.69%	(48,192.34)
August	699,254.44	639,729.96	-8.51%	(59,524.48)
September	599,149.60	630,855.08	5.29%	31,705.48
<b>Total</b>	<b>1,925,097.23</b>	<b>1,849,085.89</b>	<b>-3.95%</b>	<b>(76,011.34)</b>
City General Fund (75%)	1,443,822.92	1,386,814.42		(57,008.50)
BCCDC (25%)	481,274.31	462,271.47		(19,002.84)
	<b>1,925,097.23</b>	<b>1,849,085.89</b>		<b>(76,011.34)</b>

<b>Budget FY 2024</b>	<b>Projected Sales Tax</b>	<b>Variance</b>
<b>5,547,000</b>	<b>5,515,615</b>	<b>(31,385)</b>

*This considers future months are same as last year. (Conservative)*

## Public Utility Fund Overview

### Revenue Highlights

- As a percentage of budget, total Water & Sewer Revenue is 112% and above budget expectations.
- Miscellaneous Income is above the budget mark due to interest income.

### Expenditure Highlights

Total expenditures for the Utility Fund are 94% of budget.

Budget target is 100%. Each departmental budgets are within the budget parameters.

The Utility reserve is budgeted to be approximately 41% of operating expenditures by year-end due to various projects crossing fiscal years. Reserves may be used to take care of any emergency repairs and/or needed capital projects.

### PUBLIC UTILITY FUND FINANCIAL SUMMARY

City of Bay City Financial Statement As of September 30, 2024				
	Total Budget	YTD Actual*	(Over)Under Budget to Date	% FY 2024 Budget
Utility Fund (Fund 61)				
Percent of Fiscal Year Complete	100%			
<b>Beginning Fund Balance</b>	5,296,276	\$ 5,296,276	Audited	
<b>REVENUES</b>				
Charges for Services	11,217,500	12,477,135	1,259,635	111%
Fines & Penalties	180,000	166,606	(13,394)	93%
Miscellaneous	102,500	266,775	164,275	260%
<b>Total Revenues</b>	<b>11,500,000</b>	<b>12,910,516</b>	<b>1,410,516</b>	<b>112%</b>
<b>EXPENDITURES</b>				
Utility Billing	704,472	629,783	74,689	89%
Utility Maintenance	3,415,875	3,106,769	309,106	91%
Water & WWTP Division	2,012,276	1,800,217	212,059	89%
Utility Operations	6,817,377	6,577,325	240,052	96%
<b>Total Expenditures</b>	<b>\$ 12,950,000</b>	<b>\$ 12,114,094</b>	<b>\$ 835,906</b>	<b>94%</b>
*YTD does not include encumbrances				
<b>Net Revenue (Expenditures)</b>	<b>\$ (1,450,000)</b>	<b>\$ 796,422</b>		
<b>Ending Fund Balance</b>	<b>\$ 3,846,276</b>	<b>\$ 6,092,698</b>		
% of Operating Reserves	41%	64%		
<b>Target 90 days (25%)</b>	<b>\$ 2,338,815</b>			
<b>Over/(Under) Target</b>	<b>\$ 1,507,461</b>			
<i>Designated for capital projects</i>				
<i>Some encumbered from Prior Year</i>				

## Airport Fund Overview

### Revenue Highlights

- As a percentage of budget, overall Airport revenues (primarily fuel sales) are lower than budget expectations due to the taxi-way construction project.
- T-Hanger rentals over budget mark by 8% or 10K.
- Misc. Income appears under budget but it is just the timing of the grant funds to be received by TXDOT.
- General Fund (Transfers In) subsidizes the Airport by \$225,000-\$250,000 each year.

### Expenditure Highlights

- As a percentage of budget, total expenditures are 69%.

### AIRPORT FUND FINANCIAL SUMMARY

City of Bay City				
Financial Statement				
As of September 30, 2024				
Municipal Airport Fund (Fund 64)				
Percent of Fiscal Year Complete	100%			
	Total Budget	YTD Actual*	(Over)Under Budget to Date	% FY 2024 Budget
<b>Beginning Fund Balance</b>	\$ 209,979	\$ 209,979	Audited	
<b>REVENUES</b>				
Charges for Services	-	150	150	0%
Miscellaneous (Rentals, Grants)	318,500	305,793	(12,707)	96%
Transfers (General Fund & BCCDC)	323,000	267,000	(56,000)	83%
Other Revenue (Fuel Sales)	265,500	207,270	(58,230)	78%
<b>Total Revenues</b>	<b>\$ 907,000</b>	<b>\$ 780,213</b>	<b>\$ (126,787)</b>	<b>86%</b>
<b>EXPENDITURES</b>				
Personnel	261,850	216,434	45,416	83%
Supplies & Materials	243,150	173,919	69,231	72%
Other Charges & Services	129,500	134,441	(4,941)	104%
Repairs & Maintenance	127,500	128,490	(990)	101%
Capital Expenditures	297,000	77,894	219,106	26%
Transfers	-	-	-	0%
<b>Total Expenditures</b>	<b>\$ 1,059,000</b>	<b>\$ 731,178</b>	<b>\$ 327,822</b>	<b>69%</b>
*YTD does not include encumbrances				
<b>Net Revenue (Expenditures)</b>	<b>\$ (152,000)</b>	<b>\$ 49,035</b>		
<b>Ending Fund Balance</b>	<b>\$ 57,979</b>	<b>\$ 259,014</b>		
<i>No minimum Fund Balance Policy</i>				
General Fund subsidizes approx.				
\$225,000-250,000 each year				
FY 24 GF- \$225,000; BCCDC- \$56,000				

## Civic & Cultural Arts Fund (Hotel /Motel Fund) Overview

### Revenue Highlights

- As a percentage of budget, total Hotel/Motel Fund is at budget target of 100%, this is due the timing of hotel payments. Most hotels remit tax on a monthly or quarterly basis. Fourth quarter (July-September) receipts will not be remitted until October.
- Interest income is 292% or \$19K over budget expectations.
- Other Income- Special events relate to the Day of the Dead Festival.
- Rental Fees (Civic Center)- \$91,268 (107% of budget)

### Expenditure Highlights

- As a percentage of budget, total expenditures are at 91%.

### HOTEL/MOTEL FUND FINANCIAL SUMMARY

City of Bay City				
Financial Statement				
As of September 30, 2024				
Civic & Cultural Arts Fund (Fund 25)				
Percent of Fiscal Year Complete	100%			
	Total Budget	YTD Actual*	(Over)Under Budget to Date	% FY 2024 Budget
<b>Beginning Fund Balance</b>	\$ 866,951	\$ 866,951	Audited	
<b>Revenues</b>				
Hotel Occupancy Tax	615,000	617,790	\$ (2,790)	100%
Interest Income	10,000	29,214	\$ (19,214)	292%
Rental Fees- Civic Center	85,000	91,268	\$ (6,268)	107%
Other Income- Special Events	10,000	25,176	\$ (15,176)	252%
Other Income	5,000	3,415	\$ 1,585	68%
<b>Total Revenues</b>	\$ 725,000	766,864	\$ (41,864)	<b>106%</b>
<b>Expenditures</b>				
Hotel General	103,000	78,700	24,300	76%
Tourism Department	277,500	238,893	38,607	86%
Civic Center	409,000	400,415	8,585	98%
Bay City Theatre	500	356	144	71%
<b>Total Expenditures</b>	\$ 790,000	\$ 718,364	\$ 71,636	<b>91%</b>
*YTD does not include encumbrances				
<b>Net Revenue (Expenditures)</b>	\$ (65,000)	\$ 48,499		
Ending Fund Balance	\$ 801,951	\$ 915,450		
<i>Proposed to maintain \$50,000</i>				

## OTHER FINANCIAL NOTES

### **Governmental Funds**

#### [General Fund](#)

Reserve – maintaining minimum levels required by policy

CPI up 2.4 % (June – Year % Change)

Municipal Cost Index (MCI)- up 0.76% (September– Year % Change)- This index was developed by American City & County and is designed to show the effects of inflation on the cost of providing municipal services.

### **Proprietary Funds**

#### [Public Utility Fund](#)

Emergency water and sewer infrastructure repairs are ongoing.

#### [Airport](#)

### **Monitoring:**

#### **Sales Tax**

#### **Hotel Tax Revenue**

# Investment Report 4th Quarter Fiscal Year 2024

The City has a weighted average portfolio of 51 days with an average book yield of 4.95%. The City is liquid with 89% of the portfolio in a 0-1-year maturity. Average interest rates have remained relatively flat since prior quarter except for fixed term investments. Investment earnings are \$309,414 for the quarter and up \$112,898 as compared to the same quarter last year. The investment strategy currently is to diversify & structure a somewhat laddered portfolio (Checking, Investment Pools, and Securities less than 5 years to maturity) to minimize interest rate risk in the future.

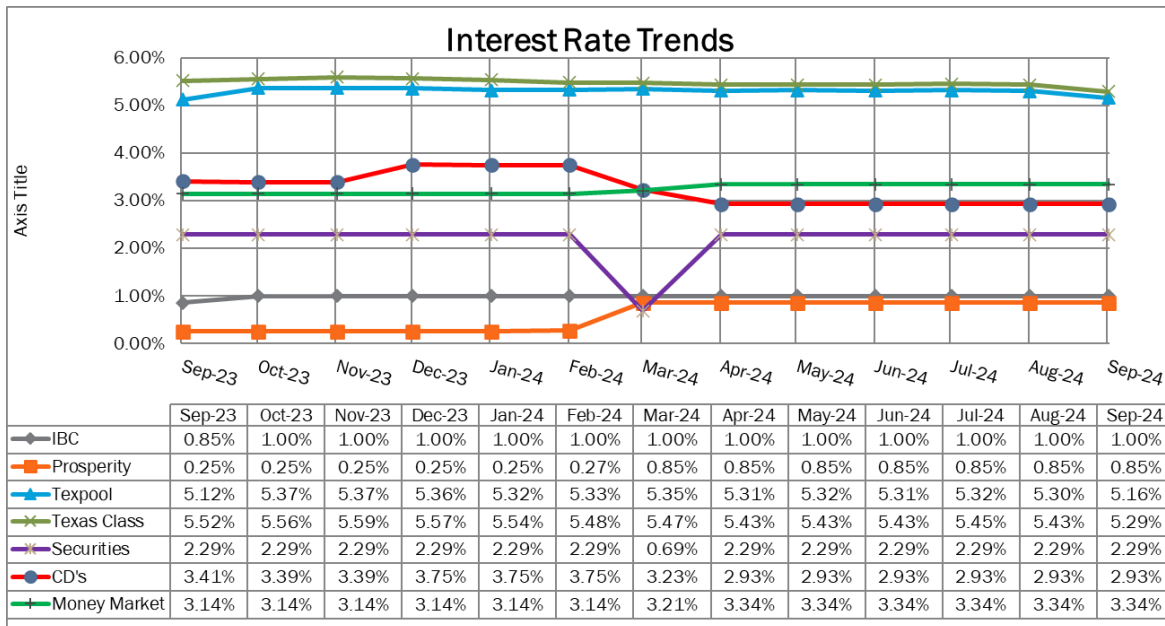
## September 30, 2024 Balances

	Total Bal by Type	% of Portfolio
IBC	\$ 190,438.46	1%
Prosperity Bank	\$ 443,273.61	1%
Prosperity Bank- Money Market	\$ 344,446.68	1%
Petty Cash/Cash Drawers	\$ 2,122.73	0%
Texpool	\$ 5,606,075.97	18%
Texas Class	\$ 21,230,549.76	67%
CD's	\$ 2,230,000.00	7%
Securities	\$ 1,549,326.65	5%
	<b>\$31,596,233.86</b>	<b>100 %</b>

## Interest Earnings

Interest received during the 4th quarter totaled \$ 309,414 and represents interest paid on checking accounts and investments.

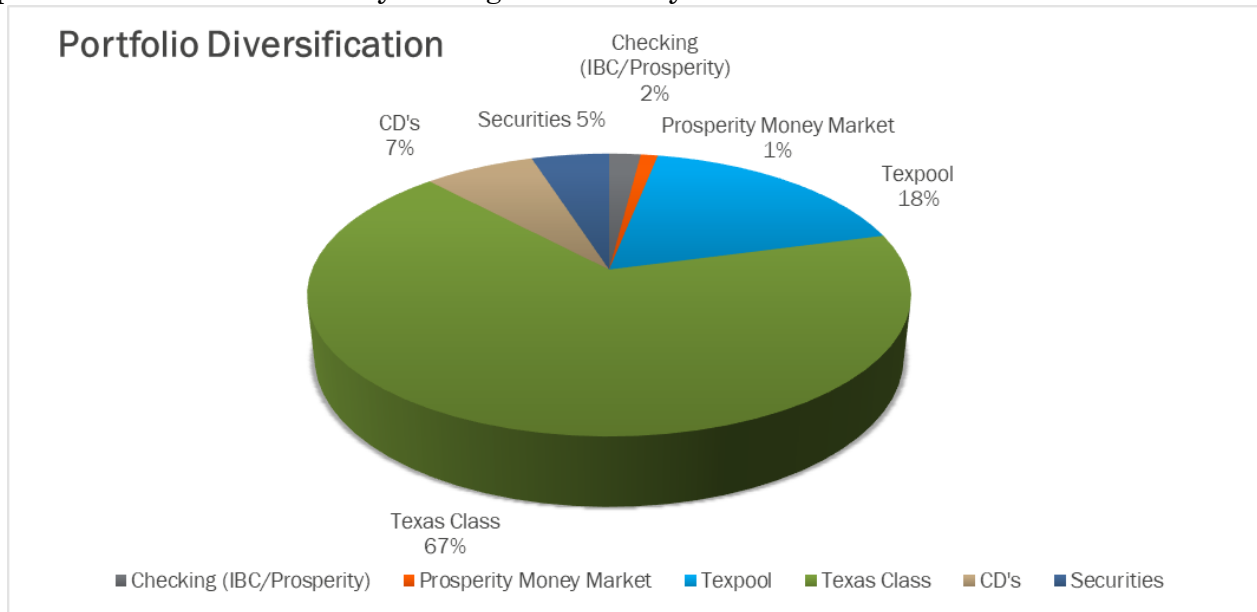
Portfolio	Qtr 9-30-23	Qtr 9-30-24	Over Prior Year
Interest Received	\$196,516	\$309,414	\$112,898





### Portfolio Diversification

Portfolio Diversification is used to create a structure to reduce investment risks and a portfolio that will experience minimal volatility during economic cycles.



### Portfolio Maturity Schedule

The goal is to ladder the City’s portfolio. Due to some economic uncertainty and low interest rates, staying short for investment purposes is the strategy for any investments.

Years to Maturity	Face Value	% Total
0-1	\$ 28,313,907	90%
1-2	\$ 2,536,327	8%
2-3	\$ 746,000	2%
3-4	\$ 0	0%
4-5	\$ 0	0%
<b>Total</b>	<b>\$ 31,596,234</b>	<b>100%</b>

City of BAY CITY vs. Benchmarks for Quarter Ending September 30, 2024						
BOOK VALUE	MARKET VALUE	Unrealized Gain/<Loss>	Average Book Yield	Benchmark Pools	Benchmark 90 Day T-Bill	
\$ 31,631,907	\$ 31,596,234	(35,673.35)	4.95%	5.37%	5.01%	
Weighted Average						
Maturity	51.07 Day(s)		4.95%	Yield		

**Ordinance~ An Ordinance Of The City Of Bay City, Texas Amending Appendix “B” To Include A “Credit Processing Fee”, To The Code Of Ordinances Of The City Of Bay City, Texas; And Providing For The Effective Date Thereof.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

The use of credit cards is a convenient and increasingly popular method of payment for utility bills, permits, rentals and other payments to the City. Acceptance of credit cards is one of the many payment methods offered as a service to citizens and as a way to accelerate collections of amounts owed. Historically, the City has not passed through any credit card fees charged to us by the merchant to our customers. However, the cost of covering these fees has increased, becoming too much to absorb. Therefore, to continue providing effective services to the public, and in lieu of requesting an increased appropriation in budget, staff recommends implementing a fee assigning the cost of City services directly to the individual receiving them.

**RECOMMENDATION:** Staff recommends City Council approve the Ordinance.

**ATTACHMENTS:** Ordinance

**ORDINANCE NO XXXX-XX**

AN ORDINANCE AMENDING APPENDIX “B” TO INCLUDE A “CREDIT CARD SURCHARGE,” TO THE CODE OF ORDINANCES OF THE CITY OF BAY CITY, TEXAS; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

WHEREAS the City Administration has determined that it has become burdensome for the City to incur the credit card surcharges charged by credit card processing companies for customers that utilize a credit card for payment to the City of Bay City for permit fees, utility bills, and other payments to the City;

WHEREAS, effective September 1, 2023, the Texas Business and Commerce Code provides that vendors may require customers to be responsible for credit card surcharges;

WHEREAS the City will not profit in any way from requiring customers to be responsible for credit card surcharges;

WHEREAS the surcharge will be the lesser of the amount of credit card surcharge charged by the credit card processing company or 3.5% of the charge;

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

SECTION 1: The section labeled “Miscellaneous Administrative Fees”, shall include a **“Credit Card Surcharge”** and applicable to all Chapters in Appendix “B” of the Code of Ordinances of the City of Bay City, Texas. Appendix “B” is hereby amended to read as follows:

Credit Card Surcharge per Transaction

**E-Commerce Payments (Online)- \$4.00**

**Point Of Sale- 3.5%**

**Others (Phone, Text, E-Check)- \$2.00**

SECTION 2: In no event shall the customer be charged more than the actual credit card surcharge charged by the credit card processing company. In no event shall a customer be required to pay a surcharge for use of a DEBIT card, whether use is by debit or credit, OR the use of a prepaid credit card.

SECTION 3: If any provisions, sections, exceptions, subsections, paragraph, sentence, clause or phrase of this ordinance or the application of same to any person or set of circumstances, shall for any reason be held unconstitutional, void or invalid, such invalidity shall not affect the validity of the remaining provisions of this ordinance or their application to other persons or sets of circumstances and to this end all provisions of this ordinance are declared to be severable.

SECTION 4: All ordinances or parts of ordinances inconsistent with the terms of this ordinance are hereby repealed; provided however, that such repeal shall be only to the extent of such inconsistency and in all other respects this ordinance shall be cumulative of other ordinances regulating and governing the subject matter covered by this ordinance.

SECTION 5: This ordinance shall become effective January 2025.

APPROVED AND PASSED on this 12th day of November 2024.

CITY OF BAY CITY, TEXAS

\_\_\_\_\_  
ROBERT K. NELSON, Mayor

ATTEST:

\_\_\_\_\_  
JEANNA THOMPSON, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
ANNE MARIE ODEFY  
City Attorney



**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:** 11/07/2024  
*Last, First* *MM/DD/YYYY*

**Requestor Type:** City Staff **Meeting Date:** 11/12/2024  
*Citizen/City Staff/Council Member* *MM/DD/YYYY*

**Position Title** Engineering Technician  
*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 AWARDDING DEBRISTECH FOR DEBRIS MONITORING SERVICES AND AUTHORIZE THE CITY MANAGER TO EXECUTE A CONTRACT APPROVED TO FORM BY THE CITY ATTORNEY.**

### Executive Summary of Item:

**Background:** Matagorda County recently issued an RFP to secure a qualified debris management provider to support effective response and recovery efforts following hurricanes and other severe weather events. This RFP process included provisions for Bay City to secure debris management services through the same competitive process.

City staff participated in the selection committee, reviewing and scoring proposals to identify a provider with the experience and capacity to manage large-scale debris removal operations effectively and in compliance with FEMA regulatory standards. As a result of the scoring process, DebrisTech received the highest ranking.

The county awarded the RFP to DebrisTech during the County Commissioners' Court meeting on October 10, 2024. Pending City Council approval, Bay City will establish its own contract with DebrisTech to ensure the city's readiness for efficient debris management during future emergencies.

**Financial Implications:** Debris monitoring services are eligible for FEMA Public Assistance reimbursement following a disaster declaration, with a typical cost share of 75% federal and 25% local.

The costs incurred will align with the hourly rates outlined in DebrisTech's cost proposal, covering various positions needed for effective debris monitoring. As set in the RFP, these rates contributed to 25% of the total evaluation score, ensuring competitive pricing and fairness in the selection process.

**Community Sustainability:** The selection of DebrisTech as Bay City's debris management provider will significantly enhance the community's resilience by enabling rapid response and recovery efforts following hurricane and storm events. With DebrisTech's monitoring services and adherence to FEMA compliance standards, debris removal activities will be conducted in a manner that qualifies for federal reimbursement, supporting the city's financial recovery post-disaster

**Recommendation:** Staff recommends that City Council approve DebrisTech LLC as Bay City's debris management provider and authorize the City to enter into a contract to ensure effective, compliant support for disaster response and recovery efforts.

**Request for Proposals (RFP No. 24-001) for Debris Monitoring Services**

**Evaluator Score Summary for RFP Respondents:**

<b>Firm:</b>	<u>DebrisTech</u>	<u>TetraTech</u>	<u>Thompson</u>	<u>Goodwyn Mills Cawood</u>
<b>Evaluator</b>				
Kristen Kubecka	93.5	88.17	83.85	74.70
Troy Shimek	92.5	87.17	89.85	80.7
Mike Estlinbaum	93.47	88.17	88.85	80.70
Amanda Campos	93.47	88.17	88.85	80.70
Crystal Morones	93.47	86.17	88.85	77.7
Gabriel Lopez	92.5	88.7	87.85	78.7
<b>Total Score</b>	<b>558.91</b>	526.55	528.1	473.2



**Discuss, review, and take any action deemed necessary on the proposed Tax Increment Reinvestment Zone Number Five redevelopment boundaries.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

#### **Strategic Goal: Planning & Development- Develop TIRZ 5 to encourage development**

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

On July 16, 2016, Jessica Russell, Bay City CDC Executive Director and Gabriel Lopez, City Engineer Tech reviewed the proposed boundaries. Since then, the boundaries have been modified to include some strategic areas that will support this redevelopment focused TIRZ.

**RECOMMENDATION:** Staff recommends approving the proposed boundaries to be placed on the next agenda.

**ATTACHMENTS:** Proposed Boundaries

**TIRZ 5 Council Packet for 11/12/2024**

- **Page 1** – Overview of TIRZ 5 Boundaries, as initially discussed on 7/16/2024, with the East Water Well included.
- **Pages 2–4** – Close-up views of the original TIRZ 5 Boundaries discussed on 7/16/2024, shown in blue for reference.
- **Page 5** – Updated overview map with proposed additions in red. *This page also reflects the removal of a segment along HWY 35 East to prevent overlap with TIRZ 2. This difference can be seen between page 1 and page 5.*
- **Pages 6–13** – Close-up views of proposed TIRZ 5 additions shown in red for reference.

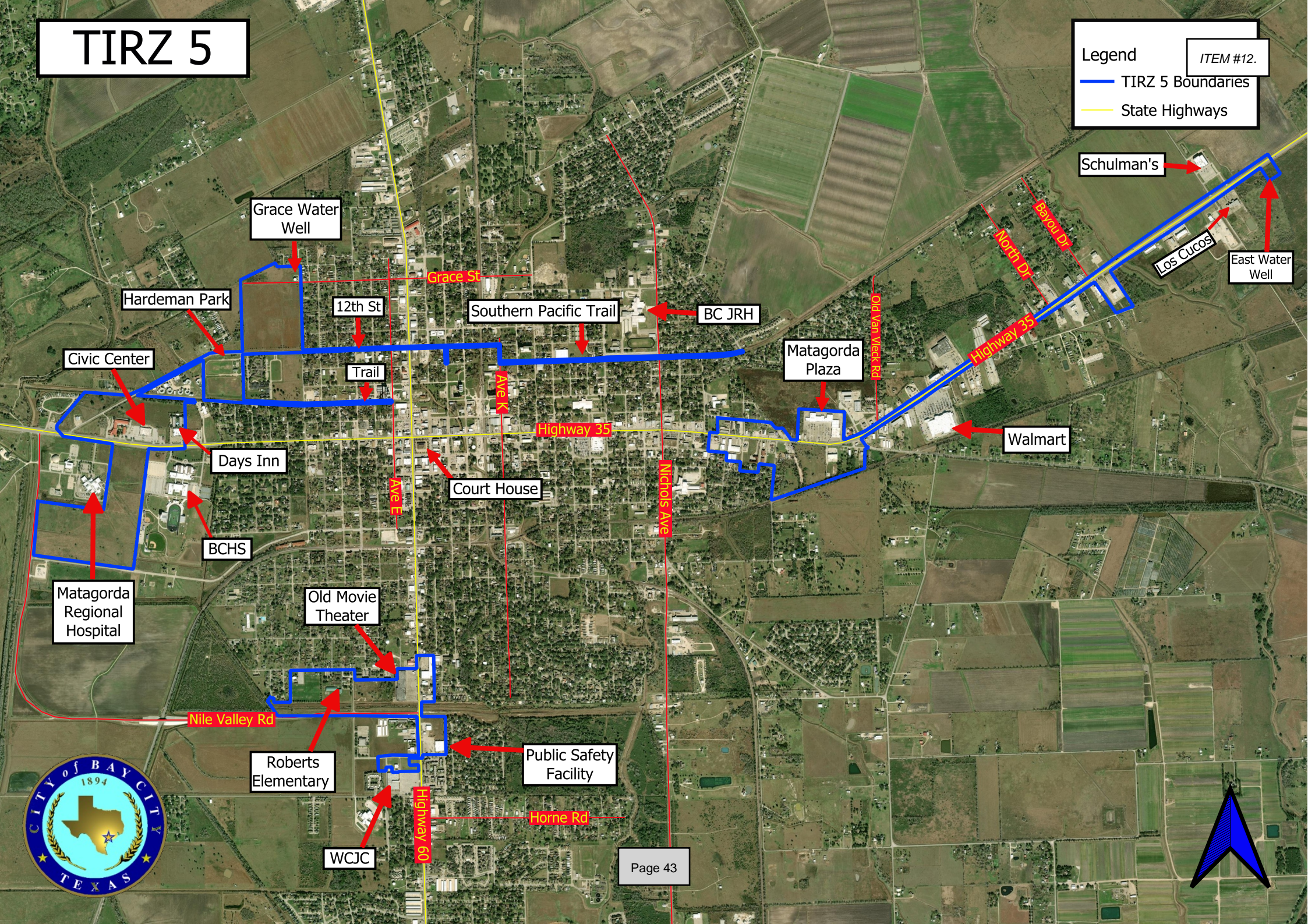


# TIRZ 5

Legend

- TIRZ 5 Boundaries
- State Highways

ITEM #12.



# TIRZ 5 West

Legend

- ITEM #12.
- TIRZ 5 Boundary
- Landmarks
- Highway

Lift Station

Grace Water Well

Grace St

Porter Meadows Subdivision

12th St to Ave K

12th St

Hardeman Park

Southern Pacific Trail

Happy Bay Motel

Civic Center

Days Inn

Ave E

Ave H

Highway 35

Matagorda Regional Hospital

BC High School

Highway 60

The Reserve at River Bend Apts

Nile Valley Rd

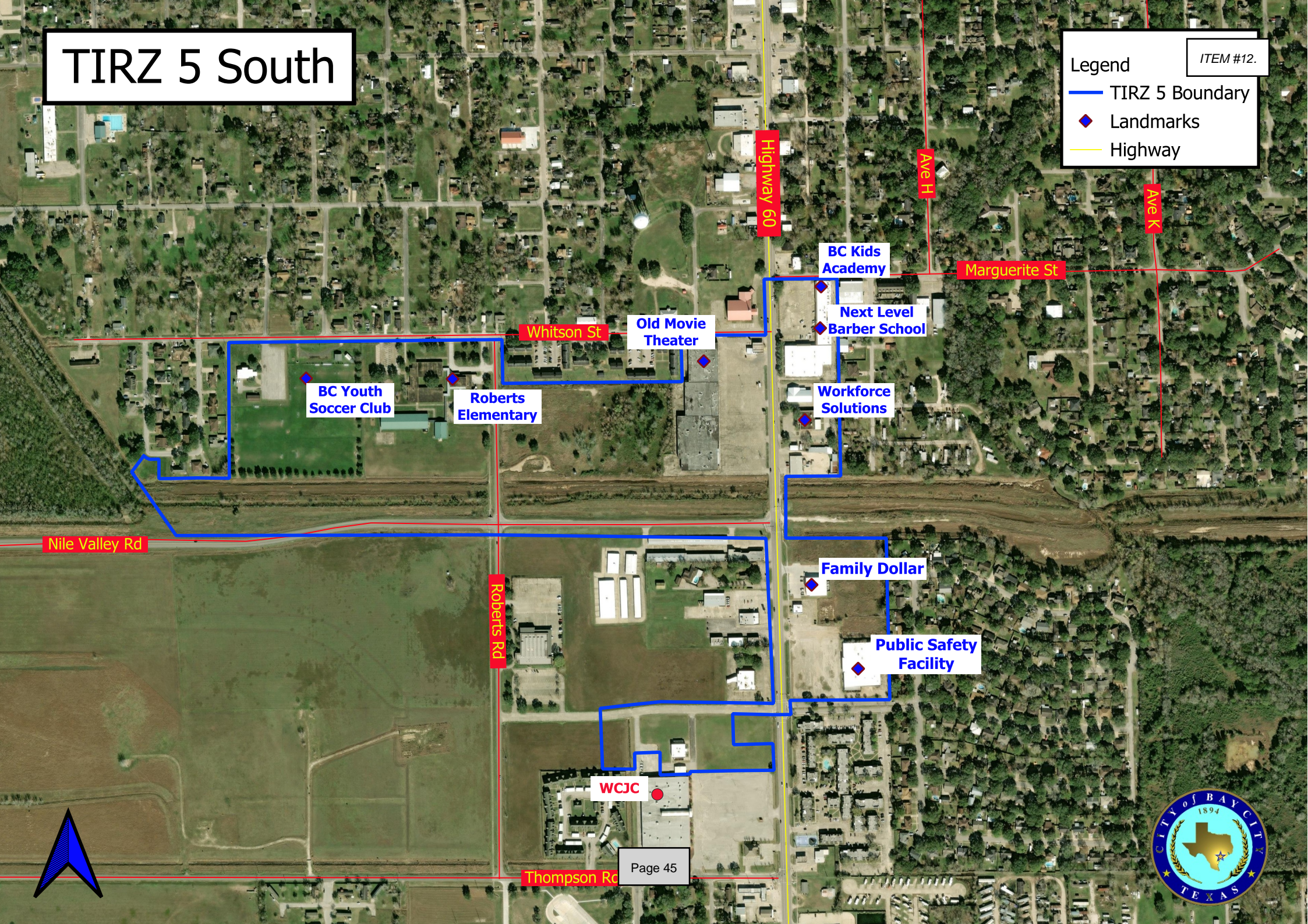


# TIRZ 5 South

Legend

- TIRZ 5 Boundary
- Landmarks
- Highway

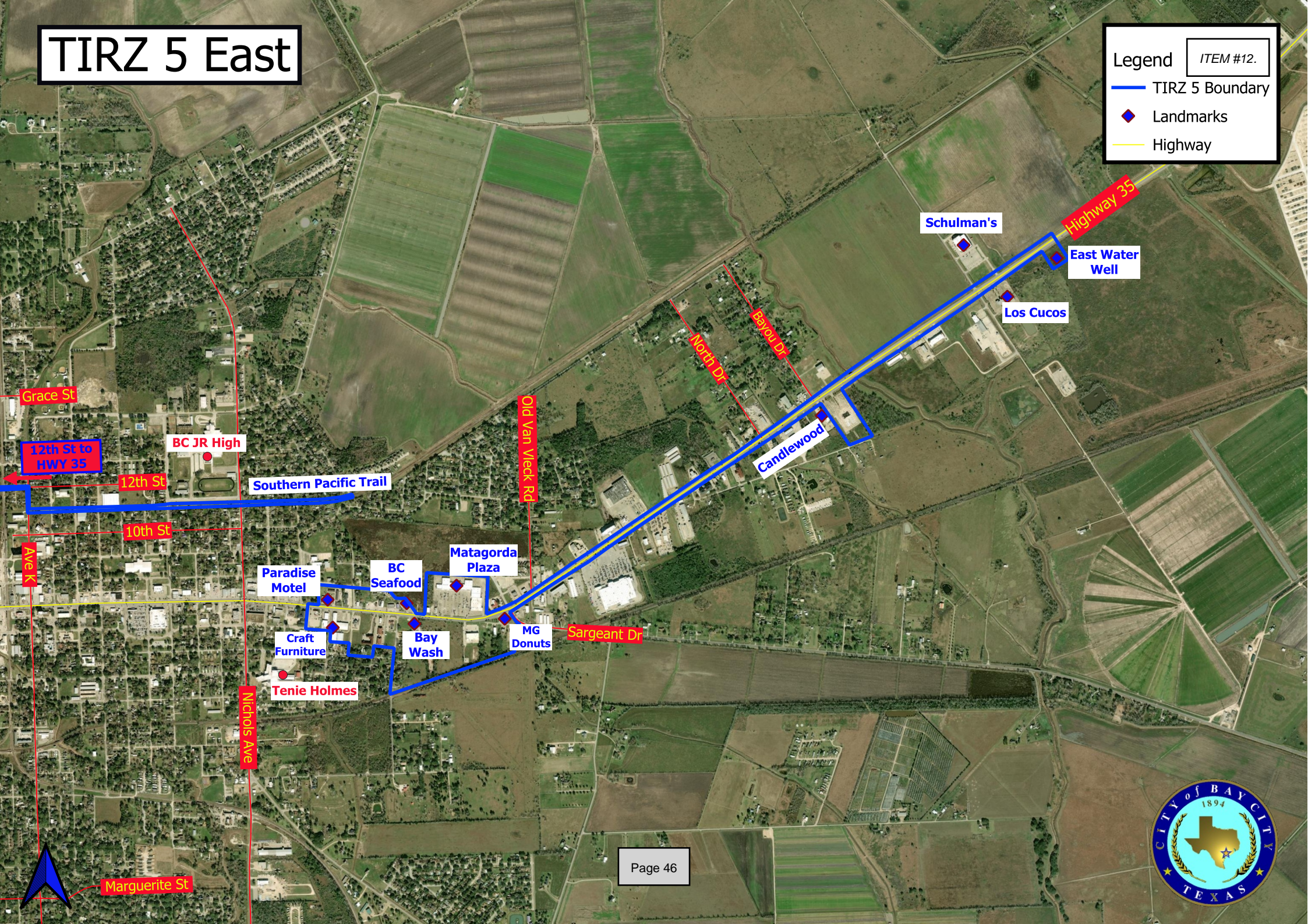
ITEM #12.



# TIRZ 5 East

Legend

- ITEM #12.
- TIRZ 5 Boundary
- Landmarks
- Highway



Grace St

12th St to HWY 35

12th St

BC JR High

Southern Pacific Trail

10th St

Ave K

Paradise Motel

BC Seafood

Matagorda Plaza

Craft Furniture

Bay Wash

MG Donuts

Sargeant Dr

Tenie Holmes

Nichols Ave

Candlewood

Schulman's

East Water Well

Los Cucos

Highway 35

North Dr

Bayou Dr

Old Van Vleck Rd



Marguerite St

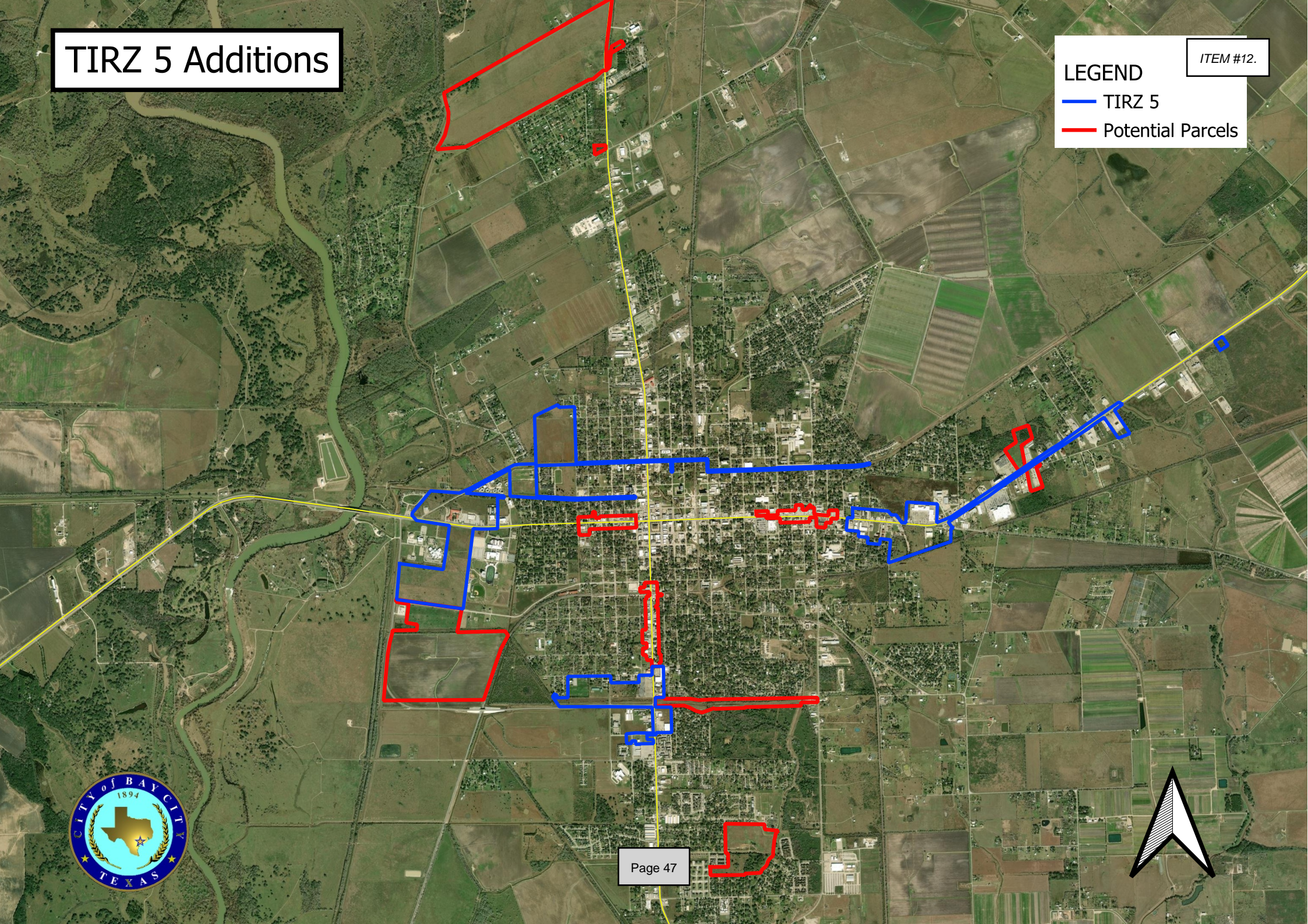


# TIRZ 5 Additions

ITEM #12.

## LEGEND

-  TIRZ 5
-  Potential Parcels



# HWY 60 North Additions

ITEM #12.

## LEGEND

— Potential Parcels

Dunn Heat Exchangers

North Water Well

250 Acres Single Family Home

HWY 60

C Store

3156

R.W Cole Rd

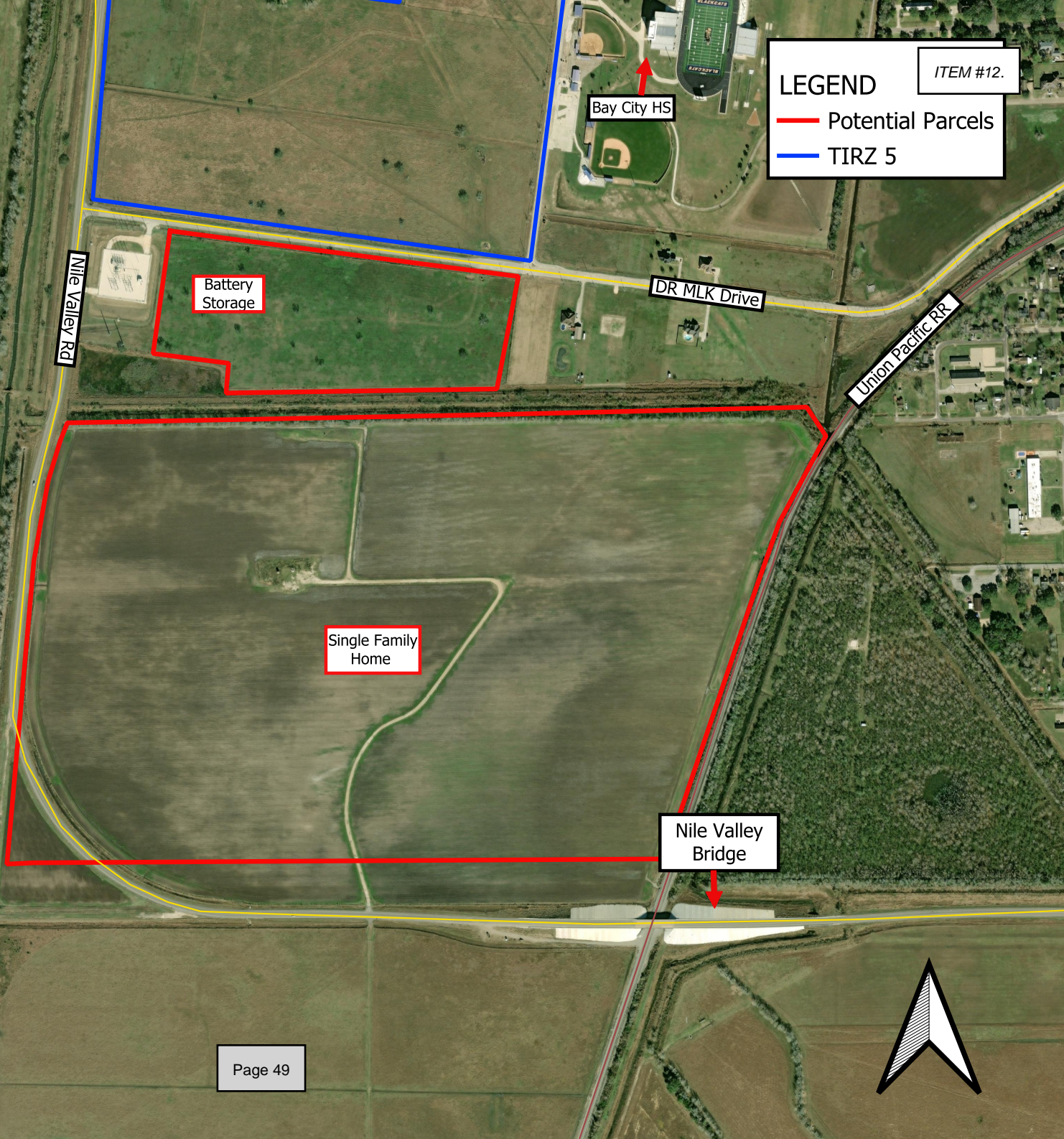


# Nile Valley RD Southwest Additions

ITEM #12.

**LEGEND**

- Potential Parcels
- TIRZ 5



# HWY 60 South Additions

DR MLK Drive

Sonic Drive Inn

## LEGEND

ITEM #12.

- Potential Parcels
- TIRZ 5

Union Pacific RR

Matthews St

Sherwin Williams

Highway 60

Ave G

Blue Ocean Reastaurant

Dollar General

Page 50

Marquerite St







# Nile Valley Phase II Addition

## LEGEND

ITEM #12.

-  Potential Parcels
-  TIRZ 5

Work Force Solutions

Public Safety Facility

Nile Valley Rd

Nile Valley Road

Highway 60

Horne Rd

Nichols Rd



# Central West Additions

## LEGEND

ITEM #12.

— Potential Parcels

Moore Ave

8th Street

Avenue E

Master Muffler

Valero

Cowboy's Tire Shop

Highway 35

Public Library

Taco Loco

Exxon

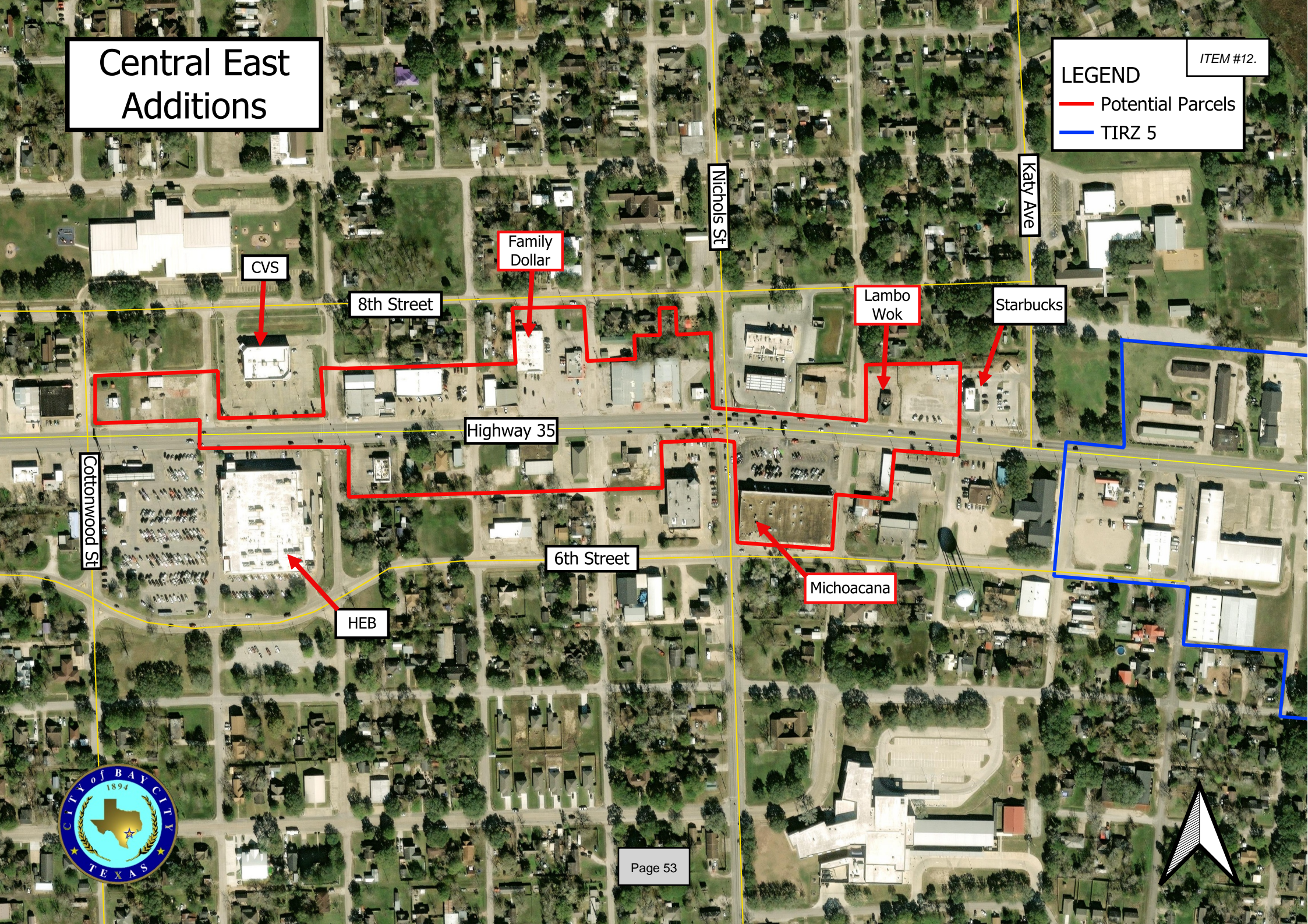
6th Street



# Central East Additions

ITEM #12.

**LEGEND**  
— Potential Parcels  
— TIRZ 5



# HWY 35 East Additions

## LEGEND

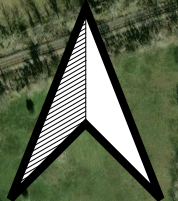
ITEM #12.

- Potential Parcels
- TIRZ 5

Tractor Supply

Express Self Storage

Sutherlands



# Mist Ln Additions

LEGEND

ITEM #12.

— Potential Parcels

Hedgerose Ln

Mulberry St

COBC  
Potential Single  
Family Home

Bay City  
WWTP

Spruce Street

Misty Ln

Single Family  
Home  
100 units



Hamman Rd



**Ordinance~ An Ordinance Of The City Of Bay City, Texas Amending Appendix “B” To Include A “Credit Processing Fee”, To The Code Of Ordinances Of The City Of Bay City, Texas; And Providing For The Effective Date Thereof.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

The use of credit cards is a convenient and increasingly popular method of payment for utility bills, permits, rentals and other payments to the City. Acceptance of credit cards is one of the many payment methods offered as a service to citizens and as a way to accelerate collections of amounts owed. Historically, the City has not passed through any credit card fees charged to us by the merchant to our customers. However, the cost of covering these fees has increased, becoming too much to absorb. Therefore, to continue providing effective services to the public, and in lieu of requesting an increased appropriation in budget, staff recommends implementing a fee assigning the cost of City services directly to the individual receiving them.

**RECOMMENDATION:** Staff recommends City Council approve the Ordinance.

**ATTACHMENTS:** Ordinance

**INTERLOCAL AGREEMENT BETWEEN THE CITY OF BAY CITY, TEXAS, AND THE CITY OF PALACIOS, TEXAS, FOR CODE ENFORCEMENT TRAINING AND SUPPORT**

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**THIS INTERLOCAL AGREEMENT** (hereinafter referred to as "Agreement") is made and entered into by and between the **City of Bay City**, a municipal corporation of the State of Texas, and the **City of Palacios**, a municipal corporation of the State of Texas, collectively referred to as "the Parties."

---

**RECITALS**

WHEREAS, the City of Palacios recognizes the need for training and support to enhance the effectiveness of its Code Enforcement operations; and

WHEREAS, the City of Bay City has qualified and experienced personnel capable of providing guidance, expertise, and training in Code Enforcement; and

WHEREAS, both cities desire to cooperate for the mutual benefit of their respective communities by entering into an agreement for the provision of Code Enforcement training and support from Bay City to Palacios on an as-needed basis; and

WHEREAS, this Agreement is made pursuant to the Texas Government Code, Chapter 791, which authorizes governmental entities to enter into interlocal contracts to perform governmental functions and services.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and benefits to be derived, the City of Bay City and the City of Palacios hereby agree as follows:

---

**1. PURPOSE**

The purpose of this Agreement is to establish a cooperative arrangement whereby the City of Bay City will provide Code Enforcement training and support to the City of Palacios, including guidance from Bay City’s experienced personnel in the area of code compliance, to help Palacios enhance its Code Enforcement operations.

---

**2. RESPONSIBILITIES OF THE CITY OF BAY CITY**

Under this Agreement, the City of Bay City shall provide the following services to the City of Palacios on an as-needed basis:

1. **Training:**

Bay City personnel will provide training to Palacios's Code Enforcement officers in the following areas:

- Understanding and interpreting municipal code and ordinances.
- Best practices for conducting inspections and investigations.
- Proper documentation of violations and enforcement actions.
- Administrative processes, including issuing notices of violation, citations, and handling court proceedings related to code compliance.
- Customer service skills, focusing on how to work effectively with property owners and the community to resolve violations.

2. **Guidance and Support:**

Bay City will provide ongoing advice and consultation to Palacios's Code Enforcement officers, including:

- Fielding questions related to specific cases or procedural issues.
- Assisting with the interpretation of complex or unusual code compliance situations.
- Providing feedback on Palacios's code enforcement strategies and methodologies.

3. **Site Visits:**

Bay City personnel may conduct site visits to Palacios as requested to observe operations, assist with difficult cases, or provide hands-on training and guidance.

4. **Resources and Templates:**

Bay City will share resources, such as training materials, templates for notices and citations, and other relevant documents, to assist Palacios in developing its Code Enforcement procedures.

### 3. RESPONSIBILITIES OF THE CITY OF PALACIOS

The City of Palacios agrees to the following:

1. **Coordination:**

Palacios will designate a point of contact responsible for coordinating all Code Enforcement support requests with Bay City. This person will schedule training sessions, request guidance, and ensure that Palacios staff attend all scheduled sessions.

2. **Compliance with Training Requirements:**

Palacios Code Enforcement officers will participate in all necessary training sessions and implement the training received in their daily duties.



3. **Recordkeeping:**

Palacios will maintain records of all training and guidance provided by Bay City, including attendance records, training materials, and case follow-up results.

4. **Communication.** Palacios Code Enforcement officers will communicate with Bay City Code Enforcement weekly by phone, email, virtual or on-site meetings.

5. **Compensation:**

Palacios agrees to reimburse Bay City for any direct costs incurred in the provision of training, site visits, or other services as agreed upon in advance by both parties.

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#### 4. TERM AND TERMINATION

1. **Term:**

This Agreement shall be effective upon execution by both parties and shall remain in effect for one year, with the option to renew upon mutual agreement.

2. **Termination:**

Either party may terminate this Agreement by providing thirty (30) days' written notice to the other party. Upon termination, any outstanding compensation or obligations will be settled in accordance with the terms of this Agreement.

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#### 5. AMENDMENTS

This Agreement may be amended only by written mutual agreement of the Parties.

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#### 6. MISCELLANEOUS

1. **No Third-Party Beneficiaries:**

This Agreement is for the sole benefit of the Parties hereto and shall not be construed to confer any rights upon any third party.

2. **Governing Law:**

This Agreement shall be governed by the laws of the State of Texas.

3. **Severability:**

If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

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**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement as of the dates indicated below.

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**CITY OF BAY CITY, TEXAS**

By: \_\_\_\_\_  
Scotty Jones, Interim City Manager

Date: \_\_\_\_\_

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**CITY OF PALACIOS, TEXAS**

By: \_\_\_\_\_  
Cindy Raleigh, City Manager

Date: \_\_\_\_\_

**Discuss, consider, and/or approve a Resolution of the City of Bay City, Texas adopting covered applications and prohibited technology policy.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

December 7, 2022, Governor Greg Abbott required all state agencies to ban the video-sharing application TikTok from all state-owned and state-issued devices and networks over the Chinese Communist Party's ability to use the application for surveilling Texans. Governor Abbott also directed the Texas Department of Public Safety (DPS) and the Texas Department of Information Resources (DIR) to develop a plan providing state agencies guidance on managing personal devices used to conduct state business.

Last session, the Texas legislature passed [S.B. 1893](#), which prohibits the use of TikTok and certain other social media applications and services on governmental devices. The bill specifically requires cities and other political subdivisions to adopt a policy: (1) prohibiting the installation of TikTok or another covered application on any device owned or leased by the governmental entity; and (2) requiring the removal of covered applications from those devices.

Although the bill went into effect immediately upon being signed by the governor in 2023, the requirement that a city adopt a policy described above did not apply until the Department of Information Resources (DIR) and the Department of Public Safety (DPS) jointly developed a model policy for governmental entities to use in developing their own local policy. [The DIR/DPS model policy](#) was recently released on September 16, 2024.

[DIR guidance provides](#) that governmental entities, including cities, have until November 20, 2024 to adopt their local policies required by S.B. 1893. It should be noted that city policies adopted to comply with S.B. 1893 need not mirror the DIR/DPS model policy, but it is expected that the DIR/DPS model policy is used in developing the city policy. The law provides, and the model policy reflects, that city-adopted policies may allow for the installation and use of a covered application to the extent necessary for: (1) providing law enforcement; or (2) developing or implementing information security measures.

As required by the Governor’s directive and Senate Bill 1893, this policy establishes a template that entities subject to the directive or bill may mimic to prohibit the installation or use of covered applications or prohibited technologies on applicable devices.

Governmental entities, including local governments, must adopt a covered applications policy by November 20, 2024

**FINANCIAL IMPLICATIONS:**

None.

**RECOMMENDATION:**

Staff recommends City Council approve the policy to be in compliance with SB 1893.

**ATTACHMENTS:** Resolution & Policy

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF BAY CITY, TEXAS, ADOPTING COVERED APPLICATIONS AND PROHIBITED TECHNOLOGY POLICY**

**WHEREAS**, On December 7, 2022, Governor Greg Abbott required all state agencies to ban the video-sharing application TikTok from all state-owned and state-issued devices and networks over the Chinese Communist Party’s ability to use the application for surveilling Texans.

**WHEREAS**, Governor Abbott also directed the Texas Department of Public Safety (DPS) and the Texas Department of Information Resources (DIR) to develop a plan providing state agencies guidance on managing personal devices used to conduct state business.

**WHEREAS**, Following the issuance of the Governor’s directive, the 88th Texas Legislature passed Senate Bill 1893, which prohibits the use of covered applications on governmental entity devices.

**WHEREAS**, As required by the Governor’s directive and Senate Bill 1893, this model policy prohibits the installation or use of covered applications or prohibited technologies on applicable devices.

**WHEREAS**, deems it appropriate to adopt such policy.

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

Section one.

The Covered Applications and Prohibited Technology Policy attached hereto is hereby adopted annually beginning on November 12, 2024 and ending on October 31, 2025.

Section two.

Unless otherwise amended or revised by resolution of City Council, the Covered Applications and Prohibited Technology Policy shall remain in full force and effect and shall supersede such technology policies of prior date.

Section three.

This Resolution shall become effective November 12, 2024.

**PASSED AND APPROVED AT BAY CITY TEXAS THIS 12th DAY OF NOVEMBER 2024.**

\_\_\_\_\_  
**Robert K. Nelson, Mayor**  
City of Bay City, Texas

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Jeanna Thompson, City Secretary**

\_\_\_\_\_  
**Anne Marie Odefey, City Attorney**

# CITY OF BAY CITY

## Covered Applications and Prohibited Technology Policy

Date: November 12, 2024

Version: 1.0

# CONTENTS

- 1.0 Introduction..... 3**
  - 1.1 Purpose ..... 3
  - 1.2 Scope and Application..... 3
- 2.0 Covered Applications Policy for Governmental Entities..... 4**
  - 2.1 Scope and Definitions ..... 4
  - 2.2 Covered Applications on Government-Owned or Leased Devices ..... 4
  - 2.3 Ongoing and Emerging Technology Threats..... 5
  - 2.4 Bring Your Own Device Policy ..... 5
  - 2.5 Covered Application Exceptions..... 6
- 3.0 Policy Compliance ..... 6**
- 4.0 Policy Review..... 7**

## 1.0 INTRODUCTION

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### 1.1 PURPOSE

On December 7, 2022, Governor Greg Abbott required all state agencies to ban the video-sharing application TikTok from all state-owned and state-issued devices and networks over the Chinese Communist Party's ability to use the application for surveilling Texans. Governor Abbott also directed the Texas Department of Public Safety (DPS) and the Texas Department of Information Resources (DIR) to develop a plan providing state agencies guidance on managing personal devices used to conduct state business. Following the issuance of the Governor's directive, the 88<sup>th</sup> Texas Legislature passed [Senate Bill 1893](#), which prohibits the use of covered applications on governmental entity devices.

As required by the Governor's directive and Senate Bill 1893, this model policy establishes a template that entities subject to the directive or bill may mimic to prohibit the installation or use of covered applications or prohibited technologies on applicable devices.

### 1.2 SCOPE AND APPLICATION

Due to distinctions in requirements between the Governor's directive and SB 1893, Sections 2 and 3 apply to distinct organizations. Where appropriate, each section will identify the unique entities to whom the section applies and the appropriate definitions.

Governmental entities, including local governments, must adopt a covered applications policy as described by [Section 2.0](#).

State agencies to whom the Governor issued his December 7, 2022, directive must adopt a prohibited technology policy as described by [Section 3.0](#). To the extent a state agency is also subject to the requirements of Senate Bill 1893, that agency must also adopt a covered applications policy as described by [Section 2.0](#).



## 2.0 COVERED APPLICATIONS POLICY FOR GOVERNMENTAL ENTITIES

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### 2.1 SCOPE AND DEFINITIONS

Pursuant to Senate Bill 1893, governmental entities, as defined below, must establish a covered applications policy:

- A department, commission, board, office, or other agency that is in the executive or legislative branch of state government and that was created by the constitution or a statute, including an institution of higher education as defined by Education Code Section 61.003.
- The supreme court, the court of criminal appeals, a court of appeals, a district court, or the Texas Judicial Council or another agency in the judicial branch of state government.
- A political subdivision of this state, including a municipality, county, or special purpose district.

This policy applies to all City of Bay City full- and part-time employees, contractors, paid or unpaid interns, and other users of government networks. All City of Bay City employees are responsible for complying with this policy.

A covered application is:

- The social media service TikTok or any successor application or service developed or provided by ByteDance Limited, or an entity owned by ByteDance Limited.
- A social media application or service specified by proclamation of the governor under Government Code Section 620.005.

### 2.2 COVERED APPLICATIONS ON GOVERNMENT-OWNED OR LEASED DEVICES

Except where approved exceptions apply, the use or installation of covered applications is prohibited on all government-owned or -leased devices, including cell phones, tablets, desktop and laptop computers, and other internet-capable devices.

The City will identify, track, and manage all government-owned or -leased devices including mobile phones, tablets, laptops, desktop computers, or any other internet-capable devices to:

- a. Prohibit the installation of a covered application.
- b. Prohibit the use of a covered application.
- c. Remove a covered application from a government-owned or -leased device that was on the device prior to the passage of S.B. 1893 (88th Leg, R.S.).
- d. Remove an application from a government-owned or -leased device if the Governor issues a proclamation identifying it as a covered application.

The City will manage all government-owned or leased mobile devices by implementing the security measures listed below:

- a. Restrict access to “app stores” or unauthorized software repositories to prevent the installation of unauthorized applications.
- b. Maintain the ability to remotely wipe non-compliant or compromised mobile devices.]
- c. Maintain the ability to remotely uninstall unauthorized software from mobile devices.
- d. Other Governmental Entity-implemented security measures.

### **2.3 ONGOING AND EMERGING TECHNOLOGY THREATS**

To provide protection against ongoing and emerging technological threats to the government’s sensitive information and critical infrastructure, DPS and DIR will regularly monitor and evaluate additional social media applications or services that pose a risk to this state.

DIR will annually submit to the Governor a list of social media applications and services identified as posing a risk to Texas. The Governor may proclaim items on this list as covered applications that are subject to this policy.

If the Governor identifies an item on the DIR-posted list described by this section, then the City will remove and prohibit the covered application.

The City may also prohibit social media applications or services in addition to those specified by proclamation of the Governor.

### **2.4 BRING YOUR OWN DEVICE POLICY**

If the City is deemed to not be subject to the Governor’s prohibited technology directive but is subject to Senate Bill 1893, then the City may prohibit the installation or operation of prohibited technologies and covered applications on employee-owned devices that

are used to conduct City business. If the City adopts, or has adopted, a “Bring Your Own Device” (BYOD) program, then the City shall institute a “Bring Your Own Device” (BYOD) policy requiring the enrollment of these personal devices in the City’s program before their continued use in conducting City business.

**2.5 COVERED APPLICATION EXCEPTIONS**

The City may permit exceptions authorizing the installation and use of a covered application on government-owned or -leased devices consistent with the authority provided by Government Code Chapter 620.

Government Code Section 620.004 only allows the City of Bay City to install and use a covered application on an applicable device to the extent necessary for:

- (1) Providing law enforcement; or
- (2) Developing or implementing information security measures.

If the City authorizes an exception allowing for the installation and use of a covered application, the City must use measures to mitigate the risks posed to the state during the application’s use including any measures that the Governmental Entity deems appropriate for its own policy.

The City of Bay City must document whichever measures it took to mitigate the risks posed to the state during the use of the covered application. The City requires any employee or official to consult with its attorney prior to seeking an exception to installing an application covered by this policy.

**3.0 POLICY COMPLIANCE**

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All City of Bay City employees shall sign a document annually confirming their understanding of the agency’s covered applications and prohibited technology policies. Governmental entities that are subject to Senate Bill 1893 but not subject to the Governor’s December 07, 2022, directive may elect not to require employees to complete an annual certification.

The City will verify compliance with this policy through various methods, including but not limited to, IT/security system reports and feedback to leadership.

An employee found to have violated this policy may be subject to disciplinary action, including termination of employment.

## 4.0 POLICY REVIEW

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This policy will be reviewed annually and updated as necessary to reflect changes in state law, additions to applications identified under Government Code Section 620.006, updates to the prohibited technology list posted to DIR’s website, or to suit the needs of the City of Bay City.

---

# CITY OF BAY CITY



Pursuant to Texas S.B. 1893 which went into effect **September 1, 2023**, the City of Bay City has adopted a policy prohibiting the installation or use of TikTok or any application covered by chapter 620 of the Texas Government code on any device owned or leased by the City (i.e. cell phones, laptops, tablets, desktop computers, and other devices capable of internet connectivity) and requiring removal of the application from these devices if already installed. The City has prohibited employees use of those applications for city-related business.

I, \_\_\_\_\_ acknowledge that I have reviewed the policy and have removed the prohibited technology from any city owned device and will not re-access the prohibited technology on any city owned device

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

<b>Prohibited Software/Applications/Developers (as of 1/23/23)</b>	<b>Prohibited Hardware/Equipment/Manufacturers (as of 1/23/23)</b>
Alipay	Dahua Technology Company
ByteDance Ltd	Huawei Technologies Company
CamScanner	Hangzhou Hikvision Digital Technology Company
Kaspersky	Hytera Communications Corporation
QQ Wallet	SZ DJI Technology Company
SHAREit	ZTE Corporation
Tencent Holdings Ltd.	Any subsidiary or affiliate of an entity listed above
TikTok	
VMate	
WeChat	
WeChat Pay	
WPS Office	
Any subsidiary or affiliate of an entity listed above	



**HOUSTON-GALVESTON AREA COUNCIL**  
OFFICE OF THE EXECUTIVE DIRECTOR

**To:** Mayors – Home Rule Cities  
**Subject:** 2025 General Assembly Designations  
**From:** Chuck Wemple  
**Date:** September 19, 2024

The Houston-Galveston Area Council has had an exciting and eventful 2024. We remain dedicated to better serving our member governments. We are working to do this by continuing to bring the conversation to your communities to listen to your needs and determining how we can help improve quality of life across the region. Thus far we have visited all of our regions' counties, and have started the second round of visits.

As we look forward to 2025, we ask that you appoint elected leaders from your governing body to represent your community and be a part of our decision-making progress. H-GAC bylaws allow each member of Home Rule cities to designate an elected official to represent you on the General Assembly and at the Home Rule cities caucus meeting. At the caucus meeting, Home Rule cities from across the region will elect two members to represent all Home Rule cities on the H-GAC Board of Directors, and two members to serve as alternates.

I have attached the nomination form on which you can designate your representatives. Please email the completed form to [Vanessa.McKeehan@h-gac.com](mailto:Vanessa.McKeehan@h-gac.com). If more information concerning General Assembly and Board of Directors membership would be useful, please contact me at 713-993-4514 or Rick Guerrero at 713-993-4598.

A dinner meeting of Home Rule city representatives is scheduled for Thursday, November 7, 2024 starting at 6:00 p.m. It will be at the The Royal Sonesta, 2222 W Loop S, Houston, TX 77027. Your city's designees are highly encouraged to attend and help elect the 2025 Home Rule Cities' representatives to the H-GAC Board of Directors.

Thank you for your continuing participation and support for the Houston-Galveston Area Council. We look forward to working with you in the coming year.

Sincerely,

 A digital signature of Chuck Wemple, consisting of a stylized 'CW' monogram.
 

Charles Wemple (Oct 1, 2024 05:35 CDT)

Chuck Wemple

**DESIGNATION OF REPRESENTATIVE AND ALTERNATE  
HOUSTON-GALVESTON AREA COUNCIL  
2025 GENERAL ASSEMBLY**

\*\*\*\*\*

**BE IT RESOLVED**, by the Mayor and City Council of \_\_\_\_\_, Texas that \_\_\_\_\_ be, and is hereby designated as its Representative to the **GENERAL ASSEMBLY** of the Houston-Galveston Area Council for the year 2025.

FURTHER, that the Official Alternate authorized to serve as the voting representative should the hereinabove named representative become ineligible, or should he/she resign, is \_\_\_\_\_.

**THAT** the Executive Director of the Houston-Galveston Area Council be notified of the designation of the hereinabove named representative and alternate.

**PASSED AND ADOPTED**, this \_\_\_\_ day of \_\_\_\_\_, 2024.

APPROVED:

\_\_\_\_\_

Mayor

ATTEST:

\_\_\_\_\_

Greetings,

We invite all designated **Home Rule, General Law, and Independent School District Representatives** and/or *Alternates* to join us for our first ever combined Caucus meeting. This year we have incorporated these three caucuses into one evening to network with peers from across the region and share your successes and challenges. We will hold breakout sessions to conduct the election for your designated Board Representatives and Alternates (Note: ISDs are represented by one Representative and one Alternate on the H-GAC Board). As your cities and school districts make their 2025 General Assembly designations, please share this information with your designees.

**\*\*In the event you are unable to designate a Representative and Alternate, we invite you to send a member of your Council or School Board on your organization’s behalf to join us for this important and informative meeting.**

The meeting details are as follows:

- DATE: **Thursday, November 7, 2024**
  
- PLACE: **Royal Sonesta Houston Galleria  
2222 West Loop South (610)  
Houston, TX 77027**
  
- TIME: **6:30 p.m.—Cash Bar Reception  
7:00 p.m.—Dinner  
8:00 p.m.—Business Meeting / Elections**
  
- COST: **\$60.00 per person for dinner  
Complimentary self-parking is provided.**

Complete your registration for the Caucus [HERE](#).

If you have not received your designation form, please contact Board Coordinator [Vanessa McKeehan](#) and she will send you the form.



Should you have any questions, please don't hesitate to contact me at [Cynthia.Jones@h-gac.com](mailto:Cynthia.Jones@h-gac.com) or on my direct line at 713-993-4591.

Regards,

**CYNTHIA JONES**

*Public Affairs Manager*

Houston-Galveston Area Council

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