



# CITY COUNCIL REGULAR MEETING CITY OF BAY CITY

Tuesday, February 23, 2021 at 6:00 PM  
COUNCIL CHAMBERS | 1901 5th Street

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## COUNCIL MEMBERS

**Mayor:** Robert K Nelson

**Mayor Pro Tem:** Jason W. Childers

**Council Members:** Brent P. Marceaux, Becca Sitz, Floyce Brown, Jim Folse

*Bay City is committed to developing and enhancing the long-term prosperity, sustainability, and health of the community.*

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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

### INVOCATION & PLEDGE

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

*Councilman Brent Marceaux*

### CERTIFICATION OF QUORUM

### MISSION STATEMENT

The City of Bay City is a community that fosters future economic growth, strives to deliver superior municipal services, invests in quality of life initiatives and is the gateway to the great outdoors. We encourage access to our unique historical and eco-cultural resources while maintaining our small-town Texas charm.

Councilman Brent Marceaux

### 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.

## **APPROVAL OF MINUTES**

- 1. Minutes of City Council Regular meeting on February 9, 2021.**

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

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

- 2. Ordinance ~ Discuss, consider, and/or approve revisions to the City of Bay City, Texas Code of Ordinances, Chapter 114 "Utilities", providing rules and regulations in compliance with State law for efficient and safe operations of the City's utility water and wastewater systems.  
Barry Calhoun, Public Works Director**
- 3. Ordinance ~ Discuss, consider and/or approve an Ordinance of the City of Bay City, Texas, revising the Fee Schedule labeled "Appendix B" in the Code of Ordinances of the City of Bay City, Texas; adopting new fees for Chapter 114 Utilities; providing for repeal; providing for ratification; providing a penalty; providing for severability; and providing an effective date.  
Barry Calhoun, Public Works**
- 4. Contract ~ Discuss, consider, and/or award the Construction Bid for the 2019 Texas Community Development Block Grant (CDBG) Fund, Contract 7219029 For Water Improvements Project in northwest quadrant of the City, to Android Construction Services, LLC in the amount of \$379,305.00 and authorize the Mayor and/or City Manager to execute a contract; approve to form by the City Attorney between the City of Bay City and Android Construction Services, LLC.  
Barry Calhoun, Public Works Director**
- 5. Agreement ~ Discuss, consider, and/or approve an agreement for Public Improvement District (PID) administrative services.  
Shawna Burkhart, City Manager**
- 6. Report ~ Discuss, consider, and/or approve the City of Bay City waiving the Bay City Housing Authority payment in lieu of taxes (Pilot) fees for Fiscal years ending March 31, 2012 through March 31, 2020, not to exceed \$82,793.  
Shawna Burkhart, City Manager**
- 7. Report ~ Discuss and provide staff direction regarding notification of affordable rental housing application proposed.  
Shawna Burkhart, City Manager**

## **CLOSED / EXECUTIVE SESSION**

- 8. Executive session pursuant to Texas Government Code Section 551.087, (1) to discuss commercial or financial information that BCCDC has received from a**

**business prospect that BCCDC seeks to have locate, stay, or expand in Bay City and with which BCCDC is conducting economic development negotiations; and/or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).**

### **OPEN SESSION**

Discuss, consider and/or take action on item(s) listed in Executive/Closed Session, (if any).

### **ITEMS / COMMENTS & MAYOR AND COUNCIL MEMBERS**

### **ADJOURNMENT**

### **AGENDA NOTICES:**

**Action by Council Authorized:** The City Council may vote and/or act upon any item within this Agenda. The Council reserves the right to retire into executive session concerning any of the items listed on this Agenda, pursuant to and in accordance with Texas Government Code Section 551.071, to seek the advice of its attorney about pending or contemplated litigation, settlement offer or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflict with the Open Meetings Act and may invoke this right where the City Attorney, the Mayor or a majority of the Governing Body deems an executive session is necessary to allow privileged consultation between the City Attorney and the governing body, if considered necessary and legally justified under the Open Meetings Act. The City Attorney may appear in person, or appear in executive session by conference call in accordance with applicable state law.

**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.

**Executive Sessions Authorized:** This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

### **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, February 19, 2021 before 6:00 p.m.** Any questions concerning the above items, please contact Mayor Robert K. Nelson at (979) 245-2137.

**CITY OF BAY CITY**  
MINUTES • FEBRUARY 09, 2021

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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**



**Mayor**

Robert K. Nelson

**Councilman**

Jim Folse

**Mayor Pro Tem**

Jason W. Childers

**Councilman**

Brent P. Marceaux

**Councilwoman**

Becca Sitz

**Councilwoman**

Floyce Brown

*Bay City is committed to developing and enhancing the long-term prosperity, sustainability, and health of the community.*

**CALL TO ORDER**

Meeting was called to order by Mayor Robert K. Nelson at 6:01 p.m.

**INVOCATION & PLEDGE**

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

*Councilwoman Becca Sitz*

**CERTIFICATION OF QUORUM****PRESENT**

Mayor Robert K. Nelson  
 Mayor Pro Tem Jason W. Childers  
 Councilwoman Floyce Brown  
 Councilman Jim Folse  
 Councilman Brent P. Marceaux  
 Councilwoman Becca Sitz

Also present:

City Manager, Shawna Burkhart  
 City Attorney, Anne Marie Odefey  
 City Secretary, Jeanna Thompson.

**MISSION STATEMENT**

The City of Bay City is a community that fosters future economic growth, strives to deliver superior municipal services, invests in quality of life initiatives and is the gateway to the great outdoors. We encourage access to our unique historical and eco-cultural resources while maintaining our small-town Texas charm.

Councilwoman Becca Sitz

**APPROVAL OF AGENDA**

Motion made by Councilman Marceaux to approve the agenda, Seconded by Councilwoman Sitz. Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilwoman Brown, Councilman Folse, Councilman Marceaux, Councilwoman Sitz. Motion carried.

**PUBLIC COMMENTS**

There were no public comments.

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

- 1. Budget ~ Discuss, Consider, and/or approve Budget Amendments for the Bay City Community Development Corporation (BCCDC) as of January 31, 2021.**

Jessica Russell, BCCDC Executive Director, reviewed the budget amendment that was passed by the BCCC Board last week.

Motion made by Mayor Pro Tem Childers to approve the BCCDC Budget amendment, Seconded by Councilwoman Sitz. Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilwoman Brown, Councilman Folse, Councilman Marceaux, Councilwoman Sitz. Motion carried.

**2. Budget ~ Discuss, consider, and/or approve an Ordinance adopting Budget Amendments for the quarter ending December 31, 2020.**

Scotty Jones, Finance Director, reviewed the City Budget Amendment Ordinance for first quarter expenditures and revenues. In General Fund; the vehicles for the Police Department were purchased with extra reserve funds instead of doing a capital lease; in addition, used reserve funds for the Airport mowing contract. Mayor Pro Tem Childers asked about mowing by employee and Shawna Burkhart replied that this is larger area and was too much for the employee.

Motion made by Councilwoman Brown to approve the Budget Amendment Ordinance, Seconded by Councilwoman Sitz. Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilwoman Brown, Councilman Folse, Councilman Marceaux, Councilwoman Sitz. Council polled, and motion carried.

**3. Report ~ Discuss, consider, and/or approve the City's Quarterly Financial and Investment Report for the quarter ending December 31, 2020.**

Scotty Jones, Finance Director, reviewed the Quarter Financial Investment Report, reviewing the four major funds. Sales tax is up 6.5% and the Investment Portfolio lower than 1st quarter of previous fiscal year.

Motion made by Councilwoman Brown to approve the Quarterly Financial and Investment Report, Seconded by Councilman Marceaux.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilwoman Brown, Councilman Folse, Councilman Marceaux, Councilwoman Sitz. Motion carried.

**4. Contract ~ Discuss, consider, and/or approve awarding a Depository Contract or multiple contracts for the City of Bay City and authorize the City Manager to execute a Depository Contract in a form approved by the City Attorney.**

Scotty Jones, Finance Director, stated that we have two depositories and went out for bid. Both IBC Bank and Prosperity Bank responded to the RFP. Prosperity Bank waived most fees and had higher interest earned. Ms. Jones recommended awarding to Prosperity Bank as the primary depository with a 3 year contract. Ms. Jones stated that she recommended extending the contract with IBC Bank with other investment opportunities to help with transition. Mayor Pro Tem Childers and Councilman Marceaux agreed with the two contracts.

Motion made by Mayor Pro Tem Childers to approve the Primary Depository Contract to Prosperity Bank and extend the contract with IBC Bank as a second depository, Seconded by Councilwoman Sitz.

Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilwoman Brown, Councilman Folse, Councilman Marceaux, Councilwoman Sitz. Motion carried.

**5. Appointment ~ Discuss, consider, and/or approve the Mayor's appointments of Jason Childers, Eli Cortines, Bill Frontz, and Otis Justice to the Variance Committee.**

Shawna Burkhart, City Manager, stated that occasionally a Variance Committee will need to review certain variances. Ms. Burkhart added that Eli Cortines is a plumber, Bill Frontz in an electrician, and Otis Justice is the former Building Inspector.

Motion made by Councilwoman Brown to approve the appointments to the Variance Committee, Seconded by Councilwoman Sitz.

Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilwoman Brown, Councilman Folse, Councilman Marceaux, Councilwoman Sitz. Motion carried.

**CLOSED / EXECUTIVE SESSION**

Council adjourned into an executive session at 6:41 pm.

**6. Executive session pursuant to Texas Government Code Section 551.087, (1) to discuss commercial or financial information that BCCDC has received from a business prospect that BCCDC seeks to have locate, stay, or expand in Bay City and with which BCCDC is conducting economic development negotiations; and/or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).**

**OPEN SESSION**

Council reconvened the Regular meeting at 7:14 p.m.

Council took no action on items in the Executive session.

**ITEMS / COMMENTS & MAYOR AND COUNCIL MEMBERS**

Councilman Marceaux challenged the City Manager to investigate speed bumps, stating that he has had numerous complaints from citizens regarding multiple locations.

Councilwoman Sitz asked about the Siemens letter and the City Attorney responded that the letter has not been sent but can can get done.

Mayor Pro Tem Childers thanked the employees regarding the Financial Report, considering the obstacles we have faced.



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Councilman Folse stated that the Shop With a Cop event was good.

**ADJOURNMENT**

Motion made by Councilman Folse to adjourn the meeting, Seconded by Councilwoman Sitz. Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilwoman Brown, Councilman Folse, Councilman Marceaux, Councilwoman Sitz. Meeting adjourned at 7:17 pm.

**PASSED AND APPROVED**, this \_\_\_\_ day of \_\_\_\_\_, 2021.

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

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JEANNA THOMPSON  
CITY SECRETARY

## ORDINANCE NO. \_\_\_\_\_

**ORDINANCE AMENDING THE CITY CODE OF ORDINANCES RELATING TO CHAPTER 114 UTILITIES; ARTICLE III (“WATER”), DIVISION 2 (“RATES AND CHARGES); PROVIDING PENALTIES; PROVIDING FOR REPEAL ALL PRIOR LAW IN CONFLICT HERewith; AND PROVIDING FOR AN EFFECTIVE DATE.**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAY CITY, TEXAS that the following amendments are adopted as Amendments to Chapter 114 Utilities; Article III; Section 114-88.1 of the Code of Ordinances.

**Section One.** The following additions and deletions are to be made to Section 114-88.1 of Chapter 114, Article III of the Code of Ordinances. All additions and deletions are shown as such.

Sec. 114-88.1. - Methodology for utility rates.

- (a) Monthly service charges are fees for being connected to the water utility and vary based on the size of the meter. Consumption charges are billed separately.
- (1) Single-family residential customers will be billed a monthly rate by meters size which includes 2,000 gallons of water.
- (2) Multifamily customers will be billed a monthly rate based on meter size. ~~Rates shall be the same as non-residential users (commercial).~~
- (3) Nonresidential (commercial) customers will be billed a monthly rate by meter size.
- (4) ~~Customers with irrigation meters shall be charged billed a per month charge based on monthly rate by meter size and type of rates (residential or commercial) shall be based on customer account type according to rate class.~~ No sewer charge shall apply.
- (5) Fire sprinklers shall be charged a per month charge based on meter size and type of rates (residential or commercial) shall be based on customer account type. No sewer shall be charged.
- (b) Consumption (**Volumetric**) charges are based on monthly water consumption and may include rates that increase with higher consumption (known as conservation rates) or higher peak demand requirements that increase system costs. Consumption charges vary by account **type class**.

**Section Two. Cumulative and Conflicts.** This Ordinance shall be cumulative of all provisions of ordinances of the City of Bay City, Texas, except where the provisions of the Ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed. Any and all previous versions of this Ordinance to the extent that they are in conflict herewith are repealed.

**Section Three. Severability.** It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this

Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

**Section Four. Effective Date.** This Ordinance shall become effective immediately upon its passage, approval and publication as provided by law.

**PASSED AND APPROVED** on this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

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

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Jeanna Thompson, City Secretary  
City of Bay City

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

<u><b>Council Member:</b></u>	<u><b>Voted Aye</b></u>	<u><b>Voted No</b></u>	<u><b>Absent</b></u>
Robert K. Nelson Mayor	_____	_____	_____
Floyce Brown	_____	_____	_____
James Folse	_____	_____	_____
Jason Childers, Mayor Pro Tem	_____	_____	_____
Becca Sitz	_____	_____	_____
Brent Marceaux	_____	_____	_____

## ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF BAY CITY, TEXAS, AMENDING THE FEE SCHEDULE LABELED “APPENDIX B” IN THE CODE OF ORDINANCES OF THE CITY OF BAY CITY, TEXAS; ADOPTING FEES FOR CHAPTER 114 UTILITIES; PROVIDING FOR REPEAL; PROVIDING FOR RATIFICATION; PROVIDING A PENALTY; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Bay City, Texas, (“City”) has adopted numerous ordinances that provide for fees and charges for various city services; and

**WHEREAS**, the City has determined that it would be convenient to consolidate those fees and charges into one ordinance that can be reviewed and amended as needed from time to time; and

**WHEREAS**, the City has determined that the fees and charges specified herein are reasonable, necessary, fair, and designed to fund the various activities to which they pertain; and

**WHEREAS**, the City has determined that the fees and charges specified herein will promote the health, safety, and welfare of City;

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

**Section 1.** The facts and recitations contained in the preamble to this Ordinance are true and correct and incorporated herein for all purposes.

**Section 2.** *Fees Schedule adopted.* The City hereby adopts the Fee Schedule attached hereto as Exhibit “A” and labeled “Appendix B” to be added to the City of Bay City, Texas, Code of Ordinances and imposes the fees and charges set forth therein upon the various services to which they pertain. These fees and charges shall be collected by the City in accordance with the various City ordinances that more particularly describe each such fee or charge.

**Section 3.** *Repeal.* All ordinances or parts of ordinances in conflict with this Ordinance are repealed to the extent of such conflict only.

**Section 4.** *Ratification.* The City ratifies any past action taken regarding charging of fees.

**Section 5.** *Penalty.* Any person who violates or causes, allows, or permits another to violate any provision of this ordinance, rule, or police regulation of the city shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine or penalty not to exceed five hundred dollars (\$500.00). Each occurrence of any violation of this ordinance, rule, or police regulation shall constitute a separate offense. Each day on which any such violation of this ordinance, rule, or police regulation occurs shall constitute a separate offense.

**Section 6.** *Severability.* In the event any clause, phrase, provision, sentence or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional 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 part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

**Section 7.** *Effective Date.* This Ordinance shall be effective on March 1, 2021 and may be published as required by law.

**PASSED, APPROVED, AND ADOPTED** on this 23rd day of February 2021.

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

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Jeanna Thompson, City Secretary  
City of Bay City

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

<u>Council Member:</u>	<u>Voted Aye</u>	<u>Voted No</u>	<u>Absent</u>
Robert K. Nelson Mayor	_____	_____	_____
Floyce Brown	_____	_____	_____
Jim Folse	_____	_____	_____
Jason Childers, Mayor Pro Tem	_____	_____	_____
Becca Sitz	_____	_____	_____
Brent Marceaux	_____	_____	_____



**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:** Calhoun, Barry **Date Submitted:** 2/16/2021  
*Last, First* *MM/DD/YYYY*

**Requestor Type:** City Staff **Meeting Date:** 2/23/2021  
*Citizen/City Staff/Council Member* *MM/DD/YYYY*

**Position Title** Director of Public Works  
*For City Staff Only*

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

### Agenda Content:

**DISCUSS, CONSIDER, AND/OR AWARD THE CONSTRUCTION BID FOR THE 2019 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND CONTRACT 7219029 FOR WATER IMPROVEMENTS PROJECT IN NORTHWEST QUADRANT OF THE CITY TO ANDROID CONSTRUCTION SERVICES, LLC IN THE AMOUNT OF \$379,305.00 AND AUTHORIZE THE MAYOR AND/OR CITY MANAGER TO EXECUTE A CONTRACT APPROVED TO FORM BY THE CITY ATTORNEY BETWEEN THE CITY OF BAY CITY AND ANDROID CONSTRUCTION SERVICES, LLC.**

### Executive Summary of Item:

The City of Bay City was awarded a 2019-2020 Texas Capital Fund Infrastructure Program grant from the Texas Community Development Block Grant (TxCDBG) Program of the Texas Department of Agriculture (TDA) to support public infrastructure improvements in the City of Bay City. The grant will help fund improvements to the City's water infrastructure in the northwest quadrant of the City that is currently identified in the City's Capital Improvements Plan. The grant amount is \$367,500.

The lowest bid amount which include four alternates exceeds the construction budget by \$22,000. A budget amendment is forthcoming as discussed with the Finance Director. It is the recommendation of the Director of Public Works to award this construction bid.

**EXHIBIT B**

ITEM #4.

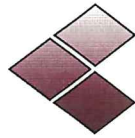
**BUDGET**

**CITY OF BAY CITY**

<u>Project Activities</u>	<u>Contract Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
03J Water/Sewer Improvements - Total	\$311,500	\$17,500	\$329,000
Water/Sewer Improvements-Construction	\$269,000	\$17,500 <sup>1</sup>	\$286,500
Water/Sewer Improvements-Engineering	\$42,500	\$0	\$42,500
21A General Program Administration - Total	\$38,500	\$0	\$35,000
<b>TOTALS</b>	<b>\$350,000</b>	<b>\$17,500</b>	<b>\$367,500</b>

Source of Other Funds:

1 – City of Bay City, Utility Fund



February 10, 2021

Mr. Barry Calhoun, Director of Public Works  
City of Bay City  
1901 5<sup>th</sup> Street  
Bay City, TX 77414

RE: Recommendation of Award  
U.E. Job No. E22847.00  
2020 Water Improvements TxCDBG Contract No. 7219029  
Bay City, Texas

Dear Mr. Calhoun:

On January 28, 2021 at 2:00 p.m., public bids were opened for the 2020 Water Improvements TxCDBG Contract No. 7219029. The following bids were received:

	Android Construction Services, LLC	Lester Contracting, Inc.	J&R Contracting Services, Inc.
Total Base Bid	\$239,295.00	\$290,607.00	\$324,625.00
Total Alternate No. 1	\$ 87,365.00	\$ 90,260.50	\$ 96,011.00
Total Alternate No. 2	\$ 10,360.00	\$ 4,091.00	\$ 5,805.00
Total Alternate No. 3	\$ 10,805.00	\$ 3,356.00	\$ 5,300.00
Total Alternate No. 4	\$ 31,480.00	\$ 22,664.00	\$ 28,060.00
<b>Total Base Bid &amp; Alternate 2 &amp; 3</b>	<b>\$260,460.00</b>	<b>\$298,054.00</b>	<b>\$335,730.00</b>
<b>Total Base Bid &amp; Alternate No. 1 – 4</b>	<b>\$379,305.00</b>	<b>\$410,978.50</b>	<b>\$459,801.00</b>
Calendar Days for Substantial Completion	60	180	300

Android Construction Services, LLC submitted the lowest Bid and stated a completion time of 60 calendar days. I recommend that the contract for the aforementioned project be awarded to Android Construction Services, LLC for the base bid and any combination of alternates chosen by the City Council. (See attached Bid Tabulation)

If you have any questions, please do not hesitate to contact me at (361) 578-9836 or by email at [mglaze@urbanvictoria.com](mailto:mglaze@urbanvictoria.com).

Sincerely,

Matt A. Glaze, P.E.  
Senior Engineer

MAG/dmf

Attachment

cc: Michele Goerke, Senior Project Manager, GrantWorks, Inc.



**CITY OF BAY CITY 2020 WATER IMPROVEMENTS**

**TxCDBG CONTRACT NO. 7219029**

**BAY CITY, TEXAS**

**BID OPENING: JANUARY 28, 2021**

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	Android Construction Services, LLC		Lester Contracting, Inc.		J&R Contracting Services, Inc.	
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
<b>BASE BID</b>									
<b>GENERAL</b>									
1.	Mobilization, Insurance and Bonds (Maximum 5% of Base Bid)	1	LS	\$ 10,000.00	\$ 10,000.00	\$ 5,000.00	\$ 5,000.00	\$ 21,000.00	\$ 21,000.00
2.	Barricading & Traffic Control (Furnish, Install, Maintain & Remove Signs & Warning Devices) (Includes Flagmen & Traffic Handling)	1	LS	\$ 1,200.00	\$ 1,200.00	\$ 3,500.00	\$ 3,500.00	\$ 10,000.00	\$ 10,000.00
3.	Storm Water Pollution Prevention Plan (Prepare, Implement and Maintain Storm Water Plan and Controls)	1	LS	\$ 1,200.00	\$ 1,200.00	\$ 1,350.00	\$ 1,350.00	\$ 3,500.00	\$ 3,500.00
4.	Construction Staking	1	LS	\$ 1,000.00	\$ 1,000.00	\$ 1,350.00	\$ 1,350.00	\$ 6,000.00	\$ 6,000.00
<b>SUBTOTAL GENERAL</b>					<b>\$ 13,400.00</b>		<b>\$ 11,200.00</b>		<b>\$ 40,500.00</b>
<b>AVENUE C IMPROVEMENTS</b>									
5.	Water Main (6") (PVC) (Non-Paved Areas)	794	LF	\$ 45.00	\$ 35,730.00	\$ 26.00	\$ 20,644.00	\$ 40.00	\$ 31,760.00
6.	Water Main (6") (PVC) (Gravel Areas)	75	LF	\$ 45.00	\$ 3,375.00	\$ 35.00	\$ 2,625.00	\$ 45.00	\$ 3,375.00
7.	Water Main (6") (PVC) (Asphalt Paved Areas)	121	LF	\$ 45.00	\$ 5,445.00	\$ 61.50	\$ 7,441.50	\$ 55.00	\$ 6,655.00
8.	Water Main (6") (PVC) (Concrete Paved Areas)	300	LF	\$ 45.00	\$ 13,500.00	\$ 106.00	\$ 31,800.00	\$ 60.00	\$ 18,000.00
9.	Water Main (2") (PVC) (Non-Paved Areas)	6	LF	\$ 20.00	\$ 120.00	\$ 24.00	\$ 144.00	\$ 18.00	\$ 108.00
10.	Water Main (2") (PVC) (Concrete Paved Areas)	22	LF	\$ 20.00	\$ 440.00	\$ 73.00	\$ 1,606.00	\$ 30.00	\$ 660.00
11.	Water Main Fitting (Bend) (6") (90 Deg)	8	EA	\$ 200.00	\$ 1,600.00	\$ 425.00	\$ 3,400.00	\$ 275.00	\$ 2,200.00
12.	Water Main Fitting (Bend) (2") (90 Deg)	2	EA	\$ 200.00	\$ 400.00	\$ 155.00	\$ 310.00	\$ 175.00	\$ 350.00
13.	Water Main Fitting (Cross) (6" x 6")	2	EA	\$ 200.00	\$ 400.00	\$ 705.00	\$ 1,410.00	\$ 325.00	\$ 650.00
14.	Water Main Fitting (Tee) (6" x 6")	2	EA	\$ 200.00	\$ 400.00	\$ 520.00	\$ 1,040.00	\$ 325.00	\$ 650.00
15.	Water Main Fitting (TS&V) (12" x 6")	1	EA	\$ 3,000.00	\$ 3,000.00	\$ 6,650.00	\$ 6,650.00	\$ 7,000.00	\$ 7,000.00
16.	Water Main Fitting (Reducer) (6" x 2")	1	EA	\$ 200.00	\$ 200.00	\$ 350.00	\$ 350.00	\$ 225.00	\$ 225.00
17.	Water Main Fitting (Plug) (6")	4	EA	\$ 200.00	\$ 800.00	\$ 300.00	\$ 1,200.00	\$ 175.00	\$ 700.00

**CITY OF BAY CITY 2020 WATER IMPROVEMENTS**

**TxCDBG CONTRACT NO. 7219029**

**BAY CITY, TEXAS**

**BID OPENING: JANUARY 28, 2021**

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	Android Construction Services, LLC		Lester Contracting, Inc.		J&R Contracting Services, Inc.	
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
18.	Water Main Fitting (Plug & Valve) (2")	3	EA	\$ 200.00	\$ 600.00	\$ 475.00	\$ 1,425.00	\$ 325.00	\$ 975.00
19.	Gate Valve (6")	10	EA	\$ 1,200.00	\$ 12,000.00	\$ 1,120.00	\$ 11,200.00	\$ 475.00	\$ 4,750.00
20.	Install EZ Valve on Existing Main (6")	1	EA	\$ 6,000.00	\$ 6,000.00	\$ 13,600.00	\$ 13,600.00	\$ 875.00	\$ 875.00
21.	Water Service (3/4") (Short Side)	8	EA	\$ 500.00	\$ 4,000.00	\$ 650.00	\$ 5,200.00	\$ 900.00	\$ 7,200.00
22.	Water Service (3/4") (Long Side)	7	EA	\$ 500.00	\$ 3,500.00	\$ 1,200.00	\$ 8,400.00	\$ 1,300.00	\$ 9,100.00
23.	Fire Hydrant (All Depths)	1	EA	\$ 5,000.00	\$ 5,000.00	\$ 2,750.00	\$ 2,750.00	\$ 5,500.00	\$ 5,500.00
24.	Locate & Connect Exist Fire Hydrant	1	EA	\$ 500.00	\$ 500.00	\$ 935.00	\$ 935.00	\$ 3,500.00	\$ 3,500.00
25.	Locate & Connect Exist Water Line (12")	1	EA	\$ 2,000.00	\$ 2,000.00	\$ 2,400.00	\$ 2,400.00	\$ 4,000.00	\$ 4,000.00
26.	Locate & Connect Exist Water Line (6")	4	EA	\$ 1,200.00	\$ 4,800.00	\$ 1,870.00	\$ 7,480.00	\$ 3,500.00	\$ 14,000.00
27.	Locate & Connect Exist Water Line (2")	1	EA	\$ 500.00	\$ 500.00	\$ 680.00	\$ 680.00	\$ 2,800.00	\$ 2,800.00
<b>SUBTOTAL AVENUE C IMPROVEMENTS</b>					<b>\$ 104,310.00</b>		<b>\$ 132,690.50</b>		<b>\$ 125,033.00</b>
<b>AVENUE D IMPROVEMENTS</b>									
28.	Water Main (6") (PVC) (Non-Paved Areas)	831	LF	\$ 45.00	\$ 37,395.00	\$ 26.00	\$ 21,606.00	\$ 40.00	\$ 33,240.00
29.	Water Main (6") (PVC) (Gravel Areas)	166	LF	\$ 45.00	\$ 7,470.00	\$ 35.00	\$ 5,810.00	\$ 45.00	\$ 7,470.00
30.	Water Main (6") (PVC) (Asphalt Paved Areas)	215	LF	\$ 45.00	\$ 9,675.00	\$ 61.50	\$ 13,222.50	\$ 55.00	\$ 11,825.00
31.	Water Main (6") (PVC) (Concrete Paved Areas)	77	LF	\$ 45.00	\$ 3,465.00	\$ 106.00	\$ 8,162.00	\$ 60.00	\$ 4,620.00
32.	Water Main (2") (PVC) (Non-Paved Areas)	9	LF	\$ 20.00	\$ 180.00	\$ 24.00	\$ 216.00	\$ 18.00	\$ 162.00
33.	Water Main (2") (PVC) (Asphalt Paved Areas)	20	LF	\$ 20.00	\$ 400.00	\$ 41.50	\$ 830.00	\$ 35.00	\$ 700.00
34.	Water Main Fitting (Bend) (6") (90 Deg)	8	EA	\$ 200.00	\$ 1,600.00	\$ 425.00	\$ 3,400.00	\$ 275.00	\$ 2,200.00
35.	Water Main Fitting (Bend) (2") (90 Deg)	2	EA	\$ 200.00	\$ 400.00	\$ 155.00	\$ 310.00	\$ 175.00	\$ 350.00
36.	Water Main Fitting (Cross) (6" x 6")	2	EA	\$ 200.00	\$ 400.00	\$ 705.00	\$ 1,410.00	\$ 325.00	\$ 650.00

**CITY OF BAY CITY 2020 WATER IMPROVEMENTS**

**TxCDBG CONTRACT NO. 7219029**

**BAY CITY, TEXAS**

**BID OPENING: JANUARY 28, 2021**

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	Android Construction Services, LLC		Lester Contracting, Inc.		J&R Contracting Services, Inc.		
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	
37.	Water Main Fitting (Tee) (6" x 6")	2	EA	\$ 200.00	\$ 400.00	\$ 520.00	\$ 1,040.00	\$ 325.00	\$ 650.00	
38.	Water Main Fitting (TS&V) (12" x 6")	1	EA	\$ 3,000.00	\$ 3,000.00	\$ 6,650.00	\$ 6,650.00	\$ 7,000.00	\$ 7,000.00	
39.	Water Main Fitting (Reducer) (6" x 2")	1	EA	\$ 200.00	\$ 200.00	\$ 350.00	\$ 350.00	\$ 225.00	\$ 225.00	
40.	Water Main Fitting (Plug) (6")	4	EA	\$ 200.00	\$ 800.00	\$ 300.00	\$ 1,200.00	\$ 175.00	\$ 700.00	
41.	Water Main Fitting (Plug & Valve) (2")	2	EA	\$ 200.00	\$ 400.00	\$ 475.00	\$ 950.00	\$ 325.00	\$ 650.00	
42.	Gate Valve (6")	10	EA	\$ 1,200.00	\$ 12,000.00	\$ 1,120.00	\$ 11,200.00	\$ 475.00	\$ 4,750.00	
43.	Install EZ Valve on Existing Main (6")	2	EA	\$ 6,000.00	\$ 12,000.00	\$ 13,600.00	\$ 27,200.00	\$ 10,000.00	\$ 20,000.00	
44.	Water Service (3/4") (Short Side)	14	EA	\$ 500.00	\$ 7,000.00	\$ 650.00	\$ 9,100.00	\$ 900.00	\$ 12,600.00	
45.	Water Service (3/4") (Long Side)	15	EA	\$ 500.00	\$ 7,500.00	\$ 1,200.00	\$ 18,000.00	\$ 1,300.00	\$ 19,500.00	
46.	Fire Hydrant (All Depths)	2	EA	\$ 5,000.00	\$ 10,000.00	\$ 2,750.00	\$ 5,500.00	\$ 5,500.00	\$ 11,000.00	
47.	Locate & Connect Exist Water Line (12")	1	EA	\$ 2,000.00	\$ 2,000.00	\$ 2,400.00	\$ 2,400.00	\$ 4,000.00	\$ 4,000.00	
48.	Locate & Connect Exist Water Line (6")	4	EA	\$ 1,200.00	\$ 4,800.00	\$ 1,870.00	\$ 7,480.00	\$ 3,500.00	\$ 14,000.00	
49.	Locate & Connect Exist Water Line (2")	1	EA	\$ 500.00	\$ 500.00	\$ 680.00	\$ 680.00	\$ 2,800.00	\$ 2,800.00	
<b>SUBTOTAL AVENUE D IMPROVEMENTS</b>						<b>\$ 121,585.00</b>		<b>\$ 146,716.50</b>		<b>\$ 159,092.00</b>
<b>TOTAL BASE BID</b>						<b>\$ 239,295.00</b>		<b>\$ 290,607.00</b>		<b>\$ 324,625.00</b>
<b>ALTERNATE NO. 1</b>										
<b>AVENUE C IMPROVEMENTS</b>										
A1.	Water Main (6") (PVC) (Non-Paved Areas)	268	LF	\$ 45.00	\$ 12,060.00	\$ 26.00	\$ 6,968.00	\$ 40.00	\$ 10,720.00	
A2.	Water Main (6") (PVC) (Gravel Areas)	50	LF	\$ 45.00	\$ 2,250.00	\$ 35.00	\$ 1,750.00	\$ 45.00	\$ 2,250.00	
A3.	Water Main (6") (PVC) (Concrete Paved Areas)	107	LF	\$	4,815.00	\$ 106.00	\$ 11,342.00	\$ 60.00	\$ 6,420.00	

**CITY OF BAY CITY 2020 WATER IMPROVEMENTS**

**TxCDBG CONTRACT NO. 7219029**

**BAY CITY, TEXAS**

**BID OPENING: JANUARY 28, 2021**

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	Android Construction Services, LLC		Lester Contracting, Inc.		J&R Contracting Services, Inc.	
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
A4.	Water Main (2") (PVC) (Non Paved Areas)	8	LF	\$ 20.00	\$ 160.00	\$ 24.00	\$ 192.00	\$ 18.00	\$ 144.00
A5.	Water Main (2") (PVC) (Concrete Paved Areas)	28	LF	\$ 20.00	\$ 560.00	\$ 73.00	\$ 2,044.00	\$ 30.00	\$ 840.00
A6.	Water Main Fitting (Bend) (2") (90 Deg)	4	EA	\$ 200.00	\$ 800.00	\$ 155.00	\$ 620.00	\$ 175.00	\$ 700.00
A7.	Water Main Fitting (Cross) (6" x 6")	1	EA	\$ 200.00	\$ 200.00	\$ 705.00	\$ 705.00	\$ 325.00	\$ 325.00
A8.	Water Main Fitting (Tee) (6" x 6")	1	EA	\$ 200.00	\$ 200.00	\$ 520.00	\$ 520.00	\$ 325.00	\$ 325.00
A9.	Water Main Fitting (Reducer) (6" x 2")	2	EA	\$ 200.00	\$ 400.00	\$ 350.00	\$ 700.00	\$ 225.00	\$ 450.00
A10.	Water Main Fitting (Plug & Valve) (2")	3	EA	\$ 200.00	\$ 600.00	\$ 475.00	\$ 1,425.00	\$ 325.00	\$ 975.00
A11.	Gate Valve (6")	5	EA	\$ 1,200.00	\$ 6,000.00	\$ 1,120.00	\$ 5,600.00	\$ 475.00	\$ 2,375.00
A12.	Water Service (3/4") (Short Side)	2	EA	\$ 500.00	\$ 1,000.00	\$ 650.00	\$ 1,300.00	\$ 900.00	\$ 1,800.00
A13.	Water Service (3/4") (Long Side)	6	EA	\$ 500.00	\$ 3,000.00	\$ 1,200.00	\$ 7,200.00	\$ 1,300.00	\$ 7,800.00
A14.	Fire Hydrant (All Depths)	1	EA	\$ 5,000.00	\$ 5,000.00	\$ 2,750.00	\$ 2,750.00	\$ 5,500.00	\$ 5,500.00
A15.	Locate & Connect Exist Water Line (2")	2	EA	\$ 500.00	\$ 1,000.00	\$ 680.00	\$ 1,360.00	\$ 2,800.00	\$ 5,600.00
A16.	DEDUCT: Water Main (2") (PVC) (Non-Paved Areas)	6	LF	\$ (20.00)	\$ (120.00)	\$ (24.00)	\$ (144.00)	\$ (40.00)	\$ (240.00)
A17.	DEDUCT: Water Main (2") (PVC) (Concrete Areas)	22	LF	\$ (20.00)	\$ (440.00)	\$ (73.00)	\$ (1,606.00)	\$ (30.00)	\$ (660.00)
A18.	DEDUCT: Water Main Fitting (Bend) (2") (90 Deg)	2	EA	\$ (200.00)	\$ (400.00)	\$ (155.00)	\$ (310.00)	\$ (175.00)	\$ (350.00)
A19.	DEDUCT: Water Main Fitting (Reducer) (6" x 2")	1	EA	\$ (200.00)	\$ (200.00)	\$ (350.00)	\$ (350.00)	\$ (225.00)	\$ (225.00)
A20.	DEDUCT: Water Main Fitting (Plug & Valve) (2")	1	EA	\$ (200.00)	\$ (200.00)	\$ (475.00)	\$ (475.00)	\$ (325.00)	\$ (325.00)
A21.	DEDUCT: Locate & Connect Exist Water Line (2")	1	EA	\$ (500.00)	\$ (500.00)	\$ (680.00)	\$ (680.00)	\$ (2,800.00)	\$ (2,800.00)
<b>SUBTOTAL AVENUE C IMPROVEMENTS</b>					<b>\$ 36,185.00</b>		<b>\$ 40,911.00</b>		<b>\$ 41,624.00</b>
<b>AVENUE D IMPROVEMENTS</b>									
A22.	Water Main (6") (PVC) (Non-Paved Areas)	252	LF	\$	11,340.00	\$ 26.00	\$ 6,552.00	\$ 40.00	\$ 10,080.00

**CITY OF BAY CITY 2020 WATER IMPROVEMENTS**

**TxCDBG CONTRACT NO. 7219029**

**BAY CITY, TEXAS**

**BID OPENING: JANUARY 28, 2021**

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	Android Construction Services, LLC		Lester Contracting, Inc.		J&R Contracting Services, Inc.	
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
A23.	Water Main (6") (PVC) (Gravel Areas)	19	LF	\$ 45.00	\$ 855.00	\$ 35.00	\$ 665.00	\$ 45.00	\$ 855.00
A24.	Water Main (6") (PVC) (Asphalt Paved Areas)	99	LF	\$ 45.00	\$ 4,455.00	\$ 61.50	\$ 6,088.50	\$ 55.00	\$ 5,445.00
A25.	Water Main (6") (PVC) (Concrete Paved Areas)	48	LF	\$ 45.00	\$ 2,160.00	\$ 106.00	\$ 5,088.00	\$ 60.00	\$ 2,880.00
A26.	Water Main (2") (PVC) (Non Paved Areas)	8	LF	\$ 20.00	\$ 160.00	\$ 24.00	\$ 192.00	\$ 18.00	\$ 144.00
A27.	Water Main (2") (PVC) (Asphalt Paved Areas)	8	LF	\$ 20.00	\$ 160.00	\$ 41.50	\$ 332.00	\$ 35.00	\$ 280.00
A28.	Water Main (2") (PVC) (Concrete Paved Areas)	25	LF	\$ 20.00	\$ 500.00	\$ 73.00	\$ 1,825.00	\$ 30.00	\$ 750.00
A29.	Water Main Fitting (Bend) (2") (90 Deg)	4	EA	\$ 200.00	\$ 800.00	\$ 155.00	\$ 620.00	\$ 175.00	\$ 700.00
A30.	Water Main Fitting (Cross) (6" x 6")	1	EA	\$ 200.00	\$ 200.00	\$ 705.00	\$ 705.00	\$ 325.00	\$ 325.00
A31.	Water Main Fitting (Tee) (6" x 6")	1	EA	\$ 200.00	\$ 200.00	\$ 520.00	\$ 520.00	\$ 325.00	\$ 325.00
A32.	Water Main Fitting (Reducer) (6" x 2")	2	EA	\$ 200.00	\$ 400.00	\$ 350.00	\$ 700.00	\$ 225.00	\$ 450.00
A33.	Water Main Fitting (Plug & Valve) (2")	2	EA	\$ 200.00	\$ 400.00	\$ 475.00	\$ 950.00	\$ 325.00	\$ 650.00
A34.	Gate Valve (6")	5	EA	\$ 1,200.00	\$ 6,000.00	\$ 1,120.00	\$ 5,600.00	\$ 475.00	\$ 2,375.00
A35.	Water Service (3/4") (Short Side)	1	EA	\$ 500.00	\$ 500.00	\$ 650.00	\$ 650.00	\$ 900.00	\$ 900.00
A36.	Water Service (3/4") (Long Side)	1	EA	\$ 500.00	\$ 500.00	\$ 1,200.00	\$ 1,200.00	\$ 1,300.00	\$ 1,300.00
A37.	Fire Hydrant (All Depths)	1	EA	\$ 5,000.00	\$ 5,000.00	\$ 2,750.00	\$ 2,750.00	\$ 5,500.00	\$ 5,500.00
A38.	Locate & Connect Exist Water Line (2")	2	EA	\$ 500.00	\$ 1,000.00	\$ 680.00	\$ 1,360.00	\$ 2,800.00	\$ 5,600.00
A39.	DEDUCT: Water Main (2") (PVC) (Non-Paved Areas)	9	LF	\$ (20.00)	\$ (180.00)	\$ (24.00)	\$ (216.00)	\$ (18.00)	\$ (162.00)
A40.	DEDUCT: Water Main (2") (PVC) (Asphalt Areas)	20	LF	\$ (20.00)	\$ (400.00)	\$ (41.50)	\$ (830.00)	\$ (35.00)	\$ (700.00)
A41.	DEDUCT: Water Main Fitting (Bend) (2") (90 Deg)	2	EA	\$ (200.00)	\$ (400.00)	\$ (155.00)	\$ (310.00)	\$ (175.00)	\$ (350.00)
A42.	DEDUCT: Water Main Fitting (Reducer) (6" x 2")	1	EA	\$ (200.00)	\$ (200.00)	\$ (350.00)	\$ (350.00)	\$ (225.00)	\$ (225.00)
A43.	DEDUCT: Water Main Fitting (Plug & Valve) (2")	1	EA	\$ (200.00)	\$ (200.00)	\$ (475.00)	\$ (475.00)	\$ (325.00)	\$ (325.00)

**CITY OF BAY CITY 2020 WATER IMPROVEMENTS**

**TxCDBG CONTRACT NO. 7219029**

**BAY CITY, TEXAS**

**BID OPENING: JANUARY 28, 2021**

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	Android Construction Services, LLC		Lester Contracting, Inc.		J&R Contracting Services, Inc.	
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
A44.	DEDUCT: Locate & Connect Exist Water Line (2")	1	EA	\$ (500.00)	\$ (500.00)	\$ (680.00)	\$ (680.00)	\$ (2,800.00)	\$ (2,800.00)
<b>SUBTOTAL AVENUE D IMPROVEMENTS</b>					<b>\$ 32,750.00</b>		<b>\$ 32,936.50</b>		<b>\$ 33,997.00</b>
<b>12TH STREET IMPROVEMENTS</b>									
A45.	Water Main (6") (PVC) (Non-Paved Areas)	268	LF	\$ 45.00	\$ 12,060.00	\$ 26.00	\$ 6,968.00	\$ 40.00	\$ 10,720.00
A46.	Water Main (6") (PVC) (Asphalt Paved Areas)	78	LF	\$ 45.00	\$ 3,510.00	\$ 61.50	\$ 4,797.00	\$ 55.00	\$ 4,290.00
A47.	Water Main (6") (PVC) (Concrete Paved Areas)	8	LF	\$ 45.00	\$ 360.00	\$ 106.00	\$ 848.00	\$ 60.00	\$ 480.00
A48.	Water Service (3/4") (Short Side)	4	EA	\$ 500.00	\$ 2,000.00	\$ 650.00	\$ 2,600.00	\$ 900.00	\$ 3,600.00
A49.	Water Service (3/4") (Long Side)	1	EA	\$ 500.00	\$ 500.00	\$ 1,200.00	\$ 1,200.00	\$ 1,300.00	\$ 1,300.00
<b>SUBTOTAL 12TH STREET IMPROVEMENTS</b>					<b>\$ 18,430.00</b>		<b>\$ 16,413.00</b>		<b>\$ 20,390.00</b>
<b>TOTAL ALTERNATE NO. 1</b>					<b>\$ 87,365.00</b>		<b>\$ 90,260.50</b>		<b>\$ 96,011.00</b>
<b>ALTERNATE NO. 2</b>									
<b>13TH STREET IMPROVEMENTS</b>									
B1.	Water Main (6") (PVC) (Non-Paved Areas)	269	LF	\$ 45.00	\$ 12,105.00	\$ 26.00	\$ 6,994.00	\$ 40.00	\$ 10,760.00
B2.	Water Main (6") (PVC) (Gravel Areas)	27	LF	\$ 45.00	\$ 1,215.00	\$ 35.00	\$ 945.00	\$ 45.00	\$ 1,215.00
B3.	Water Service (3/4") (Long Side)	2	EA	\$ 500.00	\$ 1,000.00	\$ 1,200.00	\$ 2,400.00	\$ 1,300.00	\$ 2,600.00
B4.	DEDUCT: Water Main (6") (PVC) (Non-Paved Areas)	8	LF	\$ (45.00)	\$ (360.00)	\$ (26.00)	\$ (208.00)	\$ (40.00)	\$ (320.00)
B5.	DEDUCT: Water Main Fitting (Bend) (6") (90 Deg)	4	EA	\$ (200.00)	\$ (800.00)	\$ (425.00)	\$ (1,700.00)	\$ (275.00)	\$ (1,100.00)
B6.	DEDUCT: Water Main Fitting (Plug) (6")	2	EA	\$ (200.00)	\$ (400.00)	\$ (300.00)	\$ (600.00)	\$ (175.00)	\$ (350.00)
B7.	DEDUCT: Locate & Connect Exist Water Line (6")	2	EA	\$ (1,200.00)	\$ (2,400.00)	\$ (1,870.00)	\$ (3,740.00)	\$ (3,500.00)	\$ (7,000.00)
<b>TOTAL ALTERNATE NO. 2</b>					<b>\$ 10,360.00</b>		<b>\$ 4,091.00</b>		<b>\$ 5,805.00</b>

**CITY OF BAY CITY 2020 WATER IMPROVEMENTS**

**TxCDBG CONTRACT NO. 7219029**

**BAY CITY, TEXAS**

**BID OPENING: JANUARY 28, 2021**

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	Android Construction Services, LLC		Lester Contracting, Inc.		J&R Contracting Services, Inc.	
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
<b>ALTERNATE NO. 3</b>									
<b>ADELL STREET IMPROVEMENTS</b>									
C1.	Water Main (6") (PVC) (Non-Paved Areas)	301	LF	\$ 45.00	\$ 13,545.00	\$ 26.00	\$ 7,826.00	\$ 40.00	\$ 12,040.00
C2.	Water Main (6") (PVC) (Gravel Areas)	18	LF	\$ 45.00	\$ 810.00	\$ 35.00	\$ 630.00	\$ 45.00	\$ 810.00
C3.	Water Service (3/4") (Long Side)	1	EA	\$ 500.00	\$ 500.00	\$ 1,200.00	\$ 1,200.00	\$ 1,300.00	\$ 1,300.00
C4.	DEDUCT: Water Main (6") (PVC) (Non-Paved Areas)	10	LF	\$ (45.00)	\$ (450.00)	\$ (26.00)	\$ (260.00)	\$ (40.00)	\$ (400.00)
C5.	DEDUCT: Water Main Fitting (Bend) (6") (90 Deg)	4	EA	\$ (200.00)	\$ (800.00)	\$ (425.00)	\$ (1,700.00)	\$ (275.00)	\$ (1,100.00)
C6.	DEDUCT: Water Main Fitting (Plug) (6")	2	EA	\$ (200.00)	\$ (400.00)	\$ (300.00)	\$ (600.00)	\$ (175.00)	\$ (350.00)
C7.	DEDUCT: Locate & Connect Exist Water Line (6")	2	EA	\$ (1,200.00)	\$ (2,400.00)	\$ (1,870.00)	\$ (3,740.00)	\$ (3,500.00)	\$ (7,000.00)
<b>TOTAL ALTERNATE NO. 3</b>					<b>\$ 10,805.00</b>		<b>\$ 3,356.00</b>		<b>\$ 5,300.00</b>
<b>ALTERNATE NO. 4</b>									
<b>ADDITIONAL FIRE HYDRANTS ON AVENUE C &amp; AVENUE D</b>									
D1.	Water Main (6") (PVC) (Non-Paved Areas)	24	LF	\$ 45.00	\$ 1,080.00	\$ 26.00	\$ 624.00	\$ 40.00	\$ 960.00
D2.	Water Main Fitting (Tee) (6" x 6")	4	EA	\$ 200.00	\$ 800.00	\$ 520.00	\$ 2,080.00	\$ 325.00	\$ 1,300.00
D3.	Gate Valve (6")	8	EA	\$ 1,200.00	\$ 9,600.00	\$ 1,120.00	\$ 8,960.00	\$ 475.00	\$ 3,800.00
D4.	Fire Hydrant (All Depths)	4	EA	\$ 5,000.00	\$ 20,000.00	\$ 2,750.00	\$ 11,000.00	\$ 5,500.00	\$ 22,000.00
<b>TOTAL ALTERNATE NO. 4</b>					<b>\$ 31,480.00</b>		<b>\$ 22,664.00</b>		<b>\$ 28,060.00</b>
<b>TOTAL BASE BID + ALTERNATE NO. 1, 2, 3 &amp; 4</b>					<b>\$ 379,305.00</b>		<b>\$ 410,978.50</b>		<b>\$ 459,801.00</b>
<b>CALENDAR DAYS TO SUBSTANTIAL COMPLETION</b>					<b>60</b>		<b>180</b>		<b>300</b>

**AGREEMENT FOR PUBLIC IMPROVEMENT DISTRICT  
ADMINISTRATION SERVICES**

This Agreement for Public Improvement District Administration Services ("Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between P3Works, LLC ("P3Works"), and the City of Bay City, Texas ("City").

**RECITALS**

WHEREAS, the City Council passed Resolution No. \_\_\_\_\_ on \_\_\_\_\_, 20\_\_, approving and authorizing the creation of the Bay City Public Improvement District No. \_ ("PID No. \_" or "District") to finance the costs of certain public improvements for the benefit of property within the District; and

WHEREAS, the City may consider issuing bonds to fund certain improvements in the PID as authorized by the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended; and

WHEREAS, the City requires specialized services related to the revision and updating of the Service and Assessment Plan ("Service and Assessment Plan"), bond issuance, and the administration of the District, as more fully set forth in this Agreement; and

WHEREAS, P3Works has the expertise to properly establish and administer the District and ensure compliance with Texas Local Government Code Chapter 372; and

WHEREAS, the City desires to retain P3Works to provide District administration services;

NOW THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and for good and valuable consideration, P3Works and the City agree as follows:

**ARTICLE I**

**TERM OF AGREEMENT**

1.0 The Agreement shall be effective as of its approval by all parties and shall be for a period of three (3) years and shall automatically continue on a year to year basis until terminated pursuant to Article IV of this Agreement.

**ARTICLE II**

**SERVICES TO BE PROVIDED BY P3WORKS**

2.0 The scope and timing of services to be performed by P3Works are set forth in Exhibit A, which is attached hereto and incorporated into this Agreement by this reference.



2.1 P3Works agrees that its services pursuant to this Agreement shall at all times be subject to the control and supervision of the City and that nothing in this Agreement shall constitute an assignment of any right or obligation of the City under any applicable contract, agreement, or law. P3Works shall not represent to any property owner or any other person that it or any of its employees are acting as the City or employees of the City.

2.2 No substantial changes in the scope of services shall be made without the prior written approval of P3Works and the City.

2.3 P3Works shall supply all tools and means necessary to perform the services and production of the work product described in Exhibit A.

### ARTICLE III

#### PAYMENT TERMS AND CONDITIONS

3.0 In consideration for the services to be performed by P3Works, the City agrees to pay P3Works the fees for all services and related costs and expenses set forth in Exhibit A, beginning the first day of the month following the execution of this Agreement. Beginning on the February 1 following the levy of the Assessment and each February 1 thereafter, the fees shall increase by 2%.

3.1 Monthly invoices shall be submitted to the City for work completed. City agrees to pay the amount due to P3Works upon receipt of each invoice.

3.2 Copies of all invoices to P3Works for expenses, materials, or services provided to P3Works will accompany the invoice to the City. P3Works will pass any third-party cost through to the City without markup and will not incur any expense in excess of \$200 without written consent of the City.

3.3 The only source of payment for P3Works' fees and services shall be the District or funds advanced by the developer. The City general fund shall never be used to pay for any expenses relating to P3Works' administration of the District. In the event there is insufficient District funds in a given year to pay P3Works' fees and expenses, P3Works agrees to defer the fees and expenses until such time as there are sufficient District funds or funds advanced by the developer.

### ARTICLE IV

#### TERMINATION OF THIS AGREEMENT

4.0 Notwithstanding any other provisions of this Agreement, either party may terminate this Agreement at any time by giving sixty (60) days written notice to the other party without penalty and without limitation of its right to seek damages. City shall pay P3Works, within 30 days of such termination, all of P3Works' fees and expenses actually accrued or incurred to and including the date of termination, including any amount incurred or accrued in connection with work in progress.

## ARTICLE V

### GENERAL PROVISIONS

5.0 This Agreement supersedes any and all agreements, including any Original PID Administration Agreement, either oral or written, between the parties hereto with respect to rendering of services by P3Works for the City and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Each party of this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party which are not embodied herein and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

5.1 This Agreement shall be administered and interpreted under the laws of the State of Texas. This Agreement shall not be construed for or against any party by reason of who drafted the provisions set forth herein. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall remain in full force and effect.

5.2 Neither this Agreement or any duties or obligations under this Agreement may be assigned by P3Works without the prior written consent of the City.

5.3 P3Works is a PID Administration firm, does not provide financial advice, and is not an Independent Registered Municipal Advisor under the SEC and MSRB Rules, therefore, P3Works will request an IRMA Exemption Letter if not already provided on the City's website, and then will provide to the City an IRMA Exemption Acceptance Letter in the general form attached as Exhibit B upon execution of the Agreement.

5.4 The waiver by either party of a breach or violation of any provision of this Agreement will not operate as or be construed to be a waiver of any subsequent breach thereof.

5.5 Upon acceptance or approval by City, all deliverables prepared or assembled by P3Works under this Agreement, and any other related documents or items shall be delivered to City, in hard copy and digital format for City use only. All digital data which contains algorithms, formulas, methodologies and related content provided to the City by the P3Works shall remain the property of the P3Works, and is provided as backup documentation to the deliverables, but shall not be released in digital format to any third-parties due to the proprietary nature of the intellectual data.

5.6 The City acknowledges P3Works' ownership of its software, programs, inventions, know-how, trade secrets, confidential knowledge, source code, or other proprietary information relating to products, processes, services, software, formulas, developmental or experimental work, business plans, financial information, or other subject matter ("Confidential Information") pertaining to the business of P3Works. This Agreement shall not in any way give rise to any requirement or obligation for P3Works to disclose or release any Confidential Information.

5.7 The headings and article titles of this Agreement are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof.

5.8 Should either party commence any legal action or proceeding against the other based upon this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees and costs.

5.9 All notices, requests, demands, and other communications which are required to be given under this agreement shall be in writing and shall be deemed to have been duly given upon the delivery by registered or certified mail, return receipt requested, postage prepaid thereon, as follows:

To P3Works:

Mary V. Petty  
Managing Partner  
P3Works, LLC  
9284 Huntington Square, Ste. 100  
North Richland Hills, Texas 76182

To City:

Shawna Burkhart  
City Manager  
City of Bay City  
1901 Fifth Street  
Bay City, Texas 77414

5.10 The parties hereby warrant that the persons executing this Agreement are authorized to execute this Agreement and are authorized to obligate the respective parties to perform this Agreement. A facsimile signature on this Agreement shall be treated for all purposes as an original signature.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_:

P3Works, LLC

BY: \_\_\_\_\_  
Mary V. Petty  
Managing Partner

City of Bay City

BY: \_\_\_\_\_  
Shawna Burkhart  
City Manager

**EXHIBIT A**  
**SERVICES TO BE PROVIDED**

**PID FORMATION, SERVICE AND ASSESSMENT PLAN PREPARATION, AND BOND ISSUANCE SUPPORT SERVICES**

*Billed at P3Works' prevailing hourly rates, which are currently as follows:*

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Senior Associate</i>	<i>\$160</i>
<i>Associate</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

*\*P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. Travel times will be billed at hourly rates.*

District Due Diligence and Preparation of PID Plan of Finance

1. P3Works will review project information and in conjunction with the City's Financial Advisor review a plan of finance for the proposed transaction, including
  - a) Assessed value schedules, value to lien analysis, and overall structuring to achieve City goals and objectives
  - b) Identify areas of risk with the City's Financial Advisor, and solutions to mitigate the risks,
  - c) Bond sizing and bond phasing by improvement area,
  - d) Sources and uses of funds by improvement area,
  - e) Debt service schedules, and;
  - f) Assessment allocation and associated estimated annual installment by lot type for each improvement area.

Preparation of Service and Assessment Plan

1. P3Works will prepare a complete and final Service and Assessment Plan to be adopted by City Council and included in the Official Statement for the Bonds based on the Plan of Finance.
2. P3Works will present the Service and Assessment Plan to City Council and request approval of Assessment Roll.

Bond Issuance Support

1. P3Works will ensure bond documents, including the PID financing agreement, bond indenture, and official statement are all consistent with the Service and Assessment Plan.
2. P3Works will provide ad-hoc analysis as requested by the underwriter in preparation of the preliminary official statement.

Participation in Presentations to City Council or other Public Forums

1. P3Works will prepare and present information as requested to the City Council or any other public forum.

## BASIC DISTRICT ADMINISTRATION SERVICES

*If no bonds are sold:*

*Monthly Fee = \$1,500 beginning the first of the month following execution of this Agreement for the first improvement area; and \$1,000 per month for each improvement area thereafter. (Proration will occur for any partial month if not begun on the 1<sup>st</sup> day of the month.)*

*If bonds are sold:*

*Monthly Fee amounts will be \$2,500 for the first improvement area beginning the first month following the issuance of bonds; and \$1,250 per month for each improvement area thereafter.*

*For PIDs that P3Works did not create: Monthly Collection Fees will not begin until the first Annual SAP Update is drafted by P3Works and approved by Council, therefore all work completed to that point will be billed hourly.*

*See Section below related to “Consulting Services Relating to Future Improvement Areas and related Bond Issuance” for hourly fees if bonds are contemplated.*

### Prepare Annual Service and Assessment Plan Update

1. If possible, obtain updated construction cost estimates (or actual costs for completed facilities) for District improvements, and update service and assessment plan text and tables.
2. Update service and assessment plan text and tables as necessary to account for any changes in development plan or land uses.
3. Update annual District assessment roll.
4. Identify parcel subdivisions, conveyance to owners’ associations, changes in land use, and any other information relevant to the levy of special assessments.
5. Review maps of tax parcels to compile/audit list of parcels that are within the District for the upcoming bond year. Classify each parcel pursuant to the approved service and assessment plan.
6. Identify any parcels dedicated to any property types classified as exempt by the service and assessment plan.
7. Update District database with newly subdivided parcels and property type classifications.
8. Calculate annual special assessment for each parcel. Verify the sum of annual installments for all parcels in the District is sufficient to meet the annual debt service requirement, administration expenses, and any provisions for delinquency or prepayment reserves.
9. Calculate other funds available, such as reserve fund income, capitalized interest, and interest income. Reduce annual assessment based on findings according to approved service and assessment plan.
10. Present preliminary annual assessment roll to City. Upon approval by City, submit final annual assessment roll to County Tax Collector.

### Administration of Bond Funds (if bonds are sold)

1. Review and summarize the account statements for the funds maintained by the trustee. Ensure annual special assessment calculation is compliant with Indenture as it relates to each fund.
2. Provide annual summary of all District accounts maintained by Trustee at the time the annual service and assessment plan update is performed.

### Provide Public Information Request Support

1. If requested, P3Works will respond to any calls and or emails relating to the District. P3Works will only provide technical answers relating to the annual assessments or the District generally. P3Works will not provide any commentary on City policy relating to PIDs.
2. If the City receives a notice from a property owner alleging an error in the calculation of any matters related to the annual assessment roll for the District, P3Works will review and provide a written response to the City. If a calculation error occurred, P3Works will take corrective action as required to correct the error.

### Delinquency Management

1. After the end of the annual assessment installment collection period, P3Works will prepare a delinquent special assessment report, which details which parcels are delinquent and the amount of delinquency.
2. P3Works will notify the City what action must be taken relating to delinquent parcels, if any, to remain in compliance with the District bond documents.

### Website Setup

1. Prepare for the P3Works website database searchable by property tax ID for use by property owners, title companies, mortgage companies, or other interested parties. The search results will provide assessment information, including outstanding principal, annual installment amount, payment information, and a breakdown of the assessment installment by use (principal, interest, reserve fund accounts, administrations, etc.)
2. Prepare "District Information" page for website. Information will include a background of the District formation and bond issuance process, District boundary map, and description of improvements. In additions, P3Works will provide a link to District documents.

## **DISTRICT ADMINISTRATION SETUP SERVICES (Required for any existing PID not created by P3Works.)**

*\$7,500 One Time Lump Sum Fee*

1. P3Works will review the full bond transcript and identify all requirements of the City relating to District administration and/or disclosure requirements.
2. Prepare written summary of all City administration and disclosure requirements.
3. Prepare calendar of all relevant dates and deadlines for District administration and disclosure requirements.
4. Meet with County Assessor's office to establish procedure for obtaining parcel information for assessment roll.
5. Meet with County Tax Office to establish procedure to include District assessment roll on property tax bill.
6. Meet with City representatives to finalize policies and procedures relating to District Administration.

## ADDITIONAL DISTRICT ADMINISTRATION SERVICES

*Billed at P3Works' prevailing hourly rates, which are currently as follows:*

<i>Title</i>	<i>Hourly Rate</i>
<i>Managing Partner</i>	<i>\$250</i>
<i>Vice President</i>	<i>\$185</i>
<i>Senior Associate</i>	<i>\$160</i>
<i>Associate</i>	<i>\$135</i>
<i>Administrative</i>	<i>\$100</i>

*\*P3Works' hourly rates may be adjusted from time to time to reflect increased costs of labor and/or adding/reclassifying titles. Travel will be billed at the hourly rates.*

### Continuing Disclosure Services

1. P3Works will prepare the form of the annual report as required by the continuing disclosure agreements and work with the City and the Developer to complete.
2. P3Works will request from developer the reports due pursuant to the developer disclosure agreement and disseminate these reports pursuant to the disclosure agreement; including Seller's Disclosures.
3. Upon notification by any responsible party or if P3Works independently becomes aware of such knowledge, P3Works will prepare notices of material events covering the events enumerated in the disclosure agreements.
4. P3Works will coordinate with the Trustee to disseminate the annual reports, quarterly reports from the developer, and notice of significant events to the Municipal Securities Rulemaking Board (MSRB) and any other parties required in the continuing disclosure agreement.

### Developer Payment Request Administration

1. P3Works will review all developer payment requests to ensure the request complies with the PID Financing Agreement, the District service and assessment plan, and any other relevant provisions contained in the District documents.
2. P3Works will audit the developer payment request to ensure there is proper backup documentation and that the accounting is accurate.
3. P3Works will coordinate with the City's designated representative to ensure the improvements were built to the standards of the accepting governing body.
4. P3Works will ensure improvements to be dedicated are free and clear of all liens and encumbrances.

### Consulting Services Relating to Future Improvement Areas and related Bond Issuance (to be paid from Developer funds advanced to City)

1. P3Works will update the Service and Assessment Plan to comply with Bond documents.
2. P3Works will prepare an updated Assessment Roll including the future Improvement Area
3. P3Works will coordinate with City's bond counsel, financial advisor, and the bond underwriter to ensure the Bonds and all related documents are in compliance with State Law.
4. P3Works will prepare any additional reports or analyses as needed to successfully issue the Bonds.

**EXHIBIT B**  
IRMA EXEMPTION LETTER



P3Works, LLC.  
9284 Huntington Sq.  
Suite 100  
North Richland Hills,  
Texas 76182

Mary V. Petty  
Managing Partner  
+1.817.393-0353 Phone  
[Admin@P3-Works.com](mailto:Admin@P3-Works.com)

February 5, 2021

Shawna Burkhart  
City Manager  
City of Bay City  
1901 Fifth Street  
Bay City, Texas 77414

RE: IRMA Exemption/Acceptance Letter

To Whom It May Concern:

We have received your written representation, dated \_\_\_\_\_, 20\_\_, that the City of Bay City (the "City") has engaged and is represented by \_\_\_\_\_, an independent registered Municipal Advisor ("IRMA"). In accordance with Section 15Ba1-1(d)(3)(vi) of the Securities Exchange Act of 1934 ("Securities Exchange Act"), we understand and intend for the City to rely on IRMA's advice in evaluating recommendations brought forward by P3Works, LLC that constitute "advice" as defined in the Securities Exchange Act ("IRMA Exemption").

Furthermore, P3Works, LLC has conducted reasonable due diligence and is confirming that to the best of our knowledge, the IRMA is independent from P3Works, LLC, that P3Works, LLC is not a municipal advisor and is not subject to the fiduciary duty to municipal entities that the Security and Exchange Act imposes on municipal advisors, and that P3Works, LLC has a reasonable basis for relying on the IRMA Exemption. We will advise you, in writing, if we become aware of any changes.

P3Works, LLC provides PID Administration as consult services to Cities and Counties.



As required by the relevant sections of the Securities Exchange Act regarding Municipal Advisors, we are informing your identified IRMA of these facts.

Mary V. Petty  
Managing Partner  
P3Works, LLC

Jon Snyder  
Managing Partner  
P3Works, LLC

**DISCUSS, CONSIDER AND/OR APPROVE THE CITY OF BAY CITY WAIVING THE BAY CITY HOUSING AUTHORITY PAYMENT IN LIEU OF TAXES (PILOT) FEES FOR FISCAL YEARS ENDING MARCH 31, 2012 THROUGH MARCH 31, 2020, NOT TO EXCEED \$82,793.**



## **EXECUTIVE SUMMARY**

### **HOUSING AUTHORITY REQUEST FOR WAIVER OF PILOT FEES**

**BACKGROUND:** The City and Bay City Housing Authority signed a cooperation agreement in June 1989. Section 3b and 3c of the agreement cover “Payment in Lieu of Taxes” to be paid on an annual basis. Recorded minutes show City Council waived 1991 and 1992. Reported provide by Housing Authority show a waiver again granted for 2004, 2008, and 2009 however minutes were not provided.

In April 2020, The Housing Authority requested City Council to consider waiving pilot fees from March 2016 to March 2020.

City Council considered this request on April 28, 2020; however the vote was made to deny the request until the Audit was complete. The Audit has been completed. Below is what the auditors show as the accrued liability per audit each year.

March 31, 2015-	\$18,429 (Includes any amounts due prior to 2015)
March 31, 2016-	\$22,452
March 31, 2017-	\$38,501
March 31, 2018-	\$54,547
March 31, 2019-	\$70,197
March 31, 2020-	<b>\$82,793</b>

**ATTACHMENTS:** Statement of Net Position as of March 31, 2020 (Audited Financial Statements)

## EXHIBIT A

**HOUSING AUTHORITY OF BAY CITY, TEXAS**  
**STATEMENT OF NET POSITION**

MARCH 31, 2020

	General	Housing Choice Voucher	Total
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 88,491	\$ 36,114	\$ 124,605
Investments	103,826	0	103,826
Accounts receivable net	1,748	1,087	2,835
Prepaid items and other assets	10,764	0	10,764
Inventory	3,039	0	3,039
Restricted assets - cash and cash equivalents	42,905	43,161	86,066
<b>Total Current Assets</b>	<b>250,773</b>	<b>80,362</b>	<b>331,135</b>
<b>Capital Assets, net</b>			
Land and other non-depreciated assets	325,998	0	325,998
Other capital assets - net of depreciation	1,596,713	579	1,597,292
<b>Total Capital Assets, net</b>	<b>1,922,711</b>	<b>579</b>	<b>1,923,290</b>
<b>Total Assets</b>	<b>\$ 2,173,484</b>	<b>\$ 80,941</b>	<b>\$ 2,254,425</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 69,776	\$ 5,765	\$ 75,541
Unearned income	21,969	0	21,969
Compensated absences payable	497	65	562
Accrued PILOT	82,793	0	82,793
Deposits due others	28,024	0	28,024
<b>Total Current Liabilities</b>	<b>203,059</b>	<b>5,830</b>	<b>208,889</b>
<b>Noncurrent Liabilities</b>			
Compensated absences payable	4,477	582	5,059
<b>Total Liabilities</b>	<b>207,536</b>	<b>6,412</b>	<b>213,948</b>
<b>NET POSITION</b>			
Net investment in capital assets	1,922,711	579	1,923,290
Restricted assets	0	43,161	43,161
Unrestricted	43,237	30,789	74,026
<b>Net Position</b>	<b>\$ 1,965,948</b>	<b>\$ 74,529</b>	<b>\$ 2,040,477</b>

The Notes to the Financial Statements are an integral part of these statements.

## Susana Brito

---

**From:** director@baycitypha.org  
**Sent:** Thursday, February 4, 2021 2:58 PM  
**To:** Mayor's Office  
**Cc:** 'boutique.babybottoms'; 'Smith, Phillip E'; 'Walls, Lorraine D'  
**Subject:** FW: Letter to the City Council of Bay City, Texas

City Manager,

This is a letter written by The Housing Authority Of Bay City FIYA Accountant concerning the importance of the City Council waiving of PILOT Fees along with the impact this balance has on the Housing Authority.

La Wanda

**From:** Neil Arnold <Neil.Arnold@mrisoftware.com>  
**Sent:** Thursday, February 4, 2021 2:48 PM  
**To:** director@baycitypha.org  
**Cc:** Morgan Mays <Morgan.Mays@mrisoftware.com>  
**Subject:** Letter to the City Council of Bay City, Texas

To: Members of the Bay City, Texas City Council

Re: Housing Authority of Bay City, Texas

My name is Neil Arnold and I lead the Accounting Services division of MRI Software. MRI serves as the fee accountant for the Bay City Housing Authority (BHA). As you may know, the Housing Authority has faced several challenges over the past few years including financial challenges. Our job as the fee accountant is to produce monthly financial statements for BHA and notify management and the board of commissioners of financial irregularities or other concerns. We also look for ways to help BHA improve their operations to further the housing authority's mission – "providing safe, decent and sanitary housing and improved living conditions for every low-income family."

The housing authority has been working hard to improve processes and live within their means. A lot of good progress has been made over the last year and the Section 8 program is beginning to show an improved financial condition. I am writing to ask for your help with the Public Housing program. Public housing authorities are allowed to pay PILOT (Payment In Lieu Of Taxes) to the local government instead of real estate taxes. Due to the financial troubles at BHA, the housing authority has been unable to pay the annual PILOT to the city for the past few years. BHA current owes \$91,253.30 to the city for PILOT for the years 2012-2021. This liability shows on the balance sheet of the housing authority and negatively affects the financial ratios that HUD uses to assess the financial condition of BHA. BHA management and board are working hard to make changes that will improve the scoring and allow BHA to come off of HUD's "Troubled PHA" list. The city can play a BIG part in making that happen by agreeing to forgive the past year's PILOT owed to the city by BHA.

I respectfully ask that you consider forgiving the prior years' PILOT balance due to the city to help the Bay City Housing Authority improve their financial scoring and come off of HUD's troubled list.

Please feel free to contact me with any questions. Thanks in advance for your consideration.

Sincerely,

Neil Arnold, CPA Director – Accounting Services  
Lindsey Software - An MRI Software Company Little Rock  
+1.501.319.6598 [lindseysoftware.com](http://lindseysoftware.com)

ITEM #6.



This electronic message transmission contains information from MRI Software LLC which is (i) confidential; or (ii) otherwise the exclusive property of the intended recipient or MRI Software LLC (neither of which is waived nor lost by mistaken delivery). This information is intended for the use of the individual or entity that is the intended recipient. If you are not the designated recipient, please be aware that any dissemination, distribution or copying of this communication is strictly prohibited. Please notify us if you have received this message in error, and remove both emails from your system. Any unauthorized use is expressly prohibited. Thank you for your assistance.

# Computation of Payments in Lieu of Taxes

## U.S. Department of Housing and Urban Development Office of Public and Indian Housing

For Fiscal Year Ended 3/31/2016

OMB Approval No. 2577-0026 (Exp. 10/31/2009)

Public reporting burden for the collection of information is estimated to average .4 hours. This includes the time for collecting, reviewing, and reporting the data. The information will be used for HUD to ascertain compliance with requirements of Section 6(D) of the U.S. Housing Act, which provides for PHA exemptions from real and personal property taxes, and inclusion in the formula data used to determine public housing operating subsidies. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

Name of Local Agency: Bay City Housing Authorit	Location: 3012 Sycamore Street	Contract Number: FW259	Project Number: TX24P035001
<b>Part I - Computation of Shelter Rent Charged.</b>			
1. Tenant Rental Revenue (FDS Line 703)		<u>\$172,516.15</u>	
2. Tenant Revenue Other (FDS Line 704)			
3. Total Rental Charged (Lines 1 & 2)			<u>\$172,516.15</u>
4. Utilities Expense (FDS Line 931 - 939)			<u>\$10,212.67</u>
5. Shelter Rent Charged (Line 3 minus Line 4)			<u>\$162,303.48</u>
<b>Part II - Computation of Shelter Rent Collected.</b> To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected.)			
1. Shelter Rent Charged (Line 5 of Part I, above)			
2. Add: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at beginning of fiscal year			
3. Less: Tenant Bad Debt Expense (FDS Line 964)			
4. Less: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at end of fiscal year			
5. Shelter Rent Collected (Line 1 plus Line 2 minus Lines 3 & 4)			
<b>Part III - Computation of Approximate Full Real Property Taxes.</b>			
(1) Taxing Districts	(2) Assessable Value	(3) Tax Rate	(4) Approximate Full Real Property Taxes
County	\$649,690.00	0.004200	\$2,728.70
City	\$649,690.00	0.006000	\$3,898.14
School	\$649,690.00	0.013300	\$8,640.88
<b>Total</b>			<b>\$15,267.72</b>
<b>Part IV - Computation of Approximate Full Real Property Taxes.</b> (To be completed if Cooperation Agreement limits PILOT to an amount by which real property taxes exceed 20% of annual contribution.)			
1. Approximate full real property taxes			
2. Accruing annual contribution for all projects under the contract			
3. Prorate share of accruing annual contribution*			
4. 20% of accruing annual contribution (20% of Line 3)			
5. Approximate full real property taxes Less 20% of accruing annual contribution (Line 1 minus Line 4, if Line 4 exceeds Line 1, enter zero)			
<b>Part V - Computation of Approximate Full Real Property Taxes.</b>			
1. 10% of shelter rent (10% of Line 5 of Part I or 10% of Line 5 of Part II, whichever is applicable)**			<u>\$16,230.35</u>
2. Payments in Lieu of Taxes (If Part IV is not applicable, enter the amount shown on Line 1, above, or the total in Part III, whichever is the lower. If Part IV is applicable, enter the amount shown on Line 1, above, or the amount shown on Line 5 of Part IV, whichever is lower.)			<u>\$15,267.72</u>
* Same as Line 2 if the statement includes all projects under the Annual Contributions Contract. If this statement does not include all projects under the Annual Contributions Contract, enter prorata share based upon the development cost of each project. ** If the percentage specified in the Cooperation Agreement or the Annual Contributions Contract with HUD is lower, such lower percentage shall be used.			
<b>Warning:</b> HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 U.S.C. 1001, 1010, 1012; 31 u.s.c 3729, 3802).			
<b>Prepared By:</b>		<b>Approved By:</b>	
Name: Lindsey & Company, Inc.		Name: LaWanda Davis	
Title: Fee Accountant	Date: 12/30/1899	Title: Executive Director	Date: 12/30/1899

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**Computation of Payments  
in Lieu of Taxes**

**U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing**

For Fiscal Year Ended 3/31/2017

OMB Approval No. 2577-0026 (Exp. 10/31/2009)

Public reporting burden for the collection of information is estimated to average .4 hours. This includes the time for collecting, reviewing, and reporting the data. The information will be used for HUD to ascertain compliance with requirements of Section 6(D) of the U.S. Housing Act, which provides for PHA exemptions from real and personal property taxes, and inclusion in the formula data used to determine public housing operating subsidies. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

<b>Name of Local Agency:</b> Bay City Housing Authority	<b>Location:</b> 3012 Sycamore Street	<b>Contract Number:</b> FW259	<b>Project Number:</b> TX24P035001
<b>Part I - Computation of Shelter Rent Charged.</b>			
1. Tenant Rental Revenue (FDS Line 703)		<u>\$186,332.26</u>	
2. Tenant Revenue Other (FDS Line 704)			
3. Total Rental Charged (Lines 1 & 2)			<u>\$186,332.26</u>
4. Utilities Expense (FDS Line 931 - 939)			<u>\$9,030.77</u>
5. Shelter Rent Charged (Line 3 minus Line 4)			<u>\$177,301.49</u>
<b>Part II - Computation of Shelter Rent Collected.</b> To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected.)			
1. Shelter Rent Charged (Line 5 of Part I, above)			
2. Add: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at beginning of fiscal year			
3. Less: Tenant Bad Debt Expense (FDS Line 964)			
4. Less: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at end of fiscal year			
5. Shelter Rent Collected (Line 1 plus Line 2 minus Lines 3 & 4)			
<b>Part III - Computation of Approximate Full Real Property Taxes.</b>			
(1) Taxing Districts	(2) Assessable Value	(3) Tax Rate	(4) Approximate Full Real Property Taxes
County	\$649,690.00	0.004200	\$2,728.70
City	\$649,690.00	0.006600	\$4,287.95
School	\$649,690.00	0.014400	\$9,355.54
<b>Total</b>			<b>\$16,372.19</b>
<b>Part IV - Computation of Approximate Full Real Property Taxes.</b> (To be completed if Cooperation Agreement limits PILOT to an amount by which real property taxes exceed 20% of annual contribution.)			
1. Approximate full real property taxes			
2. Accruing annual contribution for all projects under the contract			
3. Prorate share of accruing annual contribution*			
4. 20% of accruing annual contribution (20% of Line 3)			
5. Approximate full real property taxes Less 20% of accruing annual contribution (Line 1 minus Line 4, if Line 4 exceeds Line 1, enter zero)			
<b>Part V - Computation of Approximate Full Real Property Taxes.</b>			
1. 10% of shelter rent (10% of Line 5 of Part I or 10% of Line 5 of Part II, whichever is applicable)**			<u>\$17,730.15</u>
2. Payments in Lieu of Taxes (If Part IV is not applicable, enter the amount shown on Line 1, above, or the total in Part III, whichever is the lower. If Part IV is applicable, enter the amount shown on Line 1, above, or the amount shown on Line 5 of Part IV, whichever is lower.)			<u>\$16,372.19</u>
* Same as Line 2 if the statement includes all projects under the Annual Contributions Contract. If this statement does not include all projects under the Annual Contributions Contract, enter prorata share based upon the development cost of each project.			
** If the percentage specified in the Cooperation Agreement or the Annual Contributions Contract with HUD is lower, such lower percentage shall be used.			
<b>Warning:</b> HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 U.S.C. 1001, 1010, 1012; 31 u.s.c 3729, 3802).			
<b>Prepared By:</b>		<b>Approved By:</b>	
Name: Lindsey & Company, Inc.		Name: LaWanda Davis	
Title: Fee Accountant	Date: 12/30/1899	Title: Executive Director	Date: 12/30/1899

Previous Editions are Obsolete

# Computation of Payments in Lieu of Taxes

## U.S. Department of Housing and Urban Development Office of Public and Indian Housing

For Fiscal Year Ended 3/31/2018

OMB Approval No. 2577-0026 (Exp. 10/31/2009)

Public reporting burden for the collection of information is estimated to average .4 hours. This includes the time for collecting, reviewing, and reporting the data. The information will be used for HUD to ascertain compliance with requirements of Section 6(D) of the U.S. Housing Act, which provides for PHA exemptions from real and personal property taxes, and inclusion in the formula data used to determine public housing operating subsidies. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

Name of Local Agency: Bay City Housing Authorit	Location: 3012 Sycamore Street	Contract Number: FW259	Project Number: TX24P035001
<b>Part I - Computation of Shelter Rent Charged.</b>			
1. Tenant Rental Revenue (FDS Line 703)		<u>\$196,210.49</u>	
2. Tenant Revenue Other (FDS Line 704)			
3. Total Rental Charged (Lines 1 & 2)			<u>\$196,210.49</u>
4. Utilities Expense (FDS Line 931 - 939)			<u>\$11,322.40</u>
5. Shelter Rent Charged (Line 3 minus Line 4)			<u>\$184,888.09</u>
<b>Part II - Computation of Shelter Rent Collected.</b> To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected.)			
1. Shelter Rent Charged (Line 5 of Part I, above)			
2. Add: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at beginning of fiscal year			
3. Less: Tenant Bad Debt Expense (FDS Line 964)			
4. Less: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at end of fiscal year			
5. Shelter Rent Collected (Line 1 plus Line 2 minus Lines 3 & 4)			
<b>Part III - Computation of Approximate Full Real Property Taxes.</b>			
(1) Taxing Districts	(2) Assessable Value	(3) Tax Rate	(4) Approximate Full Real Property Taxes
County	\$649,690.00	0.004200	\$2,728.70
City	\$649,690.00	0.006600	\$4,287.95
School	\$649,690.00	0.015500	\$10,070.20
<b>Total</b>			<b>\$17,086.85</b>
<b>Part IV - Computation of Approximate Full Real Property Taxes.</b> (To be completed if Cooperation Agreement limits PILOT to an amount by which real property taxes exceed 20% of annual contribution.)			
1. Approximate full real property taxes			
2. Accruing annual contribution for all projects under the contract			
3. Prorate share of accruing annual contribution*			
4. 20% of accruing annual contribution (20% of Line 3)			
5. Approximate full real property taxes Less 20% of accruing annual contribution (Line 1 minus Line 4, if Line 4 exceeds Line 1, enter zero)			
<b>Part V - Computation of Approximate Full Real Property Taxes.</b>			
1. 10% of shelter rent (10% of Line 5 of Part I or 10% of Line 5 of Part II, whichever is applicable)**			<u>\$18,488.81</u>
2. Payments in Lieu of Taxes (If Part IV is not applicable, enter the amount shown on Line 1, above, or the total in Part III, whichever is the lower. If Part IV is applicable, enter the amount shown on Line 1, above, or the amount shown on Line 5 of Part IV, whichever is lower.)			<u>\$17,086.85</u>
* Same as Line 2 if the statement includes all projects under the Annual Contributions Contract. If this statement does not include all projects under the Annual Contributions Contract, enter prorata share based upon the development cost of each project.			
** If the percentage specified in the Cooperation Agreement or the Annual Contributions Contract with HUD is lower, such lower percentage shall be used.			
<b>Warning:</b> HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 U.S.C. 1001, 1010, 1012; 31 u.s.c 3729, 3802).			
<b>Prepared By:</b>		<b>Approved By:</b>	
Name: Lindsey & Company, Inc.		Name: LaWanda Davis	
Title: Fee Accountant	Date: 12/30/1899	Title: Executive Director	Date: 12/30/1899

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# Computation of Payments in Lieu of Taxes

## U.S. Department of Housing and Urban Development Office of Public and Indian Housing

For Fiscal Year Ended 3/31/2019

OMB Approval No. 2577-0026 (Exp. 10/31/2009)

Public reporting burden for the collection of information is estimated to average .4 hours. This includes the time for collecting, reviewing, and reporting the data. The information will be used for HUD to ascertain compliance with requirements of Section 6(D) of the U.S. Housing Act, which provides for PHA exemptions from real and personal property taxes, and inclusion in the formula data used to determine public housing operating subsidies. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

Name of Local Agency:	Location:	Contract Number:	Project Number:
Bay City Housing Authority	3012 Sycamore Street	FW259	TX24P035001
<b>Part I - Computation of Shelter Rent Charged.</b>			
1. Tenant Rental Revenue (FDS Line 703)		<u>\$168,975.50</u>	
2. Tenant Revenue Other (FDS Line 704)		<u>                    </u>	
3. Total Rental Charged (Lines 1 & 2)			<u>\$168,975.50</u>
4. Utilities Expense (FDS Line 931 - 939)			<u>\$13,376.13</u>
5. Shelter Rent Charged (Line 3 minus Line 4)			<u>\$155,599.37</u>
<b>Part II - Computation of Shelter Rent Collected.</b> To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected.)			
1. Shelter Rent Charged (Line 5 of Part I, above)			<u>                    </u>
2. Add: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at beginning of fiscal year			<u>                    </u>
3. Less: Tenant Bad Debt Expense (FDS Line 964)			<u>                    </u>
4. Less: Accounts Receivable - Tenants (FDS Lines 126, 126.1, & 126.2) at end of fiscal year			<u>                    </u>
5. Shelter Rent Collected (Line 1 plus Line 2 minus Lines 3 & 4)			<u>                    </u>
<b>Part III - Computation of Approximate Full Real Property Taxes.</b>			
(1) Taxing Districts	(2) Assessable Value	(3) Tax Rate	(4) Approximate Full Real Property Taxes
County	\$649,690.00	0.004300	\$2,793.67
City	\$649,690.00	0.006600	\$4,287.95
School	\$649,690.00	0.015400	\$10,005.23
<b>Total</b>			<b>\$17,086.85</b>
<b>Part IV - Computation of Approximate Full Real Property Taxes.</b> (To be completed if Cooperation Agreement limits PILOT to an amount by which real property taxes exceed 20% of annual contribution.)			
1. Approximate full real property taxes			<u>                    </u>
2. Accruing annual contribution for all projects under the contract			<u>                    </u>
3. Prorate share of accruing annual contribution*			<u>                    </u>
4. 20% of accruing annual contribution (20% of Line 3)			<u>                    </u>
5. Approximate full real property taxes Less 20% of accruing annual contribution (Line 1 minus Line 4, if Line 4 exceeds Line 1, enter zero)			<u>                    </u>
<b>Part V - Computation of Approximate Full Real Property Taxes.</b>			
1. 10% of shelter rent (10% of Line 5 of Part I or 10% of Line 5 of Part II, whichever is applicable)**			<u>\$15,559.94</u>
2. Payments in Lieu of Taxes (If Part IV is not applicable, enter the amount shown on Line 1, above, or the total in Part III, whichever is the lower. If Part IV is applicable, enter the amount shown on Line 1, above, or the amount shown on Line 5 of Part IV, whichever is lower.)			<u>\$15,559.94</u>
* Same as Line 2 if the statement includes all projects under the Annual Contributions Contract. If this statement does not include all projects under the Annual Contributions Contract, enter prorata share based upon the development cost of each project.			
** If the percentage specified in the Cooperation Agreement or the Annual Contributions Contract with HUD is lower, such lower percentage shall be used.			
<b>Warning:</b> HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 U.S.C. 1001, 1010, 1012: 31 u.s.c 3729, 3802).			
<b>Prepared By:</b>		<b>Approved By:</b>	
Name: Lindsey & Company, Inc.		Name: LaWanda Davis	
Title: Fee Accountant		Title: Executive Director	
Date: 12/30/1899		Date: 12/30/1899	

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Texas Department of Housing and Community Affairs  
Multifamily Finance Division  
Notification of Submission of Affordable Housing Applications

January 21, 2021

The Honorable Robert Nelson  
Mayor of Bay City  
1901 5th St.  
Bay City, TX 77414

**Re: Notification of Affordable Rental Housing Application(s) Proposed in Your City**

Dear Mayor Nelson:

The Texas Department of Housing and Community Affairs (the "Department") is in receipt of a preliminary application(s) for possible funding through the Competitive Housing Tax Credit Program to develop or acquire affordable multifamily rental housing in your community.

This notification is made in accordance with Tex. Gov't Code §2306.1114 to ensure that you are fully informed of the housing activity in your city and so that you can provide input on the proposed application(s) if you so choose. The Department greatly values your views concerning the need for affordable rental housing within your community and how the proposed development(s) may address that need. Additionally, state law provides an opportunity for the applicable local jurisdiction (the city and/or county) to affect the scoring of an application by issuing a local resolution of support or neutrality in accordance with Tex. Gov't Code §2306.6710(b)(1)(B). In order to affect the scoring of an application within its jurisdiction, the local government resolution must be submitted on or before March 1, 2021, identify the specific development, and clearly state support or no objection. Once submitted, the resolution cannot be withdrawn or amended. More information can be found at 10 TAC §11.9(d)(1) of the 2021 Qualified Allocation Plan found at <https://www.tdhca.state.tx.us/multifamily/nofas-rules.htm> and suggested language for the resolution can be found at <https://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>. You may also impact scoring through a Commitment of Development Funding by Local Political Subdivision. The criteria for the Commitment is found at 10 TAC §11.9(d)(2) of the 2021 QAP.

Should the applicant(s) submit a full application to the Department on or before March 1, 2021, the Department will notify you again with more detailed information about the proposed development and provide information related to general public comment including statewide hearings. The Department's mission is to administer its assigned programs efficiently, transparently, and lawfully and to invest its resources strategically while developing high quality affordable housing which allows Texas communities to thrive. Through our multifamily programs, the Department encourages the new construction or rehabilitation of affordable multifamily housing, primarily through private developers. These developments benefit Texans in your community by providing potential employment, local tax revenue, and affordable, safe, and high quality housing for eligible households.

If you have any questions or need additional information, please contact Michael Lyttle, Director of External Affairs, at 512.475.4542 or [michael.lyttle@tdhca.state.tx.us](mailto:michael.lyttle@tdhca.state.tx.us).

Sincerely,  
*Marni Holloway*  
Marni Holloway  
Director, Multifamily Finance



**Relevant Development Information as Presented by the Applicant:**

**Project Number:** 21249  
**Development Name:** Indigo Village  
**Development Address:** 5201 7th Street  
**Development City:** Bay City **Development Zip:** 77414 **Region:** 6  
**Regional Allocation:** Rural **Target Population:** General  
**Set Aside:**  Nonprofit  USDA  At-Risk  
**Construction Type:** New Construction  
**Credit/ Funding Request:** \$900,000  
**Total Low Income Units:** 44 **Total Market Rate Units:** 4 **Total Units:** 48

**Applicant Information:**

**Owner Contact:** Rick Deyoe  
**Owner Address:** 1114 Lost Creek Blvd, Suite G20  
**Owner City:** Austin **Owner State:** TX **Owner Zip:** 78746  
**Owner Phone:** 512-306-9206  
**Owner Email:** rdeyoe@realtexdevelopment.com



## TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

221 East 11th Street, Austin, TX 78701  
 PO Box 13941, Austin, TX 78711

Main Number: 512-475-3800  
 Toll Free: 1-800-525-0657

Email: info@tdhca.state.tx.us  
 Web: www.tdhca.state.tx.us

Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities.  
 Relay Texas: 800-711-1111 (Voice).

**Relevant Development Information as Presented by the Applicant:**

**Project Number:** 21250  
**Development Name:** Laguna Breeze Estates  
**Development Address:** 5900 7th Street  
**Development City:** Bay City **Development Zip:** 77414 **Region:** 6  
**Regional Allocation:** Rural **Target Population:** General  
**Set Aside:**  Nonprofit  USDA  At-Risk  
**Construction Type:** New Construction  
**Credit/ Funding Request:** \$900,000  
**Total Low Income Units:** 41 **Total Market Rate Units:** 3 **Total Units:** 44

**Applicant Information:**

**Owner Contact:** Rick Deyoe  
**Owner Address:** 1114 Lost Creek Blvd, Suite G20  
**Owner City:** Austin **Owner State:** TX **Owner Zip:** 78746  
**Owner Phone:** 512-306-9206  
**Owner Email:** rdeyoe@realtexdevelopment.com


**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**

 221 East 11th Street, Austin, TX 78701  
 PO Box 13941, Austin, TX 78711

 Main Number: 512-475-3800  
 Toll Free: 1-800-525-0657

 Email: info@tdhca.state.tx.us  
 Web: www.tdhca.state.tx.us

 Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities.  
 Relay Texas: 800-541-8811 (Voice).