



# CITY COUNCIL REGULAR MEETING CITY OF BAY CITY

Tuesday, June 09, 2020 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:** William Cornman, Brent P. Marceaux, Becca Slitz, Julie Estlinbaum

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

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## AGENDA

### 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."*

(Mayor Pro Tem Jason Childers)

### 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.

(Mayor Pro Tem Jason Childers)

### APPROVAL OF AGENDA

### PUBLIC COMMENTS

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

1. **APPROVE THE APPOINTMENT OF JEANETTE BELL AND ROBERT KNOX TO THE BAY CITY COMMUNITY DEVELOPMENT BOARD.**

(Robert K. Nelson, Mayor)

**2. APPOINTMENT OF TROY HALFMAN TO MAINSTREET BOARD.**

(Robert K. Nelson, Mayor)

**3. May 12, 2020 Work Shop Minutes Approval****4. May 12, 2020 Regular Council Meeting Minutes Approval****5. May 26, 2020 Work Shop Meeting Minutes Approval****6. May 26, 2020 Regular Council Meeting Minutes Approval****REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL****7. RECEIVE AND DISCUSS UPDATES OF THE ONGOING TOURISM COUNCIL.**

(Heidi Martinez, Tourism Manager)

**8. RECEIVE SPECIAL RECOGNITION FROM THE HOUSTON-GALVESTON AREA COUNCIL (H-GAC) PARKS AND NATURAL AREA AWARDS IN THE PROJECTS LESS THAN \$500,000 CATEGORY, THE BAY CITY PARKS AND RECREATION DREAMSCAPE.**

(Shawn Blackburn, Director of Parks and Recreation)

**9. PRESENTATION OF 2019 TEXAS MUNICIPAL LIBRARY DIRECTORS ASSOCIATION (TMLDA) ACHIEVEMENT IN LIBRARY EXCELLENCE AWARD.**

(Samantha Denbow, Library Director)

**10. DISCUSS, CONSIDER, AND/OR REJECT THE CONSTRUCTION BID FOR THE MISCELLANEOUS CONCRETE REPAIRS TO HLAVINKA CONSTRUCTION COMPANY AND AWARD THE CONSTRUCTION BID FOR THE MISCELLANEOUS CONCRETE REPAIRS TO LOWEST RESPONSIBLE BIDDER AND AUTHORIZE THE CITY MANAGER TO EXECUTE A CONTRACT APPROVED TO FORM BY THE CITY ATTORNEY BETWEEN THE CITY OF BAY CITY AND ZACHERY PHILLIPS, INC.**

(Barry Calhoun, Public Works Director)

**11. DISCUSS, CONSIDER AND/OR APPROVE A RESOLUTION OF THE CITY OF BAY CITY NAMING THE TEXAS DEPARTMENT OF TRANSPORTATION AS ITS AGENT FOR THE PURPOSES OF APPLYING FOR, RECEIVING AND DISBURSING FUNDS FOR SPECIFIED IMPROVEMENTS TOTALING \$7,548,000.00 AND FOR THE ADMINISTRATION OF CONTRACTS NECESSARY FOR THE BAY CITY REGIONAL AIRPORT.**

(James Mason, Airport Manager)

**12. DISCUSS AND TAKE ACTION TO REJECT BIDS RECEIVED ON "A" AND "E" HANGERS, AND CALL FOR BID FOR CONSTRUCTION FOR "E" HANGER ONLY.**

(James Mason, Airport Manager)

- 13. DISCUSS, CONSIDER AND/OR APPROVE REGIONAL DRAINAGE STUDY ENGINEERING SERVICES AND FUNDING SOURCES IN THE AMOUNT OF \$306,000.**

(Alyssa Dibbern, Engineering Tech)

- 14. UPDATE ON IMPROVEMENTS ON THE COTTONWOOD CREEK DIVERSION CHANNEL.**

(Matt Breazeale, Jones & Carter Engr)

- 15. DISCUSS, CONSIDER AND/OR APPROVE AN ORDINANCE AMENDING SECTION 6.11 THE CITY OF BAY CITY PERSONNEL GUIDELINES TO BE EFFECTIVE IMMEDIATELY.**

(Shawna Burkhart, City Manager)

- 16. DISCUSS, CONSIDER, AND/OR APPROVE HARRISON, WALDROP, AND UHEREK, L.L.P. TO PROVIDE AUDIT SERVICES FOR THE CITY OF BAY CITY FOR THE YEAR ENDING SEPTEMBER 30, 2020.**

(Scotty Jones, Finance Director)

## **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 **Wednesday, June 3, 2020 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 • MAY 12, 2020

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**COUNCIL  
CHAMBERS | 1901  
5th Street**

**City Council Workshop**

**5:00 PM**

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



**Mayor**

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Robert K. Nelson

**Councilman**

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William Cornman

**Mayor Pro Tem**

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Jason W. Childers

**Councilman**

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Brent P. Marceaux

**Councilwoman**

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Becca Slitz

**Councilwoman**

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Julie Estlinbaum

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**CALL TO ORDER**

Mayor Robert K. Nelson called the meeting to order at 5:03 PM.

**CERTIFICATION OF QUORUM**

Mayor Robert K. Nelson certified that a quorum was present.

**PUBLIC COMMENTS**

There were not any public comments.

**REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND / OR APPROVAL****1. RECEIVE AN UPDATE ON THE CITY OF BAY CITY'S WATER QUALITY.**

(Barry Calhoun, Director of Public Works)

Krystal Mason, Co-Compliance Officer, called in to address the Mayor, City Manager, and Council. However, there were technical difficulties making it hard to understand what was being said. This item was tabled until the next Council meeting. Councilman Bill Cornman made a motion to table to item and Councilwoman Julie Estlinbaum seconded the motion. The motion carries.

Motion made by Councilman Cornman, Seconded by Councilwoman Estlinbaum.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Estlinbaum, Councilwoman Sitz

**2. RECEIVE AN UPDATE ON THE NILE VALLEY ROAD PROJECT.**

(Barry Calhoun, Director of Public Works)

Public Works Director, Barry Calhoun, called in to address the Mayor, City Manager and Council in regards to this update. However, there were technical difficulties so Matt Breazeale with Jones and Carter stepped in to provide the update. It was decided that it would be brought back with a new proposal and new drawings to show it at 45 MPH area instead of 55 MPH.

**ADJOURNMENT**

Motion made by Councilwoman Estlinbaum, Seconded by Councilman Marceaux.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Estlinbaum, Councilwoman Sitz

### 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, May 8, 2020 before 5:00 p.m.** Any questions concerning the above items, please contact Mayor Robert K. Nelson at (979) 245-2137.

### AGENDA NOTICES

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#### Attendance by Other Elected or Appointed Officials:

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#### Executive Sessions Authorized:

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The facility is wheelchair accessible and accessible parking spaces available. Request for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary's Office at 979-245-5311 or email, [dholubec@cityofbaycity.org](mailto:dholubec@cityofbaycity.org) for further information.

**CALL TO ORDER**

Mayor Robert K. Nelson called the meeting to order at 6:02 PM.

**INVOCATION & PLEDGE**

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

(Councilman Bill Cornman)

**CERTIFICATION OF QUORUM**

Mayor Pro Tem Jason Childers made a motion to certify that a quorum was present.  
Councilwoman Julie Estlinbaum seconded the motion.

Motion made by Mayor Pro Tem Childers, Seconded by Councilwoman Estlinbaum.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**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 Bill Cornman)

**APPROVAL OF AGENDA**

Motion made by Councilwoman Estlinbaum, Seconded by Mayor Pro Tem Childers.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum



**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.

There were not any public comments.

**CONSENT AGENDA ITEMS FOR CONSIDERATION AND/OR APPROVAL****1. DISCUSS, CONSIDER AND/OR APPROVE THE MINUTES OF THE REGULAR COUNCIL MEETING HELD ON APRIL 28, 2020.**

(Rhonda Clegg, Acting Deputy City Secretary)

Councilman Bill Cornman requested that a correction be made to an Executive Session item regarding Mayor Robert K. Nelson's salary. He stated that the salary amount should be included in the minutes. Mayor Pro Tem Jason Childers made a motion to approve the minutes with the corrections. Councilwoman Julie Estlinbaum seconded the motion. The motion carries.

Motion made by Mayor Pro Tem Childers, Seconded by Councilwoman Estlinbaum.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL****2. DISCUSS, CONSIDER AND/OR APPROVE A REQUEST FROM THE STARBUCKS CONTRACTOR TO REBATE UTILITY TAP FEES.**

(Shawna Burkhart, City Manager)

City Manager, Shawna Burkhart, addressed the Mayor and Council stated that she had received a request asking the city to consider a rebate on the four tap fees for Starbucks. It was stated that if the request had come in prior to the start of construction, something may have been possible as an incentive. It was also stated that the city does not have a program for tap fee rebates. Councilman Bill Cornman made a motion to deny the request and Councilman Brent Marceaux seconded the motion. The motion carries.

Motion made by Councilman Cornman, Seconded by Councilman Marceaux.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman,  
Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**3. DISCUSS, CONSIDER AND/OR APPROVE WAIVING LIENS ASSESSED AGAINST 0 AVENUE B, BAY CITY, TEXAS.**

(Melinda Moudy, Bay City Realty)

City Manager, Shawna Burkhart, addressed the Mayor and Council on behalf of Melinda Moudy with Bay City Realty. Mrs. Moudy was requesting a waiver of liens for the property located at Lot 9, Block 26 on Avenue B. Mrs. Burkhart recommended that the liens older than 2012 be waived but the liens from 2012 to current remain until paid. Documentation is not available for the liens prior to 2012. Councilman Bill Cornman made a motion to waive the liens prior to 2012 and Mayor Pro Tem Jason Childers seconded the motion. The motion carries.

Motion made by Councilman Cornman, Seconded by Mayor Pro Tem Childers.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman,  
Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**4. DISCUSS, CONSIDER, AND/OR APPROVE AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF BAY CITY AND MATAGORDA COUNTY REGARDING THE BAY CITY PUBLIC LIBRARY.**

(Samantha Denbow, Library Director)

Library Director, Samantha Denbow, advised that there were not any changes to the interlocal agreement from the last time it was approved.

Motion made by Councilman Cornman, Seconded by Councilwoman Estlinbaum.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman,  
Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**5. RECEIVE QUARTERLY UPDATE ON LIBRARY OPERATIONS.**

(Samantha Denbow, Library Director)

Library Director, Samantha Denbow, provided an update on the library operations. Some of the information given included at-home bags, curbside pickup, virtual programs and digital services and Senior shout-outs on the facebook page. They will slowly begin re-opening to allow for minimal computer usage for job searches by

appointment only. The library is also doing online story time and how-to videos. Ms. Denbow also advised that they are doing outreach programs to daycare's. They are moving towards and online format for the summer programs and will also be working with Main Street to have a small business scavenger hunt that will give weekly clues.

**6. RECEIVE UPDATE FROM AIRPORT MANAGER ON THE CARES ACT AND ITS EFFECT ON THE AIRPORT**

(James Mason, Airport Manager)

Airport Manager, James Mason, advised that the airport would be receiving \$30,000 from the CARES fund to help offset any capital losses due to Covid-19.

**7. DISCUSS, CONSIDER AND/OR APPROVE RATIFYING A RESOLUTION OF THE CITY OF BAY CITY NAMING THE TEXAS DEPARTMENT OF TRANSPORTATION AS ITS AGENT FOR THE PURPOSES OF APPLYING FOR, RECEIVING AND DISBURSING FUNDS FOR SPECIFIED IMPROVEMENTS AND FOR THE ADMINISTRATION OF CONTRACTS NECESSARY FOR THE BAY CITY REGIONAL AIRPORT.**

(James Mason, Airport Manager)

Airport Manager, James Mason, provided the Mayor, City Manager and Council with information regarding the resolution for the runway/taxiway at the airport and the funds that would be needed to move forward with the project. Without the project, the airport would be limited on the size of the aircraft that would be able to utilize the airport. The monetary amounts on the original resolution were incorrect but the City Attorney has the correct amounts. The project would be done in three phases.

Motion made by Councilman Cornman, Seconded by Councilwoman Estlinbaum.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**8. DISCUSS, CONSIDER, AND/OR AWARD THE CONSTRUCTION BID FOR THE MISCELLANEOUS CONCRETE REPAIRS TO THE LOWEST RESPONSIBLE BIDDER AND AUTHORIZE THE CITY MANAGER TO EXECUTE A CONTRACT APPROVED TO FORM BY THE CITY ATTORNEY BETWEEN THE CITY OF BAY CITY AND THE LOWEST RESPONSIBLE BIDDER.**

(Barry Calhoun, Director of Public Works)

Public Works Director, Barry Calhoun, addressed the Mayor and Council via conference call to provide them with his bid recommendation. He recommended that the city go with Hlavinka. They were the lowest bidder. He did advise that he made contact with them as their bid was so much lower than the others that were received. They stated that they made an error by leaving off the mobilization fee but that they would honor the bid that they turned in.

Motion made by Mayor Pro Tem Childers, Seconded by Councilman Cornman.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilwoman Estlinbaum  
Voting Nay: Councilman Marceaux, Councilwoman Sitz

- 9. DISCUSS, CONSIDER, AND/OR APPROVE AWARDING THE CONSTRUCTION BID FOR THE KATY WATER PLANT IMPROVEMENTS PROJECT TO C.F. MCDONALD ELECTRIC, INC. IN THE AMOUNT OF \$584,469.00 AND AUTHORIZE THE MAYOR/CITY MANAGER TO EXECUTE A CONTRACT APPROVED TO FORM BY THE CITY ATTORNEY BETWEEN THE CITY OF BAY CITY AND C.F. MCDONALD ELECTRIC, INC.**

(Louis Rodriguez, Assistant Director of Public Works)

Assistant Director of Public Works, Louis Rodriguez, addressed the Mayor, City Manager and Council. He recommended that they approve the bid for CF McDonald Electric, INC. This company has been used before. Only 1 bid was received and it was under budget.

Motion made by Councilman Marceaux, Seconded by Councilman Cornman.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

- 10. RECEIVE AN UPDATE ON RIVERSIDE PARK.**

(Shawn Blackburn, Director of Parks and Recreation)

Parks and Recreation Director, Shawn Blackburn, provided an update on Riverside Park. He stated that his plan was for the park to be self-supporting and that if approved it could open up as soon as June 1, 2020. He advised that they are not currently taking reservations but as soon as the park opens back up they can.

## ITEMS / COMMENTS & MAYOR AND COUNCIL MEMBERS

Councilwoman Julie Estlinbaum stated that the directors provided good reports to the Council. Councilman Brent Marceaux advised that there were some concerns about the process at the brush site and that he emailed them to the City Manager. City Manager Shawna Burkhart stated that she did receive the email and has answers to the questions and that she hopes to have the information sent out tomorrow. Councilwoman Becca Sitz requested an update on hiring a new City Secretary. Mrs. Burkhart stated that they had an interview later this week.

## ADJOURNMENT

Motion made by Councilman Marceaux, Seconded by Councilwoman Estlinbaum.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

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# CITY OF BAY CITY

MINUTES • MAY 26, 2020

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**COUNCIL  
CHAMBERS | 1901  
5th Street**

**City Council Workshop**

**5:00 PM**

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



**Mayor**

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Robert K. Nelson

**Councilman**

---

William Cornman

**Mayor Pro Tem**

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Jason W. Childers

**Councilman**

---

Brent P. Marceaux

**Councilwoman**

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Becca Slitz

**Councilwoman**

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Julie Estlinbaum

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

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**CALL TO ORDER**

Mayor Robert K. Nelson called the meeting to order at 5:02 PM.

**CERTIFICATION OF QUORUM**

Mayor Robert K. Nelson certified that a quorum was present. The only Councilmember not currently in attendance was Councilwoman Julie Estlinbaum.

**PUBLIC COMMENTS**

There were not any public comments.

**REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND / OR APPROVAL****1. RECEIVE AN UPDATE ON THE CITY OF BAY CITY'S WATER QUALITY.**

(Barry Calhoun, Director of Public Works)

Co-Compliance Officer, Krystal Mason, provide an update on the city's water quality. She stated that the city has a superior rated water system which puts the city in the top 10% of the state. This rating is kept unless the requirements for it are no longer met. She also stated that between the eight employees, they had a combined experience level of 126 years. Each employee is licensed through TCEQ. She provided information on the two treatment processes for the drinking. All the city wells are working great.

**2. RECEIVE UPDATE FROM AIRPORT MANAGER ON THE CARES ACT AND ITS EFFECT ON THE AIRPORT**

(James Mason, Airport Manager)

Airport Manager, James Mason, provided an update regarding the CARES ACT. Congress gave the FAA \$10 million for aid and Texas received \$4.5 million. That amount was broken down into different classifications. Based on these classifications, the Bay City Airport is receiving \$30,000. Councilman Bill Cornman asked if the airport has lost revenue due to Covid-19. Mr. Mason advised that we have lost approximately \$20,000 just in fuel sales. A resolution is not required to receive these funds.



### 3. RECEIVE AN UPDATE ON THE NILE VALLEY ROAD PROJECT.

(Barry Calhoun, Director of Public Works)

Public Works Director, Barry Calhoun, introduced Matt Breazeale with Jones and Carter. Mr. Breazeale provided the Mayor, City Manager, and Council with updated copies of the pavement designs to show the changes made for the lower speed limit of 45 MPH. They are planning to do the entire project at once and will maintain a full road closure (from barricade to barricade) while it is being done. The lower speed limit helped to lower the cost by getting rid of the retaining walls and changing the curve. There will be a complete rebuild of the approaches. Mr. Breazeale advised that he would get started on the detailed design. They are hoping to have bids done in September and the project to start in November so it can be completed around June 2021.

## ADJOURNMENT

Motion made by Mayor Pro Tem Childers, Seconded by Councilwoman Sitz.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Estlinbaum, Councilwoman Sitz

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**INVOCATION & PLEDGE**

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(Councilwoman Becca Sitz)

**CERTIFICATION OF QUORUM**

Mayor Robert K. Nelson certified that a quorum was present.

**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, Seconded by Councilwoman Estlinbaum.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**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.

There were no public comments.

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

**REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL****1. DISCUSS, CONSIDER AND/OR APPROVE THE CITY MANAGER'S APPOINTMENT OF JEANNA THOMPSON AS CITY SECRETARY.**

(Shawna Burkhart, City Manager)

City Manager, Shawna Burkhart, introduced new City Secretary Jeanna Thompson and swore her in.

Motion made by Councilman Cornman, Seconded by Mayor Pro Tem Childers.

Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**2. DISCUSS, CONSIDER AND/OR APPROVE DECLARING POLICE UNITS AS SURPLUS AND AUTHORIZE STAFF TO SALE SAID SURPLUS EQUIPMENT THROUGH THE USE OF AN ONLINE AUCTION.**

(Robert Lister, Chief of Police)

Police Chief, Robert Lister, requested authorization to place four units up for auction. One has already been replaced. One of the vehicles in question may be kept until one of the current units is fixed.

Motion made by Councilwoman Estlinbaum, Seconded by Councilman Cornman.

Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**3. REVIEW AND DISCUSS BAY CITY POLICE DEPARTMENT'S POLICY ON THE USE OF NARCAN.**

(Robert Lister, Chief of Police)

Police Chief, Robert Lister, provided information to the Mayor, City Manager, and Council in regards to the new policy on narcan usage. Dr. Simons would be the Medical Control Physician at no cost to the city and will provide the training to each officer on how to administer it. The City Attorney advised that there were no issues from a legal standpoint.

4. **DISCUSS, CONSIDER, AND/OR APPROVE A DECLARATION OF UNUSABLE EQUIPMENT, SUPPLIES, AND MATERIALS AS SURPLUS AND AUTHORIZE STAFF TO SELL SAID SURPLUS EQUIPMENT, SUPPLIES, AND MATERIALS THROUGH THE USE OF AN ONLINE AUCTION OR OTHER MEANS.**

(Barry Calhoun, Director of Public Works)

Public Works Director, Barry Calhoun, provided information on some items from multiple departments that need to be auctioned. This ranged from office equipment to trailers and mowers. Some of the items have already been replaced. It would be an online auction using the Gov Deals website. The website is free to use.

Motion made by Councilman Cornman, Seconded by Mayor Pro Tem Childers.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

5. **DISCUSS, CONSIDER AND/OR APPROVE A RESOLUTION OF THE CITY OF BAY CITY NAMING THE TEXAS DEPARTMENT OF TRANSPORTATION AS ITS AGENT FOR THE PURPOSES OF APPLYING FOR, RECEIVING AND DISBURSING FUNDS FOR SPECIFIED IMPROVEMENTS TOTALING \$7,548,000.00 AND FOR THE ADMINISTRATION OF CONTRACTS NECESSARY FOR THE BAY CITY REGIONAL AIRPORT.**

(James Mason, Airport Manager)

This item was tabled and will be placed on a workshop meeting for June 1, 2020 at 5:00 PM.

Motion made by Councilwoman Estlinbaum, Seconded by Councilman Marceaux.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

6. **DISCUSS, CONSIDER AND/OR APPROVE RATIFYING A RESOLUTION OF THE CITY OF BAY CITY NAMING THE TEXAS DEPARTMENT OF TRANSPORTATION AS ITS AGENT FOR THE PURPOSES OF APPLYING FOR, RECEIVING AND DISBURSING FUNDS FOR SPECIFIED IMPROVEMENTS TOTALING \$35,000.00 AND FOR THE ADMINISTRATION OF CONTRACTS NECESSARY FOR THE BAY CITY REGIONAL AIRPORT.**

(James Mason, Airport Manager)

This item was tabled and will be placed on a workshop meeting for June 1, 2020 at 5:00 PM.

Motion made by Councilwoman Estlinbaum, Seconded by Councilman Marceaux.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman,  
Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**7. DISCUSS, CONSIDER AND/OR APPROVE DISCOUNTING THE CITY'S WATER BILLS FOR FUTURE BILLING PERIOD(S) AS DETERMINED BY COUNCIL.**

(Mayor Pro Tem Jason Childers)

Mayor Pro Tem Jason Childers addressed if there was a need for utility billing forgiveness or discounts. Finance Director Scotty Jones advised that disconnects would not happen until late August but that notifications would be sent so that payment arrangements could be made. As of now, they are continuing with no late fees being assessed through the end of July 2020.

Motion made by Mayor Pro Tem Childers, Seconded by Councilwoman Sitz.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman,  
Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

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

Councilwoman Becca Sitz advised that the Drainage District has committed to assisting with a drainage survey for the area from the Colorado River to the East. The CDC will half the bill with \$100,000 and that would leave a \$50,000 gap. Mayor Robert K. Nelson advised that this would be on the June 9, 2020 meeting. Councilwoman Sitz also stated that the city needed to make an effort to get a plan in motion to clean up Caney Creek. City Manager, Shawna Burkhart, stated that the concrete bid would be placed back on the agenda as the lowest bidder decided to fall out of the project. She also advised that the June 9, 2020 meeting would be open to the public.

**ADJOURNMENT**

Motion made by Councilman Marceaux, Seconded by Councilwoman Sitz.  
Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Cornman, Councilman Marceaux, Councilwoman Sitz, Councilwoman Estlinbaum

**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 **Tuesday, May 19, 2020 before 6:00 p.m.** Any questions concerning the above items, please contact Mayor Robert K. Nelson at (979) 245-2137.

The facility is wheelchair accessible and accessible parking spaces available. Request for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary's Office at 979-245-5311 or email, [dholubec@cityofbaycity.org](mailto:dholubec@cityofbaycity.org) for further information.

# Visit Bay City

Jan 2020 – May 2020

Tourism Department Update

## CURRENT PROJECTS



**COVID-19 – Adjustments continue to be made.** Modifications implemented to tourism marketing plan. Promptly revised visitbaycitytx.com home page to inform tourist of travel restrictions and stay-at-home orders. Exchanged social media messaging to historic trivia on Facebook and Instagram replacing visitors' attractions. *"Can't wait to welcome you back"* message while waiting for travel restrictions to be lifted. Worked as liaison with restaurants and city to communicate updates from the governor's office through declaration of emergency. Contacted hotels to encourage social distancing, sanitation, common areas were shut down and that CDC Guidelines were being followed at properties. Coordinated Zoom meetings for local hotels with the Texas Hotel & Lodging Association to address questions regarding COVID-19, Payment Protection Plans and Proper Protection Equipment. Spring trade shows and local events were cancelled or postponed.

**Logo Design & Branding** – The Tourism Department is actively seeking bids for the logo design and brand. Research, immersion, development, design and implementation approximately six - nine months. Logo and brand placed on directional wayfinding signs. [Strategic Plan-Create Clear Message](#)

**Directional & Way Finding Signs** – Presently identifying locations for best placement of directional and wayfinding signs in addition to sign anatomy and system icons. Approaching the process as first time visitors. [Strategic Plan-Update Signage](#)

**Arts & Culture Committee** – First mural project of the year at 2824 7<sup>th</sup> Street in progress. Once the Denn Brothers Sporting Goods store, now 7<sup>th</sup> Street Market. Committee has determined this to be the ideal location to feature a fishing and hunting mural emphasizing outdoor sports recreation in the county. Will link into history as well. Interactive Summer Art Display ready for construction. Second mural to be sponsored by the Bay City Community Development Corporation. [Vision 2040-Create a Lively Atmosphere, add color and life to the city](#)

**"Olympian" Joe DeLoach Statue** – Pedestal for the project undergoing the etching phase. Laser processing requires approximately two weeks to finalize. [Vision 2040](#)

**Riverside Park Marketing Plan** – Assisting Parks & Recreation to implement strategy to attract visitors to the newly restored nature park and the Bay City area as a destination. [Strategic Plan-Destination Awareness](#)

**Video Marketing** – Organizing promotional video alongside the Bay City Community Development Corporation and Matagorda County Economic Development Corporation to attract businesses to Bay City and Matagorda County. *A great place to invest, live, play and stay.* [Vision 2040-Attract More Unique Downtown Retail, Dining and Nightlife](#)



## ONGOING PROJECTS

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**Love Where You Live Campaign** – Most recent Love Where You Live logos developed for the Bay City Public Library and Bay City Police Department. [Strategic Plan-Positive Promotion Campaign-Create Local Pride](#)

*Bay City Police Department*

*Bay City Public Library*



**Volunteer/Vendor List** – Collecting names of volunteers, vendors and entertainers as a resource guide for tourism events. Anyone interested in becoming a volunteer please email [hmartinez@cityofbaycity.org](mailto:hmartinez@cityofbaycity.org)

**Visit Bay City TX Facebook/Instagram Page** – Steady engagement on Facebook and Instagram. At present, 1,769 fans with an engagement of 1.6k. Instagram up to 411 followers with 28.1k impressions and a reach of 22.4k. [Strategic Plan-Social Media Moderator](#)

## COMPLETED PROJECTS

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**National Travel & Tourism Week – *The Spirit of Travel***- Launched an advertising campaign surrounding the Spirit of Travel theme. Designed flyers, advertisements, teamed up with local businesses for prizes to encourage participation. Article submitted to newspaper. [Marketing-Tourism Awareness for Locals](#)

**Wild Game & Wine Camo Fest Weekend** – Collaborated to combine the Tourism Department’s Wolf Moon Concert with the Bay City Mainstreet Department’s Camo Festival for an extended event into the evening promoting hotel night stays. [Vision 2040-Enhance Create Regular Downtown Events & Create Large Quarterly Events](#)

**Bird Blinds** – Construction is complete at Le Tulle Park and Riverside Park. [Strategic Plan-Promote Bay City Matagorda County as Birding Capital](#)

**Strategic Planning Session** – The Bay City Tourism Council held a Strategic Planning Session in January 2020. Updates carried out contain additions and variations to the existing plan. [Funding-Budget to Match Vision 2040 & Yearly Goals & Objectives](#)

## FUTURE PLANNING

**Customer Service Training Partnership with BCCDC** – Pending safe time to re-schedule course. The goal is to improve the overall visitors experience by enhancing their customer service engagements and attract more thriving tourism businesses to the area. [Vision 2040-Attract More Unique Downtown Retail, Dining and Nightlife](#)

**Leadership Matagorda Committee** – Tourism educational class delayed due to COVID-19. Awaiting cooler weather to conduct familiarization trip with Class 15. [Positivity Campaign-Education for Locals](#)

**Dia de los Muertos – Day of the Dead Festival** – Special Events not approved by Governor Abbott. Concert Committee adjusting to plan for 2021. [Vision 2040-Create Large Quarterly Events.](#)

## UPCOMING EVENTS

**July 4<sup>th</sup>** – Fireworks Display at Schulman’s Movie Bowl & Grille, Bay City, Texas

**August 15<sup>th</sup>** – Bay City Rotary Concert

**August 29<sup>th</sup>** – Full Moon Food Truck Festival, Matagorda County Birding Nature Center

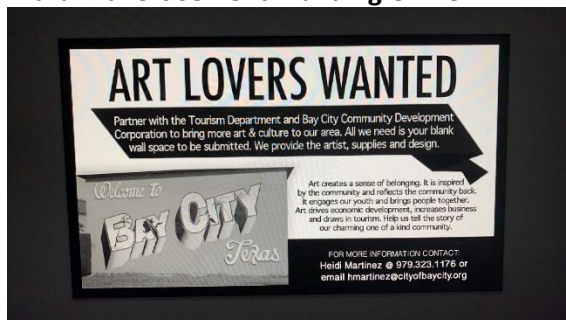
**National Travel & Tourism Week Promo**  
May 4 – 8, 2020



**Social Media Marketing**  
*Don't give up the idea of travel!*  
*#postponedontcancel*



**Mural Advertisement: Building Owner**





February 7, 2020

Richard Morton  
Interim City Manager  
City of Bay City  
1901 Fifth Street  
Bay City, TX 77414

Dear Richard Morton:

Congratulations go to the City of Bay City. The Bay City Public Library has been awarded the 2019 Texas Achievement in Library Excellence Award.

Libraries awarded this honor were required to meet a high level of excellence in their programming and services. To be considered, recipients were required to demonstrate quality services across ten criteria.

This year, only 53 Libraries out of 571 Texas public library systems were awarded this honor. This means your Library is in the top 10% of public libraries in the entire State of Texas.

Please accept our sincere congratulations to a city which values and provides quality Library services and programs for the continued education and personal enrichment of its residents.

Sincerely,

A handwritten signature in black ink that reads "Shelley Holley".

Shelley Holley, Frisco Public Library  
Chair, Achievement of Library Excellence Award  
Texas Municipal Library Directors Association  
An Affiliate Organization of the Texas Municipal League  
[www.tmla.org](http://www.tmla.org)



# BID TABULATION FORM

BID DESCRIPTION: Miscellaneous Concrete Repairs 2020

DATE: 4/30/2020

DEPARTMENT: Public Works

TIME: 10:00 A.M.

NAME OF BIDDER	ADDRESS / E-MAIL	PHONE NUMBER	TOTAL BID
A Team Landscaping Taylor Ashcraft	<a href="mailto:theateamlandscaping@yahoo.com">theateamlandscaping@yahoo.com</a>	(979) 216-8258	\$ 169,621.00
Matagorda Construction & Mat. Glenn Chambless	<a href="mailto:glenn_chambless@yahoo.com">glenn_chambless@yahoo.com</a>	(979) 323-9911	\$ 174,540.50
Zachery Phillips, Inc. Zachary Phillips	<a href="mailto:captzachphillips@gmail.com">captzachphillips@gmail.com</a>	(979) 216-6181	\$ 104,350.00
Hlavinka Construction Co. Joey Teague	<a href="mailto:joey.teague@hlavinka.com">joey.teague@hlavinka.com</a>	(979) 253-1049	\$ 49,590.00

LOW BIDDER: \_\_\_\_\_

AWARDED TO: \_\_\_\_\_

RECOMMENDATIONS/COMMENTS: \_\_\_\_\_

SIGNED: \_\_\_\_\_

DATE: \_\_\_\_\_



**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:** 06/01/2020  
*Last, First* *MM/DD/YYYY*

**Requestor Type:** City Staff **Meeting Date:** 06/09/2020  
*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 REJECT THE CONSTRUCTION BID FOR THE MISCELLANEOUS CONCRETE REPAIRS TO HLAVINKA CONSTRUCTION COMPANY AND AWARD THE CONSTRUCTION BID FOR THE MISCELLANEOUS CONCRETE REPAIRS TO ZACHERY PHILLIPS, INC. AND AUTHORIZE THE CITY MANAGER TO EXECUTE A CONTRACT APPROVED TO FORM BY THE CITY ATTORNEY BETWEEN THE CITY OF BAY CITY AND ZACHERY PHILLIPS, INC.**

### Executive Summary of Item:

This contract is needed to temporarily fill a void created by the retirement of an employee that spent 31 years with the City. Carmen Valdez, our concrete expert, retired on April 30, 2019. We have job openings posted for both a concrete finisher and a concrete helper but have not filled the positions.

This contract will allow public works to catch up on existing concrete projects, specifically curb replacements, and keep up with concrete pavement repairs due to utility work.

The bid was originally awarded to Hlavinka Construction on May 12, 2020. Upon receiving the Notice of Award from the City, Hlavinka Construction Co. notified the Director of Public Works that they did indeed find a major error in their submitted bid and could not execute a construction contract at this time.

Since the contract amounts exceeds \$50,000, staff has complied with the statutory procedures for competitive sealed bidding and is seeking council's approval to award the bid. Attached is the bid tabulation. Staff recommends awarding the bid to Zachery Phillips, Inc.

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

**WHEREAS**, the City of Bay City intends to make certain improvements to the Bay City Regional Airport; and

**WHEREAS**, the general description of the project is described as taxiway reconstruction/realignment and drainage; and

**WHEREAS**, the City of Bay City intends to request financial assistance from the Texas Department of Transportation for these improvements; and

**WHEREAS**, total project cost are estimated to be \$7,548,000, and the City of Bay City and will be responsible for 10% of the total project costs currently estimated to be \$754,800; and

**WHEREAS**, the City of Bay City names the Texas Department of Transportation as its agent for the purposes of applying for, receiving and disbursing all funds for these improvements and for the administration of contracts necessary for the implementation of these improvements;

**NOW, THEREFORE, BE IT RESOLVED**, that the City of Bay City hereby directs Mayor Robert K. Nelson to execute on behalf of the City of Bay City, at the appropriate time, and with the appropriate authorizations of this governing body, all contracts and agreements with the State of Texas, represented by the Texas Department of Transportation, and such other parties as shall be necessary and appropriate for the implementation of the improvements to the Bay City Regional Airport.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

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

ATTEST:

\_\_\_\_\_  
City Secretary

APPROVED AS TO FORM:

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

**AVIATION CAPITAL IMPROVEMENT PROGRAM**

Texas Department of Transportation -- Aviation Division

Locations, Projects, and Costs

**May 07, 2020**

**FEDERAL & STATE FY 2020**

Federal FY 2020 (October 2019 - September 2020)/State FY 2020 (September 2019 - August 2020)

City & Airport	Project Status & Description	Project Costs			
		Total	Federal	State	Local
<b>BAY CITY</b>	<b><u>Project Status:</u></b>				
<u>BAY CITY RGNL</u>	<i>PENDING</i>				
	Design/Engineering taxiway reconstruction/realignment and drainage plan (20 NPE)	350,000	315,000	0	35,000
<b>Project Totals:</b>		<b>\$ 350,000</b>	<b>\$ 315,000</b>	<b>\$ 0</b>	<b>\$ 35,000</b>

**AVIATION CAPITAL IMPROVEMENT PROGRAM**

Texas Department of Transportation -- Aviation Division

Locations, Projects, and Costs

**May 07, 2020**

**FEDERAL & STATE FY 2021**

Federal FY 2021 (October 2020 - September 2021)/State FY 2021 (September 2020 - August 2021)

City & Airport	Project Status & Description	Project Costs			
		Total	Federal	State	Local
<b>BAY CITY</b>	<b><u>Project Status:</u></b>				
<u>BAY CITY RGNL</u>	<i>PENDING</i>				
	Taxiway reconstruction Phase I-RPR, Contingency, Admin	543,000	488,700	0	54,300
	Reconstruction/realignment taxiways-Phase I	3,130,000	2,817,000	0	313,000
	<b>Project Totals:</b>	<b>\$ 3,673,000</b>	<b>\$ 3,305,700</b>	<b>\$ 0</b>	<b>\$ 367,300</b>



**AVIATION CAPITAL IMPROVEMENT PROGRAM**

Texas Department of Transportation -- Aviation Division

Locations, Projects, and Costs

**May 07, 2020**

**FEDERAL & STATE FY 2023**

Federal FY 2023 (October 2022 - September 2023)/State FY 2023 (September 2022 - August 2023)

City & Airport	Project Status & Description	Project Costs			
		Total	Federal	State	Local
<b>BAY CITY</b>	<b><u>Project Status:</u></b>				
<u>BAY CITY RGNL</u>	<i>PENDING</i>				
	Reconstruction/realignment Taxiway Phase II	3,000,000	2,700,000	0	300,000
	RPR, Admin, Contingency	525,000	472,500	0	52,500
<b>Project Totals:</b>		<b>\$ 3,525,000</b>	<b>\$ 3,172,500</b>	<b>\$ 0</b>	<b>\$ 352,500</b>



**CITY OF BAY CITY**

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**AGENDA ITEM SUBMISSION FORM**

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Citizen

City Staff

Council Member

Requestor Name: Alyssa Dibbern

Date Submitted: 6/2/20

Position Title (if City Staff): Engineering Tech

Council Meeting Date: June 9th

Type of Agenda Item:

Consent Agenda

Presentation

Regular Item for Discussion

Public Hearing

Executive Session

Agenda Wording:

Drainage Study Proposal

Executive Summary of Item:

The drainage study proposal is an analysis on four streams associated with Bay City and Matagorda County. 1D and 2D models will be run to help better understand how drainage of our storm water currently works/moves to mitigate flooding. This will give recognition for improvements to be made and a collective decision on regional detention, allowing for future economic development.

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

**AN ORDINANCE OF THE CITY OF BAY CITY, TEXAS, AMENDING ORDINANCE NO. 1643, BY AMENDING THE EMPLOYEE GUIDELINES FOR CITY EMPLOYEES; PROVIDING FOR PUBLICATION OF AMENDED EMPLOYEE GUIDELINES; PROVIDING FOR A CUMULATIVE AND CONFLICT CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the current edition of the City of Bay City Employee Guidelines for City Employees (hereinafter “Employee Guidelines”) was adopted on November 5, 2019, by passage of Ordinance No. 1643; and

**WHEREAS**, the Council finds it appropriate to revise the Employee Guidelines:

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

**I.  
EMPLOYEE GUIDELINES AMENDED**

The Employee Guidelines adopted on November 5, 2019, by passage of Ordinance No. 1643 is hereby amended by replacing same in its entirety with the language set out in Exhibit “A” attached hereto and incorporated herein for all purposes.

**II.  
PUBLICATION**

The Director of Human Resources is hereby authorized and directed to revise the publication of the “City of Bay City Employee Guidelines for City Employees” to reflect the revisions adopted herein.

**III.  
CUMULATIVE & CONFLICTS**

This Ordinance shall be cumulative of all provisions of Ordinances of the City of Bay City, Texas, except where the provisions of the Ordinances 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.

**IV.  
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.

**V.  
EFFECTIVE DATE**

This Ordinance shall become effective immediately upon passage.

**PASSED AND APPROVED on this the 28<sup>th</sup> day of April 2020.**

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

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
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>
Julie L. Estlinbaum	_____	_____	_____
Bill Cornman	_____	_____	_____
Jason Childers, Mayor Pro Tem	_____	_____	_____
Becca Sitz	_____	_____	_____
Brent Marceaux	_____	_____	_____

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

**ATTEST:**

\_\_\_\_\_  
City Secretary

**APPROVED AS TO FORM:**

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

**EXHIBIT "A"**  
**EMPLOYEE GUIDELINES AS ADOPTED**

## 6.10 TIMESHEETS

Hours worked should be entered into the Timeclock management system for the supervisor and/or Department Head approval. Finance will download all hours worked no later than the Monday before payroll by 10 a.m. When a City Holiday falls within a payroll week, departments will be notified by the Finance Department of submission date and time. All time entered into the Timeclock Management system must be approved by the employee and their supervisor.

All non-exempt employees are required to record their exact hours of work by completing a time sheet or by punching a time clock. After you have completed your time sheet for the work period, check it carefully to assure it is accurate. Then, approve your time if the total hours shown is correct and accurate to your understanding. If you feel the hours recorded are incorrect, do not approve your time until it has been corrected by your supervisor. **Never approve anyone else's time and never allow anyone else to approve yours. Likewise, never clock in for anyone else and never allow anyone else to clock in for you. Either of these are grounds for disciplinary action, up to and including discharge.** All time must be approved by both the employee and his or her supervisor. All employees that use Timeclock as a means to clock in and out, must approve their hours worked, in addition to their hours being approved by their immediate supervisor.

It is imperative that all employees verify their time to help avoid future corrections. It is the responsibility of the supervisor or Department Head to verify that the employee's submitted hours are in compliance with the overtime and compensatory time guidelines. If there are any corrections to be made, they will be taken care of during the following pay period.

Exempt employees are required to submit time as well. Although exempt employees may work more than their regular forty (40)-hour workweek, the completion of the timesheet aids in the tracking of employee leave and can be the basis for allowing work leave.

## 6.11 EMERGENCY POLICY

### 6.11.1 PURPOSE

Protecting the health and safety of everyone in our community is a key priority during a [City Declared Disaster](#)~~an emergency~~. [The Mayor may at any appropriate time declare City Declared Disaster based on a natural disaster or involving public health](#). The citizens of Bay City depend on City employees before, during and after ~~an emergency or a City Declared d~~Disaster to provide and/or restore essential public services for the health, safety, and quality of life for our community. This policy applies to all non-exempt and exempt employees, and is intended to clarify the procedures [during a City Declared Disaster for an emergency](#) and clarify the compensation policy for employees [during a City Declared Disaster when a state of emergency is imminent or has been declared by the City Manager](#)~~Mayor~~. No one will be excused from work, until the [City Manager](#)~~City Manager~~~~Mayor~~ authorizes employees to ~~leave~~[be relieved of their duties](#).

### 6.11.2 CITY FACILITIES

In the case of a weather emergency, (e.g. snow, ice, or other weather event), ~~a disaster~~, or other emergency on a workday ~~other than a City Declared Disaster~~, and unless a closing is announced in advance of reporting time, City personnel are required to report to work as usual unless the emergency conditions make it impossible to report safely to duty.

If City facilities are not closed and if weather or other emergency conditions make it impossible for an employee to report to work, the employee must notify his or her supervisor as soon as possible that the employee finds it impossible to report to duty safely. Time absent may be charged to available vacation, compensatory time, ~~personal time~~, or leave without pay.

In the case of a weather emergency (e.g., snow, ice, or other weather event), disaster, or other emergency on a workday, the ~~City Manager~~~~Mavor~~ ~~City Manager~~ is authorized to designate the closing of City facilities. The City Manager or designee is responsible for initiating the process of contacting employees. If City facilities are closed, City personnel who are not required to work that day will be paid for the actual time or day(s) that the City was officially closed.

- If an official City facility closes for weather or other emergencies occurs during an employee's scheduled vacation or personal day, that day will not count against the employee's vacation or personal leave balance.
- If an employee reports to work and the City Manager or Department Head sends the employee home because of inclement weather or other emergency, the employee will be given credit for a full workday.

### 6.11.3 RESPONSIBILITIES

In a ~~large scale emergency~~ ~~City Declared Disaster~~, City employees will be required to fulfill their individual responsibilities and function as a team to protect the City's vital assets, and maintain and restore essential City services.

Directors will be responsible for:

- 1) Providing training to all employees in their department regarding emergency operation procedures prior to May 31<sup>st</sup> each year.
- 2) Ensuring that employees are aware of their individual responsibilities under this policy, and that only under special circumstances will employees be allowed to be exempt from these responsibilities.
- 3) Assessing all approved vacation leave requests and advising employees of their responsibilities and when they need to return to work.
- 4) Allowing employees to secure their homes and families to prepare them to seek shelter or to evacuate when approved by the Director, or designee.
- 5) Ensuring that their departments are briefed on emergency procedures each year, to include both the City's responsibilities to the community and the employee responsibilities under the policies.

Employees will be responsible for:

- 1) Ensuring the safety and security of their families.



- 2) Ensuring that their contact information is current and up to date, so that the employee can be contacted when away from work.
- 3) Contacting their supervisor immediately upon knowledge of a ~~wide spread/widespread emergency in the City~~ City Declared Disaster, understanding that any preapproved leave may be subjected to postponement or cancellation.

Human Resources Department will be responsible for:

- 1) Providing Directors with current emergency information for all employees to verify.
- 2) Providing resource options to employees that may need assistance with shelter, laundry or other special needs.
- 3) Providing emergency shelter during the ~~City Declared Disaster disaster~~ City Declared Disaster for employees that remain in the City during the event(s). The Director of Human Resources will communicate this information to Department Directors with the location of the emergency shelter, by May 31<sup>st</sup> each year.

### 6.11.4 EMERGENCY PERIODS

The City Manager may require employees to work during an emergency or disaster regardless of whether City facilities are open or closed and regardless of the extent or duration of the emergency. Employees may be required to provide services to protect the public's health and safety and to assure the continuation of, or recovery of, normal City business processes.

There are ~~three-four~~ (34) defined periods associated with an emergency or natural disaster: pre-impact, emergency, exigency period and post-impact/recovery.

- 1) Pre-impact Period – This is the time period prior to the impending disaster and includes emergency response activities and preventative measures by the City of Bay City's departments in preparing for the impending emergency. This period begins and ends as determined by the ~~City Manager~~ Mayor ~~City Manager~~.
- ~~1) Intermediate (Exigency) Period – This is the time period during which emergency response activities are in progress, but when many of the City's services are able to be maintained on a limited basis. This period begins and ends as determined by the Mayor.~~
- 2) Emergency Period – This is the time period during which emergency response activities and restoration of critical services are conducted to protect life and property, and most other regular City services are suspended. There may be more than one Emergency Period during a City Declared Disaster Declaration. These period(s) begin and end as determined by the City Manager.
- 3) Exigency Period – This is the time period during which emergency response activities are in progress, but when many of the City's services are able to be maintained on a limited basis. This period begins and ends as determined by the City Manager. There may be more than one Emergency Period during a City Declared Disaster Declaration. These period(s) begin and end as determined by the City Manager.
- ~~2) Emergency Period – This is the time period during which emergency response activities and restoration of critical services are conducted to protect life and property, and most other regular City services are suspended. This period begins and ends as determined by the City Manager~~ Mayor.
- ~~3) Post/Recovery Period – This is the time period immediately following the emergency or disaster, during which the~~ City Manager ~~Mayor~~ City Manager determines if

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it is safe for all employees to return to work. Activities are conducted to restore the City's infrastructure and services to pre-disaster conditions. During this period, some employees may be required to return to work to assist with restoration of critical services, conduct emergency clearance of roadways, provide damage assessment, etc. This period is determined by the ~~City Manager~~Mayor~~City Manager~~, in consultation with Department Directors.

Employees must return to work as ~~directed by their Department Director~~soon as an emergency is over to participate in the post/recovery period. Employees ~~dismissed~~relieved from duties from work during a City Declared Disaster ~~an emergency will~~shall be paid: full time employees shall be paid their regular pay based on a 40 hour week; part-time employees shall be paid their hourly rate times the average hours worked in the preceding two (2) week period. These hours shall not be counted as time worked for the purpose of computing overtime for non-exempt employeesemergency paid leave. Said leave will start when the employee is ~~dismissed~~relieved from duties by their Department Director and will continue until the ~~City Manager~~Mayor~~City Manager~~ determines it is safe and prudent for some or all employees to return to work. ~~Employees are expected to return to work on their next scheduled work day or shift following the City Manager's determination that it is safe to return to work.~~If an employee fails to show up for work or cannot show up for other reasons, then the time lost will be away without pay, unless other paid leave is approved.

The City of Bay City recognizes that employees have personal and family responsibilities that are important and may conflict with the obligation to fulfill their job requirements during hazardous weather or a state or local emergency. When evacuation of personal residences is required, every effort will be made to allow employees to make arrangements for their families like any other citizen, including the use of authorized shelters.

Employees who are not able to return to work due to emergency conditions must contact their supervisor as soon as possible.

An employee who refuses a directive from the City Manager or a Department Head to report to work for all or part of an emergency period is subject to discipline by the City, up to and including termination.

### 6.11.5 COMPENSATION DURING EMERGENCY

In the event of a ~~Disaster~~City Declared Natural Disaster~~disaster Declaration~~Declaration, disaster declaration involving public health, that includes a declaration of a State of Emergency, and/or a long-term emergency, the City Manager ~~will~~may implement the provisions of the emergency pay policy ~~and suspend all regular pay practices.~~During this time the City Manager may also suspend the use of accrued leave, City-approved holiday(s), and Awarded Time Off, in an effort to ensure appropriate personnel is available to maintain operations. The suspension of leave may not interfere with the use of leave for purposes of family medical leave, bereavement or other such leave, including any other leave provided by State or Federal law.

In the event of a City Declared Disaster involving public health that includes a declaration of a State of Emergency, the City Manager may implement the provisions of the emergency pay

policy. During this time the City Manager may also suspend the use of accrued leave, City-approved holiday(s), and Awarded Time Off, in an effort to ensure appropriate personnel is available to maintain operations in a safe and prudent manner. The suspension of leave may not interfere with the use of leave for purposes of family medical leave, bereavement or other such leave, including any other leave provided by State or Federal law.

During the ~~pre-impact, emergency and post/recovery periods~~ emergency periods as defined in section 6.11.4, exempt and non-exempt employees released from work or who are not required to report to work due to the ~~emergency event~~ City Declared Disaster shall receive pay for their normally scheduled workday(s). These hours shall not be counted as time worked for the purpose of computing overtime for non-exempt employees.

During the ~~pre-impact, emergency and post/recovery periods non-exempt~~ emergency periods as defined in section 6.11.4, employees authorized to perform work for the benefit of the City during these periods will be paid any hours worked, in addition to any eligible overtime. ~~All exempt employee authorized to perform work for the benefit of the City during the pre-impact period will receive overtime for any hours worked in excess for forty (40) hours.~~ All employees (non-exempt and exempt) authorized to work, ~~excluding work performed under 6.12,~~ during ~~the emergency period~~ any of the periods set forth will an emergency period or exigency period defined in section 6.11.4, may be paid at a rate of ~~up to~~ one and a half times (1.5x) their base hourly rate (overtime rate) for all hours worked during the emergency period. ~~Department Directors may be eligible to receive overtime for any hours worked in excess of forty (40) hours, with consent from the City Manager. This will not include hours of rest and lunch.~~

### 6.11.6 EMPLOYEE GROUPS

Department Directors shall designate emergency essential and non-emergency essential personnel within their departments relating to City Declared Declaration during a natural disaster. All personnel shall be advised of their status upon hire and as of May 1<sup>st</sup> of each year. An individual employee's status may change, as the needs of the City changes, or at the discretion of the Department Director.

- Level I Personnel: Each Department Director and/or supervisor is responsible for identifying those employees who will be required to remain or respond in the event of emergency conditions and those employees will be designated as Level I Personnel. Level I employees will be required to be available immediately before, during and after the emergency condition to perform duties directly related to emergency conditions as determined by the City Manager.
- Level II Personnel: Each Department Director and/or supervisor is responsible for identifying employees who are considered Level II Personnel. Level II employees will be required to perform pre-impact related duties prior to an incident and immediately following the incident (post/recovery).
- Level III Personnel: The remaining employees that are not classified in one of the above categories will be classified as Level III Personnel. Level III employees will be released prior to an emergency. Because it is the City's responsibility and obligation to ensure that

infrastructure and critical services are repaired, restored, tested and/or inspected prior to their return to service, Level III employees are required to remain available for recall to duty.

**6.12 TELECOMMUTING POLICY**

The City has an established an Emergency Event Telecommuting Policy that is incorporated herein. With the prior written consent of the City Manager, any hours worked under that policy shall be considered hours worked under the Bay City Employee Guidelines

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April 27, 2020

COPY

The Honorable Mayor and  
Members of the City Council  
City of Bay City  
Bay City, Texas 77414

We are pleased to confirm our understanding of the services we are to provide the City of Bay City, Texas (the "City") for the year ended September 30, 2020. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City as of and for the year ended September 30, 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Pension Information
3. OPEB Information

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditors' report on the financial statements:

1. Combining and Individual Fund Statements and Schedules
2. Schedule of Expenditures of Federal and State Awards

The following other information accompanying the financial statements will not be subject to the auditing procedures applied in our audit of the financial statements, and our auditors' report will not provide an opinion or any assurance on that other information.

1. Introductory Section
2. Statistical Data

## Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements taken as a whole. The objective also includes reporting on –

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of the accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Mayor and members of the City Council. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

## Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific

procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, an unavoidable risk exists that some material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal and state awards; federal and state award programs; compliance with laws, regulations, contracts, and grant agreements, and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures - Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on the internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and/or state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*, and the Uniform Guidance.

#### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of test of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on the City's major programs. For federal programs that are included in the 2019 Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the 2019 Compliance Supplement identifies as being subject to audit. The purpose of those procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

### **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal and state awards, and related notes of the City in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on the information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Management Responsibilities**

Management is responsible for (1) designing, implementing, establishing and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and state awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have important roles in internal control, and (3) others where



the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances on noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on the first day of audit fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal and state awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and state awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal and state awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and state awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal and state awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and state awards.

You are also responsible for the preparation of the other supplementary information which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to using the auditors' report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents.

Also, with regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal and state awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal and state awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal and state awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will maintain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Harrison, Waldrop & Uherek, L.L.P. and constitutes confidential information. However, subject to applicable laws or regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency for audit or its designee, a federal agency providing direct or indirect funding, or the U.S. General Accounting Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Harrison, Waldrop & Uherek, L.L.P. personnel. Furthermore, upon request, we may provide photocopies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the cognizant agency, oversight agency or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit during the month of September 2020 and to issue our reports no later than March 31, 2021. Mr. Stephen W. Van Manen, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, typing, postage, travel, copies, telephone, etc.). Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Based on our preliminary estimates, the fee for the audit should not exceed \$36,000. This estimate is based on anticipated cooperation from your personnel, the completion of various analysis schedules that will be provided prior to the start of fieldwork, the availability of requested information, and the assumption that unexpected circumstances will not be encountered during the audit. Fees for any additional services provided outside the scope of the audit of the City's financial statements will be billed based upon our standard hourly rates which range from \$85 to \$120 per hour. Furthermore, we estimate that our fee will be approximately \$4,000 (in addition to the amount previously quoted) to comply with the financial audit requirements of the Uniform Guidance should the City be subject to those requirements for the year ending September 30, 2020.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2017 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City of Bay City, Texas and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

*Harrison, Waldrop & Uherek, LLP*

COPY

HARRISON, WALDROP & UHEREK, L.L.P.  
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of the City of Bay City, Texas.

Mayor

By: ✓ \_\_\_\_\_ Title: ✓ \_\_\_\_\_ Date: ✓ \_\_\_\_\_

City Manager

By: ✓ \_\_\_\_\_ Title: ✓ \_\_\_\_\_ Date: ✓ \_\_\_\_\_

# FARRIS & FARRIS, CPA'S

CERTIFIED PUBLIC ACCOUNTANTS

PAUL W. FARRIS, CPA  
DEBRA E. FARRIS, CPA

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Fax (361) 241-0558  
farriscpa@aol.com

## Report on the Firm's System of Quality Control

January 3, 2018

To the Owners

Harrison, Waldrop and Uherek LLP

And the Peer Review Committee of the Texas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Harrison, Waldrop and Uherek LLP (the firm) in effect for the year ended June 30, 2017. Our review was conducted in accordance with the standards for Performing and Reporting on Peer Reviews established by the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

### Required Selections and Considerations

Engagements selected for review included audits performed under Government Auditing Standards including compliance audits under the Single Audit Act.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

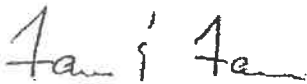
### Deficiency Identified in the Firm's System of Quality Control

We noted the following deficiency during our review:

- (1) The firm's quality control policies and procedures regarding engagement performance has not been adequately complied with to provide reasonable assurance that audit engagements are consistently performed in accordance with professional standards. The firm requires that engagement personnel are appropriately qualified to perform specialized industry audit engagements and use third party obtained checklists in performing these engagements. In one audit of a governmental entity subject to Uniform Guidance, the engagement partner did not have adequate experience in performing this type of engagement and selectively used checklists in performing the engagement. As a result, audit and uniform guidance planning documentation and procedures performed, disclosures and reporting deficiencies were noted. In our opinion, this inadequate documentation and reporting contributed to this engagement performed by the firm not conforming with professional standards in all material respects.

### Opinion

In our opinion, except for the deficiencies previously described, the system of quality control for the accounting and auditing practice of Harrison, Waldrop and Uherek LLP in effect for the year ended June 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiencies or fail. Harrison, Waldrop and Uherek LLP has received a peer review rating of pass with deficiency.



Farris & Farris CPA's