



CITY COUNCIL REGULAR MEETING CITY OF BAY CITY

Tuesday, July 13, 2021 at 6:00 PM
COUNCIL CHAMBERS | 1901 5th Street

COUNCIL MEMBERS

Mayor: Robert K Nelson

Mayor Pro Tem: Jason W. Childers

Council Members: Bradley Westmoreland, Becca Sitz, Floyce Brown, Jim Folse

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

AGENDA

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

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

CALL TO ORDER

INVOCATION & PLEDGE

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

Councilwoman Becca Sitz

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.

Councilwoman Becca Sitz

APPROVAL OF AGENDA

PUBLIC COMMENTS

State Law prohibits any deliberation of or decisions regarding items presented in public comments. City Council may only make a statement of specific factual information given in

response to the inquiry; recite an existing policy; or request staff places the item on an agenda for a subsequent meeting.

CONSENT AGENDA ITEMS FOR CONSIDERATION AND/OR APPROVAL

- 1. Meeting minutes of Council Capital Planning Workshop held on June 22, 2021**
- 2. Accounts Payable, Direct Payables, & Utility Refunds for January, February, March, April, May, & June 2021.**
- 3. TIRZ #1 Expenditures as recommended by the TIRZ Board**

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

- 4. Award ~ Acknowledging the actions of Randy Frontz, Marlon Swist, Patrick Cervantes, and Jose Deleon. Shawna Burkhart, City Manager**
- 5. Budget ~ Discuss, Consider, and/or Approve Budget Amendments for the Bay City Community Development Corporation (BCCDC) as of June 30, 2021. Jessica Russell, BCCDC Executive Director**
- 6. Budget~ Discuss, Consider, and/or Approve an Ordinance Adopting Budget Amendments for the Quarter Ending June 30, 2021. Scotty Jones, Finance Director**
- 7. Services ~ 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, 2021. Scotty Jones, Finance Director**
- 8. Bid Award ~ Discuss, consider, and/or award the construction bid for the AMI Water Meter Replacement Project under the Texas Water Development Board Funding for the Drinking Water SRF Projects to Accurate Utility Supply and authorize the Mayor and/or City Manager to execute a contract approved to form by the City Attorney between the City of Bay City, Texas and Accurate Utility Supply. Louis Rodriguez, Assistant Public Works Director**
- 9. Contract ~ Discuss, consider, and/or approve Work Order No. 4 to the Standard Contract Agreement between the City of Bay City, Texas and Garver, LLC for Professional Engineering Services for the Bay City Wastewater Treatment Plant Improvements Project under the Texas Water Development Board Funding Clean Water SRF Projects. Barry Calhoun, Public Works Director**
- 10. Contract ~ Discuss and receive Council direction regarding Nile Valley bid specification discrepancies. Barry Calhoun, Public Works Director**

CLOSED / EXECUTIVE SESSION

- 11. Legal ~ Executive Session pursuant to Section 551.071 of the Texas Government code (Consultation with Counsel on legal matters).**

OPEN SESSION

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

ITEMS / COMMENTS & MAYOR AND COUNCIL MEMBERS**ADJOURNMENT****AGENDA NOTICES:**

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

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

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

CERTIFICATION OF POSTING

This is to certify that the above notice of a Regular Called Council Meeting was posted on the front window of the City Hall of the City of Bay City, Texas on **Friday, July 9, 2021 before 6:00 p.m.** Any questions concerning the above items, please contact Mayor Robert K. Nelson at (979) 245-2137.

CITY OF BAY CITY

MINUTES • JUNE 22, 2021

COUNCIL
CHAMBERS | 1901
5th Street

City Council Workshop - Capital Planning

3:00 PM

1901 5TH STREET
BAY CITY TX, 77414



Mayor

Robert K. Nelson

Councilman

Jim Folse

Mayor Pro Tem

Jason W. Childers

Councilman

Brent P. Marceaux

Councilwoman

Becca Sitz

Councilwoman

Floyce Brown

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

CALL TO ORDER

Meeting was called to order at 3:07 by Mayor Robert K. Nelson

CERTIFICATION OF QUORUM

PRESENT

- Mayor Robert K. Nelson
- Mayor Pro Tem Jason W. Childers
- Councilman Jim Folse
- Councilwoman Becca Sitz

ABSENT

- Councilwoman Floyce Brown
- Councilman Brent P. Marceaux

PUBLIC COMMENTS

There were no public comments.

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND / OR APPROVAL

1. **Budget ~ Discuss, Consider, and/or take action on the Ten (10) Year Capital Planning ranking process.** Scotty Jones, Finance Director

Scotty Jones, Finance Director, and Council reviewed capital improvements proposed over the next ten years by department and their priorities.

Shawna Burkhart, City Manager, reviewed items proposed to procure with ARP funds and Hotel/Motel Tax funds.

Scotty Jones reviewed the City's outstanding dept.

ADJOURNMENT

Motion to adjourn made by Councilwoman Sitz, Seconded by Mayor Pro Tem Childers. Voting Yea: Mayor Nelson, Mayor Pro Tem Childers, Councilman Folse, Councilwoman Brown, Councilwoman Sitz. Motion carried and the meeting adjourned at 5:30 p.m.

PASSED AND APPROVED, this ____ day of _____, 2021.

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

 JEANNA THOMPSON
 CITY SECRETARY

**AGENDA ITEM REQUEST
FOR
CITY COUNCIL APPROVAL**

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

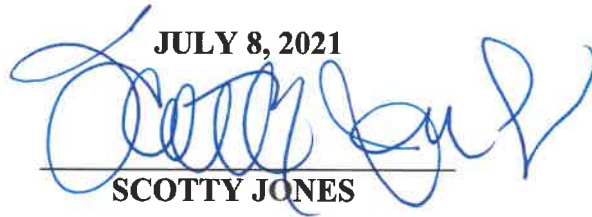
ACCOUNTS PAYABLE	01/08/21
ACCOUNTS PAYABLE	01/15/21
ACCOUNTS PAYABLE	01/22/21
ACCOUNTS PAYABLE	01/29/21
ACCOUNTS PAYABLE	02/05/21
ACCOUNTS PAYABLE	02/11/21
ACCOUNTS PAYABLE	02/25/21
ACCOUNTS PAYABLE	03/05/21
ACCOUNTS PAYABLE	03/08/21
ACCOUNTS PAYABLE	03/12/21
ACCOUNTS PAYABLE	03/19/21
ACCOUNTS PAYABLE	03/26/21
ACCOUNTS PAYABLE	04/01/21
ACCOUNTS PAYABLE	04/13/21
ACCOUNTS PAYABLE	04/16/21
ACCOUNTS PAYABLE	04/22/21
ACCOUNTS PAYABLE	04/23/21
ACCOUNTS PAYABLE	04/27/21
ACCOUNTS PAYABLE	04/28/21
ACCOUNTS PAYABLE	05/14/21
ACCOUNTS PAYABLE	05/21/21
ACCOUNTS PAYABLE	06/07/21
ACCOUNTS PAYABLE	06/11/21
ACCOUNTS PAYABLE	06/18/21
ACCOUNTS PAYABLE	06/25/21
DIRECT PAYABLES	01/20/21
DIRECT PAYABLES	02/26/21
DIRECT PAYABLES	03/02/21
DIRECT PAYABLES	03/04/21
UTILITY REFUNDS	01/15/21

UTILITY REFUNDS	01/27/21
UTILITY REFUNDS	02/03/21
UTILITY REFUNDS	04/06/21
UTILITY REFUNDS	04/28/21
UTILITY REFUNDS	06/21/21

RESPECTFULLY SUBMITTED

FINANCE DIRECTOR

JULY 8, 2021



SCOTTY JONES

AGENDA ITEM FOR CITY COUNCIL APPROVAL
Consider/Approve TIRZ I expenditures as recommended by the TIRZ Board

Tax Increment Reinvestment Zone #1

The Board of Directors shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. (Ord. 1556, 1567)

Invoice Date	Invoice #	Requested/ Recommended by	Check Amount	Payee	Description	Category	Check #
5/1/2021		N/A	\$2,097.57	City of Bay City	FY 2021 2.5% Admin Fee	Administrative Costs	
5/13/2021	N/A	TIRZ Board	\$16,038.97	SAL Holding, LLC	Phase II- Cottonwood Park	Public ROW	192436
TOTAL			\$18,136.54				

Notes: TIRZ Board approved up to \$20,689.77 on Phase II Reimbursement on November 19, 2020. City pays as invoices are submitted.

BUDGET~ DISCUSS, CONSIDER, AND/OR APPROVE BUDGET AMENDMENTS FOR THE BAY CITY COMMUNITY DEVELOPMENT CORPORATION (BCCDC) AS OF JUNE 30, 2021.



EXECUTIVE SUMMARY
BUDGET AMENDMENTS

BACKGROUND: The Bay City Community Development Corporation is a component unit of the City. In accordance with the CDC's articles of incorporation, the City Council approves the annual budget. City Council also approves amendments for the BCCDC.

The BCCDC Board approves amendments prior to submitting to City Council.

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

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

ATTACHMENTS: Budget Amendments as approved by Board on June 28, 2021

BUDGET AMENDMENT

ITEM #5.

DEPARTMENT: Bay City Community Development Corp.


Date: 6.28.21

Reason for Budget Amendment: (Please indicate)

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

Account Description	Fund #	Account #	Expenditure Increase	Exp. Decrease or Rev. Increase	Notes
			Debit	Credit	
			\$ -		
telephone and cell phone	415	4410	\$ 1,160		upgraded phone system
Business meals	415	4497	\$ 1,058		
Reserves	X	X		\$103,218	
Misc Expense	415	4499	\$ 500		
Contract services	420	4425	\$ 1,000		
Advertising	420	4460	\$ 2,000		increased advertising for new programs and through COVID
travel	420	4230		\$3,000	no traveling through COVID
CED Insurance & Main.	485	4021	\$ 100,000		Unscheduled main., AC testing and repair
unemployment insurance			\$ 500		
The amendments above relate to					
Balancing the budget for 2020-2021					
TOTAL			\$ 106,218	\$ 106,218	

BCCDC Executive Director



6/28/21
Date

BCCDC Board



6/28/21
Date

Authorized by:

_____ Council Authorized Signature

_____ Date

**BUDGET~ DISCUSS, CONSIDER, AND/OR APPROVE AN ORDINANCE ADOPTING
BUDGET AMENDMENTS FOR THE QUARTER ENDING JUNE 30, 2021.**



EXECUTIVE SUMMARY
BUDGET AMENDMENTS

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

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

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

ATTACHMENTS: Ordinance and Budget Amendments

BUDGET AMENDMENT

ITEM #6.

DEPARTMENT: General Fund

Date: 6/30/2021

Reason for Budget Amendment: (Please indicate)

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

X

Brief Description of Request: **FY2021: General Fund-Payroll**

Account Description	Fund #	Account #	Expenditure	Exp. Decrease	Notes
			Increase or Revenue Decrease	or Rev. Increase	
			Debit	Credit	
Salaries and Wages	11	115-4105	\$ 1,200		City Secretary
FICA	11	115-4205	\$ 92		
Retirement	11	115-4210	\$ 120		
Salaries and Wages	11	120-4105	\$ 2,400		Human Resource
FICA	11	120-4205	\$ 184		
Retirement	11	120-4210	\$ 241		
Salaries and Wages	11	125-4105	\$ 3,600		Municipal Court
FICA	11	125-4205	\$ 275		
Retirement	11	125-4210	\$ 361		
Salaries and Wages	11	130-4105	\$ 4,800		Finance Dept.
FICA	11	130-4205	\$ 367		
Retirement	11	130-4210	\$ 481		
Salaries and Wages	11	135-4105	\$ 2,400		Code Enforcement
FICA	11	135-4205	\$ 184		
Retirement	11	135-4210	\$ 241		
Salaries and Wages	11	150-4105	\$ 45,600		Police
FICA	11	150-4205	\$ 3,488		
Retirement	11	150-4210	\$ 4,574		
Salaries and Wages	11	155-4105	\$ 3,600		Animal Impound
FICA	11	155-4205	\$ 275		
Retirement	11	155-4210	\$ 361		
Salaries and Wages	11	165-4105	\$ 1,200		Fire
FICA	11	165-4205	\$ 92		
Retirement	11	165-4210	\$ 36		
Health & Compensation Pool	11	110-4496		\$ 76,172	Decrease Compensation Pool
<i>To reflect the Council Approved Compensation Plan in the Budget</i>					
TOTAL			\$ 76,172	\$ 76,172	

Dept. Head Signature:

[Handwritten Signature]

Date

7/8/21

Finance Director Signature:

[Handwritten Signature]

Date

7/8/21

City Manager:

Date

BUDGET AMENDMENT

ITEM #6.

DEPARTMENT: General Fund

Date: 6/30/2021

Reason for Budget Amendment: (Please indicate)

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

X

Brief Description of Request: **FY2021: General Fund-Payroll**

Account Description	Fund #	Account #	Expenditure	Exp. Decrease	Notes
			Increase or Revenue Decrease	or Rev. Increase	
			Debit	Credit	
Salaries and Wages	11	170-4105	\$ 4,200		Recycling Center
FICA	11	170-4205	\$ 321		
Retirement	11	170-4210	\$ 421		
Salaries and Wages	11	175-4105	\$ 12,000		Streets
FICA	11	175-4205	\$ 918		
Retirement	11	175-4210	\$ 1,204		
Salaries and Wages	11	180-4105	\$ 9,600		Parks
FICA	11	180-4205	\$ 734		
Retirement	11	180-4210	\$ 963		
Salaries and Wages	11	181-4105	\$ 1,200		Riverside
FICA	11	181-4205	\$ 92		
Retirement	11	181-4210	\$ 120		
Salaries and Wages	11	183-4105	\$ 1,200		Pools
FICA	11	183-4205	\$ 92		
Retirement	11	183-4210	\$ 120		
Salaries and Wages	11	190-4105	\$ 7,800		Library
FICA	11	190-4205	\$ 597		
Retirement	11	190-4210	\$ 782		
Health & Compensation Pool	11	110-4496		\$ 42,365	Decrease Compensation Pool
<i>To reflect the Council Approved Compensation Plan in the Budget</i>					
TOTAL			\$ 42,365	\$ 42,365	

Dept. Head Signature: _____

Date: 7/8/21

Finance Director Signature: _____

Date: 7/8/21

City Manager: Shawna D Burkhardt

Date: 7/8/21

BUDGET AMENDMENT

ITEM #6.

DEPARTMENT: Utility Fund

Date: 6/30/2021

Reason for Budget Amendment: (Please indicate)

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

Brief Description of Request: FY2021: Utility Fund-Payroll

Account Description	Fund #	Account #	<i>Expenditure Increase or Revenue Decrease</i>	<i>Exp. Decrease or Rev. Increase</i>	Notes
			Debit	Credit	
Salaries and Wages	61	605-4105	\$ 3,600		Utility Billing
FICA	61	605-4205	\$ 275		
Retirement	61	605-4210	\$ 361		
Salaries and Wages	61	610-4105	\$ 6,000		Utility Operations
FICA	61	610-4205	\$ 459		
Retirement	61	610-4210	\$ 602		
Salaries and Wages	61	615-4105	\$ 14,400		Utility Maintenance
FICA	61	615-4205	\$ 1,102		
Retirement	61	615-4210	\$ 1,444		
Salaries and Wages	61	620-4105	\$ 3,600		Water & WWTP
FICA	61	620-4205	\$ 275		
Retirement	61	620-4210	\$ 361		
Health & Compensation Pool	61	610-4496		\$ 42,365	Decrease Compensation Pool
TOTAL			\$ 32,480	\$ 42,365	

To reflect the Council Approved Compensation Plan in the Budget

Dept. Head Signature: _____

Date _____

Finance Director Signature: _____

Date _____

City Manager: _____

Date _____

BUDGET AMENDMENT

ITEM #6.

DEPARTMENT: Utility Fund

Date: 6/30/2021

Reason for Budget Amendment: (Please indicate)

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

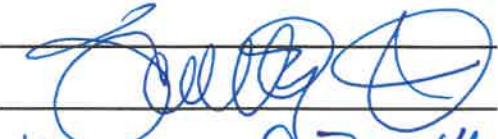
X


Brief Description of Request: **FY2021: Utility Fund**

Account Description	Fund #	Account #	Expenditure Increase or Revenue Decrease		Notes
			Debit	Credit	
R&M Infrastructure - Water	61	615-4520	500,000		Emergency water leak repairs
R&M Infrastructure - Sewer	61	615-4525	150,000		Emergency Sewer repairs
Postage & Freight	61	610-4305		2,000	
General Supplies	61	610-4310		2,000	
Salaries & Wages	61	615-4105		80,000	
Overtime	61	615-4106		18,000	
Chemical Supplies	61	615-4312		5,000	
Fuel - Gasoline & Oil	61	615-4320		15,000	
Engineering Services	61	615-4419		34,000	
Contracted Services	61	615-4425		31,000	
Leases & Rentals	61	615-4427		11,500	
R&M Furniture & Equipment	61	615-4505		46,000	
R&M Vehicles	61	615-4510		4,000	
CE - Furniture & Equipment	61	620-4605		5,000	
CE Infrastructure - Water	61	620-4620		88,000	
Equity Balances Forward	61	3999		308,500	Reserves
Utilities	61	620-4415	100,000		Reclass of Budget from Maint. to W&WWTP
Utilities	61	615-4415		100,000	

The amendments above relate to the following:
 Expenses not budgeted for.

TOTAL		\$ 750,000.00	\$ 750,000.00
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Dept. Head Signature:  **Date:** 7/1/21

Finance Director Signature:  **Date:** 7/8/21

City Manager: Shawna D Burkhardt **Date:** 7/8/21

BUDGET AMENDMENT

ITEM #6.

DEPARTMENT: Hotel/Motel Fund

Date: 6/30/2021

Reason for Budget Amendment: (Please indicate)

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

X

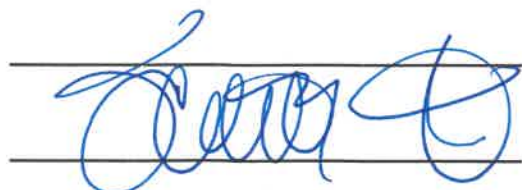
Brief Description of Request: **FY2021: Hotel/Motel Fund**

Account Description	Fund #	Account #	Expenditure Increase or Revenue Decrease	Exp. Decrease or Rev. Increase	Notes
			Debit	Credit	
Hotel/Motel Revenue	25	3220	\$ 50,000		Decrease Revenue
Civic Center Rentals	25	3610		\$ 25,000	Increase Rental Revenue
Prior Year Fund Balance	25	3999	\$ 200,000		
CE- Building	25	253-4615		\$ 225,000	Decrease Expense TX Theater
TOTAL			\$ 250,000	\$ 250,000	

The amendments above relate to the following:

To reduce Hotel Revenues to do trend this year and to decrease the use of fund balance (reserves).

Dept. Head Signature:



Date

7/8/21

Finance Director Signature:



Date

7/8/21

City Manager:

Date

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BAY CITY, TEXAS, ADOPTING A "BUDGET AMENDMENT #3 TO THE "ANNUAL BUDGET OF THE CITY OF BAY CITY, TEXAS, FOR THE FISCAL YEAR 2021"; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT.

WHEREAS, by Ordinance No. 1651, the City of Bay City, Texas, adopted its "Annual Budget" for Fiscal Year 2021;

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

WHEREAS, the City Council desires to amend said Original General Budget to reflect such supplemental appropriation and/or transfer in the fiscal year 2021; now, therefore,

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

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

Section 2. The "Annual Budget" of the City of Bay City, Texas, for the Fiscal Year 2021, is hereby amended as shown on "Budget Amendment #3" to the Original Budget of the City of Bay City, Texas, for the Fiscal Year 2021, attached hereto. These amendments are for municipal purposes. Said Budget Amendment shall be attached to and made a part of such Annual Budget by the City Secretary and shall be filed as required by state law, a true ad correct copy of which is attached hereto as Exhibit "A" and made a part hereof for all purposes.

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

PASSED AND APPROVED on first and final reading this 13th day of July 2021.

CITY OF BAY CITY, TEXAS

Robert K. Nelson, Mayor

ATTEST:

Jeanna Thompson, City Secretary

APPROVED as to FORM:

Anne Marie Odefey, City Attorney

<u>Council Member:</u>	<u>Voted Aye</u>	<u>Voted No</u>	<u>Absent</u>
Bradley Westmoreland	_____	_____	_____
Jim Folse	_____	_____	_____
Floyce Brown	_____	_____	_____
Becca Sitz	_____	_____	_____
Jason Childers Mayor Pro-Tem	_____	_____	_____

Robert K. Nelson, Mayor

ATTEST:

Jeanna Thompson, City Secretary

APPROVED AS TO FORM AND SUBSTANCE:

Anne Marie Odefey, City Attorney

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, 2021.



EXECUTIVE SUMMARY

AUDIT SERVICES

BACKGROUND:

An engagement letter is signed between the City and the Audit firm each year prior to the close of the fiscal year to be audited. This is a standard document that details the responsibility of management, the audit objectives, and the associated fees.

FINANCIAL IMPLICATIONS:

The audit fee could change from year to year. The fee presented of \$36,000 is the same as prior year audit period. An additional \$4,000 will be incurred for a Single Audit if applicable.

IMPACT ON COMMUNITY SUSTAINABILITY:

It provides financial information to the public and other interested 3rd parties. Audits portray a City's financial strength or weakness and determine whether a City's financial statements are free of any material misstatements to the reader.

RECOMMENDATION:

Staff recommends City Council approve the engagement letter with Harrison, Waldrop, and Uherek (HWU). HWU has strong municipal audit experience and has the ability to rotate audit staff.

ATTACHMENTS: Audit Engagement Letter



CERTIFIED PUBLIC ACCOUNTANTS
101 S. MAIN, SUITE 400
VICTORIA, TEXAS 77901-8142

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June 24, 2021

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, 2021. 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, 2021. 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 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 Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the 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. In addition, we will propose the necessary cash to accrual conversion journal entries and maintain amortization schedules for the City. 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

involving (1) management, (2) employees who have significant 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 including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Harrison, Waldrop & Uherek, L.L.P., will not be included in any such offering document without or prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

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 2021 and to issue our reports no later than March 31, 2022. Ms. Melissa M. Terry, 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, 2021.

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 2020 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, L.L.P.
Certified Public Accountants

COPY

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 FARRIS, CPA
DEBRA E. FARRIS, CPA

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farriscpa@aol.com

Report on the Firm's System of Quality Control

January 20, 2021

To the Owners
Harrison, Waldrop & 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 & Uherek LLP (the firm) in effect for the year ended June 30, 2020. 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. 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

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.

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Harrison, Waldrop & Uherek LLP in effect for the year ended June 30, 2020, 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 & Uherek LLP has received a peer review rating of *pass*.


Farris & Farris CPA's



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: Rodriguez, Louis **Date Submitted:** 07/07/2021
Last, First *MM/DD/YYYY*

Requestor Type: City Staff **Meeting Date:** 07/13/2021
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Assistant Director of Public Works – Utilities & Operations
For City Staff Only

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

Agenda Content:

DISCUSS, CONSIDER, AND/OR AWARD THE CONSTRUCTION BID FOR THE AMI WATER METER REPLACEMENT PROJECT UNDER THE TEXAS WATER DEVELOPMENT BOARD FUNDING FOR THE DRINKING WATER SRF PROJECTS TO ACCURATE UTILITY SUPPLY AND AUTHORIZE THE MAYOR AND/OR CITY MANAGER TO EXECUTE A CONTRACT APPROVED TO FORM BY THE CITY ATTORNEY BETWEEN THE CITY OF BAY CITY AND ACCURATE UTILITY SUPPLY.

Executive Summary of Item:

The Drinking Water State Revolving Fund, authorized by the Safe Drinking Water Act, provides low-cost financial assistance for planning, acquisition, design, and construction of water infrastructure. Eligible applicants for the DWSRF include publicly and privately-owned community water systems, including nonprofit water supply corporations and nonprofit, non-community public water systems.

The City of Bay City was awarded \$20,300,00 in funding from the Texas Water Development Board (TWDB) to make critical improvements to the City's water systems. These improvements will include upgrades to our existing water plants, water distribution system, water meters, and new water plants.

This agenda item is to award the construction bid for the AMI Water Meter Replacement Project to the best value proposer.

It is staff's recommendation to award this bid to Accurate Utility Supply.

Garver Project
No. 21W09105

Bay City Meter Replacement Bid Tabulation

Date: June 10, 2021

Bidders Name	Base Bid Total	Extra Unit Price Items	Total Monthly Subscription Charges	Calendar Days to substantial completion	Bid Bond
RTS Water Solution	\$ 2,431,842.76	\$ 472,215.60	\$ 5,109.75	182	Provided
Aqua Metric Sales Company	\$ 2,496,783.65	\$ 270,275.20	\$ 114,638.53	730	Provided
Agua Works Pipe & Supply, LLC	\$ 2,715,170.82	\$ 1,440,000.00	\$ 2,788.90	335	Provided
Accurate Utilities Supplies	\$ 3,361,835.00	\$ 1,367,650.00	\$ 6,063.57	360	Provided

Garver Project No.
21W09105

Bay City Meter Replacement Bid Scoring

Date: June 10, 2021

Rank	Bidders Name	Water Meter	Base Bid Total	Extra Unit Price Items	Total Cost	Cost Score	Total Monthly Subscription Charges	Calendar Days to Substantial Completion	Schedule (0-10)	Total AMI Capabilities (0-25)	Tech Support (0-20)	Qualifications of Offeror (0-20)	Total
	Aqua Metric Sales Company	Sensus/ Xylem/ Ipearl	\$ 2,496,783.65	\$ 270,275.20	\$ 2,767,058.85	24.33	\$ 114,638.53	730	0	12.5	15	18	69.83
	Envocore RTS Water Solution	Unspecified	\$ 2,431,842.76	\$ 472,215.60	\$ 2,904,058.36	25.00	\$ 5,109.75	182	5	5	10	5	50.00
	Agua Works Pipe & Supply, LLC	Kamstrup	\$ 2,715,170.82	\$ 1,440,000.00	\$ 4,155,170.82	22.09	\$ 2,788.90	335	10	12.5	10	15	69.59
	Accurate Utilities Supplies	Badger Meter	\$ 3,361,835.00	\$ 1,367,650.00	\$ 4,729,485.00	15.44	\$ 6,063.57	360	9	25	20	20	89.44

Low \$ 2,431,842.76 Low \$ 2,767,058.85

$$Cost\ Score = 25 \times \left[1 - \left(\frac{Alt.\ Cost - Lowest\ Alt.\ Cost}{Lowest\ Alt.\ Cost} \right) \right]$$



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AGENDA ITEM SUBMISSION FORM

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

Requestor Name: Calhoun, Barry **Date Submitted:** 07/07/2021
Last, First *MM/DD/YYYY*

Requestor Type: City Staff **Meeting Date:** 07/13/2021
Citizen/City Staff/Council Member *MM/DD/YYYY*

Position Title Director of Public Works
For City Staff Only

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

Agenda Content:

DISCUSS, CONSIDER, AND/OR APPROVE WORK ORDER NO.4 TO THE STANDARD CONTRACT AGREEMENT BETWEEN THE CITY OF BAY CITY, TEXAS AND GARVER, LLC FOR PROFESSIONAL ENGINEERING SERVICES FOR THE BAY CITY WASTEWATER TREATMENT PLANT IMPROVEMENTS PROJECT UNDER THE TEXAS WATER DEVELOPMENT BOARD FUNDING CLEAN WATER SRF PROJECTS.

Executive Summary of Item:

The Clean Water State Revolving Fund, authorized by the Clean Water Act, provides low-cost financial assistance for planning, acquisition, design, and construction of wastewater, reuse, and stormwater infrastructure. Eligible applicants for the CWSRF include cities, counties, districts, river authorities, designated management agencies, authorized Indian tribal organizations, and public and private entities proposing nonpoint source or estuary management projects.

The City of Bay City was awarded \$36,400,000 in funding from the Texas Water Development Board (TWDB) to make critical improvements to the City's wastewater systems. These improvements will include upgrades to our existing wastewater treatment plant, wastewater lift stations, and wastewater collection system.

This agenda item is to approve additional work authorizations to the existing contract between the City of Bay City and Garver to assist the City with the design, bidding, and construction management services for the Bay City Wastewater Treatment Plant Improvements Project.

It is staff's recommendation to approve Work Order No. 4 so the City can move forward with this project.

**EXHIBIT A****WORK ORDER NO. 4****CITY OF BAY CITY****WWTP Improvements Design & Bid Phase****Project No. 20W09156**

This WORK ORDER (“Work Order”) is made by and between the **City of Bay City** (hereinafter referred to as “Owner”) and **Garver, LLC**, (hereinafter referred to as “Garver”) in accordance with the provisions of the MASTER AGREEMENT FOR PROFESSIONAL SERVICES executed on October 27, 2020 (the “Agreement”).

Under this Work Order, the Owner intends to make the following improvements for **Bay City WWTP Improvements Design**.

Generally, the scope of services generally includes professional services necessary for the final design, bid phase, and other services as noted in Appendix A for the City of Bay City (COBC) improvements to the Bay City Wastewater Treatment Plant (WWTP). The work also includes incorporating the Cottonwood Lift Station rehabilitation design into the WWTP construction package.

Garver will provide professional services as described herein. Terms not defined herein shall have the meaning assigned to them in the Agreement.

1. SCOPE OF SERVICES

1.1. Refer to APPENDIX A – SCOPE OF SERVICES.

2. PAYMENT

2.1. The lump sum amount to be paid under this Agreement is \$3,151,198.00. For informational purposes, a breakdown of Garver’s estimated costs is included in APPENDIX B – FEE SUMMARY.

3. APPENDICES

3.1. The following Appendices are attached to and made a part of this Work Order:
Appendix A – Scope of Services
Appendix B – Fee Summary



This Work Order may be executed in two (2) or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

The effective date of this Work Order shall be the last date written below.

CITY OF BAY CITY

GARVER, LLC

By: _____
Signature

By: _____
Signature

Name: Robert K. Nelson
Printed Name

Name: Daniel N. Olson, P.E.
Printed Name

Title: Mayor

Title: Vice President

Date: _____

Date: _____

Attest: _____

Attest: _____

APPENDIX A – SCOPE OF SERVICES

General

The scope of services includes professional services necessary for the final design, bid phase, and other services as noted in this document for the City of Bay City (COBC) improvements to the Bay City Wastewater Treatment Plant (WWTP). In prior agreements, Garver developed conceptual engineering reports and provided preliminary planning services for the work. Additionally, Garver participated in securing funding for the work through the Texas Water Development Board’s (TWDB) State Revolving Funds (SRF). The COBC is both owner and the client for this project.

Engineering and construction for this project are intended to be financed through the TWDB SRF process. Construction for this work is expected to be executed under two design-bid-build construction contracts. The WWTP and associated facilities are included in this scope. The future professional services contracts are expected to be developed for construction phase engineering and management services.

The works identified under the preliminary engineering report and DIMs are to be included under the Facilities Work Contract. The scope of services includes the design of the following elements:

- 1. Overall Facility Design Criteria and Mass Balance
- 2. Facility Hydraulics
- 3. Influent Pump Station
- 4. Headworks
- 5. Aeration Basins
- 6. Blower Building
- 7. Clarifiers
- 8. RAS/WAS Pumping
- 9. Disinfection and Contact Basin
- 10. Non-Potable Water System
- 11. Sludge Holding Tanks
- 12. Dewatering Facility
- 13. Site Civil and Yard Piping
- 14. Structural Design Criteria and Foundation Design
- 15. Electrical System
- 16. SCADA System
- 17. Administration Building
- 18. Building Design Criteria
- 19. Construction Sequencing/Maintenance of Plant Operations
- 20. Opinion of Probable Construction Cost.

The Offsite improvements at the Cottonwood Lift Station are also going to be included under the Facilities Work Contract.

1. Task I: Project Management

This task is for the anticipated preliminary design phase, final design phase, and bidding phase only and is anticipated to be 12 months long.

Garver will provide and develop project control tools including progress reports, action items log, decision log, design team meetings, workshops, and schedule and invoicing. Garver shall provide professional services in this Task as follows:

- 1.1. Prepare a Project Work Plan (Garver form), a document to be used by all participants to ensure communication on the understanding of project goals, scope, and tasks. This project plan will serve all design phases. It will address:
 - Project schedule.
 - Project budget.
 - Quality Management Plan.
 - Change Management Plan.
 - Communications Plan.

- 1.2. Schedule and direct regular coordination meetings with the design team to coordinate task assignments, action items, and to prepare for progress meetings with the Owner. Garver will maintain an Action Item Log/ Decision Log to monitor activity. Coordinate with subconsultants to confirm all project elements are compatible and integrated. Coordinate with the Owner as needed.

- 1.3. Schedule and conduct up to eight progress meetings with the Owner. In addition to reviewing progress at each meeting, review project deliverable status, current schedule, outstanding action items, and project bottlenecks that could impact schedule, budget status, and decisions made. Prepare agenda and meeting materials, direct and document meetings to review progress, and facilitate the exchange of ideas and information. Prepare draft meeting minutes, to include action lists and decision lists, within ten business days to submit to the Owner for review and approval. Final minutes will be issued after receipt of review comments. The first progress meeting will include a project start-up meeting to confirm project scope, personnel, lines of communication, security protocols, change management, and schedule.

- 1.4. Prepare monthly Project Summary Reports and submit monthly invoices. The report shall contain the following elements:
 - Summary of work completed to date.
 - Schedule.
 - Summary of action items/decisions.
 - Upcoming activities.
 - Potential changes in scope, costs, or schedule.

Task I Deliverables:

- Meeting Agendas - Agendas to be submitted 3 days in advance of meetings (PDF document).
- Draft and final meeting minutes (PDF document).
- Monthly status reports (PDF document).
- Monthly schedule updates (PDF document).
- Monthly invoices (PDF document).

2. TASK II: Facility Package Design Development (60%)

- 2.1. During the design development (60%) phase of the project, Garver will incorporate comments from the 30% workshops and reviews to progress the design across all disciplines. This submittal will

include a drawing set that builds on the 30% drawing set, specifications, and an OPCC updated based on the latest design data.

- 2.2. Garver and the TWDB's standard contract forms including documents from the EJCDC will be used, along with Garver's standard drawing format and technical specifications. Garver will utilize the Texas Water Development Board (TWDB) and Engineers Joint Council Documents Committee (EJCDC) standard documents as a base for developing the project's front-end documents.

EJCDC's standard General Conditions shall be utilized with edits being provided by the Supplemental Conditions. Standard forms, as required by the funding source, will be incorporated.

- 2.3. During this task, Garver will coordinate with the Owner for potential deductive alternates.
- Garver will include up to two (2) designed deductive alternates to provide award flexibility to match with available project funding.
 - Multiple design scenarios or bid packages are not included as part of the level of effort provided with this scope of work.

2.4. 60% SCADA Controls Review

Garver will conduct a review of the SCADA control deliverable. This review will focus on the process and instrumentation diagrams and control narratives to check they are progressing in alignment with review comments made at the 30% deliverable.

- 2.5. Prepare up to three (3) preselection equipment packages. It is anticipated that the equipment packages will be for the procurement of the submersible pumps, headworks equipment, and up to one additional process unit. This effort includes the following:

- Preparation of the procurement package, including preliminary drawings and specifications for review purposes.

- 2.6. Garver will lead a 60% Design Review Workshop at the Owner's office to solicit comments and feedback from the Owner. A BIM model will be developed to review constructability and operability at this workshop.

- 2.7. Garver will prepare the 60% Design Submittal Documents.

- 2.8. Garver will prepare the responses to the 60% Design review comments.

- 2.9. Quality Assurance (QA): Provide QA/Quality Control (QC).

Garver will conduct internal QA/QC of each deliverable prior to delivery to the Owner. Garver will prepare for, plan, and participate in one (1) QC review meeting with the Owner. The meetings will be held at the 60% stage. Project documents appropriate to the submittal stage will be provided a minimum of 5 working days before the review meeting. Prepare a meeting memorandum documenting major revisions and decisions made during each of the meetings.

Task II Deliverables:

- Two (2) hard copies of the draft 60% Design Documents (including half-size drawings) and a PDF copy.

3. TASK III: Facility Package Final Design (90%)

- 3.1. During the Final Design (90%) phase of the project, Garver will incorporate the comments from the 60% reviews to complete the design. This submittal will include all drawings, specifications, and an OPCC updated for all final design elements.
- 3.2. Garver will continue the development of (2) designed deductive alternates to provide award flexibility to match with available project funding.
- 3.3. 90% Operability/Functionality/SCADA Controls Review:

Garver will review the 90% design deliverable for overall functionality and operability. This review will focus on the process and instrumentation diagrams and control narratives. The review will also focus on the electrical control diagrams, the I/O List, and the conduit and conductor schedules to check for consistency throughout and to check they are progressing in alignment with review comments made in previous reviews.

- 3.4. Garver will lead a 90% Design Review Workshop at the Owner's office to solicit comments and feedback from the Owner. A BIM model will be available to review constructability and operability at this workshop.
- 3.5. Garver will continue the development of the project's front-end documents.

EJCDC's standard General Conditions shall be utilized with edits being provided by the Supplemental Conditions. Standard forms, as required by the funding source, will be incorporated.

- 3.6. During Final Design, an O&M workshop will be conducted to solicit input from staff on the final design documents.
- 3.7. Garver will prepare the 90% Design Submittal Documents.
- 3.8. Garver will prepare the responses to the 90% Design review comments.
- 3.9. Quality Assurance (QA): Provide QA/Quality Control (QC).

Garver will conduct internal QA/QC of each deliverable prior to delivery to the Owner. Garver will prepare for, plan, and participate in one (1) QC review meeting with the Owner. The meetings will be held at the 90% stage. Project documents appropriate to the submittal stage will be provided a minimum of 5 working days before the review meeting. Prepare a meeting memorandum documenting major revisions and decisions made during each of the meetings.

Task III Deliverables:

- Two (2) hard copies of the draft 90% Design Documents (including half-sized drawings) and a PDF copy.
- Required copies for Funding Agency.

4. TASK IV: Facility Package Permitting Set

- 4.1. A summary letter will be developed, and a sealed permitting set will be compiled to submit to TWDB and TCEQ for construction approval. This set will include all drawings and specifications as required by TWDB and TCEQ. It is anticipated that TWDB will provide the primary design reviews for the

submittals, and letters of notification will be required to notify TCEQ that TWDB is providing the review of the documents. Responses to TWDB/TCEQ comments will be coordinated with the Owner and addressed in the final documents.

4.2. Quality Assurance (QA): Provide QA/Quality Control (QC).

Garver will conduct internal QA/QC of each deliverable prior to delivery to the Owner. Garver will prepare for, plan, and participate in one (1) QC review meeting with the Owner. The meetings will be held at the Facility Package Permitting Set stage. Project documents appropriate to the submittal stage will be provided a minimum of 5 working days before the review meeting. Prepare a meeting memorandum documenting major revisions and decisions made during each of the meetings.

Task IV Deliverables:

- Required copies for State Permitting Agency.

5. TASK V: Facility Package Contract Documents (100%)

5.1. During the Contract Documents (100%) phase of the project, Garver will incorporate the comments from the 90% reviews to create the biddable design documents. This submittal will include all drawings, specifications, and an OPCC updated for all final design elements.

5.2. The Contract Documents will consist of drawings and specifications that set forth requirements for construction of the improvements and shall include proposal forms, notice to bidders, bid forms, bond forms, and other information as required by the Owner to competitively bid the work.

5.3. Conduct preselection activities for the preselection equipment packages noted in Section 2.5. This effort includes the following:

- Finalizing the procurement documents.
- Prepare for and attend any pre-submittal conferences/phone discussions for preselected equipment.
- Review and address questions submitted by potential equipment suppliers.
- Prepare addenda responses, as necessary.
- Evaluate the equipment proposals and provide a recommendation of award for the selected equipment.
- Incorporate information from the preselection documents, including vendor proposals, into the final bid-ready construction documents.

5.4 Quality Assurance (QA): Provide QA/Quality Control (QC):.

Garver will conduct internal QA/QC of each deliverable prior to delivery to the Owner. Garver will prepare for, plan, and participate in one (1) QC review meeting with the Owner. The meetings will be held at the Facility Package Permitting Set stage. Project documents appropriate to the submittal stage will be provided a minimum of 5 working days before the review meeting. Prepare a meeting memorandum documenting major revisions and decisions made during each of the meetings.

Task V Deliverables:

- Five (5) hard copies of the 100% Design Documents (including half-size drawings) and a PDF copy.

6. TASK VI: Bidding Phase Services

6.1. Bidding Assistance – Facility Work Package

The bidding assistance period is anticipated to be a 70-day duration. During the bidding period phase of the project, Garver will:

- 6.1.1. Prepare and submit Advertisement for Bids to the City for newspaper publication as directed by the Owner. The owner will submit to the newspaper and will pay advertising costs outside of this contract.
- 6.1.2. Post advertisement for bids, construction contract documents, and any associated information to the Owner to be posted by Garver on its Website for download by prospective bidders.
- 6.1.3. Support the contract documents by preparing addenda as appropriate.
- 6.1.4. Prepare for and participate in one pre-bid meeting.
- 6.1.5. Prepare a pre-bid meeting agenda.
- 6.1.6. Participate and lead a construction site tour following the pre-bid meeting by interested pre-bid meeting attendees and other interested parties.
- 6.1.7. Attend the bid opening.
- 6.1.8. Prepare bid tabulation.
- 6.1.9. Evaluate bids and recommend awards.
- 6.1.10. Attend and participate in reporting recommendation of award to Owner Council.
- 6.1.11. Prepare construction contracts.
- 6.1.12. Prepare conformed documents.

Task VI Deliverables:

- Draft and final bid advertisement (PDF document).
- Draft and final pre-bid meeting agenda (PDF document).
- Prepare addendum for the bid package (PDF document).
- Draft and final pre-bid meeting memorandum (PDF document).
- Draft and final bid tabulation (PDF document).
- Draft and final Recommendation of Award.
- Draft and final presentation for Council Award.
- Construction contracts (5 hard copies and PDF document).
- Conformed documents (10 half-size sets of drawings, 5 copies of specifications, and searchable PDF document).

7. TASK VII: TWDB Coordination

Garver will assist the Owner in meeting the funding program requirements of the TWDB's Clean Water State Revolving Fund (CWSRF).

7.1. Garver will perform the following tasks:

- 7.1.1. Provide design deliverables to the TWDB at each phase.

- Deliver report, plans, and/or specifications at each design deliverable to the Owner for submittal to the TWDB.
- 7.1.2. Coordinate bid documents with the TWDB to provide program compliance.
- Coordinate with the TWDB to address comments regarding the design deliverables.
- 7.1.3. Coordinate with the TWDB regarding questions and comments for bidding documents and bidding requirements.
- Garver will be responsible for all other TWDB coordination, forms, and reimbursement requests.

8. Work Not Included/Extra Work

The following items are not included under this agreement but will be considered as Extra Work. Extra Work will be as directed by the Owner in writing for an additional fee as agreed upon by the Owner and the Engineer.

1. Environmental Information Document.
2. Asbestos investigation or remediation plan.
3. Construction Phase Engineering Services.
4. Construction Phase On-site Construction Management Services.
5. Construction materials testing.
6. Geotechnical services.
7. The survey, property boundary survey, easement research services, or bathymetric survey.
8. Easement coordination of easement documents.
9. SSES, I&I analysis, and/or sewer system survey.
10. Design of improvements off-site.
11. Utility relocation coordination or design.
12. Hydraulics and hydrology for floodway No-Rise Certification and Individual 404 permit.
13. Redesign for the Owner's convenience or due to changed conditions after previous alternate direction and/or approval.
14. Preparation of a Storm Water Pollution Prevention Plan (SWPPP).
15. Environmental Handling and Documentation beyond those previously identified, including wetlands identification or mitigation plans or other work related to environmentally or historically (culturally) significant items.
16. Perform work on an application for a new discharge permit or a major permit amendment.
17. Water quality modeling.
18. Prepare to serve or serve as an expert witness on behalf of the Owner.
19. Provide technical or procedural support if the proposed permit amendment is protested.
20. Sludge Management Plan.
21. Warranty Assistance.
22. Water Reuse Master Plan.
23. Utility Rate Study.
24. Water Conservation Plan.
25. Jar Testing Services.
26. Sampling Services.
27. Additional meetings beyond those identified in the scope.
28. Software licenses.

Proposed Project Schedule

City of Bay City
 Bay City WWTP
 Design and Bid Phase Services

Proposed Milestone Schedule
 Tuesday, June 29, 2021

Milestone	Milestone / Deliverable	Duration ^{1,2}	Anticipated Delivery ³
1	Project NTP	--	Monday, July 19, 2021
2	60% Design Submittal	Within 70 working days of NTP	Thursday, October 28, 2021
3	90% Design Submittal	Within 80 working days from receipt of written comments on 60% review submittal	Wednesday, March 9, 2022
4	Regulatory Review Submittal	Within 10 working days from submittal of 90% review submittal	Wednesday, April 20, 2022
5	100% Bid-set Documents (Front End Documents, Drawings, Specification, Details)	Within 20 working days from receipt of Regulatory Review Comments from TWDB and Receipt of City/OR Comments on 90% submittal	Wednesday, June 1, 2022

1. Duration shown is intended to be the contractual delivery date.

2. Working days do not include weekends (Saturday/Sunday) and standard Garver Holidays/observed holidays (New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Thanksgiving Friday, Christmas Eve, Christmas Day).

3. Anticipated delivery date shown is based on durations noted. Reference detailed, critical path schedule attached. It is noted that delays in preceding milestones (such as extended client review periods or delays in Regulatory Reviews) could delay delivery of subsequent submittals.

Appendix B

City of Bay City WWTP Improvements Design

FEE SUMMARY

Basic Services Section	Estimated Fees
TASK I - Project Management	\$ 245,722.00
TASK II - Facility Package Design Development - 60%	\$ 1,127,378.00
TASK III - Facility Package Final Design - 90%	\$ 1,117,018.00
TASK IV - Facility Package Permitting Set	\$ 83,752.00
TASK V - Facility Package Contract Documents - 100%	\$ 389,208.00
TASK VI - Facility Package Bid Phase Services	\$ 143,556.00
TASK VII - TWDB Coordination	\$ 44,564.00
Subtotal for Basic Services Section	\$ 3,151,198.00

Item No.	Description of Item with Unit Bid Price in Written Words.	Unit	Approx. Quantity	Unit Amount	Total Price
15.	Metal Beam Guard Fence (Timber Post) @ _____ Per Linear Foot	L.F.	2,420	\$ _____	_____
16.	Guardrail End Treatment @ _____ Per Each	EA.	4	\$ _____	_____
Storm Sewer					
17.	36-inch HDPE, ASTM C-76, all depths, (including bedding and backfill), complete in place. @ _____ Per Linear Foot	L.F.	20	\$ _____	_____
18.	4-inch (4") thick reinforced concrete slope paving, including weep holes, rebar and expansion joints. See details on plans, complete in place. @ _____ Per Cubic Yard	C.Y.	1,530	\$ _____	_____

GENERAL CONDITIONS OF AGREEMENT

1. DEFINITIONS OF TERMS

1.01 OWNER, CONTRACTOR AND ENGINEER

The OWNER, the CONTRACTOR and the ENGINEER are those persons or organizations identified as such in the Agreement and are referred to throughout the Contract Documents as if singular in number and masculine in gender. The term ENGINEER means the ENGINEER or his duly authorized representative. The ENGINEER shall be understood to be the ENGINEER of the OWNER, and nothing contained in the Contract Documents shall create any contractual or agency relationship between the ENGINEER and the CONTRACTOR.

1.02 CONTRACT DOCUMENTS

The Contract Documents shall consist of the Notice to Bidders (Advertisement), Special Conditions (Instructions to Bidders), Proposal, signed Agreement, Performance and Payment Bonds (when required), Special Bonds (when required), General Conditions of the Agreement, Special Conditions of the Contract, Technical Specifications, Construction Drawings, and all modifications thereof incorporated in any of the documents before the execution of the agreement.

The Contract Documents are complementary, and what is called for by any one shall be as binding as if called for by all. In case of conflict between any of the Contract Documents, priority of interpretation shall be in the following order: Signed Agreement, Performance and Payment Bonds, Special Bonds (if any), Proposal, Special Conditions of the Contract, Notice to Bidders, Technical Specifications, Construction Drawings, and General Conditions of Agreement.

1.03 SUB-CONTRACTOR

The term Sub-Contractor, as employed herein, includes only those having a direct contract with the CONTRACTOR and it includes one who furnishes material worked to a special design according to the construction drawings or specifications of this work, but does not include one who merely furnishes material not so worked.

1.04 WRITTEN NOTICE

Written notice shall be deemed to have been duly served if delivered in person to the individual or to a member of the firm or to an officer of the corporation for whom it is intended, or if delivered at or sent by registered mail to the last business address known to him who gives the notice.

1.05 WORK

The CONTRACTOR shall provide and pay for all materials, supplies, machinery, equipment, tools, superintendence, labor, services, insurance, and all water, light, power, fuel, transportation and other facilities necessary for the execution and completion of the work covered by the contract documents. Unless otherwise specified, all materials shall be new and both workmanship and materials shall be of a good quality. The CONTRACTOR shall, if required, furnish satisfactory evidence as to the kind and quality of materials. Materials or work described in words which so applied have a well known technical or trade meaning shall be held to refer to such recognized standards.

1.06 EXTRA WORK

The term "Extra Work" as used in this contract shall be understood to mean and include all work that may be required by the ENGINEER or OWNER to be done by the CONTRACTOR to accomplish any change, alteration or addition to the work shown upon the construction drawings, or reasonably implied by the specifications, and not covered by the CONTRACTOR'S Proposal, except as provided under "Changes and Alterations", herein.

1.07 WORKING DAY

A "Working Day" is defined as any day not including Saturdays, Sundays or any legal holidays, in which weather or other conditions not under the control of the CONTRACTOR, will permit construction of the principal units of the work for a period of not less than seven (7) hours between 7:00 a.m. and 6:00 p.m.

1.08 CALENDAR DAY

"Calendar Day" is any day of the week or month, no days being excepted. No allowance will be made for inclement weather if the CONTRACTOR was able or would have been able to prosecute the principal units of work for a period of not less than seven (7) hours between 7:00 a. m. and 6:00 p. m.

from fabric to the edge of concrete, and no wires projecting to last member parallel to the edge of concrete.

The reinforcing steel shall be supported throughout the placing of the slope paving to maintain its position approximately equidistant from top and bottom surface of the concrete.

The minimum thickness of the reinforced concrete slope paving shall be 5 inches.

After the concrete has been placed, compacted and shaped to conform to the dimensions shown on the plans, and after it has cured sufficiently to avoid slumping, the concrete shall be finished with a wooden float to secure a reasonably smooth finish.

The concrete shall be cured in accordance with the Item 526 "Membrane Curing".

Weep holes shall be installed in the bottoms and walls of the low flow section and in the slope paving at the locations and spacing and in accordance with the details shown on the plans.

491.4 **Measurement. Concrete slope protection shall be measured by the square yard of surface area, complete in place. All edge beams and/or toe walls, as well as weep holes, shall be incidental to the reinforced concrete slope paving.**

491.5 **Payment. Concrete slope protection shall be paid for at the contract unit price, measured as provided above. Price shall be full compensation for furnishing and placing all materials, including expansion joint material, joint sealant and reinforcing steel, surface finishing, and curing.**

There are line code(s), description(s), and unit(s) for this Item.

NOTE: This Item requires other Standard Specifications

Item 421 "Structural Concrete"
Item 526 "Membrane Curing"

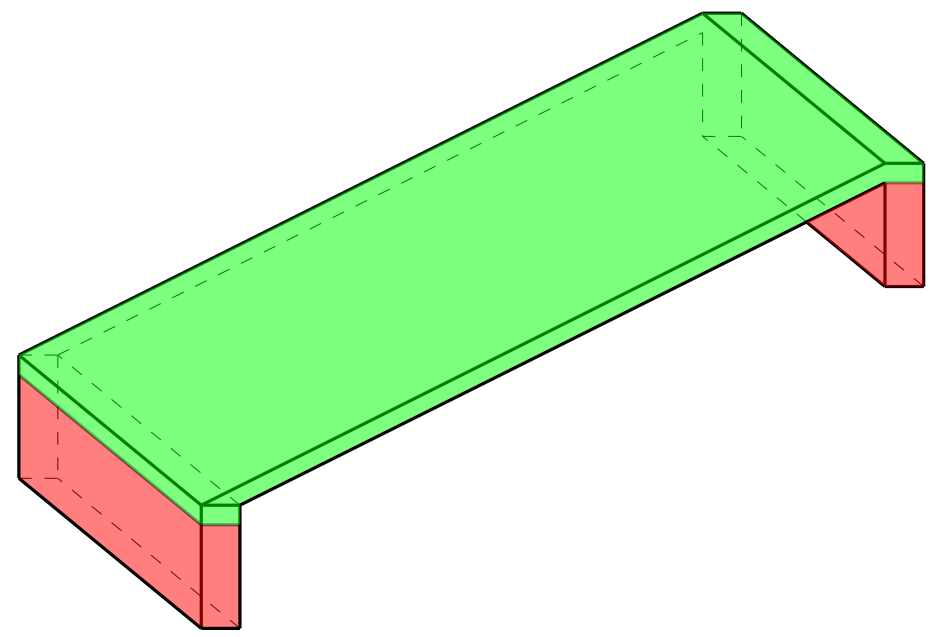
END OF ITEM 491

OWNER: City of Bay City				BID NO. 1 Durwood Greene Construction Co. P.O. Box 1338 Stafford, Texas 77497 (281) 499-1551		BID NO. 2 TLC Construction Contract Services 11714 Charles Rd. Houston, Texas 77041 (281) 357-4069		BID NO. 3 Rexco Inc 1104 Mildred Dr. Port Lavaca, Texas 77979 (361) 552-5301		BID NO. 4 Lester Contracting, Inc. P.O. Box 986 Port Lavaca, Texas 77979 (361) 552-3024	
PROJECT: Construction of Nile Valley Road				TIME: 10:00 A.M.							
DATE: October 23, 2020											
ENGINEER: Jones & Carter, Inc.											
JOB NO.: R0017-0053-00											
ITEM NO.	DESCRIPTION	UNIT	PLAN QUANTITY	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT
BASE BID											
1	Move-in and start-up, including performance and payment bonds for 100 percent (100%) of the contract amount.	L.S.	1.0	\$400,000.00	\$400,000.00	\$461,610.00	\$461,610.00	\$215,000.00	\$215,000.00	\$207,000.00	\$207,000.00
SITE WORK											
2	Site preparation of right-of-way, including stripping of top six inches (6") depth of topsoil and removal of vegetation, as directed by Engineer.	STA.	142.0	\$1,400.00	\$198,800.00	\$1,901.00	\$269,942.00	\$285.00	\$40,470.00	\$290.00	\$41,180.00
3	Excavation of roadway to final elevations and grades, in accordance with plans, as directed by Engineer.	C.Y.	1,041.0	\$15.00	\$15,615.00	\$8.00	\$8,328.00	\$17.15	\$17,853.15	\$17.00	\$17,697.00
4	Embankment	C.Y.	7,289.0	\$15.00	\$109,335.00	\$22.00	\$160,358.00	\$27.73	\$202,123.97	\$24.00	\$174,936.00
ROADWAY											
5	8-inch (8") lime subgrade, complete in place.	S.Y.	62,620.0	\$3.00	\$187,860.00	\$3.25	\$203,515.00	\$3.75	\$234,825.00	\$2.25	\$140,895.00
6	Lime (40 lbs/SY).	Tons	1,253.0	\$200.00	\$250,600.00	\$254.00	\$318,262.00	\$157.20	\$196,971.60	\$177.00	\$221,781.00
7	8" Flex Base, Type A, Grade 1-2, Final Position, Complete in Place.	C.Y.	13,098.0	\$97.00	\$1,270,506.00	\$101.00	\$1,322,898.00	\$86.96	\$1,139,002.08	\$87.25	\$1,142,800.50
8	1.5" Ty "C" Asphalt, PG 76-22, Complete in Place.	Tons	4,775.0	\$115.00	\$549,125.00	\$123.00	\$587,325.00	\$95.37	\$455,391.75	\$106.00	\$506,150.00
9	1.5" Ty "D" Asphalt, PG 76-22, Complete in Place.	Tons	5,171.0	\$115.00	\$594,665.00	\$124.00	\$641,204.00	\$98.78	\$510,791.38	\$108.00	\$558,468.00
10	Concrete Approach Slab (Including Armor Joint), Complete in Place.	S.Y.	178.0	\$550.00	\$97,900.00	\$186.00	\$33,108.00	\$297.36	\$52,930.08	\$218.00	\$38,804.00
11	Driveways (ACP)	S.Y.	687.0	\$45.00	\$30,915.00	\$32.00	\$21,984.00	\$38.63	\$26,538.81	\$35.00	\$24,045.00
12	Driveways (Surface Treatment)	S.Y.	576.0	\$35.00	\$20,160.00	\$36.00	\$20,736.00	\$31.80	\$18,316.80	\$16.50	\$9,504.00
13	TX5 Geogrid, Complete in Place.	S.Y.	62,620.0	\$4.00	\$250,480.00	\$2.00	\$125,240.00	\$3.26	\$204,141.20	\$3.25	\$203,515.00
14	Prime Coat, Complete in Place.	Gal	18,786.0	\$4.00	\$75,144.00	\$4.00	\$75,144.00	\$3.86	\$72,513.96	\$4.00	\$75,144.00
15	4" Concrete Mow Strip, Complete in Place.	C.Y.	114.0	\$675.00	\$76,950.00	\$317.00	\$36,138.00	\$1,229.82	\$140,199.48	\$1,125.00	\$128,250.00
16	Metal Beam Guard Fence (Timber Post)	L.F.	2,420.0	\$23.00	\$55,660.00	\$28.00	\$67,760.00	\$22.31	\$53,990.20	\$25.00	\$60,500.00
17	Guardrail End Treatment	EA.	4.0	\$2,800.00	\$11,200.00	\$3,348.00	\$13,392.00	\$2,808.75	\$11,235.00	\$3,100.00	\$12,400.00
STORM SEWER											
18	36-inch HDPE, ASTM C-76, all depths, (including bedding and backfill), complete in place.	L.F.	20.0	\$300.00	\$6,000.00	\$100.00	\$2,000.00	\$183.85	\$3,677.00	\$207.00	\$4,140.00
19	4-inch (4") thick reinforced concrete slope paving, including weep holes, rebar and expansion joints. See details on plans, complete in place.	C.Y.	1,530.0	\$750.00	\$1,147,500.00	\$709.00	\$1,084,770.00	\$567.03	\$867,555.90	\$419.00	\$641,070.00
20	Rip-rap eighty pounds (80 lbs.) to one hundred and fifty pounds (150 lbs.) evenly graded broken concrete with no exposed steel, minimum six-inch (6") blocks, no block length shall exceed 3 times the width or thickness, minimum eighteen-inch (18") mat thickness with woven filter fabric mat, to be covered with 6" of onsite topsoil, according to specifications, complete in place.	C.Y.	22.0	\$160.00	\$3,520.00	\$231.00	\$5,082.00	\$285.00	\$6,270.00	\$200.00	\$4,400.00
21	Concrete headwall per TxDOT CH-PW-0 standard, complete in place.	EA.	2.0	\$27,000.00	\$54,000.00	\$22,166.00	\$44,332.00	\$40,896.00	\$81,792.00	\$14,500.00	\$29,000.00
STORM WATER QUALITY											
22	Placement of reinforced filter fabric fence, along back of curb, and as directed by engineer (inc. installation, maintenance and removal).	L.F.	2,644.0	\$5.00	\$13,220.00	\$2.00	\$5,288.00	\$3.98	\$10,523.12	\$4.00	\$10,576.00
23	Inlet protection (sand bags, hay bales, or approved equal) as per Pollution Prevention Site Plan (including installation, maintenance, and removal after construction).	L.F.	138.0	\$15.00	\$2,070.00	\$13.00	\$1,794.00	\$13.55	\$1,869.90	\$10.00	\$1,380.00

OWNER: City of Bay City				BID NO. 1 Durwood Greene Construction Co. P.O. Box 1338 Stafford, Texas 77497 (281) 499-1551		BID NO. 2 TLC Construction Contract Services 11714 Charles Rd. Houston, Texas 77041 (281) 357-4069		BID NO. 3 Rexco Inc 1104 Mildred Dr. Port Lavaca, Texas 77979 (361) 552-5301		BID NO. 4 Lester Contracting, Inc. P.O. Box 986 Port Lavaca, Texas 77979 (361) 552-3024	
PROJECT: Construction of Nile Valley Road				TIME: 10:00 A.M.							
DATE: October 23, 2020											
ENGINEER: Jones & Carter, Inc.											
JOB NO.: R0017-0053-00											
ITEM NO.	DESCRIPTION	UNIT	PLAN QUANTITY	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT	UNIT PRICE	TOTAL AMOUNT
24	Rock filter dam as per Pollution Prevention Plan (including installation, maintenance, and removal).	L.F.	50.0	\$100.00	\$5,000.00	\$88.00	\$4,400.00	\$67.00	\$3,350.00	\$30.00	\$1,500.00
25	Broadcast seed within fill areas using a mixture of seeds, fertilizing, watering as specified in Standard specifications.	AC.	4.9	\$650.00	\$3,185.00	\$939.00	\$4,601.10	\$1,682.50	\$8,244.25	\$1,200.00	\$5,880.00
REMOVAL ITEMS											
26	Remove existing 24" RCP and dispose of offsite in a suitable manner.	L.F.	595.0	\$15.00	\$8,925.00	\$17.00	\$10,115.00	\$34.00	\$20,230.00	\$18.00	\$10,710.00
27	Remove existing grate inlet and dispose of offsite in a suitable manner.	EA.	7.0	\$600.00	\$4,200.00	\$611.00	\$4,277.00	\$1,400.00	\$9,800.00	\$420.00	\$2,940.00
28	Remove existing metal beam guard fence and dispose of offsite in a suitable manner.	L.F.	2,008.0	\$8.00	\$16,064.00	\$2.00	\$4,016.00	\$1.31	\$2,630.48	\$1.50	\$3,012.00
29	Remove existing terminal anchor section and dispose of offsite in a suitable manner.	EA.	4.0	\$250.00	\$1,000.00	\$350.00	\$1,400.00	\$294.00	\$1,176.00	\$330.00	\$1,320.00
30	Remove existing asphalt and stabilized base and dispose of offsite in a suitable manner.	S.Y.	54,749.0	\$7.00	\$383,243.00	\$7.00	\$383,243.00	\$18.31	\$1,002,454.19	\$4.00	\$218,996.00
31	Mill existing 1.5" asphalt pavement.	S.Y.	5,875.0	\$5.00	\$29,375.00	\$1.00	\$5,875.00	\$2.42	\$14,217.50	\$3.80	\$22,325.00
32	Remove existing concrete (bridge approach slab).	S.Y.	178.0	\$50.00	\$8,900.00	\$8.00	\$1,424.00	\$41.00	\$7,298.00	\$29.00	\$5,162.00
33	Remove existing concrete slope paving and dispose of offsite in a suitable manner.	S.Y.	407.0	\$30.00	\$12,210.00	\$6.00	\$2,442.00	\$20.00	\$8,140.00	\$13.00	\$5,291.00
34	Remove existing signs and dispose of offsite in a suitable manner.	EA.	4.0	\$100.00	\$400.00	\$75.00	\$300.00	\$63.00	\$252.00	\$70.00	\$280.00
SIGNING & PAVEMENT MARKINGS											
35	ReflectORIZED pavement markings Type I (White) (4") (Solid) (90 Mil), including surface preparation	L.F.	28,530.0	\$0.40	\$11,412.00	\$1.00	\$28,530.00	\$0.42	\$11,982.60	\$0.42	\$11,982.60
36	ReflectORIZED pavement markings Type I (White) (8") (Solid) (90 Mil), including surface preparation	L.F.	144.0	\$3.00	\$432.00	\$2.00	\$288.00	\$1.58	\$227.52	\$1.20	\$172.80
37	ReflectORIZED pavement markings Type I (White) (24") (Solid) (90 Mil), including surface preparation	L.F.	18.0	\$10.00	\$180.00	\$15.00	\$270.00	\$12.60	\$226.80	\$7.00	\$126.00
38	ReflectORIZED pavement markings Type I (White) (Arrow) (90 Mil), including surface preparation	EA.	1.0	\$200.00	\$200.00	\$181.00	\$181.00	\$152.25	\$152.25	\$200.00	\$200.00
39	ReflectORIZED pavement markings Type I (White) (Word) (90 Mil), including surface preparation	EA.	1.0	\$220.00	\$220.00	\$181.00	\$181.00	\$152.25	\$152.25	\$210.00	\$210.00
40	ReflectORIZED pavement markings Type I (Yellow) (4") (Solid) (90 Mil), including surface preparation	L.F.	28,052.0	\$0.40	\$11,220.80	\$1.00	\$28,052.00	\$0.42	\$11,781.84	\$0.40	\$11,220.80
41	ReflectORIZED pavement markings Type I-C	EA.	8.0	\$5.00	\$40.00	\$5.00	\$40.00	\$4.20	\$33.60	\$5.00	\$40.00
42	ReflectORIZED pavement markings Type II-A-A	EA.	702.0	\$5.00	\$3,510.00	\$5.00	\$3,510.00	\$4.20	\$2,948.40	\$5.00	\$3,510.00
43	Aluminum sign (including support)	EA.	19.0	\$800.00	\$15,200.00	\$407.00	\$7,733.00	\$341.25	\$6,483.75	\$350.00	\$6,650.00
TRAFFIC CONTROL											
44	Barricades, Signs and Traffic Handling	MO.	6.0	\$1,000.00	\$6,000.00	\$4,422.00	\$26,532.00	\$1,610.00	\$9,660.00	\$4,000.00	\$24,000.00
ADDITIONAL ITEMS											
45	Trench safety system for all waterline and storm sewer pipe, 0-10'.	L.F.	20.0	\$10.00	\$200.00	\$1.00	\$20.00	\$1,000.00	\$20,000.00	\$50.00	\$1,000.00
46	25' by 75' Stabilized Construction Access, installed, maintained, and removed.	EA.	3.0	\$1,500.00	\$4,500.00	\$4,693.00	\$14,079.00	\$2,887.50	\$8,662.50	\$3,300.00	\$9,900.00
47	Concrete truck washout, installed, maintained, and removed.	EA.	3.0	\$1,500.00	\$4,500.00	\$853.00	\$2,559.00	\$157.50	\$472.50	\$800.00	\$2,400.00
48	Notice of Intent	EA.	2.0	\$325.00	\$650.00	\$3,379.00	\$6,758.00	\$315.00	\$630.00	\$1,150.00	\$2,300.00
49	Utility construction staking to be performed by Jones & Carter, Inc. Staking to be performed one time only. All additional staking is at the expense of the contractor.	L.S.	1.0	\$22,000.00	\$22,000.00	\$22,000.00	\$22,000.00	\$22,000.00	\$22,000.00	\$22,000.00	\$22,000.00
TOTAL BASE BID					\$5,973,991.80		\$6,073,036.10		\$5,737,188.81		\$4,626,763.70

* Denotes Calculation Error by Contractor

- TOE WALLS (INCIDENTAL TO CONCRETE SLOPE PAVING)
- 4" CONCRETE SLOPE PAVING



SCALE: NTS



JONES CARTER
 Texas Board of Professional Engineers Registration No. F-439
 6330 West Loop South, Suite 150 • Bellaire, Texas 77401 • 713.777.5337

**NILE VALLEY ROAD
 CONCRETE SLOPE
 PAVING EXHIBIT**

DRAWN	NILE VALLEY ROAD		SHEET NO.
BTG			
DESIGNED			1
BTG			
CHECKED	CITY OF BAY CITY		
MBB	STATE	COUNTY	
APPROVED	TEXAS	HARRIS	
MBB			