

CITY OF TEXAS CITY
REGULAR CALLED CITY COMMISSION MEETING

AGENDA

WEDNESDAY, MAY 2, 2018 - 5:00 P.M.
KENNETH T. NUNN COUNCIL ROOM - CITY HALL
1801 9th Ave. N.
Texas City, TX 77590

PLEASE NOTE: Public comments and matters from the floor are generally limited to 3 minutes in length. If you would like to request to speak, please do so in advance of the meeting by filling out a Request To Address Commission form. All in attendance are required to remove hats and/or sunglasses (dark glasses) during meetings and to also silence all cell phones and electronic devices.

- (1) ROLL CALL
- (2) INVOCATION
- (3) PLEDGE OF ALLEGIANCE
- (4) PROCLAMATIONS AND PRESENTATIONS
 - (a) Firefighter Edwin Newton promotion to Engineer. (Fire Department)
- (5) REPORTS
 - (a) Library Report (Library)
- (6) CONSENT AGENDA
 - (a) Approve City Commission Minutes for April 18, 2018 meeting. (City Secretary)
 - (b) Consider and take action Resolution No. 18-033, finding that Centerpoint Energy Houston Electric, LLC's Application for Approval to amend its Distribution cost recovery factor pursuant to 16 tex. admin. code § 25.243 to increase distribution rates within the City should be denied. (City Secretary)
 - (c) Consider and take action on Resolution No. 18-034, approving a contract for Bid No. 2018-341 15th Avenue Drainage Improvements Phase 2 - Bay Street. (Public Works)
 - (d) Consider and take action on Resolution No. 18-035, approving a contract for the 2018 Pavement Striping Project at various locations. (Public Works)
 - (e) Consider and take action on Resolution No. 18-036, appointing and swearing in Donnie D. Quintanilla as a temporary Municipal Court Judge. (City Secretary)

- (f) Consider and take action on Resolution No. 18-037, approving Bid No. 2018-049 Sodium Bisulfite Annual Contract. (Public Works)
- (g) Consider and take action on Resolution No. 18-038, approving Bid No. 2018-050 Sodium Hypochlorite Solution Annual Contract. (Public Works)
- (7) REGULAR ITEMS
 - (a) Consider and take action on Ordinance No. 18-08, third and final reading of the Gas Franchise Agreement with Centerpoint. (City Secretary)
- (8) PUBLIC COMMENTS
- (9) MAYOR'S COMMENTS
- (10) COMMISSIONERS' COMMENTS
- (11) ADJOURNMENT

NOTICE OF ANY SUBJECT APPEARING ON THIS AGENDA REGARDLESS OF HOW THE MATTER IS STATED MAY BE ACTED UPON BY THE CITY COMMISSION.

NOTICE: The City of Texas City will furnish free transportation to handicapped individuals via a 4-door sedan for anyone wishing to attend the City Commission meetings. Call 948-3111, City Secretary's Office before noon on Monday preceding the meeting to make arrangements.

I, THE UNDERSIGNED AUTHORITY, DO HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE BULLETIN BOARDS AT CITY HALL, 1801 9TH AVENUE NORTH, TEXAS CITY, TEXAS, AT A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AND ON THE CITY'S WEBSITE ON APRIL 27, 2018, PRIOR TO 5:00 P.M. AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING.

JAMES M. HARTSHORN
CITY SECRETARY

CITY COMMISSION REGULAR MTG

(4) (a)

Meeting Date: 05/02/2018

Promotion: Firefighter Edwin Newton promoted to Engineer

Submitted For: David Zacherl, Fire Department

Submitted By: Cindy Baker, Fire Department

Department: Fire Department

Information

ACTION REQUEST (Brief Summary)

Firefighter Edwin Newton promotion to Engineer. (Fire Department)

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

(6) (a)

Meeting Date: 05/02/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

Approve City Commission Minutes for April 18, 2018 meeting. (City Secretary)

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Minutes

REGULAR CALLED CITY COMMISSION MEETING

MINUTES

WEDNESDAY, APRIL 18, 2018 – 5:00 P.M.
KENNETH T. NUNN COUNCIL ROOM – CITY HALL

A Regular Called Meeting of the City Commission was held on Wednesday, April 18, 2018, at 5:00 P.M. in the Kenneth T. Nunn Council Room in City Hall, Texas City, Texas. A quorum having been met, the meeting was called to order at 5:01 p.m. by Mayor Pro Tem Phil Roberts.

1. ROLL CALL

Present: Phil Roberts, Mayor Pro Tem, Commissioner District 2
Bruce Clawson, Commissioner At Large
Dee Ann Haney, Commissioner At Large
Thelma Bowie, Commissioner District 1
Dorthea Jones, Commissioner District 3
Jami Clark, Commissioner District 4

Absent: Matthew T. Doyle, Mayor

2. INVOCATION

Led by Pastor Jeremy Wester of First United Methodist Church.

3. PLEDGE OF ALLEGIANCE

Led by Commissioner At-Large Dee Ann Haney.

4. PROCLAMATIONS AND PRESENTATIONS

Corporal Allen Bjerke accepted a proclamation on behalf of the Texas City Police Department for Opioid Awareness in Texas City.

a. Service Awards

| | | | |
|------------------|--------|------------|----------|
| Esteban Gonzalez | Police | 04/03/2008 | 10 years |
|------------------|--------|------------|----------|

5. REPORTS

a. Financial Quarterly Report (Finance)

Laura Boyd, Finance Director, gave a PowerPoint presentation detailing the City's quarterly investment report.

b. Community Development Quarterly Report (Code Enforcement)

Todd Sukup, Chief Building Official, gave a PowerPoint presentation on substandard structure abatements. Mr. Sukup also gave visual updates of cases where abatement orders were signed and the necessary improvements had been made.

Commissioner Thelma Bowie arrived at the end of the Community Development's Quarterly Report.

6. PUBLIC HEARING

- a. First Assembly of God requests to rezone from "D" (Neighborhood Services) to "A" (Single Family Residential) to sell lots for construction of single family residential homes. Being Lots 6,8,9 Van Ley Commercial Park. Located at 617, 623 and 625 25th Ave. North

Doug Kneupper, City Engineer, introduced Jim Kautz, Pastor of First Assembly of God church, and explained why the church has requested to rezone a portion on their lot.

Commissioner Clark asked who owned the property. Mr. Knueupper answered, the church.

Commissioner Clawson asked Pastor Kautz what his purpose is for selling these lots? Pastor Kautz explained that the money will be used to raise funds for various projects for the church.

Commissioner Clawson then asked City Staff what plan is being implemented to combat the lift station's odor in the area. Corbin Ballast, Utilities Director, stated that the lift station is being maintained and treated to the best of their ability.

Commissioner Bowie asked Pastor Kautz where the potential youth center will be located. Pastor Kautz stated the youth center will be placed north of the lot on the east side.

7. PRELIMINARY ZONING APPROVAL

- a. Approve or deny request to rezone from "D" (Neighborhood Services) to "A" (Single Family Residential).

Motion by Commissioner At Large Dee Ann Haney, Seconded by Commissioner District 4 Jami Clark to approve the request to rezone First Assembly of God church from "D" to "A."

Vote: 6 - 0 CARRIED

8. CONSENT AGENDA

Motioned by Commissioner District 4 Jami Clark, Seconded by Commissioner At-Large Dee Ann Haney to approve consent items a and b.

- a. Approve City Commission Minutes for April 4, 2018 meeting. (City Secretary)

Vote: 6 - 0 CARRIED

- b. Consider and take action on Resolution No. 18-032, appointing Dr. Lynn Ray Ellison to the Library Board. (Library)

Vote: 6 - 0 CARRIED

9. REGULAR ITEMS

- a. Consider and take action on Ordinance No. 18-08, second reading of the Gas Franchise Agreement with CenterPoint Energy. (City Secretary)

Nick Finan, Executive Director of Management Services, stated that the agreement has not changed since the first reading on April 4, 2018.

Motion by Commissioner At Large Dee Ann Haney, Seconded by Commissioner District 4 Jami Clark

Vote: 6 - 0 CARRIED

- b. Consider and take action on Ordinance No. 18-09, amending the City of Texas City's 2017/2018 fiscal year budget to appropriate funds for Texas City Economic Development Corporation's donation to the local Salvation Army. (Finance)

Laura Boyd, Finance Director, explained that the Texas City Economic Development Corporation recently approved the appropriation of \$60,000.00 to the Salvation Army to help build their new facility in exchange for providing workforce training.

Motion by Commissioner At Large Dee Ann Haney, Seconded by Commissioner District 1 Thelma Bowie

Vote: 6 - 0 CARRIED

- c. Consider and take action on Ordinance No. 18-10, amending the City of Texas City's 2017/2018 fiscal year budget to appropriate funds for the reduction of interfund balance between the Utility Fund and the General Fund. (Finance)

Laura Boyd, Finance Director, stated that because of the increase in the utility fund revenues from reduction of expenses and the 2017 rate adjustments, the Utility Fund is in the position to pay back some of what has been borrowed from the General Fund. A budget amendment is required for the payment of \$1,000,000.00.

Motion by Commissioner District 3 Dorthea Jones, Seconded by Commissioner At Large Bruce Clawson

Vote: 6 - 0 CARRIED

- d. Consider and take action on Ordinance No. 18-11, amending the City of Texas City's 2017/2018 fiscal year budget to transfer funds from the General Fund to the Capital Equipment Replacement Fund. (Finance)

Laura Boyd, Finance Director, stated a budget amendment is needed to transfer funds from the General Fund (Fund 101) to the Capital Equipment Replacement Fund (Fund 602). Mrs. Boyd explained that a few years ago the General Fund departments only paid a portion of their annual fees to Fund 602. This amendment of \$1,000,000.00 is needed to help make up for what was not contributed in those years.

Motion by Commissioner At Large Dee Ann Haney, Seconded by Commissioner District 1 Thelma Bowie

Vote: 6 - 0 CARRIED

10. STAFF COMMENTS

Luke Alvey, Acting Library Director, stated the Friends of the Library will be selling books on Saturday, April 21st.

Dennis Harris, Director of Recreation and Tourism, stated that the Art Walk will be on Thursday, April 19th and the Cinco De Mayo Parade and celebration will be on May 5th.

Rhomari Jackson, Administrative Assistant, stated that early voting starts on Monday, April 23rd and the election is on May 5th.

11. MAYOR'S COMMENTS

Mayor Pro Tem Phil Roberts thanked Chief Zacherl for his efforts in commemorating the 71st anniversary of the 1947 Texas City Disaster.

12. COMMISSIONERS' COMMENTS

Commissioner Clawson congratulated Tom Munoz and Chief Burby on the success of the Active Shooter Seminar that they hosted. He also complimented Michael Skiba on the Marathon Golf Tournament that the Bayou Golf Course hosted.

Commissioner Jones thanked Michael Skiba for doing an excellent job in representing the City well during the Golf Tournament. Ms. Jones also complimented Tom Munoz and Chief Burby on the information that was provided at the Active Shooter Seminar.

Commissioner Clark complimented Dennis J. Harris and his staff on the success of the Art Festival's opening day. Mrs. Clark also stated her satisfaction with the outcome of the Duck Durby and thanked the City on behalf of the Texas City Independent School District's School Board.

13. ADJOURNMENT

Having no further business, Commissioner At-Large Bruce Clawson made a MOTION to ADJOURN at 5:36 p.m.; the motion was SECONDED by Commissioner District 4 Jami Clark. All present voted AYE. MOTION CARRIED.

MATTHEW T. DOYLE, MAYOR

ATTEST:

James M. Hartshorn, City Secretary
Date Approved:

CITY COMMISSION REGULAR MTG

(6) (b)

Meeting Date: 05/02/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

Consider and take action Resolution No. 18-033, finding that Centerpoint Energy Houston Electric, LLC's Application for Approval to amend its Distribution cost recovery factor pursuant to 16 tex. admin. code § 25.243 to increase distribution rates within the City should be denied. (City Secretary)

BACKGROUND

Centerpoint Energy periodically updates their rates to adjust for increase costs due to several factors including inflation, etc. This year they are having to adjust their costs due to the tax relief they received through Tax Cuts and Jobs Act of 2017. While this amount reflects a decrease due to the Tax Cuts and Jobs Act of 2017, our consortium of cities would like to review Centerpoint's calculations to determine if the full decrease is actually reflected. As you will see in the Attorney's memo attached. Centerpoint will appeal our denial and a rate case will be fully reviewed by all parties including a consultant for the consortium of cities. At the end a rate will be determined that is appropriate.

Staff recommends the approval of the Resolution that would deny Centerpoint's rate.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Resolution

Memo

Report

RESOLUTION NO. 18-033

A RESOLUTION OF THE CITY OF TEXAS CITY, TEXAS FINDING THAT CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR PURSUANT TO 16 TEX. ADMIN. CODE § 25.243 TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the City of Texas City, Texas ("City") is an electric utility customer of CenterPoint Energy Houston Electric, LLC ("CenterPoint" or "Company"), and a regulatory authority with an interest in the rates and charges of CenterPoint; and

WHEREAS, the City is a member of the Gulf Coast Coalition of Cities ("GCCC") (such participating cities are referred to herein as "GCCC"), a coalition of similarly situated cities served by CenterPoint that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in CenterPoint's service area; and

WHEREAS, on or about April 4, 2018 CenterPoint filed with the City an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF") Pursuant to 16 Tex. Admin. Code § 25.243 seeking Total DCRF Revenue Requirement of \$82,620,101 to be effective on September 1, 2018; and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if it is granted; and

WHEREAS, GCCC is coordinating its review of CenterPoint's DCRF filing with designated attorneys and consultants to resolve issues in the Company's application; and

WHEREAS, the GCCC's members and attorneys recommend that GCCC members deny the DCRF.

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

SECTION 1: That the rates proposed by CenterPoint to be recovered through its DCRF charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

SECTION 2: That the Company shall continue to charge its existing rates to customers within the City.

SECTION 3: That the City's reasonable rate case expenses shall be reimbursed in full by CenterPoint within Thirty (30) days of presentation of an invoice to CenterPoint.

SECTION 4: That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION 5: That a copy of this Resolution shall be sent to Denise Gaw, CenterPoint Energy Service Company, LLC, 1111 Louisiana Street, Houston, Texas 77002 and to Thomas Brocato, General Counsel to the Gulf Coast Coalition of Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

SECTION 6: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 2nd day of May 2018.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

James M. Hartshorn
City Secretary

Russell F. Plackemeier
City Attorney

Mr. Brocato's Direct Line: (512) 322-5857
Email: tbrocato@lglawfirm.com

MEMORANDUM

TO: Gulf Coast Coalition of Cities (CenterPoint Energy)
FROM: Thomas Brocato
Jamie Mauldin
DATE: April 5, 2018
RE: CenterPoint Energy – Distribution Cost Recovery Factor (“DCRF”) filing

CONFIDENTIAL/ATTORNEY-CLIENT COMMUNICATION
CITY ACTION REQUIRED NO LATER THAN JUNE 4

On April 4, 2018, CenterPoint Energy Houston Electric, LLC (“CenterPoint” or “Company”) filed an Application for Approval to Amend its Distribution Cost Recovery Factor Pursuant to 16 Tex. Admin. Code (“TAC”) § 25.243 with each of the Gulf Coast Coalition of Cities (“GCCC”) that has retained jurisdiction over CenterPoint’s rates. In the filing, the Company is proposing an adjustment to reflect changes in the federal income tax rate resulting from the Tax Cuts and Jobs Act of 2017. As a result of that adjustment, the Company is proposing a Total DCRF Revenue Requirement of \$82,620,101 to be effective on September 1, 2018. The resulting Total DCRF Revenue Requirement sought by the Company constitutes a \$7 million decrease to the currently approved total distribution revenue requirement that is scheduled to go into effect on September 1, 2018.

GCCC has engaged the services of a consultant, Mr. Karl Nalepa, to review the Company’s filing. Mr. Nalepa will review the filing and identify adjustments that should be made to the Company’s request. We are recommending that the Cities deny the requested relief.

The Public Utility Commission of Texas’s rules allow cities 60 days to act on this application. That deadline is June 4, 2018. **Accordingly, we request that each city schedule the draft resolution attached to this memorandum for consideration at their next council meeting.**

If you have any concerns or question please do not hesitate to contact me at (512) 322-5857. We appreciate your continued support.

MODEL STAFF REPORT REGARDING CENTERPOINT'S DISTRIBUTION COST RECOVERY FACTOR FILING

The City, along with approximately 38 other cities served by CenterPoint Energy Houston Electric, LLC (“CenterPoint” or “Company”) is a member of the Gulf Coast Coalition of Cities (“GCCC”). The coalition has been in existence since the early 1990s. GCCC has been the primary public interest advocate before the Public Utility Commission, the Courts, and the Legislature on electric utility regulation matters for over 20 years.

On April 4, 2018, CenterPoint filed an Application for Approval to Amend its Distribution Cost Recovery Factor (“DCRF”) Pursuant to 16 Tex. Admin. Code § 25.243 to Increase Distribution Rates with each of the cities in their service area. In the filing, the Company is proposing an adjustment to reflect changes in the federal income tax rate resulting from the Tax Cuts and Jobs Act of 2017. As a result of that adjustment, the Company is proposing a Total DCRF Revenue Requirement of \$82,620,101 to be effective on September 1, 2018. The resulting Total DCRF Revenue Requirement sought by the Company constitutes a \$7 million decrease to the currently approved total distribution revenue requirement that is scheduled to go into effect on September 1, 2018.

GCCC has engaged the services of a consultant, Mr. Karl Nalepa, to review the Company’s filing. GCCC’s attorney recommends that all GCCC members adopt the Resolution denying the rate change. Once the Resolution is adopted, CenterPoint will have 30 days to appeal the decision to the Public Utility Commission where the appeal will be consolidated with CenterPoint’s filing for the environs and those cities that have relinquished their original jurisdiction currently pending at the Commission.

Purpose of the Resolution:

The purpose of the Resolution is to deny the DCRF application proposed by CenterPoint.

Explanation of “Be It Resolved” Paragraphs:

1. This paragraph finds that the Company’s application is unreasonable and should be denied.
2. This section states that the Company’s current rates shall not be changed.
3. The Company will reimburse the cities for their reasonable rate case expenses. Legal counsel and consultants approved by the Cities will submit monthly invoices that will be forwarded to CenterPoint for reimbursement.
4. This section recites that the Resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.

5. This section provides CenterPoint and counsel for the cities will be notified of the City's action by sending a copy of the approved and signed Resolution to counsel.

CITY COMMISSION REGULAR MTG

(6) (c)

Meeting Date: 05/02/2018

Bid # 2018-341 15th Avenue Drainage Improvements Phase 2 - Bay Street Project

Submitted For: Mike McKinley, Public Works **Submitted By:** Mike McKinley, Public Works

Department: Public Works

Information

ACTION REQUEST (Brief Summary)

Approve and award a contract for Bid # 2018-341 15th Avenue Drainage Improvements Phase 2 - Bay Street.

BACKGROUND

Bid packets were made available on February 15, 2018 to area vendors. A letter of recommendation and bid tabulation are attached for your review.

Bids were opened on March 14, 2018 at 2:00 p. m..

This project is funded by the General Land Office of the State of Texas (GLO).

ANALYSIS

The low responsible bidder meeting all specifications was received from Spartan Direct Solutions, LLC from Nacogdoches Texas, for the total amount of \$108,278.20.

It is the recommendation of HDR Engineering, Inc. and the Public Works Department to award Bid # 2018-341 15th Avenue Drainage Improvements Phase 2 - Bay Street Project to Spartan Direct Solutions, LLC for the total bid amount of \$108,278.20 and that the Mayor is authorized to execute a contract on behalf of the City Commission.

The Public Works Department further recommends that the Mayor be authorized to approve any change orders, not to exceed 25% of the total contract price, without bringing the matter before the Commission.

Thank you

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Resolution

Exhibit A

Exhibit B

RESOLUTION NO. 18-034

A RESOLUTION AWARING BID NO. 2018-341 15TH AVENUE DRAINAGE IMPROVEMENTS PHASE 2 - BAY STREET AND AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT WITH SPARTAN DIRECT SOLUTIONS, LLC.; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, bids were made available to area vendors on February 15, 2018, for Bid No. 2018-341 15th Avenue Drainage Improvements Phase 2- Bay Street; and

WHEREAS, bids were opened on March 14, 2018, and it is the recommendation of HDR Engineering, Inc. and the Public Works Department that the bid be awarded to Spartan Direct Solutions, LLC., Nacogdoches, Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission hereby accepts the contract by Spartan Direct Solutions, LLC. for Bid NO. 2018-341 15th Avenue Drainage Improvements Phase 2- Bay Street.

SECTION 2: That the Mayor is hereby authorized to execute the contract with Spartan Direct Solutions, LLC., for the unit prices bid attached hereto as **Exhibit "A"** and made a part hereof for all intents and purposes.

SECTION 3: That the Mayor is hereby authorized to approve change orders, not to exceed twenty-five percent (25.0%) of the total contract amount, without bringing the matter before the City Commission.

SECTION 4: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 2nd day of May 2018.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

James M. Hartshorn
City Secretary

Russell F. Plackemeier
City Attorney

| | | | | Low Bidder | | Aranda Brothers Construction Co., Inc. | | RAC Industries, LLC | | T Construction, LLC | | Excel Paving Company, LLC | |
|-----------------------------------|---|------|-------|-------------------------------|---------------------|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------------|---------------------|
| | | | | Spartan Direct Solutions, LLC | | | | | | | | | |
| ITEM NO. | ITEM DESCRIPTION | UNIT | QUAN. | UNIT PRICE | TOTAL AMOUNT | UNIT PRICE | TOTAL AMOUNT | UNIT PRICE | TOTAL AMOUNT | UNIT PRICE | TOTAL AMOUNT | UNIT PRICE | TOTAL AMOUNT |
| Base Bid Items | | | | | | | | | | | | | |
| 1 | Mobilization | L.S. | 1 | \$ 5,000.00 | \$ 5,000.00 | \$ 25,000.00 | \$ 25,000.00 | \$ 24,000.00 | \$ 24,000.00 | \$ 8,250.00 | \$ 8,250.00 | \$ 8,450.00 | \$ 8,450.00 |
| 2 | Traffic Control and Regulation, including signs, barrels, barricades, and flagmen | L.S. | 1 | \$ 2,500.00 | \$ 2,500.00 | \$ 5,000.00 | \$ 5,000.00 | \$ 2,070.00 | \$ 2,070.00 | \$ 3,950.00 | \$ 3,950.00 | \$ 6,500.00 | \$ 6,500.00 |
| 3 | Project identification sign, including installation, maintenance and removal | EA. | 1 | \$ 900.00 | \$ 900.00 | \$ 500.00 | \$ 500.00 | \$ 920.00 | \$ 920.00 | \$ 525.00 | \$ 525.00 | \$ 3,250.00 | \$ 3,250.00 |
| 4 | Remove and dispose of existing storm sewer pipe, all depths, all sizes, all material types, including excavation, backfill and surface restoration | L.F. | 416 | \$ 36.00 | \$ 14,976.00 | \$ 10.00 | \$ 4,160.00 | \$ 20.00 | \$ 8,320.00 | \$ 35.00 | \$ 14,560.00 | \$ 42.00 | \$ 17,472.00 |
| 5 | Remove and dispose of existing manholes, all depths, including excavation and backfill, salvaging frame and grate and surface restoration | EA. | 1 | \$ 1,950.00 | \$ 1,950.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 460.00 | \$ 460.00 | \$ 1,210.00 | \$ 1,210.00 | \$ 3,250.00 | \$ 3,250.00 |
| 6 | 30" RCP, ASTM C76, Class III storm sewer, rubber gasket joints, all depths, cement stabilized sand bedding and backfill | L.F. | 183 | \$ 75.90 | \$ 13,889.70 | \$ 65.00 | \$ 11,895.00 | \$ 150.00 | \$ 27,450.00 | \$ 148.00 | \$ 27,084.00 | \$ 83.00 | \$ 15,189.00 |
| 7 | 30" HDPE storm sewer, all depths, cement stabilized sand bedding and backfill | L.F. | 30 | \$ 54.00 | \$ 1,620.00 | \$ 45.00 | \$ 1,350.00 | \$ 100.00 | \$ 3,000.00 | \$ 150.00 | \$ 4,500.00 | \$ 45.00 | \$ 1,350.00 |
| 8 | 4' x 4' precast storm manhole with grate top or ring and cover, all depths, cement stabilized sand bedding and backfill | EA. | 2 | \$ 1,937.50 | \$ 3,875.00 | \$ 2,900.00 | \$ 5,800.00 | \$ 3,480.00 | \$ 6,960.00 | \$ 5,830.00 | \$ 11,660.00 | \$ 4,030.00 | \$ 8,060.00 |
| 9 | Remove existing concrete slope paving, all depths | S.Y. | 30 | \$ 61.00 | \$ 1,830.00 | \$ 10.00 | \$ 300.00 | \$ 10.00 | \$ 300.00 | \$ 13.00 | \$ 390.00 | \$ 215.00 | \$ 6,450.00 |
| 10 | Concrete slope paving for pipe outfalls, including toe walls at each end | S.Y. | 30 | \$ 62.00 | \$ 1,860.00 | \$ 70.00 | \$ 2,100.00 | \$ 87.00 | \$ 2,610.00 | \$ 82.00 | \$ 2,460.00 | \$ 405.00 | \$ 12,150.00 |
| 11 | Trench safety for all storm sewers greater than 5' deep, including installation, operation and removal | L.F. | 213 | \$ 1.00 | \$ 213.00 | \$ 1.00 | \$ 213.00 | \$ 1.00 | \$ 213.00 | \$ 1.00 | \$ 213.00 | \$ 1.00 | \$ 213.00 |
| 12 | Inlet protection barrier, Stage I and II inlets and existing inlets, including filter fabric fence, gravel bags, repair and replacement, maintenance and removal of sediments | EA. | 2 | \$ 500.00 | \$ 1,000.00 | \$ 50.00 | \$ 100.00 | \$ 46.00 | \$ 92.00 | \$ 52.00 | \$ 104.00 | \$ 1,300.00 | \$ 2,600.00 |
| 13 | Stabilized construction access, including maintenance and removal | EA. | 1 | \$ 3,800.00 | \$ 3,800.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,495.00 | \$ 1,495.00 | \$ 4,150.00 | \$ 4,150.00 | \$ 3,900.00 | \$ 3,900.00 |
| 14 | Filter Fabric Fence, including maintenance and removal | LF | 150 | \$ 4.25 | \$ 637.50 | \$ 5.00 | \$ 750.00 | \$ 2.30 | \$ 345.00 | \$ 1.50 | \$ 225.00 | \$ 5.20 | \$ 780.00 |
| Total Base Bid Items: | | | | | \$ 54,051.20 | | \$ 59,168.00 | | \$ 78,235.00 | | \$ 79,281.00 | | \$ 89,614.00 |
| Supplemental Items | | | | | | | | | | | | | |
| 15 | Well pointing for storm sewer pipe, all sizes, all depths, including all necessary appurtenances | L.F. | 200 | \$ 20.00 | \$ 4,000.00 | \$ 20.00 | \$ 4,000.00 | \$ 36.00 | \$ 7,200.00 | \$ 20.00 | \$ 4,000.00 | \$ 20.00 | \$ 4,000.00 |
| 16 | Wet condition bedding for storm sewer pipe installation, all depths, consisting of 12" crushed stone foundation | L.F. | 200 | \$ 5.00 | \$ 1,000.00 | \$ 5.00 | \$ 1,000.00 | \$ 9.00 | \$ 1,800.00 | \$ 5.00 | \$ 1,000.00 | \$ 5.00 | \$ 1,000.00 |
| 17 | Wet condition bedding for precast storm sewer manhole construction, all sizes, all depths, including foundation, filter fabrics and all appurtenances | EA. | 2 | \$ 500.00 | \$ 1,000.00 | \$ 500.00 | \$ 1,000.00 | \$ 500.00 | \$ 1,000.00 | \$ 500.00 | \$ 1,000.00 | \$ 500.00 | \$ 1,000.00 |
| 18 | Install root pruning trench | L.F. | 100 | \$ 5.00 | \$ 500.00 | \$ 5.00 | \$ 500.00 | \$ 5.00 | \$ 500.00 | \$ 5.00 | \$ 500.00 | \$ 5.00 | \$ 500.00 |
| 19 | Clearance prune tree | EA. | 5 | \$ 50.00 | \$ 250.00 | \$ 50.00 | \$ 250.00 | \$ 400.00 | \$ 2,000.00 | \$ 50.00 | \$ 250.00 | \$ 50.00 | \$ 250.00 |
| 20 | Install tree protection fence, including maintenance and removal | L.F. | 100 | \$ 2.00 | \$ 200.00 | \$ 2.00 | \$ 200.00 | \$ 5.00 | \$ 500.00 | \$ 2.00 | \$ 200.00 | \$ 2.00 | \$ 200.00 |
| 21 | Installation and removal of piezometers | EA. | 1 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 |
| Total Supplemental Items: | | | | | \$ 7,050.00 | | \$ 7,050.00 | | \$ 13,100.00 | | \$ 7,050.00 | | \$ 7,050.00 |
| Add Alternate No. 1 Items: | | | | | | | | | | | | | |
| 22 | Remove and dispose of existing storm sewer pipe, all depths, all sizes, all material types, including excavation, backfill and surface restoration | L.F. | 250 | \$ 33.00 | \$ 8,250.00 | \$ 10.00 | \$ 2,500.00 | \$ 20.00 | \$ 5,000.00 | \$ 35.00 | \$ 8,750.00 | \$ 42.00 | \$ 10,500.00 |
| 23 | Remove and dispose of existing manholes, all depths, including excavation and backfill, salvaging frame and grate and surface restoration | EA. | 1 | \$ 5,000.00 | \$ 5,000.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 460.00 | \$ 460.00 | \$ 1,210.00 | \$ 1,210.00 | \$ 3,250.00 | \$ 3,250.00 |
| 24 | 48" RCP, ASTM C76, Class III storm sewer, rubber gasket joints, all depths, cement stabilized sand bedding and backfill | L.F. | 85 | \$ 50.78 | \$ 4,316.30 | \$ 165.00 | \$ 14,025.00 | \$ 240.00 | \$ 20,400.00 | \$ 245.00 | \$ 20,825.00 | \$ 235.00 | \$ 19,975.00 |
| 25 | 48" HDPE storm sewer, all depths, cement stabilized sand bedding and backfill | L.F. | 40 | \$ 123.50 | \$ 4,940.00 | \$ 65.00 | \$ 2,600.00 | \$ 160.00 | \$ 6,400.00 | \$ 550.00 | \$ 22,000.00 | \$ 130.00 | \$ 5,200.00 |
| 26 | 6' x 6' precast storm manhole, all depths, including ring and cover, cement stabilized sand bedding and backfill | EA. | 1 | \$ 4,200.00 | \$ 4,200.00 | \$ 6,800.00 | \$ 6,800.00 | \$ 6,234.00 | \$ 6,234.00 | \$ 7,050.00 | \$ 7,050.00 | \$ 6,240.00 | \$ 6,240.00 |
| 27 | 9' x 4' precast storm manhole, all depths, including grate top, cement stabilized sand bedding and backfill | EA. | 1 | \$ 5,800.00 | \$ 5,800.00 | \$ 8,000.00 | \$ 8,000.00 | \$ 8,275.00 | \$ 8,275.00 | \$ 9,500.00 | \$ 9,500.00 | \$ 19,500.00 | \$ 19,500.00 |
| 28 | Remove existing concrete slope paving, all depths | S.Y. | 30 | \$ 59.34 | \$ 1,780.20 | \$ 10.00 | \$ 300.00 | \$ 10.00 | \$ 300.00 | \$ 13.00 | \$ 390.00 | \$ 215.00 | \$ 6,450.00 |
| 29 | Concrete slope paving for pipe outfalls, including toe walls at each end | S.Y. | 30 | \$ 65.00 | \$ 1,950.00 | \$ 70.00 | \$ 2,100.00 | \$ 87.00 | \$ 2,610.00 | \$ 82.00 | \$ 2,460.00 | \$ 405.00 | \$ 12,150.00 |
| 30 | Remove and Replace 4 1/2" thick Concrete Sidewalk | S.Y. | 72 | \$ 74.00 | \$ 5,328.00 | \$ 75.00 | \$ 5,400.00 | \$ 67.00 | \$ 4,824.00 | \$ 52.00 | \$ 3,744.00 | \$ 105.00 | \$ 7,560.00 |
| 31 | Trench safety for all storm sewers greater than 5' deep, including installation, operation and removal | L.F. | 125 | \$ 1.00 | \$ 125.00 | \$ 1.00 | \$ 125.00 | \$ 1.00 | \$ 125.00 | \$ 1.00 | \$ 125.00 | \$ 1.00 | \$ 125.00 |

| | | | | Low Bidder | | Aranda Brothers Construction Co., Inc. | | RAC Industries, LLC | | T Construction, LLC | | Excel Paving Company, LLC | |
|---|---|------|-------|-------------------------------|----------------------|--|----------------------|---------------------|----------------------|---------------------|----------------------|---------------------------|----------------------|
| | | | | Spartan Direct Solutions, LLC | | | | | | | | | |
| ITEM NO. | ITEM DESCRIPTION | UNIT | QUAN. | UNIT PRICE | TOTAL AMOUNT | UNIT PRICE | TOTAL AMOUNT | UNIT PRICE | TOTAL AMOUNT | UNIT PRICE | TOTAL AMOUNT | UNIT PRICE | TOTAL AMOUNT |
| 32 | Inlet protection barrier, Stage I and II inlets and existing inlets, including filter fabric fence, gravel bags, repair and replacement, maintenance and removal of sediments | EA. | 2 | \$ 300.00 | \$ 600.00 | \$ 50.00 | \$ 100.00 | \$ 46.00 | \$ 92.00 | \$ 50.00 | \$ 100.00 | \$ 1,300.00 | \$ 2,600.00 |
| 33 | Stabilized construction access, including maintenance and removal | EA. | 1 | \$ 3,800.00 | \$ 3,800.00 | \$ 1,000.00 | \$ 1,000.00 | \$ 1,495.00 | \$ 1,495.00 | \$ 4,150.00 | \$ 4,150.00 | \$ 3,900.00 | \$ 3,900.00 |
| 34 | Filter Fabric Fence, including maintenance and removal | L.F. | 150 | \$ 4.25 | \$ 637.50 | \$ 5.00 | \$ 750.00 | \$ 2.30 | \$ 345.00 | \$ 1.50 | \$ 225.00 | \$ 5.20 | \$ 780.00 |
| 35 | 4' Yellow Broken stripe | L.F. | 120 | \$ 3.75 | \$ 450.00 | \$ 15.00 | \$ 1,800.00 | \$ 11.00 | \$ 1,320.00 | \$ 7.00 | \$ 840.00 | \$ 8.00 | \$ 960.00 |
| Total Add Alternate No. 1 Items: | | | | | \$ 47,177.00 | | \$ 46,500.00 | | \$ 57,880.00 | | \$ 81,369.00 | | \$ 99,190.00 |
| Total Base Bid Items: | | | | | \$ 54,051.20 | | \$ 59,168.00 | | \$ 78,235.00 | | \$ 79,281.00 | | \$ 89,614.00 |
| Total Supplemental Items: | | | | | \$ 7,050.00 | | \$ 7,050.00 | | \$ 13,100.00 | | \$ 7,050.00 | | \$ 7,050.00 |
| Total Add Alternate No. 1 Items: | | | | | \$ 47,177.00 | | \$ 46,500.00 | | \$ 57,880.00 | | \$ 81,369.00 | | \$ 99,190.00 |
| Total Bid Amount (Base Bid Items + Supplemental Items + Add Alternate No. 1 Items) | | | | | \$ 108,278.20 | | \$ 112,718.00 | | \$ 149,215.00 | | \$ 167,700.00 | | \$ 195,854.00 |

Represents Error Corrected by Engineer



April 17, 2018

Mr. Tom Kessler, P.E.
Director of Public Works
City of Texas City
301 6th Street North
Texas City, Texas 77590

Re: **Letter of Recommendation**
15th Avenue Drainage Improvements Phase 2 – Bay Street Project
GLO/City of Texas City
City of Texas City Bid. No. 2018-341
HDR Job No.: 17-041

Dear Mr. Kessler:

On March 14, 2018, the City received six (6) bids for the above referenced project. This project is funded by General Land Office of the State of Texas (GLO). Following is a summary of our bid evaluation:

Bid Tabulation Sheet – Six (6) construction firms participated in the bidding process. Each bid was checked for mathematical errors and/or bid irregularities. Appropriate corrections to the errors were made and included in the attached bid tabulations. Skilled Construction Subs Unlimited did not provide a bid bond and therefore was disqualified.

The project recommended for award is the Base Bid items, Supplemental items, and Add Alternate No. 1. The bids for the project are as follows:

| | Contractor | Total Recommended Amount |
|----------|---|---------------------------------|
| 1 | Spartan Direct Solutions, LLC | \$108,278.20 |
| 2 | Aranda Brothers Construction Co., Inc. | \$112,718.00 |
| 3 | RAC Industries, LLC | \$149,215.00 |
| 4 | T Construction, LLC | \$167,700.00 |
| 5 | Excel Paving Company, LLC | \$195,854.00 |
| 6 | Skilled Construction Subs Unlimited | Disqualified |

A copy of the bid tabulation is attached.

HDR contacted references provided by Spartan Direct Solutions, LLC and received excellent ratings on their previous projects. The references indicated that they were impressed with the work Spartan Direct Solutions, LLC has performed and would use them again in the future.

Spartan Direct Solutions, LLC appears to be a responsible firm that should be capable of performing the specified work in a satisfactory manner. For these reasons, we recommend that the City of Texas City award the 15th Avenue Drainage Improvements Phase 2 – Bay Street Project for One Hundred Eight Thousand, Two Hundred Seventy Eight Dollars and Twenty Cents (\$108,278.20) to Spartan Direct Solutions, LLC.

Sincerely,

HDR ENGINEERING, INC.



Ngoc Kim Le, P.E.
Project Manager

Cc: Mr. Tommy Maris – City of Texas City
Mr. Mike McKinley – City of Texas City
Ms. Emily Phalan – GrantWorks, Inc.

CITY COMMISSION REGULAR MTG

(6) (d)

Meeting Date: 05/02/2018

Bid # 2018-346 2018 Pavement Striping Project at Various Locations

Submitted For: Mike McKinley, Public Works **Submitted By:** Mike McKinley, Public Works

Department: Public Works

Information

ACTION REQUEST (Brief Summary)

Approve and award a contract for the 2018 Pavement Striping Project at Various Locations

BACKGROUND

Bid packets were made available to area vendors on April 4, 2018. Bids were opened and read aloud on April 19, 2018 at 2:00 p.m..

A bid tabulation is attached for your review.

ANALYSIS

The low responsible bidder meeting all specifications was received from Stripe Lines, Inc. in Houston Texas, for the total bid amount of \$64,391.00. It is the recommendation of the Public Department to award the contract to Stripe Lines, Inc. for the total bid amount of \$64,391.00, and that the Mayor is authorized to execute a contract on behalf of the Commission.

It is further requested that the Mayor be authorized to approve any change orders not to exceed 25% without bringing the matter before the Commission.

Thank you.

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Resolution
Exhibit A

RESOLUTION NO. 18-035

A RESOLUTION AWARDING BID NO. 2018-346 THE 2018 PAVEMENT STRIPING PROJECT AT VARIOUS LOCATIONS AND AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT WITH STRIPE LINES, INC.; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, bids were made available to area vendors on April 4, 2018, for Bid No. 2018-346, 2018 The Pavement Striping Project at various locations; and

WHEREAS, bids were opened on April 19, 2018, and it is the recommendation of the Public Works Department that the bid be awarded to Stripe Lines, Inc., Houston, Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission hereby accepts the contract by Stripe Lines, Inc. for Bid No. 2018-346 The 2018 Pavement Striping Project at various locations.

SECTION 2: That the Mayor is hereby authorized to enter into a contract with Stripe Lines, Inc. for the unit prices bid attached hereto as **Exhibit "A"** and made a part hereof for all intents and purposes.

SECTION 3: That the Mayor is hereby authorized to approve change orders, not to exceed twenty-five (25.0%) of the total contract amount, without bringing the matter before the City Commission.

SECTION 4: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 2nd day of May 2018.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

James M. Hartshorn
City Secretary

Russell F. Plackemeier
City Attorney

BID TABULATION

2018 Pavement Striping Project at Various Locations

Bid # 2018-346

Bid Opening Date: Thursday, April 19, 2018 @ 2:00 p.m.

Pre Bid: Thursday, April 10, 2018 at 10:00 a.m.

| | VENDOR | VENDOR | VENDOR |
|------------------|---------------------|------------------|-----------------------------------|
| | Stripe Lines | Batterson | One Way Striping and Signs |
| TOTAL BID | \$64,391.00 | \$89,544.20 | \$73,160.80 |

CITY COMMISSION REGULAR MTG

(6) (e)

Meeting Date: 05/02/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution N0. 18-036, appointing and swearing in Donnie D. Quintanilla as a temporary Municipal Court Judge. (City Secretary)

BACKGROUND

Due to some unexpected short-term vacancy needs of the two Municipal Court Judges, the court will need a temporary Judge to serve for a few weeks to keep the case load moving forward. Our Charter allows for a temporary appointment:

Sec. 4. Absence of municipal judge.

If the municipal judge shall be temporarily incapacitated or on vacation, the city commission is authorized to appoint some qualified person who shall act in the place and stead of the municipal judge, and who shall receive the compensation therefor as fixed by the city commission at the time of the temporary municipal judge's appointment, but not for longer than 60 days.

Both Municipal Court Judges will be available easily by the end of May, but most likely at least one will be available by mid-May.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Resolution

RESOLUTION NO. 18-036

**A RESOLUTION APPOINTING DONNIE D. QUINTANILLA AS
TEMPORARY MUNICIPAL COURT JUDGE TO PRESIDE OVER THE
MUNICIPAL COURT DURING THE ABSENCE OF THE MUNICIPAL
COURT JUDGE; AND PROVIDING THAT THIS RESOLUTION
SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE
AND ADOPTION.**

WHEREAS, Article X, Section 4, of the City Charter requires that if the Municipal Judge shall be temporarily incapacitated or on vacation, the City Commission is authorized to appoint some qualified person who shall act in the place and stead of the Municipal Judge, and who shall receive the compensation therefor as fixed by the City Commission at the time of the temporary Municipal Judge's appointment, but not for longer than 60 days; and

WHEREAS, the temporary Municipal Court Judge shall be appointed by a majority vote of the City Commission of the City of Texas City, Texas; and

WHEREAS, it is in the best interest of the City of Texas City to appoint Donnie D. Quintanilla as temporary Judge to Municipal Court to perform the duties of the Municipal Judge during the times that the Municipal Court Judge is unable to preside over said court.

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

SECTION 1: That the City Commission of the City of Texas City, Texas, hereby appoints Donnie D. Quintanilla to serve as a temporary Municipal Court Judge for the City's Municipal Court.

SECTION 2: That, when acting as Municipal Judge, the temporary Municipal Court Judge shall be vested with all the powers and authority of the Municipal Court Judge under the laws of the State of Texas and the Charter of the City of Texas City.

SECTION 3: That the Mayor is authorized to negotiate and enter into contracts for the professional services of the temporary Municipal Court Judge.

SECTION 4: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 2nd day of May 2018.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

James M. Hartshorn
City Secretary

Russell F. Plackemeier
City Attorney

CITY COMMISSION REGULAR MTG

(6) (f)

Meeting Date: 05/02/2018

Bid # 2018-049 Sodium Bisulfite Annual Contract

Submitted For: Mike McKinley, Public Works **Submitted By:** Mike McKinley, Public Works

Department: Public Works

Information

ACTION REQUEST (Brief Summary)

Approve and award Bid # 2018-049 Sodium Bisulfite Annual Contract

BACKGROUND

On April 05, 2018 and April 12, 2018 the Notice To Bidders was published in the paper and bid packets were made available to vendors. Bids were opened on April 24, 2018 at 2 p.m..

A bid tabulation is attached for your review.

ANALYSIS

The low responsible bidder meeting all qualifications was Poolsure in Houston, TX.

It is the recommendation of the Public Works Department to award Bid # 2018-049 Sodium Bisulfite Annual Contract to Poolsure and that the Mayor is authorized to execute a contract on behalf of the City Commission.

Thank you.

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Resolution

Exhibit A

RESOLUTION NO. 18-037

A RESOLUTION AWARDED BID NO. 2018-049 AND AUTHORIZING THE MAYOR TO ENTER INTO AN ANNUAL CONTRACT FOR THE PURCHASE AND DELIVERY OF SODIUM BISULFITE; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, on April 5, 2018, and April 12, 2018, a Notice to Bidders was advertised in the Galveston County Daily Newspaper and bid packets were made available to area vendors for Bid No. 2018-049 Sodium Bisulfite Annual Contract; and

WHEREAS, the bids were opened on April 24, 2018, and it is the recommendation of the Public Works Department that the bid be awarded to Poolsure, Houston, Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission hereby accepts the contract by Poolsure for Bid No. 2018-049 Sodium Bisulfite Annual Contract.

SECTION 2: That the Mayor is hereby authorized to enter into an annual contract with Poolsure for the respective unit price bid in **Exhibit "A"**, as attached hereto and incorporated herein for all intents and purposes.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 2nd day of May 2018.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

James M. Hartshorn
City Secretary

Russell F. Plackemeier
City Attorney

City of Texas City

BID TABULATION

2018-049 SODIUM BISULFITE ANNUAL CONTRACT

Bid Opening: Tuesday, April 24, 2018 at 2:00 p.m.

| <u>BIDDER</u> | Poolsure / Aquasol | Ineos Calabrian |
|-------------------------------------|-------------------------------|----------------------------|
| Unit Price Per Dry Pound | \$0.30 | \$0.3268 |
| 135,000 Pounds Dry Total | \$40,500.00 | \$44,118.00 |
| Unit Price Per Wet Pound | \$\$0.12 | \$0.1307 |
| 135,000 Pounds Wet Total | \$16,200.00 | \$17,644.50 |

CITY COMMISSION REGULAR MTG

(6) (g)

Meeting Date: 05/02/2018

Bid # 2018-050 Sodium Hypochlorite Solution Annual Contract

Submitted For: Mike McKinley, Public Works **Submitted By:** Mike McKinley, Public Works

Department: Public Works

Information

ACTION REQUEST (Brief Summary)

Approve and award Bid # 2018-050 Sodium Hypochlorite Solution Annual Contract.

BACKGROUND

On April 05, 2018 and April 12, 2018 the Notice To Bidders was advertised in the paper and bid packets were made available. Bids were opened on April 24, 2018 at 2 p.m..

A bid tabulation is attached for your review.

ANALYSIS

The low responsible bidder meeting all qualifications is DXI Industries, Inc. in Houston, TX.

It is the recommendation of the Public Works Department to award Bid # 2018-050 Sodium Hypochlorite Solution Annual Contract to DXI Industries, Inc. and that the Mayor is authorized to execute the contract on behalf of the City Commission.

Thank you.

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Resolution

Exhibit A

RESOLUTION NO. 18-038

A RESOLUTION AWARDED BID NO. 2018-050 AND AUTHORIZING THE MAYOR TO ENTER INTO AN ANNUAL CONTRACT FOR THE PURCHASE AND DELIVERY OF SODIUM HYPOCHLORITE SOLUTION; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, on April 5, 2018, and April 12, 2018, a Notice to Bidders was advertised in the Galveston County Daily Newspaper and bid packets were made available to area vendors for Bid No. 2018-050 Hypochlorite Solution Annual Contract; and

WHEREAS, the bids were opened on April 24, 2018, and it is the recommendation of the Public Works Department that the bid be awarded to DXI Industries, Inc., Houston, Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: That the City Commission hereby accepts the contract by DXI Industries, Inc. for Bid No. 2018-050 Hypochlorite Solution Annual Contract.

SECTION 2: That the Mayor is hereby authorized to enter into an annual contract with DXI Industries, Inc. for the respective unit price bid in **Exhibit "A"**, as attached hereto and incorporated herein for all intents and purposes.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 2nd day of May 2018.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

James M. Hartshorn
City Secretary

Russell F. Plackemeier
City Attorney

City of Texas City

BID TABULATION

2018-050 SODIUM HYPOCHLORITE SOLUTION

Bid Opening: Tuesday, April 24, 2018 at 2:30 p.m.

| <u>BIDDER</u> | PVS Chemicals | Brentag | DXI |
|--|----------------------|--------------------|--------------------|
| 81,000 Gallons = Eighteen (18) 4,500 Gallon Truck Loads | \$0.9236 | \$0.775 | \$0.7548 |
| | \$74,811.60 | \$62,775.00 | \$61,138.80 |
| 330 Gallons = Six (6) 55 Gallon Drums | NO BID | \$112.75 | \$121.50 |
| | NO BID | \$676.50 | \$729.00 |

CITY COMMISSION REGULAR MTG

(7) (a)

Meeting Date: 05/02/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

Gas Franchise with Centerpoint

BACKGROUND

This is the third and final reading of the Franchise Agreement with Centerpoint Gas. As stated before, the City of Texas City Staff has been working with its attorney group, Lloyd Gosselink, et al, and Centerpoint Energy to renew our Franchise agreement. Highlights: increase from 3% to 4.25%; term is 5 years with 1 year automatic renewals; notice of 3 months for termination after 5 year initial term; clarification on permits required, repair of ROW's, notice of work, emergency work, etc. The net difference in our income from the changes and clarifications would roughly \$110,000. Currently we are paid about \$124,000/year and with the new franchise it would be roughly \$231,000/yr.

We have to publish the entire agreement in the newspaper 4 times and wait sixty days after the adoption before the agreement will go into effect, so the impact will not be felt to much in this fiscal year.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Ordinance

ORDINANCE NO. 18-08

AN ORDINANCE GRANTING TO CENTERPOINT ENERGY RESOURCES CORP., DBA CENTERPOINT ENERGY TEXAS GAS OPERATIONS, THE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, INSTALL, EXTEND, REMOVE, REPLACE, ABANDON, OPERATE AND MAINTAIN ITS FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY OF THE CITY OF TEXAS CITY, TEXAS FOR THE TRANSPORTATION, DELIVERY, SALE AND DISTRIBUTION OF NATURAL GAS; CONTAINING OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TEXAS CITY, TEXAS:

SECTION 1: GRANT OF AUTHORITY. Subject to the terms, conditions and provisions of this ordinance, the right, privilege and franchise is hereby granted to CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, hereinafter called "Company", to construct, install, extend, remove, replace, abandon, operate and maintain its facilities within the Public Rights-of-Way of the City of Texas City, Texas for the transportation, delivery, sale and distribution of natural gas within the corporate limits of the City of Texas City, as the same are now and as the same may from time to time be extended.

SECTION 2: DEFINITIONS.

- A. "City" shall mean the City of Texas City, Texas.
- B. "Company" shall mean CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, a Delaware Corporation, and shall not mean any of its affiliates and subsidiaries who shall have no right, privilege or franchise granted hereunder.
- C. "Facilities" shall mean pipes, pipelines, natural gas mains, laterals, feeders, regulators, meters, fixtures, connections and attachments and other instrumentalities and appurtenances, used in or incident to providing transportation, distribution, supply and sales of natural gas for heating, lighting, power and any other purposes for which natural gas may now or hereafter be used.
- D. "Public Rights-of-Way" shall mean the areas in, under, upon, over, across, and along any and all of the present and future Streets or public waters now or hereafter owned or controlled by City.
- E. "Routine Maintenance" shall mean non-emergency repairs, not taking longer than 6 hours on City designated major thoroughfares and in public school zones between 9 AM and 3 PM, and not taking longer than 10 hours on other Public Rights-of-Way between 8 AM and 6 PM where the paved surface of the Public Rights-of-Way, including the sidewalk and curbs, is not broken and there is no trenching in the unpaved surfaces of the Public Rights-of-Way beyond 24 inches.
- F. "Street" shall mean the surface and the space above and below any public street, road, highway, alley, bridge, sidewalk, or other public place or way.

SECTION 3: TERM OF FRANCHISE. This Franchise shall become effective on the Effective Date described in Section 21 and shall be in full force and effect for a term of five (5) years. Thereafter, the term of this Franchise shall automatically renew for successive one (1) year terms unless one party provides written notice to the other party at least ninety (90) days in advance of the end of the then existing term that it does not wish to renew the term of this Agreement.

SECTION 4: CONSTRUCTION AND MAINTENANCE OF NATURAL GAS DISTRIBUTION SYSTEM. All Facilities installed by Company shall be of sound material and good quality, and shall be laid so that they will not interfere with the artificial drainage of the City or its underground fixtures, or with navigation in or the natural drainage of any stream. All Facilities shall be installed in accordance with applicable Federal and State regulations and in the absence of such regulations in accordance with accepted industry practice. Within the Public Rights-of-Way, the location and route of the Facilities by the Company shall be subject to the reasonable and proper regulation, direction and control of the City or the City official to whom such duties have been delegated. Such regulation shall include, but not be limited to, the right to require in writing to the extent provided in Section 13 the relocation of Company's Facilities at Company's cost within the Public Rights-of-Way of the City whenever such relocation shall be reasonably necessary to accommodate the widening, change of grade, or relocation of Streets or Public Rights-of-Way by City, or construction or relocation by City of City utility lines or drainage facilities. Company shall keep current and up-to-date maps showing the physical location of Company's facilities and make available for inspection by the City at no cost during normal working hours.

SECTION 5: STREETS TO BE RESTORED TO GOOD CONDITION. Following completion of work in the Public Rights-of-Way, Company shall repair the affected Public Rights-of-Way as soon as possible after the completion of the work to as good a condition as before the commencement of the work in accordance with the City's specifications, but in all cases Company shall comply with all City ordinances governing time periods and standards relating to excavating or performing any other construction work in the Public Rights-of-Way when performing restoration work. Company shall be responsible for the repair or maintenance incurred as a result of any defects, impairments, or substandard condition in any Street caused by the work of Company for one (1) year from the date the surface of said Street is broken for such construction or maintenance work, after which time, the responsibility for the maintenance or repairs shall become the duty of the City. No Street shall be encumbered for a longer period than shall be necessary to execute the work.

SECTION 6: PERMITS. Company and its contractors shall obtain a permit prior to its commencement of any planned engineering work, including replacements, extensions, and public relocations, within the Streets or Public Rights-of-Way, except as otherwise provided below. No permit shall be required, but the Company must provide email notification to the City at least one day prior to the Company's commencement of Routine Maintenance in the Public Rights-of-Way. Company shall be exempt from any existing or future professional engineering stamp or certification requirement of the City. No permit shall be required to promptly initiate emergency repairs and repairs pursuant to the rules and regulations of the Railroad Commission of Texas. All work shall be preceded by an 811 call and be subject to the Texas One-Call Statute (Texas Utilities Code, Chapter 251, and any successor statutes). Company shall give the City telephone notice of the initiation of emergency repairs involving breaks in

the paved surface of the Public Rights of Way, including sidewalks and curbs, as soon as practicable under the circumstances and shall submit a permit promptly following completion of the work. Company and contractors performing work for the Company shall not be required to obtain any permits for relocations of Facilities requested by the City, provided that the relocated facilities are placed in the location designated by the City and relocation is otherwise in accordance with the City's request to relocate. This Franchise shall constitute a permit to park vehicles in the Streets and other Public Rights of Way when necessary for the installation, replacement, abandonment, operation or maintenance of Company's Facilities. Company and contractors performing work for Company shall not be required to pay any fee in addition to the franchise fee in order to obtain a permit to perform work on Company's facilities, or park within the Streets and other Public Rights of Way. City shall not be required to pay any fee in order to obtain a letter of consent from the Company regarding the City's abandonment of Public Rights of Way. However, third parties associated with the City's abandonment shall continue to pay all costs related to the abandonment process.

SECTION 7: QUALITY OF SERVICE. The service furnished hereunder to the City and its inhabitants shall be in accordance with the quality of service rules of the Railroad Commission of Texas and all other applicable local, state and federal regulations. Company shall furnish the grade of service to its customers as provided by its rate schedules and shall maintain its system in reasonable operating condition during the continuance of this Franchise. An exception to this requirement is automatically in effect, but only for so long as is necessary, when caused by a shortage in materials, supplies and equipment beyond the control of the Company as a result of fires, strikes, riots, storms, floods and other casualties, governmental regulations, limitations and restrictions as to the use and availability of materials, supplies and equipment and as to the use of the services, and unforeseeable and unusual demands for service. In any of such events the Company shall do all things reasonably within its power to restore normal service as quickly as practicable.

SECTION 8: PAYMENT TO THE CITY. In consideration of the rights and privileges herein granted, the administration of the Franchise by the City, the temporary interference with the use of Public Rights-of-Way and cost and obligations undertaken by the City in relation thereto and in lieu of any license, charge, fee, Street or alley rental or other character of charge for use and occupancy of the Streets, alleys, and public places of the City, and in lieu of any inspection fee, the Company agrees to pay to the City franchise fees in the amount and manner described herein.

Company agrees to pay to the City quarterly during the continuance of this Franchise a sum of money equal to four and one quarter percent (4.25%) of the Company's gross receipts for the preceding calendar quarter received by the Company from the sale of gas within the corporate limits of the City plus seven cents (7¢) per Mcf for natural gas transported by Company for its Transport Customers during such quarter, without offset or exclusion of any amounts received by Company for receipts associated with Miscellaneous Service Charges. "Transport Customer" means any person or entity for whom Company transports gas through the distribution system of Company within the corporate limits of City for consumption within the corporate limits of City. The franchise fees hereunder shall be calculated for the calendar quarters ending March 31, June 30, September 30, and December 31 and shall be payable on or before the fifteenth day of May, August, November, and February following the quarter for which payment is made, beginning with the first such date following the Effective Date of this Franchise and each August 15th, November 15th, February 15th, and May 15th thereafter; provided, however, the first such payment shall be prorated as necessary to reflect only those gross receipts received and transportation volumes

delivered by Company after the Effective Date of this Franchise. In no event shall the Company be required to remit to the City franchise fee amounts that for any reason whatsoever are not fully recoverable from its customers. Upon receipt of the above amount of money, the City Secretary shall deliver to the Company a receipt for such amount. If any payment due date required herein falls on a weekend or bank holiday, payment shall be made on or before the close of business of the first working day after the payment due date.

SECTION 9: ANNEXATIONS BY CITY. This Franchise shall extend to and include any and all territory that is annexed by the City during the term of this Franchise. Within sixty (60) days from the receipt of notice from the City of any such annexation, the Company shall assure that any and all customers within such annexed territory are included and shown on its accounting system as being within the corporate limits of the City of Texas City. After such sixty (60) day period the payment provisions specified in Section 7 of this Franchise shall apply to gross receipts and transport fees received by the Company from customers located within such annexed territory. Company shall true-up its map of City boundaries to the City's map on an annual basis.

SECTION 10: NON-EXCLUSIVE FRANCHISE. Nothing contained in this Franchise shall ever be construed as conferring upon the Company any exclusive rights or privileges of any nature whatsoever.

SECTION 11: COMPLIANCE AND REMEDIES. (a) In the event the Company by act or omission violates any material term, condition or provision of this Franchise, the City shall notify the Company in writing of such violation. Should the Company fail or refuse to correct any such violation within thirty (30) days from the date of City's notice, the City shall, upon written notification to the Company, have the right to terminate this agreement. Any such termination and cancellation shall be by ordinance adopted by City Commission; provided, however, before any such ordinance is adopted, the Company must be given at least sixty (60) days' advance written notice. Such notice shall set forth the causes and reasons for the proposed termination and cancellation, shall advise the Company that it will be provided an opportunity to be heard by City Commission regarding such proposed action before any such action is taken and shall set forth the time, date and place of the hearing.

(b) Other than its failure, refusal or inability to pay its debts and obligations, including, specifically, the payments to the City required by this Franchise, the Company shall not be declared in default or be subject to any sanction under any provision of this Franchise in those cases in which performance of such provision is prevented by reasons beyond its control.

(c) The rights and remedies of City and Company set forth herein shall be in addition to, and not in limitation of, any other rights and remedies provided at law or in equity and City's exercise of any particular remedy shall not constitute a waiver of its rights to exercise any other remedy.

SECTION 12: RESERVE OF POWERS. Except as otherwise provided in this Franchise, the City by the granting of this Franchise does not surrender or to any extent lose, waive, impair or lessen the lawful powers, claims and rights, now or hereafter vested in the City under the Constitution and statutes of the State of Texas and under the Charter and Ordinances of the City of Texas City or other applicable law, to regulate public utilities within the City and to regulate the use of the Streets by the Company; and the Company by its acceptance of this Franchise agrees that, except as otherwise provided in this

Franchise, all lawful powers and rights, whether regulatory or otherwise, as are or as may be from time to time vested in or reserved to the City, shall be in full force and effect and subject to the exercise thereof by the City at any time and from time to time.

SECTION 13: INDEMNITY. THE COMPANY, ITS SUCCESSORS AND ASSIGNS, SHALL PROTECT AND HOLD THE CITY AND ITS OFFICERS, AGENTS, AND EMPLOYEES (COLLECTIVELY REFERRED TO IN THIS SECTION AS “THE CITY”) HARMLESS AGAINST ANY AND ALL CLAIMS OR DEMANDS FOR DAMAGES TO ANY PERSON OR PROPERTY BY REASON OF THE CONSTRUCTION AND MAINTENANCE OF THE COMPANY’S NATURAL GAS DISTRIBUTION SYSTEM, OR IN ANY WAY GROWING OUT OF THE RIGHTS GRANTED BY THIS FRANCHISE, EITHER DIRECTLY OR INDIRECTLY, OR BY REASON OF ANY ACT, NEGLIGENCE OR NONFEASANCE OF THE COMPANY OR THE CONTRACTORS, AGENTS OR EMPLOYEES OF THE COMPANY OR ITS SUCCESSORS AND ASSIGNS, AND SHALL REFUND TO THE CITY ALL SUMS WHICH THE CITY MAY BE ADJUDGED TO PAY ON ANY SUCH CLAIM, OR WHICH MAY ARISE OR GROW OUT OF THE EXERCISE OF THE RIGHTS AND PRIVILEGES HEREBY GRANTED OR BY THE ABUSE THEREOF, AND THE COMPANY OR ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD THE CITY HARMLESS FROM AND ON ACCOUNT OF ALL DAMAGES, COSTS, EXPENSES, ACTIONS, AND CAUSES OF ACTION THAT MAY ACCRUE TO OR BE BROUGHT BY, A PERSON, PERSONS, COMPANY OR COMPANIES AT ANY TIME HEREAFTER BY REASON OF THE EXERCISE OF THE RIGHTS AND PRIVILEGES HEREBY GRANTED, OR OF THE ABUSE THEREOF.

SECTION 14: RELOCATION OF FACILITIES. The Company shall, upon written request of the City, relocate its Facilities within Public Rights-of-Way at Company’s own expense, exclusive of Facilities installed for service directly to City, whenever such shall be reasonably necessary to accommodate city-owned public improvement projects in the Public Rights-of-Way, including but not limited to Street widening, changes in grade, water, sewer, or drainage upgrades, and relocation of traffic lanes. City shall bear the costs of all relocations of Facilities installed for service directly to City and of any relocation of other Facilities requested by City for reasons other than described herein.

SECTION 15: GOVERNMENTAL FUNCTION. All of the regulations and activities required by this Franchise are hereby declared to be governmental and for the health, safety and welfare of the general public.

SECTION 16: RECORDS AND REPORTS. (a) Books of Account. The Company shall keep complete and accurate books of accounts and records of its business and operations under and in connection with this Franchise. All such books of accounts and records shall be kept at the Company’s principal office in Houston, Texas.

(b) Access by City. The City may conduct an audit or other inquiry or may pursue a cause of action in relation to the payment of the franchise fee only if such audit, inquiry, or pursuit of a cause of action concerns a payment made less than three (3) years before the commencement of such audit, inquiry, or pursuit of a cause of action. Each party shall bear its own costs of any such audit or inquiry. Upon receipt of a written request from the City, all books and records related to Company’s operations under this Franchise shall be made available for inspection and copying no later than thirty (30) days from receipt of such request.

(c) Interest on Underpayments and Overpayments. (1) Amounts due to City for late payments shall include interest, compounded daily equal to the return on equity plus three percent (3.0%) granted to the Company in its most recent proceeding fixing rates applicable to customers within the corporate limits of the City. (2) If the City identifies, as a result of a franchise fee compliance review, amounts owed by the Company from prior periods or prior underpayments, then the Company shall pay simple interest on such amounts equal to the return on equity granted to the Company in its most recent proceeding fixing rates applicable to customers within the corporate limits of the City. Said interest shall be payable on such sums from the date the initial payment was due until it is paid and shall not be billed to customers. (3) Amounts due Company for past overpayments shall include simple interest equal to the return on equity granted to the Company in its most recent proceeding fixing rates applicable to customers within the corporate limits of the City; provided, however, if there is a change in the approved return on equity during the time period subject to the City's audit or inquiry, then for each time period during which there was an overpayment, the approved return on equity in effect during such time period shall be used in calculating interest under this subparagraph (c). Interest payable on such sums shall be credited to customers.

SECTION 17: EASEMENT. In consideration for the compensation set forth in Section 8, City agrees that if City sells, conveys, or surrenders possession of any portion of the Public Right-of-Way that is being used by Company pursuant to this Franchise, City, to the maximum extent of its right to do so, shall first grant Company an easement for such use and the sale, conveyance, or surrender of possession of the Public Right-of-Way shall be subject to the right and continued use of Company.

SECTION 18: ACCEPTANCE. The Company shall, within thirty (30) days following the final passage and approval of this Franchise, file with the City Secretary of the City of Texas City either a written statement signed in its name and behalf in the following form or file this document duly executed below by the Vice President of Regional Operations:

“To the Honorable Mayor and City Commission of the City of Texas City:

CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, its successors and assigns, hereby accepts the attached Franchise Ordinance and agrees to be bound by all of its terms and provisions.”

CENTERPOINT ENERGY RESOURCES CORP.,
DBA CENTERPOINT ENERGY TEXAS GAS
OPERATIONS

By: _____
Randal M. Pryor Vice President, Regional
Operations

Dated this _____ day of _____ 2018.

SECTION 19: SEVERABILITY. If any provision, section, subsection, sentence, clause or phrase of this Franchise is for any reason held to be unconstitutional, void, or invalid or for any reason unenforceable, the validity of the remaining portions of this Franchise shall not be affected thereby, it being the intent the City of Texas City in adopting this Franchise that no portion hereof or provision hereof shall become inoperative or fail by reason of any unconstitutionality or invalidity of any other portion, provision or regulation and, to this end, all provisions of this ordinance are declared to be severable.

SECTION 20: NOTICES. Every notice, order, petition, documents or other direction or communication to be served upon the City or the Company shall be deemed sufficiently given if sent by registered or certified mail, return receipt requested. Every such communication to the Company shall be sent to:

CenterPoint Energy Resources Corp.
Vice President Regulatory Relations
PO Box 4567
Houston, TX 77210-4567

With a copy to:

General Counsel, Gas Division
PO Box 2628
Houston, TX 77252-2628

Every such communication to the City or the City Commission shall be sent to the:

Mayor, City of Texas City

Texas City, Texas _____

With a Copy to:

City Manager

Texas City, Texas _____

Section 21. PUBLICATION, PASSAGE AND EFFECTIVE DATE. This Franchise, having been published, shall take effect and be in force from and after the first day of the month following thirty days after receipt by the Company's acceptance filed pursuant to Section 18 ("Effective Date"). The Company shall pay the cost of those publications.

Read in full and adopted and passed on first reading at a regular meeting of the City Commission of Texas City, Texas, on the ____ day of _____, 2018, and approved by the Mayor.

Read in full and adopted and passed on second reading at a regular meeting of the City Commission of Texas City, Texas, on the ____ day of _____, 2018, and approved by the Mayor Pro Tem.

Read in full and adopted and passed on third reading at a regular meeting of the City Commission of Texas City, Texas, on the ____ day of _____, 2018, and approved by the Mayor.

SECTION 22: COMPLIANCE WITH CHARTER AND ORDINANCES. This Franchise, the rights granted hereby and the operations and activities performed by Company pursuant hereto shall be subject to applicable provisions of the City of Texas City and the City's ordinances. The Franchise and rights granted hereby and the operations and activities performed by Company pursuant hereto, shall be subject to all valid ordinances and regulations of the City insofar as such ordinances and regulations (a) do not shorten the term hereof or terminate, abrogate, or materially and adversely affect the Franchise and right granted to Company hereby, (b) do not conflict with or are not inconsistent with the terms and provisions contained in this ordinance, (c) or prevent or interfere with Company's Federal and State regulatory obligations. To the extent that a city ordinance establishes requirements that are in addition to, and not in conflict with, the express terms of this Franchise, such ordinance shall apply to the Company.

APPROVED:

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

James M. Hartshorn
City Secretary

Russell F. Plackemeier
City Attorney

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

I, the duly appointed, qualified and acting City Secretary of Texas City, Texas, do hereby certify that the above and foregoing ordinance was read on first reading at a regular meeting of the City Commission of said Texas City, Texas, held on the _____ day of _____, 2018; that written notice of the date, place and subject of said meeting was posted on a bulletin board located at a place convenient to the public in the City Hall for at least 72 hours preceding the day of said meeting; that the Mayor _____, and _____ Commissioners:

- | | |
|----------|----------|
| 1. _____ | 4. _____ |
| 2. _____ | 5. _____ |
| 3. _____ | 6. _____ |

were present at said meeting and acted as the City Commission throughout; that the same has been signed and approved by the Mayor and is duly attested by the City Secretary; that the above and foregoing ordinance was read on second reading at a regular meeting of the City Commission of said Texas City, Texas, held on the _____ day of _____, 2018; that written notice of the date, place and subject of said meeting was posted on a bulletin board located at a place convenient to the public in the City Hall for at least 72 hours preceding the day of said meeting; that the Mayor Pro Tem _____, and _____ Commissioners:

- | | |
|----------|----------|
| 4. _____ | 4. _____ |
| 5. _____ | 5. _____ |
| 6. _____ | 6. _____ |

were present at said meeting and acted as the City Commission throughout; that the same has been signed and approved by the Mayor and is duly attested by the City Secretary; that the above and foregoing

ordinance was read on third reading at a regular meeting of the City Commission of said Texas City, Texas, held on the _____ day of _____, 2018; that written notice of the date, place and subject of said meeting was posted on a bulletin board located at a place convenient to the public in the City Hall for at least 72 hours preceding the day of said meeting; that the Mayor _____, and _____ Commissioners:

7. _____

4. _____

8. _____

5. _____

9. _____

6. _____

were present at said meeting and acted as the City Commission throughout; that the same has been signed and approved by the Mayor and is duly attested by the City Secretary; and that the same has been duly filed with the City Secretary and recorded by the City Secretary in full in the books kept for the purpose of recording the ordinances of the City of Texas City.

EXECUTED under my hand and the official seal of the seal of the City of Texas City, Texas at said City, this the _____ day of _____, 2018.

City Secretary
City of Texas City, Texas

[SEAL]