

CITY OF TEXAS CITY
REGULAR CALLED CITY COMMISSION MEETING

AGENDA

WEDNESDAY, SEPTEMBER 18, 2019 - 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) Service Awards

Joseph Guillory	Public Works	09/28/2009	10 years
Juan Reyes	Public Works	09/28/2009	10 years
William Sherer	Fire	09/06/1994	25 years
Corey Aiken	Fire	09/06/1994	25 years

Retirement

Louis Medina	Public Works	27 years
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(b) Proclamation in Recognition of Mainland Communities Crime Stoppers

(c) Presentation by Gulf Coast Center- Connect Transit

(5) REPORTS

(a) Lowry Fitness Center (Recreation and Tourism)

(6) PRELIMINARY ZONING APPROVAL

(a) Consider approval of the request by H.T. Aldridge to rezone from "D" (Neighborhood Service) and "A" (Single Family Residential) to "E" (General Business). Being Lots 2, 3, 6, 7, and 8 of the Booker T. Washington S/d. Located at 6204 FM 1765.

(7) PUBLIC COMMENTS

(8) CONSENT AGENDA

- (a) Approve City Commission Minutes for September 4, 2019 meeting. (City Secretary)
- (b) Consider and take action on Resolution No. 19-084 approving the City of Texas City Investment Policy. (Finance)
- (c) Consider and take action on Resolution No. 19-085, approving a revised contract between the Galveston County Health District and the City of Texas City for water pollution control and abatement services. (Public Works)
- (d) Consider and take action on Resolution No. 19-086, casting votes for Bruce Clawson and Thomas Farmer as members of the Board of Directors of the Galveston Central Appraisal District 2020-2021. (Management Services)
- (e) Consider and take action on Resolution No. 19-088, approving a Chapter 312 Tax Abatement Agreement between the City of Texas City, Texas, Gulf Coast Ammonia, LLC, Eastman Chemical Texas City, Inc., and Oiltanking North America, LLC for property located in the Texas City Gulf Coast Reinvestment Zone No. 1. (Legal)
- (f) Consider and take action on Resolution No. 19-089, approving a Chapter 380 Economic Development and Performance Agreement between the City of Texas City, Texas, and Gulf Coast Ammonia, LLC for property located in the Texas City Gulf Coast Reinvestment Zone No. 1. (Legal)

(9) REGULAR ITEMS

- (a) Consider and take action on Ordinance No. 19-25, amending the City's fiscal year 2018-2019 budget to appropriate additional funds for Sanitation Fees and Licenses. (Finance)
- (b) Consider approval of Ordinance No. 19-26, requesting to amend the City of Texas City's fiscal year 2018-2019 Budget to transfer funds to the Group Insurance Fund. (Finance)
- (c) Consider and take action, by record vote, on Ordinance No. 19-27, to adopt the City of Texas City's 2019-2020 Fiscal Year Budget. (Finance)
- (d) Consider and take action, by record vote, on Ordinance No. 19-28, levying an ad valorem tax for the year 2019 for the City of Texas City. (Finance)
- (e) Consider and take action on Resolution No. 19-087, accepting and approving the 2019 Certified Tax Roll. (Finance)
- (f) Consider and take action on Resolution No. 19-090, authorizing the Mayor to enter into an Agreement for Services with Blanchard Refining Company LLC, a Delaware limited liability company with regard to the 14th Street Ditch Improvement Project. (Mayor)

(10) MAYOR'S COMMENTS

(11) COMMISSIONERS' COMMENTS

(12) 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 SEPTEMBER 13, 2019, PRIOR TO 5:00 P.M. AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING.

NICHOLAS J. FINAN
CITY SECRETARY

CITY COMMISSION REGULAR MTG

(4) (a)

Meeting Date: 09/18/2019

September 2019 Service Awards

Submitted For: Jennifer Price, Human Resources

Submitted By: Susan Sensat, Administration

Department: Administration

Information

ACTION REQUEST (Brief Summary)

Service Awards

Joseph Guillory	Public Works	09/28/2009	10 years
Juan Reyes	Public Works	09/28/2009	10 years
William Sherer	Fire	09/06/1994	25 years
Corey Aiken	Fire	09/06/1994	25 years

Retirement

Louis Medina	Public Works	27 years
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BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

(6) (a)

Meeting Date: 09/18/2019

Preliminary Zoning Approval - H.T. Aldridge

Submitted For: Jean Vincent, Transportation and Planning

Submitted By: Jean Vincent, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST (Brief Summary)

Consider approval of the request by H.T. Aldridge to rezone from "D" (Neighborhood Service) and "A" (Single Family Residential) to "E" (General Business). Being Lots 2, 3, 6, 7, and 8 of the Booker T. Washington S/d. Located at 6204 FM 1765.

BACKGROUND

The Public Hearing portion of this zoning request was completed at the August 21, 2019 City Commission meeting. Following the Public Hearing, a motion to deny the request received a tie vote so no formal action to either approve or deny the request occurred. Anticipating full attendance at the City Commission meeting, this request is being presented again for final consideration.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Exhibits - Zoning, Land use, Site Plan



8415

FM 1765

HWY-3

221

5812

5802

5714

302

5704

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FM 1765

Land Use Plan for Texas City

Land Use Areas

Established Neighborhoods are the high-use areas of the City which are generally characterized by antiquated structural housing conditions and neighborhoods mostly free from blighting influences such as mixed land use patterns, abandoned buildings, and street frontage improvements for residential development. These predominantly residential neighborhoods may include some undeveloped tracts which should also become residential. Any proposed nonresidential development should be limited, carefully reviewed, and only subject to designated major thoroughfares and/or activity centers. Zoning and special improvement policies should protect and enhance established neighborhoods.

Neighborhood Growth Areas are intended to accommodate Texas City or its suburbs for new residential neighborhoods and related shopping areas and community facilities for the foreseeable future. Community facilities may include parks, schools, libraries for students, and recreation centers. Development of neighborhood growth areas in general accordance with the Neighborhood Land Concept allows for a diversity of housing types and convenient access to community facilities and retail centers which will attract and preserve single-family residential areas from urban core of metropolitan area and heavy vehicle traffic.

Waterfront Conservation & Recreation Areas are wetlands, flood plains, limited uplands and other areas of natural beauty subject to Governor Bay, Moses Lake, Dallas Bay and Moses and Dechenon B. areas. These areas are, for the most part, not developable due to environmental considerations or flooding potential or because it is not economically feasible for either the City or private developer to provide the needed services and facilities. Flood plains and wetlands should be utilized for parks and other recreational purposes. Wetland preservation and restoration should be utilized for parks and recreation purposes and Acme's Park and recreational and common type uses including marina, restaurant, hotel, and related trail.

Activity Corridors parallel freeways and highways with higher intensity land uses. These areas are primarily regions serving and include retail, commercial, and open display retailing, wholesale, distributing and warehousing operations, restricted light uses, and other uses which are dependent upon the freeways or highways. The intensity of use varies with the distance from the freeway or highway.

Low Intensity Activity Corridor is located along the east side of State Highway 146, north of Moses Lake; the corridor serves as a transition zone between the high-use and the suburban areas. These areas are intended to be developed in accordance with the development standards of the State Highway 146 Overlay-zoning district. Because of the adjacent to the Alviner Prairie, Chicken Preserve, residential uses are not recommended.

Rehabilitation Corridors are the areas of Texas City where prompt action is needed to prevent or reverse deterioration of existing structures and facilities. These areas are intended to be developed in accordance with the development standards of the State Highway 146 Overlay-zoning district. Recommended approach has to conserving and revitalizing these areas are discussed in the "Goals and Strategies for Texas City" report prepared by the Goals 2000 Committee.

Business and Light Industrial Growth Areas should consist of a combination of office and mixed commercial, light research and development facilities, and light industrial plants in concentrated, master planned campus like settings. Landscaping and complementary businesses and industries are ideal for these areas. The business and light industrial growth areas shown on the Plan are well served by existing freeways, thoroughfares, and major highways. A number of pipelines are also located in these areas. Planning for the types of uses identified herein can be more easily accommodated such as existing pipelines and other physical conditions.

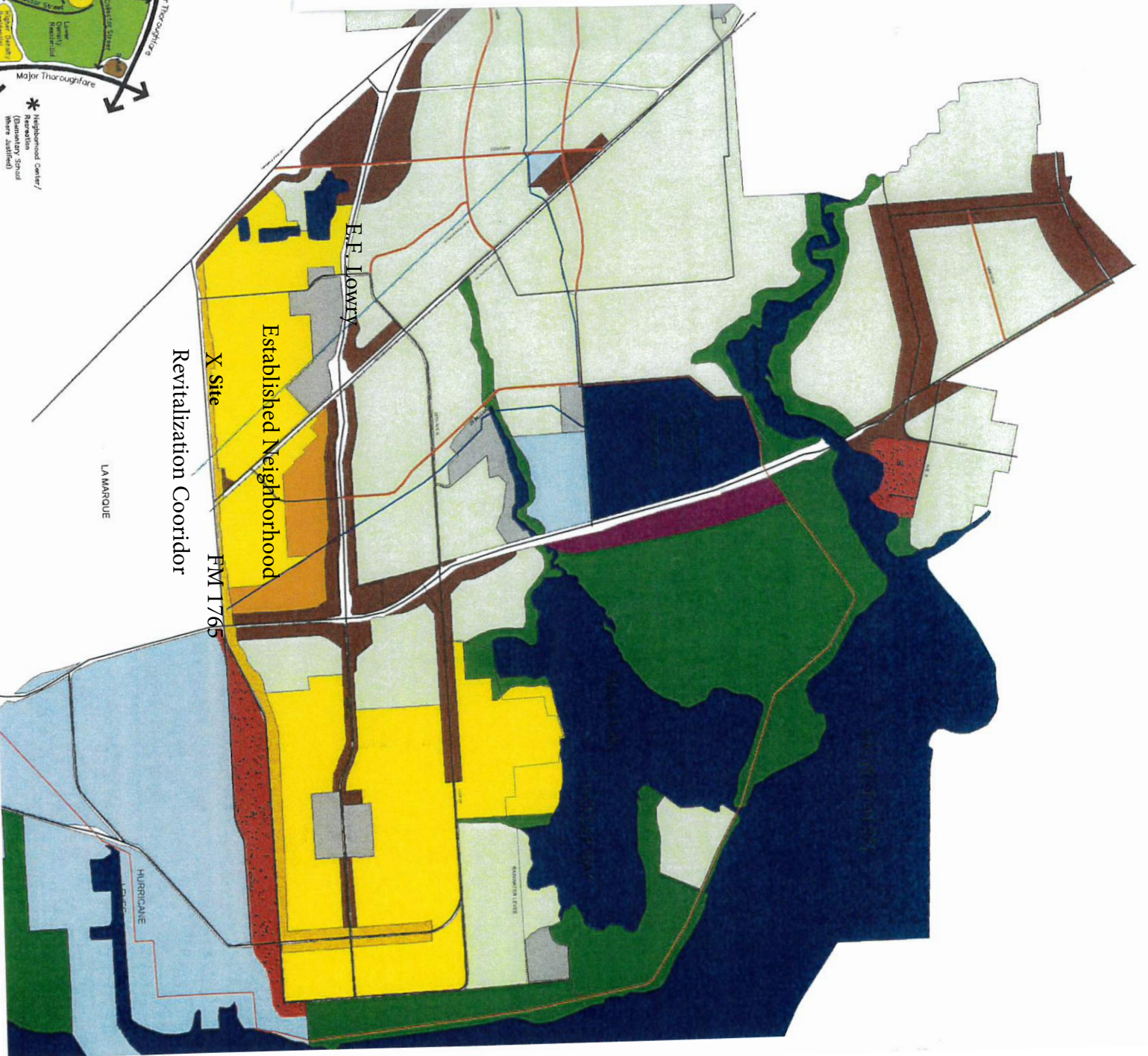
Industrial Areas provide for intensive industrial, manufacturing and machine related uses located adjacent to residential neighborhoods. Future expansion of heavy industrial uses should be limited to Spauldine, the ship channel district and remaining undeveloped lands to the south of the existing petrochemical facilities.

A. Industrial Transition Zone This zone is located centrally with and adjacent to the south side of Texas Avenue. Any proposed development within the Industrial Transition Zone should be limited to nonresidential uses. Typical land uses for this zone could consist of outdoor storage, office-professional, commercial, and industrial warehousing. This zone will require enhanced performance standards, i.e., setbacks, parking, landscaping, and screening. The street for this zone should be designed to provide reasonable circulation and visual screening to the industrial land use south.

B. Additional Industrial Transition Zone This zone is located on the north side of Dickinson Street east of 29th Street and south of Avenue R. Land uses within this zone include all uses except heavy industry. This zone will require enhanced performance standards, i.e., setbacks, parking, landscaping in a screening that are intended to provide a more attractive waterfront environment.

Public/Institutional Areas include major government, educational, and medical facilities located throughout the City.

Growth Areas are recommended as long-term expansion areas of the City that could not be economically served with City utilities in the foreseeable future. These areas are also beyond the limits of the existing hurricane protection levee. Development should be directed away from these areas and new, redesigned activity corridors and neighborhoods growth areas. An urban uses should be maintained to avoid deterring Texas City's long-term growth prospects.



* Neighborhood Center/
Restoration Sites
(Where Applicable)



Google Earth

© 2019 Google
© 2018 Google



9.03 ft

Untitled Map

Write a description for your map.

Legend

 6204 FM1765



Google Earth

© 2018 Google

© 2019 Google



7.09 ft

Untitled Map

Write a description for your map.

Legend

 6204 FM1765



Google Earth

© 2018 Google
© 2019 Google



7.09 ft

CITY COMMISSION REGULAR MTG

(7)

Meeting Date: 09/18/2019

Submitted By: Rhomari Jackson, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

PUBLIC COMMENTS

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

(8) (a)

Meeting Date: 09/18/2019

Submitted By: Rhomari Jackson, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

Approve City Commission Minutes for September 4, 2019 meeting. (City Secretary)

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Minutes

REGULAR CALLED CITY COMMISSION MEETING

MINUTES

WEDNESDAY, SEPTEMBER 4, 2019 – 5:00 P.M.
KENNETH T. NUNN COUNCIL ROOM – CITY HALL

A Regular Called Meeting of the City Commission was held on Wednesday, SEPTEMBER 4, 2019, 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 5:00 p.m. by Mayor Pro Tem Phil H. Roberts.

1. ROLL CALL

Present: Phil Roberts, Mayor Pro Tem
Bruce Clawson, Commissioner At-Large
Earl Alexander, Commissioner District 1
Abel Garza, Jr., Commissioner District 2
Dorthea Jones, Commissioner District 3
Jami Clark, Commissioner District 4

Absent: Matthew T. Doyle, Mayor

2. INVOCATION

Led by Commissioner District 3 Dorthea Jones.

3. PLEDGE OF ALLEGIANCE

Led by Commissioner At-Large Bruce Clawson.

4. REPORTS

a. Texas City Fire Department (Fire Department)

David Zacherl, Fire Chief, gave an annual PowerPoint presentation highlighting the accomplishments and goals of the Fire Department.

Commissioner Earl Alexander asked when another station would be built? Chief Zacherl advised in the next 2 to 3 years.

Commissioner Dorthea Jones inquired if the new station would combine all public safety departments? Both Chief Stanton and Chief Zacherl stated that they are working together to make that a plausible option.

b. Garbage Collection and Recycling (Solid Waste)

Mike Stump, Solid Waste Manager, gave a PowerPoint presentation outlining the transition of his department to the new garbage collection process.

Commissioner At-Large Bruce Clawson complimented Mr. Stump on the new technology the trash trucks have. The cameras, photo capabilities, and trackers have made it easier to identify when and why trash many have not been picked up.

5. PUBLIC HEARING

- a. A public hearing to hear citizens' opinions in favor of or in opposition to the City of Texas City's proposed 2019/2020 Fiscal Year Budget. (Finance)

Laura Boyd, Finance Director, gave a brief overview of the previous Budget Workshop that outlined the proposed budget and capital project.

Motion by Commissioner At-Large Bruce Clawson, Seconded by Commissioner District 3 Dorthea Jones to close the Public Hearing.

Vote: 6 - 0 CARRIED

6. PUBLIC COMMENTS

Barbra White, resident, encouraged everyone to attend the Family Sting Day on 6th Street on September 7, 2019.

7. CONSENT AGENDA

Motion by Commissioner At-Large Bruce Clawson, seconded by Commissioner District 2 Abel Garza, Jr. to approve Consent Agenda items a, b, and c.

- a. Approve City Commission Minutes for August 21, 2019 meeting. (City Secretary)

Vote: 6 - 0 CARRIED

- b. Consider and take action on Resolution No. 18-080, authorizing Mayor Doyle to execute an Agreement For Professional Engineering Services with ARKK Engineers for the design of Central Park Blvd. (City Engineer)

Vote: 6 - 0 CARRIED

- c. Consider and take action on Resolution No. 19-081, approving a contract for Bid No. 2019-371 Doyle and Nessler Center Restrooms Project. (Public Works)

Vote: 6 - 0 CARRIED

- d. Consider and take action on Resolution No. 19-083, calling of two Town Hall Meetings to discuss the Texas City Charter Amendments. (City Secretary)

Pulled by Mayor Pro Tem Phil Roberts.

Nicholas Finan, Executive Director of Management Services, stated that the Town Hall Meetings are scheduled as follows:

Tuesday, September 10, 2019, at College of the Mainland Auditorium beginning at 5:30 p.m.
Thursday, September 26, 2019, at Doyle Convention Center beginning at 5:30 p.m.

Motion by Commissioner District 2 Abel Garza, Jr., Seconded by Commissioner District 4 Jami Clark

Vote: 6 - 0 CARRIED

8. REGULAR ITEMS

- a. Consider and take action on Resolution No. 19-082, setting the date for adoption of the fiscal year 2019-2020 budget. (Finance)

Laura Boyd, Finance Director, stated that September 18, 2019, the City Commission will have the decision to accept the 2019-2020 Fiscal Year Budget.

Motion by Commissioner District 3 Dorthea Jones, Seconded by Commissioner District 4 Jami Clark

Vote: 6 - 0 CARRIED

- b. Consider and take action on Ordinance No. 19-24, amending the City's fiscal year 2018-2019 budget to appropriate additional funds for Doyle and Nessler Center Restrooms Project. (Finance)

Laura Boyd, Finance Director, stated that the total winning bid amount of \$349,800.00 will be awarded to Enterprise Builders, LLC. Funding will come from the Hotel-Motel Occupancy Tax Fund unassigned fund balance.

Motion by Commissioner At-Large Bruce Clawson, Seconded by Commissioner District 4 Jami Clark

Vote: 6 - 0 CARRIED

9. MAYOR'S COMMENTS

Mayor Pro Tem Phil Roberts made brief comments pertaining to Central Park Blvd.

10. STAFF COMMENTS

Thomas Munoz, Emergency Management Director, stated GrantWorks will be coming to Texas City soon to talk to 12 homeowners who were affected by Hurricane Harvey.

Luke Alvey, Library Director, stated that Moore Memorial Library staff have been helping La Marque Primary set up their school library.

COMMISSIONERS' COMMENTS

Commissioner At-Large Bruce Clawson thanked Jack Haralson for his assistance in helping a business owner on Humble Camp Rd.

Commissioner Dorthea Jones thanked City staff for continued excellence in customer service.

11. ADJOURNMENT

Having no further business, Commissioner District 4 Jami Clark Land made a MOTION to ADJOURN at 5:39 p.m.; the motion was SECONDED by Commissioner District 2 Abel Garza, Jr. All present voted AYE. MOTION CARRIED.

MATTHEW T. DOYLE, MAYOR

ATTEST:

Nicholas J. Finan, City Secretary

CITY COMMISSION REGULAR MTG

Res 13-079

Meeting Date: 09/18/2019

Consider approval of the City of Texas City's Investment Policy.

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Consider approval of the City of Texas City Investment Policy.

BACKGROUND

In 1995, the City adopted an Investment Policy to comply with the Texas Public Funds Investment Act (TPFIA). The City of Texas City's Investment Policy mandates how City funds are to be managed and invested. The Policy requires annual review and approval by the City Commission.

No changes in the last year.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

(8) (c)

Meeting Date: 09/18/2019

FY2020 Water Pollution Control and Abatement

Submitted For: Mike McKinley, Public Works

Submitted By: Mike McKinley, Public Works

Department: Public Works

Information

ACTION REQUEST (Brief Summary)

Consider and take action approving a revised contract between the Galveston County Health District and the City of Texas City for water pollution control and abatement services.

BACKGROUND

The City of Texas City is a member of the Galveston County Health District and responsible for the quality of the water within it's jurisdiction, and has elected to contract for water quality services with the Galveston County Health District.

The contract and cover letter are attached for your review.

ANALYSIS

The City of Texas City will agree to pay the Performing Party an annual fee of \$36,671.00 for the services set forth in the attached agreement, and that the Mayor is authorized to execute a contract on behalf of the City of Texas City.

Thank you.

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Exhibit A

GALVESTON COUNTY HEALTH DISTRICT

Protecting and Promoting the Optimal Health and Well-Being of Galveston County

Ben G. Raimer, MD
Chair, United Board of Health

Philip Keiser, MD
Local Health Authority



Kathy Barroso, CPA
Chief Executive Officer

June 13, 2019

Mr. Corbin Ballast,
Public Utilities Director
City of Texas City
911 Highway 146 North
Texas City, Texas 77590

Dear Mr. Ballast:

Enclosed please find the FY2020 Water Pollution Control and Abatement Contract between the City of Texas City and the Galveston County Health District. Should you wish to propose revisions to this Contract, please notify me by phone or via email. Please note that the total amount of the Contract has **increased** for the 2020 fiscal year.

Following your review and approval, please have your municipality's designated official sign the contract and remit an original copy by mail to: Galveston County Health District, Environmental Services, PO Box 939, La Marque, Texas 77568 or via email to kwilson@gchd.org

Once we receive the signed original copy, we will fully execute the contract and return a copy for your records. Should you have any additional questions or concerns, please feel free to contact me at 409-938-2310.

Sincerely,

A handwritten signature in black ink, appearing to read "Katie Wilson".

Katie Wilson
Water Pollution Services Manager
Galveston County Health District

/KW

Enclosures

Public Health Services · Coastal Health & Wellness · Emergency Medical Services · Animal Resource Center

The Galveston County Health District (GCHD) is the local public health agency for Galveston County, Texas. GCHD provides services and programs that protect the everyday health and well-being of Galveston County.

P.O. Box 939 La Marque, Texas 77568 • (409) 938-7221

www.gchd.org



Contractual Agreement
For the
City of Texas City

THE STATE OF TEXAS	§
	§
COUNTY OF GALVESTON	§
	§
CITY OF TEXAS CITY	§

THIS AGREEMENT is made and entered into by and between the City of Texas City (hereinafter "CITY"), with its principal office at 1801 9th Avenue North, Texas City, Texas 77592 and the Galveston County Health District, Office of Environmental Health Programs (hereinafter "PERFORMING PARTY"), with its principal office at 9850-D Emmett. F. Lowry Expressway, Texas City, Texas 77591.

WITNESSETH

WHEREAS, the Interlocal Cooperation Act of the State of Texas provides that political subdivisions of the State may contract or agree with another local government to perform governmental functions and services in accordance with the provisions of the Act; and

WHEREAS, the PERFORMING PARTY and the CITY have agreed to contract water pollution control and abatement services; and

WHEREAS, the PERFORMING PARTY organized the Water Pollution Control and Abatement Program in 1972 and is charged with performing water quality monitoring and pollution abatement activities for Galveston County and its contracted political subdivisions, and is supported through the county general fund and contracted political subdivision contributions; and

WHEREAS, the CITY is a member of the Galveston County Health District and responsible for the quality of the water within its jurisdiction and has elected to contract for water quality services with the PERFORMING PARTY.

NOW, THEREFORE, for and in consideration of the mutual covenants expressed herein, the parties agree as follows:

Article I

STATEMENT OF SERVICES

The PERFORMING PARTY agrees to perform the following services for the CITY as indicated by a check mark for each activity:

Investigations - Complaint Response

- (1) The PERFORMING PARTY will respond to all water quality related complaints within jurisdictional limits of the CITY whether received from a citizen or referred by employees of the CITY, as expeditiously as possible.
- (2) The PERFORMING PARTY will document each and every complaint received. Documentation will include information relative to the nature of the complaint, investigative findings, corrective actions taken, and enforcement actions, if necessary.
- (3) The PERFORMING PARTY will protect from disclosure information regarding the identity of a complainant to the extent allowed by the Texas Public Information Act, Govt. Code Chapter 552. In the event that information, which tends to identify a complainant, is requested pursuant to the Texas Public Information Act, the PERFORMING PARTY will seek to protect that information through a request for opinion from the Legal Services Division of the County of Galveston.
- (4) The PERFORMING PARTY will immediately coordinate with the CITY as necessary, in regards to action to when responding to any complaints deemed reasonably substantial in terms of concentration, duration, or potential health impacts.
- (5) In cases posing or potentially posing imminent and substantial danger to the health and welfare of persons or the environment, the PERFORMING PARTY may utilize its authority to seek enforcement action(s) through the court systems in Galveston County.

- (6) The PERFORMING PARTY will cooperate with both state and federal agencies, as necessary; however, the PERFORMING PARTY will function independently under the scope of this AGREEMENT and will not serve as state or federal agents.

Source Inspections - Publically Owned Treatment Works (POTW)

- (7) The PERFORMING PARTY will conduct a scheduled comprehensive compliance inspection(s) at any or all POTWs within the jurisdictional boundaries of the CITY. The inspection will be consistent with the most current version of the POTW inspection protocol currently used by the Region 12 Texas Commission on Environmental Quality (TCEQ) Water Quality Section. The comprehensive inspection will include the collection of an influent and effluent sample. The collected samples will be split with the appropriate wastewater treatment plant personnel and the contracted NELAC accredited laboratory.
- (8) The PERFORMING PARTY will conduct a scheduled non-comprehensive compliance inspection(s) at any or all POTWs within the jurisdictional boundaries of the CITY. This non-comprehensive inspection will include the collection of an influent and effluent sample. The collected samples can be split amongst the appropriate wastewater treatment plant personnel and the contracted NELAC accredited laboratory for testing.
- (9) The PERFORMING PARTY will immediately coordinate with the CITY, when responsive action through the inspection process yields test results substantial in terms of concentration, duration, and/or potential health impacts.

Source Inspections - Grease Traps and Grit Traps

- (10) The PERFORMING PARTY will conduct one (1) unannounced inspection at identified grease traps associated with Galveston County Health District permitted food establishments and one (1) unannounced inspection at identified grit traps associated with car washes within

the jurisdictional boundaries of the CITY.

- (11) The PERFORMING PARTY will immediately coordinate with the RESPONSIBLE PERSON, as necessary, on action to respond to any problems identified during the inspection process that are substantial in terms of concentration, duration, or potential health impacts.
- (12) In cases which violate any rule, regulation, law or ordinance or any case which may present an imminent and substantial danger to the health and welfare of persons or the environment, the PERFORMING PARTY may utilize their authority to seek enforcement action(s) through the court system.

Sample Local Waterways (Surface Water Sampling)

- (13) The PERFORMING PARTY will assure routine monitoring stations are sampled. Routine sampling typically includes field measurements, routine water chemistry and bacteriological analysis. The objectives of monitoring these parameters are to determine impacts of point and nonpoint sources, and detect and describe spatial and temporal changes. The monitoring of field measurements also provides complementary information necessary for evaluating chemical and biological data.
- (14) The PERFORMING PARTY will provide, upon request, a map to the CITY specifying the locations of all of the surface water sampling sites located within the jurisdictional boundaries of the CITY.
- (15) The PERFORMING PARTY will submit all surface water samples to laboratories performing analysis that are routinely audited by their primary National Environmental Laboratory Accreditation Program (NELAP) accrediting body to evaluate the laboratory's compliance with the current The NELAC Institute (TNI) Standard.
- (16) The PERFORMING PARTY will conduct investigations based upon results of surface water sampling results. The PERFORMING PARTY will review all sampling results to

identify waterways that may be adversely impacted. The purpose of such investigations is to detect and eliminate sources of water pollution.

ARTICLE II

REPORTING

The PERFORMING PARTY agrees to provide reports to the CITY pertaining to investigations, inspections, surface water testing at known or potential sources of water pollution located within the jurisdictional boundaries of the CITY.

A. Monthly Reports

A summary report of progress specifying the number and type of activities conducted for the month and a list of activities approved for the month to include sources investigated by name and type of investigation. The PERFORMING PARTY will submit the monthly report to the CITY by the seventh (7th) calendar day following the end of the month.

B. Annual Reports

The PERFORMING PARTY shall submit an annual summary of its activities within the CITY's jurisdiction completed during the fiscal year. A final draft of said summary will be due no later than the last day of January. A draft will be submitted to representative of the CITY for review prior to finalization. The annual report will provide a summary of all activities listed in this contract. Upon request, the PERFORMING PARTY will provide to the CITY a list of all facilities with state permitted discharges within the CITY's jurisdictional boundaries.

Article III

ANNUAL MEETING

The PERFORMING PARTY will conduct an annual meeting in the month of January with the CITY. This meeting may be modified or amended upon the consent of the CITY. Either party may request an "ad-hoc" meeting throughout the contract term, as necessary.

The annual meeting will be the forum used to distribute and discuss annual summaries, contracts, other pertinent information, and to discuss any concerns identified by the PERFORMING PARTY.

Article IV

EMPLOYEE TRAINING

The PERFORMING PARTY agrees to assure the proper training of its staff and shall remain responsible for ensuring that staff is sufficiently qualified to perform any and all designated tasks that could foreseeably arise under the scope of this AGREEMENT.

Article V

COMPENSATION

For and in consideration of the services (Article I) to be rendered by the PERFORMING PARTY, the CITY shall pay, and the PERFORMING PARTY shall receive, compensation as hereinafter negotiated based on the amount of services chosen in Article I, Statement of Services (see Attachment A, Contract Pricing). All remittance by the CITY for such compensation shall either be mailed or delivered to the PERFORMING PARTY's principle office.

Compensation for all services rendered by the PERFORMING PARTY under the scope of this AGREEMENT shall be made to the PERFORMING PARTY by the CITY in accordance with the following terms:

Partial payments for services rendered by the PERFORMING PARTY shall be submitted quarterly to the PERFORMING PARTY and within thirty (30) days of the CITY's receipt of their quarterly statement. Final payment for services shall be due upon completion of these services.

Article VI

TERMINATION

In connection with all the services outlined under the scope of this AGREEMENT, the CITY or the PERFORMING PARTY by providing

written notice to the other party at least thirty (30) days prior to the date of the desired termination. Upon receipt of the contractual termination to the other party, all work being performed under this AGREEMENT shall immediately cease, unless such work can be completed within the thirty (30) days prior to the official date of termination.

Further, the PERFORMING PARTY shall be compensated in accordance with this AGREEMENT for all work provided to the date of the AGREEMENT's official termination.

All completed or partially completed reports prepared under this AGREEMENT shall be delivered to the CITY, which the CITY may subsequently use without constraint.

All rights, duties, liabilities and obligations accrued prior to such termination shall survive termination.

Article VII

ASSIGNMENT AND SUBCONTRACTS

This AGREEMENT shall not be assigned or subcontracted in whole or in part without the written consent of the CITY.

Article VIII

Notices

All notices and communications under this AGREEMENT to be delivered to the CITY shall be sent via traditional postage, unless otherwise notified:

Attention: Corbin Ballast
City of Texas City
PO Box 2608
Texas City, Texas 77592-2608

All notices and communications under this AGREEMENT to be delivered to the PERFORMING PARTY shall be sent traditional postage, unless otherwise notified:

Attention: Katie Wilson
Water Pollution Services Manager
Galveston County Health District
Office of Environmental Health Programs
PO Box 939
La Marque, Texas 77568

Article IX

INSURANCE

During the entirety of this AGREEMENT, the PERFORMING PARTY shall maintain, and shall require its subcontractors to maintain:

- (1) Adequate general liability insurance for bodily injury and property damage in amounts satisfactory to the CITY; and,
- (2) Worker's compensation coverage for all of the PERFORMING PARTY'S employees.

The PERFORMING PARTY agrees to indemnify and hold the CITY harmless from and against any and all courses of legal action resulting from or arising out of the PERFORMING PARTY'S failure to maintain adequate general liability insurance or worker's compensation coverage as required by this AGREEMENT or as required by governing law.

Article X

EMPLOYMENT PRACTICES

The PERFORMING PARTY agrees not to discriminate against any employee or applicant for employment on the basis of race, religion, color, sex, age, disability or national origin. The PERFORMING PARTY agrees to comply with the Immigration Reform and Control Act of 1986 and the Americans with Disabilities Act of 1990. The CITY encourages the PERFORMING PARTY to provide equal opportunity to historically disadvantaged business enterprises if

and when the PERFORMING PARTY is to subcontract services under the scope of this AGREEMENT.

Article XI

REPRESENTATION

The PERFORMING PARTY represents that no CITY officer, employee or agent has been compensated in any way with respect to this AGREEMENT and its consideration by the CITY. In no event will the PERFORMING PARTY pay a fee or provide any other form of compensation to any CITY officers, employees or agents in connection with the approval or performance of this AGREEMENT or terms herein. A breach of this ARTICLE shall result in automatic termination of the AGREEMENT and in accordance with this AGREEMENT. The CITY may use all reports prepared under this AGREEMENT as provided in ARTICLE VI, TERMINATION. Additionally, the PERFORMING PARTY shall be liable for all damages to the CITY occasioned by a termination under this Article.

Article XII

PRIOR AGREEMENTS SUPERSEDED

This AGREEMENT constitutes the sole terms and conditions permissible of the parties hereto in regards to pertinent matter and supersedes any prior understanding, oral or written agreements between the parties regarding the subject matter of this AGREEMENT.

Article XIII

GOVERNING LAW

The validity of this AGREEMENT and any terms or provisions, as well as the rights and duties hereunder, shall be governed by the laws of the State of Texas.

Article XIV

LAWS AND ORDINANCES

The PERFORMING PARTY shall at all times observe and comply with all federal, state and local laws, ordinances, rules, regulations and orders of any public authority, which in any manner affect this AGREEMENT.

ARTICLE XV

VENUE

In the event that any legal proceeding is brought to enforce this AGREEMENT, or any provision hereof, Galveston County is the venue for said action.

ARTICLE XVI

AMENDMENT

This AGREEMENT shall not be amended without the written consent of the other party. The Mayor or designee has the authority to make amendments to this AGREEMENT without subsequent City Council approval.

ARTICLE XVII

TERM OF AGREEMENT

This AGREEMENT shall be effective October 1, 2019 and shall continue in full force until September 30, 2020, but upon the CITY's determination, may be extended by written agreement. All payments and liabilities accrued prior to termination shall survive the termination.

IN WITNESS WHEREOF, the parties acting under the authority of their respective governing bodies have caused this AGREEMENT to be executed in several counterparts, each of which is deemed to be an original and as of the day and date first written above.

**GALVESTON COUNTY HEALTH
DISTRICT**

CITY OF TEXAS CITY

Kathy Barroso, CPA
Chief Executive Officer

Matthew T. Doyle
Mayor

Date

Date

Attachment A: Contract Pricing

City of Texas City Contract Pricing			
Activity	Cost / Unit	Number of Units	Total Cost
Investigations (complaints) Based on 2010 Census Data	\$0.31	44881	\$13,913.00
Source Inspections - POTW Spot Check	\$229.00	0	0.00
Source Inspections - POTW Comprehensive Compliance	\$324.00	0	0.00
Source Inspections - Grease Traps	\$94.00	122	\$11,468.00
Source Inspections - Grit Traps	\$94.00	10	\$940.00
Sample Local Waterways Surface Water Sampling (collect and lab testing)	\$1725.00	6	\$10,350.00
Total			\$36,671.00

1 CCI

CITY COMMISSION REGULAR MTG

(8) (d)

Meeting Date: 09/18/2019

Submitted By: Rhomari Jackson, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 19-086, casting votes for Bruce Clawson and Thomas Farmer as a member of the Board of Directors of the Galveston Central Appraisal District 2020-2021. (Management Services)

BACKGROUND

The City of Texas City bi-annually has to renew its committed votes for a representative to serve on the Galveston County Appraisal Board. The first step is the nominations of individuals to serve. In December the allotted number of votes will actually be cast. The City of Texas City has been successful in having Bruce Clawson nominated and obtaining enough votes from the other jurisdiction to serve on the board. The mayor submits his names to the City Commission to nominate Bruce again and Tom Farmer from Galveston.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

(8) (e)

Meeting Date: 09/18/2019

Submitted By: Rhomari Jackson, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 19-088, approving a Chapter 312 Tax Abatement Agreement between the City of Texas City, Texas, Gulf Coast Ammonia, LLC, Eastman Chemical Texas City, Inc., and Oiltanking North America, LLC for property located in the Texas City Gulf Coast Reinvestment Zone No. 1. (Legal)

BACKGROUND

In December of 2017, the City of Texas City granted a Tax Abatement to Gulf Coast Ammonia based upon the project creating at least \$450,000,000 in value with anticipation that they will eventually create \$800,000,000 in value on the Eastman site. About a month ago, the City Commission approved the amendment of the reinvestment zone that was broadened to include OilTanking and a portion of water near the ship channel for a future dock. The reinvestment zone was to account for the changes in investors working with Gulf Coast Ammonia. For the same reason the Tax Abatement agreement has to be redone to account for the new investors and locations. While the Tax Abatement would be for 100% of the increase in value, the Chapter 380 agreement that is next agenda item, would have a payment in lieu of taxes equal to \$750,000 for any value over \$450,000,000 up to \$800,000,000 and a \$1 million payment for anything over \$800,000,000. This agreement agreement is essentially the same except for the partners and locations. At a later time once all is approved and the GLO grants its easement, the current Chapter 312 and Chapter 380 agreements would be canceled.

The resolutions and final agreements with attachments should be updated and placed in the packet on Monday.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

(8) (f)

Meeting Date: 09/18/2019

Submitted By: Rhomari Jackson, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 19-089, approving a Chapter 380 Economic Development and Performance Agreement between the City of Texas City, Texas, and Gulf Coast Ammonia, LLC for property located in the Texas City Gulf Coast Reinvestment Zone No. 1. (Legal)

BACKGROUND

In December of 2017, the City of Texas City granted a Chapter 380 Payment in Lieu of Taxes agreement to Gulf Coast Ammonia based upon the project creating at least \$450,000,000 in value with anticipation that they will eventually create \$800,000,000 in value on the Eastman site. About a month ago, the City Commission approved the amendment of the reinvestment zone that was broadened to include OilTanking and a portion of water near the ship channel for a future dock. The reinvestment zone was to account for the changes in investors working with Gulf Coast Ammonia. For the same reason the Chapter 380 - Payment in Lieu of Taxes agreement has to be redone to account for the new investors and locations. While the previous agenda item for the Tax Abatement would be for 100% of the increase in value, the Chapter 380 agreement would have a payment in lieu of taxes equal to \$750,000 for any value over \$450,000,000 up to \$800,000,000 and a \$1 million payment for anything over \$800,000,000. This agreement agreement is essentially the same except for the partners and locations. At a later time once all is approved and the GLO grants its easement, the current Chapter 312 and Chapter 380 agreements would be canceled.

The resolutions and agreements will be updated and provided in the packets on Monday.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

(9) (a)

Meeting Date: 09/18/2019

Amend fiscal year 2018-2019 budget

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Consider and take action on Ordinance No. XX-XX, amending the City's fiscal year 2018-2019 budget to appropriate additional funds for Sanitation Fees and Licenses. (Finance)

BACKGROUND

The new contract for garbage collection effective February 1, 2019, resulted in increased cost to the City. This budget amendment is needed to fund payments to the contractor for the months of July, August, and September. The total amount required is approximately \$660,000, which will come from the General Fund's unassigned fund balance.

ANALYSIS

Budget Amendment:

General Fund (Fund 101) Sanitation (Dept 302):

Sanitation Fees and Licenses	\$660,000.00
Unassigned fund balance	(\$660,000.00)

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

Ord 12-19

Meeting Date: 09/18/2019

Consider approval of a request to amend the City of Texas City’s fiscal year 2018-2019 budget.

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Consider approval of a request to amend the City of Texas City’s fiscal year 2018-2019 budget.

BACKGROUND

A budget amendment is needed to transfer funds to the City's group insurance fund to cover the liability.

ANALYSIS

Budget amendment is as follows:

General Fund:

Transfer to Group Insurance Fund	\$1,000,000
Unassigned Fund Balance	(\$1,000,000)

Group Insurance Fund:

Fund Balance	\$1,000,000
Transfer from General Fund	(\$1,000,000)

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

Ord 14-21

Meeting Date: 09/18/2019

Approve 2019-2020 Fiscal Year Budget

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Approve adoption of the 2019 - 2020 Fiscal Year Budget.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Ordinance

ORDINANCE NO. 19-27

AN ORDINANCE ADOPTING THE 2019 - 2020 FISCAL YEAR BUDGET; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT THEREWITH; PROVIDING A SEVERABILITY CLAUSE; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION AND PUBLICATION BY CAPTION ONLY IN THE OFFICIAL NEWSPAPER OF THE CITY.

WHEREAS, Chapter 102 of the Texas Local Government Code provides that a municipality must prepare and adopt a municipal budget to cover the proposed expenditures of the municipal government for the succeeding year; and

WHEREAS, Chapter 102 also requires a public hearing on the proposed budget and provides that the governing body of the municipality take action on the proposed budget at the conclusion of the public hearing; and

WHEREAS, a public hearing was held on September 4, 2019, in accordance with Chapter 102 and, after public hearing, vote on adoption of the budget was scheduled for September 18, 2019.

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

SECTION 1: That the City Commission, by record vote, hereby adopts the 2019 - 2020 Fiscal Year Budget, a copy of which is on file in the permanent records of the City.

SECTION 2: That the City Commission hereby directs that the final budget as adopted, and any subsequent amendments, be filed with the City Secretary and the County Clerk of the County of Galveston, as provided by State law and the City Charter.

SECTION 3: That all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION 4: That it is further provided that, in the event any section, clause, sentence, paragraph or part of this Ordinance shall be for any reason adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, invalidate, or impair the remainder of this Ordinance.

SECTION 5: That the Charter requirement for reading this Ordinance on three (3) separate days has been dispensed by a majority vote of the City Commission.

SECTION 6: That the Public Hearing for the 2019 - 2020 Fiscal Year Budget was held on Wednesday, September 4, 2019, at 5:00 p.m. in the Kenneth T. Nunn Room located at City Hall, and vote on the adoption of the 2019 - 2020 Fiscal Year Budget was scheduled at that time for Wednesday, September 18, 2019.

SECTION 7: That this Ordinance shall be finally passed and adopted on the date of its introduction and shall become effective from and after its passage and adoption and publication bycaption only in the official newspaper of the City.

PASSED and ADOPTED this 18th day of September 2019.

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

ATTEST:

APPROVED AS TO FORM:

Nicholas J. Finan
City Secretary

Russell F. Plackemeier
City Attorney

CITY COMMISSION REGULAR MTG

(9) (d)

Meeting Date: 09/18/2019

Levy Ad Valorem Tax

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Consider and take action on Ordinance No. 19-26, levying an ad valorem tax for the year 2019 for the City of Texas City. (Finance)

BACKGROUND

Consider approval of an Ordinance levying an ad valorem tax for the year 2019 for the City of Texas City, Texas, at a rate of \$0.54 per \$100 valuation of said property; at the rate of \$0.457096 per \$100 valuation of said property for the current Maintenance and Operations (M&O) expenses of said City; and, at a rate of \$0.082904 per \$100 valuation of said property for Interest and Sinking (I&S) expenses of said City.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Ordinance

ORDINANCE NO. 19-28

AN ORDINANCE LEVYING AN AD VALOREM TAX, BY RECORD VOTE, FOR THE YEAR 2019 FOR THE CITY OF TEXAS CITY, TEXAS, AT A RATE OF \$0.54 PER ONE HUNDRED DOLLAR (\$100.00) VALUATION OF SAID PROPERTY AT THE RATE OF \$0.457096 PER ONE HUNDRED DOLLAR VALUATION OF SAID PROPERTY FOR THE CURRENT MAINTENANCE AND OPERATIONS (M&O) EXPENSES OF SAID CITY AND AT A RATE OF \$0.082904 PER ONE HUNDRED DOLLAR (\$100.00) VALUATION OF SAID PROPERTY FOR INTEREST AND SINKING (I&S) FUND EXPENSES, AND PROVIDING FOR PENALTIES AND INTEREST ON DELINQUENT TAXES. DISPENSING WITH THE CHARTER REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

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

SECTION 1: That there be and there is hereby levied for the year 2019 on all property, real, personal, and mixed, situated within the territorial limits of the City of Texas City, Texas, on the 1st day of January, 2019, and not exempt by laws from taxation by said City, an ad valorem tax of and at a rate of \$0.54 (54¢) on each one-hundred-dollar (\$100) valuation of said property, which is comprised of the rate of \$0.457096 (45.71¢) on each one-hundred-dollar (\$100) valuation of property for the current general operating expenses of said city and the rate of \$0.082904 (8.29¢) on each one-hundred-dollar (\$100) valuation of property for interest and sinking fund.

The total tax of \$0.54 (54¢) on each one-hundred-dollar (\$100) valuation of said property levied by this Ordinance is levied at the following respective rates for the purposes hereinabove stated and is to be divided and used accordingly, namely:

At the rate of \$0.457096 (45.71¢) on each one-hundred-dollar (\$100) valuation of property for the current general operating expenses of said City.

At the rate of \$0.082904 (8.29¢) on each one-hundred-dollar (\$100) valuation of property for payment of General Obligation Bonds, Certificates of Obligation, and Qualified Lease Purchase Obligations of said City and the interest of said bonds and obligations.

SECTION 2: Taxes for the year 2019 shall become due and payable upon receipt of the tax bill and penalties and interest for delinquent payment shall be assessed in accordance with the Texas Property Tax Code.

SECTION 3: That taxes are to be calculated on the basis of one hundred percent (100%) of assessed value for the 2019 tax year.

SECTION 4: That the Charter requirement for reading this Ordinance on three (3) separate days has been dispensed by a majority vote of the City Commission.

SECTION 5: That this Ordinance shall be passed and adopted on the date of its introduction and shall become effective from and after its passage and adoption.

PASSED AND ADOPTED the 18th day of September 2019.

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

ATTEST:

APPROVED AS TO FORM:

Nicholas J. Finan
City Secretary

Russell F. Plackemeier
City Attorney

CITY COMMISSION REGULAR MTG

(9) (e)

Meeting Date: 09/18/2019

Accept and Approve 2019 Certified Tax Roll

Submitted For: Laura Boyd, Finance

Submitted By: Laura Boyd, Finance

Department: Finance

Information

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 19-087, accepting and approving the 2019 Certified Tax Roll. (Finance)

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

CITY COMMISSION REGULAR MTG

(9) (f)

Meeting Date: 09/18/2019

Submitted By: Rhomari Jackson, City Secretary

Department: City Secretary

Information

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 19-090, authorizing the Mayor to enter into an Agreement for Services with Blanchard Refining Company LLC, a Delaware limited liability company with regard to the 14th Street Ditch Improvement Project. (Mayor)

BACKGROUND

The City and Blanchard refinery (Marathon) have agreed upon certain drainage improvements concerning 14th Street (Loop 197 to 4th Ave) . Blanchard has agreed to pay the City (estimated cost \$1.8 million) for such improvements coupled with the City agreeing to partially release its easement from 14th Street to 8th Ave. Further, it is contemplated by the parties at a future date that Blanchard will request the City to release the remaining portion of the City's easement (8th Ave to 4th Ave) provided that Blanchard pay the City such cost for drainage improvements from 8th Ave to 4th Ave (estimated cost \$1.2million). Total estimated project cost: \$3million.

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Attachment

THE STATE OF TEXAS §

COUNTY OF GALVESTON §

AGREEMENT FOR SERVICES AND REIMBURSEMENT

THIS AGREEMENT FOR SERVICES AND REIMBURSEMENT (“Agreement”) is entered into as of the ____ day of September, 2019, by and between Blanchard Refining Company LLC, a Delaware limited liability company having an address of 2401 5th Avenue South, Texas City, Texas 77590 ("Blanchard"), and the City of Texas City, Texas, a home-rule municipality in the State of Texas having its principal office located at 1801 9th Ave N, Texas City, TX 77592 (the "City"). Blanchard and the City may individually be referred to herein as a “Party” and collectively as the “Parties”.

WITNESSETH:

WHEREAS, Blanchard desires various Services of the City with respect to Engineering and Construction Services for the City's "14th Street Ditch Improvements Project” (the "Project") as set forth in the attached **Exhibit A**;

WHEREAS, the City agrees to construct the Project and has engaged ARKK ENGINEERS to provide assistance with the “Design, Bid and Construction” phases of the Project, as well other Services necessary to support the Project; and

WHEREAS, Blanchard agrees reimburse the City for any and all reasonable and necessary costs, fees or expenses associated with the completion of the Project.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises, obligations, and benefits contained herein, the City and Blanchard hereby agree as follows:

1. **Engagement of the City** – The City hereby agrees to perform the Services required under the scope of work related to the Project, which is set out in **Exhibit "A"** and made a part of this Agreement (“Services”). The City agrees to initiate the Services upon receipt of an executed copy of this Agreement.
2. **Access to Facilities** - Blanchard will, prior to the beginning of construction of the Project, grant the City a Temporary Construction Easement in the form of a mutually agreed upon easement to provide access for the City to enter the property and facilities of Blanchard as necessary for the City to perform Services as required to complete the Project.
3. **Future Inspection & Maintenance** – Upon completion of the Project, the City shall have access at all reasonable times to inspect and/or perform maintenance as the City deems necessary on the improvements installed as part of the Project. Blanchard agrees to grant to the City prior to the beginning of construction of the Project, a mutually agreed upon easement for the

improvements installed in a legally described easement area and such easement will contain commercially reasonable rights of access for maintenance.

4. Reimbursement to the City – Upon the final acceptance and approval of the “Bid-Package” by the City Commission of the City of Texas City, Blanchard agrees to pay the City the total lump sum not to exceed One Million Eight Hundred Thousand Dollars and no/100’s (\$1,800,000.00) for the Project unless the Parties agree a Change order pursuant to Section 5 below. Such lump sum payment will be paid to the City in one (1) installment within 30 days of acceptance and approval of the Bid Package by the City.

5. Change Orders/Additions to Scope Work – Any and all commercially reasonable “Change Orders” or “Additions to the Scope of Work” with regard to the Project shall be mutually agreed upon, in writing, by the City and Blanchard. Within thirty (30) days of the mutual agreement of both Parties, Blanchard shall pay the City the amount(s) as stated in the “Change Order” or “Additions to the Scope of Work”.

6. Indemnification.

6.1 For consideration received, Blanchard agrees to indemnify, save, defend and hold harmless the City, its employees, elected officials and department heads from any and all claims, actions, damages, lawsuits, proceedings, judgments, or liabilities, for personal injury, death or property damage resulting from the negligent acts or omissions of Blanchard or negligent acts or omissions of others under Blanchard’s supervision or control (“Blanchard Indemnity Claims”) where such Blanchard Indemnity Claims are the direct result of or arise out of the performance of this Agreement.

6.2 For consideration received, the City agrees, to the extent permitted by law, to indemnify, save, defend and hold harmless Blanchard, its directors, officers, and employees, from any and all claims, actions, damages, lawsuits, proceedings, judgments, or liabilities, for personal injury, death or property damage resulting from the negligent acts or omissions of the City or negligent acts or omissions of others under the City’s supervision or control (“City Indemnity Claims”) where such City Indemnity Claims or the direct result of or arise out of the performance of this Agreement.

7. Easement Release and Option

7.1 The City was granted that certain easement for public road purposes by Blanchard’s predecessor in interest, a copy of which is attached hereto and incorporated herein by reference as **Exhibit “B”** (“Easement”). Upon payment by Blanchard of the sums due in accordance with Section 4 and Section 5 above, the City will enter into a “Partial Release of Easement” for the Easement, which will be substantially in the form of the Partial Release of Easement attached hereto and incorporated herein by reference as **Exhibit “C”**. Notwithstanding anything to the contrary and upon the execution and recordation of the aforesaid Partial Release of Easement, Blanchard covenants and agrees to assist the Gulf Coast Water Authority with the placement of waterlines that may be placed in/under the Easement as it existed prior to recordation of the Partial Release of the Easement.

7.2 Blanchard retains and the City agrees that Blanchard will have an option to request that the City enter into a second release for the portion of the Easement not released by the Partial Release of Easement, being all of the remaining portion of the Easement from 4th Avenue South, south to 8th Avenue South (“Second Partial Release”). Such option will be exercisable at Blanchard’s sole option subject to Blanchard paying to the City the lump sum, not to exceed One Million Two Hundred Thousand Dollars and no/100’s (\$1,200,000.00) for the relinquishment by the City of the unreleased portion of the Easement through the Second Partial Release. Such lump sum payment will be paid to the City in one (1) installment within 30 days of Blanchard’s notification to the City of its desire to exercise Blanchard’s option for the Second Partial Release. In the event the total cost of the Project is less than Three Million and no/100’s (\$3,000,000.00), then the Parties agree that Blanchard’s payment obligation for the Second Partial Release will be reduced on a dollar for dollar basis to the extent the total cost of the Project is less than \$3,000,000.00.

8. Assignability - This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their successors. Neither Party will assign this Agreement, or any performance of this Agreement, including any right to payment, without the other Party’s prior written consent. Any attempted assignment in violation of this Section will be void and will in no way release either Party from its respective obligations under this Agreement.

9. Governing Law - This Agreement shall be deemed to have been made under and shall be construed and interpreted in accordance with the laws of the State of Texas. The venue of any suit for enforcement or construction of this contract shall be in Galveston County, Texas.

10. Merger and Modification - This Agreement, including the attachments, embody the entire agreement between the Parties relative to the subject matter hereof. No terms, conditions, acknowledgements, proposals, prior course of dealings, course of performance, usage or trade, understandings, purchase orders, oral promises, agreement or warranties purporting to modify, vary, supplement or explain any provision of this Agreement and no prior or subsequent agreement adding to, altering or waiving any term, condition or provisions hereof will be valid and enforceable unless in writing and signed by both Parties.

11. Amendments – This Agreement will not be modified, in whole or in part, except by a written amendment signed by both Parties and expressly identified as an amendment or modification. Any attempt by either Party through any document to vary any of the terms of this Agreement will be deemed void.

12. Severability - The provisions of this Agreement are severable, and if any part of this Agreement or the application thereof to any person or circumstances shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of part of this Agreement to other persons or circumstances shall not be affected thereby.

13. Force Majeure - All obligations of Blanchard and the City (excluding monetary obligations) shall be subject to events of “force majeure” which shall mean any contingency or cause beyond the reasonable control of a Party, as applicable, including, without limitations, acts

of God or the public enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action or inaction (unless caused by negligence or omissions of such Party), fires, explosions, floods, strikes, slowdowns or work stoppages, shortage of materials and labor.

14. Benefits of Agreement - This Agreement is for the benefit of the City and Blanchard and their successors and assigns and shall not be construed to confer any benefit on any other person or entity except as expressly provided for herein.

15. Consents and Approvals - Whenever this Agreement provides for the approval or consent of one of the Parties, such consent or approval shall not be unreasonably withheld or delayed.

16. Counterparts - This Agreement may be executed simultaneously in two or more counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument.

17. Paragraph Headings - The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the paragraphs.

18. Notice – Except as otherwise indicated herein and until otherwise specified, notices and other communication to each Party will be addressed as follows:

City:

City of Texas City
1801 9th Ave N,
Texas City, TX 77592
Attention: Mayor
[Email: russell@lyonsplack.com]

Blanchard:

Blanchard Refining Company LLC
539 South Main Street
Findlay, OH 45840
Attention: Manager, Title and Contract
Email: TCNotifications@marathonpetroleum.com

With a copy to:

Blanchard Refining Company LLC
2401 5th Avenue South
Texas City, Texas 77590
Attention: Vice President or Refining General Manager

For all notices of Disputes under this Agreement, notices to Blanchard should be addressed as follows, in addition to the notice addresses above:

539 South Main Street
Findlay, OH 45840
Attention: General Counsel

Each Party may change its address for notice by notice to the other Party in the manner set forth above. Any notice required or permitted hereunder will be deemed given (a) 3 days after being deposited in the U.S. Mail as registered or certified mail, return receipt requested, postage prepaid, (b) when received if delivered by recognized commercial courier or next business day delivery and addressed to the Party to whom the notice is being given at the address set forth above for such Party, and (c) if delivered by email, when a delivery receipt is received by the sending Party.

19. Liens – City will keep Blanchard’s property upon which such the Project is performed free and clear of all liens. City will settle all claims, including lien claims of its subcontractors for labor performed and supplies or materials furnished in connection with providing the Services and completing the Project within 15 days of notice of such claims. If allowed by Law, City will post suitable bond or security to settle lien claims.

20. Home Rule Municipality - The City is a municipality incorporated under the laws of the State of Texas, and all laws regulating and concerning Texas municipalities apply, including budgetary laws, The City Charter and The City Code. Blanchard acknowledges that the City may only act through its City Commission or a duly authorized representative of City Commission, and that any act of an employee or officer of the City that is not duly authorized is void.

21. Waiver – Neither action taken nor inaction pursuant to this Agreement will be deemed to constitute a waiver of compliance with any representation, warranty, covenant or agreement contained herein by the Party committing such action or inaction. A waiver by any Party of a particular right, including breach of any provision of this Agreement, will not operate or be construed as a subsequent waiver of that same right or wavier of any other right.

22. Dispute Resolution – Any dispute will be resolved in accordance with the following:

22.1 Mediation. If a dispute cannot be settled by direct negotiations within 60 days following delivery of a notice of such dispute, any Party may initiate mandatory, non-binding mediation hereunder by giving the other Party a notice of mediation. The mediator will be jointly appointed by the Parties and the mediation will be conducted in the State of Texas, unless otherwise agreed to by the Parties. All costs and expenses of the mediator will be shared equally by the Parties. The then-current Model ADR Procedures for Mediation of Business Disputes of the Center for Public Resources, Inc., either as written or as modified by mutual agreement of the Parties, will govern any mediation pursuant to this Section. Each Party will be represented by one or more senior representatives who will have authority to resolve any Disputes.

22.2 Litigation.

22.2.1 Only if the dispute cannot be resolved in accordance with Section 22.1, either Party may bring an action or proceeding in respect of such dispute, whether in tort or contract or at law or in equity, exclusively in any federal or state courts in Galveston County, Texas, in which event, each Party (1) irrevocably submits to the exclusive jurisdiction of such courts, (2) waives any objection to laying venue in any such action or proceeding in such courts, (3) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over it and (4) agrees that service of process upon it may be effected by mailing a copy thereof in accordance with Section 18, but only for the limited purpose of service pursuant to this Agreement. The foregoing consents to jurisdiction and service of process will not constitute general consents to service of process in the any state for any purpose except as provided herein and will not be deemed to confer rights on any person other than the Parties.

22.2.2 EACH PARTY ACKNOWLEDGES THAT ANY DISPUTE IS LIKELY TO INVOLVE COMPLICATED ISSUES AND THEREFORE EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (1) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (2) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (3) EACH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (4) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

IN WITNESS WHEREOF, the Parties hereto by their duly authorized representatives have entered into and agreed to this Agreement as the day and year first written.

[Signatures Appear on Next Pages]

City:

THE CITY OF TEXAS CITY, TEXAS,
a home-rule Texas municipality

By: _____

Name: Matthew T. Doyle

Title: Mayor

Date: _____

Approved As To Form and Content:

City Attorney

Draft

Blanchard:

BLANCHARD REFINING COMPANY LLC,
a Delaware limited liability company

By: _____

Name: Kevin D. Bogard

Title: Vice President

Date: _____

Draft

Exhibit A
City's 14th Street Ditch Improvements Project

[To Be Supplied By the City]

Draft

**Exhibit B
Copy of Easement**

[To be Attached by the Parties]

Draft

Exhibit C
Form of Partial Release of Easement

[Draft Version Supplied by BRC LLC]

Draft