

CITY OF TEXAS CITY
REGULAR CALLED CITY COMMISSION MEETING

AGENDA

WEDNESDAY, SEPTEMBER 17, 2025 - 5:00 P.M.
KENNETH T. NUNN COUNCIL ROOM - CITY HALL
1801 9th Ave. N.
Texas City, TX 77590

PLEASE NOTE: Public comments are limited to posted agenda items only and 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) Retirement
Debra Taylor Parks & Recreation 27 years
 - (b) Proclaiming September 17-23, 2025, as "Constitution Week" to be received by the George Washington Chapter of Daughters of the American Revolution.
- (5) REPORTS
 - (a) Economic Development Annual Report
- (6) PUBLIC HEARING

- (a) Public hearing in support of or opposition to the City of Texas City's proposed 2025/2026 Fiscal Year Budget.

TAXPAYER IMPACT STATEMENT SUMMARY

ASSUMING A MEDIAN HOME VALUE IN TEXAS CITY OF **\$226,783** AND A **20%** HOMESTEAD EXEMPTION:

DESCRIPTION	AMOUNT
APPRAISED VALUE	\$ 226,783
HOMESTEAD EXEMPTION (20%)	\$ (45,357)
TAXABLE VALUE	\$ 181,426
CITY OF TEXAS CITY TAXRATE (2024)	\$ 0.488635
CURRENT TAXBILL	\$ 886.51
CITY OF TEXAS CITY NNR TAXRATE (2025)	\$ 0.478433
ESTIMATED TAXBILL	\$ 868.00
CITY OF TEXAS CITY PROPOSED TAXRATE (2025)	\$ 0.478433
ESTIMATED TAXBILL	\$ 868.00
TEXAS CITY PROPERTY TAX SAVINGS	\$ 18.51

(7) PUBLIC COMMENTS

(8) CONSENT AGENDA

- (a) Approve City Commission Minutes for the September 3, 2025 meeting. (City Secretary)
- (b) Consider and take action on Resolution No. 2025-095, approving the Digital Lab Policy for Moore Memorial Public Library. (Library)
- (c) Consider and take action on Resolution No. 2025-096, accept and authorize the expenditure of the Texas Department of Transportation (TxDOT) Fiscal Year 2026 Selective Traffic Enforcement Program (STEP) Grant Award. (Grants Administration)
- (d) Consider and take action on Resolution No. 2025-097, approving the Developer's Reimbursement Agreement with Red Egret, LLC. (City Engineer)
- (e) Consider and take action on Resolution No. 2025-098 to approve a contract with ARKK Engineers for a Preliminary Engineering Report and preliminary engineering design services for the Monticello Drive Reconstruction Project. (City Engineer)

- (9) REGULAR ITEMS
 - (a) Consider and take action on Resolution No. 2025-099, awarding Bid No. 2025-491 and entering into a contract for Texas City MIT-MOD Drainage Improvements GLO Contract No. 24-065-018-E-175. (Public Works)
 - (b) Consider and take action on Resolution No. 2025-100, approving and adopting the City of Texas City's Investment Policy. (Finance)
- (10) COMMISSIONERS' COMMENTS
- (11) MAYOR'S 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 11, 2025, PRIOR TO 5:00 P.M. AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING.

RHOMARI LEIGH
CITY SECRETARY

CITY COMMISSION REGULAR MTG

(4) (a)

Meeting Date: 09/17/2025

Retirement Reception

Submitted For: Jennifer Price, Human Resources

Submitted By: Susan Sensat, Human Resources

Department: Human Resources

Information

ACTION REQUEST

Retirement

Debra Taylor Parks & Recreation 27 years

BACKGROUND (Brief Summary)

Retirement Reception acknowledging an employee retiring from the City.

RECOMMENDATION

Human Resources recommend approval of the retirement reception.

Fiscal Impact

CITY COMMISSION REGULAR MTG

(5) (a)

Meeting Date: 09/17/2025

Economic Development Annual Report 2025

Submitted For: Kristin Edwards, Economic Development

Submitted By: Rhomari Leigh, City Secretary

Department: Economic Development

Information

ACTION REQUEST

Economic Development Annual Report

BACKGROUND (Brief Summary)

RECOMMENDATION

Fiscal Impact

Attachments

Staff Report

Annual Report: Economic Development

Presented by Kristin Edwards,
Economic Development Director



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MAJOR INDUSTRY WIN - Marathon

After conversations with **Marathon and OneOK** dating back to March 2024, the partnership chose **TEXAS CITY** for their **\$3.6 BILLION** project.

Currently under construction, the **fractionation** project will create **more than 5,900 jobs** based on estimates from the Bay Area Houston Economic Partnership.

The project will also generate an estimated **\$9.6 million in property tax** and subsequent sales tax once the units are operational.



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Construction on the project is anticipated to continue through 2028.

Dirt work has been completed on the site, with vertical construction in process.

According to Marathon, the project may generate approximately **1,200 construction jobs** for area residents.



INDUSTRY WIN: Again, Inc.

This year, Texas City was chosen as the location for **Again, Inc.**, a Denmark-based company with a proprietary process to capture and eliminate carbon from the atmosphere, selling the byproducts to other users.

again

The project is co-located with Dow Chemical.

We have also worked with Diamand Infrastructure Solutions (DOW) to win the second phase of Again, Inc.

This project would carry a capital expenditure of **\$300 million**.



ONGOING efforts on Shoal Point



We have two leaseholders of City property on Shoal Point.

Galveston LNG Bunker Port – USACE Permitted!

Galveston Industries, LLC

Should these projects move forward, they would represent a **combined capital expenditure of nearly \$1.5 BILLION** and over 800 jobs.

ONGOING efforts on Shoal Point: The Road

The City has contracted with Colliers Engineering, who will conduct a preliminary engineering report and provide 30% design for a roadway connecting Shoal Point to Loop 197.

We are already working with Colliers to conduct local stakeholder meetings.

These efforts will continue through calendar year 2026, after which we will look to complete the design work and pave the way for construction.



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SMALL BUSINESS WIN: The Phoenix

The Phoenix Business Accelerator officially came online in March 2025.

In that time, we have welcomed small business and non-profit clients and we have several more who are interested.



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COMMUNITY WIN: 6th Street Community Plaza

THIS SATURDAY, we will hold the grand opening celebration for the 6th Street Community Plaza.

A multi-million dollar effort years in the making, this beautiful asset will include food trucks, water play areas, a dog park and a performance stage!



GRAND OPENING

6TH STREET
COMMUNITY PLAZA

SATURDAY, SEP. 20 6:00 - 9:00 P.M.

LIVE PERFORMANCE BY

LOVER

A TRIBUTE TO TAYLOR SWIFT



Splash Pads



Dog Park



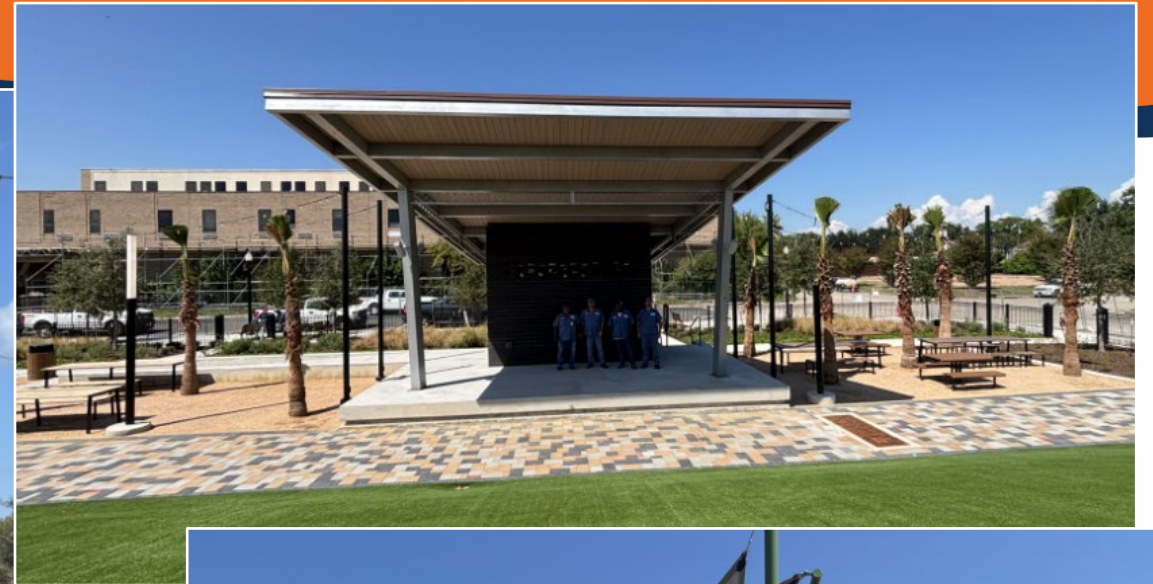
Food Trucks

You belong with us...

We are in our grand opening era!
Join us for a celebration as we officially
open the 6th Street Community Plaza!

FREE AND OPEN TO THE PUBLIC





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COMMUNITY WIN: Lercy's Diner

In July, we welcomed Lercy's Diner to 6th Street, after working closely with them for nearly one year to get their business open.

It has become a lunch hotspot in Texas City, especially for industry employees.





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6TH STREET WIN: Doodle Me Up Grooming Salon

We welcomed a new business to
6th Street in April 2025 – Doodle
Me Up Grooming Salon.



Based in EDC-owned property at 413 6th Street, the business is going strong!

COMMUNITY

WIN:

TCEDC donated property for a Habitat for Humanity home and will look to donate more land in the future!



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TEAM WIN: New Tourism focus!

Earlier this year, we welcomed Jade Jones to the Economic Development team.

In her brief time with the City, she has planned the Community Plaza grand opening, worked with CivicPlus to develop a tourism website, and took the first steps toward an established Tourism Committee.



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According to Datafy, we have received 1.8 million trips to Texas City since January 1, with 2.9 million days spent in our community!

Our peak month – July 2025 – brought 524,000 visitor days! Of those visitor days, nearly 30% of those were from out-of-state.



JULY 2025

↑ 8.2%

vs July 2024

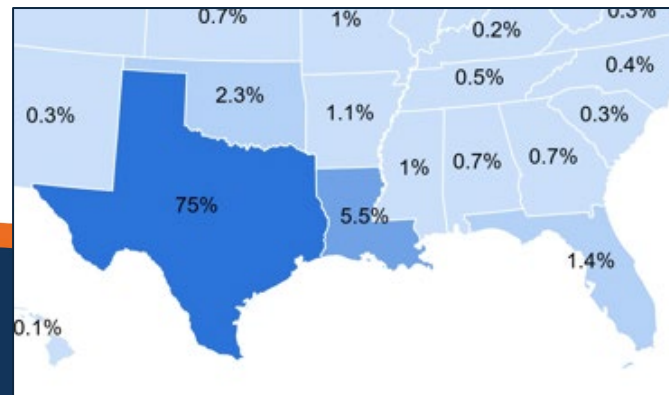


2ND TOP SPEND DMA

Dallas-Ft. Worth

10.9% of Spend

We get significant visitation BOTH during the week and on the weekends!



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WORKFORCE DEVELOPMENT WIN

In partnership with our educational partners, we developed the “Pipelines” program. What started as identifying “pipelines” of high school and COM classes that would lead to entry level jobs has evolved to include input from teachers and the business community.

Our first community workshop will be on October 21!



DICKINSON
INDEPENDENT SCHOOL DISTRICT

COM
College of the Mainland.



TEXAS CITY-LA MARQUE
CHAMBER OF COMMERCE



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QUESTIONS?
Call anytime!
409-739-7538

CITY COMMISSION REGULAR MTG

(8) (a)

Meeting Date: 09/17/2025

Submitted By: Rhomari Leigh, City Secretary

Department: City Secretary

Information

ACTION REQUEST

Approve City Commission Minutes for the September 3, 2025 meeting. (City Secretary)

BACKGROUND (Brief Summary)

RECOMMENDATION

Fiscal Impact

Attachments

CC Minutes 09-03-2025

REGULAR CALLED CITY COMMISSION MEETING

MINUTES

WEDNESDAY, SEPTEMBER 3, 2025 – 5:00 P.M.
KENNETH T. NUNN COUNCIL ROOM – CITY HALL

A Regular Called Meeting of the City Commission was held on Wednesday, SEPTEMBER 3, 2025, 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 Dedrick D. Johnson.

1. ROLL CALL

Present: Dedrick D. Johnson, Mayor
Thelma Bowie, Commissioner At-Large, Mayor Pro Tem
Abel Garza, Jr. , Commissioner At-Large
DeAndre' Knoxson, Commissioner District 1
Keith Love, Commissioner District 2
Chris Sharp, Commissioner District 3
Jami Clark, Commissioner District 4

2. INVOCATION

Led David Buckley, Jr., Pastor of Sanford's Temple Christ of God in Trust.

3. PLEDGE OF ALLEGIANCE

Led by DeAndre' Knoxson, Commissioner District 1.

4. PROCLAMATIONS AND PRESENTATIONS

a. Proclaiming September as National Senior Center Month

Lenora Mata, Senior Citizen Program Coordinator, gave her thanks to the senior citizens within the programs and Nicole Miller for her leadership as the Parks, Recreation, and Tourism Director.

5. REPORTS

a. Quarterly Investment Report

Cynthia Rushing, Chief Financial Officer, gave a PowerPoint presentation.

b. Facility Reservations Report (Parks, Rec & Tour)

Amanda Gracia, Reservation Coordinator, gave a PowerPoint presentation.

6. PUBLIC COMMENTS

The following member of the public requested to address the City Commission: Robert Clem.

7. CONSENT AGENDA

Commissioner of District 1, DeAndre' Knoxson, made a motion to approve Consent Agenda items 7b, c, d, g, h, i, j, and k. The motion was seconded by Commissioner District 4, Jami Clark. Consent Agenda item 7a was pulled by Commissioner District 4, Jami Clark, and voted on separately. Consent Agenda item 7e was pulled by Commissioner District 1, DeAndre' Knoxson, and voted on separately. Consent Agenda item 7f was pulled by Mayor Dedrick D. Johnson, and voted on separately.

- a. Approve City Commission Minutes for the August 20, 2025 meeting. (City Secretary)

Motion by Commissioner At-Large, Mayor Pro Tem Thelma Bowie, Seconded by Commissioner At-Large Abel Garza, Jr.

Vote: 7 - 0 CARRIED

- b. Consider and take action on Resolution No. 2025-084, approving the Development Agreement with Texas-New Mexico Power Company allowing the use of pumped detention for the Lago Mar Substation to be constructed near the intersection of S.H.3 and DePalermo Rd upon certain conditions. (City Engineer)

Vote: 7 - 0 CARRIED

- c. Consider and take action on Resolution No. 2025-085, approval to change vendor from Frazer to Sterling McCall Ford. (Fire)

Vote: 7 - 0 CARRIED

- d. Consider and take action on Resolution No. 2025-086, awarding ITB 2025-490 and entering into a contract for Right of Way Vegetation Management Contract. (Public Works)

Vote: 7 - 0 CARRIED

- e. Consider and take action on Resolution No. 2025-087, approving and awarding Commission Grant funds in the amount of \$1,500 to The Culture Corporation. (Commissioner DeAndre' Knoxson)

Commissioner District 1, DeAndre' Knoxson, called Jared Williams, President of Culture Corporations, to speak. Jared Williams stated it's newest initiative is the Mental and Behavioral Health Program which is dedicated to equipping young people with vital resources for mental health, emotional awareness, and social skills development. He also stated this program provides students with the tools to build resilience, foster personal growth, and achieve academic success. Mr. Williams said with the support of community leaders, The Culture Corporation is able to offer specialized materials, qualified facilitators, and a nurturing environment, ensuring that these essential services remain free and accessible to all TCISD students and their families.

Motion by Commissioner District 1 DeAndre' Knoxson, Seconded by Commissioner District 3 Chris Sharp

Vote: 7 - 0 CARRIED

- f. Consider and take action on Resolution No. 2025-088, approving and awarding Commission Grant funds in the amount of \$5,000 to Come and See Friends Church House of Disciples. (Commissioner Jami Clark)

Mayor Dedrick D. Johnson called Walter Lawson and Terry Melancon, Pastor of Come and See Friends Church, to speak. Pastor Lawson and Melancon stated they provide an opportunity for everyone to unite in local mission projects and evangelism. They pray, they invite, they disciple, and they offer hospitality, all in the power of the Holy Spirit, telling the Good News of Jesus Christ by sharing their own testimonies and the Word of God. Mayor Dedrick D. Johnson awarded the Come and See Friends Church with the Mayor's Lighthouse Award which is given to a deserving resident of Texas City or a surrounding area who has made a significant impact in the life/lives of residents of Texas City.

Motion by Commissioner At-Large, Mayor Pro Tem Thelma Bowie, Seconded by Commissioner District 2 Keith Love

Vote: 7 - 0 CARRIED

- g. Consider and take action on Resolution No. 2025-089, accept and authorize expenditure of the U.S. Department of Housing and Urban Development (HUD) Fiscal Year 2025 Community Development Block Grant (CDBG) Entitlement allocation. (Community Development)

Vote: 7 - 0 CARRIED

- h. Consider and take action on Resolution No. 2025-090, establishing a Fee Schedule and updating the Permit Fees to be charged for Various Building and Development related fees. (City Engineer)

Vote: 7 - 0 CARRIED

- i. Consider and take action on Resolution No. 2025-091, establishing a Fee Schedule and updating the Application Fees to be charged for Various Planning and Development related reviews and approvals. (City Engineer)

Vote: 7 - 0 CARRIED

- j. Consider and take action on Resolution No. 2025-092, supporting the Southeast Texas Housing Finance Corporation's (SETH) assignment of private activity bond authority to the Texas Department of Housing and Community Affairs. (Legal)

Vote: 7 - 0 CARRIED

- k. Consider and take action on Resolution No. 2025-093, approving a Change Order to Waterline Replacement Phase 22. (Public Works)

Vote: 7 - 0 CARRIED

8. REGULAR ITEMS

- a. Consider and take action on Resolution No. 2025-094, approving the purchase of pumping equipment for Moses Lake Stormwater Pump Station. (Public Works)

Jack Haralson, Public Works Director, recommends approving the purchase of pumping equipment for Moses Lake Stormwater Pump Station.

Motion by Commissioner District 4 Jami Clark, Seconded by Commissioner At-Large Abel Garza, Jr.

Vote: 7 - 0 CARRIED

9. COMMISSIONERS' COMMENTS

10. MAYOR'S COMMENTS

An audiovisual recording of this meeting is available on the City's website and retained by the CSO for two years after the date of the adoption of the minutes to which the meeting corresponds.

11. ADJOURNMENT

Having no further business, Commissioner At-Large, Abel Garza, Jr., made a MOTION to ADJOURN at 5:47 p.m. All present voted AYE. MOTION CARRIED.

DEDRICK D. JOHNSON, MAYOR

ATTEST:

Rhomari Leigh, City Secretary
Date Approved:

CITY COMMISSION REGULAR MTG

(8) (b)

Meeting Date: 09/17/2025

Approval of Digital Lab Policy for Moore Memorial Public Library

Submitted For: Cheryl Loewen, Library

Submitted By: Cheryl Loewen, Library

Department: Library

Information

ACTION REQUEST

Consider approving a policy for the new Digital Lab that has been created at Moore Memorial Public Library.

BACKGROUND (Brief Summary)

Grant funds from BACODA were used to purchase a 3-D printer, a scanner, and other digitization equipment in 2024. The small meeting room in the library has been converted into a Digital Lab. Before this equipment can be made available to the public, a policy needs to be in place governing its use. The proposed policy contains general guidelines and restrictions, as well as sections for both the 3-D printer and the digitization equipment.

The proposed policy was unanimously approved by the Board of Library Trustees at their regular meeting on Monday, August 25, 2025.

A copy of the proposed policy is attached.

RECOMMENDATION

I recommend that the proposed Digital Lab Policy for Moore Memorial Public Library be approved.

Fiscal Impact

Funds Available Y/N:

Amount Requested:

Source of Funds:

Account #:

Fiscal Impact:

There is no Fiscal Impact for this agenda item.

Attachments

Draft - Digital Lab Policy

Resolution

Moore Memorial Public Library Digital Lab Policy

Approved by the Board of Library Trustees on August 25, 2025
Approved by the City of Texas City Commission on ?

PURPOSE

Moore Memorial Public Library offers 3D printing services to the public for creative, educational, and practical purposes. The library also has scanners and media conversion equipment available for the digitization of various media formats and documents. This policy provides guidelines for public use of this equipment and is subject to change.

GENERAL GUIDELINES

Users of the Digital Lab must abide by the *Rules Of Behavior For Library Patrons* policy.

Moore Memorial Public Library's Digital Lab services are available to patrons ages 18 and up. Patrons under 18 years of age must be accompanied by a parent/guardian who has completed the required training.

Use of the Digital Lab requires patrons to sign a liability waiver. Parents or guardians of minor children are responsible for supervising their children and must sign a liability waiver for their child.

The library reserves the right to share patron pictures of projects made using the library's machines on library marketing materials and social media channels.

The Digital Lab provides access to specialized equipment for creative and technical projects. Patrons are expected to design and complete their own projects. Staff will be present to facilitate machine operation only and are not responsible for file creation or file modifications.

Patrons may not load personal software onto the Digital Lab computers or tamper with any security features of the computers or other Digital Lab equipment.

Patrons are responsible for ensuring that all equipment is left in the same condition in which it was found.

SCHEDULING

Patrons are required to attend a one-time orientation prior to making a reservation. Patrons under 18 years of age must be accompanied by a parent or guardian.

Reservations are required and may be made up to two weeks in advance. They will be accepted on a first-come, first-served basis, with priority being given to library-sponsored programs and activities. All reservations are subject to staff availability.

Orientations and reservations may be scheduled by contacting the Library's Information Desk at 409-643-5977 or by emailing the library at library@texascitytx.gov.

3D PRINTER

The 3D printer may only be used with filament provided by the library. For safety and to avoid potential damage to the machines, patrons may not bring and/or use alternative filament. Filament donations will not be accepted.

There is a cost of 10¢ per gram for regular filaments and 20¢ per gram for special filament. Total cost will be rounded to the nearest gram. Payment will be collected by staff and will be used to reimburse the cost of filament and machine maintenance.

Objects printed with a raft, supports, or brim will be weighed, and the total will be included in the final cost before their removal.

Any external storage devices being used, such as a USB flash drive, must be approved by library staff prior to use.

Patrons are required to stay for the first 30 minutes of a print job to ensure the print begins successfully. They are responsible for paying for their objects and for retrieving them once the print is complete. Items not retrieved within one week will be discarded.

Except in cases of mechanical failure, printing errors, or other factors not in a patron's control, patrons are expected to pay for completed prints and may not request a new print in place of the original due to dissatisfaction with color, scale, quality, design, required support material or other options pre-selected by the patron.

Patrons can reserve up to four hours of machine time and all prints must be completed within the allotted time. However, as the schedule allows, time may be extended based on the availability of equipment and staff.

Overnight prints will not be considered or approved.

SCANNER AND MEDIA CONVERSION EQUIPMENT

Community members have access to specialized equipment for converting analog materials into digital formats. Available resources include tools for digitizing VHS tapes, audio cassettes, slides, photographs, papers, and manuscripts. This space supports the preservation of personal and community history.

Equipment in the Digital Lab, including computers, must remain in the room and may only be used for its designated purpose. Removing the equipment from the library will result in a replacement charge, and loss of privileges. Equipment should not be left unattended.

Patrons are responsible for supplying their own external storage device, such as a USB flash drive, to save any personal content or project files. All devices must be approved by library staff prior to use.

RESTRICTIONS

Equipment and tools in the Digital Lab may only be used for lawful purposes. Users will not be permitted to use the library's equipment to create material that is:

- Prohibited by local, state, or federal law
- Unsafe, harmful, dangerous, poses an immediate threat to the well-being of others, or is otherwise inappropriate for the Library environment. (Such use may also violate the terms of use of the manufacturer.)
- In violation of another's intellectual property rights. For example, the Digital Lab machines will not be used to reproduce material that is subject to copyright, patent or trademark protection. The copyright law of the United States (Title 17 U.S. Code) governs the making of photocopies or other reproductions of copyrighted material. Patrons using the Digital Lab equipment are liable for any infringement.

The Library reserves the right to refuse any project request.

No food or drink is allowed in the Digital Lab.

Supervision of the use of the Digital Lab machines by Library staff does not constitute knowledge or acknowledgment of any unapparent final use of the product, and the Library specifically disclaims any knowledge thereof.

The library does not accept responsibility if a project is destroyed, does not print correctly, does not work, or if any of the patron's personal material is damaged or destroyed while using Digital Lab machines.

Except for the external storage devices mentioned above, users may not plug personal electronic equipment into Digital Lab computers.

Abuse of machines and/or scheduled lab time will result in the loss of privileges.

RESOLUTION NO. 2025-095

A RESOLUTION APPROVING THE DIGITAL LAB POLICY FOR THE MOORE MEMORIAL LIBRARY; AND PROVIDING THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, in 2024, grant funds from BACODA were used to purchase a 3-D printer, a scanner, and other digitization equipment. Before this equipment can be made available to the public, a policy needs to be in place governing its use; and

WHEREAS, the proposed policy was unanimously approved by the Board of Library Trustees at their regular meeting on Monday, August 25, 2025.

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

SECTION 1: The City Commission approves the Digital Lab Policy for the Moore Memorial Library.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 17th day of September 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

CITY COMMISSION REGULAR MTG

(8) (c)

Meeting Date: 09/17/2025

Acceptance and Expenditure Authorization of FY 2026 Texas' Selective Traffic Enforcement Program (STEP) Grant

Submitted For: Patricia Mata, Community Development/ Grant Admin

Submitted By: Patricia Mata, Community Development/ Grant Admin

Department: Community Development/ Grant Admin

Information

ACTION REQUEST

Consideration and take action to accept and authorize the expenditure of the Texas Department of Transportation (TxDOT) Fiscal Year 2026 Selective Traffic Enforcement Program (STEP) Grant Award.

BACKGROUND (Brief Summary)

The City of Texas City Police Department has been awarded a reimbursable match grant in the amount of \$24,966.40 from the Texas Department of Transportation (TxDOT) for Fiscal Year 2026 Selective Traffic Enforcement Program (STEP). The City's required match contribution will be \$24,966.40, bringing the total program funding to \$49,932.80.

STEP is a federally funded law enforcement grant program administered by TxDOT's Traffic Safety Division with the goal of reducing crashes by creating safer driving environments on Texas roadways through high-visibility enforcement. Grant funding will support overtime enforcement activities targeting intersection-related violations, impaired driving, occupant restraint compliance, cellular/texting violations, and unsafe speed within identified high-crash areas.

Upon acceptance, the grant award period will begin October 1, 2025, and will conclude September 30, 2026.

RECOMMENDATION

Staff recommends approval and acceptance of the Fiscal Year 2026 STEP Grant Award and authorization of the required matching funds.

Fiscal Impact

Funds Available Y/N: Y

Amount Requested: \$24,966.40

Source of Funds: TCPD Match

Account #:

Fiscal Impact:

The City of Texas City Police Department has previously been awarded STEP grants and has budgeted the required match funding.

Attachments

Grant Award Agreement FY 26
Resolution

Texas Traffic Safety eGrants

Fiscal Year 2026

Organization Name: City of Texas City Police Department

Legal Name: City of Texas City

Payee Identification Number: 17460023843007

Project Title: STEP Comprehensive

ID: 2026-TexasCityPD-S-1YG-00050

Period: 10/01/2025 to 09/30/2026

FOR REVIEW ONLY - NOT A LEGAL DOCUMENT

TEXAS TRAFFIC SAFETY PROGRAM GRANT AGREEMENT

THE STATE OF TEXAS
THE COUNTY OF TRAVIS

THIS AGREEMENT IS MADE BY and between the State of Texas, acting by and through the Texas Department of Transportation, hereinafter called the Department and the, **City of Texas City** hereinafter called the Subgrantee, and becomes effective then fully executed by both parties. For the purpose of this agreement, the Subgrantee is designated as a(n) **Local Government/Transit District**.

AUTHORITY: Texas Transportation Code, Chapter 723, the Traffic Safety Act of 1967, and the Highway Safety Performance Plan for the Fiscal Year 2025.

Name of the Federal Agency: **National Highway Traffic Safety Administration**

CFDA Number: **20.600**
CFDA Title: **State and Community Highway Safety Grant Program**
Funding Source: Section **402**
Unique Entity Identifier (UEI) : **C11CU28JD8B8**
FAIN:
300004020TX0
300004020TX0

Project Title: **STEP Comprehensive**
This project is **Not Research and Development**

Grant Period: This Grant becomes effective on **10/01/2025** or on the date of final signature of both parties, whichever is later, and ends on **09/30/2026** unless terminated or otherwise modified.

Total Awarded: **\$49,932.80**
Amount Eligible for Reimbursement by the Department: **\$24,966.40**
Match Amount provided by the Subgrantee: **\$24,966.40**

FOR REVIEW ONLY - NOT A LEGAL DOCUMENT

RESPONSIBILITIES OF THE SUBGRANTEE

A. Carry out all performance measures established in the grant, including fulfilling the law enforcement objectives by implementing the Operational Plan contained in this Grant Agreement.

B. Submit all required reports to the Department (TxDOT) fully completed with the most current information, and within the required times, as defined in Article 3 and Article 7 of the General Terms and Conditions of this Grant Agreement. This includes reporting to the Department on progress, achievements, and problems in monthly Performance Reports and attaching necessary source documentation to support all costs claimed in Requests for Reimbursement (RFR).

C. Attend grant related training as requested by the Department

D. Attend meetings according to the following:

1. The Department will arrange for meetings with the Subgrantee to present status of activities and to discuss problems and the schedule for grant related activities.

2. The project director or other appropriate qualified persons will be available to represent the Subgrantee at meetings requested by the Department.

E. Support grant enforcement efforts with public information and education (PI&E) activities. Salaries being claimed for PI&E activities must be included in the budget.

F. For out of state travel expenses to be reimbursable, the Subgrantee must have obtained the written approval of the Department, through eGrants system messaging, prior to the beginning of the trip. Grant approval does not satisfy this requirement.

G. Maintain verification that all expenses, including wages or salaries, for which reimbursement is requested, is for work exclusively related to this project.

H. Ensure that this grant will in no way supplant (replace) funds from other sources.

Supplanting refers to the use of federal funds to support personnel or any activity already supported by local or state funds.

I. Ensure that each officer working on the STEP project will complete an officer's daily activity report form. The form should include at a minimum: name, date, badge or identification number, type of grant worked, Enforcement Zone identifier, mileage (including starting and ending mileage), hours worked, type of warning or citation issued or arrest made, officer and supervisor signatures.

J. All STEP agencies must provide the following provision in all daily activity report forms:

"I understand that this information is being submitted to support a claim against a federally-funded grant program. False statements on this form may be prosecutable under 18 USC.

City of Texas City Police Department
STEP Comprehensive 2026

under grant program. False statements on this form may be prosecutable under TCOC 1001. This information on this form is true, correct, and complete to the best of my knowledge and ability."

The above language should be added to the activity reports immediately above the signature lines of the officer and supervisor.

K. Ensure that no officer above the rank of Lieutenant (or equivalent title) will be reimbursed for enforcement duty unless the Subgrantee received specific written authorization from the Department, through eGrants system messaging, prior to incurring costs.

L. If an officer makes a STEP-related arrest during the shift, but does not complete the arrest before the shift is scheduled to end, the officer can continue working under the grant to complete that arrest.

M. The Subgrantee should have a safety belt use policy. If the Subgrantee does not have a safety belt use policy in place, a policy should be implemented, and a copy maintained for verification during the grant year.

N. Officers working DWI enforcement must be trained in the National Highway Traffic Safety Administration/International Association of Chiefs of Police Standardized Field Sobriety Testing (SFST). In the case of a first year subgrantee, the officers must be trained, or scheduled to be SFST trained, by the end of the grant year. For second or subsequent year grants, all officers working DWI enforcement must be SFST trained.

O. The Subgrantee should have a procedure in place for contacting and using drug recognition experts (DREs) when necessary.

P. The Subgrantee is encouraged to use the DWI On-line Reporting System available through the Buckle Up Texas Web site at www.buckleuptexas.com.

Revised: 11/07/2017

FOR REVIEW ONLY - NOT A LEGAL DOCUMENT

RESPONSIBILITIES OF THE DEPARTMENT

- A. Monitor the Subgrantee's compliance with the performance obligations and fiscal requirements of this Grant Agreement using appropriate and necessary monitoring and inspections, including but not limited to:
 - 1. review of periodic reports
 - 2. physical inspection of project records and supporting documentation
 - 3. telephone conversations
 - 4. e-mails and letters
 - 5. quarterly review meetings
 - 6. eGrants

- B. Provide program management and technical assistance.

- C. Attend appropriate meetings.

- D. Reimburse the Subgrantee for all eligible costs as defined in the project budget. Requests for Reimbursement will be processed up to the maximum amount payable as indicated in the project budget.

- E. Perform an administrative review of the project at the close of the grant period to:
 - 1. Ascertain whether or not the project objectives were met
 - 2. Review project accomplishments (performance measures completed, targets achieved)
 - 3. Account for any approved Program Income earned and expended
 - 4. Identify exemplary performance or best practices

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GENERAL INFORMATION

Project Title:STEP Comprehensive

Project Description:

Program Elements

When performing enforcement activities under this grant, officers should make the enforcement of the STEP elements listed below their top priority, although any traffic-related probable cause can be used to initiate a vehicle stop

1. DWI : Driving While Intoxicated
2. Speed: Speed Enforcement
3. OP: Occupant Protection (Safety Belt and Child Safety Seat)
4. ITC: Intersection Traffic Control
5. DD: Distracted Driving

Holiday Periods

Enforcement activities under this grant may be conducted on any day at any time of day the agency deems appropriate. However, subgrantee should make it a priority to conduct enforcement activities during state and federally determined holiday periods, which are:

1. Christmas/New Year's
2. Spring Break
3. Memorial Day
4. Independence Day
5. Labor Day

STEP Mobilization Calendar is available on [eGrantsHelp page](#)

X Agency agrees to enforce the above Program Elements and Holiday Periods as part of the Selective Traffic Enforcement Program

FOR REVIEW ONLY - NOT A LEGAL DOCUMENT

GOALS AND STRATEGIES

- Goal:** To increase effective enforcement and adjudication of traffic safety-related laws to reduce crashes, injuries and fatalities.
- Strategies:** Increase and sustain high visibility enforcement of traffic safety-related laws.
Increase public education and information campaigns regarding enforcement activities.
- Goal:** To reduce the number of alcohol impaired and driving under the influence of alcohol and other drug-related crashes, injuries, and fatalities.
- Strategy:** Increase and sustain high visibility enforcement of DWI laws.
- Goal:** To increase occupant restraint use, including child-safety seats, in all passenger vehicles and trucks.
- Strategy:** Increase and sustain high visibility enforcement of occupant protection laws.
- Goal:** To reduce the number of speed-related crashes, injuries, and fatalities.
- Strategy:** Increase and sustain high visibility enforcement of speed-related laws.
- Goal:** To reduce intersection-related motor vehicle crashes, injuries, and fatalities.
- Strategy:** Increase and sustain high visibility enforcement of Intersection Traffic Control (ITC) laws.
- Goal:** To reduce Distracted Driving motor vehicle crashes, injuries, and fatalities.
- Strategies:** Increase and sustain high visibility enforcement of state and local ordinances on cellular and texting devices.
Increase public information and education on Distracted Driving related traffic issues.

I agree to the above goals and strategies.

Please mark all of your proposed zones on a single heat map and upload that map here. Click here to see an example. The maximum number of allowable zones for an agency is determined by dividing the total number of enforcement hours by 480 and rounding to the nearest whole number. https://egrants.bts.txdot.gov/_Upload/1406453_341467-FY26_HeatMap_Zone1Zone2.pdf

FOR REVIEW ONLY - NOT A LEGAL DOCUMENT

LAW ENFORCEMENT OBJECTIVE/PERFORMANCE MEASURE

Objective/Performance Measure	Target Number	Not Applicable
Reduce the number of Alcohol-Involved (DWI/DUI) KA crashes to	5	
Reduce the number of Speed-related KA crashes to	14	
Reduce the number of All OP-related (Seatbelt and Child Passenger Safety) KA crashes to	4	
Reduce the number of ITC-related KA crashes to	11	

Note: Nothing in this agreement shall be interpreted as a requirement, formal or informal, that a peace officer issue a specified or predetermined number of citations in pursuance of the Subgrantee's obligations hereunder. Department and Subgrantee acknowledge that Texas Transportation Code Section 720.002 prohibits using traffic-offense quotas and agree that nothing in this Agreement is establishing an illegal quota.

In addition to the STEP enforcement activities, the subgrantee must maintain baseline non-STEP funded citation and arrest activity due to the prohibition of supplanting.

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PI&E OBJECTIVE/PERFORMANCE MEASURE

XI agree to the below efforts with a public information and education (PI&E) program.

- a. Conduct a minimum of five (5) presentations
- b. Conduct a minimum of five (5) media exposures (e.g. news conferences, news releases, and interviews)
- c. Conduct a minimum of two (2) community events (e.g. health fairs, booths)

RESOLUTION NO. 2025-096

A RESOLUTION ACCEPTING AND AUTHORIZING THE EXPENDITURE OF THE TEXAS DEPARTMENT (TXDOT) FISCAL YEAR 2026 SELECTIVE TRAFFIC ENFORCEMENT PROGRAM (STEP) GRANT AWARD; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, STEP is a federally funded law enforcement grant program administered by TxDOT's Traffic Safety Division with the goal of reducing crashes by creating safer driving environments on Texas roadways through high-visibility enforcement. Grant funding will support overtime enforcement activities targeting intersection-related violations, impaired driving, occupant restraint compliance, cellular/texting violations, and unsafe speed within identified high-crash areas; and

WHEREAS, The City of Texas City Police Department has been awarded a reimbursable match grant in the amount of \$24,966.40 from the Texas Department of Transportation (TxDOT) for Fiscal Year 2026 Selective Traffic Enforcement Program (STEP). The City's required match contribution will be \$24,966.40, bringing the total program funding to \$49,932.80; and

WHEREAS, Upon acceptance, the grant award period will begin October 1, 2025, and will conclude September 30, 2026.

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

SECTION 1: That the City Commission hereby accepts and authorizes the expenditure of the Texas Department of Transportation (TxDOT) Fiscal Year 2026 Selective Traffic Enforcement Program (STEP) Grant Award, attached hereto as **Exhibit "A"**, and made a part hereof for all intents and purposes.

SECTION 2: That the Mayor or his designee is hereby authorized to execute the documentation necessary to receive said grant funding.

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

PASSED AND ADOPTED this 17th day of September 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

CITY COMMISSION REGULAR MTG

(8) (d)

Meeting Date: 09/17/2025

Developer Reimbursement Agreement for BESS project with Red Egret LLC

Submitted For: Kim Golden, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Consider and take action on Resolution No. 2025-097, approving the Developer's Reimbursement Agreement with Red Egret, LLC.

BACKGROUND (Brief Summary)

Texas City Code of Ordinances Chapter 162 Battery Energy Storage Systems requires the submittal of numerous plans and documents which may require technical review and or analysis by qualified subject matter experts with specialized knowledge of BESS technologies and projects, including without limitation site visits and inspections. The City wishes to perform due diligence and has obtained qualified consulting services to assist with technical review and evaluation of the proposed development and submittals for the approval and permitting of the Project. The Developer Reimbursement Agreement memorializes the developer's agreement to reimburse the cost to the City for the technical consulting services as necessary to review and/or analyze the required submittals.

RECOMMENDATION

Staff recommends approval of the Developer's Reimbursement Agreement with Red Egret LLC.

Fiscal Impact

Funds Available Y/N: N/A

Amount Requested: N/A

Source of Funds: N/A

Account #: N/A

Fiscal Impact:

No fiscal impact at this time.

Attachments

Developer's Reimbursement Agreement
Resolution

DEVELOPER REIMBURSEMENT AGREEMENT
Battery Energy Storage System (BESS) Project

WHEREAS, Red Egret LLC, a Delaware limited liability company (the "BESS Developer"), has presented to the City of Texas City, Texas (the "City"), details of a proposed battery energy storage system (BESS) project to be owned by the BESS Developer or an affiliate within the corporate limits of the City, located approximately three-quarters of a mile southeast from the intersection of North Humble Camp Rd. and Attwater Ave. and referred to generally as Red Egret BESS (the "Project"); and

WHEREAS, the approval and permitting for the Project requires the submittal of numerous plans and documents which may require specialized technical review and or analysis by qualified subject matter experts, including without limitation site visits and inspections, and

WHEREAS, the City wishes to perform due diligence and obtain consulting and legal services to evaluate the proposed development and the submittals for the approval and permitting of the Project; and

WHEREAS, the Developer has agreed to reimburse the cost to the City of the consulting and legal services necessary to review and evaluate the Project, including specialize technical review and/or analysis of required submittals and the preparation and review of agreements between the City and the BESS Developer regarding the development of the Project; and

NOW THEREFORE, consistent with the request of the City, the undersigned declare their interest in pursuing the proposed development, and stipulate and agree as follows:

1. To aid in review and evaluation of the proposed development, the City may engage the services of qualified technical consultants and legal counsel.
2. The BESS Developer agrees to reimburse the City all costs of the City's qualified technical consultants and legal counsel. This commitment shall initially be \$5,000.00 and shall increase as warranted as the Project progresses. Any further amount of reimbursement shall only be by express consent of the BESS Developer, which shall not unreasonably be withheld.
3. The City acknowledges an initial deposit of \$5,000 from the BESS Developer received as of the Effective Date of this agreement. The City shall credit that amount to satisfy the obligation of the BESS Developer as stated in section 2, above. The City agrees to deposit said amount into the Red Egret BESS Project Development Fund. If,

for any reason, BESS Developer does not complete the approval and permitting process and/or withdraws its application before the issuance of a building permit, the balance of any unexpended funds shall be refunded to the BESS Developer within 30 days upon written request.

4. The BESS Developer shall be entitled to review the invoices from consultants and legal counsel, upon request, to verify that the funds were expended in a manner consistent with this agreement.

5. The BESS Developer agrees to cooperate with all reasonable requests of the City and its consultants and legal counsel, in connection with the Project. The City shall, to the extent permitted by law, maintain confidentiality with respect to the proprietary information obtained for this purpose.

6. This agreement shall not serve as any formal approval or consent to the approval or permitting of the Project, nor can the City make any guarantees to the BESS Developer that said Project will be given approval in the future. The BESS Developer acknowledges that it must obtain separate approval of the Project from the City Commission and this agreement shall not serve as any approval, consent, waiver, or as the basis for any estoppel.

7. The BESS Developer agrees to indemnify, defend, and hold the City harmless for liability for any acts or omissions of the BESS Developer, its agents or employees, done pursuant to this agreement.

8. Notices shall be sent to the following addresses:

City: Mayor Dedrick D. Johnson, Sr.
P.O. Drawer 2608
Texas City, Texas 77552-2608
(409) 643-5902
(409) 949-3090 fax

Developer: Attn: Nick Coil / Amber Zuhlke
2916 N. Miami Ave, Suite 830
Miami, FL 33127

9. By execution of this agreement, the parties acknowledge that they have read and understand each provision, term, and obligation contained in this agreement. This agreement, although drawn by one party, shall be construed fairly and reasonably and not more strictly against the drafting party than the non-drafting party.

10. The phrases, clauses, sentences, paragraphs or sections of this agreement are severable and, if any phrase, clause, sentence, paragraph, or section of this agreement should be declared invalid by the final decree or judgment of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this agreement.

11. Venue for any dispute arising out of this Agreement shall lie in Galveston County, Texas.

12. This agreement sets forth the entire agreement between the parties with respect to the subject matter hereof, and all prior discussions, representations, proposals, offers, and oral or written communications of any nature are entirely superseded hereby and extinguished by the execution of this agreement. No modification of, or waiver of any right under, this agreement will be effective unless it is evidenced in a writing executed by an authorized representative of each party to this agreement.

13. The party signing this agreement on behalf of the BESS Developer represents to the City that this agreement and the transactions contemplated in this agreement and the execution and delivery of this agreement have been duly authorized by all necessary corporate, partnership, or trust proceedings and actions, including, but not limited to, actions on the part of the directors, officers, and agents of Spearmint Renewable Development Company, LLC

14. This agreement shall not be assignable by the BESS Developer, except upon prior written consent by the City, which consent shall not unreasonably be withheld. Notwithstanding the foregoing, BESS Developer may, by providing written notice to the City, assign this Agreement to an affiliate of Developer in connection with the acquisition of the Property.

15. This agreement is effective as of this ___ day of _____ 202__ (the "Effective Date").

CITY OF TEXAS CITY:

Dedrick D. Johnson, Sr.
Mayor

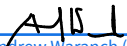
ATTEST:

City Secretary

APPROVED AS TO FORM:

Kyle Dickson
City Attorney

RED EGRET LLC:

By: 
Andrew Waranch (Sep 8, 2025 11:40:24 PDT)

Name: Andrew Waranch

Title: Manager

RESOLUTION NO. 2025-097

A RESOLUTION AUTHORIZING THE MAYOR, ON BEHALF OF THE CITY OF TEXAS CITY, TO ENTER INTO A DEVELOPER'S REIMBURSEMENT AGREEMENT FOR THE BESS PROJECT WITH RED EGRET, LLC; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, Texas City Code of Ordinances Chapter 162 Battery Energy Storage Systems requires the submittal of numerous plans and documents, which may require technical review and/or analysis by qualified subject matter experts with specialized knowledge of BESS technologies and projects, including, without limitation, site visits and inspections; and

WHEREAS, the Developer Reimbursement Agreement memorializes the developer's agreement to reimburse the cost to the City for the technical consulting services as necessary to review and/or analyze the required submittals.

NOW, THEREFORE, BE IT RESOLVED 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 authorizes the Developer's Reimbursement Agreement for the BESS project with Red Egret LLC as outlined in **Exhibit "A"** and made a part hereof for all intents and purposes.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 17th day of September 2025.

ATTEST:

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas
APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

CITY COMMISSION REGULAR MTG

(8) (e)

Meeting Date: 09/17/2025

Consider and take action on Resolution No. 2025-098 for preliminary engineering design services for the Monticello Drive Reconstruction Project.

Submitted For: Kim Golden, Transportation and Planning

Submitted By: Curt Kelly, Transportation and Planning

Department: Transportation and Planning

Information

ACTION REQUEST

Consider and take action on Resolution No. 2025-098 to approve a contract with ARKK Engineers for a Preliminary Engineering Report and preliminary engineering design services for the Monticello Drive Reconstruction Project.

BACKGROUND (Brief Summary)

This project involves providing preliminary engineering design services for the reconstruction of Monticello Drive/ Westward Street from Amburn Road to Memorial Drive (approximately 4725 LF), as well as a realignment of the Amburn Road intersection with Monticello Drive to create a safer intersection. The preliminary engineering design services are necessary to finalize the scope of a Phase I construction project to be partially funded from the 2025 Galveston County Bond proceeds. Approximately \$3.2 million will be allocated from the bond proceeds for the construction of the project. Funds are available in the approved FY 24-25 Engineering & Planning budget for the preliminary engineering fee of \$199,625.00.

RECOMMENDATION

Staff recommend approving the contract for professional engineering services with ARKK Engineers for the Monticello Drive Reconstruction Project. ARKK Engineers is uniquely qualified to provide the preliminary engineering services because of its previous work on the City's water and sewer projects in the area and because it was the design engineer and provided construction contract administration and inspection services for the City's road construction project on Amburn Drive from the I45 Gulf Freeway SBFR to Monticello.

Fiscal Impact

Funds Available Y/N: Yes

Amount Requested: 199,625.00

Source of Funds: Professional Fees

Account #: 101-104 - 53680

Fiscal Impact:

Funds available should be \$242,701.04

Attachments

Monticello Drive Reconstruction Project - Proposal

Map - project limits

Resolution

THE STATE OF TEXAS

COUNTY OF GALVESTON

AGREEMENT FOR SERVICES

This Agreement entered into as of the ___ day of _____, A.D., 20___, by and between ARKK Engineers, LLC. ("Consultant"), and the City of Texas City, Texas, ("Client").

WITNESSETH:

WHEREAS, the Client has requested various services of the Consultant with respect to Preliminary Engineering Design Services for the City of Texas City's "**Monticello Drive Reconstruction Project**" ("Project").

NOW, THEREFORE, *Client* and *Consultant* hereby agree as follows:

1. Engagement of Consultant - *Consultant* hereby agrees to perform the services required under the scope of work related to the *Project*, and to provide *Client* with copies of the information, opinions, and other such documents made the basis of the scope of services, which is set out in Attachment "A" and made a part of this contract. *Consultant* agrees to initiate the following services that are set out in Attachment "A" upon receipt of an executed copy of this Agreement.
2. Availability of Information - *Client* agrees to provide *Consultant* with all available information pertinent to the *Project*. *Client* will also provide copies of reports, drawings, and other data, and will, at *Consultant's* request, provide written authorization to review *Client's* files relative to the *Project* which may be in possession of third parties. *Consultant* agrees to return all original

documents to *Client* upon completion of the *Project*, but reserves the right to make and keep reproducible copies of all such material.

3. Access to Facilities - *Client* will provide access for the *Consultant* to enter the property and facilities of *Client*, as necessary for *Consultant* to perform services as required under the *Project*.
4. Instruments of Service - All documents prepared in accordance with this contract including exhibits, field notes, laboratory data, original drawings, and specifications are the property of the *Client*. The *Consultant* is given the right to use any of this data in connection with future engineering projects. The *Consultant* may retain copies of reproducible of any information prepared for this *Project*.
5. Fee - The *Consultant's* fee for the scope of services as stated in Attachment "A" provided by *Consultant* under this Agreement as set out in Attachment "A" and being the amount of: **\$199,625** per proposal.
6. Payment and Fee Schedule - The *Consultant* will submit a monthly invoice for services rendered.
7. Terms of Payment - Payment of fees as determined under Paragraph 5 herein above shall be due and payable by *Client* within thirty (30) days following receipt of *Consultant's* monthly invoice.
8. Additional Services - Additional services beyond those described in the Scope of Services will be invoiced on the basis of direct labor cost times a factor of 2.99 and direct cost plus 10%.
9. Insurance - *Consultant* shall maintain Worker's Compensation and Liability Insurance in accordance with Attachment "B".
10. Termination - The *Client* may terminate this contract at any time by giving notice in writing to the *Consultant*. In that case, all finished or unfinished documents and other materials produced

under this contract shall become the *Client's* property. If the contract is terminated by the *Client* in accordance with this provision, *Consultant* shall be paid for all services performed to the date of termination.

11. 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.

12. Indemnification - For consideration received, the undersigned agrees to indemnify, save, defend and hold harmless the City of Texas City, Texas, its employees, officials, and agents 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 undersigned or negligent acts or omissions of others under the undersigned's supervision or control arising out of the performance of this agreement.

13. 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. Consultant 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.

ENTERED INTO AND AGREED by the parties hereto as the day and year first written.

ARKK ENGINEERS, LLC.
Consultant

BY: Madhu Kilambi
MADHU KILAMBI, P.E.
Senior Project Manager / Principal

CITY OF TEXAS CITY, TEXAS
Client

BY: _____
MAYOR OF THE CITY OF TEXAS CITY

ATTEST: _____
Director of Finance



ATTACHMENT "A"

September 8, 2025

Mrs. Kim Golden, P.E.
Engineering & Planning
City Engineer, Director
City of Texas City
7800 Emmett F. Lowry Expy
Texas City, TX 77591

Re: Proposal for Preliminary Engineering Design Services for the City of Texas City's
"Monticello Drive Reconstruction Project"

Dear Mrs. Golden:

As requested, ARKK Engineers, LLC (ARKK) is pleased to submit this proposal for performing preliminary engineering design phase services for the above referenced project. This proposal is based on our understanding of the project as discussed in our previous meetings and conversations. For your convenience, this proposal consists of General Overview, Scope of Services, and Fee.

GENERAL OVERVIEW

This project involves providing preliminary engineering design services for the reconstruction of Monticello Drive/Westward Street from Amburn Road to Memorial Drive (approximately 4725 LF), as well as a realignment of the Amburn Road intersection with Monticello Drive to create a safer intersection. The following items will be evaluated as part of the preliminary design:

- Reconstruction of Monticello Drive/Westward Street from Amburn Road to Memorial Drive as a two lane or a three lane concrete road. The determination of the proposed lane configuration (two or three lanes) will be determined from a corridor traffic study/evaluation that will be performed by ARKK's traffic engineering sub-consultant.
- Reconstruction of Amburn Road/Monticello Drive intersection including geometric revisions to align the traveling lanes as much as feasible in all directions.
- Conduct a corridor traffic study/evaluation along Monticello Drive from Amburn Road to Memorial Drive.

- Prepare a traffic signal warrant study for the Amburn Road at Monticello Drive intersection to determine if a traffic signal is warranted.
- Based on the recommendations from the corridor traffic study/evaluation, the recommended roadway configuration will be evaluated to see what fits best in the right of way (widening to north or south right of way).
- Addition of storm culverts in the ditch east of Westward Street from the northernmost electric transmission tower to the curve, and then west along Monticello Drive from the curve to a point far enough to make the curve safe. This option will only be considered if the corridor traffic study recommends the widening of Monticello Drive to a three lane roadway.
- Removal and replacement of 1100 L.F. of existing 73"X55" dual corrugated metal arch pipes that are in a deteriorated condition. These are located east of Monticello Drive and Amburn Road intersection.
- Determination of right-of-way required for the intersection realignment and road widening.
- Coordination with all utilities (gas, electric) and petrochemical pipelines.

Topographic survey of the project alignment will be performed as part of this project. Geotechnical investigation will not be performed as part of the preliminary engineering phase but will be performed as part of the final design phase. This proposal does not include performing any Environmental Assessment studies for the project. ARKK will utilize the services of a traffic engineering sub-consultant to perform traffic related studies for this project.

This proposal is separated into Preliminary Design Services and Special Services (Surveying, Traffic Engineering etc.). The following section details the scope of services proposed for this Project.

SCOPE OF SERVICES

I. PRELIMINARY DESIGN PHASE SERVICES

- Research and gather existing relevant data on the project such as existing utility information, pipeline crossings, as available.
- Coordinate with private utility companies, and other entities that may be involved to obtain information on their existing facilities and requirements that may impact this project. Coordinate with utility companies on potential conflicts with the proposed improvements.

- Coordinate with the surveying firm and authorize the topographic survey for the project.
- Plot survey data of the proposed roadway alignment.
- Coordinate with the traffic engineering firm and authorize traffic related studies for the project.
- Review the traffic corridor evaluation study and make appropriate adjustments to the preliminary engineering design.
- Provide preliminary plan view designs for the roadway paving, on-site drainage, and offsite drainage.
- Coordinate with other governmental entities which may be impacted by the project.
- Coordinate with Galveston County Drainage District No. 2 for any improvements to the drainage ditch along Monticello Drive.
- Coordinate with the City of Texas City during the design phase.
- Prepare 30% engineering plans and present them to the City. At the 30% design meeting the following items will be discussed:
 - Synopsis of the Preliminary Engineering Efforts with a recommended plan of action.
 - Construction Cost Estimates.
 - Items which will affect the project cost and time during construction.
 - Information and coordination with other governmental and utility agencies, and data on any required permitting.
- Provide meeting minutes of the 30% Design meeting, documenting items discussed, and direction given for proceeding with final design.
- Incorporate appropriate comments from City.

B. Special Services – Preliminary Design Phase

1. Surveying Services

- Conduct topographic survey of the project alignment (total survey length of 5900 L.F.) including the intersection of Amburn Road and Monticello Drive. Topographic survey will be performed by TC Surveying and Mapping.

2. Traffic Engineering Services

- Conduct a Traffic Corridor Evaluation along Monticello Drive from Amburn Road to Memorial Drive. The traffic engineering services will be performed by Traff Data & Associates.

3. Reproduction

- Costs for reproduction will be charged under special services for reproduction of plans, specifications and reports.
- Reproduction for review sets, submittals to the City, governmental agencies, and utility companies will be included in the cost for reproduction.

FEE

The fee for the services is outlined below

Preliminary Design Services: lump sum amount of	\$139,095.00
Topographic Surveying : Subcontractor’s Cost plus 10%	\$35,750.00
Traffic Engineering Services: Subcontractor’s Cost plus 10%	\$16,280.00
Reproduction: Subcontractor’s Cost plus 10%	\$1,000.00
*Miscellaneous Services: Hourly and cost Plus 10%	<u>\$ 7,500.00</u>
Total Preliminary Design Phase Fee:	\$199,625.00

*A budget for miscellaneous services is included. This item will only be utilized upon authorization from the City.

ARKK Engineers LLC appreciates the opportunity to submit this proposal and we look forward to working with the City of Texas City on this very important project.

Sincerely,
ARKK ENGINEERS, LLC.



Madhu Kilambi, P.E.
Senior Project Manager / Principal

Mr. Jack Haralson – City of Texas Cit

ATTACHMENT "B"
INSURANCE LIMITS

1.	General Liability	Each Occurrence:	\$1,000,000
		Damage to Rented Premises	\$1,000,000
		Medical Expenses (any one person)	\$10,000
		Personal and Adv. Injury	\$1,000,000
		General Aggregate:	\$2,000,000
		Products - Comp/Op Agg:	\$2,000,000
2.	Automobile Liability	Combined Single Limit:	\$1,000,000
3.	Excess Liability Umbrella Form	Each Occurrence:	\$1,000,000
		Aggregate:	\$1,000,000
4.	Worker's Compensation and Employers Liability	Each Accident:	\$500,000
		Disease - Each Employee:	\$500,000
		Disease - Policy Limit:	\$500,000
5.	Professional Liability	Each Claim	\$1,000,000
		Policy Year Aggregate	\$1,000,000



PROJECT NAME: MONTICELLO DRIVE/
N WESTWARD STREET

LIMITS: NORTH AMBURN ROAD TO
MEMORIAL DRIVE

CITY: TEXAS CITY

PRECINCT: 4

DESCRIPTION: BOX CULVERTS TO REPLACE
PARTS OF DITCH, REALIGN INTERSECTION
AT NORTH AMBURN, RE-PAVE ROADWAY

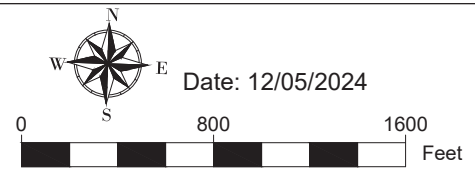
2025 BOND ALLOCATION: ROAD

ENGINEER'S ESTIMATE: \$6,900,000

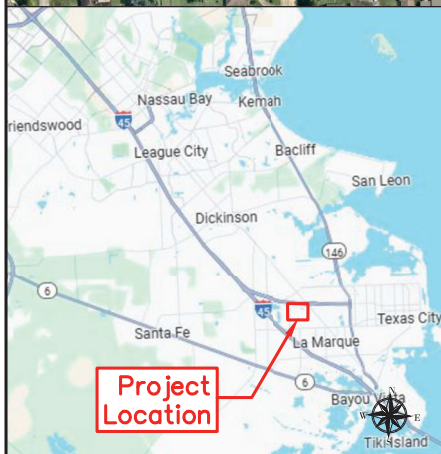
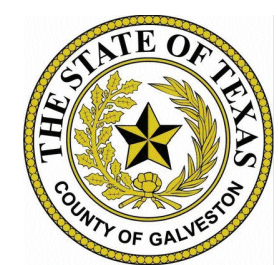
- PROJECT CONSTRAINTS:
- DITCH IN N-S PORTION OF MONTICELLO IS IN CENTERPOINT RIGHT-OF-WAY; ENCROACHMENT AGREEMENT LIKELY NEEDED.

Legend

 Project Limit



GALVESTON COUNTY
2025 MOBILITY BOND PROGRAM



VICINITY MAP

RESOLUTION NO. 2025-098

A RESOLUTION A CONTRACT WITH ARKK ENGINEERS FOR A PRELIMINARY REPORT AND PRELIMINARY DESIGN SERVICES FOR THE MONTICELLO DRIVE RECONSTRUCTION PROJECT; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the Texas City Public Works Department is requesting the approval of an Agreement for Service with ARKK Engineers, LLC, to provide preliminary engineering design services for the reconstruction of Monticello Drive/ Westward Street from Amburn Road to Memorial Drive (approximately 4725 LF), as well as a realignment of the Amburn Road intersection with Monticello Drive to create a safer intersection; and

WHEREAS, ARKK Engineers, LLC, has submitted an Agreement for Service; and

WHEREAS, funds are available in the approved FY 24-25 Engineering & Planning budget for the preliminary engineering fee of \$199,625.00.

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 proposal by ARKK Engineers, LLC, to provide preliminary engineering design services for the reconstruction of Monticello Drive/ Westward Street from Amburn Road to Memorial Drive (approximately 4725 LF), as well as a realignment of the Amburn Road intersection with Monticello Drive to create a safer intersection.

SECTION 2: That the Mayor is hereby authorized to execute the Agreement for Service with ARKK Engineers, LLC, and execute change orders not to exceed 25.0 % of the total amount, in the form attached hereto as **Exhibit “A”** and made a part hereof 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 17th day of September 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

CITY COMMISSION REGULAR MTG

(9) (a)

Meeting Date: 09/17/2025

Texas City MIT-MOD Drainage Improvements GLO Contract No. 24-065-018-E 175

Submitted For: Dj Hutchinson, Public Works **Submitted By:** Dj Hutchinson, Public Works

Department: Public Works

Information

ACTION REQUEST

Seeking City Commission approval of Texas City MIT-MOD Drainage Improvements GLO Contract No. 24-065-018-E-175

BACKGROUND (Brief Summary)

Four (4) bids were received on August 20, 2025, for drainage improvements for known drainage problem areas between 6th and 9th Streets to the south of 9th Avenue in Texas City. The bids were reviewed for conformance with GLO and City of Texas City document requirements. The construction grant amount from the GLO for this project is \$3,109,760.00. A review of the prices bid by Lucas Construction Co., Inc. indicates the most advantageous position for the City would be to award the contract to Lucas Construction Co., Inc. for a combination of their Base Unit Price bid of \$2,968,050.00. This will be \$141,710.00 less than the grant amount for this project, a difference of 4.56% of the grant amount. For more detailed information. (see Exhibit A)

RECOMMENDATION

It is the recommendation of the Public Works Department to consider and approve this item.

Fiscal Impact

Funds Available Y/N: Yes

Amount Requested: \$3,109,760.00

Source of Funds: General Land Office Grant

Account #: Fund No. 245/Organization No. 240301

Fiscal Impact:

Attachments

Exhibit A
Resolution



Amani Engineering, Inc.

• Engineers • Surveyors • Construction Managers

August 27, 2025

Mr. Jack Haralson
Director of Public Works
City of Texas City, Texas
7800 Emmett F. Lowry Expressway
Texas City, TX 77591

Re: Texas City MIT-MOD Drainage Improvements
GLO Contract No. 24-065-018-E175, City of Texas City Bid No. 2025-491
Construction Contract Award Recommendation Letter

Dear Mr. Haralson:

We have evaluated the four (4) bids received on August 20, 2025, for the above referenced project. Attached is a copy of the bid tabulation including the Engineer's Estimate. Areas shaded on the bid tabulation represent mathematical errors on the actual bid forms submitted. We have reviewed the Bid Bonds, the GLO document requirements and City of Texas City document requirements for conformance with the Instructions to Bidders.

The bids submitted in pricing order are as follows:

Bidder	Base Unit Price Total	Add Alternate No. 1 Bid Price	Add Alternate No. 2 Bid Price	Extra Unit Prices	Total Bid Amount
Lucas Construction Co., Inc.	\$2,968,050.00	\$589,075.00	\$190,052.00	\$31,875.00	\$3,779,052.00
Environmental Allies, Inc.	\$3,330,714.50	\$713,639.50	\$227,323.50	\$79,100.00	\$4,350,777.50
Precise Services, Inc.	\$4,006,497.20	\$879,047.20	\$299,639.10	\$58,375.00	\$5,243,558.50
T Construction, LLC	\$4,485,500.45	\$910,186.25	\$300,117.50	\$20,125.00	\$5,715,929.20
Engineer's Estimate	\$2,972,757.00	\$526,667.00	\$184,036.00	\$21,500.00	\$3,704,960.00

The Engineer's Estimate of probable construction cost for the Base Unit Price Total was 0.16% higher than the lowest bid submitted and 1.96% lower than the Total Bid Amount. The bid documents notified prospective bidders the City may award the contract based on the Base Unit Price Total or a combination of the Base Unit Price Bid Total and Add Alternate bid prices. The construction grant amount from the GLO for this project is \$3,109,760.00.

A review of the prices bid by Lucas Construction Co., Inc. indicates the most advantageous position for the City would be to award the contract to Lucas Construction Co. Inc. for their Base Unit Prices. This amount equals \$2,968,050.00. This will be \$141,710.00 less than the grant amount for this project, a difference of 4.56% of the grant amount.

Texas City MIT-MOD Drainage Improvements
GLO Contract No. 24-065-018-E175, City of Texas City Bid No. 2025-491
Construction Contract Award Recommendation
August 27, 2025
Page 2 of 3

From review of their work history, the low bidder, Lucas Construction Co., Inc., has shown successful completion of paving and drainage projects of a similar nature and contract value. Lucas Construction Co., Inc. has submitted all requested forms and information with their bid proposal.

Amani Engineering, Inc. recommends the City of Texas City, Texas award the construction contract to Lucas Construction Co., Inc. based on their responsive and low bid for the Base Unit Prices in the amount of \$2,968,050.00. Please do not hesitate to contact me at (713) 270-5700, extension 104 if you have any concerns related to this recommendation.

Sincerely,

A handwritten signature in black ink, appearing to read "David L. Brown". The signature is fluid and cursive, written in a professional style.

David L. Brown, P.E.
Vice-President
Amani Engineering, Inc.
TBPE Firm Reg. No. F-4528
TBPLS Firm Reg. No. 100282-00

HPK:dlb

Attachments:
Bid tabulation for Texas City MIT-MOD Drainage Improvements

BID TABULATION

ITEM NO.	ID	DESCRIPTION	UNIT	QTY	Lucas Construction Co., Inc.		Environmental Allies, Inc.		Precise Services, Inc.		T Construction, LLC		Engineer's Estimate	
					Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	1502	Mobilization	LS	1	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00
2	1555	Flagmen	LS	1	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00
3	1555	Traffic Control & Regulation	LS	1	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00
4	1562	Tree & Plant Protection	LS	1	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
5	1570	Reinforced Filter Fabric Barrier (For Roadside Ditches)	LF	40	\$5.00	\$200.00	\$2.00	\$80.00	\$5.50	\$220.00	\$3.00	\$120.00	\$3.00	\$120.00
6	1570	Filter Fabric Barrier (Type I) (Stage I Inlet Construction)	LF	795	\$7.00	\$5,565.00	\$2.00	\$1,590.00	\$5.50	\$4,372.50	\$1.25	\$993.75	\$5.00	\$3,975.00
7	1570	Bagged Gravel Barrier (Stage II Inlet Construction)	LF	540	\$10.00	\$5,400.00	\$5.00	\$2,700.00	\$15.00	\$8,100.00	\$8.50	\$4,590.00	\$2.00	\$1,080.00
8	1580	Project Identification Signs	EA	2	\$1,500.00	\$3,000.00	\$1,150.00	\$2,300.00	\$1,400.00	\$2,800.00	\$1,500.00	\$3,000.00	\$2,000.00	\$4,000.00
9	1740	Site Restoration	LF	4,990	\$18.00	\$89,820.00	\$11.00	\$54,890.00	\$33.50	\$167,165.00	\$1.90	\$9,481.00	\$8.00	\$39,920.00
10	2082	Precast Concrete Storm Sewer Manhole (All types, All sizes, All Depths) (Complete In-Place)	EA	42	\$6,400.00	\$268,800.00	\$5,250.00	\$220,500.00	\$6,100.00	\$256,200.00	\$8,040.00	\$337,680.00	\$6,000.00	\$252,000.00
11	2090	Ring Grates (All Sizes) (Complete In-Place)	EA	4	\$1,000.00	\$4,000.00	\$450.00	\$1,800.00	\$1,300.00	\$5,200.00	\$1,200.00	\$4,800.00	\$200.00	\$800.00
12	2221	Remove and Dispose of Asphaltic Pavement, With or Without Base Course (All Thicknesses)	SY	780	\$14.00	\$10,920.00	\$14.50	\$11,310.00	\$30.00	\$23,400.00	\$27.00	\$21,060.00	\$10.00	\$7,800.00
13	2221	Remove and Dispose of Concrete Pavement, With or Without Asphalt Overlay, Including Concrete Doweled On Curbs, All Thicknesses	SY	4,030	\$12.00	\$48,360.00	\$14.50	\$58,435.00	\$28.50	\$114,855.00	\$16.00	\$64,480.00	\$15.00	\$60,450.00
14	2221	Remove and Dispose of Concrete Sidewalks and Driveways, Including Ramps, All Thicknesses	SY	345	\$12.00	\$4,140.00	\$14.50	\$5,002.50	\$15.00	\$5,175.00	\$30.00	\$10,350.00	\$10.00	\$3,450.00
15	2221	Remove and Dispose of Miscellaneous Concrete and Brickmasonry, All Thicknesses	SY	10	\$20.00	\$200.00	\$35.00	\$350.00	\$45.00	\$450.00	\$204.00	\$2,040.00	\$50.00	\$500.00
16	2221	Remove and Dispose of Pipes, Culverts and Sewers, All Diameters, All Sizes, All Material Types	LF	4,742	\$10.00	\$47,420.00	\$17.50	\$82,985.00	\$27.50	\$130,405.00	\$9.00	\$42,678.00	\$20.00	\$94,840.00
17	2221	Remove and Dispose of Inlets, All Sizes, All Depths, All Types	EA	53	\$650.00	\$34,450.00	\$1,000.00	\$53,000.00	\$715.00	\$37,895.00	\$1,170.00	\$62,010.00	\$150.00	\$7,950.00
18	2221	Remove and Dispose of Manholes, All Sizes, All Depths, All Types	EA	18	\$700.00	\$12,600.00	\$1,000.00	\$18,000.00	\$790.00	\$14,220.00	\$1,700.00	\$30,600.00	\$150.00	\$2,700.00
19	2221	Remove and Dispose of Concrete Curb & Gutter	LF	165	\$10.00	\$1,650.00	\$5.00	\$825.00	\$5.00	\$825.00	\$90.00	\$14,850.00	\$10.00	\$1,650.00
20	2260	Trench Safety Systems	LF	7,412	\$1.00	\$7,412.00	\$1.00	\$7,412.00	\$0.10	\$741.20	\$2.10	\$15,565.20	\$1.00	\$7,412.00
21	2516	Cut, Plug and Abandon Exist. 6" Fire Hydrant Branch	EA	1	\$1,500.00	\$1,500.00	\$600.00	\$600.00	\$760.00	\$760.00	\$1,275.00	\$1,275.00	\$200.00	\$200.00
22	2520	Remove & Salvage Fire Hydrant	EA	1	\$500.00	\$500.00	\$500.00	\$500.00	\$380.00	\$380.00	\$1,700.00	\$1,700.00	\$500.00	\$500.00
23	2520	Standard Depth Fire Hydrant Assembly (Complete In-Place)	EA	1	\$7,900.00	\$7,900.00	\$7,500.00	\$7,500.00	\$5,300.00	\$5,300.00	\$9,260.00	\$9,260.00	\$6,000.00	\$6,000.00
24	2520	6" Fire Hydrant Branch	LF	7	\$100.00	\$700.00	\$50.00	\$350.00	\$125.00	\$875.00	\$4,020.00	\$28,140.00	\$50.00	\$350.00
25	2525	8"x6" TS&V, (Complete In-Place)	EA	1	\$5,500.00	\$5,500.00	\$7,000.00	\$7,000.00	\$7,950.00	\$7,950.00	\$7,360.00	\$7,360.00	\$5,000.00	\$5,000.00
1.25	2531	8-Inch Diameter Gravity Ductile Iron Sanitary Sewer, Thk. CL. 52, Open Cut (Complete In-Place)(Includes connection to or thru existing and proposed manholes and includes adaptive connectors and/or concrete collars)	LF	198	\$200.00	\$39,600.00	\$175.00	\$34,650.00	\$325.00	\$64,350.00	\$228.00	\$45,144.00	\$200.00	\$39,600.00
27	2531	12-Inch Diameter Gravity Ductile Iron Sanitary Sewer, Thk. CL. 52, Open Cut (Complete In-Place)(Includes connection to or thru existing and proposed manholes and includes adaptive connectors and/or concrete collars)	LF	36	\$250.00	\$9,000.00	\$275.00	\$9,900.00	\$715.00	\$25,740.00	\$378.00	\$13,608.00	\$220.00	\$7,920.00
28	2631	18" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	385	\$89.00	\$34,265.00	\$135.00	\$51,975.00	\$145.00	\$55,825.00	\$166.00	\$63,910.00	\$90.00	\$34,650.00
29	2631	18" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Leads & Stubs (Complete In-Place)	LF	205	\$95.00	\$19,475.00	\$135.00	\$27,675.00	\$145.00	\$29,725.00	\$168.00	\$34,440.00	\$90.00	\$18,450.00
30	2631	24" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	490	\$109.00	\$53,410.00	\$145.00	\$71,050.00	\$175.00	\$85,750.00	\$188.00	\$92,120.00	\$100.00	\$49,000.00
31	2631	24" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Leads & Stubs (Complete In-Place)	LF	2,033	\$109.00	\$221,597.00	\$145.00	\$294,785.00	\$175.00	\$355,775.00	\$191.00	\$388,303.00	\$100.00	\$203,300.00
32	2631	30" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	1,777	\$143.00	\$254,111.00	\$190.00	\$337,630.00	\$205.00	\$364,285.00	\$230.00	\$408,710.00	\$130.00	\$231,010.00

BID TABULATION

ITEM NO.	ID	DESCRIPTION	UNIT	QTY	Lucas Construction Co., Inc.		Environmental Allies, Inc.		Precise Services, Inc.		T Construction, LLC		Engineer's Estimate	
					Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
33	2631	36" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	325	\$189.00	\$61,425.00	\$225.00	\$73,125.00	\$240.00	\$78,000.00	\$283.00	\$91,975.00	\$155.00	\$50,375.00
34	2631	42" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	250	\$249.00	\$62,250.00	\$315.00	\$78,750.00	\$305.00	\$76,250.00	\$369.00	\$92,250.00	\$185.00	\$46,250.00
35	2631	4'x2', C-1577, Precast Reinforced Concrete Box Storm Sewer (For Direct Loading<2' Cover (Complete In-Place)	LF	670	\$348.00	\$233,160.00	\$469.00	\$314,230.00	\$450.00	\$301,500.00	\$710.00	\$475,700.00	\$414.00	\$277,380.00
36	2631	32"x52", C-1479, Class III, Reinforced Concrete Arch Pipe Storm Sewer (Complete In-Place)	LF	260	\$473.00	\$122,980.00	\$405.00	\$105,300.00	\$510.00	\$132,600.00	\$800.00	\$208,000.00	\$595.00	\$154,700.00
37	2631	27"x44", C-1479, Class III, Reinforced Concrete Arch Pipe Storm Sewer (Complete In-Place)	LF	815	\$346.00	\$281,990.00	\$418.00	\$340,670.00	\$385.00	\$313,775.00	\$615.00	\$501,225.00	\$425.00	\$346,375.00
38	2633	Type 'B-B' Inlets (All Depths) (Installed Complete)	EA	52	\$5,800.00	\$301,600.00	\$5,000.00	\$260,000.00	\$4,900.00	\$254,800.00	\$5,080.00	\$264,160.00	\$5,000.00	\$260,000.00
39	2752	Doweled Expansion Joints (At 80' Max. Spacing or to Align with Existing Expansion Joints)(Complete In-Place)	LF	565	\$19.00	\$10,735.00	\$21.00	\$11,865.00	\$20.50	\$11,582.50	\$73.00	\$41,245.00	\$10.00	\$5,650.00
40	2754	6" Thk., High Early Strength, Reinforced Concrete Driveways (Including Subgrade, Joints, Finishing and Curing) (Complete In-Place)	SF	150	\$13.00	\$1,950.00	\$13.50	\$2,025.00	\$33.50	\$5,025.00	\$83.00	\$12,450.00	\$15.00	\$2,250.00
41	2762	Blast Cleaning to Remove Existing Pavement Markings and to Prepare for Placement of New Markings (All Widths)	LF	680	\$2.00	\$1,360.00	\$3.00	\$2,040.00	\$3.10	\$2,108.00	\$7.00	\$4,760.00	\$2.00	\$1,360.00
42	2767	4-Inch, Solid Yellow Thermoplastic Pavement Marking (Complete In-Place)	LF	1,200	\$2.00	\$2,400.00	\$1.45	\$1,740.00	\$1.00	\$1,200.00	\$11.00	\$13,200.00	\$3.00	\$3,600.00
43	2767	8-Inch, Solid White Thermoplastic Pavement Marking (Complete In-Place)	LF	300	\$4.00	\$1,200.00	\$2.15	\$645.00	\$2.10	\$630.00	\$16.00	\$4,800.00	\$4.00	\$1,200.00
44	2767	12-Inch, Solid White Thermoplastic Pavement Marking (Complete In-Place)	LF	95	\$6.00	\$570.00	\$6.00	\$570.00	\$5.90	\$560.50	\$18.50	\$1,757.50	\$6.00	\$570.00
45	2767	24-Inch, Solid White Thermoplastic Pavement Marking (Complete In-Place)	LF	15	\$20.00	\$300.00	\$22.00	\$330.00	\$23.50	\$352.50	\$37.00	\$555.00	\$8.00	\$120.00
46	2771	6-Inch, Reinforced Concrete Doweled on Curb, Including Joints (Complete In-Place)	LF	1,010	\$6.00	\$6,060.00	\$7.50	\$7,575.00	\$13.00	\$13,130.00	\$16.00	\$16,160.00	\$6.00	\$6,060.00
47	2771	6-Inch Reinforced Concrete Curb & Gutter, Including Joints (Complete In-Place)	LF	100	\$60.00	\$6,000.00	\$32.00	\$3,200.00	\$42.00	\$4,200.00	\$45.00	\$4,500.00	\$20.00	\$2,000.00
48	2771	Reinforced Concrete Paving Header (Complete In-Place)	LF	180	\$20.00	\$3,600.00	\$15.00	\$2,700.00	\$24.00	\$4,320.00	\$65.00	\$11,700.00	\$15.00	\$2,700.00
49	2775	4-1/2-Inch Reinforced Concrete Sidewalk, including Bedding, Joints and Finishing (Complete In-Place)	SF	905	\$11.00	\$9,955.00	\$11.00	\$9,955.00	\$15.00	\$13,575.00	\$35.00	\$31,675.00	\$8.00	\$7,240.00
50	2775	Reinforced Concrete Wheelchair Ramps / Curb Ramps, Including Bedding, Joints, Finishing and Truncated Dome Inserts (Complete In-Place)	EA	11	\$1,900.00	\$20,900.00	\$2,100.00	\$23,100.00	\$1,550.00	\$17,050.00	\$750.00	\$8,250.00	\$2,500.00	\$27,500.00
51	2951	Pavement Repair & Replacement (7" Thick Reinforced Concrete) (Complete In-Place)	SY	4,030	\$96.00	\$386,880.00	\$110.00	\$443,300.00	\$155.00	\$624,650.00	\$162.00	\$652,860.00	\$100.00	\$403,000.00
52	2951	Pavement Repair & Replacement (2" Thick Asphaltic Concrete Over 6" Flexible/Black Base, Including Prime & Tack Coat) (Complete In-Place)	SY	890	\$46.00	\$40,940.00	\$90.00	\$80,100.00	\$180.00	\$160,200.00	\$150.00	\$133,500.00	\$100.00	\$89,000.00
53	4210	8" Thk. Brick Masonry Plugs for Abandoned Storm Sewer Pipe, Various Pipe Sizes, Installed Complete	EA	39	\$700.00	\$27,300.00	\$300.00	\$11,700.00	\$750.00	\$29,250.00	\$90.00	\$3,510.00	\$200.00	\$7,800.00
TOTAL BASE UNIT PRICES						\$2,968,050.00		\$3,330,714.50		\$4,006,497.20		\$4,485,500.45		\$2,972,757.00

BID TABULATION

ITEM NO.	ID	DESCRIPTION	UNIT	QTY	Lucas Construction Co., Inc.		Environmental Allies, Inc.		Precise Services, Inc.		T Construction, LLC		Engineer's Estimate	
					Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
54	1555	Flagmen	LS	1	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
55	1555	Traffic Control & Regulation	LS	1	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
56	1562	Tree & Plant Protection	LS	1	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
57	1570	Reinforced Filter Fabric Barrier (For Roadside Ditches)	LF	120	\$5.00	\$600.00	\$2.00	\$240.00	\$5.50	\$660.00	\$3.00	\$360.00	\$3.00	\$360.00
58	1570	Filter Fabric Barrier (Type I) (Stage I Inlet Construction)	LF	165	\$7.00	\$1,155.00	\$2.00	\$330.00	\$5.50	\$907.50	\$1.25	\$206.25	\$5.00	\$825.00
59	1570	Bagged Gravel Barrier (Stage II Inlet Construction)	LF	30	\$10.00	\$300.00	\$5.00	\$150.00	\$15.00	\$450.00	\$8.50	\$255.00	\$2.00	\$60.00
60	1740	Site Restoration	LF	1,880	\$16.00	\$30,080.00	\$11.00	\$20,680.00	\$33.50	\$62,980.00	\$1.90	\$3,572.00	\$8.00	\$15,040.00
61	2082	Precast Concrete Storm Sewer Manhole (All types, All sizes, All Depths) (Complete In-Place)	EA	2	\$6,400.00	\$12,800.00	\$5,250.00	\$10,500.00	\$4,100.00	\$8,200.00	\$8,040.00	\$16,080.00	\$6,000.00	\$12,000.00
62	2082	Precast Concrete Storm Sewer Manhole with Type 'A' Grate Inlet Top (All types, All sizes, All Depths) (Complete In-Place)	EA	6	\$6,000.00	\$36,000.00	\$5,750.00	\$34,500.00	\$5,550.00	\$33,300.00	\$7,500.00	\$45,000.00	\$6,000.00	\$36,000.00
63	2090	Ring Grates (All Sizes) (Complete In-Place)	EA	11	\$1,000.00	\$11,000.00	\$450.00	\$4,950.00	\$1,300.00	\$14,300.00	\$1,200.00	\$13,200.00	\$200.00	\$2,200.00
64	2221	Remove and Dispose of Asphaltic Pavement, With or Without Base Course (All Thicknesses)	SY	360	\$14.00	\$5,040.00	\$14.50	\$5,220.00	\$30.00	\$10,800.00	\$27.00	\$9,720.00	\$10.00	\$3,600.00
65	2221	Remove and Dispose of Concrete Sidewalks and Driveways, Including Ramps, All Thicknesses	SY	90	\$12.00	\$1,080.00	\$14.50	\$1,305.00	\$15.00	\$1,350.00	\$30.00	\$2,700.00	\$10.00	\$900.00
66	2221	Remove and Dispose of Miscellaneous Concrete and Brickmasonry, All Thicknesses	SY	10	\$20.00	\$200.00	\$35.00	\$350.00	\$45.00	\$450.00	\$204.00	\$2,040.00	\$50.00	\$500.00
67	2221	Remove and Dispose of Pipes, Culverts and Sewers, All Diameters, All Sizes, All Material Types	LF	2,045	\$10.00	\$20,450.00	\$17.50	\$35,787.50	\$27.50	\$56,237.50	\$9.00	\$18,405.00	\$20.00	\$40,900.00
68	2221	Remove and Dispose of Inlets, All Sizes, All Depths, All Types	EA	14	\$650.00	\$9,100.00	\$1,000.00	\$14,000.00	\$715.00	\$10,010.00	\$1,170.00	\$16,380.00	\$150.00	\$2,100.00
69	2221	Remove and Dispose of Manholes, All Sizes, All Depths, All Types	EA	1	\$700.00	\$700.00	\$1,000.00	\$1,000.00	\$790.00	\$790.00	\$1,700.00	\$1,700.00	\$150.00	\$150.00
70	2260	Trench Safety Systems	LF	2,222	\$1.00	\$2,222.00	\$1.00	\$2,222.00	\$0.10	\$222.20	\$2.00	\$4,444.00	\$1.00	\$2,222.00
71	2315	Regrade Roadside Ditches	LF	1,750	\$7.00	\$12,250.00	\$13.50	\$23,625.00	\$23.00	\$40,250.00	\$16.00	\$28,000.00	\$5.00	\$8,750.00
72	2631	18" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Leads & Stubs (Complete In-Place)	LF	194	\$95.00	\$18,430.00	\$135.00	\$26,190.00	\$145.00	\$28,130.00	\$168.00	\$32,592.00	\$90.00	\$17,460.00
73	2631	24" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	430	\$109.00	\$46,870.00	\$145.00	\$62,350.00	\$175.00	\$75,250.00	\$188.00	\$80,840.00	\$100.00	\$43,000.00
74	2631	24" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Leads & Stubs (Complete In-Place)	LF	192	\$109.00	\$20,928.00	\$145.00	\$27,840.00	\$175.00	\$33,600.00	\$191.00	\$36,672.00	\$100.00	\$19,200.00
75	2631	30" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	460	\$143.00	\$65,780.00	\$190.00	\$87,400.00	\$205.00	\$94,300.00	\$230.00	\$105,800.00	\$130.00	\$59,800.00
76	2631	36" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	495	\$189.00	\$93,555.00	\$225.00	\$111,375.00	\$240.00	\$118,800.00	\$283.00	\$140,085.00	\$155.00	\$76,725.00
77	2631	42" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	455	\$249.00	\$113,295.00	\$315.00	\$143,325.00	\$300.00	\$136,500.00	\$369.00	\$167,895.00	\$185.00	\$84,175.00
78	2633	Type 'A' Inlets (All Depths) (Installed Complete)	EA	3	\$4,800.00	\$14,400.00	\$4,800.00	\$14,400.00	\$4,050.00	\$12,150.00	\$5,600.00	\$16,800.00	\$3,000.00	\$9,000.00
79	2633	Type 'B-B' Inlets (All Depths) (Installed Complete)	EA	2	\$5,800.00	\$11,600.00	\$5,000.00	\$10,000.00	\$5,000.00	\$10,000.00	\$5,080.00	\$10,160.00	\$5,000.00	\$10,000.00
80	2754	6" Thk., High Early Strength, Reinforced Concrete Driveways (Including Subgrade, Joints, Finishing and Curing) (Complete In-Place)	SF	660	\$13.00	\$8,580.00	\$15.00	\$9,900.00	\$33.50	\$22,110.00	\$83.00	\$54,780.00	\$15.00	\$9,900.00
81	2775	4-1/2-Inch Reinforced Concrete Sidewalk, including Bedding, Joints and Finishing (Complete In-Place)	SF	100	\$11.00	\$1,100.00	\$11.00	\$1,100.00	\$15.00	\$1,500.00	\$35.00	\$3,500.00	\$8.00	\$800.00
82	2951	Pavement Repair & Replacement (2" Thick Asphaltic Concrete Over 6" Flexible/Black Base, Including Prime & Tack Coat) (Complete In-Place)	SY	360	\$46.00	\$16,560.00	\$90.00	\$32,400.00	\$180.00	\$64,800.00	\$180.00	\$64,800.00	\$100.00	\$36,000.00
83	3315	Concrete Connection for 42" Storm Sewer to existing 6'x6' Box Storm Sewer 2nd Ave. N. at Bay Street (Complete In-Place)	LS	1	\$5,000.00	\$5,000.00	\$2,500.00	\$2,500.00	\$11,000.00	\$11,000.00	\$4,200.00	\$4,200.00	\$5,000.00	\$5,000.00
TOTAL ADD ALTERNATE NO. 1 PRICES						\$589,075.00		\$713,639.50		\$879,047.20		\$910,186.25		\$526,667.00

BID TABULATION

ITEM NO.	ID	DESCRIPTION	UNIT	QTY	Lucas Construction Co., Inc.		Environmental Allies, Inc.		Precise Services, Inc.		T Construction, LLC		Engineer's Estimate	
					Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
84	1555	Flagmen	LS	1	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
85	1555	Traffic Control & Regulation	LS	1	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
86	1570	Reinforced Filter Fabric Barrier (For Roadside Ditches)	LF	40	\$5.00	\$200.00	\$2.00	\$80.00	\$5.00	\$200.00	\$3.00	\$120.00	\$3.00	\$120.00
87	1570	Filter Fabric Barrier (Type I) (Stage I Inlet Construction)	LF	90	\$7.00	\$630.00	\$2.00	\$180.00	\$5.00	\$450.00	\$1.25	\$112.50	\$5.00	\$450.00
88	1570	Bagged Gravel Barrier (Stage II Inlet Construction)	LF	60	\$10.00	\$600.00	\$5.00	\$300.00	\$15.00	\$900.00	\$8.50	\$510.00	\$2.00	\$120.00
89	1740	Site Restoration	LF	360	\$16.00	\$5,760.00	\$11.00	\$3,960.00	\$33.50	\$12,060.00	\$1.90	\$684.00	\$8.00	\$2,880.00
90	2082	Precast Concrete Storm Sewer Manhole (All types, All sizes, All Depths) (Complete In-Place)	EA	3	\$6,400.00	\$19,200.00	\$5,250.00	\$15,750.00	\$6,100.00	\$18,300.00	\$8,040.00	\$24,120.00	\$6,000.00	\$18,000.00
91	2090	Ring Grates (All Sizes) (Complete In-Place)	EA	4	\$1,000.00	\$4,000.00	\$450.00	\$1,800.00	\$1,300.00	\$5,200.00	\$1,200.00	\$4,800.00	\$200.00	\$800.00
92	2221	Remove and Dispose of Asphaltic Pavement, With or Without Base Course (All Thicknesses)	SY	450	\$14.00	\$6,300.00	\$14.50	\$6,525.00	\$30.00	\$13,500.00	\$27.00	\$12,150.00	\$10.00	\$4,500.00
93	2221	Remove and Dispose of Pipes, Culverts and Sewers, All Diameters, All Sizes, All Material Types	LF	103	\$10.00	\$1,030.00	\$17.50	\$1,802.50	\$27.50	\$2,832.50	\$9.00	\$927.00	\$20.00	\$2,060.00
94	2221	Remove and Dispose of Inlets, All Sizes, All Depths, All Types	EA	4	\$650.00	\$2,600.00	\$1,000.00	\$4,000.00	\$715.00	\$2,860.00	\$1,170.00	\$4,680.00	\$150.00	\$600.00
95	2221	Remove and Dispose of Concrete Curb & Gutter	LF	30	\$10.00	\$300.00	\$5.00	\$150.00	\$5.00	\$150.00	\$65.00	\$1,950.00	\$10.00	\$300.00
96	2260	Trench Safety Systems	LF	566	\$1.00	\$566.00	\$1.00	\$566.00	\$0.10	\$56.60	\$2.00	\$1,132.00	\$1.00	\$566.00
97	2315	Regrade Roadside Ditches	LF	40	\$8.00	\$320.00	\$13.50	\$540.00	\$25.00	\$1,000.00	\$16.00	\$640.00	\$5.00	\$200.00
98	2531	12-Inch Diameter Gravity Ductile Iron Sanitary Sewer, Thk. CL. 52, Open Cut (Complete In-Place)(Includes connection to or thru existing and proposed manholes and includes adaptive connectors and/or concrete collars)	LF	18	\$300.00	\$5,400.00	\$275.00	\$4,950.00	\$715.00	\$12,870.00	\$305.00	\$5,490.00	\$220.00	\$3,960.00
99	2631	18" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Leads & Stubs (Complete In-Place)	LF	61	\$95.00	\$5,795.00	\$135.00	\$8,235.00	\$145.00	\$8,845.00	\$168.00	\$10,248.00	\$90.00	\$5,490.00
100	2631	24" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	198	\$109.00	\$21,582.00	\$145.00	\$28,710.00	\$175.00	\$34,650.00	\$188.00	\$37,224.00	\$100.00	\$19,800.00
101	2631	30" Diameter, C-1479, Class III, Precast Reinforced Concrete Pipe Storm Sewer (Complete In-Place)	LF	283	\$143.00	\$40,469.00	\$225.00	\$63,675.00	\$205.00	\$58,015.00	\$230.00	\$65,090.00	\$130.00	\$36,790.00
102	2633	Type 'A' Inlets (All Depths) (Installed Complete)	EA	1	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,050.00	\$4,050.00	\$5,600.00	\$5,600.00	\$3,000.00	\$3,000.00
103	2633	Type 'B-B' Inlets (All Depths) (Installed Complete)	EA	6	\$5,800.00	\$34,800.00	\$5,000.00	\$30,000.00	\$5,000.00	\$30,000.00	\$5,080.00	\$30,480.00	\$5,000.00	\$30,000.00
104	2771	6-Inch Reinforced Concrete Curb & Gutter, Including Joints (Complete In-Place)	LF	100	\$60.00	\$6,000.00	\$32.00	\$3,200.00	\$42.00	\$4,200.00	\$45.00	\$4,500.00	\$20.00	\$2,000.00
105	2951	Pavement Repair & Replacement (2" Thick Asphaltic Concrete Over 6" Flexible/Black Base, Including Prime & Tack Coat) (Complete In-Place)	SY	450	\$46.00	\$20,700.00	\$90.00	\$40,500.00	\$180.00	\$81,000.00	\$180.00	\$81,000.00	\$100.00	\$45,000.00
106	4210	8" Thk. Brick Masonry Plugs for Abandoned Storm Sewer Pipe, Various Pipe Sizes, Installed Complete	EA	2	\$1,000.00	\$2,000.00	\$300.00	\$600.00	\$750.00	\$1,500.00	\$830.00	\$1,660.00	\$200.00	\$400.00
TOTAL ADD ALTERNATE NO. 2 PRICES						\$190,052.00		\$227,323.50		\$299,639.10		\$300,117.50		\$184,036.00

BID TABULATION

ITEM NO.	ID	DESCRIPTION	UNIT	QTY	Lucas Construction Co., Inc.		Environmental Allies, Inc.		Precise Services, Inc.		T Construction, LLC		Engineer's Estimate	
					Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
107	2317.00	Bedding for Wet, Stable Trench Conditions, Including Cost for Over Excavation, Geotechnical Fabric and Aggregate Bbedding (All Widths, Complete In Place)	LF	1,000	\$5.00	\$5,000.00	\$40.00	\$40,000.00	\$25.00	\$25,000.00	\$5.00	\$5,000.00	\$5.00	\$5,000.00
108	2318	Excavation Around Obstructions	CY	50	\$10.00	\$500.00	\$145.00	\$7,250.00	\$85.00	\$4,250.00	\$35.00	\$1,750.00	\$20.00	\$1,000.00
109	2318	Extra Hand Excavation	CY	50	\$10.00	\$500.00	\$95.00	\$4,750.00	\$150.00	\$7,500.00	\$30.00	\$1,500.00	\$20.00	\$1,000.00
110	2318	Extra Machine Excavation	CY	50	\$10.00	\$500.00	\$145.00	\$7,250.00	\$27.50	\$1,375.00	\$30.00	\$1,500.00	\$20.00	\$1,000.00
111	2321	Extra Cement Stabilized Sand Backfill	CY	50	\$50.00	\$2,500.00	\$85.00	\$4,250.00	\$82.50	\$4,125.00	\$35.00	\$1,750.00	\$20.00	\$1,000.00
112	2713	Extra Placement of Recycled Crushed Concrete Base Course for Restoration of Non-Paved Areas (Only as Directed by the Engineer)	CY	50	\$50.00	\$2,500.00	\$140.00	\$7,000.00	\$125.00	\$6,250.00	\$50.00	\$2,500.00	\$20.00	\$1,000.00
113	2512	Water Line Offset Adjustment for Storm Sewer Conflict, Per Plan Details (Complete In-Place)	EA	2	\$10,000.00	\$20,000.00	\$2,950.00	\$5,900.00	\$4,000.00	\$8,000.00	\$2,500.00	\$5,000.00	\$5,000.00	\$10,000.00
114	2752	#6, Grade 60, Deformed Metal Horizontal Dowels, 2-Foot Long, Installed Complete as Directed by the Engineer	EA	75	\$5.00	\$375.00	\$36.00	\$2,700.00	\$25.00	\$1,875.00	\$15.00	\$1,125.00	\$20.00	\$1,500.00
TOTAL EXTRA UNIT PRICES						\$31,875.00		\$79,100.00		\$58,375.00		\$20,125.00		\$21,500.00
TOTAL BID PRICE						\$3,779,052.00		\$4,350,777.50		\$5,243,558.50		\$5,715,929.20		\$3,704,960.00

Bid Supplements				Submitted		Submitted		Submitted		Submitted		Notes:
				Yes	No	Yes	No	Yes	No	Yes	No	
1		Bid Bond in Amount of 5%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
2		City of Texas City Appendiz to Bid Documents	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
3		Conflict of Interest Questionnaire (For CIQ)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
4		House Bill 13, 19 & 89 Verification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
5		Property Tax Statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
6		Non-Collusion Statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
7		Certification Regarding Disbarment (Form 00435-FAA)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
8		Certificate of Interested Parties (Form 1295),	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
9		CDBG Required Documents	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
10		Bidder's Financial Statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
11		Statement of Bidder's Qualifications	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
12		Certificate of Recovered Materials	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
13		Certification of Bidder Regarding Civil Rights Laws and Regulations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
14		Contractor's Local Opportunity Plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
15		Proposed Contracts Breakdown (Expected Subcontractors and Classifications Including Section 3 Utilization)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
16		Contractor Certification of Efforts to Fully Comply with Employment and Training Provisions of Section 3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Precise Services, Inc. missing "Contractor Certification of Efforts to Fully Comply with Employment and Training Provisions of Section 3" document	
17		Certification Regarding Lobbying	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
18		Disclosure of Lobbying Activities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
19		List of Subcontractors and Major Suppliers,	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Precise Services, Inc. missing its List of Subcontractors and Major Suppliers.	

RESOLUTION NO. 2025-099

A RESOLUTION AWARDDING BID NO. 2025-491 AND ENTERING INTO A CONTRACT FOR TEXAS CITY MIT-MOD DRAINAGE IMPROVEMENTS GLO CONTRACT NO. 24-065-018-E-175; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, four (4) bids were opened on August 20, 2025, and it is the recommendation of the Public Works Department that the bid be awarded to Lucas Construction Co., Inc. for a combination of their Base Unit Price bid of \$2,968,050.00.

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 Lucas Construction Co., Inc. for Bid No. 2025-491 Texas City MIT-MOD Drainage Improvements GLO Contract No. 24-065-018-E-175.

SECTION 2: That the Mayor is hereby authorized to execute the contract with Lucas Construction Co., 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 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 17th day of September 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney

CITY COMMISSION REGULAR MTG

(9) (b)

Meeting Date: 09/17/2025

Take Action: Investment Policy

Submitted For: Cynthia Rushing, Finance

Submitted By: Cynthia Rushing, Finance

Department: Finance

Information

ACTION REQUEST

Consider approval of the City of Texas City Investment Policy.

BACKGROUND (Brief Summary)

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.

The City has partnered with Hilltop Securities Investment Advisory team to optimize the investment strategy and the first deliverable was to update the investment policy.

Changes:

- Change the reference of Council to Commission to align with the City’s Governance Structure
- Change to comply with the 2019 changes in the Texas Public Funds Investment Act (TPFIA)
- The updated Investment Policy has been recognized by the Government Treasurers’ Organization of Texas as to meeting all the requirements of the TFPIA. First time receiving this certification!

RECOMMENDATION

The CFO recommends approval of the city's investment policy.

Fiscal Impact

Funds Available Y/N:

Amount Requested:

Source of Funds:

Account #:

Fiscal Impact:

NONE

Attachments

Revised Investment Policy

Redline Version
GTOT CERTIFICATE
Resolution

CITY OF TEXAS CITY INVESTMENT POLICY



*Amended September 17, 2025
via City Commission Ordinance*

City of Texas City, Texas
Investment Policy
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INVESTMENT STRATEGY

The investment strategy, of the City of Texas City, Texas, is adopted to provide investment guidelines that will minimize the risk of loss, whereby the City of Texas City, Texas will pursue a passive investment strategy. In order to make effective use of the City's resources, all monies shall be pooled into one fund, except for those monies required to be accounted for in other accounts as stipulated by applicable laws, bond covenants, contracts or City policy. Investments will be purchased with the intent of holding to maturity and will only be sold early under exceptional circumstances. In purchasing investments, the Investment Officer will attempt to follow a ladder strategy to ensure that the portfolio will meet the City's liquidity needs. Investment priorities, in order of priority, are as follows:

1. **Suitability** – Any investment allowed by the Investment Policy is suitable.
2. **Preservation and Safety of Principal** – Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
3. **Liquidity** – The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operational requirements that might reasonably be anticipated.
4. **Marketability** – Investments should have an active and efficient secondary market to enable the City to liquidate investments prior to the maturity if the need should arise.
5. **Diversification** – The Investment Officer will attempt to maintain a diversified portfolio with regard to security type, financial institution providing the security, and maturity.
6. **Yield** – The City's investment portfolio shall be designed with the objective of attaining the maximum rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow characteristics of the portfolio.

INVESTMENT POLICY

The Public Funds Investment Act, Chapter 2256, Texas Government Code, as Amended (“PFIA” herein), requires each city to adopt rules governing its investment practices and to define the authority of the investment officer. The following Investment Policy addresses the methods, procedures, and practices that must be exercised to ensure effective and judicious fiscal management of the City of Texas City funds.

I. POLICY

It is the policy of the City of Texas City, Texas (“City”) to invest public funds in a manner that will ensure the preservation of capital, conform to all applicable State and Local statutes governing the investment of public funds and provide reasonable investment returns. The City shall invest all funds deemed in excess of current needs. “Current needs” are hereby defined as expenditures to be required within a given ninety- (90) day period

II. SCOPE

The investment policy applies to all the financial assets and funds held by the City, except for the Firemen’s Relief and Retirement Fund. These funds are defined in the City of Texas City’s Comprehensive Annual Financial Report and include:

Funds

1. General Funds
2. Special Revenue Funds
3. Capital Projects Funds
4. Enterprise Funds
5. Internal Service Funds
6. Debt Service Funds
7. Trust and Agency Funds

Any new funds created by the City will be subject to this policy unless specifically exempted by the City Commission. To maximize the effective investment of assets, all funds mentioned above will pool their cash balances for investment purposes. The income derived from investing activities will be distributed to the various funds based on calculation of their average balances.

III. INVESTMENT OBJECTIVES

The City of Texas City shall manage and invest its cash with three (3) primary objectives, listed in order of priority: **safety, liquidity, and yield**. The safety of principal invested always remains the primary objective.

Safety

Safety of principal is the foremost objective of the City. Investment of City funds shall be undertaken in a manner that seeks to ensure the preservation of capital and the protection of investment principal in the overall portfolio.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated disbursement schedules of the City.

Yield

The City's investment portfolio shall be designed with the objectives of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow of the portfolio. Return on investment is of least importance compared to the safety and liquidity objectives described above. "Market rate of return" may be defined as the average yield of the current three-month U.S. Treasury Bill or such other index that closely matches the average maturity of the portfolio.

IV. STANDARDS OF CARE

Delegation of Investment Authority

Article 11, Section 1 of the Charter of the City of Texas City designates the Director of Finance to manage the City's investment program. The Director of Finance, acting on behalf of the City Commission, is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. The Director of Finance may appoint an additional Investment Officer whose responsibility shall be to invest the funds on behalf of the City in accordance with this investment policy. The City Commission is also responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Finance Director shall develop and maintain written administrative procedures for the operation of the investment program, which are consistent with this investment policy.

Procedures will include reference to safekeeping, wire transfer agreements; banking services contracts, and other investment related activities.

The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff. The Finance Director shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer is not available.

No officer or designee may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer and approved by the Director of Finance.

Investment Training

The Chief Financial Officer and all designated Investment Officers of the City shall:

- (1) Attend at least one training session, from an independent source approved by the City Commission and containing at least 10 hours of instruction relating to the responsibilities under this policy within 12 months after taking office or assuming duties; and
- (2) Attend an investment training session not less than once in a two-year period, which begins on the first day of the fiscal year and consists of the two consecutive years after that date and receive not less than 8 hours of instruction relating to investment responsibilities.

Training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Public Funds Investment Act.

Standard of Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

Employees and investment officials shall disclose to the Mayor any personal business relationship in financial institutions with which they conduct business. An employee or officer has a personal business relationship with a business organization if:

1. The employee or officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. Funds received by the employee or officer from the business organization exceed 10 percent of the employee's gross income for the previous year;
or

3. The employee or officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the employee or officer.

They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio including an individual who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity. Disclosure under this section shall be accomplished by filing a statement with the Texas Ethics Commission and the City Commission.

Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived.

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit or market price changes provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of the City. Supplemental to the financial and budgetary systems, the Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes. Cash flow will include historical researching and monitoring of specific cash flow items, payables and receivables as well as overall cash position and patterns.

Internal Controls/Annual Compliance Audit

The Investment Officer shall establish a system of written internal controls which shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the City. In conjunction with the City’s annual financial audit, a compliance audit shall be performed of management controls on investments and adherence to the City’s established investment policies.

V. SUITABLE AND AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments as described by the Texas Government Code; Chapter 2256, Sections 2256.09 through 2256.011 and Sections 2256.013 through 2256.016 of the Public Funds Investment Act. Investment of funds in any instrument or security not authorized for investment under the Act is prohibited.

Authorized

1. Direct Obligations of the United States Government: U.S. Treasury Bills, U.S. Treasury Notes, and U.S. Treasury Bonds as well as Bonds or other interest bearing obligations for which the principal and interest are guaranteed by the full faith and credit of the United States government. Federal Agencies and instrumentalities including but not limited to, discount notes, callables and debentures of the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank (FHLB), the Federal Farm Credit Bank (FFCB), and the Federal Home Loan Mortgage Corporation (FHLMC).
2. Time Certificates of Deposit (CDs), insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, in state or national banks with maturities not to exceed three years. Any deposits exceeding FDIC insurance limits shall be collateralized at 102% of the face amount of the Certificate of Deposit by securities listed in 1 above and held by the City's custodial bank or secured by an FHLB letter of credit (LOC) in the amount not less than the CD's principal plus accrued interest. Bids for Certificates of Deposit may be solicited orally, in writing, electronically or using any combination of these methods.
3. Repurchase Agreements with a defined termination date of 90 days or less, collateralized by securities listed in 1 above, in accordance with a signed SIFMA Master Repurchase Agreement. Collateral must have a minimum market value of 102% of the repurchase agreement and must be held by the custodian bank or other independent third-party custodian contracted by the City. Bond proceeds may be invested in flexible repurchase agreements with maturity dates not exceeding the expected final project expenditure if a formal bidding process is followed and properly documented for IRS purposes.
4. AAA-rated Investment Pools organized under the Texas Inter-local Cooperation Act that follow the requirements in the Public Funds Investment Act and which have been specifically approved by resolution of the City Commission.
5. Commercial Paper maturing within 270 days carrying a minimum rating of A1, P-1 or F-1.

6. AAA-rated Money Market Mutual Funds registered with the Securities and Exchange Commission that invests exclusively in investments described in this section.

Not Authorized

The following security types are not permitted:

1. Interest-Only Strips (IO's): Obligations whose payments represent the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no principal.
2. Principal-Only Strips (PO's): Obligations whose payments represent the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
3. Collateralized Mortgage Obligations (CMO's): Obligations that have a stated final maturity date of greater than 10 years.
4. Any security, the interest rate of which is determined by an index that adjusts opposite to the changes in the Market Index (inverse floaters).

Rating Downgrades

An Investment that requires a minimum rating does not qualify as an authorized investment during the period the investment does not have the minimum rating. The City shall take all prudent measures that are consistent with its Investment Policy to liquidate an investment that does not have the minimum rating.

The City is not required to liquidate an investment that was authorized at the time of purchase.

VI. FINANCIAL DEALERS AND INSTITUTIONS

Authorized Brokers/Dealers

The Investment Officer shall maintain a list of financial institutions authorized to provide investment services to the City. In addition, a list shall also be maintained of approved security broker/dealers selected by credit worthiness authorized to provide investment services in the State of Texas. These may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

All financial institutions and brokers/dealers who desire to become a qualified bidder for investment transactions must supply the Investment Officer with a completed Broker/Dealer Questionnaire and Certification, which shall include the following:

1. An audited financial statement for the most recent period.
2. Proof of current registration by the Financial Industry Regulatory Authority (FINRA).
3. Proof of current registration with the State Securities Commission.

Financial institutions eligible to transact investment business with the City shall be presented a written copy of this Investment Policy and shall acknowledge receipt in writing.

Additionally, the registered principal of the business organization, defined by the PFIA in section 2256.005 as investment pool providers and discretionary investment managers, seeking to transact investment business shall execute a written instrument substantially to the effect that the registered principal has received and reviewed this Investment Policy, and acknowledge that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the City, except to the extent this authorization is dependent on an analysis of the entire portfolio or requires an interpretation of subjective investment standards. The City shall not enter into an investment transaction prior to receiving the written instrument described above.

The City Commission shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City. *If the City has contracted with an investment advisor, the advisor shall assume responsibility of the approved list of independent broker/dealers and shall provide this list for City approval not less than annually.*

Investment Advisors

The City may appoint one or more Investment Advisors to assist the City's financial staff in the management of the City's funds. The Investment Advisor must be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and with the State Securities Board. To be eligible for consideration, an Investment Advisor shall demonstrate knowledge of and experience in the management of public funds. The Investment Advisors qualifications will be checked by all appropriate means, including reference checks with the Advisor's other clients, the State Securities Board and the Securities and Exchange Commission. An appointed Investment Advisor shall act within the guidelines of this Investment Policy while transacting business on behalf of the City.

1. Appointment of an Investment Advisor shall otherwise be according to the City's normal purchasing procedures for selecting professional services.

Appointment may not exceed a term of two years. A renewal or extension of the contract must be made by City Commission resolution.

2. All security purchases must be transacted with independent broker/dealers. The City may not purchase securities owned by the Investment Advisor, or a parent or other affiliated company of the Investment Advisor.
3. The Investment Advisor is prohibited from making soft-dollar arrangements.
4. All contracted Investment Advisors shall report book value and market value of investment holdings, the total investment return, and such other information requested by the Director of Finance.

Depository

At least every five (5) years a Depository shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP). The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

1. The ability to qualify as a depository for public funds in accordance with state and local laws.
2. The ability to provide requested information or financial statements for the period specified.
3. The ability to meet all requirements in the banking RFP.
4. Complete response to all required items on the bid form.
5. Net cost of services consistent with the ability to provide an appropriate level of service.
6. The credit worthiness and financial stability of the bank.

The bank depository contract is subject to City Commission approval.

Competitive Bids

Investment transactions will normally be conducted based on comparison of a minimum of three (3) quotes obtained from any of the approved brokers with attention to yield as well as diversification with regard to issuing entity and broker/dealer. Limitations of time and supply may provide otherwise. Investment transactions not requiring competitive offers include a) transactions with money market mutual funds; b) local government investment pools and c) new securities still in syndicate priced at par, which are deemed

to be made at prevailing market rates. If the City has contracted with an Investment Advisor, the advisor is required to obtain and document three quotes on every transaction.

Delivery vs. Payment

All security transactions *excluding investment pools, mutual funds, and collateralized CDs*, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis in which payment and receipt of securities occur simultaneously

VII. SAFEKEEPING AND CUSTODY

Safekeeping Agreement

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as part of its investment portfolio or held as collateral to secure demand or time deposits.

Safekeeping and Custody

Safekeeping and custody of securities shall be in accordance with state law. Securities will be held by a third-party custodian designated by the Investment Officer and held in the City's name as evidenced by original safekeeping receipts of the institution with which the securities are held.

Collateralization

Consistent with the requirements of the Public Funds Collateral Act (Texas Government Code; Chapter 2257), it is the policy of the City to require collateralization of bank deposits and uninsured collected balances . In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on deposits less than an amount insured by the FDIC. Terms will be in accordance with a written collateralization agreement.

Collateral will be held by the depository bank in designated accounted or with an independent third party with whom the City has a current custodial agreement . A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City not less than monthly and retained.

The right of collateral substitution is granted as long as proper collateral levels are maintained.

VIII. INVESTMENT PARAMETERS

Maximum Maturities

To the extent possible, the City of Texas City, will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase. Additionally, the City will maintain a dollar-weighted average maturity of two (2) years or less.

Diversification

It is the intent of the City to diversify the investment instruments within the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. The asset allocation in the portfolio should be flexible depending on the outlook for the economy and securities market and shall apply at time of purchase. If conditions warrant, the guidelines below may be exceeded by approval of the Mayor.

- 1. U.S. Treasury Securities 100%
- 2. Agencies and Instrumentalities 75%
- 3. Certificates of Deposit 30%
- 4. Money Market Mutual Funds 30%
- 5. Repurchase Agreements..... 20%
- 6. Commercial Paper 20%
- 7. Authorized Pools 100%

IX. REPORTING

Not less than quarterly and within a reasonable time after the end of the period reported, the Investment Officer should prepare and submit to the City Commission a written report of the investment transactions for all funds of the City for the preceding reporting period in accordance with requirements of PFIA section 2256.023. The report must:

- 1. Describe in detail the investment position of the City on the date of the report.
- 2. Contain a summary statement of each pooled fund group that states the beginning market value for the reporting period and additions and changes to the market value for the period.

3. State the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested.
4. State the maturity date of each separately invested asset that has a maturity date.
5. State the pooled group fund in the City for which each individual investment was acquired.
6. The quarterly report will be prepared jointly by all investment officers and be signed by all investment officers.
7. State all accrued interest payable.
8. State the compliance of the investment portfolio as it relates to this policy and the Public Funds Investment Act (PFIA).

Marking to Market

The market values of the City's investments shall be obtained from a reliable and documented outside source, which has access to investment market values. Sources include, but are not limited to the City's depository bank, the safekeeping agent, Bloomberg, and the Wall Street Journal. The Investment Advisor shall use an independent and fully disclosed pricing source for its reports.

Annual Review

Quarterly reports must be formally reviewed at least annually by an independent auditor and reported to the City Commission.

X. PERFORMANCE STANDARDS

Performance Standards

The investment policy shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs.

Performance Benchmark

The City of Texas City, Texas intends to hold its purchased securities to maturity. . The benchmark to be used by the Investment Officer to determine whether market yields are being achieved shall be the average closing yield of a Treasury obligation with a comparable maturity during the reporting period comparable to the portfolios dollar-weighted average maturity in days.

XI. POLICY ADOPTION

Annual Review and Adoption of Investment Policy

The City Commission shall adopt the City's investment policy. The Director of Finance and City Commission shall review the policy and investment strategies on an annual basis. The City Commission must approve any changes.

GLOSSARY

Accretion – common investment accounting entry in which the book value of securities purchased at a discount are gradually written up to the par value. The process has the effect of recording the discount as income over time.

Accrued Interest – Interest earned, but not yet paid, on a bond.

Agency – See Federal Agency

Amortization – common investment accounting entry in which the book value of securities purchased at a premium are gradually written down to the par value.

Basis Point - A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

Benchmark – Index used to compare risk and performance to a managed portfolio.

Bid - The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value – The original acquisition cost of an investment plus or minus the accrued amortization or accretion.

Broker – A financial firm that brings securities buyers and sellers together in return for a fee. The term “broker” is often used interchangeably with “dealer” to refer to a seller of investment securities.

Callable Bond - A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Cash Settlement - A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Collateralization - Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

Collateralized Mortgage Obligation (CMO) – A derivative mortgage-backed security (MBS) created from pools of home mortgage loans. A single MBS is divided into multiple classes, each class containing a unique risk profile and security characteristics. A number of CMO classes are expressly prohibited by Texas State law.

Commercial Paper - An unsecured short-term promissory note issued by corporations, with maturities ranging from 1 to 270 days. Commercial paper must carry a minimum rating of A1P1 in order to be eligible under the Texas Public Funds Investment Act.

Constant Maturity Treasury (CMT) – A calculated average released by the Federal Reserve of all Treasury yields along a specific maturity point. This calculation is frequently used as a benchmark for conservative government portfolios.

Coupon Rate - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."

Credit Risk - The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Derivative – Financial instruments whose value is derived from the movement of an underlying index or security.

Dealer – A dealer, as opposed to a broker, acts as a principal in all securities transactions, buying and selling for their own account. Often times, the terms “broker” and “dealer” are used interchangeably to refer to a seller of investment securities.

Delivery Versus Payment (DVP) - A type of securities transaction in which the purchaser pays for securities at the time of delivery either to the purchaser or his/her custodian.

Derivative Security - Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Discount - The amount by which the par value of a security exceeds the price paid for the security.

Diversification - A process of investing assets among a range of security types by sector, maturity, and quality rating.

Dollar Weighted Average Maturity (WAM) - The average maturity of all the securities that comprise a portfolio.

Fair Market Rate – A documented and verifiable rate of interest which approximates the average rate which could have been earned on similar investments at the time of the transaction.

Federal Farm Credit Bank (FFCB): The Federal Farm Credit Bank System is the oldest of the government sponsored enterprises, created by an act of congress in 1916. Its mission is to provide a reliable and low cost source of funds to support agriculture in the United States. FFCB debt obligations are highly liquid and share the same credit rating as the U.S. Treasury.

Federal Home Loan Bank (FHLB): The Federal Home Loan Bank system was created by an act of Congress in 1932 as a system of 12 regional banks that provide funds to its member banks. FHLB's primary mission is to support residential and community lending. Its membership of more than 8,000 financial institutions includes savings banks,

commercial banks, credit unions and insurance companies active in housing finance. FHLB debt obligations are highly liquid and share the same debt rating as the U.S. Treasury.

Federal National Mortgage Association (FNMA or “Fannie Mae”): Fannie Mae was chartered in 1938 under the Federal National Mortgage Association Act to provide a secondary market for mortgage loans in the United States, by purchasing existing home loans and pooling them together to create mortgage-backed securities that can then be sold to investors, along with a guaranty of the timely payment of principal and interest on the underlying loans. Fannie Mae was privatized in 1968 and operated as a private stockholder-owned company for 40 years before the housing market collapse forced them into federal government conservatorship in September 2008. Fannie Mae currently continues operation under government control and shares the same debt rating as the U.S. Treasury. Fannie Mae debt obligations are highly liquid.

Federal Home Loan Mortgage Company (FHLMC or “Freddie Mac”): Freddie Mac was created by an act of Congress in 1970 as a shareholder-owned company to further expand the secondary market for mortgage loans in the United States. Freddie Mac buys existing mortgages and pools them together to create mortgage-backed securities that can then be sold to investors, thereby providing liquidity to lenders who can then make additional loans. Along with Fannie Mae, Freddie Mac was placed into government conservatorship in September 2008 but continues full operations under government control. Freddie Mac securities are highly liquid and share the same debt rating as the U.S. Treasury.

Federal Agency – A general term for a debt instrument issued by Fannie Mae, Freddie Mac, FFCB and FHLB among others. These are widely considered to be among the safest types of fixed income securities, although they are not explicitly guaranteed by the Federal government.

Federal Deposit Insurance Corporation (FDIC) - A federal agency that insures bank deposits, currently up to \$250,000 per account. Public deposits that exceed this amount must be properly collateralized with investment securities or insured through a surety bond.

Interest Rate - See "Coupon Rate."

Internal Controls - An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met.

Interlocal Cooperation Act –Law permitting joint participation by local governments providing one or more government functions within the State. This law (Section 791.001 et seq. of the Texas Government Code ("the Act")) has allowed for the creation of investment pools in Texas.

Investment Advisors Act of 1940- Law which requires all Investment Advisors to be registered with the SEC in order to protect the public from fraud.

Investment Pool – An entity created under the Interlocal Cooperation Act to invest public funds jointly on behalf of the entities that participate in the pool.

Liquidity – A liquid investment is one that can be easily and quickly converted to cash without substantial loss of value. Investment pools and money market funds, which allow for same day withdrawal of cash, are considered extremely liquid.

Local Government Investment Pool (LGIP) - An investment by local governments in which their money is pooled as a method for managing local funds.

Market Risk - The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value - A security's par value multiplied by its market price.

Master Repurchase Agreement – A written contract covering all future transactions between the two parties to a repurchase agreement.

Maturity - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Money Market Mutual Fund - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Mortgage-Backed Security (MBS) – Security backed by pools of home loan mortgages.

National Association of Securities Dealers (NASD) - A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Net Asset Value (NAV) – The value of a mutual fund or investment pool at the end of the business day. NAV is calculated by adding the market value of all securities in a fund or pool, deducting expenses, and dividing by the number of shares in the fund or pool.

Offer - An indicated price at which market participants are willing to sell a security. Also referred to as the "Ask price."

Par - Face value or principal value of a bond, typically \$1,000 per bond. A security's par value is multiplied by its coupon rate to determine coupon payment amount.

Premium - The amount by which the price paid for a security exceeds the security's par value.

Primary Government Securities Dealer (Primary Dealer) – One of 21 (as of 4/2003) large government securities dealers who are required to submit daily reports of market activity and monthly financial statements to the New York Federal Reserve Bank. Primary Dealers are required to continually “make a market” in Treasury securities, buying or selling when asked, thereby creating a liquid secondary market for US debt obligations.

Principal - The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prudent Person Rule - An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Regular Way Delivery - Securities settlement that calls for delivery and payment on the third business day following the trade date (T+3); payment on a T+1 basis is currently under consideration. Mutual funds are settled on a same day basis; government securities are settled on the next business day.

Repurchase Agreement (repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse Repo) - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Safekeeping - Holding of assets (e.g., securities) by a financial institution.

Swap - Trading one asset for another.

Total Return - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

Treasury Bills - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Notes - Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from \$1,000 to \$1 million or more.

Uniform Net Capital Rule - SEC Rule 15C3-1 outlining capital requirements for broker/dealers.

Volatility - A degree of fluctuation in the price and valuation of securities.

Yield - The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield-to-call (YTC) - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Yield Curve - A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

Yield-to-maturity - The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-coupon Securities - Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

ATTACHMENT A
CITY OF TEXAS CITY, TEXAS
BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION

Name of Firm: _____

Address: _____

Telephone: _____

Fax: _____

Years Established: _____

Number of Employees: _____

PRIMARY REPRESENTATIVE/MANAGER/PARTNER-IN-CHARGE:

Primary Representative(s):

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

Manager/Partner-in-Charge:

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

Note: If a question does not apply to your organization, please place an "N/A" as your answer, so that it is not left blank.

1. Are you a primary dealer in U.S. Government Securities? No

If yes, for how long has your firm been a primary dealer? Years

2. What was your firm's total volume in U.S. Government and Agency Securities last year?

Firm Wide \$ [redacted] # Transactions [redacted]
(Securities purchase and sold only)

Local Office \$ [redacted] # Transactions [redacted]
(Including repurchase Agreements)

3. Which instruments are offered regularly by your local desk?

T-Bills S and L CDs Instrumentality's
Treasury BAs (Domestic) Commercial Paper
Notes/Bonds BAs (Foreign) Other (Specify) Agencies (Specify)
Bank CDs

4. Identify the personnel who will be trading with or quoting securities to our government's employees. (Please attach resumes for each person)

Name: _____ Name: _____
Title: _____ Title: _____
Telephone: _____ Telephone: _____
Fax: _____ Fax: _____
CRD Number: _____ CRD Number: _____
Number of Years with Firm: _____ Number of Years with Firm: _____
Email: _____ Email: _____

5. Have any or your clients ever sustained a loss on a securities transaction arising from a misunderstanding or misrepresentation of the risk characteristics of the instrument?

Yes No

If yes, please explain below:

6. Has your firm or any of your employees ever been subject to a regulator or state/federal agency investigation for alleged improper, fraudulent, disputable or unfair activities related to the sale of securities?

Yes No

If yes, please explain below:

7. How many and what percentage of your transactions failed:

			Last Month?	%
			Last Year?	%

8. Please explain your normal custody and delivery process. Who audits these fiduciary systems?

9. Will you provide a faxed and/or electronic copy of the trade ticket, no later than one business day after the trade is made?

Yes No

The following information needs to be included:

- a. Security Type and CUSIP Number
- b. Issue Date, Maturity Date, Settlement Date, Trade Date, Call Date, Pay Date
- c. Risk Class, Risk Factor
- d. Rating
- e. Coupon Rate
- f. Par Value and Price

10. Does your firm consistently comply with the Federal Reserve Bank's capital adequacy guideline?

Yes No

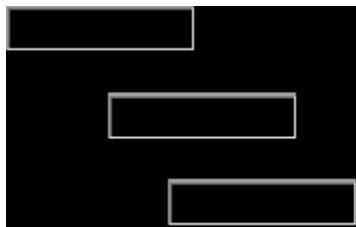
By what factor (1.5x, 2x, etc.) does your firm presently exceed the capital adequacy guidelines measure of risk?

INCLUDE certified documentation of your capital adequacy as measured by Federal Reserve standards.

11. Please provide audited financial statements for the most current year and other indicators regarding your firm's capitalization. Audited Financial Statements enclosed?

Yes No

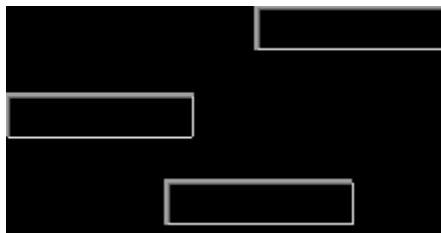
12. Please provide the following: (Note: Do not answer with “see financial report” as that will be construed as an unanswered question.)



a. Debt/Equity

b. Assets (in Millions)

c. Net Capital (in Millions)



d. Volume of Security Transactions (in Millions)

e. Total Liabilities (in Millions)

f. Total Stockholders' Equity (in Millions)

13. Are you representing a parent corporation or a subsidiary of another corporation?

Yes No

If yes, please furnish audited financial statements on your parent corporation as well as your subsidiary. Audited financial statements enclosed?

Yes No

14. Describe the precautions taken by your firm to protect the interest of the public when dealing with government agencies as investors.

15. Provide a description of the Capital line and trading limits that support/limit the office that would conduct business with our government.

16. ATTACH a copy of your National Association of Securities Dealers Registration.

17. ATTACH a copy of your State of Texas Securities Commission Registration.

18. Do you participate in the Securities Investors Protection Corporation (S.I.P.C.)?

Yes No

If no, please explain below:

19. Enclose a complete schedule of fees and charges for various transactions. Schedule of fees and charges enclosed?

Yes No

20. Do you give perfected security interest in securities under repurchase agreements?

Yes No

21. Please identify (at least five for each trader you include in this questionnaire and certification) your most directly comparable public sector clients preferably in our geographical area.

Trader Name:

	Entity	Contact Person	Telephone	Client Since
1.				
2.				
3.				
4.				
5.				

Trader Name:

	Entity	Contact Person	Telephone	Client Since
1.				
2.				
3.				
4.				
5.				

Broker/Dealers are evaluated by the answers given on this questionnaire. Be sure to complete each question to your fullest ability and return the request by the due date in order for your company to be considered.

The City's Investment Policy has been included in the packet. The representative assigned to the account must acknowledge that they have received, read and understand the Policy by signing the Texas Public Funds Investment Act Certification by Dealer Form included in the packet.

Checklist:

Certified documentation of your capital adequacy enclosed.

Audited financial statement enclosed.

Copy of your FINRA Registration enclosed.

Copy of your State of Texas Securities Commission Registration enclosed.

Schedule of fees and charges enclosed.

ATTACHMENT B

City of Texas City, Texas Texas Public Funds Investment Act Certification by Dealer

This certification is executed on behalf of _____
(the Investor) and _____ (the Dealer) pursuant to the
Public Funds Investment Act, Chapter 2256, Government Code, Texas Codes
Annotated (the Act) in connection with investment transactions conducted between the
Investor and Dealer.

The undersigned Qualified Representative of the Dealer hereby certifies on behalf of the
Dealer that:

1. The Dealer Qualified Representative is duly authorized to execute this Certification on
behalf of the Dealer, and
2. The Dealer Qualified Representative has received and reviewed the Investment Policy
furnished by the Investor.

Dealer Qualified Representative

Signature

Name (Printed)

Title

Date

ATTACHMENT C

RECOMMENDED SPONSORS OF INVESTMENT TRAINING

- Government Finance Officers Association of Texas (GFOAT)
- Government Treasurers Association of Texas (GTOT)
- Texas Municipal League (TML)
- The North Central Texas Council of Governments (NCTCOG)
- The Texas Association of Governments
- State of Texas
- Hilltop Securities

ATTACHMENT D

QUALIFIED BROKERS/DEALERS

The Investment Advisor will provide its' list of broker/dealers not less than annually.



Approved Broker/Dealers

April 2025

*Academy Securities ***

BofA Securities

BOK Financial

Daiwa Capital Markets

FHN Financial

Goldman, Sachs & Co

*Great Pacific Securities***

JP Morgan Securities

KeyBanc Capital Markets

*Loop Capital Markets ***

Mesirow Financial

Mizuho Securities

Morgan Stanley & Co

*Multi-Bank Securities ***

Oppenheimer & Co.

Piper Sandler & Co

Raymond James

RBC Capital Markets

*Rice Financial ***

*Siebert Williams Shank ***

Stifel Financial

StoneX

TD Securities

UBS Securities

UMB Bank

U.S. Bancorp Investments

Wells Fargo Securities

* **Bold face font indicates firm is a Primary Dealer.**

** *Dark blue italics font indicates firm is a Historically Underutilized Business (HUB),
Minority/Women Owned Business (MWOB), or Veteran Owned Business.*



Texas City
EST. 1911

**City of Texas City, Texas
Investment Policy
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INVESTMENT STRATEGY

The investment strategy, of the City of Texas City, Texas, is adopted to provide investment guidelines that will minimize the risk of loss, whereby the City of Texas City, Texas will pursue a passive investment strategy. In order to make effective use of the City's resources, **all monies shall be pooled into one fund**, except for those monies required to be accounted for in other accounts as stipulated by applicable laws, bond covenants, contracts or City policy. Investments will be purchased with the intent of holding to maturity and will only be sold early under exceptional circumstances. In purchasing investments, the Investment Officer will attempt to follow a ladder strategy to ensure that the portfolio will meet the City's liquidity needs. Investment priorities, in order of priority, are as follows:

1. **Suitability** – Any investment allowed by the Investment Policy is suitable.
2. **Preservation and Safety of Principal** – Investments of the City shall be undertaken in a manner that seeks to **ensure** the preservation of capital in the overall portfolio.
3. **Liquidity** – The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operational requirements that might reasonably be anticipated.
4. **Marketability** – Investments should have an active and efficient secondary market to enable the City to liquidate investments prior to the maturity if the need should arise.
5. **Diversification** – The Investment Officer will attempt to maintain a diversified portfolio with regard to security type, financial institution providing the security, and maturity.
6. **Yield** – The City's investment portfolio shall be designed with the objective of attaining the maximum rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow characteristics of the portfolio.

City of Texas City, Texas **Investment Policy**

The Public Funds Investment Act, Chapter 2256, Texas Government Code, as Amended (“PFIA” herein), requires each city to adopt rules governing its investment practices and to define the authority of the investment officer. The following Investment Policy addresses the methods, procedures, and practices that must be exercised to ensure effective and judicious fiscal management of the City of Texas City funds.

I. POLICY

It is the policy of the City of Texas City, Texas (“City”) to invest public funds in a manner that will ensure the preservation of capital, conform to all applicable State and Local statutes governing the investment of public funds and provide reasonable investment returns. The City shall invest all funds deemed in excess of current needs. “Current needs” are hereby defined as expenditures to be required within a given ninety- (90) day period

II. SCOPE

The investment policy applies to all the financial assets and funds held by the City, except for the Firemen’s Relief and Retirement Fund. These funds are defined in the City of Texas City’s Comprehensive Annual Financial Report and include:

Funds

1. General Funds
2. Special Revenue Funds
3. Capital Projects Funds
4. Enterprise Funds
5. Internal Service Funds
6. Debt Service Funds
7. Trust and Agency Funds

Any new funds created by the City will be subject to this policy unless specifically exempted by the City Commission. To maximize the effective investment of assets, all funds mentioned above will pool their cash balances for investment purposes. The income derived from investing activities will be distributed to the various funds based on calculation of their average balances.

III. INVESTMENT OBJECTIVES

The City of Texas City shall manage and invest its cash with three (3) primary objectives, listed in order of priority: **safety, liquidity, and yield**. The safety of principal invested always remains the primary objective.

Safety

Safety of principal is the foremost objective of the City. Investment of City funds shall be undertaken in a manner that seeks to ensure the preservation of capital and the protection of investment principal in the overall portfolio.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated disbursement schedules of the City.

Yield

The City's investment portfolio shall be designed with the objectives of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow of the portfolio. Return on investment is of least importance compared to the safety and liquidity objectives described above. "Market rate of return" may be defined as the average yield of the current three-month U.S. Treasury Bill or such other index that closely matches the average maturity of the portfolio.

IV. STANDARDS OF CARE

Delegation of Investment Authority

Article 11, Section 1 of the Charter of the City of Texas City designates the Director of Finance **to manage the City's investment program**. The Director of Finance, acting on behalf of the City Commission, is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. The Director of Finance may appoint an **additional** Investment Officer whose responsibility shall be to invest the funds on behalf of the City in accordance with this investment policy. The City Commission is also responsible for considering the quality and capability of staff,

investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The **Finance Director** shall develop and maintain written administrative procedures for the operation of the investment program, which are consistent with this investment policy. Procedures will include reference to safekeeping, wire transfer agreements; banking services contracts, and other investment related activities.

The **Finance Director** shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff. The **Finance Director** shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer is not available.

No officer or designee may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer and approved by the Director of Finance.

Investment Training

The Chief Financial Officer and all designated Investment Officers of the City shall:

- (1) Attend at least one training session, from an independent source approved by the City Commission and containing at least 10 hours of instruction relating to the responsibilities under this policy within 12 months after taking office or assuming duties; and
- (2) Attend an investment training session not less than once in a two-year period, **which begins on the first day of the fiscal year and consists of the two consecutive years after that date** and receive not less than 8 hours of instruction relating to investment responsibilities.

Training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Public Funds Investment Act.

Standard of Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the Mayor any personal business relationship in financial institutions with which they conduct business. An employee or officer has a personal business relationship with a business organization if:

1. The employee or officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;

Standard of Ethics and Conflicts of Interest (continued)

2. Funds received by the employee or officer from the business organization exceed 10 percent of the employee's gross income for the previous year; or
3. The employee or officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the employee or officer.

They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio including an individual who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity. Disclosure under this section shall be accomplished by filing a statement with the Texas Ethics Commission and the City Commission.

Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit or market price changes provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Cash Flow Forecasting

Cash flow forecasting is designed to protect and sustain cash flow requirements of the City. Supplemental to the financial and budgetary systems, the Investment Officer will

maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes. Cash flow will include historical researching and monitoring of specific cash flow items, payables and receivables as well as overall cash position and patterns.

Internal Controls/Annual Compliance Audit

The Investment Officer shall establish a system of written internal controls which shall be designed to prevent loss of public funds due to fraud, employee error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees of the City. In conjunction with the City's annual financial audit, a compliance audit shall be performed of management controls on investments and adherence to the City's established investment policies.

V. SUITABLE AND AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments as described by the Texas Government Code; Chapter 2256, Sections 2256.09 through 2256.011 and Sections 2256.013 through 2256.016 of the Public Funds Investment Act. Investment of funds in any instrument or security not authorized for investment under the Act is prohibited.

Authorized

1. Direct Obligations of the United States Government: U.S. Treasury Bills, U.S. Treasury Notes, and U.S. Treasury Bonds as well as Bonds or other interest bearing obligations for which the principal and interest are guaranteed by the full faith and credit of the United States government. Federal Agencies and instrumentalities including but not limited to, discount notes, callables and debentures of the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank (FHLB), the Federal Farm Credit Bank (FFCB), and the Federal Home Loan Mortgage Corporation (FHLMC).
2. Time Certificates of Deposit (CDs), insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, in state or national banks **with maturities not to exceed three years**. Any deposits exceeding FDIC insurance limits shall be collateralized at 102% of the face amount of the Certificate of Deposit by securities listed in 1 above and held by the City's custodial bank **t less than the CD's principal plus accrued interest**. Bids for Certificates of Deposit may be solicited orally, in writing, electronically or using any combination of these methods.

3. Repurchase Agreements with a defined termination date of 90 days or less, collateralized by securities listed in 1 above, **in accordance with a signed SIFMA Master Repurchase Agreement**. Collateral must have a minimum market value of 102% of the repurchase agreement and must be held by the custodian bank or other independent third-party custodian contracted by the City. Bond proceeds may be invested in flexible repurchase agreements with maturity dates not exceeding the expected final project expenditure if a formal bidding process is followed and properly documented for IRS purposes.

Authorized (continued)

4. AAA-rated Investment Pools organized under the Texas Inter-local Cooperation Act that follow the requirements in the Public Funds Investment Act and which have been specifically approved by **resolution of** the City Commission.
5. Commercial Paper maturing within days carrying a minimum rating of A1, P-1 or F-1.
6. AAA-rated Money Market Mutual Funds registered with the Securities and Exchange Commission that invests exclusively in investments described in this section.

Not Authorized

The following security types are not permitted:

1. Interest-Only Strips (IO's): Obligations whose payments represent the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no principal.
2. Principal-Only Strips (PO's): Obligations whose payments represent the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
3. Collateralized Mortgage Obligations (CMO's): Obligations that have a stated final maturity date of greater than 10 years.
4. Any security, the interest rate of which is determined by an index that adjusts opposite to the changes in the Market Index (inverse floaters).

Rating Downgrades

An Investment that requires a minimum rating does not qualify as an authorized investment during the period the investment does not have the minimum rating. The City shall take all prudent measures that are consistent with its Investment Policy to liquidate an investment that does not have the minimum rating.

The City is not required to liquidate an investment that was authorized at the time of purchase

VI. FINANCIAL DEALERS AND INSTITUTIONS

Authorized Brokers/Dealers

The Investment Officer shall maintain a list of financial institutions authorized to provide investment services **to the City**. In addition, a list shall also be maintained of approved security broker/dealers selected by credit worthiness authorized to provide investment services in the State of Texas. These may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule).

Authorized Brokers/Dealers (continued)

All financial institutions and brokers/dealers who desire to become a qualified bidder for investment transactions must supply the Investment Officer with a completed Broker/Dealer Questionnaire and Certification, which shall include the following:

1. An audited financial statement for the most recent period.
2. Proof of **current registration** by the Financial Industry Regulatory Authority (FINRA).
3. Proof of current registration with the State Securities Commission.

Financial institutions eligible to transact investment business with the City shall be presented a written copy of this Investment Policy **and shall acknowledge receipt in writing**.

Additionally, the registered principal of the business organization, **defined by the PFIA in section 2256.005 as investment pool providers and discretionary investment managers**, seeking to transact investment business shall execute a written instrument substantially

to the effect that the registered principal has received and reviewed this Investment Policy, and acknowledge that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the City, **except to the extent this authorization is dependent on an analysis of the entire portfolio or requires an interpretation of subjective investment standards.** The City shall not enter into an investment transaction prior to receiving the written instrument described above.

The City Commission shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City. **If the City has contracted with an investment advisor, the advisory shall assume responsibility of the approved list of independent broker/dealers and shall provide this list for City approval not less than annually.**

Investment Advisors

The City may appoint one or more Investment Advisors to assist the City's financial staff in the management of the City's funds. The Investment Advisor must be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and with the State Securities Board. To be eligible for consideration, an Investment Advisor shall demonstrate knowledge of and experience in the management of public funds. The Investment Advisors qualifications will be checked by all appropriate means, including reference checks with the Advisor's other clients, the State Securities Board and the Securities and Exchange Commission. An appointed Investment Advisor shall act within the guidelines of this Investment Policy while transacting business on behalf of the City.

1. Appointment of an Investment Advisor shall otherwise be according to the City's normal purchasing procedures for selecting professional services. Appointment may not exceed a term of two years. A renewal or extension of the contract must be made by City Commission resolution.
2. **All security purchases must be transacted with independent broker/dealers.** The City may not purchase securities **owned by** the Investment Advisor, or a parent or other affiliated company of the Investment Advisor.
3. The Investment Advisor is prohibited from making soft-dollar arrangements of any kind.

Authorized Brokers/Dealers (continued)

4. All contracted Investment Advisors shall report book value and market value of investment holdings, the total investment return, and such other information requested by the Director of Finance.

Depository

At least every five (5) years a Depository shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP). The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

1. The ability to qualify as a depository for public funds in accordance with state and local laws.
2. The ability to provide requested information or financial statements for the period specified.
3. The ability to meet all requirements in the banking RFP.
4. Complete response to all required items on the bid form.
5. **Net cost of services** consistent with the ability to provide an appropriate level of service.
6. The credit worthiness and financial stability of the bank.

The bank depository contract is subject to City Commission approval.

Competitive Bids

Investment transactions will normally be conducted based on comparison of a minimum of three (3) quotes obtained from any of the approved brokers with attention to yield as well as diversification with regard to issuing entity and broker/dealer. Limitations of time and supply may provide otherwise. **Investment transactions not requiring** competitive offers include a) transactions with money market mutual funds; b) local government investment pools and c) new securities still in syndicate priced at par, **which are deemed to be made at prevailing market rates. If the City has contracted with an Investment Advisor, the advisor is required to obtain and document three quotes on every transaction**

Delivery vs. Payment

All security transactions *excluding investment pools, mutual funds, and collateralized CDs*, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis **in which payment and receipt of securities occur simultaneously**

VII. SAFEKEEPING AND CUSTODY

Safekeeping Agreement

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as part of its investment portfolio or held as collateral to secure demand or time deposits.

Safekeeping and Custody

Safekeeping and custody of securities shall be in accordance with state law. Securities will be held by a third-party custodian designated by the Investment Officer and held in the City's name as evidenced by **original** safekeeping receipts of the institution with which the securities are **held**.

Collateralization

Consistent with the requirements of the Public Funds Collateral Act (**Texas Government Code; Chapter 2257**), it is the policy of the City to require collateralization of **bank deposits and uninsured collected balances** . In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on deposits less than an amount insured by the FDIC. **Terms will be in accordance with a written collateralization agreement.**

Collateral **will be** . A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained.

The right of collateral substitution is granted **as long as proper collateral levels are maintained**.

VIII. INVESTMENT PARAMETERS

Maximum Maturities

To the extent possible, the City of Texas City, will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase. Additionally, the City will maintain a dollar-weighted average maturity of two (2) years or less.

Diversification

It is the intent of the City to diversify the investment instruments within the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. The asset allocation in the portfolio should be flexible depending on the outlook for the economy and securities market **and shall apply at time of purchase**. If conditions warrant, the guidelines below may be exceeded by approval of the Mayor.

- 1. U.S. Treasury Securities 100%
- 2. Agencies and Instrumentalities 75%
- 3. Certificates of Deposit **30%**
- 4. Money Market Mutual Funds 30%
- 5. Repurchase Agreements..... 20%
- 6. Commercial Paper 20%
- 7. Authorized Pools **100%**

IX. REPORTING

Not less than quarterly and within a reasonable time after the end of the period reported, the Investment Officer should prepare and submit to the City Commission a written report of the investment transactions for all funds of the City for the preceding reporting period **in accordance with requirements of PFI section 2256.023**. The report must:

- 1. Describe in detail the investment position of the City on the date of the report.
- 2. Contain a summary statement of each pooled fund group that states the beginning market value for the reporting period and additions and changes to the market value for the period.
- 3. State the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested.
- 4. State the maturity date of each separately invested asset that has a maturity date.

5. State the pooled group fund in the City for which each individual investment was acquired.
6. The quarterly report will be prepared jointly by all investment officers and be signed by all investment officers.
7. State all accrued interest payable.
8. State the compliance of the investment portfolio as it relates to this policy and the Public Funds Investment Act (PFIA).

Marking to Market

The market values of the City's investments shall be obtained from a reliable and documented outside source, which has access to investment market values. Sources include, but are not limited to the City's depository bank, the safekeeping agent, Bloomberg, and the Wall Street Journal. The Investment Advisor shall use an independent and fully disclosed pricing source for its reports.

Annual Review

Quarterly reports must be formally reviewed at least annually by an independent auditor and reported to the City Commission.

X. PERFORMANCE STANDARDS

Performance Standards

The investment policy shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs.

Performance Benchmark

The City of Texas City, Texas intends to hold its purchased securities to maturity. . Given this strategy, the benchmark to be used by the Investment Officer to determine whether market yields are being achieved shall be the average closing yield of a Treasury obligation with a comparable maturity during the reporting period comparable to the portfolios dollar-weighted average maturity in days.

XI. POLICY ADOPTION

Annual Review and Adoption of Investment Policy

The City Commission shall adopt the City's investment policy. The Director of Finance and City Commission shall review the policy and investment strategies on an annual basis. The City Commission must approve any changes.

GLOSSARY

-A-

Accrued Interest – The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency – A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Amortization – The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Asked – The price at which securities are offered.

Average Life – The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund features is expected to be outstanding.

-B-

Basis Point – A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

Bid – The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value – The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Broker – A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money

market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

-C-

Callable Bond – A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

-C- (continued)

Call Price – The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk – The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase – A transaction that calls for delivery and payment of securities on the same day the transaction is initiated.

Certificate of Deposit (CD) – A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typical negotiable.

Collateralization – Process by which a borrower pledges securities, property, or other deposits for the purposes of securing the repayment of a loan and/or security.

Commercial Paper – An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

Comprehensive Annual Financial Report (CAFR) – The official annual report for the City of Texas City. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

Convexity – A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon Rate – The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. It is also known as the interest rate.

Credit Quality – The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely

interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk – The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

-D-

Dealer – A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Delivery Versus Payment (DVP) – A type of security transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Derivative Security – Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Discount – The amount by which the par value of a security exceeds the price paid for the security.

Discount Securities – Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

Diversification – A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration – A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

-F-

Fair Value – The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds) – Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the

Federal Reserve banking system. Fed funds are considered immediately available funds.

Federal Funds Rate – Interest rate charged by one institution lending federal funds to the other.

-F- (continued)

Federal Credit Agencies – Agencies of the Federal Government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

Federal Deposit Insurance Corporation (FDIC) – A federal agency that insures bank deposits, currently up to \$250,000 per depository account.

Federal Home Loan Banks (FHLB) – The institutions that regulates and lend to savings and loans associations. The Federal Home Loan Banks play a role similar to that played by the Federal Reserve Banks versus member commercial banks.

Federal National Mortgage Association (FNMA) – FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

Federal Open Market Committee (FOMC) – Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

Federal Reserve System – The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

Financial Industry Regulatory Authority (FINRA) – A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

-G-

Government Securities – An obligation of the U.S. Government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See “Treasury Bills, Notes, and Bonds”.

-I-

Interest Rate – See “Coupon Rate”.

Interest Rate Risk – The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

Internal Controls – An internal control structure designated to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

- **Control of collusion** – Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- **Separation of transaction authority from accounting and record keeping** – By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- **Custodial safekeeping** – Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.

Inverted Yield Curve – A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs

during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Company Act of 1940 – Federal legislation that sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Policy – A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

-I- (continued)

Investment-grade Obligations – An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investmentgrade is restricted to those obligations rated BBB or higher by a rating agency.

-L-

Liquidity – A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value.

Local Government Investment Pool (LGIP) – An investment by local governments in which their money is pooled as a method for managing local funds.

-M-

Mark-to-Market – The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk – The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value – Current market price of a security.

Maturity – The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See “Weighted Average Maturity”.

Money Market – The market in which short-term debt instruments (bills, commercial paper, banker’s acceptances, etc.) are issued and traded.

Money Market Mutual Fund – Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury Bills, commercial paper, bankers' acceptances, repos and federal funds).

Mutual Fund – An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940. -
N-

Net Asset Value – The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets that includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below). $[(\text{Total assets}) - (\text{Liabilities})] / (\text{Number of shares outstanding})$

No Load Fund – A mutual fund that does not levy a sales charge on the purchase of its shares.

Nominal Yield – The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon", "coupon rate", or "interest rate".

-O-

Offer – An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price".

-P-

Par – Face value or principal value of a bond, typically \$1,000 per bond.

Portfolio – Collection of securities held by an investor.

Positive Yield Curve – A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium – The amount by which the price paid for a security exceeds the security's par value.

Prime Rate – A preferred interest rate change charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal – The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prospectus – A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain financial statements.

-P- (continued)

Prudent Person Rule – An investment standard outlining the fiduciary responsibilities of public investors relating to investment practices.

-Q-

Qualified Public Depositories – A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

-R-

Rate Of Return – The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

Reinvestment Risk – The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (repo or RP) – An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse repo) – An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act – Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13-month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar (\$1.00).

-S-

Safekeeping – Holding of assets (e.g., securities) by a financial institution.

Secondary Market – A market made for the purchase and sale of outstanding issues following the initial distribution.

-S- (continued)

Securities & Exchange Commission – Agency created by Congress to protect investors in securities transactions by administering securities legislation. **Serial Bond** – A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund – Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Swap – Trading one asset for another.

-T-

Term Bond – Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return – The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

Treasury Bills – Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three and six month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Bonds – Marketable, fixed-interest U.S. government debt securities with maturities of more than ten years and issued in minimum denominations of \$1,000.

Treasury bonds make interest payments semi-annually and the income that holders receive is only taxed at the federal level.

Treasury Notes – Marketable, U.S. government debt securities with fixed interest rates and maturities between 1 to 10 years. Treasury notes can be bought either directly from the U.S. government or through banks.

-U-

Uniform Net Capital Rule – SEC Rule 15C3-1 – Securities and Exchange Commission requirement that member firms as well as nonmember brokerdealers in securities maintain a maximum ration of indebtedness to liquid capital of 15 to 1: also called net capital rule and net capital ratio. Indebtedness covers all money owned to a firm, including margin loans and commitments to purchase securities. This is one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

-V-

Volatility – A degree of fluctuation in the price and valuation of securities.

Volatility Risk Rating – A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns (“aaa” by S&P; “V-1” by Fitch) to those that are highly sensitive with currently identifiable market volatility risk (“ccc” by S&P; “V-10” by Fitch).

-W-

Weighted Average Maturity (WAM) – The average maturity of all the securities that comprise a portfolio. According the SEC Rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

When Issued (WI) – A conditional transaction in which an authorized new security has not been issued. All “when issued” transactions are settled when the actual security is issued.

-Y-

Yield – The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield-to-call (YTC) – The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Yield Curve – A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

-Y- (continued)

Yield-to-maturity – The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

-Z-

Zero-coupon Securities – Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of gradual accretion of the principal of the security and is payable at par upon maturity.

**ATTACHMENT A CITY OF TEXAS CITY, TEXAS BROKER/DEALER
QUESTIONNAIRE AND CERTIFICATION**

Name of Firm: _____

Address: _____

Telephone: _____

Fax: _____

Years Established: _____

Number of Employees: _____

PRIMARY REPRESENTATIVE/MANAGER/PARTNER-IN-CHARGE:

Primary Representative(s):

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

Manager/Partner-in-Charge:

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

Note: If a question does not apply to your organization, please place an "N/A" as your answer, so that it is not left blank.

If yes, please explain below:

7. How many and what percentage of your transactions failed:

Last Month? %

Last Year? %

8. Please explain your normal custody and delivery process. Who audits these fiduciary systems?

9. Will you provide a faxed and/or electronic copy of the trade ticket, no later than one business day after the trade is made?

Yes No

The following information needs to be included:

- a. Security Type and Cusip Number
- b. Issue Date, Maturity Date, Settlement Date, Trade Date, Call Date, Pay Date
- c. Risk Class, Risk Factor
- d. Rating
- e. Coupon Rate
- f. Par Value and Price

10. Does your firm consistently comply with the Federal Reserve Bank's capital adequacy guideline?

Yes No

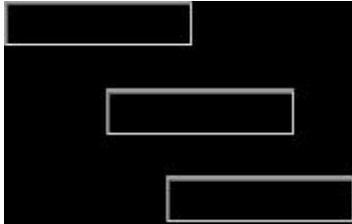
By what factor (1.5x, 2x, etc.) does your firm presently exceed the capital adequacy guidelines measure of risk?

INCLUDE certified documentation of your capital adequacy as measured by Federal Reserve standards.

11. Please provide audited financial statements for the most current year and other indicators regarding your firm's capitalization. Audited Financial Statements enclosed?

Yes No

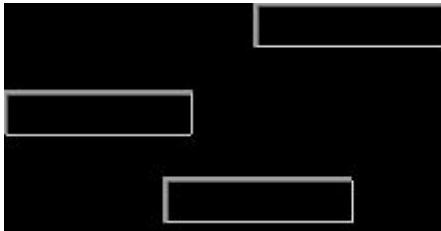
12. Please provide the following: (Note: Do not answer with “see financial report” as that will be construed as an unanswered question.)



a. Debt/Equity

b. Assets (in Millions)

c. Net Capital (in Millions)



d. Volume of Security Transactions (in Millions)

e. Total Liabilities (in Millions)

f. Total Stockholders' Equity (in Millions)

13. Are you representing a parent corporation or a subsidiary of another corporation?

Yes No

If yes, please furnish audited financial statements on your parent corporation as well as your subsidiary. Audited financial statements enclosed?

Yes No

14. Describe the precautions taken by your firm to protect the interest of the public when dealing with government agencies as investors.

15. Provide a description of the Capital line and trading limits that support/limit the office that would conduct business with our government.

16. ATTACH a copy of your National Association of Securities Dealers Registration.

17. ATTACH a copy of your State of Texas Securities Commission Registration.

18. Do you participate in the Securities Investors Protection Corporation (S.I.P.C.)?

Yes No

If no, please explain below:

19. Enclose a complete schedule of fees and charges for various transactions. Schedule of fees and charges enclosed?

Yes No

20. Do you give perfected security interest in securities under repurchase agreements?

Yes No

21. Please identify (at least five for each trader you include in this questionnaire and certification) your most directly comparable public sector clients preferably in our geographical area.

Trader Name:

	Entity	Contact Person	Telephone	Client Since
1.				
2.				
3.				
4.				
5.				

Trader Name:

	Entity	Contact Person	Telephone	Client Since
1.				
2.				
3.				
4.				
5.				

Broker/Dealers are evaluated by the answers given on this questionnaire. Be sure to complete each question to your fullest ability and return the request by the due date in order for your company to be considered.

The City's Investment Policy has been included in the packet. The representative assigned to the account must acknowledge that they have received, read and understand the Policy by signing the Texas Public Funds Investment Act Certification by Dealer Form included in the packet. **Checklist:**

Certified documentation of your capital adequacy enclosed.

Audited financial statement enclosed.

Copy of your **FINRA** Registration enclosed.

Copy of your State of Texas Securities Commission Registration enclosed.

Schedule of fees and charges enclosed.

ATTACHMENT B

City of Texas City, Texas Texas Public Funds Investment Act Certification by Dealer

This certification is executed on behalf of _____
(the Investor) and _____ (the Dealer) pursuant to the
Public Funds Investment Act, Chapter 2256, Government Code, Texas Codes
Annotated (the Act) in connection with investment transactions conducted between the
Investor and Dealer.

The undersigned Qualified Representative of the Dealer hereby certifies on behalf of the
Dealer that:

1. The Dealer Qualified Representative is duly authorized to execute this Certification on
behalf of the Dealer, and
2. The Dealer Qualified Representative has received and reviewed the Investment Policy
furnished by the Investor.

Dealer Qualified Representative

Signature

Name (Printed)

Title

Date

Attachment C

RECOMMENDED SPONSORS OF INVESTMENT TRAINING

- Government Finance Officers Association of Texas (GFOAT)
- Government Treasurers Association of Texas (GTOT)
- Texas Municipal League (TML)

- The North Central Texas Council of Governments (NCTCOG)
- The Texas Association of Government
- State of Texas

ATTACHMENT D
CITY OF TEXAS CITY, TEXAS
QUALIFIED BROKERS/DEALERS

Hilltop Securities
A Hilltop Holdings Company
3 Riverway, Suite 1400
Houston, TX 77056
Phone: 832-681-4601
Stuart Ford
Erle Hoppe

Merrill Lynch
2100 Ross Avenue, Suite 1100
Dallas, Texas 75201
Phone: 800-574-1610

Wells Fargo Advisors
2700 Post Oak Blvd., Ste. 800
Houston, Texas 77056
Phone: 713-599-6700

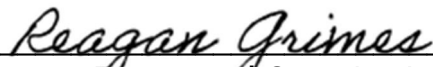
SWBC Investment Services, LLC
15106 Cranbourne
Houston, Texas 77062
Phone: 281-851-6508
Paul Grover



Government Treasurers' Organization of Texas
Certification of Investment Policy

Presented to the
City of Texas City

for developing an investment policy that meets the requirements of the Public Funds Investment Act and the standards for prudent public investing established by the Government Treasurers' Organization of Texas.



Government Treasurers' Organization of Texas
President



Investment Policy Review Committee

For the two-year period ending August 31, 2027

RESOLUTION NO. 2025-100

A RESOLUTION APPROVING THE CITY OF TEXAS CITY'S INVESTMENT POLICY; AND PROVIDING THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the Texas Public Funds Investment Act requires each home rule municipality to adopt an investment policy by rule, order, ordinance, or resolution; and

WHEREAS, in 1995, the City adopted an Investment Policy to comply with the Texas Public Funds Investment Act (TPFIA); and

WHEREAS, the City of Texas City's Investment Policy mandates how City funds are to be managed and invested; and

WHEREAS, the City's Investment Policy was updated in 1998, 2000, 2004, 2005, 2006, 2009, 2015, and 2017; and

WHEREAS, the City has partnered with Hilltop Securities Investment Advisory team to optimize the investment strategy and make the following changes:

- Change the reference of Council to Commission to align with the City's Governance Structure
- Change to comply with the 2019 changes in the Texas Public Funds Investment Act (TPFIA)

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

SECTION 1: That the City Commission of the City of Texas City hereby approves the City's Investment Policy, attached hereto as **Exhibit "A"**, and made a part hereof.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 17th day of September 2025.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney