CITY OF BAYTOWN

NOTICE OF MEETING

THE CITY COUNCIL OF THE CITY OF BAYTOWN AND THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT WILL PARTICIPATE IN A JOINT MEETING THURSDAY, APRIL 23, 2026 6:30 P.M. COUNCIL CHAMBER, CITY HALL 2401 MARKET STREET, BAYTOWN, TEXAS 77520

AGENDA

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

PLEDGE AND INVOCATION

Council Member Laura Alvarado, District No. 1

1. CITIZEN COMMENTS

Notice is hereby given that in accordance with the Texas Open Meetings Act, Texas Government Code, Chapter 551, prohibits the City Council from discussing, deliberating, or considering, subjects for which public notice has not been given on the agenda. Issues that cannot be referred to the administration for action may be placed on the agenda of a future City Council Session.

2. MUNICIPAL DEVELOPMENT DISTRICT ITEMS

a. Consider a resolution authorizing funding for the continued engagement of Husch Blackwell LLP to advise on economic development and general legal matters.

3. CITY COUNCIL ITEMS - RECOGNITIONS AND CITIZEN COMMUNICATIONS

a. Present a proclamation designating April 12 - 18, 2026, as National Public Safety Telecommunicators Week.

b. Present a proclamation designating April 24 - 26 as Bikers Against Child Abuse (BACA) Heroes Weekend.

c. Present a proclamation designating May 3 - 9, 2026, as Public Service Recognition Week.

d. Present a proclamation designating May 3 - 9, 2026, as Municipal Clerks Week.

e. Present a proclamation designating May 3 - 9, 2026, as National Correctional Officers Week.

f. Receive recognition from the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) for the City of Baytown's implementation of their R.O.A.D. Ready Program in the Parks, Recreation, & Tourism Department.

4. PUBLIC HEARINGS

a. Conduct a public hearing for a proposed text amendment to Chapter 111, Unified Land Development Code (ULDC) of the Baytown Code of Ordinances to revise Division 2.3 and 10.2 of the ULDC, regarding Short-Term Rental operations within Residential and Mixed-Use Zoning Districts.

b. Consider an ordinance for a proposed text amendment to Chapter 111, Unified Land Development Code (ULDC) of the Baytown Code of Ordinances to revise Division 2.3 and 10.2 of the ULDC, regarding Short-Term Rental operations within Residential and Mixed-Use Zoning Districts.

c. Conduct a public hearing to amend the official zoning map to rezone approximately 20.36 acres located at 1301 East Interstate Highway (IH) 10, from Freeway Commercial (FC) to a Planned Unit Development (PUD) Zoning District.

d. Consider an ordinance to amend the official zoning map to rezone approximately 20.36 acres located at 1301 East Interstate Highway (IH) 10, from Freeway Commercial (FC) to a Planned Unit Development (PUD) Zoning District.

5. DISCUSSIONS

a. Discussion regarding closed session agenda items.

6. PROPOSED RESOLUTIONS

a. Consider a resolution granting the petition for the proposed annexation of approximately 202.48 acres of land, located on the north and south sides of Battlebell Road and the east side of John Martin Road, and sections of Battlebell and Jones Road.

7. CONSENT

All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

a. Consider an ordinance amending Chapter 42, "Health and Sanitation," of the City of Baytown Code of Ordinances to update the permit fee schedule for food or food service establishments, update food manager certification requirements, revise cottage food regulations consistent with state law, and adopt the FDA Food Code 2022.

b. Consider an ordinance authorizing the declaration of surplus property and approving the sale of approximately 0.1194 acres of land located at 3316 Illinois Avenue, legally described as Lot Eighteen (18), Block Eight (8), of East Baytown, an addition in Harris County, Texas, according to the map or plat thereof recorded in Volume 7, Page 54, of the Map Records of Harris County, Texas.

c. Consider an ordinance authorizing the purchase of wireless voice and data services, along with associated equipment, from Verizon Wireless through the Texas Department of Information Resources cooperative contract DIR-TELE-CTSA-003.

d. Consider a resolution authorizing the City Manager to submit a request for funding support to the Houston Ship Channel Security District on behalf of the City of Baytown Police Department.

e. Consider an ordinance authorizing the first renewal of the Liquid Chlorine chemical contact with PVS DX, Inc.

f. Consider an ordinance authorizing the first renewal of the Liquid Cationic Polymer chemical contract with Polydyne Inc.

g. Consider an ordinance authorizing the first renewal of the Liquid Ammonium Sulfate chemical contract with Chemtrade Chemicals US, LLC.

h. Consider an ordinance authorizing an easement to CenterPoint Energy for the East District Wastewater Treatment Plant Phase 2 Rehabilitation Project.

i. Consider an ordinance awarding the Bulk Hydraulic Cement Contract to Ash Grove Cement Company, through a cooperative purchasing agreement with Tarrant County.

8. MANAGER'S REPORT

Notice is hereby given in accordance with Section 551.0415 of the Texas Government Code, the City Council of the City of Baytown may receive a report about items of community interest from City staff and/or a member of the City Council, but no action or possible action shall be taken or discussed concerning the subject of such report, except as provided by Section 551.042 of the Texas Government Code.

9. COUNCIL MEMBER DISTRICT REPORT

a. Receive a report from Council Member Laura Alvarado regarding projects, programs and events in District No. 1.

10. EXECUTIVE SESSION

a. Recess into and conduct an executive session pursuant to Texas Government Code Section 551.072 to deliberate the purchase, exchange, lease, or value of real property.

11. PROPOSED ORDINANCES

a. Consider an ordinance to exchange tracts of land located at 1004 Market Street, 1006 Market Street, 1010 Market Street, and 1011 West Texas Avenue, with Lee College for tracts of land 909 Decker Drive and 2 Price Street.

12. ADJOURN

PUBLIC NOTICE IS GIVEN THAT IN ADDITION TO ANY EXECUTIVE SESSION LISTED ABOVE, THE CITY COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AT ANY TIME AS AUTHORIZED BY THE TEXAS GOVERNMENT CODE SECTIONS 551.071 - 551.090 TO DISCUSS ANY OF THE MATTERS LISTED ABOVE.

THE CITY OF BAYTOWN IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE ACCOMMODATIONS AND EQUAL ACCESS TO COMMUNICATIONS WILL BE PROVIDED UPON REQUEST. FOR ASSISTANCE PLEASE CALL 281-420-6690, FAX 281-420-7176, OR CONTACT 281-420-6690 VIA RELAY TEXAS AT 711 OR 1-800-735-2988 FOR TYY SERVICES. FOR MORE INFORMATION CONCERNING RELAY TEXAS, PLEASE VISIT: HTTP://RELAYTEXAS.COM

Approved for posting:

/S/Jason E. Reynolds, City Manager

Posted by:

/S/Gabriella Gonzales, Deputy City Clerk
(SEAL)

Posted this 16th day of April 2026, at 5:00 P.M.

CITY COUNCIL MEETING 2. a.

Meeting Date: 04/23/2026

Subject: Authorizing funding for the continued engagement of Husch Blackwell LP, to advise on economic development and general legal matters

Prepared for: Brian Moran, Administration **Prepared by:** Brian Moran, Administration

Department: Administration

Information

ITEM

Consider a resolution authorizing funding for the continued engagement of Husch Blackwell LLP to advise on economic development and general legal matters.

PREFACE

The proposed resolution authorizes funding in the amount of One-Hundred, Fifty-Thousand Dollars ($150,000.00) for the continued engagement of Husch Blackwell LLP, to advise on economic development and general legal matters.

Fiscal Impact

Fiscal Year:	2026
Acct Code:	33007040-54007
Source of Funds (Operating/Capital/Bonds):	Operating
Funds Budgeted Y/N:	Y
Amount Needed:	$150,000.00
Fiscal Impact (Additional Information):	

Attachments

Resolution - MDD funding for Husch Blackwell

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT, AUTHORIZING FUNDING FOR THE CONTINUED ENGAGEMENT OF HUSCH BLACKWELL, L.L.P., FOR ECONOMIC DEVELOPMENT, AND GENERAL LEGAL MATTERS IN AN AMOUNT NOT TO EXCEED ONE HUNDRED FIFTY-THOUSAND AND NO/100 DOLLARS ($150,000.00); MAKING OTHER PROVISIONS RELATED THERETO; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BAYTOWN MUNICIPAL DEVELOPMENT DISTRICT:

Section 1: That the Board of Directors of the Baytown Municipal Development District hereby authorizes funding for the continued engagement of Husch Blackwell, L.L.P., for economic development and general legal matters in an amount not to exceed ONE HUNDRED FIFTY-THOUSAND AND NO/100 DOLLARS ($150,000.00).

Section 2: This resolution shall take effect immediately from and after its passage the Board of Directors of the Baytown Municipal Development District.

INTRODUCED, READ, and PASSED by the affirmative vote of the Board of Directors of the Baytown Municipal Development District this the 23rd day of April, 2026.

_____
CHARLES JOHNSON, President

ATTEST:

_____
ANGELA JACKSON, Assistant Secretary

APPROVED AS TO FORM:

_____
SCOTT LEMOND, General Counsel

CITY COUNCIL MEETING 3. a.

Meeting Date: 04/23/2026
Subject: Present a proclamation designating April 12 - 18, 2026, as National Public Safety Telecommunicators Week.
Prepared by: Valerie Torres, Administration
Department: Administration

Information

ITEM

Present a proclamation designating April 12 - 18, 2026, as National Public Safety Telecommunicators Week.

PREFACE

Fiscal Impact

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
No Fiscal Impact.

CITY COUNCIL MEETING 3. b.

Meeting Date: 04/23/2026
Subject: Present a proclamation designating April 24th - 26th as BACA Heroes Weekend
Prepared for: Charles Johnson, Administration
Prepared by: Valerie Torres, Administration
Department: Administration

Information

ITEM

Present a proclamation designating April 24 - 26 as Bikers Against Child Abuse (BACA) Heroes Weekend.

PREFACE

Bikers Against Child Abuse (BACA) is an international nonprofit organization dedicated to providing support and healing children who have been abused. BACA will be celebrating the last weekend of April 2026 as BACA Heroes Weekend in Texas.

Fiscal Impact

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
No Fiscal Impact.

CITY COUNCIL MEETING 3. c.

Meeting Date: 04/23/2026
Subject: Present a proclamation designating May 3 - 9, 2026, as Public Service Recognition Week.
Prepared by: Valerie Torres, Administration
Department: Administration

Information

ITEM

Present a proclamation designating May 3 - 9, 2026, as Public Service Recognition Week.

PREFACE

Fiscal Impact

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
No Fiscal Impact.

CITY COUNCIL MEETING 3. d.

Meeting Date: 04/23/2026
Subject: Present a proclamation designating May 3 - 9, 2026, as Municipal Clerks Week.
Prepared by: Valerie Torres, Administration
Department: Administration

Information

ITEM

Present a proclamation designating May 3 - 9, 2026, as Municipal Clerks Week.

PREFACE

Fiscal Impact

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
No Fiscal Impact.

CITY COUNCIL MEETING 3. e.

Meeting Date: 04/23/2026
Subject: Present a proclamation designating May 3 - 9, 2026, as National Correctional Officers Week.
Prepared by: Valerie Torres, Administration
Department: Administration

Information

ITEM

Present a proclamation designating May 3 - 9, 2026, as National Correctional Officers Week.

PREFACE

Fiscal Impact

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
No Fiscal Impact.

CITY COUNCIL MEETING 3. f.

Meeting Date: 04/23/2026

Subject: Receive recognition from TMLIRP for implementing R.O.A.D. Ready program in Parks, Recreation, & Tourism Department.

Prepared for: Joey Lopez, Human Resources **Prepared by:** Ava Hudnall, Human Resources

Department: Human Resources

Information

ITEM

Receive recognition from the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) for the City of Baytown's implementation of their R.O.A.D. Ready Program in the Parks, Recreation, & Tourism Department.

PREFACE

The Texas Municipal League Intergovernmental Risk Pool's (TMLIRP) R.O.A.D. Ready program is designed to save lives, prevent injuries, and protect property by raising employee awareness of dangers on and near roadways. The City's Risk Management and Parks, Recreation, & Tourism Department partnered with TMLIRP in implementing the R.O.A.D. Ready Program, culminating in a Safety Rodeo, which consisted of an all-day event with multiple breakout safety training sessions. TMLIRP is presenting a certificate and letter of appreciation recognizing the department's participation in the program.

Fiscal Impact

Fiscal Year:

Acct Code:

Source of Funds (Operating/Capital/Bonds):

Funds Budgeted Y/N:

Amount Needed:

Fiscal Impact (Additional Information):

No fiscal impact.

CITY COUNCIL MEETING 4. a.

Meeting Date: 04/23/2026

Subject: Conduct a public hearing for a proposed text amendment to Chapter 111 â€œUnified Land Development Code,â€ Article 2 â€œZoning Districts and Dimensional Standards,â€ Division 2.3 â€œUse Standardsâ€ and â€œArticle 10â€ Word Usage, â€œDivision 10.2â€ to amend the definition of Short Term Rentals

Prepared for: Martin Scribner, Planning and Development Services

Prepared by: Scott Lemond, Legal

Department: Planning and Development Services

Information

ITEM

Conduct a public hearing for a proposed text amendment to Chapter 111, Unified Land Development Code (ULDC) of the Baytown Code of Ordinances to revise Division 2.3 and 10.2 of the ULDC, regarding Short-Term Rental operations within Residential and Mixed-Use Zoning Districts.

PREFACE

Conduct a public hearing for a proposed text amendment to Chapter 111, Unified Land Development Code (ULDC) of the Baytown Code of Ordinances to revise Division 2.3 and 10.2 of the ULDC, regarding Short-Term Rental operations within Residential and Mixed-Use Zoning Districts.

Fiscal Impact

Fiscal Year:

Acct Code:

Source of Funds (Operating/Capital/Bonds):

Funds Budgeted Y/N:

Amount Needed:

Fiscal Impact (Additional Information):

No Fiscal Impact

Attachments

Staff Report

City of Baytown

Text Amendment
Staff Report
March 17, 2026

Plan Number: ZR26020002

Requested Action: Proposed text amendment to Chapter 111, Unified Land Development Code (ULDC) of the Baytown Code of Ordinances to revise Division 2.3 Use Standards and Division 10.2 Definitions of the ULDC, regarding Short-Term Rentals (STRs) operation within residential and mixed-use zoning districts.

Applicant: City of Baytown

Public Notification: On March 5, 2026, notice was published in the *Baytown Sun*; on March 5, 2026, notice was posted on the City of Baytown website and at City Hall.

Background:
The City Council adopted a new Unified Land Development Code (ULDC) on September 12, 2024, with an effective date of January 1, 2025. Five additional amendments have been made to the code in 2025 to eliminate conflicts, increase consistency with the previous code, add shipping containers as a primary or accessory structure, and ensure that the new code works efficiently and effectively for the City of Baytown and its customers. This proposed amendment strives to further those efforts.

The short-term rentals market in the United States represents a significant and rapidly evolving segment of the broader lodging and housing economy. STRs can be defined as the rental of all or part of a residential dwelling unit for a duration of occupancy of less than 30 consecutive days, facilitated primarily through digital platforms such as Airbnb and Vrbo, as well as smaller regional operators and direct booking channels.

The current ULDC allows short-term rentals within the City's residential and mixed-use zoning districts, provided a Special Use Permit (SUP) is approved by the City Council. On December 11, 2025, staff presented the first SUP application for a STR to the City Council. The application was approved with conditions, allowing an existing single-family residence within the Suburban Residential (SR) zoning district to operate as a short-term rental. During the City Council meeting, staff was directed to conduct additional research on STRs and return with findings and recommendations for potential code amendments to improve the efficiency and regulation of STRs.

The proposed text amendment includes removing the SUP condition for short-term rentals within residential and mixed-use zoning districts and allowing the operation of STRs through a permit process within the same zoning districts. Details of the proposed amendments are attached in Exhibit A.

Summary of The Proposed Regulations:
- Remove ULDC requirement to obtain a special use permit;
- Short-term Rental operation is allowed in residential and mixed-use zoning districts;
- A Short-Term Rental (STR) permit is required annually;
- Permits are subject to renewal following administrative review and life-safety inspection;

- Hotel Occupancy Taxes are collected;
- Each permit application shall identify:
    - The maximum occupancy allowed;
    - The number of bedrooms offered;
    - The number of off-street parking spaces provided; and
    - A designated local contact person available 24 hours per day to respond to complaints or emergencies.
- A minimum stay of 24 consecutive hours; and
- House rules and permit shall be prominently posted within the dwelling unit.

In order to recommend approval of an application for a zoning amendment, the Planning and Zoning Commission shall consider the following factors:

1. Complies with the applicable standards of the City's Code, the ULDC, and any applicable county, state, or federal requirement.

The proposed text amendment is to ensure that short-term rentals are operating in full compliance with all applicable local, county, state, and federal regulations. This includes obtaining required permits and registrations, adhering to zoning and ULDC standards, meeting occupancy, parking, safety, and noise requirements, paying applicable taxes, and complying with building, fire, and health codes. By maintaining proper licensure and remaining in good standing with regulatory agencies, short-term rentals will demonstrate compliance with the City's Code and all governing requirements.

2. The development review body has considered the recommendation of the City staff.

The proposed text amendment is recommended for approval by City staff. The analysis of this proposal is included in this report.

3. Consistent with the Comprehensive Plan and other adopted plans of the City.

The proposed text amendments are consistent with the Growth Capacity (GC), and Housing and Neighborhoods (HN) Goals of the City's Comprehensive Plan 2040. The proposed amendment supports:

- Goal GC1: *A pattern of development that manages growth in a way that adds value to the city, serves the needs of residents and businesses and minimizes adverse impacts on the environment.*
- Goal HN2: *A wider variety of housing types available within the city, including rental options and affordable options across the income spectrum and for various "life cycle" stages to meet the housing needs of residents and local employees.*

When permitted and regulated within appropriate zoning districts consistent with the Future Land Use Plan, short-term rentals can support land use diversity and economic development, draw visitors and business travelers who contribute to the local economy, and provide flexible lodging options while remaining compatible with housing objectives that protect neighborhood character and overall quality of life.

4. Promotes the purposes of the ULDC.

The proposed text amendment will not affect the health, safety, and general welfare in a negative manner. Short-term rentals occur within existing dwelling units and do not constitute new or intensified land uses. By establishing a registration or permitting program, the amendment enables the City to address operational impacts; such as occupancy, parking,

and neighborhood compatibility, while preserving the integrity of residential zoning, protecting public safety, and supporting orderly and compatible development consistent with the objectives of the ULDC. The proposed text amendment promotes the purposes of the Unified Land Development Code by ensuring that land use regulation remains focused on the physical development of property while providing clear, administratively enforceable standards for short-term rentals.

5. Mitigate adverse impacts of the use and development of land on the natural or built environment.

The proposed text amendment will not create adverse impacts to the natural or built environment. Short-term rentals operate within existing legally established dwelling units and do not involve new construction, site disturbance, expansion of infrastructure, or modification of site design. The activity reflects a change in occupancy duration rather than a change in land use or development intensity.

Requiring a Special Use Permit would apply discretionary land use review to an activity that does not alter the physical use of land. Potential neighborhood impacts; such as occupancy levels, parking, and noise are operational in nature and are more appropriately addressed through administrative registration, permitting, and enforcement mechanisms. Accordingly, the amendment maintains a clear distinction between land use regulation and operational oversight while preserving the intent of zoning to manage physical development impacts.

6. Necessary to address changing conditions.

The short-term rental market in the United States has become a significant and rapidly evolving segment of the broader lodging and housing economy. As the market continues to expand and operational models shift, the City's regulatory framework must adapt to address these changing conditions.

The proposed text amendment is necessary to respond to the increasing volume of STRs within the city and the administrative burden associated with the current case-by-case Special Use Permit (SUP) process. The SUP approach results in higher costs for applicants and extended processing times for both applicants and staff.

7. Advances the strategic objectives of the City Council.

The proposed text amendment advances the City Council's strategic objective of maintaining an efficient, clear, and predictable development review process. By transitioning from a case-by-case special use permit framework to a municipal registration or permit-based system, the City can streamline review procedures while ensuring consistent application of regulatory standards; maintaining enforcement authority while improving administrative efficiency; reducing procedural delays, and providing clearer expectations for property owners and residents.

The proposed text amendment addressing STRs is an important first step toward streamlining the STRs permitting process. However, to ensure an effective and sustainable system for the City of Baytown, collaboration among multiple city departments, including Finance, Legal, Fire and Police, is essential. By working together, these departments can establish clear regulations, enforcement procedures, and administrative processes that create a comprehensive and successful STR management framework for the City of Baytown.

Planning Staff Recommendations

Staff recommends that the Planning and Zoning Commission give a recommendation of approval of the proposed text amendment to Chapter 111, Unified Land Development Code (ULDC) of the Baytown Code of Ordinances to revise Division 2.3 Use Standards and Division 10.2 Definitions of the ULDC, regarding Short-Term Rentals (STRs) operation within residential and mixed-use zoning districts.

Division 2.31 – Consolidated Use Table

- Replace Special Use Permit requirement for Short-Term Rentals, depicted as (S) in Table 2.31-1, Land Use Table, with “Limited (L) use” with conditions in residential and mixed-use zoning districts. Short -term rental permit will be allowed in any residential and mixed-use zoning districts.

Table 2.31-1, Land Use Table

Key: P = Permitted Use | S = Special Use | L = Limited Use | -- = Prohibited
CV = Conventional Development Type | CS = Cluster Development Type | IF = Infill Development Type | MS = Main Street | FLX = Flex

Use Category	Specific Uses	Zoning Districts																	Use Standards
		Residential							Mixed-Use						Non-Residential						
		ER	SR		MR	UR		AR	MUN	DTA		SJ			NC	GC	FC	LI	HI	OR	
		CV	CV	CS	CV	CV	IF			MS	FLX	MS	FLX	SJ-3							
COMMERCIAL USES																					
Offices	Banking or Credit Union	--	--	--	--	--	--	--	P	L	P	L	P	P	P	P	P	--	--	--	2.33-5
	All Office Uses Not Listed Above	--	--	--	--	--	--	--	P	L	P	L	P	P	P	P	P	P	--	--	2.34
Overnight Accommodations	Bed and Breakfast	L	L	L	L	L	L	L	P	--	P	--	P	P	--	--	--	--	--	--	2.33-5
	Hotel	--	--	--	--	--	--	--	S	L	L	L	L	L	--	L	P	--	--	--	2.33-5
	Recreational Vehicle (RV) Park	--	--	--	--	--	--	S	--	--	--	--	--	--	--	S	--	S	--	--	2.34
	Short-Term Rental	~~S~~ L	~~S~~ L	~~S~~ L	~~S~~ L	~~S~~ L	~~S~~ L	~~S~~ L	~~S~~ L	-- L	~~S~~ L	-- L	~~S~~ L	~~S~~ L	--	--	--	--	--	--	2.33-3
	All Overnight Accommodations Not Listed Above	--	--	--	--	--	--	--	P	--	P	--	P	P	--	P	P	--	--	--	--

Subsec. 2.33-3 Residential Uses (Redline changes)

G. Short-Term Rental.

1. Hotel-Motel Occupancy Tax: The City's Hotel-Motel Occupancy Tax requirements are applicable; (See Chapter 90, Article III, Hotel Occupancy Tax, of the City's Code of Ordinances).
2. ~~Tenure. The use may be rented for a period of up to, but not exceeding, 28 days. (Remove, inconsistent with STRs definition).~~
3. ~~3.Accessory Structure. The use of an accessory structure is prohibited. (Remove, hard to enforce)~~
4. A permit is required:
    a. No person shall advertise, offer to rent, rent, or lease a residential property, or any portion thereof, within the City as a short-term rental without first obtaining a permit from the City.
    b. The permit application shall include the name and contact information of the property owner, the address of the property, the number of bedrooms to be offered for rent, the number of available parking spaces, the designation and contact information of a twenty-four (24) hour local contact person, and any other information required by the City.
    c. A permit shall not be transferrable.
    d. A permit expires one (1) year after its date of issuance, and shall be renewed by the owner or applicant.
    e. Each owner or applicant of a short-term rental shall post a copy of the city-issued permit at a visible location inside the dwelling near the primary entrance.

5. Inspection is required:
    a. Initial inspection: Upon submission of an application for a permit, and prior to the occupancy of a short-term rental by guests, the applicant shall schedule an initial inspection of the residential structure with the City Fire Marshal's Office or its designee to determine compliance with minimum occupancy standards, including but not limited to: the number of bedrooms offered for rent; the number of parking spaces provided; the presence of an accessible fire extinguisher; working smoke detectors in bedrooms and hallways; and a carbon monoxide detector.
    b. Re-inspection: If, upon completion of the initial inspection, the premises are found to be deficient in one (1) or more provisions of this section, the city shall provide written notice of such deficiencies. It shall be the responsibility of the applicant to schedule a re-inspection of the premises, and a permit shall not be issued until the premises passes inspection. An inspection fee will be required.
    c. Renewal certification: The subject property will be subject to an inspection each time the applicant submits for permit renewal.
    d. Additional inspections authorized: The City or its authorized representative may, at its sole discretion, conduct additional inspections of a permitted short-term rental upon a report or suspicion of a violation of this Article.

6. Principal Use. The principal use of the short-term rental shall be a ~~single-unit~~ residential dwelling unit.

7. Residential Character. The use shall be conducted so that it does not unreasonably interfere with the peace and enjoyment of surrounding homes as places of residence. The property owner, and/or property management must comply with the following rules:
    a. Parking: the owner must provide evidence of one parking space per bedroom listed for rent plus one additional parking space.
    b. Number of occupants: two persons per bedroom is allowed plus two additional persons. The total number of occupants shall not exceed ten persons at any given time.
    c. Party venue: the owner shall not advertise the property as party or entertainment venue; or any commercial/nonresidential use that violates the City's zoning regulations.
    d. The property owner is responsible for complying with all applicable rules, covenants, and restrictions of any Homeowners' Association (HOA) or similar subdivision management organization.
    e. The minimum stay for a short-term rental shall be one (1) continuous twenty-four (24) hour period.
    f. A twenty-four (24) hour local contact person shall be designated to respond to emergencies or neighborhood complaints. The contact person shall be available at all times and, if requested by the Police or Fire Department, shall be present on-site within one (1) hour of notification.
    g. The use of interior sound monitoring devices is encouraged to help ensure compliance with applicable noise regulations.
    h. Property rules and the contact information for the local contact person shall be posted inside the property in a visible location and near the primary entrance of the property.

8. Revocation or Suspension of a Short- Term Rental Permit:
    a. The owner of the property and the operator of the STR shall be responsible for compliance with all applicable laws, rules, and regulations pertaining to the use

and occupancy of the subject STR, including prohibition of public nuisances and unreasonable noise. Violations of any applicable law, rule, or regulation, may result in the revocation or denial of a short-term rental permit.

b. Revocation or Suspension Due to False Information: the Director of Planning and Development Services is authorized to suspend or revoke a short-term rental permit issued under the provisions of this Article if the property owner fails to pay hotel occupancy tax, or if it is determined that the property owner or applicant of a short-term rental permit made a false statement of material fact on an application for the permit.
c. Revocation Due to Violation: the Director of Planning and Development Services is authorized to revoke a short-term rental permit after three (3) violations have occurred in any consecutive 12-month period or when a property owner fails to correct a violation within the specified time period. For the purposes of this section, a violation shall be defined as any violation of the requirements of this Article or the City Code of Ordinances.
d. Revocation Process: upon a determination to revoke a short-term rental permit, the Director of Planning and Development Services shall notify the property owner of the decision to revoke and the effective date of the revocation in writing within ten (10) days of the determination.
e. Reapplication After Revocation: if a Short-Term Rental Permit is revoked, the property owner may not submit a new application for a short-term rental permit for the same property for a period of 12-months from the date of revocation.
f. Appeals: If the Director of Planning and Development Services denies the issuance or renewal of a short-term rental permit or revokes or suspends an existing short-term rental permit issued under this Article, the property owner may appeal the decision to the Board of Adjustments (BOA) in accordance with Unified Land Development Code (ULDC), Article 7 Development Review Procedures, Sec. 7.53 Appeal of Administrative Decision.

9. Penalties: Any person who knowingly or intentionally violates any subsection of this article shall be punishable in accordance with Article 9 Enforcement, Violations and Penalties of the City Code of Ordinances.

Division 10.2 – Definitions

- Short-Term Rental means the rental of all or part of a residential dwelling unit~~(s)~~ that is rented out for compensation for a duration of occupancy ~~on a temporary basis for a~~ period of less than 30 consecutive days.

CITY COUNCIL MEETING 4. b.

Meeting Date: 04/23/2026

Subject: Consider an Ordinance for a proposed text amendment to Chapter 111 â€œUnified Land Development Code,â€ Article 2 â€œZoning Districts and Dimensional Standards,â€ Division 2.3 â€œUse Standardsâ€ and â€œArticle 10â€ Word Usage, â€œDivision 10.2â€ to amend the definition of Short Term Rentals

Prepared for: Martin Scribner, Planning and Development Services

Prepared by: Scott Lemond, Legal

Department: Planning and Development Services

Information

ITEM

Consider an ordinance for a proposed text amendment to Chapter 111, Unified Land Development Code (ULDC) of the Baytown Code of Ordinances to revise Division 2.3 and 10.2 of the ULDC, regarding Short-Term Rental operations within Residential and Mixed-Use Zoning Districts.

PREFACE

Consider an ordinance for a proposed text amendment to Chapter 111, Unified Land Development Code (ULDC) of the Baytown Code of Ordinances to revise Division 2.3 and 10.2 of the ULDC, regarding Short-Term Rental operations within Residential and Mixed-Use Zoning Districts.

Fiscal Impact

Fiscal Year:

Acct Code:

Source of Funds (Operating/Capital/Bonds):

Funds Budgeted Y/N:

Amount Needed:

Fiscal Impact (Additional Information):

No fiscal impact

CITY COUNCIL MEETING 4. c.

Meeting Date: 04/23/2026
Subject: Zoning Map Amendment from Freeway Commercial To Planned Unit Development
Prepared for: Martin Scribner, Planning and Development Services
Prepared by: Talbert Jackson, Planning and Development Services
Department: Planning and Development Services

Information

ITEM

Conduct a public hearing to amend the official zoning map to rezone approximately 20.36 acres located at 1301 East Interstate Highway (IH) 10, from Freeway Commercial (FC) to a Planned Unit Development (PUD) Zoning District.

PREFACE

The applicant is requesting to rezone approximately 20.36 acres of land, legally described as Lot 2, Block 1 of the QT 79646 Addition, Harris County, Texas, from Freeway Commercial (FC) to Planned Unit Development (PUD). The subject property is currently undeveloped and is zoned Freeway Commercial (FC). The applicant proposes to rezone the property to Planned Unit Development (PUD) with General Commercial (GC) as the base zoning district. The proposed PUD includes modifications to the underlying zoning standards as outlined in the submitted PUD.

Fiscal Impact

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
N/A

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
No fiscal impact.

Attachments

Application and Supporting Documents
Vicinity Map
Zoning Map
Future Land Use Map
Proposed Zoning Map
Staff Report

Planned Unit Development
Application and Applicant Statement

Application Date: January 9, 2026

Plan Number: ZP26010006

Requested Action: To create Planned Unit Development (PUD) with General Commercial (GC) Designated as the base zoning district to develop a business park.

Applicant: Ethan Harwell 11233 Shadow Creek Parkway, Suite 450, Pearland, Texas 77584 (512) 580-5803

Owner: QT South, LLC 2007 Sam Bass Road, Suite 100, Round Rock, Texas 78681 (602) 317-7626

Pre-application Number: ZM25120258

Property Legal Description: Lot 2, Block 1 of the QT 79646 Addition

Acres: 20.36

Current Zoning: Freeway Commercial (FC)
Proposed Base Zoning: General Commercial (GC)

Applicant Statement

1. **Explain how the request complies with the applicable standards of the City's Code, the Unified Land Development Code (ULDC), and any applicable county, state, or federal requirement.**

The proposed Creation Planned Unit Development (PUD) is designed to comply with all applicable standards of the City of Baytown's Code, the Unified Land Development Code (ULDC), and relevant county, state, and federal requirements. The PUD adopts General Commercial (GC) as its base zoning district and specifically references compliance with ULDC Section 2.25, ensuring all development standards are met unless otherwise modified within the PUD. Permitted uses, dimensional standards, parking, landscaping, and pedestrian access are all detailed to align with ULDC requirements, with modifications clearly identified and justified.

2. **Explain how the request conforms to any associated prior approval for the development.**

The PUD is located on Lot 2, Block 1, of the QT 7946 Addition, as recorded in Harris County records (File No. RP-2024-156576). The application and development plan are consistent with prior platting and approvals for the property, ensuring continuity with previously established boundaries and entitlements.

3. **Explain how the request is consistent with the Comprehensive Plan and other adopted plans of the City.**

The PUD supports the City's Comprehensive Plan by facilitating a business park that encourages economic growth, commercial development, and enhanced connectivity. The inclusion of greenspace and trail systems aligns with the City's goals for public amenities

and quality site design, while the project's location along the I-10 corridor supports the extension of regional development strategies.

4. Explain how the request promotes the purposes of the ULDC.

In reference to the Sec. 2.25,A. of the ULDC, by permitting additional uses beyond the standard General Commercial (GC) zoning (such as contractor's shops, equipment sales, and light industrial uses), the PUD responds to market needs and encourages business variety. The site also promotes the purpose through:

- Allowing a flexible mix of commercial, retail, office, and light industrial uses.
- Ensuring quality design through architectural standards, landscaping, and screening.
- Providing open space and pedestrian amenities that enhance the public realm.

5. Explain how the request provides adequate infrastructure.

It ensures safe and efficient vehicle and pedestrian circulation, adequate parking and loading, reliable utilities and drainage, meaningful open space, and enhanced landscaping. Each element is referenced to the applicable ULDC section throughout the PUD document, demonstrating clear compliance and a commitment to quality development.

The development plan addresses infrastructure needs by:

- Coordinating access points and cross-access drives among buildings.
- Providing sidewalks and pedestrian connections as required by the ULDC.
- Ensuring adequate parking, loading, and utility provisions to support all permitted uses.

6. Explain how the request is compatible with surrounding area.

The PUD is compatible with adjacent commercial and industrial uses along the I-10 corridor. The design incorporates landscaping, screening, and open space to buffer and integrate with neighboring properties, while the mix of uses complements the area's development pattern.

7. Explain how the request Advances normal and orderly development and improvement of the surrounding properties.

By establishing clear standards for land use, design, and infrastructure, the PUD promotes orderly and phased development. The project supports the ongoing improvement of the I-10 corridor and surrounding properties, serving as an anchor for future commercial growth.

8. Explain the changed conditions on the subject property or in its vicinity.

Recent infrastructure improvements and increased commercial demand along the I-10 corridor have created new opportunities for development. The PUD responds to these changed conditions by providing a flexible framework that accommodates evolving market needs and infrastructure enhancements.

9. Explain how the request mitigates adverse impacts of the use and development of land on the natural or built environment.

The PUD includes robust landscaping, screening, and open space requirements to mitigate visual and environmental impacts. Stormwater management and traffic circulation are addressed through site design and coordination with public infrastructure, minimizing adverse effects on the natural and built environment.

10. Explain how the request addresses community need.

The PUD addresses community needs by creating a business park that supports job creation, economic vitality, and public amenities such as greenspace, trails, and sidewalks. The flexible design allows for a variety of commercial uses, meeting the needs of both businesses and residents.

QuikTrip Corporation

AUSTIN DIVISION
2007 Sam Bass Rd
Suite 100
Round Rock, TX 78681

March 13, 2026

City of Baytown Planning & Zoning Commission
2401 Market Street
Baytown, TX 77520

Re: **Creation Planned Unit Development**
Letter of Support

To Whom It May Concern:

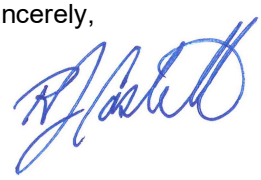
As the current landowner and neighbor to the west, QT South, LLC (QuikTrip) is pleased to support the rezoning requested in Application ZP26010006.

The proposed Planned Unit Development and General Commercial zoning for the Business Park is a great fit for the site. We find the planned uses to be highly compatible with our future Travel Center and look forward to the natural synergies that will develop between our two projects.

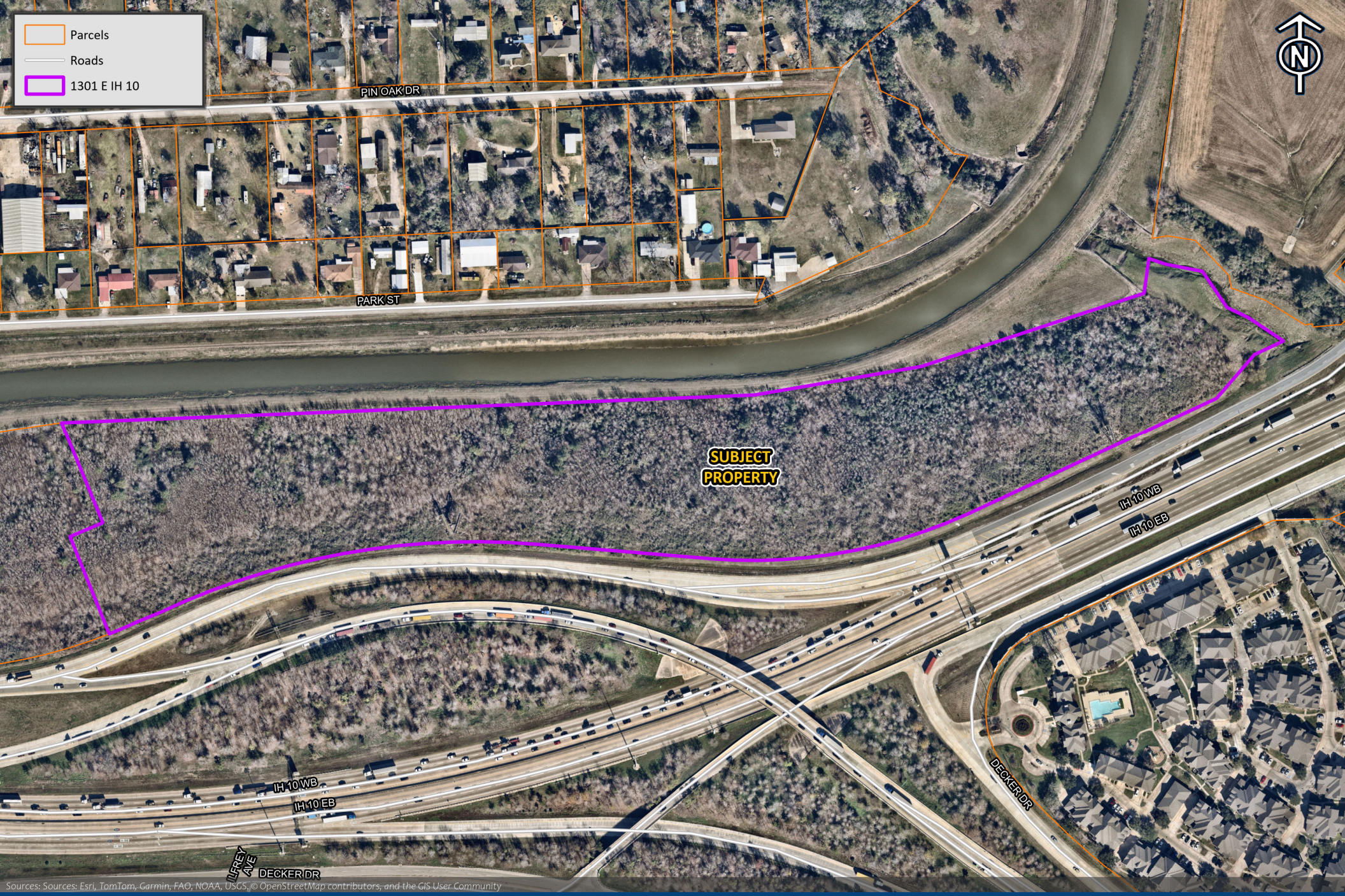
It has been a pleasure working with Taylor Mitcham, Ethan Harwell, and the Creation and Kimley-Horn teams. Their collaborative approach with the City and the community is clear, and we are confident they will be excellent stewards of this area of the City.

We are excited to see this project move forward and welcome the positive growth it will bring to the community.

Sincerely,



Robert Costello
Real Estate Project Manager
QuikTrip Corporation – Austin Division



Sources: Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Planned Unit Development

Vicinity Map

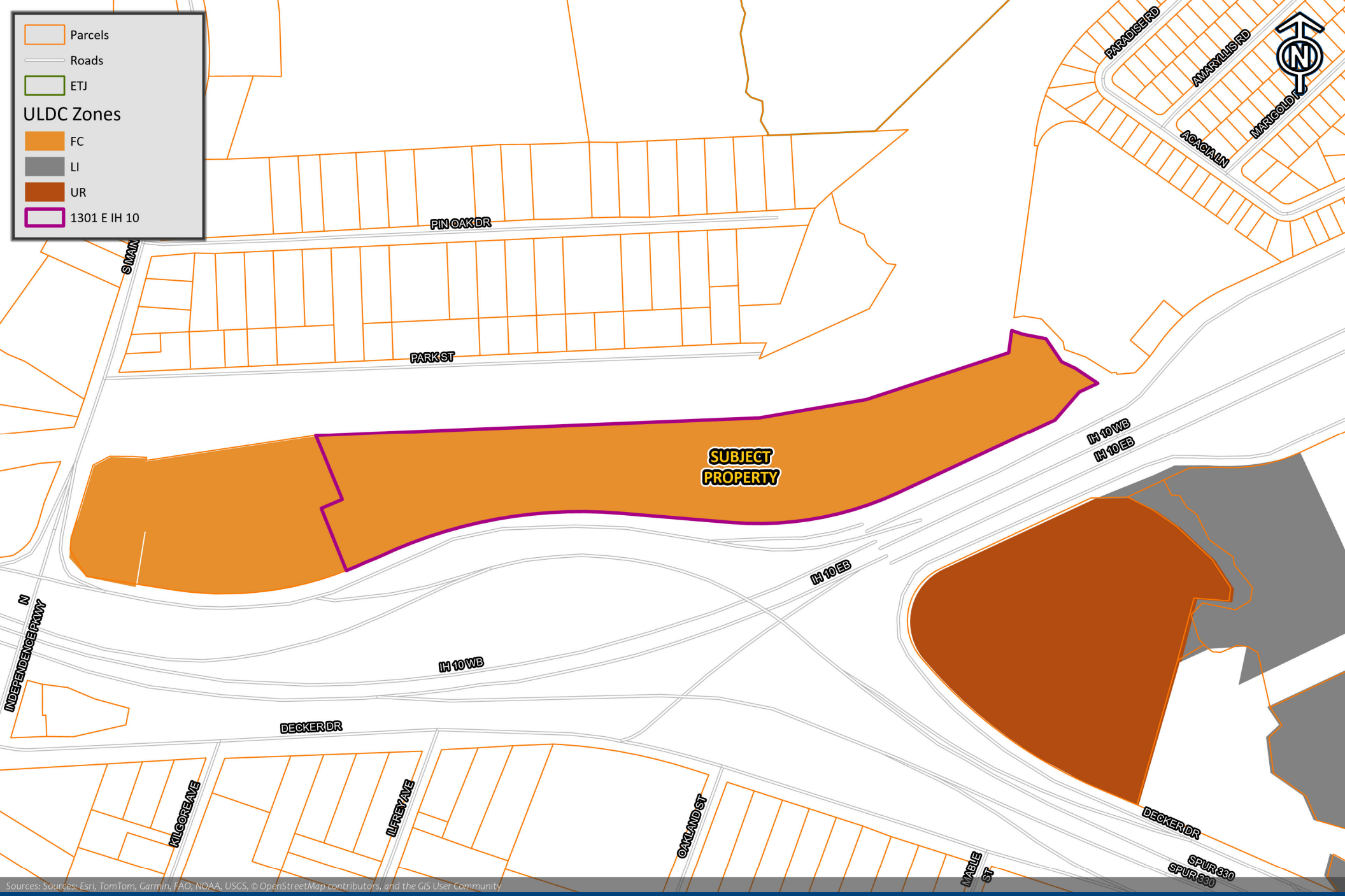
1301 E IH 10

Approx. 20.36 acres

0 0.02 0.04 0.06 0.08 Miles

The City of Baytown makes no warranty, representation, or guarantee regarding the accuracy of this map. This map is intended for display purposes only and does not replace official recorded documents.

Date: 2/18/2026



Sources: Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Planned Unit Development

Current Zoning Map

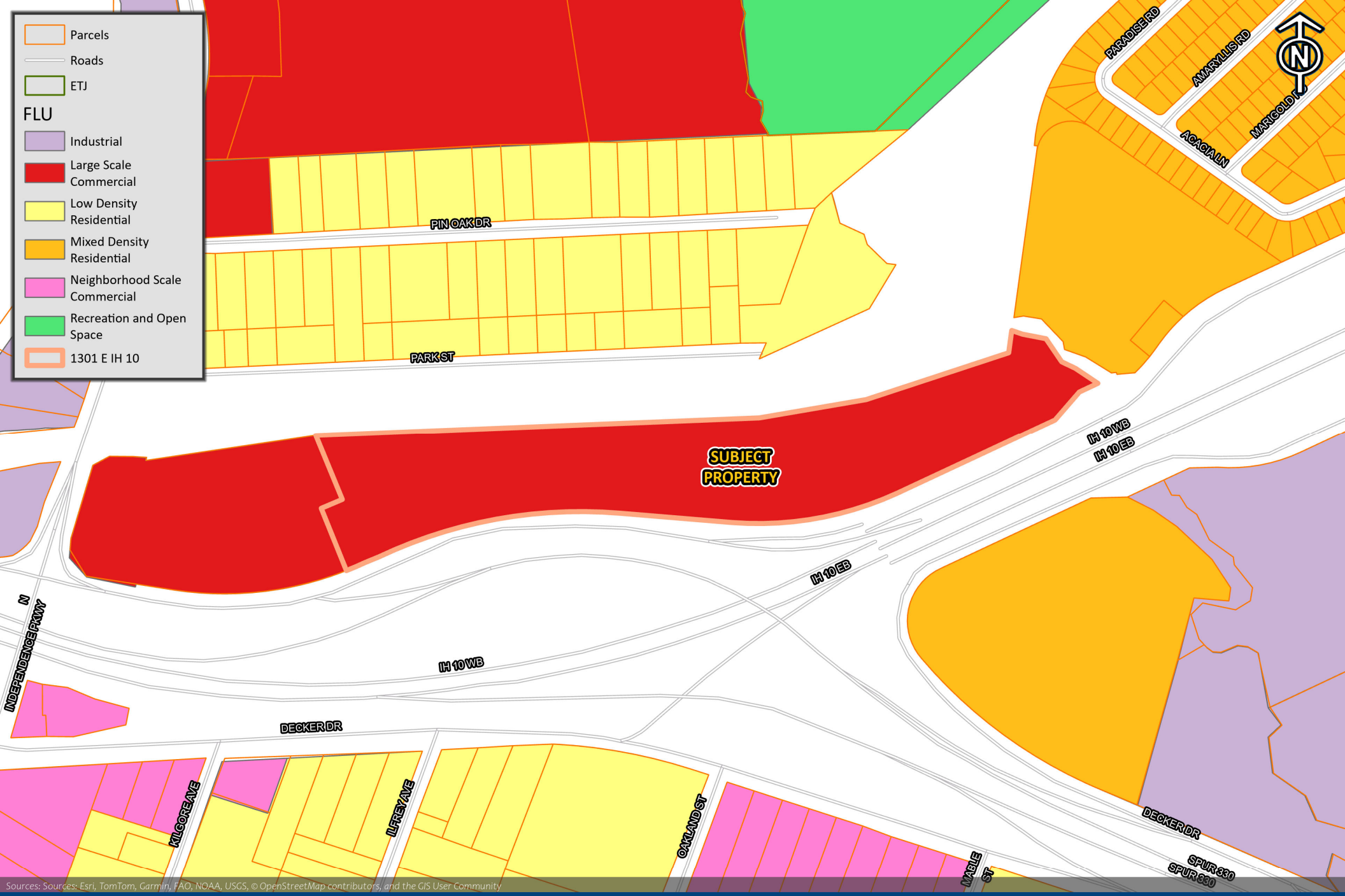
1301 E IH 10

Approx. 20.36 acres

0 0.03 0.06 0.09 0.12 Miles

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Date: 2/18/2026



Sources: Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Planned Unit Development

Future Land Use Map

1301 E IH 10

Approx. 20.36 acres

0 0.03 0.06 0.09 0.12 Miles

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Planned Unit Development

Proposed Zoning Map

1301 E IH 10

Approx. 20.36 acres

0 0.03 0.06 0.09 0.12 Miles

The City of Baytown makes no warranty, representation, or guarantee regarding the accuracy of this map. This map is intended for display purposes only and does not replace official recorded documents.

Date: 2/18/2026

City of Baytown

Planning and Zoning Commission
Report to City Council

DATE: April 23, 2026
TO: City Council
FROM: Planning and Zoning Commission

RE: Create a Planned Unit Development (PUD) with General Commercial (GC) designated as the base zoning district to develop Creation Planned Unit Development.

This report is required to be submitted to the City Council by the Planning and Zoning Commission per Section 7.23 of the Unified Land Development Code, Baytown Code of Ordinances. This report also serves as the final report to be used by the Council in its consideration of the amendment as set forth in Section 7.2 of the Code.

Applicant: Ethan Harwell, Kimley-Horn

Public Notification: On March 5, 2026, notice was published in the *Baytown Sun*; on March 4, 2026, notice was posted on the City of Baytown website and at City Hall; on March 4, 2026, signs were posted on the subject property; and 20 notices were mailed to property owners within 300 feet of the subject property on March 5, 2026

Subject Property: Approximately 20.36 acres, located at 1301 E IH 10, Harris County, Texas, (Harris Parcel Number(s) 1477320010002)

Parcel Information:
Current Use: Vacant
Proposed Use: Planned Unit Development
Future Land Use (FLU): Large-Scale Commercial

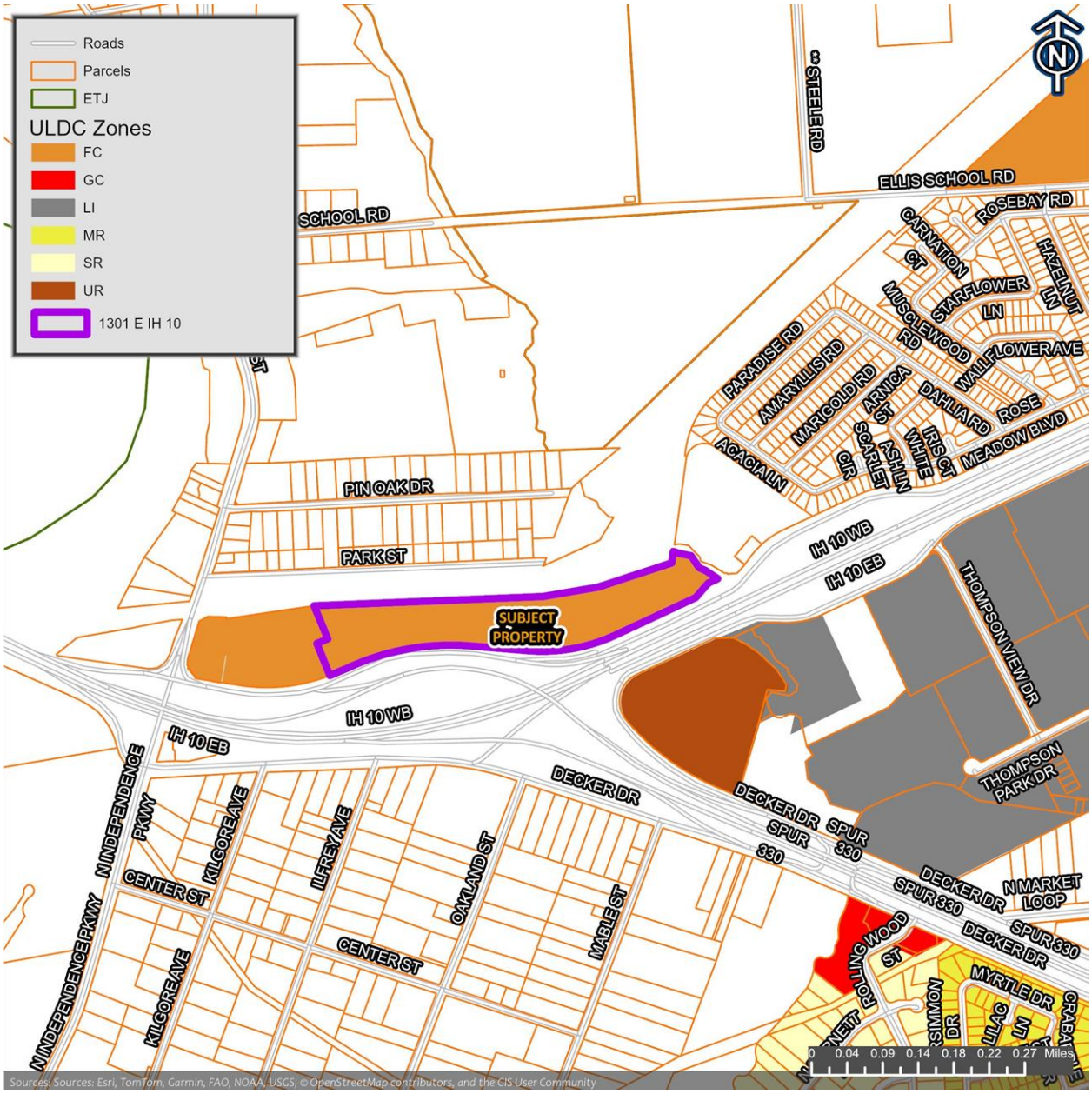
Adjacent Parcel Information:
North: Extraterritorial Jurisdiction (ETJ)
South: Extraterritorial Jurisdiction (ETJ), Urban Residential (UR), and Light Industrial (LI)
East: Extraterritorial Jurisdiction (ETJ)
West: Freeway Commercial (FC)



Vicinity Map

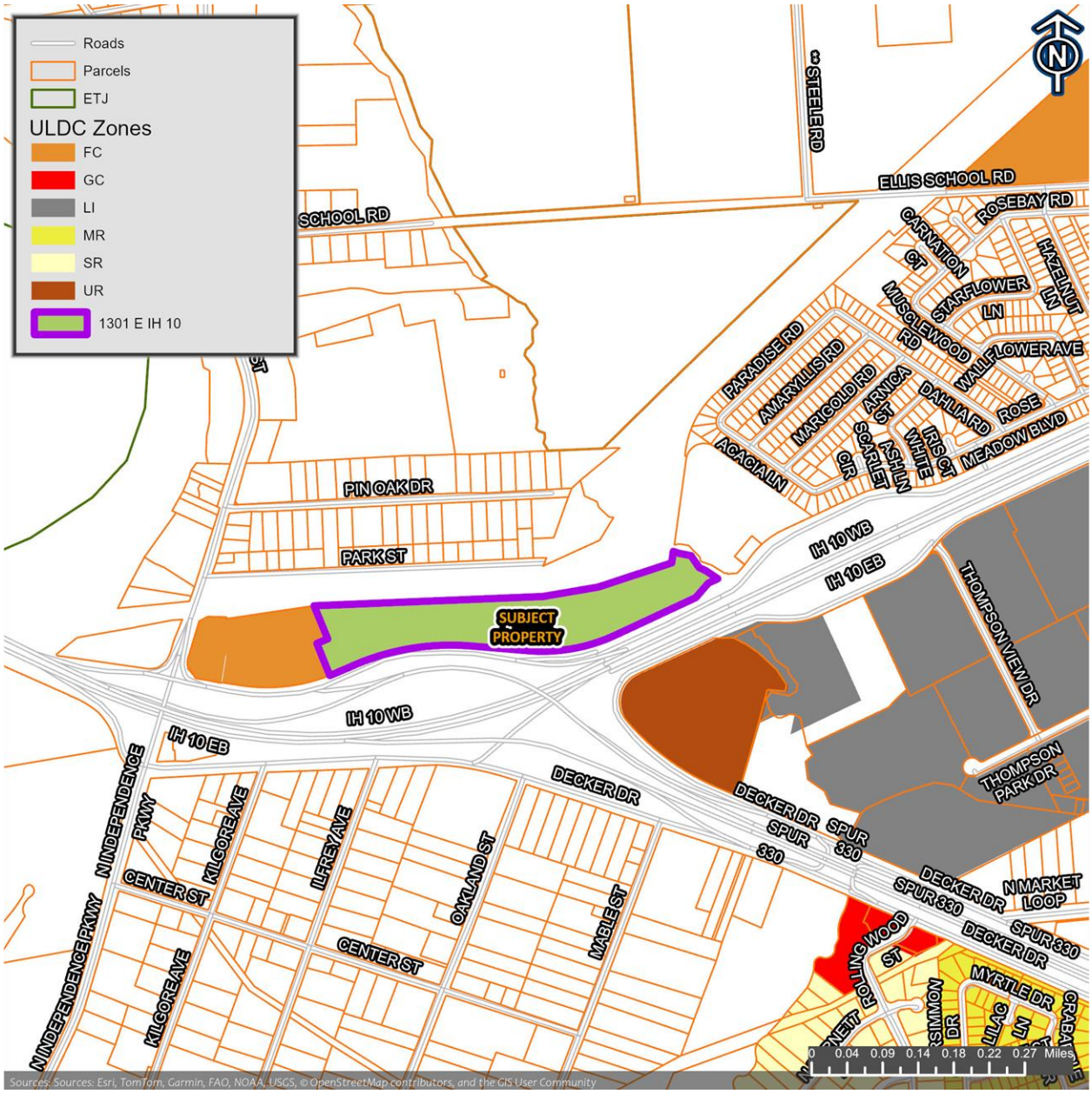
Staff Analysis:

The subject property is located east of the 2023 annexation and rezoning of property located at 1001 E IH 10 which are both owned by QT South LLC. The application for the subject property was submitted December 10, 2025. City Staff collaborated with the applicant to produce the Planned Unit Development (PUD) agreement for the property. This analysis is based upon the collaborative efforts of staff and the applicant to produce the proposed PUD for consideration.



Current Zoning Map

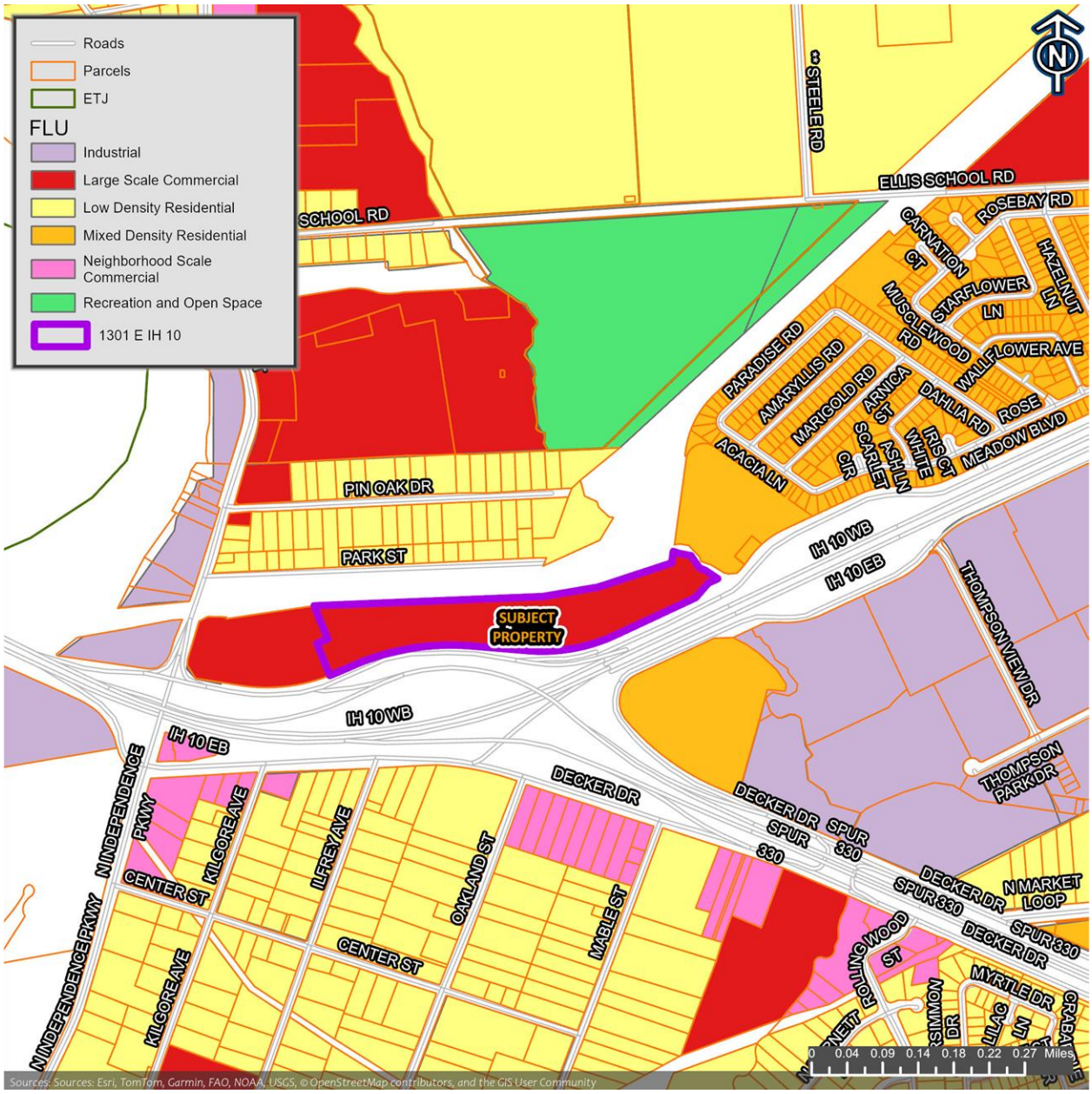
The applicant is requesting to rezone property located north of Interstate 10 and East of North Independence Parkway from a Freeway Commercial (FC) district to a Planned Unit Development (PUD) district in order to develop a business park serving retail, office, showroom, and the vacant site with a mix of commercial and light industrial uses. A Planned Unit Development is being proposed for this site to ensure compliance with good zoning and development standards while allowing for departures from the strict provisions of specific zoning regulations (Sec. 2.25, Unified Land Development Code).



Proposed Zoning Map

The development of commercial and light industrial uses is mostly consistent with the Future Land Use Map (FLUM), and given the commercial and light industrial nature of the proposed project, with consideration of Interstate Highway 10 and coastal/canal separation from residential property, it is consistent with the current land use in the area.

The subject property is located along a one-way road to which ingress and egress will primarily be right-in, right-out. Access to Interstate 10 will be achieved by traveling west along the one-way road. A Traffic Impact Analysis (TIA) will be required. Additionally, Texas Department of Transportation (TxDOT) approval will be required as it relates to proposed TxDOT project named "I-10 at San Jacinto Bridge Reconstruction;" project refence number CSJ: 0508-01-379. The applicant has provided a modified Preliminary Site Plan that illustrates an approximate 2.61-acre reduction of the southern property line to accommodate the proposed roadway work.



FLU Map

The Preliminary Site Plan (see below) includes a series of buildings oriented along the parcel's curvilinear shape. A second preliminary site plan is provided should the TxDOT roadway modification occur. The applicant intends to allow the entire property to incorporate proposed commercial and light industrial uses by not having specific uses limited to designated areas of the property. The proposed site includes inter-parcel connectivity, two amenity areas, sidewalks, and considerations for branding within the city's Baytown Gateway Zone.

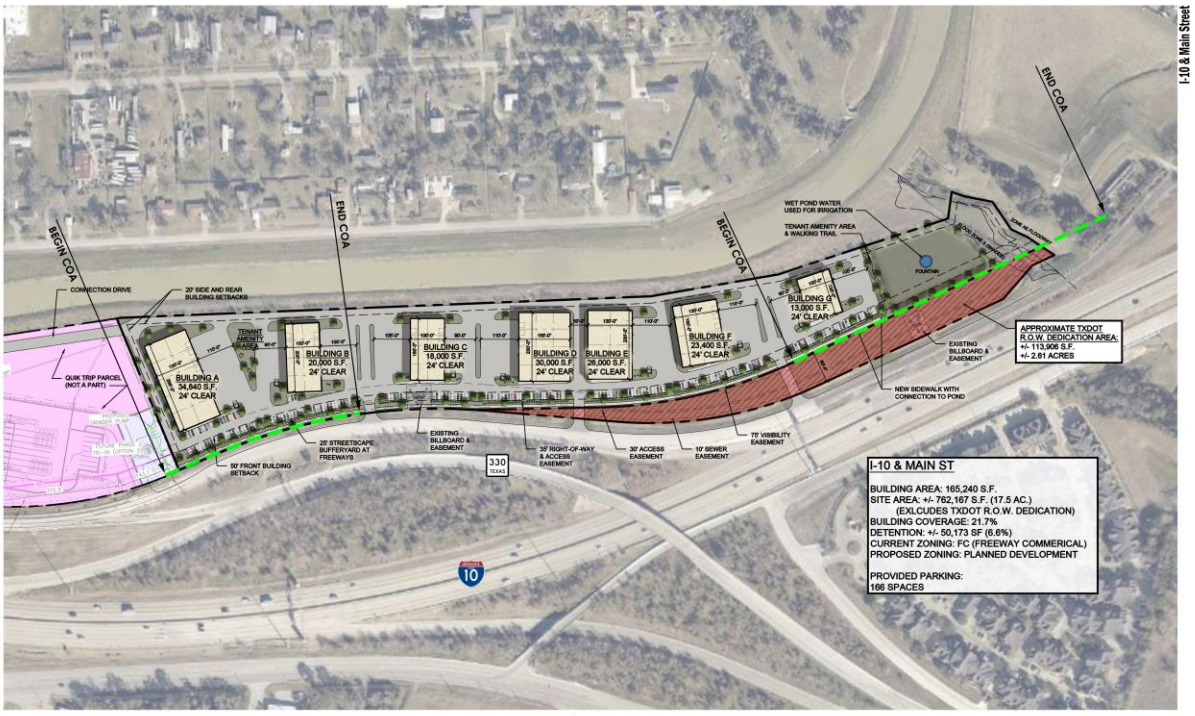
The PUD process allows for a negotiation between the City and the developer to compromise on those zoning standards that are difficult to meet due to the uniqueness of the project while providing a high level of development standards. Staff finds that the project generally conforms to the standards of the newly-adopted ULDC revision. The following comments are grouped based on the sections in the document that were negotiated between the applicant and staff.



I-10 & Main Street Baytown, Texas 2026 . 02 . 10 | LGE DESIGNBUILD | PRELIMINARY SITE PLAN | 1"=100'-0" | CREATION

This artist rendering is for conceptual design only, was done without benefit of a survey and should not be referred to as a construction document.

Site Plan



I-10 & Main Street Baytown, Texas 2026 . 02 . 16 | LGE DESIGNBUILD | PRELIMINARY SITE PLAN | 1"=100'-0" | CREATION

This artist rendering is for conceptual design only, was done without benefit of a survey and should not be referred to as a construction document.

Site Plan

Land Uses:

The applicant intends to allow for all permitted uses listed within the General Commercial Zoning District of the Unified Land Development Code (ULDC) with the inclusion of additional uses. Table E.1, provided below, lists proposed uses as a comparison among zoning districts. E.1 provides the proposed uses in the rightmost column with heading "Proposed PUD Standard."

Table E.1 – Permitted Use Standards			
	FC District Standard (Current)	**GC District Standard (Base zoning)**	**Proposed PUD Standard**
Use Standards – Section 2.3			
All GC Uses	-	Permitted	Permitted
Bulk Storage	Not Permitted	Not Permitted	Permitted
Contractor's Shop and/or Service Yard	(L) Permitted	(L) Permitted	Permitted
Equipment Sales and Rental Facilities	(L) Permitted	(L) Permitted	Permitted
Fabrication and Assembly (Light)	Not Permitted	Not Permitted	Permitted
Food Processing	Not Permitted	Not Permitted	Permitted
Outdoor Storage Yard (as accessory use to a primary use conducted indoors)	Not Permitted	Not Permitted	Permitted
Research, Testing, and Development Laboratory[1]	Not Permitted	Not Permitted	Permitted
Shipping Container	Not Permitted	Not Permitted	(L) Permitted
Specialty Equipment and Bulk Materials Sales and Service	Not Permitted	Not Permitted	Permitted
Supply House	Not Permitted	(L) Permitted	(L) Permitted
Vehicle and Boat Sales, Rental, and Leasing	(L) Permitted	(L) Permitted	Permitted

Dimensional Standards:

Table F.1, provided below, compares dimensional standards for FC and GC zoning districts wherein the proposed PUD standards are in the rightmost column. Table F.1 serves to place the PUD in close conformity to the General Commercial Zoning District dimensional standards with

two deviations – a ten percent increase in lot coverage, and a five percent decrease in minimum civic and open space. Both of which are a five percent increase and a ten percent decrease, respectively, under current Freeway Commercial Zoning District (FC) standard.

Table F.1 – Dimensional Standards			
	FC District Standard – Commercial	**GC District Standard**	**Proposed PUD Standard**
Nonresidential District Dimensional Standards - Sec. 2.23 Subsec. 2.23-3 & Subsec. 2.23-4			
Lot Area, minimum	20,000 sq. ft.	10,000 sq. ft.	10,000 sq. ft.
Lot Coverage, maximum	80%	75%	**85%**
Minimum Civic and Open Space Requirement	15%	10%	**5%**

Building and Site Design:

Table G.1serves to reduce building sizes, remove possible loading docks from view, and provide amenities for the project site:

1. The cumulative gross floor area of all buildings within the PUD may not exceed more than 250,000 square feet. The total square footage in the PUD must be divided among at least six buildings with a maximum gross floor area of 50,000 square feet each.

2. No loading docks may directly face I-10.

3. The minimum civic and open space requirement of Table F.1 shall be met through the provision of an open greenspace called out as the “Tenant Amenity Area” on the Site Plan which shall be green spaces programmed for the enjoyment of tenants. A walking trail shall be provided adjacent to the wet pond.

Table G.1 – Building and Site Design Standards	
GC and FC District – Commercial Standard	**Proposed PUD Standard**
Gross Square Footage	
No standards exist.	Maximum 250,000 square feet, divided among minimum of six buildings.
Loading Dock Orientation	
No standards exist.	No loading docks to face I-10.
Civic and Open Space Requirement	
Design standards are established that dictate the amount and form of open space not the required programming. (Section 2.27)	Civic space shall be programmed as a “Tenant Amenity Area” and walking trail.

Parking, Loading, Stacking, and Access:

Table H.1, proposes no deviations from requirements, but is shown to highlight the intent to solidify these requirements should conditions of the ULDC change over time.

Table H.1 – Parking, Loading, Stacking, and Access	
GC and FC District Standard (Commercial)	**Proposed PUD Standard**
Parking	
Parking standards established. (Section 3.32)	No deviation proposed. Parking shall meet ULDC standards.
Off Street Loading	
A certain number of off-street loading requirements shall be provided based on the square footage of Section 3.36 requirements	No deviation proposed. Off-street loading shall meet ULDC standards.
Cross Access Drives	
No standards to require cross access exist in the code. (Section 3.38)	Cross access will be required for all lots within the PUD to reduce the number of driveways.
Pedestrian Circulation	
A minimum 5-foot wide sidewalk shall be provided along the site frontage. (Section 4.26)	No deviations proposed. Sidewalk will meet minimum standards.
A pedestrian path from the public sidewalk to the building entrance shall be provided with an all-weather surface. (Section 3.24.D.1)	The pedestrian path connecting the buildings to the public sidewalk shall also connect to the parking areas and be ADA accessible.
Parking lots with more than 50 spaces must provide a pedestrian path, minimum 6-feet wide with 10-foot clear zone, that connects the parking area to the adjacent public street sidewalk and abutting land uses. (Section 3.33.D)	

Landscape Buffering

Table I.1 provides overall screening and consideration for the preservation of existing trees:

1. The Foundation Plantings of ULDC Section 3.42.A shall be provided on each building within the PUD.
    a. No foundation plantings shall be required on the rear of the proposed buildings (the north façade) facing the adjacent drainage channel.

b. No foundation plantings shall be required on the sides of buildings with loading docks. Foundation plantings that would be required along building facades where there are loading docks shall be located elsewhere in the front yard of the site to soften the view of the Site from I-10.

2. Parking Lot Landscape shall be provided as required in ULDC 3.42.B.
    a. 30% of the required parking lot landscaping shall be located within the parking lot as an island or as a peninsula in order to be applied towards the landscaped requirements of this Section. The remaining landscaping may be located outside of the parking but must be located forward of the rear building line of the primary structure and be visible from the public street.
    b. Credit toward this requirement may be given to plantings located on the perimeter of the parking lot including those plantings used for loading dock screening.

3. Screening requirements of ULDC 3.36.D.7 for non-enclosed off-street loading areas shall be modified as follows:
    a. Loading docks shall be screened from the view of the I-10 Frontage Road by a continuous row of evergreen shrubs at least 6-feet in height at maturity. Plantings should be placed so that view of loading docks, overhead doors, and truck courts are minimized from view from the I-10 Frontage Road.
    b. Loading docks on all buildings shall be screened from view from Park Street, across the ±200-foot wide drainage channel, and by a row of shade trees spaced 60-feet on-center along the truck court.

4. Tree Preservation and mitigation shall be provided as required by ULDC
    a. The developer shall preserve existing trees, as possible.

Table I.1 – Parking, Loading, Stacking, and Access	
GC and FC District Standard (Commercial)	**Proposed PUD Standard**
Foundation Plantings	
Foundation plantings required along all sides of a building at a certain ratio. (Section 3.42.A)	Foundation plantings from walls with loading docks to be relocated throughout site visible from I-10. No foundation plantings required on north facing facades which face the drainage ditch. Planting that would have otherwise been placed around the foundation where loading docks are proposed shall be placed in the street yard within view of I-10.
Parking Lot Landscape Requirements – Section 3.42.B	
50% of the parking lot landscape must be within island or peninsula. (Section 3.42.B)	30% of the parking lot landscape must be within island or peninsula to provide additional room for vehicles to maneuver the site.
Screening Requirements – Section 3.36.D.7	
No screening requirements for loading docks is prescribed. (Section 3.36.D.7)	Loading docks shall be screened by vegetation so that they are not viewed from I-10 or from Park Street. Docks seen from I-10 shall be screened by min. 6-feet tall evergreen shrubs. Docks seen from

	Park Street shall be screened by shade trees planted at regular intervals.
Tree Preservation	
No required minimum number of trees must be saved. (Section 3.43)	Developer shall save certain trees which may benefit the project, as possible.

Signage

1. A pylon sign may be permitted in the PUD as outlined below.
    a. The maximum sign area shall be 300-square feet. Area required to accommodate specific messaging related to the PUD's location along I-10 – the gateway to Baytown – shall not be included in the maximum sign area calculation. The messaging should include the phrase, "Thank you for visiting Baytown!" or other similar message at the top of the sign.
    b. The maximum height shall be 42.5-feet.
    c. One sign is permitted along the I-10 frontage.
2. A monument sign shall be permitted according to the standards of the GC district.
    a. Area required to accommodate specific messaging related to the PUD's location along I-10 – the gateway to Baytown – shall not be included in the maximum sign area calculation. The messaging should include the phrase, "Thank you for visiting Baytown!"

Table J.1 – Signage	
GC / FC District Standard (Commercial)	**Proposed PUD Standard**
Pylon Sign – Section 3.64.D	
No pylon sign is permitted in the GC district. A pylon sign is permitted in the FC district. (Table 3.64.2)	A pylon sign will be permitted in this PUD to the standards of the FC district. The sign shall include gateway messaging to welcome visitors to Baytown. Area on the sign used for is gateway messaging shall be in addition to the area permitted for the commercial messaging on the pylon sign.
Monument Sign – Section 3.64.D	
A monument sign is permitted in the GC and FC districts. (Table 3.64.2)	A monument sign shall be permitted in the PUD but shall include gateway messaging to welcome visitors to Baytown and the development name. Area on the sign used for is gateway messaging shall be in addition to the area permitted for the commercial messaging on the monument sign.

In order to recommend approval of an application for a zoning amendment, the Planning and Zoning Commission shall consider the following factors:

1. Complies with the applicable standards of the City's Code, the ULDC, and any applicable county state, or federal requirement.

The proposed map amendment will rezone the subject property from Freeway Commercial (FC) to Planned Unit Development (PUD). The proposed PUD negotiates standards of the City Code and the Unified Land Development Code (ULDC) that are proposed to closely comply with applicable requirements. Tables provided above illustrate proposed deviations.

2. Conforms to any associated prior approval for the development.

This proposed map amendment to PUD will initiate development requirements for the property.

3. Is consistent with the Comprehensive Plan and other adopted plans of the City.

The proposed zoning map amendment is generally consistent with Goal LUD2, of the city's 2040 Comprehensive Plan – a focus on quality development expectations for both new development and redevelopment. The Future Land Use Map designates the subject site as Large-Scale Commercial. Cumulative gross floor area of all buildings within the PUD may not exceed more than 250,000sqft.

The proposed project incorporates a base zoning district of General Commercial (GC) that allows for light industrial uses including offices, retail sales, showrooms, storage, and manufacturing. Proposed building designs are enhanced, protects against possible depreciation by way of blight, protects the general character of the intended large-scale commercial future land use, provides consideration for the preservation of trees where feasible, and provides for economic opportunities.

4. Promotes the purposes of the ULDC.

The proposed map amendment does not detrimentally affect health, safety, or general welfare. The property is bordered to the north by a canal, to the south by a major arterial road and expressway, that aids in separating the subject site from other uses. Proposed buildings have been negotiated to quantity and size limitations. Additional considerations for trees, vegetation, flood plains, stream corridors, and views were considered in the creation of the proposed PUD.

5. Provides adequate infrastructure.

Public utilities are located along the southern property line. Sidewalks, tenant amenity areas, and a trail are proposed for the subject site in addition to an inter-parcel connection drive linking the western property.

6. Is compatible with surrounding area.

The development of commercial and light industrial uses is mostly consistent with the Future Land Use Map (FLUM) and, given the commercial and light industrial nature of the proposed project, with consideration of Interstate Highway 10 and canal separation from residential property, and proximity to additional property zoned light industrial, it is consistent with the current land use in the area.

7. Advances normal and orderly development and improvement of the surrounding properties.

The proposed PUD is intended to advance the normal and orderly development and improvement of the surrounding area by providing commercial and manufacturing space on property that is

undeveloped. Additionally, through collaborative negotiations between staff and the applicant, considerations for a Baytown Gateway feature will be provided.

8. There are changed conditions on the subject property or in its vicinity.
The proposed zoning map amendment was requested by the applicant to facilitate the development of the proposed business park that supports additional uses that are conducive to manufacturing. Those conditions are detailed in the proposed PUD as they address uses, dimensional standards, building and site design, parking, loading, stacking, access, landscaping and buffering.

9. Mitigates adverse impacts of the use and development of land on the natural or built environment.
With consideration of building size, permissible uses, and proximity to areas of sensitivity, the proposed PUD makes use of undeveloped land within the Baytown Gateway area. The proposed map amendment does not have a negative effect on the natural or built environment as considerations were made to avoid the potential of such risk. The purpose of the zoning map amendment is to allow for additional uses and concessions that would allow for the proposed business park to be successful.

10. Addresses community need.
The proposed map amendment promotes the intent of large-scale commercial development compatible with the developer's intended goals while investing in the City of Baytown. Additionally, the PUD regulates the development of land that may otherwise remain vacant. Staff has continued to see an increase in demand for this type of use. That demand is expected to continue in the near future.

Staff Recommendation:
Staff recommends approval of the proposed zoning map amendment changing the current zoning from Freeway Commercial (FC) to Planned Unit Development (PUD) with a base General Commercial (GC) zoning district.

Planning and Zoning Recommendation:
Members of the Planning and Zoning Commission voted to approve the zoning map amendment changing the current zoning from Freeway Commercial (FC) to Planned Unit Development (PUD) with a base General Commercial (GC) zoning district.

Donna Winfrey, Chairperson
City of Baytown, Texas
Planning and Zoning Commission

EXHIBIT A

CREATION PLANNED UNIT DEVELOPMENT

Date Prepared: March 9, 2026

Prepared By:

Kimley»Horn
11233 Shadow Creek Pkwy Suite 450
Pearland, TX 77584

Prepared For:

CREATION RE PE
1280 E. Levee Street
Dallas, TX 75207

EXHIBIT A
DEVELOPMENT PLAN

A. Property

The Creation Planned Unit Development is generally located on the northeast intersection of I-10 and S Main Street between Park St. and I-10 Frontage. It consists of approximately 20.36-acres being Lot 2, Block 1, of the QT 7946 Addition recorded in File No. RP-2024-156576 of the Official Public Records of Harris County, Texas.

B. Purpose & Intent

The Creation Planned Unit Development will facilitate the development of a business park serving retail, office, showroom, distribution, and manufacturing uses. This business park will serve as an anchor for commercial development along the I-10 corridor. The standards proposed in this PUD aim to benefit the public by permitting a variety of commercial uses within the PUD, to create an attractive appearance from the I-10 corridor, and to guarantee quality site design.

C. Applicability & Base Zoning

1. In accordance with ULDC Section 2.25.D all development of the property shall conform to the standards of a base zoning district except as modified within this PUD. The base zoning for each district for this PUD shall be General Commercial (GC).

D. Conceptual Plan

1. A Conceptual Land Use Plan has been attached to this Development Plan as Exhibit A that illustrates the land use and design intent for the property. The Conceptual Land Use Plan is intended to serve as a guide to illustrate the general vision and design concepts and is not intended to serve as a final document. Approval of this PUD, Development Plan, and Conceptual Land Use Plan does not constitute approval of a Site Development Plan as required by Article 7 of the ULDC.
2. Future right-of-way or easement acquisition by the Texas Department of Transportation, Harris County, the City of Baytown or other government agency shall not require revision to this Conceptual Land Use Plan or the other terms of this PUD. Future right-of-way or easement acquisition shall not waive any enhancements or stipulations stated in this PUD.

E. Permitted Uses

1. This PUD shall comply with the Consolidated Use Tables in ULDC Section 2.31.
2. All uses permitted in the General Commercial (GC) zoning district are permitted within the PUD.
3. Associated office, retail sales, storage, and showrooms are allowed in association with the permitted uses listed below in Table E.1.
4. All Limited Uses, noted as (L) Permitted in Table E.1 below are subject to the conditions established in ULDC Subsection 2.33 for that use.
5. In addition to the uses permitted in the GC district, the following uses outlined in Table E.1 shall be permitted within this PUD:

Table E.1 – Permitted Use Standards			
	FC District Standard (Current)	**GC District Standard (Base zoning)**	**Proposed PUD Standard**
Use Standards – Section 2.3			
All GC Uses	-	Permitted	Permitted
Bulk Storage	Not Permitted	Not Permitted	Permitted
Contractor's Shop and/or Service Yard	(L) Permitted	(L) Permitted	Permitted
Equipment Sales and Rental Facilities	(L) Permitted	(L) Permitted	Permitted
Fabrication and Assembly (Light)	Not Permitted	Not Permitted	Permitted
Food Processing	Not Permitted	Not Permitted	Permitted
Outdoor Storage Yard (as accessory use to a primary use conducted indoors)	Not Permitted	Not Permitted	Permitted
Research, Testing, and Development Laboratory[1]	Not Permitted	Not Permitted	Permitted
Shipping Container	Not Permitted	Not Permitted	(L) Permitted

Specialty Equipment and Bulk Materials Sales and Service	Not Permitted	Not Permitted	Permitted
Supply House	Not Permitted	(L) Permitted	(L) Permitted
Vehicle and Boat Sales, Rental, and Leasing	(L) Permitted	(L) Permitted	Permitted
Vehicle Service and Repair	Permitted	Permitted	Permitted
Welding, Tool Repair or Machine Shop	Not Permitted	Not Permitted	Permitted
Wholesale Establishment (with or without warehouse)	Not Permitted	Not Permitted	Permitted
Associated Office and Storage	Not Permitted	Not Permitted	Permitted
Associated Retail Sales Related to the Primary Use	Not Permitted	Not Permitted	Permitted
Associated Showroom	Not Permitted	Not Permitted	Permitted

[1]Research, Testing, and Development Laboratories are limited to research and development, testing, assembly, repair, and manufacturing in the following industries: biotechnology, pharmaceuticals, medical instrumentation or supplies, communications, energy production, and information technology, electronics and instrumentation, and computer hardware and software. This use shall exclude high-intensity activities that may pose environmental risks. All operations shall occur indoors and comply with applicable environmental regulations and shall not result in adverse impacts to air, soil, water quality, or become a nuisance as defined by the City of Baytown.

F. Dimensional Standards

1. The Dimensional Standards within the PUD shall comply with those standards listed below in Table F.1.

Table F.1 – Dimensional Standards			
	FC District Standard – Commercial	**GC District Standard**	**Proposed PUD Standard**
Nonresidential District Dimensional Standards - Sec. 2.23 Subsec. 2.23-3 & Subsec. 2.23-4			
Lot Area, minimum	20,000 sq. ft.	10,000 sq. ft.	10,000 sq. ft.
Lot Width, minimum	60 ft.	60 ft.	60 ft.
Lot Coverage, maximum	80%	75%	85%
Building Height, maximum (all uses)	50 ft.	60 ft.	60 ft.
Front Setback, minimum	50 ft.	15 ft.	15 ft.
Street Side Setback, minimum	50 ft.	25 ft.	25 ft.
Interior Side Setback, minimum	20 ft.	5 ft.	5 ft.
Rear Setback, minimum	20 ft.	10 ft.	10 ft.
Minimum Civic and Open Space Requirement	15%	10%	5%

G. Building and Site Design

1. The cumulative gross floor area of all buildings within the PUD may not exceed more than 250,000 square feet. The total square footage in the PUD must be divided among at least six buildings with a maximum gross floor area of 50,000 square feet each.
2. No loading docks may directly face I-10.
3. The minimum civic and open space requirement of Table F.1 shall be met through the provision of an open greenspaces called out as the "Tenant Amenity Area" on Exhibit A which shall be green spaces programmed for the enjoyment of tenants. A walking trail shall be provided adjacent to the wet pond.

Table G.1 – Building and Site Design Standards	
GC / FC District – Commercial Standard	**Proposed PUD Standard**
Gross Square Footage	
No standards exist.	Maximum 250,000 square feet, divided among minimum of four buildings.
Loading Dock Orientation	
No standards exist.	No loading docks to face I-10.
Civic and Open Space Requirement	
Design standards are established that dictate the amount and form of open space not the required programming. (Section 2.27)	Civic space shall be programmed as a "Tenant Amenity Area" and walking trail.

H. Parking, Loading, Stacking, and Access

1. Parking for all uses in the PUD shall be provided according to the minimum requirements in ULDC Table 3.32-1.
2. Off-street loading requirements of Section 3.36 shall be required within this PUD.
3. Cross access drives shall be required between any lot within the PUD. One cross access drive shall be required to the Quik Trip development on Lot 2, Block 1, of the QT 7946 Addition.
4. Pedestrian Circulation
    a. A 5-foot wide sidewalk shall be provided along the frontage of all public roads within the PUD.
    b. Pedestrian connection from the public sidewalk to the buildings shall be provided as required by ULDC Section 3.24.D.1. The connection shall meet ADA requirements.
    c. The pedestrian connections provided under this section shall serve as compliance with the requirements for Pedestrian Pathways of ULDC 3.33.D.

Table H.1 – Parking, Loading, Stacking, and Access	
GC / FC District Standard (Commercial)	**Proposed PUD Standard**
Minimum Parking	
Minimum parking standards established. (Section 3.32)	No deviation proposed. Parking shall meet ULDC standards.
Off Street Loading	
A certain number of off-street loading requirements shall be provided based on the square footage of the (Section 3.36)	No deviation proposed. Off-street loading shall meet ULDC standards.
Cross Access Drives	
No standards to require cross access exist in the code. (Section 3.38)	Cross access will be required for all lots within the PUD to reduce the number of driveways.
Pedestrian Circulation	
A minimum 5-foot wide sidewalk shall be provided along the site frontage. (Section 4.26)	No deviations proposed. Sidewalk will meet minimum standards.
A pedestrian path from the public sidewalk to the building entrance shall be provided with an all weather surface. (Section 3.24.D.1)	The pedestrian path connecting the buildings to the public sidewalk shall also connect to the parking areas and be ADA accessible.
Parking lots with more than 50 spaces must provide a pedestrian path, minimum 6-feet wide with 10-foot clear zone, that connects the parking area to the adjacent public street sidewalk and abutting land uses. (Section 3.33.D)	

I. Landscape and Buffering

1. The Foundation Plantings of ULDC Section 3.42.A shall be provided on each building within the PUD.

a. No foundation plantings shall be required on the rear of the proposed buildings (the north façade) facing a the adjacent drainage channel.
b. No foundation plantings shall be required on the sides of buildings with loading docks. Foundation plantings that would be required along building facades where there are loading docks shall be located elsewhere in the front yard of the site to soften the view of the Site from I-10.

2. Parking Lot Landscape shall be provided as required in ULDC 3.42.B.
    a. 30% of the required parking lot landscaping shall be located within the parking lot as an island or as a peninsula in order to be applied towards the landscaped requirements of this Section. The remaining landscaping may be located outside of the parking but must be located forward of the rear building line of the primary structure and be visible from the public street.
    b. Credit toward this requirement may be given to plantings located on the perimeter of the parking lot including those planting used for loading dock screening.
3. Screening requirements of ULDC 3.36.D.7 for non-enclosed off-street loading areas shall be modified as follows:
    a. Loading docks shall be screened from the view of the I-10 Frontage Road by a continuous row of evergreen shrubs at least 6-feet in height at maturity. Plantings should be placed so that view of loading docks, overhead doors, and truck courts are minimized from view from the I-10 Frontage Road.
    b. Loading docks on all buildings shall be screened from view from Park Street, across the ±200-foot wide drainage channel, a by a row of shade trees spaced 60-feet on-center along the truck court, save for access drives into the truck court.
4. Tree Preservation and mitigation shall be provided as required by ULDC 3.43.
    a. The developer shall endeavor to preserve existing trees, as able.

Table I.1 – Parking, Loading, Stacking, and Access	
GC / FC District Standard (Commercial)	**Proposed PUD Standard**
Foundation Plantings	
Foundation plantings required along all sides of a building at a certain ratio. (Section 3.42.A)	Foundation plantings from walls with loading docks to be relocated throughout site visible from I-10. No foundation plantings required on north facing facades which face the drainage ditch. Planting that would have otherwise been placed around the foundation where loading docks are proposed shall be placed in the street yard within view of I-10.

Parking Lot Landscape Requirements – Section 3.42.B	
50% of the parking lot landscape must be within island or peninsula. (Section 3.42.B)	30% of the parking lot landscape must be within island or peninsula to provide additional room for vehicles to maneuver the site.
Screening Requirements – Section 3.36.D.7	
No screening requirements for loading docks is prescribed. (Section 3.36.D.7)	Loading docks shall be screened by vegetation so that they are not viewed from I-10 or from Park Street. Docks seen from I-10 shall be screened by min. 6-feet tall evergreen shrubs. Docks seen from Park Street shall be screened by shade trees planted at regular intervals.
Tree Preservation	
No required minimum number of trees must be saved. (Section 3.43)	Developer shall endeavor to save certain trees which may benefit the project, as able.

J. Signage

1. A pylon sign may be permitted in the PUD as outlined below.
    a. The maximum sign area shall be 300-square feet. Area required to accommodate specific messaging related to the PUD's location along I-10 – the gateway to Baytown – shall not be included in the maximum sign area calculation. The messaging should include the phrase, "Thank you for visiting Baytown!" or other similar message at the top of the sign.
    b. The maximum height shall be 42.5-feet.
    c. One sign is permitted along the I-10 frontage.
2. A monument sign shall be permitted according to the standards of the GC district.
    a. Area required to accommodate specific messaging related to the PUD's location along I-10 – the gateway to Baytown – shall not be included in the maximum sign area calculation. The messaging should include the phrase, "Thank you for visiting Baytown!"

Table J.1 – Signage	
GC / FC District Standard (Commercial)	**Proposed PUD Standard**
Pylon Sign – Section 3.64.D	
No pylon sign is permitted in the GC district. A pylon sign is permitted in the FC district. (Table 3.64.2)	A pylon sign will be permitted in this PUD to the standards of the FC district. The sign shall include gateway messaging to welcome visitors to Baytown. Area on the sign used for is gateway messaging shall be in addition to the area permitted for the commercial messaging on the pylon sign.
Monument Sign – Section 3.64.D	
A monument sign is permitted in the GC and FC districts. (Table 3.64.2)	A monument sign shall be permitted in the PUD but shall include gateway messaging to welcome visitors to Baytown and the development name. Area on the sign used for is gateway messaging shall be in addition to the area permitted for the commercial messaging on the monument sign.

List of Exhibits

Exhibit A – Concept Plan

I-10 & Main Street

CONNECTION DRIVE

20' SIDE AND REAR BUILDING SETBACKS

QUIK TRIP PARCEL (NOT A PART)

PROPOSED GRINDER PUMP

FUTURE PHASE 2 TIE-IN (OPTION 2)

372.5'

143.1'

BUILDING A
38,080 S.F.
24' CLEAR

TENANT AMENITY AREA

BUILDING B
20,000 S.F.
24' CLEAR

BUILDING C
19,000 S.F.
24' CLEAR

BUILDING D
33,600 S.F.
24' CLEAR

BUILDING E
32,200 S.F.
24' CLEAR

BUILDING F
36,400 S.F.
24' CLEAR

BUILDING G
21,000 S.F.
24' CLEAR

WET POND WATER USED FOR IRRIGATION

TENANT AMENITY AREA & WALKING TRAIL

FOUNTAIN

FLOOD ZONE X (SHADED)

ZONE AE FLOODWAY

EXISTING BILLBOARD & EASEMENT

NEW SIDEWALK WITH CONNECTION TO POND

50' FRONT BUILDING SETBACK

25' STREETSCAPE BUFFERYARD AT FREEWAYS

EXISTING BILLBOARD & EASEMENT

330 TEXAS

35' RIGHT-OF-WAY & ACCESS EASEMENT

30' ACCESS EASEMENT

10' SEWER EASEMENT

75' VISIBILITY EASEMENT

INTERSTATE 10

I-10 & MAIN ST

BUILDING AREA: 200,280 S.F.
SITE AREA: 876,073 S.F. (20.1 AC.)
BUILDING COVERAGE: 22.9%
DETENTION: +/- 65,756 SF (7.5%)
CURRENT ZONING: FC (FREEWAY COMMERICAL)
PROPOSED ZONING: PLANNED DEVELOPMENT

PROVIDED PARKING:
173 SPACES

I-10 & Main Street

Baytown, Texas
2026 . 02 . 10

LGE | DESIGNBUILD

PRELIMINARY SITE PLAN

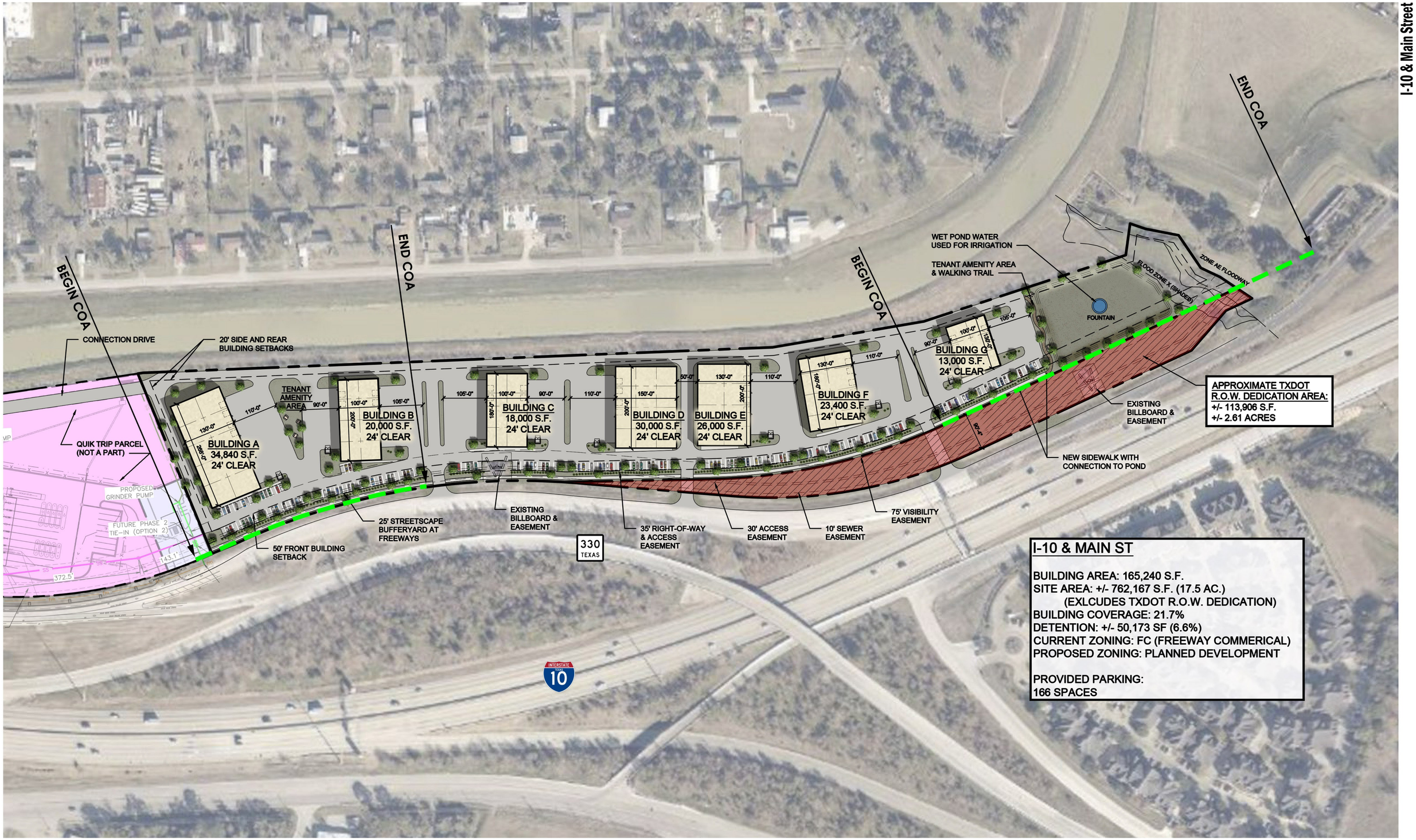
This artist rendering is for conceptual design only, was done without benefit of a survey and should not be referred to as a construction document.

1"=100'-0"
0 50 100 200

NORTH

CREATION RE PE

THESE DRAWINGS ARE AN INSTRUMENT OF SERVICE AND THE PROPERTY OF LGE DESIGN BUILD AND SHALL REMAIN THEIR PROPERTY. THE USE OF THIS DRAWING SHALL BE RESTRICTED TO THE ORIGINAL SITE FOR WHICH IT WAS PREPARED AND PUBLICATION THEREOF IS EXPRESSLY LIMITED TO SUCH.



I-10 & MAIN ST

BUILDING AREA: 165,240 S.F.
SITE AREA: +/- 762,167 S.F. (17.5 AC.)
(EXLCUDES TXDOT R.O.W. DEDICATION)
BUILDING COVERAGE: 21.7%
DETENTION: +/- 50,173 SF (6.6%)
CURRENT ZONING: FC (FREEWAY COMMERICAL)
PROPOSED ZONING: PLANNED DEVELOPMENT

PROVIDED PARKING:
166 SPACES

I-10 & Main Street

Baytown, Texas
2026 . 02 . 16

LGE | DESIGNBUILD

PRELIMINARY SITE PLAN

1"=100'-0"
0 50 100 200
NORTH

CREATION RE PE

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10
10


Vacant Land for QuikTrip
Image Landsat / Copernicus


Vacant Land for QuikTrip
Image Landsat / Copernicus


GATEWAY I-10
TENANT 1
TENANT 2
TENANT 3
TENANT 4
TENANT 5
TENANT 6
TENANT 7















GATEWAY I-10

TENANT 1
TENANT 2
TENANT 3
TENANT 4
TENANT 5
TENANT 6
TENANT 7

CITY COUNCIL MEETING 4. d.

Meeting Date: 04/23/2026
Subject: Zoning Map Amendment from Freeway Commercial To Planned Unit Development
Prepared for: Martin Scribner, Planning and Development Services
Prepared by: Talbert Jackson, Planning and Development Services
Department: Planning and Development Services

Information

ITEM

Consider an ordinance to amend the official zoning map to rezone approximately 20.36 acres located at 1301 East Interstate Highway (IH) 10, from Freeway Commercial (FC) to a Planned Unit Development (PUD) Zoning District.

PREFACE

The applicant is requesting to rezone approximately 20.36 acres of land, legally described as Lot 2, Block 1 of the QT 79646 Addition, Harris County, Texas, from Freeway Commercial (FC) to Planned Unit Development (PUD). The subject property is currently undeveloped and is zoned Freeway Commercial (FC). The applicant proposes to rezone the property to Planned Unit Development (PUD) with General Commercial (GC) as the base zoning district. The proposed PUD includes modifications to the underlying zoning standards as outlined in the submitted PUD.

Fiscal Impact

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
N/A

Attachments

Ord-Creation PUD-SL
Exhibit A
Exhibit B

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS, APPROVING THE DETAIL PLAN TO ESTABLISH THE CREATION PLANNED UNIT DEVELOPMENT DISTRICT; AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF BAYTOWN CONCERNING APPROXIMATELY 20.36 ACRES, GENERALLY LOCATED NORTH OF INTERSTATE HIGHWAY 10 AND EAST OF INDEPENDENCE PKWY N., BAYTOWN, HARRIS COUNTY, TEXAS, TO CHANGE THE ZONING DISTRICT CLASSIFICATIONS FOR THE PLANNED UNIT DEVELOPMENT DISTRICT; AUTHORIZING DEVIATIONS FROM AND ADJUSTMENTS TO DESIGN AND COMPATIBILITY STANDARDS OF THE UNIFIED LAND DEVELOPMENT CODE CONSISTENT WITH THE PLANNED UNIT DEVELOPMENT DISTRICT CREATED HEREIN; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

WHEREAS, QT South, LLC, the owners of the property herein described, submitted a detail plan and an application to the official zoning map in accordance with Section 7.43 of the Unified Land Development Code ("ULDC") concerning approximately 20.36 acres, generally located North of Interstate Highway 10 and East of North Independence Pkwy, in Baytown, Harris County, Texas (the "Property") to change the zoning district to a Planned Unit Development ("PUD") District to allow mixed general commercial and light industrial on the Property; and

WHEREAS, the Director of Planning and Development Services (the "Director") reviewed such application and determined that the application was complete; and

WHEREAS, the Director prepared a staff report and included therein a recommendation for approval of the PUD based upon the criteria specified in Sections 7.24, 7.43, and 7.45 of the ULDC; and

WHEREAS, on March 17, 2026, the Planning and Zoning Commission, after the requisite notice, conducted public hearings concerning the proposed PUD; and

WHEREAS, after considering the application, the staff report, the relevant support materials and the public testimony given at the public hearings, the Planning and Zoning Commission found that the detail plan and proposed PUD satisfies the criteria specified in sections 7.24, 7.43, and 7.45; and

WHEREAS, the Planning and Zoning Commission prepared and delivered a report and recommendation to the City Council to approve the detail plan and PUD; and

WHEREAS, on April 23, 2026, the City Council, after the requisite notice, conducted a public hearing on the PUD; and

WHEREAS, at the close of the public hearing, after considering the applications, the staff reports, the relevant support materials, the Planning and Zoning Commission's recommendation, and public testimony given at the public hearing, the City Council of the City of Baytown desires to amend the official zoning map to create the PUD, which district shall be in strict conformity with the detail plan; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

Section 1: The matters and findings contained in the preamble hereof are declared to be true and correct and are hereby adopted.

Section 2: That the City Council of the City of Baytown, Texas, hereby creates a Planned Unit Development District for the property, which conforms in all aspects to the detail plan, which is attached hereto as Exhibit "A" and incorporated herein for all intents and purposes.

Section 3: That the City Council of the City of Baytown, Texas, hereby amends the official zoning map of the City of Baytown to change the zoning district for the Property from the Freeway Commercial (FC) zoning district to the Planned Unit Development (PUD) district, and this new zoning district will be kept. The amended portion of the official zoning map is attached hereto as Exhibit "B" and incorporated herein for all intents and purposes.

Section 4: Nothing contained herein shall be construed as to authorize any variance, exception, or deviation from the ULDC except as expressly provided for in Section 2 hereof.

Section 5: This ordinance shall take effect from and after ten(10) days from its passage by the City Council of the City of Baytown. The City Clerk is hereby directed to give notice hereof by causing the caption of this ordinance to be published in the official newspaper of the City of Baytown at least twice within ten(10)days after passage of this ordinance.

INTRODUCED, READ and PASSED by the affirmative vote of the City Council of the City of Baytown this the 23rd day of April, 2026.

_____

CHARLES JOHNSON, Mayor

ATTEST:

_____

ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____

SCOTT LEMOND, City Attorney

EXHIBIT A

CREATION PLANNED UNIT DEVELOPMENT

Date Prepared: March 9, 2026

Prepared By:

Kimley»Horn
11233 Shadow Creek Pkwy Suite 450
Pearland, TX 77584

Prepared For:

CREATION RE PE
1280 E. Levee Street
Dallas, TX 75207

EXHIBIT A
DEVELOPMENT PLAN

A. Property

The Creation Planned Unit Development is generally located on the northeast intersection of I-10 and S Main Street between Park St. and I-10 Frontage. It consists of approximately 20.36-acres being Lot 2, Block 1, of the QT 7946 Addition recorded in File No. RP-2024-156576 of the Official Public Records of Harris County, Texas.

B. Purpose & Intent

The Creation Planned Unit Development will facilitate the development of a business park serving retail, office, showroom, distribution, and manufacturing uses. This business park will serve as an anchor for commercial development along the I-10 corridor. The standards proposed in this PUD aim to benefit the public by permitting a variety of commercial uses within the PUD, to create an attractive appearance from the I-10 corridor, and to guarantee quality site design.

C. Applicability & Base Zoning

1. In accordance with ULDC Section 2.25.D all development of the property shall conform to the standards of a base zoning district except as modified within this PUD. The base zoning for each district for this PUD shall be General Commercial (GC).

D. Conceptual Plan

1. A Conceptual Land Use Plan has been attached to this Development Plan as Exhibit A that illustrates the land use and design intent for the property. The Conceptual Land Use Plan is intended to serve as a guide to illustrate the general vision and design concepts and is not intended to serve as a final document. Approval of this PUD, Development Plan, and Conceptual Land Use Plan does not constitute approval of a Site Development Plan as required by Article 7 of the ULDC.
2. Future right-of-way or easement acquisition by the Texas Department of Transportation, Harris County, the City of Baytown or other government agency shall not require revision to this Conceptual Land Use Plan or the other terms of this PUD. Future right-of-way or easement acquisition shall not waive any enhancements or stipulations stated in this PUD.

E. Permitted Uses

1. This PUD shall comply with the Consolidated Use Tables in ULDC Section 2.31.
2. All uses permitted in the General Commercial (GC) zoning district are permitted within the PUD.
3. Associated office, retail sales, storage, and showrooms are allowed in association with the permitted uses listed below in Table E.1.
4. All Limited Uses, noted as (L) Permitted in Table E.1 below are subject to the conditions established in ULDC Subsection 2.33 for that use.
5. In addition to the uses permitted in the GC district, the following uses outlined in Table E.1 shall be permitted within this PUD:

Table E.1 – Permitted Use Standards			
	FC District Standard (Current)	**GC District Standard (Base zoning)**	**Proposed PUD Standard**
Use Standards – Section 2.3			
All GC Uses	-	Permitted	Permitted
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Contractor's Shop and/or Service Yard	(L) Permitted	(L) Permitted	Permitted
Equipment Sales and Rental Facilities	(L) Permitted	(L) Permitted	Permitted
Fabrication and Assembly (Light)	Not Permitted	Not Permitted	Permitted
Food Processing	Not Permitted	Not Permitted	Permitted
Outdoor Storage Yard (as accessory use to a primary use conducted indoors)	Not Permitted	Not Permitted	Permitted
Research, Testing, and Development Laboratory[1]	Not Permitted	Not Permitted	Permitted
Shipping Container	Not Permitted	Not Permitted	(L) Permitted

Specialty Equipment and Bulk Materials Sales and Service	Not Permitted	Not Permitted	Permitted
Supply House	Not Permitted	(L) Permitted	(L) Permitted
Vehicle and Boat Sales, Rental, and Leasing	(L) Permitted	(L) Permitted	Permitted
Vehicle Service and Repair	Permitted	Permitted	Permitted
Welding, Tool Repair or Machine Shop	Not Permitted	Not Permitted	Permitted
Wholesale Establishment (with or without warehouse)	Not Permitted	Not Permitted	Permitted
Associated Office and Storage	Not Permitted	Not Permitted	Permitted
Associated Retail Sales Related to the Primary Use	Not Permitted	Not Permitted	Permitted
Associated Showroom	Not Permitted	Not Permitted	Permitted

[1]Research, Testing, and Development Laboratories are limited to research and development, testing, assembly, repair, and manufacturing in the following industries: biotechnology, pharmaceuticals, medical instrumentation or supplies, communications, energy production, and information technology, electronics and instrumentation, and computer hardware and software. This use shall exclude high-intensity activities that may pose environmental risks. All operations shall occur indoors and comply with applicable environmental regulations and shall not result in adverse impacts to air, soil, water quality, or become a nuisance as defined by the City of Baytown.

F. Dimensional Standards

1. The Dimensional Standards within the PUD shall comply with those standards listed below in Table F.1.

Table F.1 – Dimensional Standards			
	FC District Standard – Commercial	**GC District Standard**	**Proposed PUD Standard**
Nonresidential District Dimensional Standards - Sec. 2.23 Subsec. 2.23-3 & Subsec. 2.23-4			
Lot Area, minimum	20,000 sq. ft.	10,000 sq. ft.	10,000 sq. ft.
Lot Width, minimum	60 ft.	60 ft.	60 ft.
Lot Coverage, maximum	80%	75%	85%
Building Height, maximum (all uses)	50 ft.	60 ft.	60 ft.
Front Setback, minimum	50 ft.	15 ft.	15 ft.
Street Side Setback, minimum	50 ft.	25 ft.	25 ft.
Interior Side Setback, minimum	20 ft.	5 ft.	5 ft.
Rear Setback, minimum	20 ft.	10 ft.	10 ft.
Minimum Civic and Open Space Requirement	15%	10%	5%

G. Building and Site Design

1. The cumulative gross floor area of all buildings within the PUD may not exceed more than 250,000 square feet. The total square footage in the PUD must be divided among at least six buildings with a maximum gross floor area of 50,000 square feet each.
2. No loading docks may directly face I-10.
3. The minimum civic and open space requirement of Table F.1 shall be met through the provision of an open greenspaces called out as the "Tenant Amenity Area" on Exhibit A which shall be green spaces programmed for the enjoyment of tenants. A walking trail shall be provided adjacent to the wet pond.

Table G.1 – Building and Site Design Standards	
GC / FC District – Commercial Standard	**Proposed PUD Standard**
Gross Square Footage	
No standards exist.	Maximum 250,000 square feet, divided among minimum of four buildings.
Loading Dock Orientation	
No standards exist.	No loading docks to face I-10.
Civic and Open Space Requirement	
Design standards are established that dictate the amount and form of open space not the required programming. (Section 2.27)	Civic space shall be programmed as a "Tenant Amenity Area" and walking trail.

H. Parking, Loading, Stacking, and Access

1. Parking for all uses in the PUD shall be provided according to the minimum requirements in ULDC Table 3.32-1.
2. Off-street loading requirements of Section 3.36 shall be required within this PUD.
3. Cross access drives shall be required between any lot within the PUD. One cross access drive shall be required to the Quik Trip development on Lot 2, Block 1, of the QT 7946 Addition.
4. Pedestrian Circulation
    a. A 5-foot wide sidewalk shall be provided along the frontage of all public roads within the PUD.
    b. Pedestrian connection from the public sidewalk to the buildings shall be provided as required by ULDC Section 3.24.D.1. The connection shall meet ADA requirements.
    c. The pedestrian connections provided under this section shall serve as compliance with the requirements for Pedestrian Pathways of ULDC 3.33.D.

Table H.1 – Parking, Loading, Stacking, and Access	
GC / FC District Standard (Commercial)	**Proposed PUD Standard**
Minimum Parking	
Minimum parking standards established. (Section 3.32)	No deviation proposed. Parking shall meet ULDC standards.
Off Street Loading	
A certain number of off-street loading requirements shall be provided based on the square footage of the (Section 3.36)	No deviation proposed. Off-street loading shall meet ULDC standards.
Cross Access Drives	
No standards to require cross access exist in the code. (Section 3.38)	Cross access will be required for all lots within the PUD to reduce the number of driveways.
Pedestrian Circulation	
A minimum 5-foot wide sidewalk shall be provided along the site frontage. (Section 4.26)	No deviations proposed. Sidewalk will meet minimum standards.
A pedestrian path from the public sidewalk to the building entrance shall be provided with an all weather surface. (Section 3.24.D.1)	The pedestrian path connecting the buildings to the public sidewalk shall also connect to the parking areas and be ADA accessible.
Parking lots with more than 50 spaces must provide a pedestrian path, minimum 6-feet wide with 10-foot clear zone, that connects the parking area to the adjacent public street sidewalk and abutting land uses. (Section 3.33.D)	

I. Landscape and Buffering

1. The Foundation Plantings of ULDC Section 3.42.A shall be provided on each building within the PUD.

a. No foundation plantings shall be required on the rear of the proposed buildings (the north façade) facing a the adjacent drainage channel.
b. No foundation plantings shall be required on the sides of buildings with loading docks. Foundation plantings that would be required along building facades where there are loading docks shall be located elsewhere in the front yard of the site to soften the view of the Site from I-10.

2. Parking Lot Landscape shall be provided as required in ULDC 3.42.B.
    a. 30% of the required parking lot landscaping shall be located within the parking lot as an island or as a peninsula in order to be applied towards the landscaped requirements of this Section. The remaining landscaping may be located outside of the parking but must be located forward of the rear building line of the primary structure and be visible from the public street.
    b. Credit toward this requirement may be given to plantings located on the perimeter of the parking lot including those planting used for loading dock screening.
3. Screening requirements of ULDC 3.36.D.7 for non-enclosed off-street loading areas shall be modified as follows:
    a. Loading docks shall be screened from the view of the I-10 Frontage Road by a continuous row of evergreen shrubs at least 6-feet in height at maturity. Plantings should be placed so that view of loading docks, overhead doors, and truck courts are minimized from view from the I-10 Frontage Road.
    b. Loading docks on all buildings shall be screened from view from Park Street, across the ±200-foot wide drainage channel, a by a row of shade trees spaced 60-feet on-center along the truck court, save for access drives into the truck court.
4. Tree Preservation and mitigation shall be provided as required by ULDC 3.43.
    a. The developer shall endeavor to preserve existing trees, as able.

Table I.1 – Parking, Loading, Stacking, and Access	
GC / FC District Standard (Commercial)	**Proposed PUD Standard**
Foundation Plantings	
Foundation plantings required along all sides of a building at a certain ratio. (Section 3.42.A)	Foundation plantings from walls with loading docks to be relocated throughout site visible from I-10. No foundation plantings required on north facing facades which face the drainage ditch. Planting that would have otherwise been placed around the foundation where loading docks are proposed shall be placed in the street yard within view of I-10.

Parking Lot Landscape Requirements – Section 3.42.B	
50% of the parking lot landscape must be within island or peninsula. (Section 3.42.B)	30% of the parking lot landscape must be within island or peninsula to provide additional room for vehicles to maneuver the site.
Screening Requirements – Section 3.36.D.7	
No screening requirements for loading docks is prescribed. (Section 3.36.D.7)	Loading docks shall be screened by vegetation so that they are not viewed from I-10 or from Park Street. Docks seen from I-10 shall be screened by min. 6-feet tall evergreen shrubs. Docks seen from Park Street shall be screened by shade trees planted at regular intervals.
Tree Preservation	
No required minimum number of trees must be saved. (Section 3.43)	Developer shall endeavor to save certain trees which may benefit the project, as able.

J. Signage

1. A pylon sign may be permitted in the PUD as outlined below.
    a. The maximum sign area shall be 300-square feet. Area required to accommodate specific messaging related to the PUD's location along I-10 – the gateway to Baytown – shall not be included in the maximum sign area calculation. The messaging should include the phrase, "Thank you for visiting Baytown!" or other similar message at the top of the sign.
    b. The maximum height shall be 42.5-feet.
    c. One sign is permitted along the I-10 frontage.
2. A monument sign shall be permitted according to the standards of the GC district.
    a. Area required to accommodate specific messaging related to the PUD's location along I-10 – the gateway to Baytown – shall not be included in the maximum sign area calculation. The messaging should include the phrase, "Thank you for visiting Baytown!"

Table J.1 – Signage	
GC / FC District Standard (Commercial)	**Proposed PUD Standard**
Pylon Sign – Section 3.64.D	
No pylon sign is permitted in the GC district. A pylon sign is permitted in the FC district. (Table 3.64.2)	A pylon sign will be permitted in this PUD to the standards of the FC district. The sign shall include gateway messaging to welcome visitors to Baytown. Area on the sign used for is gateway messaging shall be in addition to the area permitted for the commercial messaging on the pylon sign.
Monument Sign – Section 3.64.D	
A monument sign is permitted in the GC and FC districts. (Table 3.64.2)	A monument sign shall be permitted in the PUD but shall include gateway messaging to welcome visitors to Baytown and the development name. Area on the sign used for is gateway messaging shall be in addition to the area permitted for the commercial messaging on the monument sign.

List of Exhibits

Exhibit A – Concept Plan

I-10 & Main Street

CONNECTION DRIVE

20' SIDE AND REAR BUILDING SETBACKS

QUIK TRIP PARCEL (NOT A PART)

PROPOSED GRINDER PUMP

FUTURE PHASE 2 TIE-IN (OPTION 2)

372.5'

143.1'

BUILDING A
38,080 S.F.
24' CLEAR

TENANT AMENITY AREA

BUILDING B
20,000 S.F.
24' CLEAR

BUILDING C
19,000 S.F.
24' CLEAR

BUILDING D
33,600 S.F.
24' CLEAR

BUILDING E
32,200 S.F.
24' CLEAR

BUILDING F
36,400 S.F.
24' CLEAR

BUILDING G
21,000 S.F.
24' CLEAR

WET POND WATER USED FOR IRRIGATION

TENANT AMENITY AREA & WALKING TRAIL

FOUNTAIN

FLOOD ZONE X (SHADED)

ZONE AE FLOODWAY

EXISTING BILLBOARD & EASEMENT

NEW SIDEWALK WITH CONNECTION TO POND

50' FRONT BUILDING SETBACK

25' STREETSCAPE BUFFERYARD AT FREEWAYS

EXISTING BILLBOARD & EASEMENT

330 TEXAS

35' RIGHT-OF-WAY & ACCESS EASEMENT

30' ACCESS EASEMENT

10' SEWER EASEMENT

75' VISIBILITY EASEMENT

INTERSTATE 10

I-10 & MAIN ST

BUILDING AREA: 200,280 S.F.
SITE AREA: 876,073 S.F. (20.1 AC.)
BUILDING COVERAGE: 22.9%
DETENTION: +/- 65,756 SF (7.5%)
CURRENT ZONING: FC (FREEWAY COMMERICAL)
PROPOSED ZONING: PLANNED DEVELOPMENT

PROVIDED PARKING:
173 SPACES

I-10 & Main Street

Baytown, Texas
2026 . 02 . 10

LGE | DESIGNBUILD

PRELIMINARY SITE PLAN

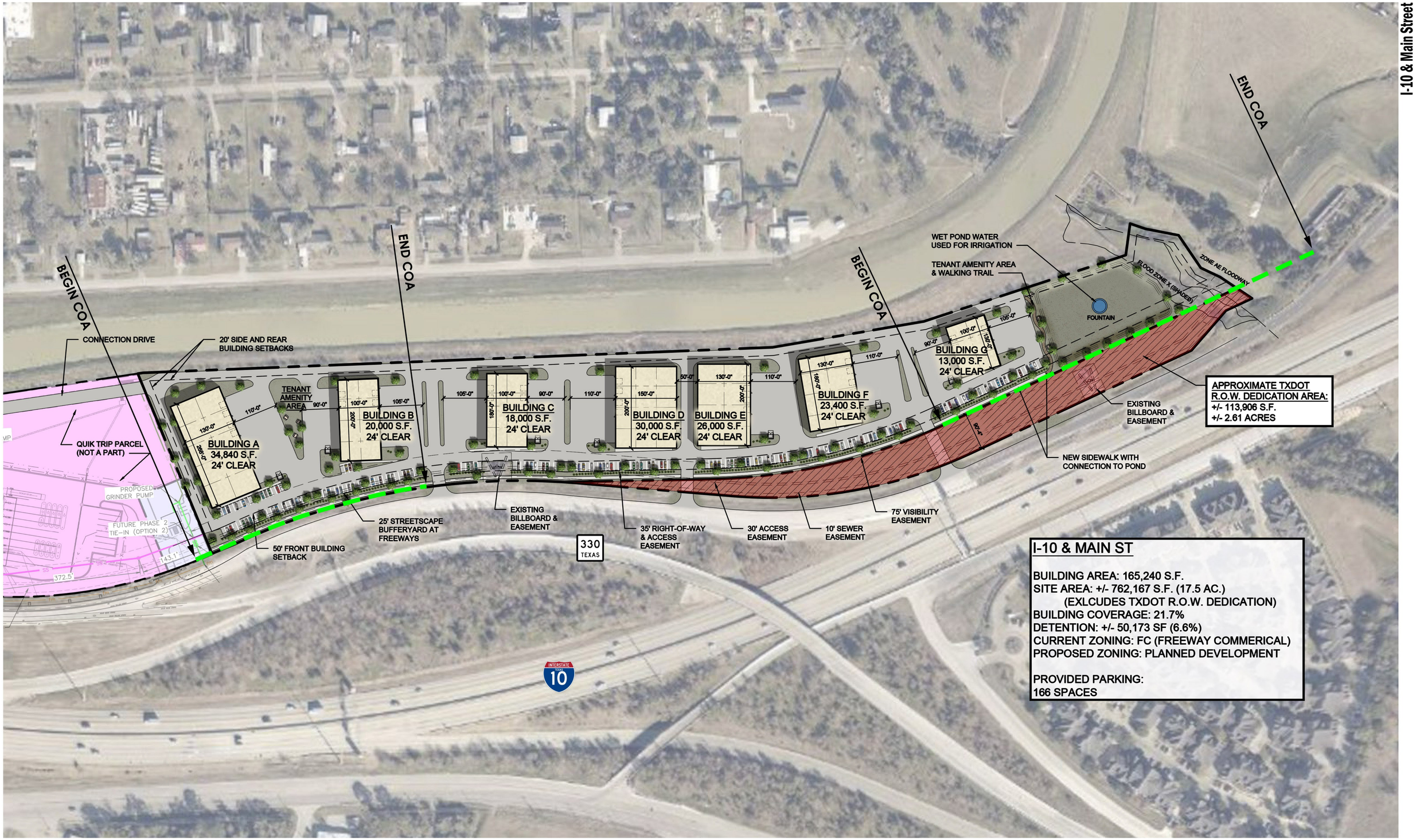
This artist rendering is for conceptual design only, was done without benefit of a survey and should not be referred to as a construction document.

1"=100'-0"
0 50 100 200

NORTH

CREATION RE PE

THESE DRAWINGS ARE AN INSTRUMENT OF SERVICE AND THE PROPERTY OF LGE DESIGN BUILD AND SHALL REMAIN THEIR PROPERTY. THE USE OF THIS DRAWING SHALL BE RESTRICTED TO THE ORIGINAL SITE FOR WHICH IT WAS PREPARED AND PUBLICATION THEREOF IS EXPRESSLY LIMITED TO SUCH.



I-10 & MAIN ST

BUILDING AREA: 165,240 S.F.
SITE AREA: +/- 762,167 S.F. (17.5 AC.)
(EXLCUDES TXDOT R.O.W. DEDICATION)
BUILDING COVERAGE: 21.7%
DETENTION: +/- 50,173 SF (6.6%)
CURRENT ZONING: FC (FREEWAY COMMERICAL)
PROPOSED ZONING: PLANNED DEVELOPMENT

PROVIDED PARKING:
166 SPACES

I-10 & Main Street

Baytown, Texas
2026 . 02 . 16

LGE | DESIGNBUILD

PRELIMINARY SITE PLAN

1"=100'-0"
0 50 100 200
NORTH

CREATION RE PE

This artist rendering is for conceptual design only, was done without benefit of a survey and should not be referred to as a construction document.

THESE DRAWINGS ARE AN INSTRUMENT OF SERVICE AND THE PROPERTY OF LGE DESIGN BUILD AND SHALL REMAIN THEIR PROPERTY. THE USE OF THIS DRAWING SHALL BE RESTRICTED TO THE ORIGINAL SITE FOR WHICH IT WAS PREPARED AND PUBLICATION THEREOF IS EXPRESSLY LIMITED TO SUCH.


10
10


Vacant Land for QuikTrip
Image Landsat / Copernicus


Vacant Land for QuikTrip
Image Landsat / Copernicus


GATEWAY I-10
TENANT 1
TENANT 2
TENANT 3
TENANT 4
TENANT 5
TENANT 6
TENANT 7











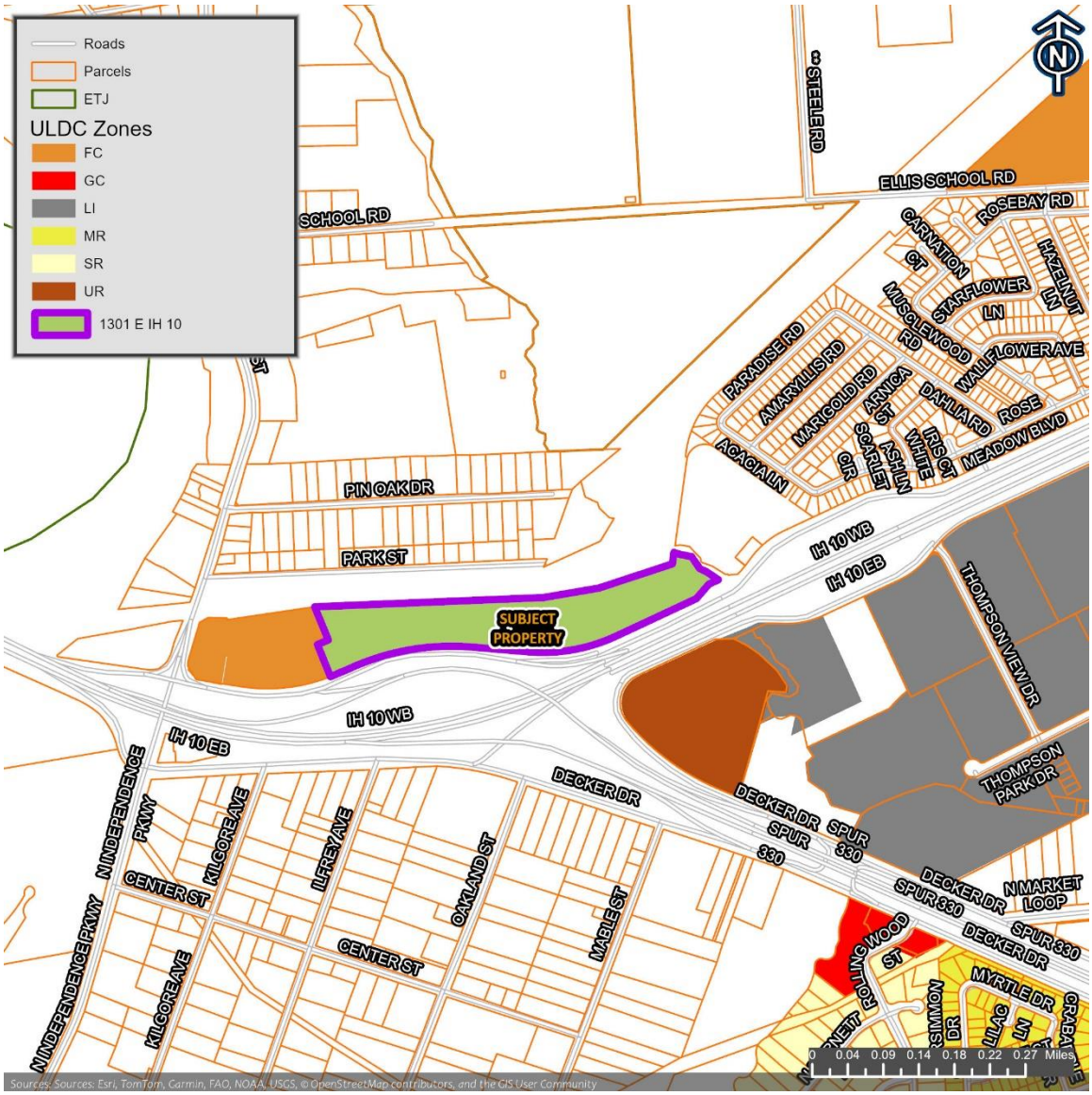




GATEWAY I-10

TENANT 1
TENANT 2
TENANT 3
TENANT 4
TENANT 5
TENANT 6
TENANT 7

Exhibit B


Roads
Parcels
ETJ
ULDC Zones
FC
GC
LI
MR
SR
UR
1301 E IH 10
STEELE RD
ELLIS SCHOOL RD
ROSEBAY RD
SCHOOL RD
GARNATION CT
HAZELNUT LN
STARFLOWER LN
MUSCLEWOOD RD
WALLFLOWER AVE
PARADISE RD
AMARYLLIS RD
MARIGOLD RD
ARNICA ST
DAHLIA RD
ROSE
ACACIA LN
SCARLET CIR
ASH LN
WHITE IRIS CT
MEADOW BLVD
PIN OAK DR
PARK ST
IH 10 WB
IH 10 EB
SUBJECT PROPERTY
THOMPSON VIEW DR
THOMPSON PARK DR
DECKER DR
DECKER DR SPUR 330
N MARKET LOOP
N INDEPENDENCE PKWY
CENTER ST
KILGORE AVE
ILFREY AVE
OAKLAND ST
MABLE ST
ROLLING WOOD ST
MYRTLE DR
NOWLIN DR
LILAC LN
0 0.04 0.09 0.14 0.18 0.22 0.27 Miles
Sources: Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

CITY COUNCIL MEETING 6. a.

Meeting Date: 04/23/2026
Subject: Consider a petition for voluntary annexation of approximately 202.48 acres
Prepared for: Martin Scribner, Planning and Development Services
Prepared by: Nai Mongiello, Planning and Development Services
Department: Planning and Development Services

Information

ITEM

Consider a resolution granting the petition for the proposed annexation of approximately 202.48 acres of land, located on the north and south sides of Battlebell Road and the east side of John Martin Road, and sections of Battlebell and Jones Road.

PREFACE

This proposed resolution is the first step in granting the petition for the proposed annexation of approximately 193.701 acres of land situated in the Elena Fruit and Cotton Farms and Highland Farms Subdivisions, Harris County, Texas, along with approximately 8.779 acres of right-of-way being the entire width of sections of Battlebell and Jones Road.

This proposed resolution will direct the preparation of a service plan for the subject area and will allow staff to negotiate and draft a written agreement regarding services for the subject area per the requirements of the annexation law (Loc Gov't Code §43.0672).

This annexation was requested to obtain City services. A Zoning Map Amendment (ZMA) to rezone the subject property to a Planned Unit Development (PUD) Zoning District was also requested and is processing concurrently with the annexation request.

Supporting documents are attached for review.

Fiscal Impact

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
There is no fiscal impact associated with this item.

Attachments

Resolution to Grant Annexation
Exhibit A Annexation Petition
Exhibit B Metes and Bounds
Exhibit C Vicinity Map

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS, GRANTING THE PETITION OF GOOSE CREEK COMMERCE CENTER FOR THE PROPOSED ANNEXATION OF APPROXIMATELY 202.48 TOTAL ACRES. PROPERTIES OF APPROXIMATELY 193.701 ACRES LOCATED ON THE NORTH AND SOUTH SIDES OF BATTLEBELL ROAD AND THE EAST SIDE OF JOHN MARTIN ROAD, LEGALLY DESCRIBED AS TRACTS 26, 26A, 26B, 26C, 27Q, 38B, 43, 43B, 43-I BLOCKS 25, 26 AND 27 ELENA FRUIT & COTTON FARMS AND LOTS 11 THROUGH 30 BLOCK 6, HIGHLAND FARMS, HARRIS COUNTY, TEXAS, ALONG WITH APPROXIMATELY 3.710 ACRES BEING THE ENTIRE WIDTH OF BATTLEBELL ROAD RIGHT-OF-WAY EXTENDING WESTWARD FROM THE INTERSECTION OF JOHN MARTIN ROAD APPROXIMATELY 2,730 FEET AND APPROXIMATELY 5.069 ACRES BEING THE ENTIRE WIDTH OF JONES ROAD RIGHT-OF-WAY EXTENDING WESTWARD FROM THE INTERSECTION OF JOHN MARTIN ROAD APPROXIMATELY 3,745 FEET, OUT OF THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND THE SANDFORD RICE SURVEY, ABSTRACT NO. 682, HARRIS COUNTY, TEXAS; AUTHORIZING THE PREPARATION OF A SERVICE PLAN; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

Section 1: That the City Council of the City of Baytown, Texas, hereby grants the petition of Goose Creek Commerce Center for the proposed annexation of: approximately 193.701 acres, located on the north and south sides of Battlebell Road and the east side of John Martin Road, legally described as Tracts 26, 26A, 26B, 26C, 27Q, 38B, 43, 43B, 43-I Blocks 25, 26 and 27, Elena Fruit & Cotton Farms and Lots 11 through 30 Block 6, Highland Farms, Harris County, Texas; along with approximately 3.710 acres being the entire width of Battlebell Road right-of-way extending westward from the intersection of John Martin Road approximately 2,730 feet; and approximately 5.069 acres being the entire width of the Jones Road right-of-way extending westward from the intersection of John Martin Road approximately 3,745 feet, out of the Talcott Patching Survey, Abstract No. 620 and the Sandford Rice Survey, Abstract No. 682, Harris County, Texas. Said petition is attached hereto as Exhibit “A” and incorporated herein for all intents and purposes.

Section 2: That the City Council of the City of Baytown, Texas, hereby authorizes and directs the Planning and Development Services Department to prepare a service plan for the property identified in Section 1 hereof.

Section 3: This resolution shall take effect immediately from and after its passage by the City Council of the City of Baytown.

INTRODUCED, READ and PASSED by the affirmative vote of the City Council of the City of Baytown this the 23rd day of April 2026.

_____
CHARLES JOHNSON, Mayor

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

EXHIBIT A

CITY OF BAYTOWN

PETITION REQUESTING ANNEXATION

Incomplete applications will not be accepted. Indicate "N/A" when an item does not pertain to your application.

STATE OF TEXAS

COUNTY OF HARRIS/CHAMBERS

COME NOW, Goose Creek Commerce Center, LP, Owner(s) of the real property describes as follows to-wit:

(Describe property and attach metes and bounds)

Requesting annexation of 193.701 acres currently in Baytown ETJ for a multi-phase multi-building industrial development, more particularly described on Exhibit "A" attached hereto.

(State property location, for example, the property is located north of I-10 near N. Main Street.)

The property is located to the north of Jones Road & Goose Creek Commerce Center Phase 1, west of John Martin Road and South of E. Wallisville Road.

(State the purpose of this annexation – What will be built, placed, etc.)

- ☐ Residential/Manufactured (Number of Lots)_____
- ☐ Commercial Business (Business type) _____
- ☐ Restaurant (Number of seats) _____
- ☐ Office Building (Number of Occupants) _____
- ■ Other (description) Warehouse Development
- ☐ Multifamily (Number of Units)_____
- ☐ RV Park (Number of Pads) _____
- ☐ Hotel/Motel (Number of Beds) _____
- ☐ Retail (Number of Washrooms) _____

Said tract is one-half mile or less in width; is contiguous to the city limits of Baytown; and is vacant and without residence or on which fewer than three qualified voters reside.

Application Fee: voluntary annexations are $1,000.00

(I), (We), Goose Creek Commerce Center, LP, the Owner(s) of the above-described property request annexation of the property by the City of Baytown.

SIGNED this the 2nd day of December, 2025.

Goose Creek Commerce Center, LP
Owner

See the attached signature page.
Name & Title

Address

Telephone Number

Email Address

Owner

Name & Title

Address

Telephone Number

Email Address

SIGNATURE PAGE TO
CITY OF BAYTOWN
PETITION REQUESTING ANNEXATION

SIGNED this the 2nd day of December, 2025.

OWNER:

GOOSE CREEK COMMERCE CENTER, LP,
a Delaware limited partnership

By: HW Goose Creek CC GP, LLC,
a Delaware limited liability company,
its general partner

By: _____
Printed Name: Toby Rogers
Title: Executive Vice President

Address: Goose Creek Commerce Center, LP
3000 Turtle Creek Blvd
Dallas, TX 75219

Telephone Number: (972) 201-2810
Email Address: toby.rogers@hillwood.com

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on December 2, 2025, by TOBY ROGERS, as Executive Vice President of HW Goose Creek CC GP, LLC, a Delaware limited liability company, on behalf of said limited liability company, in its capacity as the general partner of GOOSE CREEK COMMERCE CENTER, LP, a Delaware limited partnership, on behalf of said limited partnership.

[SEAL]

SARAH SANDERS
Notary ID #132220130
My Commission Expires
October 22, 2027

_____
Notary Public * STATE OF TEXAS

AFTER RECORDING, RETURN TO:

City of Baytown
Attn: Planning Department
P. O. Box 424
Baytown, TX 77522-0424

EXHIBIT A
Land

TRACT 1:

A TRACT OR PARCEL CONTAINING 96.295 ACRES OR 4,194,637 SQUARE FEET OF LAND SITUATED IN THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND THE SANDFORD RICE SURVEY, ABSTRACT NO. 682, HARRIS COUNTY, TEXAS, BEING ALL OF A CALLED 52.533 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER HARRIS COUNTY CLERKS FILE (H.C.C.F.) NO. W487720, ALL OF A CALLED 1.0 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER H.C.C.F. NO. W660866 AND ALL OF A CALLED 42.85 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER H.C.C.F. NOS. R862033 AND R862035, ALSO BEING OUT OF BLOCKS 25, 26 AND 27 OF UNIT "C", ELENA FRUIT & COTTON FARMS, MAP OR PLAT THEREOF RECORDED UNDER VOLUME 7, PAGE 48 OF THE HARRIS COUNTY MAP RECORDS (H.C.M.R.), WITH SAID 96.295 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A 5/8 INCH IRON ROD FOUND ON THE SOUTHERLY RIGHT-OF-WAY (R.O.W.) LINE OF WALLISVILLE ROAD (PUBLIC, CALLED 80' WIDTH) MARKING THE COMMON NORTHERLY CORNER OF SAID 52.533 ACRE TRACT AND A CALLED 25.258 ACRE TRACT OF LAND CONVEYED TO MISSOURI PACIFIC RAILROAD COMPANY AS RECORDED UNDER H.C.C.F. NO. R434830, FOR THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A CAPPED 1/2 INCH IRON ROD (ILLEGIBLE) FOUND FOR REFERENCE BEARS NORTH 17 DEG. 35 MIN. WEST, 2.85 FEET;

THENCE, NORTH 86 DEG. 44 MIN. 09 SEC. EAST WITH SAID SOUTHERLY R.O.W. LINE OF WALLISVILLE ROAD, A DISTANCE OF 1,093.76 FEET TO A 5/8 INCH IRON ROD FOUND MARKING THE COMMON NORTHERLY CORNER OF SAID 52.533 ACRE TRACT AND A CALLED 6.86 ACRE TRACT OF LAND CONVEYED TO CURTIS LEE HIPPARD AS RECORDED UNDER H.C.C.F. NO. 20090021576, FOR THE MOST NORTHERLY NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 02 DEG. 29 MIN. 16 SEC. EAST WITH THE COMMON LINE OF SAID 52.533 ACRE TRACT, SAID 6.86 ACRE TRACT AND A CALLED 10.85 ACRE TRACT OF LAND CONVEYED TO AUTUMN DAWN MULLEN AS RECORDED UNDER H.C.C.F. NO. RP-2023-48722, A DISTANCE OF 1,293.88 FEET TO A 1/2 INCH IRON PIPE FOUND ON A NORTHERLY LINE OF SAID 42.85 ACRE TRACT MARKING THE COMMON SOUTHERLY CORNER OF SAID 52.533 ACRE TRACT AND SAID 10.85 ACRE TRACT;

THENCE, NORTH 86 DEG. 36 MIN. 53 SEC. EAST WITH THE COMMON LINE OF SAID 42.85 ACRE TRACT AND SAID 10.85 ACRE TRACT, A DISTANCE OF 598.04 FEET TO A CAPPED 5/8 INCH IRON ROD (ILLEGIBLE) FOUND MARKING THE COMMON CORNER OF SAID 42.85 ACRE TRACT, SAID 10.85 ACRE TRACT A CALLED 1 ACRE TRACT OF LAND CONVEYED TO DANA L. BROWN AS RECORDED UNDER H.C.C.F. NO. RP-2019-116010 AND A CALLED 10 ACRE TRACT OF LAND CONVEYED TO DANA L. BROWN AS RECORDED UNDER H.C.C.F. NO. RP-2019-116010;

THENCE, SOUTH 03 DEG. 23 MIN. 13 SEC. EAST WITH THE COMMON LINE OF SAID 42.85 ACRE TRACT AND SAID 10 ACRE TRACT, A DISTANCE OF 417.92 FEET TO A CAPPED 5/8 INCH

RP-2024-462105

IRON ROD STAMPED "WINDROSE" SET MARKING THE COMMON WESTERLY CORNER OF SAID 10 ACRE TRACT AND A CALLED 7.5 ACRE TRACT OF LAND CONVEYED TO ABIDING FAITH BAPTIST CHURCH OF BAYTOWN AS RECORDED UNDER H.C.C.F. NO. X551813, FROM WHICH A 3/8 INCH IRON ROD FOUND FOR REFERENCE BEARS NORTH 72 DEG. 09 MIN. EAST, 4.57 FEET;

THENCE, SOUTH 02 DEG. 28 MIN. 41 SEC. EAST WITH THE COMMON LINE OF SAID 42.85 ACRE TRACT AND SAID 7.5 ACRE TRACT, A DISTANCE OF 332.92 FEET TO A 1/2 INCH IRON ROD FOUND MARKING A COMMON CORNER OF SAID 42.85 ACRE TRACT AND SAID 7.5 ACRE TRACT;

THENCE, NORTH 86 DEG. 43 MIN. 46 SEC. EAST WITH THE COMMON LINE OF SAID 42.85 ACRE TRACT, SAID 7.5 ACRE TRACT AND A CALLED 8 ACRE TRACT OF LAND CONVEYED TO SAN JACINTO BAPTIST ASSOCIATION AS RECORDED UNDER H.C.C.F. NO. H700306, A DISTANCE OF 1,046.87 FEET TO A 5/8 INCH IRON ROD FOUND ON THE WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD (PUBLIC, WIDTH VARIES) MARKING THE COMMON EASTERLY CORNER OF SAID 42.85 ACRE TRACT AND SAID 8 ACRE TRACT, FOR THE MOST SOUTHERLY NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 02 DEG. 37 MIN. 48 SEC. EAST WITH SAID WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD, A DISTANCE OF 554.31 FEET TO A 1/2 INCH IRON ROD FOUND MARKING THE INTERSECTION OF SAID WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD AND THE NORTHERLY R.O.W. LINE OF BATTLEBELL ROAD (PUBLIC, CALLED 60' WIDTH), FOR THE SOUTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A CONCRETE MONUMENT FOUND FOR REFERENCE BEARS SOUTH 39 DEG. 46 MIN. EAST, 2.41 FEET;

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THENCE, WITH SAID NORTHERLY R.O.W. LINE OF BATTLEBELL ROAD, THE FOLLOWING FOUR (4) COURSES AND DISTANCES:

SOUTH 86 DEG. 39 MIN. 12 SEC. WEST, A DISTANCE OF 1,531.54 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING AN ANGLE POINT;

SOUTH 86 DEG. 33 MIN. 21 SEC. WEST, A DISTANCE OF 208.90 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING AN ANGLE POINT;

SOUTH 86 DEG. 17 MIN. 25 SEC. WEST, A DISTANCE OF 283.16 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING THE COMMON SOUTHERLY CORNER OF SAID 42.85 ACRE TRACT AND SAID 52.533 ACRE TRACT;

SOUTH 86 DEG. 46 MIN. 20 SEC. WEST, A DISTANCE OF 705.73 FEET TO A CAPPED 5/8 INCH IRON ROD (ILLEGIBLE) FOUND MARKING THE COMMON SOUTHERLY CORNER OF SAID 52.533 ACRE TRACT AND SAID 25.258 ACRE TRACT, FOR THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, WITH THE COMMON LINE OF SAID 52.533 ACRE TRACT AND SAID 25.258 ACRE TRACT, THE FOLLOWING FIVE (5) COURSES AND DISTANCES:

NORTH 02 DEG. 52 MIN. 04 SEC. WEST, A DISTANCE OF 2,204.68 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET FOR CORNER;

SOUTH 87 DEG. 07 MIN. 56 SEC. WEST, A DISTANCE OF 10.00 FEET TO A CAPPED 5/8 INCH IRON ROD (ILLEGIBLE) FOUND FOR CORNER;

NORTH 02 DEG. 52 MIN. 04 SEC. WEST, A DISTANCE OF 150.00 FEET TO A CAPPED 5/8 INCH IRON ROD (ILLEGIBLE) FOUND FOR CORNER, FROM WHICH A CAPPED 1/2 INCH IRON ROD (ILLEGIBLE) FOUND FOR REFERENCE BEARS NORTH 88 DEG. 49 MIN. WEST, 0.68 FEET;

NORTH 87 DEG. 07 MIN. 56 SEC. EAST, A DISTANCE OF 10.00 FEET TO A 5/8 INCH IRON ROD FOUND FOR CORNER;

NORTH 02 DEG. 52 MIN. 04 SEC. WEST, A DISTANCE OF 247.47 FEET TO THE POINT OF BEGINNING AND CONTAINING 96.295 ACRES OR 4,194,637 SQUARE FEET OF LAND, MORE OR LESS.

TRACT 2:

A TRACT OR PARCEL CONTAINING 20.258 ACRES OR 882,462 SQUARE FEET OF LAND SITUATED IN THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND THE SANDFORD RICE SURVEY, ABSTRACT NO. 682, HARRIS COUNTY, TEXAS, BEING THE RESIDUE OF A CALLED 30.3930 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER HARRIS COUNTY CLERKS FILE (H.C.C.F.) NO. N952464, ALSO BEING ALL OF LOTS 11, 12, 29 AND 30, BLOCK 6 OF HIGHLAND FARMS, MAP OR PLAT THEREOF RECORDED UNDER VOLUME 7, PAGE 60 OF THE HARRIS COUNTY MAP RECORDS (H.C.M.R.), WITH SAID 20.258 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A 1 INCH IRON PIPE FOUND ON THE SOUTHERLY RIGHT-OF-WAY (R.O.W.) LINE OF BATTLEBELL ROAD (PUBLIC, CALLED 60' WIDTH) MARKING THE COMMON NORTHERLY CORNER OF SAID 30.3930 ACRE TRACT AND A CALLED 10.115 ACRE TRACT OF LAND CONVEYED TO MISSOURI PACIFIC RAILROAD COMPANY AS RECORDED UNDER H.C.C.F. NO. R307891, FOR THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A 1 INCH IRON PIPE FOUND FOR REFERENCE BEARS SOUTH 01 DEG. 16 MIN WEST, 1.16 FEET;

THENCE, NORTH 86 DEG. 40 MIN. 48 SEC. EAST WITH SAID SOUTHERLY R.O.W. LINE OF BATTLEBELL ROAD, A DISTANCE OF 563.02 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING THE NORTHWESTERLY CORNER OF A TRACT OF LAND CONVEYED TO FRANK D. COX AND B. JOYCE COX AS RECORDED UNDER H.C.C.F. NO. N952466, FOR THE NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 02 DEG. 28 MIN. 55 SEC. EAST WITH THE WESTERLY LINE OF SAID FRANK D. COX TRACT, A DISTANCE OF 1,568.96 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET ON THE NORTHERLY R.O.W. LINE OF JONES ROAD (PUBLIC, CALLED 60' WIDTH) MARKING THE SOUTHWESTERLY CORNER OF SAID FRANK D. COX TRACT, FOR THE SOUTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

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THENCE, SOUTH 86 DEG. 58 MIN. 57 SEC. WEST WITH SAID NORTHERLY R.O.W. LINE OF JONES ROAD, A DISTANCE OF 563.03 FEET TO A 1 INCH IRON PIPE FOUND MARKING THE COMMON SOUTHERLY CORNER OF SAID 30.3930 ACRE TRACT AND SAID 10.115 ACRE TRACT, FOR THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A 1/2 INCH IRON ROD FOUND FOR REFERENCE BEARS NORTH 39 DEG. 24 MIN EAST, 2.48 FEET;

THENCE, NORTH 02 DEG. 28 MIN. 48 SEC. WEST WITH THE COMMON LINE OF SAID 30.3930 ACRE TRACT AND SAID 10.115 ACRE TRACT, A DISTANCE OF 1,565.99 FEET TO THE POINT OF BEGINNING AND CONTAINING 20.258 ACRES OR 882,462 SQUARE FEET OF LAND, MORE OR LESS.

TRACT 4:

A TRACT OR PARCEL CONTAINING 67.004 ACRES OR 2,918,677 SQUARE FEET OF LAND SITUATED IN THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620, HARRIS COUNTY, TEXAS, BEING ALL OF A CALLED 66.9868 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER HARRIS COUNTY CLERKS FILE (H.C.C.F.) NO. N952464, ALSO BEING ALL OF LOTS 14 THROUGH 27, BLOCK 6 OF HIGHLAND FARMS, MAP OR PLAT THEREOF RECORDED UNDER VOLUME 7, PAGE 60 OF THE HARRIS COUNTY MAP RECORDS (H.C.M.R.), WITH SAID 67.004 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A CAPPED 5/8 INCH IRON ROD STAMPED "JONES & CARTER" FOUND ON THE SOUTHERLY RIGHT-OF-WAY (R.O.W.) LINE OF BATTLEBELL ROAD (CALLED 60' WIDTH) MARKING THE COMMON NORTHERLY CORNER OF SAID 66.9868 ACRE TRACT AND A TRACT OF LAND CONVEYED TO FRANK D. COX AND B. JOYCE COX AS RECORDED UNDER H.C.C.F. NO. N952466, FOR THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 86 DEG. 33 MIN. 06 SEC. EAST WITH SAID SOUTHERLY R.O.W. LINE OF BATTLEBELL ROAD, A DISTANCE OF 1,850.36 FEET TO A 1 INCH IRON PIPE FOUND MARKING THE INTERSECTION OF SAID SOUTHERLY R.O.W. LINE OF BATTLEBELL ROAD AND THE WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD (PUBLIC, WIDTH VARIES), FOR THE NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, WITH SAID WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD, THE FOLLOWING TWO (2) COURSES AND DISTANCES:

SOUTH 02 DEG. 29 MIN. 54 SEC. EAST, A DISTANCE OF 1,580.08 FEET TO A 1 INCH IRON PIPE FOUND MARKING AN ANGLE POINT;

SOUTH 11 DEG. 22 MIN. 16 SEC. WEST, A DISTANCE OF 4.40 FEET TO A CAPPED 2 INCH IRON PIPE FOUND MARKING THE INTERSECTION OF SAID WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD AND THE NORTHERLY R.O.W. LINE OF JONES ROAD (PUBLIC, CALLED 60' WIDTH), FOR THE SOUTHEASTERLY CORNER OF SAID 66.9868 ACRE TRACT AND THE HEREIN DESCRIBED TRACT, FROM WHICH A CONCRETE

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MONUMENT FOUND FOR REFERENCE BEARS SOUTH 63 DEG. 58 MIN. EAST, 4.66 FEET;

THENCE, SOUTH 86 DEG. 58 MIN. 57 SEC. WEST WITH SAID NORTHERLY R.O.W. LINE OF JONES ROAD, A DISTANCE OF 1,849.55 FEET TO A CAPPED 2 INCH IRON PIPE (DISTURBED) FOUND MARKING THE COMMON SOUTHERLY CORNER OF SAID 66.9868 ACRE TRACT AND SAID FRANK D. COX TRACT, FOR THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 02 DEG. 28 MIN. 58 SEC. WEST WITH THE COMMON LINE OF SAID 66.9868 ACRE TRACT AND SAID FRANK D. COX TRACT, A DISTANCE OF 1,570.44 FEET TO THE POINT OF BEGINNING AND CONTAINING 67.004 ACRES OR 2,918,677 SQUARE FEET OF LAND, MORE OR LESS.

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EXHIBIT A
Land

A TRACT OR PARCEL CONTAINING 10.144 ACRES OR 441,858 SQUARE FEET OF LAND SITUATED IN THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND THE SANDFORD RICE SURVEY, ABSTRACT NO. 682, HARRIS COUNTY, TEXAS, BEING ALL OF A TRACT OF LAND CONVEYED TO FRANK D. COX AND B. JOYCE COX AS RECORDED UNDER HARRIS COUNTY CLERKS FILE (H.C.C.F.) NO. N952466, ALSO BEING ALL OF LOTS 13 AND 28, BLOCK 6 OF HIGHLAND FARMS, MAP OR PLAT THEREOF RECORDED UNDER VOLUME 7, PAGE 60 OF THE HARRIS COUNTY MAP RECORDS (H.C.M.R.), WITH SAID 10.144 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A CAPPED 5/8 INCH IRON ROD STAMPED "JONES & CARTER" FOUND ON THE SOUTHERLY RIGHT-OF-WAY (R.O.W.) LINE OF BATTLEBELL ROAD (CALLED 60' WIDTH) MARKING THE COMMON NORTHERLY CORNER OF SAID FRANK D. COX TRACT AND A CALLED 66.9868 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER H.C.C.F. NO. N952464, FOR THE NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 02 DEG. 28 MIN. 58 SEC. EAST WITH THE COMMON LINE OF SAID FRANK D. COX TRACT AND SAID 66.9868 ACRE TRACT, A DISTANCE OF 1,570.44 FEET TO A CAPPED 2 INCH IRON PIPE (DISTURBED) FOUND ON THE NORTHERLY R.O.W. LINE OF JONES ROAD (CALLED 60' WIDTH) MARKING THE COMMON SOUTHERLY CORNER OF SAID FRANK D. COX TRACT AND SAID 66.9868 ACRE TRACT, FOR THE SOUTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 86 DEG. 58 MIN. 57 SEC. WEST WITH SAID NORTHERLY R.O.W. LINE OF JONES ROAD, A DISTANCE OF 281.52 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING THE SOUTHWESTERLY CORNER OF SAID FRANK D. COX TRACT AND THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 02 DEG. 28 MIN. 55 SEC. WEST WITH THE WESTERLY LINE OF SAID FRANK D. COX TRACT, A DISTANCE OF 1,568.96 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET ON SAID SOUTHERLY R.O.W. LINE OF BATTLEBELL ROAD MARKING THE NORTHWESTERLY CORNER OF SAID FRANK D. COX TRACT AND THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 86 DEG. 40 MIN. 48 SEC. EAST WITH SAID SOUTHERLY R.O.W. LINE OF BATTLEBELL ROAD, A DISTANCE OF 281.51 FEET TO THE POINT OF BEGINNING AND CONTAINING 10.144 ACRES OR 441,858 SQUARE FEET OF LAND, MORE OR LESS.

RP-2024-462095

EXHIBIT B

WINDROSE
LAND SURVEYING | PLATTING

DESCRIPTION OF
20.258 ACRES OR 882,462 SQ. FT.

A TRACT OR PARCEL CONTAINING 20.258 ACRES OR 882,462 SQUARE FEET OF LAND SITUATED IN THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND THE SANDFORD RICE SURVEY, ABSTRACT NO. 682, HARRIS COUNTY, TEXAS, BEING THE RESIDUE OF A CALLED 30.3930 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER HARRIS COUNTY CLERKS FILE (H.C.C.F.) NO. N952464, ALSO BEING ALL OF LOTS 11, 12, 29 AND 30, BLOCK 6 OF HIGHLAND FARMS, MAP OR PLAT THEREOF RECORDED UNDER VOLUME 7, PAGE 60 OF THE HARRIS COUNTY MAP RECORDS (H.C.M.R.), WITH SAID 20.258 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A 1 INCH IRON PIPE FOUND ON THE SOUTHERLY RIGHT-OF-WAY (R.O.W.) LINE OF BATTLEBELL ROAD (PUBLIC, CALLED 60' WIDTH) MARKING THE COMMON NORTHERLY CORNER OF SAID 30.3930 ACRE TRACT AND A CALLED 10.115 ACRE TRACT OF LAND CONVEYED TO MISSOURI PACIFIC RAILROAD COMPANY AS RECORDED UNDER H.C.C.F. NO. R307891, FOR THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A 1 INCH IRON PIPE FOUND FOR REFERENCE BEARS SOUTH 01 DEG. 16 MIN WEST, 1.16 FEET;

THENCE, NORTH 86 DEG. 40 MIN. 48 SEC. EAST WITH SAID SOUTHERLY R.O.W. LINE OF BATTLEBELL ROAD, A DISTANCE OF 563.02 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING THE NORTHWESTERLY CORNER OF A TRACT OF LAND CONVEYED TO FRANK D. COX AND B. JOYCE COX AS RECORDED UNDER H.C.C.F. NO. N952466, FOR THE NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 02 DEG. 28 MIN. 55 SEC. EAST WITH THE WESTERLY LINE OF SAID FRANK D. COX TRACT, A DISTANCE OF 1,568.96 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET ON THE NORTHERLY R.O.W. LINE OF JONES ROAD (PUBLIC, CALLED 60' WIDTH) MARKING THE SOUTHWESTERLY CORNER OF SAID FRANK D. COX TRACT, FOR THE SOUTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 86 DEG. 58 MIN. 57 SEC. WEST WITH SAID NORTHERLY R.O.W. LINE OF JONES ROAD, A DISTANCE OF 563.03 FEET TO A 1 INCH IRON PIPE FOUND MARKING THE COMMON SOUTHERLY CORNER OF SAID 30.3930 ACRE TRACT AND SAID 10.115 ACRE TRACT, FOR THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A 1/2 INCH IRON ROD FOUND FOR REFERENCE BEARS NORTH 39 DEG. 24 MIN EAST, 2.48 FEET;

THENCE, NORTH 02 DEG. 28 MIN. 48 SEC. WEST WITH THE COMMON LINE OF SAID 30.3930 ACRE TRACT AND SAID 10.115 ACRE TRACT, A DISTANCE OF 1,565.99 FEET TO THE **POINT OF BEGINNING** AND CONTAINING 20.258 ACRES OR 882,462 SQUARE FEET OF LAND, AS SHOWN ON JOB NO. 59739, PREPARED BY WINDROSE.

PRELIMINARY
THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY
PURPOSE AND SHALL NOT BE USED OR VIEWED OR
RELIED UPON AS A FINAL SURVEY DOCUMENT

_____
ROBERT KNESS
R.P.L.S. NO. 6486
STATE OF TEXAS
FIRM REGISTRATION NO. 10108800

11-??-2024
DATE:

WINDROSE
LAND SURVEYING | PLATTING

DESCRIPTION OF
96.295 ACRES OR 4,194,637 SQ. FT.

A TRACT OR PARCEL CONTAINING 96.295 ACRES OR 4,194,637 SQUARE FEET OF LAND SITUATED IN THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND THE SANDFORD RICE SURVEY, ABSTRACT NO. 682, HARRIS COUNTY, TEXAS, BEING ALL OF A CALLED 52.533 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER HARRIS COUNTY CLERKS FILE (H.C.C.F.) NO. W487720, ALL OF A CALLED 1.0 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER H.C.C.F. NO. W660866 AND ALL OF A CALLED 42.85 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER H.C.C.F. NOS. R862033 AND R862035, ALSO BEING OUT OF BLOCKS 25, 26 AND 27 OF UNIT "C", ELENA FRUIT & COTTON FARMS, MAP OR PLAT THEREOF RECORDED UNDER VOLUME 7, PAGE 48 OF THE HARRIS COUNTY MAP RECORDS (H.C.M.R.), WITH SAID 96.295 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A 5/8 INCH IRON ROD FOUND ON THE SOUTHERLY RIGHT-OF-WAY (R.O.W.) LINE OF WALLISVILLE ROAD (PUBLIC, CALLED 80' WIDTH) MARKING THE COMMON NORTHERLY CORNER OF SAID 52.533 ACRE TRACT AND A CALLED 25.258 ACRE TRACT OF LAND CONVEYED TO MISSOURI PACIFIC RAILROAD COMPANY AS RECORDED UNDER H.C.C.F. NO. R434830, FOR THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A CAPPED 1/2 INCH IRON ROD (ILLEGIBLE) FOUND FOR REFERENCE BEARS NORTH 17 DEG. 35 MIN. WEST, 2.85 FEET;

THENCE, NORTH 86 DEG. 44 MIN. 09 SEC. EAST WITH SAID SOUTHERLY R.O.W. LINE OF WALLISVILLE ROAD, A DISTANCE OF 1,093.76 FEET TO A 5/8 INCH IRON ROD FOUND MARKING THE COMMON NORTHERLY CORNER OF SAID 52.533 ACRE TRACT AND A CALLED 6.86 ACRE TRACT OF LAND CONVEYED TO CURTIS LEE HIPPARD AS RECORDED UNDER H.C.C.F. NO. 20090021576, FOR THE MOST NORTHERLY NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 02 DEG. 29 MIN. 16 SEC. EAST WITH THE COMMON LINE OF SAID 52.533 ACRE TRACT, SAID 6.86 ACRE TRACT AND A CALLED 10.85 ACRE TRACT OF LAND CONVEYED TO AUTUMN DAWN MULLEN AS RECORDED UNDER H.C.C.F. NO. RP-2023-48722, A DISTANCE OF 1,293.88 FEET TO A 1/2 INCH IRON PIPE FOUND ON A NORTHERLY LINE OF SAID 42.85 ACRE TRACT MARKING THE COMMON SOUTHERLY CORNER OF SAID 52.533 ACRE TRACT AND SAID 10.85 ACRE TRACT;

THENCE, NORTH 86 DEG. 36 MIN. 53 SEC. EAST WITH THE COMMON LINE OF SAID 42.85 ACRE TRACT AND SAID 10.85 ACRE TRACT, A DISTANCE OF 598.04 FEET TO A CAPPED 5/8 INCH IRON ROD (ILLEGIBLE) FOUND MARKING THE COMMON CORNER OF SAID 42.85 ACRE TRACT, SAID 10.85 ACRE TRACT A CALLED 1 ACRE TRACT OF LAND CONVEYED TO DANA L. BROWN AS RECORDED UNDER H.C.C.F. NO. RP-2019-116010 AND A CALLED 10 ACRE TRACT OF LAND CONVEYED TO DANA L. BROWN AS RECORDED UNDER H.C.C.F. NO. RP-2019-116010;

THENCE, SOUTH 03 DEG. 23 MIN. 13 SEC. EAST WITH THE COMMON LINE OF SAID 42.85 ACRE TRACT AND SAID 10 ACRE TRACT, A DISTANCE OF 417.92 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING THE COMMON WESTERLY CORNER OF SAID 10 ACRE TRACT AND A CALLED 7.5 ACRE TRACT OF LAND CONVEYED TO ABIDING FAITH BAPTIST CHURCH OF BAYTOWN AS RECORDED UNDER H.C.C.F. NO. X551813, FROM WHICH A 3/8 INCH IRON ROD FOUND FOR REFERENCE BEARS NORTH 72 DEG. 09 MIN. EAST, 4.57 FEET;

THENCE, SOUTH 02 DEG. 28 MIN. 41 SEC. EAST WITH THE COMMON LINE OF SAID 42.85 ACRE TRACT AND SAID 7.5 ACRE TRACT, A DISTANCE OF 332.92 FEET TO A 1/2 INCH IRON ROD FOUND MARKING A COMMON CORNER OF SAID 42.85 ACRE TRACT AND SAID 7.5 ACRE TRACT;

THENCE, NORTH 86 DEG. 43 MIN. 46 SEC. EAST WITH THE COMMON LINE OF SAID 42.85 ACRE TRACT, SAID 7.5 ACRE TRACT AND A CALLED 8 ACRE TRACT OF LAND CONVEYED TO SAN JACINTO BAPTIST ASSOCIATION AS RECORDED UNDER H.C.C.F. NO. H700306, A DISTANCE OF 1,046.87 FEET TO A 5/8 INCH IRON ROD FOUND ON THE WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD (PUBLIC, WIDTH VARIES) MARKING THE COMMON EASTERLY CORNER OF SAID 42.85 ACRE TRACT AND SAID 8 ACRE TRACT, FOR THE MOST SOUTHERLY NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 02 DEG. 37 MIN. 48 SEC. EAST WITH SAID WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD, A DISTANCE OF 554.31 FEET TO A 1/2 INCH IRON ROD FOUND MARKING THE INTERSECTION OF SAID WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD AND THE NORTHERLY R.O.W. LINE OF BATTLEBELL ROAD (PUBLIC, CALLED 60' WIDTH), FOR THE SOUTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A CONCRETE MONUMENT FOUND FOR REFERENCE BEARS SOUTH 39 DEG. 46 MIN. EAST, 2.41 FEET;

THENCE, WITH SAID NORTHERLY R.O.W. LINE OF BATTLEBELL ROAD, THE FOLLOWING FOUR (4) COURSES AND DISTANCES:

SOUTH 86 DEG. 39 MIN. 12 SEC. WEST, A DISTANCE OF 1,531.54 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING AN ANGLE POINT;

SOUTH 86 DEG. 33 MIN. 21 SEC. WEST, A DISTANCE OF 208.90 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING AN ANGLE POINT;

SOUTH 86 DEG. 17 MIN. 25 SEC. WEST, A DISTANCE OF 283.16 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING THE COMMON SOUTHERLY CORNER OF SAID 42.85 ACRE TRACT AND SAID 52.533 ACRE TRACT;

SOUTH 86 DEG. 46 MIN. 20 SEC. WEST, A DISTANCE OF 705.73 FEET TO A CAPPED 5/8 INCH IRON ROD (ILLEGIBLE) FOUND MARKING THE COMMON SOUTHERLY CORNER OF SAID 52.533 ACRE TRACT AND SAID 25.258 ACRE TRACT, FOR THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, WITH THE COMMON LINE OF SAID 52.533 ACRE TRACT AND SAID 25.258 ACRE TRACT, THE FOLLOWING FIVE (5) COURSES AND DISTANCES:

NORTH 02 DEG. 52 MIN. 04 SEC. WEST, A DISTANCE OF 2,204.68 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET FOR CORNER;

SOUTH 87 DEG. 07 MIN. 56 SEC. WEST, A DISTANCE OF 10.00 FEET TO A CAPPED 5/8 INCH IRON ROD (ILLEGIBLE) FOUND FOR CORNER;

NORTH 02 DEG. 52 MIN. 04 SEC. WEST, A DISTANCE OF 150.00 FEET TO A CAPPED 5/8 INCH IRON ROD (ILLEGIBLE) FOUND FOR CORNER, FROM WHICH A CAPPED 1/2 INCH IRON ROD (ILLEGIBLE) FOUND FOR REFERENCE BEARS NORTH 88 DEG. 49 MIN. WEST, 0.68 FEET;

NORTH 87 DEG. 07 MIN. 56 SEC. EAST, A DISTANCE OF 10.00 FEET TO A 5/8 INCH IRON ROD FOUND FOR CORNER;

NORTH 02 DEG. 52 MIN. 04 SEC. WEST, A DISTANCE OF 247.47 FEET TO THE **POINT OF BEGINNING** AND CONTAINING 96.295 ACRES OR 4,194,637 SQUARE FEET OF LAND, AS SHOWN ON JOB NO. 59739, PREPARED BY WINDROSE.

PRELIMINARY
THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

_____ 11-??-2024

ROBERT KNESS
R.P.L.S. NO. 6486
STATE OF TEXAS
FIRM REGISTRATION NO. 10108800

DATE:

WINDROSE
LAND SURVEYING | PLATTING

DESCRIPTION OF
10.144 ACRES OR 441,858 SQ. FT.

A TRACT OR PARCEL CONTAINING 10.144 ACRES OR 441,858 SQUARE FEET OF LAND SITUATED IN THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND THE SANDFORD RICE SURVEY, ABSTRACT NO. 682, HARRIS COUNTY, TEXAS, BEING ALL OF A TRACT OF LAND CONVEYED TO FRANK D. COX AND B. JOYCE COX AS RECORDED UNDER HARRIS COUNTY CLERKS FILE (H.C.C.F.) NO. N952466, ALSO BEING ALL OF LOTS 13 AND 28, BLOCK 6 OF HIGHLAND FARMS, MAP OR PLAT THEREOF RECORDED UNDER VOLUME 7, PAGE 60 OF THE HARRIS COUNTY MAP RECORDS (H.C.M.R.), WITH SAID 10.144 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A CAPPED 5/8 INCH IRON ROD STAMPED "JONES & CARTER" FOUND ON THE SOUTHERLY RIGHT-OF-WAY (R.O.W.) LINE OF BATTLEBELL ROAD (PUBLIC, CALLED 60' WIDTH) MARKING THE COMMON NORTHERLY CORNER OF SAID FRANK D. COX TRACT AND A CALLED 66.9868 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER H.C.C.F. NO. N952464, FOR THE NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 02 DEG. 28 MIN. 58 SEC. EAST WITH THE COMMON LINE OF SAID FRANK D. COX TRACT AND SAID 66.9868 ACRE TRACT, A DISTANCE OF 1,570.44 FEET TO A CAPPED 2 INCH IRON PIPE (DISTURBED) FOUND ON THE NORTHERLY R.O.W. LINE OF JONES ROAD (PUBLIC, CALLED 60' WIDTH) MARKING THE COMMON SOUTHERLY CORNER OF SAID FRANK D. COX TRACT AND SAID 66.9868 ACRE TRACT, FOR THE SOUTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 86 DEG. 58 MIN. 57 SEC. WEST WITH SAID NORTHERLY R.O.W. LINE OF JONES ROAD, A DISTANCE OF 281.52 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET MARKING THE SOUTHWESTERLY CORNER OF SAID FRANK D. COX TRACT AND THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 02 DEG. 28 MIN. 55 SEC. WEST WITH THE WESTERLY LINE OF SAID FRANK D. COX TRACT, A DISTANCE OF 1,568.96 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET ON SAID SOUTHERLY R.O.W. LINE OF BATTLEBELL ROAD MARKING THE NORTHWESTERLY CORNER OF SAID FRANK D. COX TRACT AND THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 86 DEG. 40 MIN. 48 SEC. EAST WITH SAID SOUTHERLY R.O.W. LINE OF BATTLEBELL ROAD, A DISTANCE OF 281.51 FEET TO THE **POINT OF BEGINNING** AND CONTAINING 10.144 ACRES OR 441,858 SQUARE FEET OF LAND, AS SHOWN ON JOB NO. 59739, PREPARED BY WINDROSE.

PRELIMINARY
THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY
PURPOSE AND SHALL NOT BE USED OR VIEWED OR
RELIED UPON AS A FINAL SURVEY DOCUMENT

_____
ROBERT KNESS
R.P.L.S. NO. 6486
STATE OF TEXAS
FIRM REGISTRATION NO. 10108800

11-??-2024
DATE:

WINDROSE
LAND SURVEYING | PLATTING

DESCRIPTION OF
67.004 ACRES OR 2,918,677 SQ. FT.

A TRACT OR PARCEL CONTAINING 67.004 ACRES OR 2,918,677 SQUARE FEET OF LAND SITUATED IN THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620, HARRIS COUNTY, TEXAS, BEING ALL OF A CALLED 66.9868 ACRE TRACT OF LAND CONVEYED TO CHARLES H. COX AS RECORDED UNDER HARRIS COUNTY CLERKS FILE (H.C.C.F.) NO. N952464, ALSO BEING ALL OF LOTS 14 THROUGH 27, BLOCK 6 OF HIGHLAND FARMS, MAP OR PLAT THEREOF RECORDED UNDER VOLUME 7, PAGE 60 OF THE HARRIS COUNTY MAP RECORDS (H.C.M.R.), WITH SAID 67.004 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A CAPPED 5/8 INCH IRON ROD STAMPED "JONES & CARTER" FOUND ON THE SOUTHERLY RIGHT-OF-WAY (R.O.W.) LINE OF BATTLEBELL ROAD (PUBLIC, CALLED 60' WIDTH) MARKING THE COMMON NORTHERLY CORNER OF SAID 66.9868 ACRE TRACT AND A TRACT OF LAND CONVEYED TO FRANK D. COX AND B. JOYCE COX AS RECORDED UNDER H.C.C.F. NO. N952466, FOR THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 86 DEG. 33 MIN. 06 SEC. EAST WITH SAID SOUTHERLY R.O.W. LINE OF BATTLEBELL ROAD, A DISTANCE OF 1,850.36 FEET TO A 1 INCH IRON PIPE FOUND MARKING THE INTERSECTION OF SAID SOUTHERLY R.O.W. LINE OF BATTLEBELL ROAD AND THE WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD (PUBLIC, WIDTH VARIES), FOR THE NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, WITH SAID WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD, THE FOLLOWING TWO (2) COURSES AND DISTANCES:

> SOUTH 02 DEG. 29 MIN. 54 SEC. EAST, A DISTANCE OF 1,580.08 FEET TO A 1 INCH IRON PIPE FOUND MARKING AN ANGLE POINT;
>
> SOUTH 11 DEG. 22 MIN. 16 SEC. WEST, A DISTANCE OF 4.40 FEET TO A CAPPED 2 INCH IRON PIPE FOUND MARKING THE INTERSECTION OF SAID WESTERLY R.O.W. LINE OF JOHN MARTIN ROAD AND THE NORTHERLY R.O.W. LINE OF JONES ROAD (PUBLIC, CALLED 60' WIDTH), FOR THE SOUTHEASTERLY CORNER OF SAID 66.9868 ACRE TRACT AND THE HEREIN DESCRIBED TRACT, FROM WHICH A CONCRETE MONUMENT FOUND FOR REFERENCE BEARS SOUTH 63 DEG. 58 MIN. EAST, 4.66 FEET;

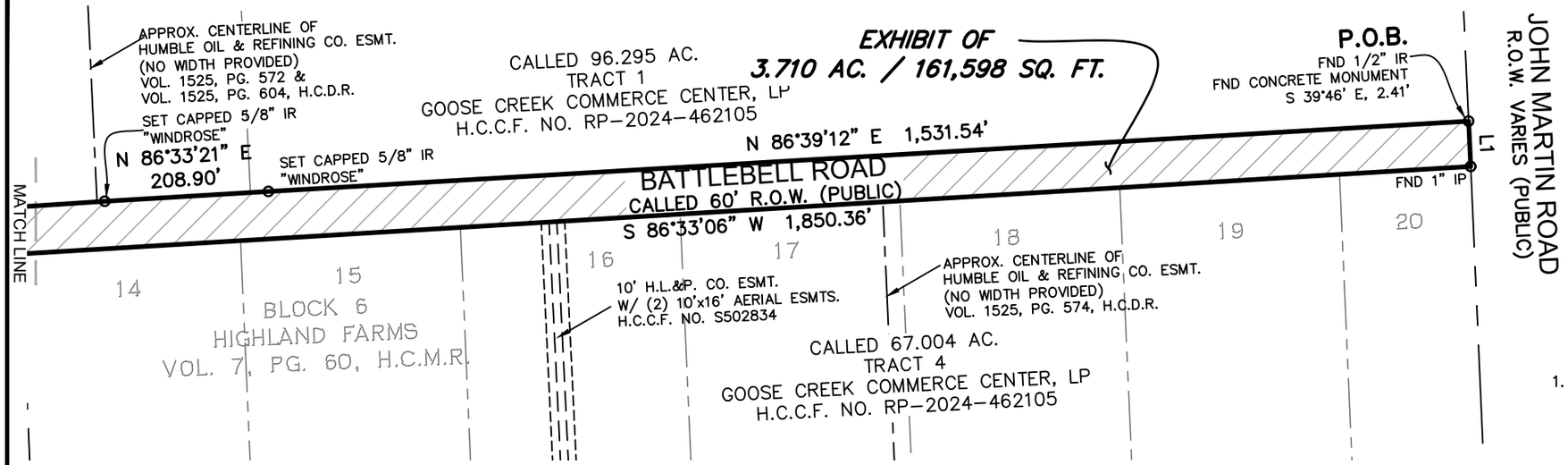
THENCE, SOUTH 86 DEG. 58 MIN. 57 SEC. WEST WITH SAID NORTHERLY R.O.W. LINE OF JONES ROAD, A DISTANCE OF 1,849.55 FEET TO A CAPPED 2 INCH IRON PIPE (DISTURBED) FOUND MARKING THE COMMON SOUTHERLY CORNER OF SAID 66.9868 ACRE TRACT AND SAID FRANK D. COX TRACT, FOR THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

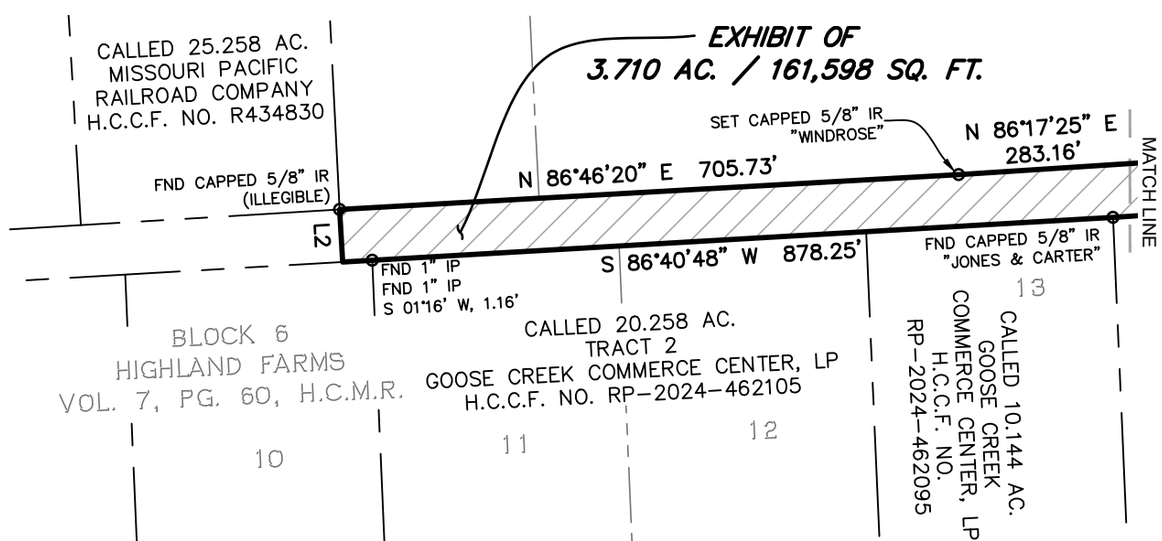
THENCE, NORTH 02 DEG. 28 MIN. 58 SEC. WEST WITH THE COMMON LINE OF SAID 66.9868 ACRE TRACT AND SAID FRANK D. COX TRACT, A DISTANCE OF 1,570.44 FEET TO THE **POINT OF BEGINNING** AND CONTAINING 67.004 ACRES OR 2,918,677 SQUARE FEET OF LAND, AS SHOWN ON JOB NO. 59739, PREPARED BY WINDROSE.

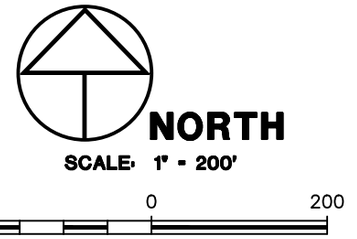
PRELIMINARY
THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

_____
ROBERT KNESS
R.P.L.S. NO. 6486
STATE OF TEXAS
FIRM REGISTRATION NO. 10108800

11-??-2024
DATE:







GENERAL NOTES

1. SURVEYOR DID NOT ABSTRACT SUBJECT PROPERTY, THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A CURRENT TITLE REPORT OR ABSTRACTORS CERTIFICATE AND WOULD BE SUBJECT TO ANY AND ALL CONDITIONS OR RESTRICTIONS THAT A CURRENT TITLE REPORT OR ABSTRACTORS CERTIFICATE MAY DISCLOSE.
2. BEARINGS WERE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE. (NAD83)
3. THIS EXHIBIT IS ACCOMPANIED BY A SEPARATE METES AND BOUNDS DESCRIPTION.
4. THIS EXHIBIT DOES NOT IMPLY TO BE A LAND TITLE SURVEY OF THE SUBJECT PROPERTY AND IS NOT INTENDED TO BE USED FOR TITLE CONVEYANCE PURPOSES.

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S 02°36'21" E	57.63'
L2	N 03°19'12" W	59.81'

EXHIBIT OF BATTLEBELL
3.710 AC. / 161,598 SQ. FT.
SITUATED IN THE
TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND
THE SANDFORD RICE SURVEY, ABSTRACT NO. 682
HARRIS COUNTY, TEXAS

FIELDED BY:	-	DATE:	01-26-2026
DRAWN BY:	LH	REV:	
CHECKED BY:	MC	REV:	
JOB NO.	59739-BATTLEBELL	REV:	
SHEET 1 OF 2		REV:	

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EXHIBIT OF BATTLEBELL
3.710 AC. / 161,598 SQ. FT.
SITUATED IN THE
TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND
THE SANDFORD RICE SURVEY, ABSTRACT NO. 682
HARRIS COUNTY, TEXAS

DESCRIPTION

A TRACT OR PARCEL CONTAINING 3.710 ACRES OR 161,598 SQUARE FEET OF LAND SITUATED IN THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620, AND THE SANDFORD RICE SURVEY, ABSTRACT NO. 682, HARRIS COUNTY, TEXAS, BEING OUT OF BATTLEBELL ROAD (CALLED 60 FEET WIDE PUBLIC RIGHT-OF-WAY), AN UNRECORDED RIGHT-OF-WAY (R.O.W.), WITH SAID 3.710 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (4204):

BEGINNING AT A 1/2 INCH IRON ROD FOUND AT THE INTERSECTION OF THE WEST R.O.W. LINE OF JOHN MARTIN ROAD (WIDTH VARIES) AND THE NORTH R.O.W. LINE OF SAID BATTLEBELL ROAD, FOR THE SOUTHEAST CORNER OF A CALLED 96.296 ACRE TRACT (TRACT 1) CONVEYED TO GOOSE CREEK COMMERCE CENTER, LP., AS RECORDED UNDER HARRIS COUNTY CLERK'S FILE (H.C.C.F.) NO. RP-2024-462105 AND THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A CONCRETE MONUMENT BEARS FOR REFERENCE SOUTH 39 DEG. 46 MIN. EAST - 2.41 FEET;

THENCE, SOUTH 02 DEG. 36 MIN. 21 SEC. EAST, WITH THE WEST R.O.W. LINE OF SAID JOHN MARTIN ROAD, A DISTANCE OF 57.63 FEET TO THE NORTH LINE OF BLOCK 6 OF HIGHLAND FARMS, MAP OR PLAT THEREOF RECORDED UNDER VOL. 7, PG. 60, HARRIS COUNTY MAP RECORDS (H.C.M.R.), FOR THE NORTHEAST CORNER OF A CALLED 67.004 ACRE TRACT CONVEYED TO GOOSE CREEK COMMERCE CENTER, LP., AS RECORDED UNDER H.C.C.F. NO. RP-2024-462105, AND THE SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 86 DEG. 33 MIN. 06 SEC. WEST, WITH THE NORTH LINE OF SAID BLOCK 6, A DISTANCE OF 1,850.36 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "JONES & CARTER" FOUND FOR THE NORTHWEST CORNER OF SAID 67.004 ACRE TRACT, THE NORTHEAST CORNER OF A CALLED 10.144 ACRE TRACT CONVEYED TO GOOSE CREEK COMMERCE CENTER, LP., AS RECORDED UNDER H.C.C.F. NO. RP- 2024-462095 AND AN ANGLE POINT OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 86 DEG. 40 MIN. 48 SEC. WEST, CONTINUING WITH THE NORTH LINE OF SAID BLOCK 6, A DISTANCE OF 878.25 FEET TO THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 03 DEG. 19 MIN. 12 SEC. WEST, OVER AND ACROSS SAID BATTLEBELL ROAD, A DISTANCE OF 59.81 FEET TO A CAPPED 5/8 INCH IRON ROD (ILLEGIBLE) FOUND ON THE NORTH R.O.W. LINE OF SAID BATTLEBELL ROAD FOR THE SOUTHEAST CORNER OF A CALLED 25.258 ACRE TRACT CONVEYED TO MISSOURI PACIFIC RAILROAD COMPANY, AS RECORDED UNDER H.C.C.F. NO. R434830, THE SOUTHWEST CORNER OF A CALLED 96.295 ACRE TRACT CONVEYED TO GOOSE CREEK COMMERCE CENTER, LP., AS RECORDED UNDER H.C.C.F. NO. RP-2024-462105, AND THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, WITH THE SOUTH LINES OF SAID 96.295 ACRE TRACT, THE FOLLOWING FOUR (4) COURSES AND DISTANCES:

1. NORTH 86 DEG. 46 MIN. 20 SEC. EAST, A DISTANCE OF 705.73 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET FOR AN ANGLE POINT OF THE HEREIN DESCRIBED TRACT;
2. NORTH 86 DEG. 17 MIN. 25 SEC. EAST, A DISTANCE OF 283.16 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET FOR AN ANGLE POINT OF THE HEREIN DESCRIBED TRACT;
3. NORTH 86 DEG. 33 MIN. 21 SEC. EAST, A DISTANCE OF 208.90 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET FOR AN ANGLE POINT OF THE HEREIN DESCRIBED TRACT;
4. NORTH 86 DEG. 39 MIN. 12 SEC. EAST, A DISTANCE OF 1,531.54 FEET TO THE POINT OF BEGINNING AND CONTAINING 3.710 ACRES OR 161,598 SQUARE FEET OF LAND

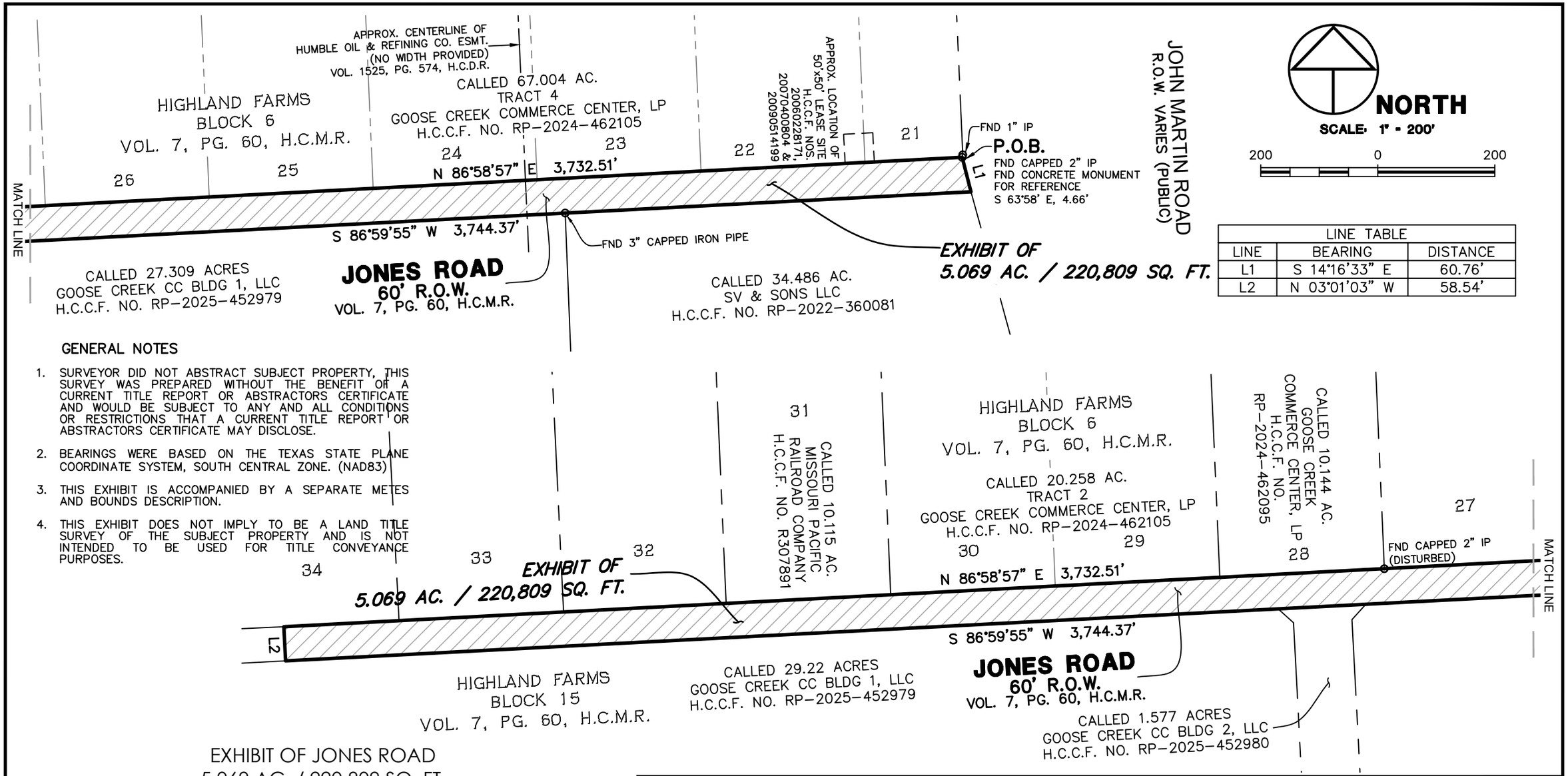


MATTHEW CARPENTER
Registered Professional Land Surveyor
Texas Registration No. 6942

01-26-2026
DATE

FIELDED BY:	-	DATE:	01-26-2026
DRAWN BY:	LH	REV:	
CHECKED BY:	MC	REV:	
JOB NO.	59739-BATTLEBELL	REV:	
SHEET 2 OF 2		REV:	

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LINE TABLE		
LINE	BEARING	DISTANCE
L1	S 14°16'33" E	60.76'
L2	N 03°01'03" W	58.54'

GENERAL NOTES

1. SURVEYOR DID NOT ABSTRACT SUBJECT PROPERTY, THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A CURRENT TITLE REPORT OR ABSTRACTORS CERTIFICATE AND WOULD BE SUBJECT TO ANY AND ALL CONDITIONS OR RESTRICTIONS THAT A CURRENT TITLE REPORT OR ABSTRACTORS CERTIFICATE MAY DISCLOSE.
2. BEARINGS WERE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE. (NAD83)
3. THIS EXHIBIT IS ACCOMPANIED BY A SEPARATE METES AND BOUNDS DESCRIPTION.
4. THIS EXHIBIT DOES NOT IMPLY TO BE A LAND TITLE SURVEY OF THE SUBJECT PROPERTY AND IS NOT INTENDED TO BE USED FOR TITLE CONVEYANCE PURPOSES.

EXHIBIT OF JONES ROAD
5.069 AC. / 220,809 SQ. FT.
SITUATED IN THE
TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND
THE SANDFORD RICE SURVEY, ABSTRACT NO. 682
HARRIS COUNTY, TEXAS

FIELDED BY:	-	DATE:	01-26-2026
DRAWN BY:	LH	REV:	
CHECKED BY:	MC	REV:	
JOB NO.	59739-JONES ROAD	REV:	
SHEET 1 OF 2		REV:	

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EXHIBIT OF JONES ROAD
5.069 AC. / 220,809 SQ. FT.
SITUATED IN THE
TALLCOT PATCHING SURVEY, ABSTRACT NO. 620 AND
THE SANDFORD RICE SURVEY, ABSTRACT NO. 682
HARRIS COUNTY, TEXAS

DESCRIPTION

A TRACT OR PARCEL CONTAINING 5.069 ACRES OR 220,809 SQUARE FEET OF LAND SITUATED IN THE TALLCOT PATCHING SURVEY, ABSTRACT NO. 620, AND THE SANDFORD RICE SURVEY, ABSTRACT NO. 682, HARRIS COUNTY, TEXAS, BEING OUT OF JONES ROAD (CALLED 60 FEET WIDE PUBLIC RIGHT-OF-WAY),RECORDED UNDER VOLUME (VOL.) 7, PAGE (PG.) 60, OF THE HARRIS COUNTY MAP RECORDS (H.C.M.R.), WITH SAID 5.069 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (4204):

BEGINNING AT A CAPPED 2 INCH IRON ROD FOUND AT THE INTERSECTION OF THE WEST R.O.W. LINE OF JOHN MARTIN ROAD (WIDTH VARIES) AND THE NORTH R.O.W. LINE OF SAID JONES ROAD, FOR THE SOUTHEAST CORNER OF LOT 21 OF HIGHLAND FARMS, BLOCK 6, MAP OR PLAT THEREOF RECORDED UNDER VOL. 7, PG. 60, H.C.M.R., SAME BEING THE SOUTHEAST CORNER OF A CALLED 67.004 ACRE TRACT CONVEYED TO GOOSE CREEK COMMERCE CENTER, LP. AS RECORDED UNDER HARRIS COUNTY CLERK'S FILE (H.C.C.F.) NO. RP-2024-462105 FOR THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A CONCRETE MONUMENT BEARS FOR REFERENCE SOUTH 63 DEG. 58 MIN. EAST - 4.66 FEET;

THENCE, SOUTH 14 DEG. 16 MIN. 33 SEC. EAST, WITH THE WEST R.O.W. LINE OF SAID JOHN MARTIN ROAD, A DISTANCE OF 60.76 FEET TO THE NORTHEAST CORNER OF A CALLED 34.486 ACRE TRACT CONVEYED TO SV & SONS, LLC., AS RECORDED UNDER H.C.C.F. NO. RP-2022-360081, AND THE SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 86 DEG. 59 MIN. 55 SEC. WEST, WITH THE SOUTH R.O.W. LINE OF SAID JONES ROAD, A DISTANCE OF 3,744.37 FEET TO A POINT ON THE NORTH LINE OF BLOCK 15 OF SAID HIGHLAND FARMS, FOR THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 03 DEG. 01 MIN. 03 SEC. WEST, OVER AND ACROSS SAID JONES ROAD, A DISTANCE OF 58.54 FEET TO A POINT ON THE SOUTH LINE OF SAID BLOCK 6, FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 86 DEG. 58 MIN. 57 SEC. EAST, WITH THE NORTH R.O.W. LINE OF SAID JONES ROAD, A DISTANCE OF 3,732.51 FEET TO THE POINT OF BEGINNING AND CONTAINING 5.069 ACRES OR 220,809 SQUARE FEET OF LAND.

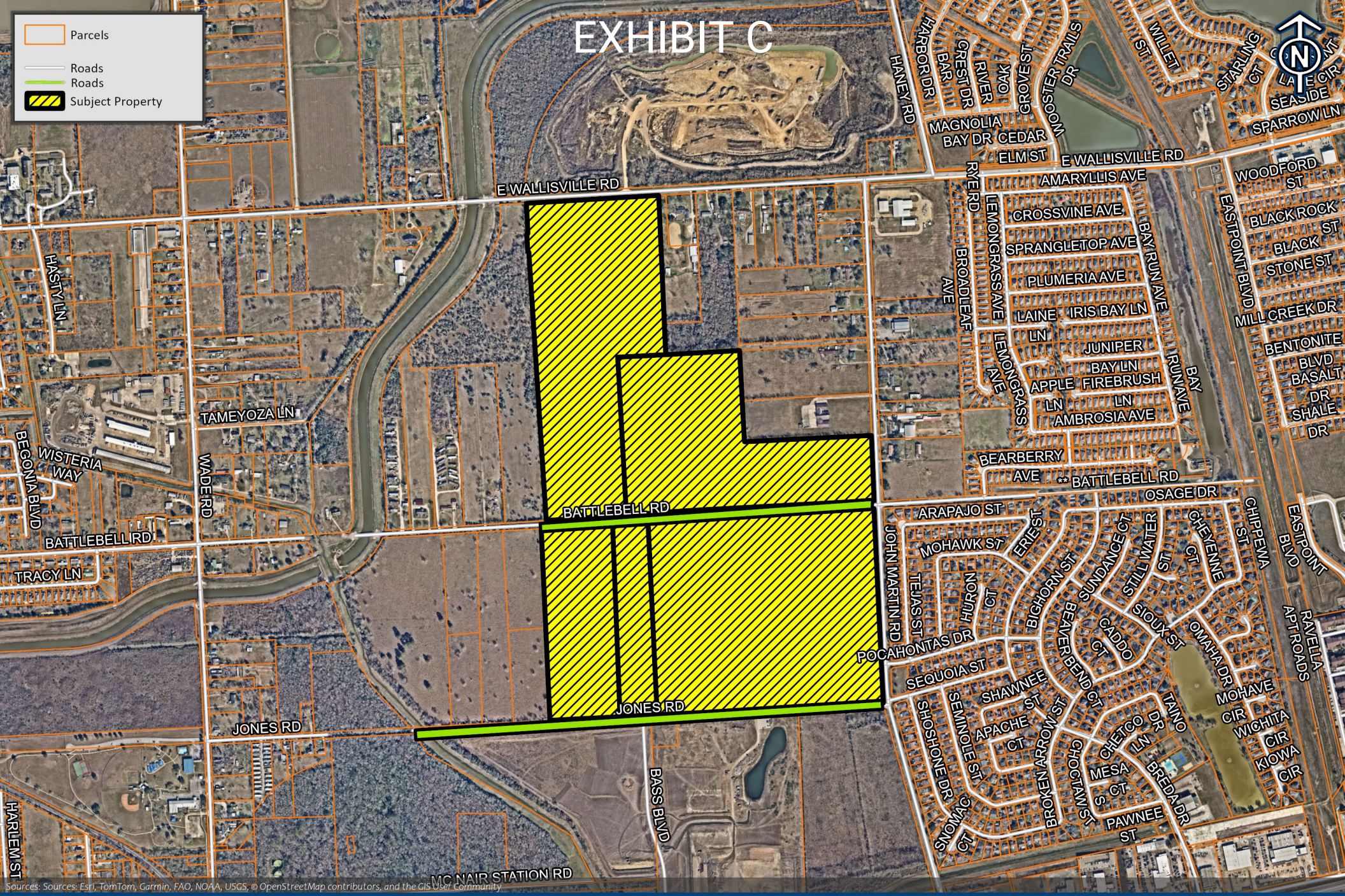


MATTHEW CARPENTER
Registered Professional Land Surveyor
Texas Registration No. 6942

01-26-2026
DATE

FIELDED BY:	-	DATE:	01-26-2026
DRAWN BY:	LH	REV:	
CHECKED BY:	MC	REV:	
JOB NO.	59739-JONES ROAD	REV:	
SHEET 2 OF 2		REV:	

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Sources: Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Voluntary Annexation

North and South of Battlebell Road and sections of Battlebell and Jones Roads

Tracts 26, 26A, 26B, 26C, 27Q, 38B, 43, 43B, 43-I Blocks 25, 26 and 27, Elena Fruit & Cotton Farms and Lots 11 through 30 Block 6, Highland Farms and sections of Battlebell and Jones Roads

HCAD# 0591420000025, 0591420000036, 0591470060007, 0591470060081, 0591470060087

0 250 500 750 1,000 US Feet

The City of Baytown makes no warranty, representation, or guarantee regarding the accuracy of this map. This map is intended for display purposes only and does not replace official recorded documents.

Date: 2/23/2026

CITY COUNCIL MEETING 7. a.

Meeting Date: 04/23/2026

Subject: Consider an ordinance amending Chapter 42 "Health and Sanitation" to update Food and Food Service Establishments ordinances

Prepared for: Timothy Ryan, Health **Prepared by:** Francis Coronado, Health

Department: Health

Information

ITEM

Consider an ordinance amending Chapter 42, "Health and Sanitation," of the City of Baytown Code of Ordinances to update the permit fee schedule for food or food service establishments, update food manager certification requirements, revise cottage food regulations consistent with state law, and adopt the FDA Food Code 2022.

PREFACE

This proposed ordinance will amend various sections of chapter 42, "Health and Sanitation," of the City of Baytown Code of Ordinances as follows:

- Section 42-131 is being amended to add a definition of certified food manager.
- Section 42-133 is being amended to adopt and incorporate the FDA Food Code 2022 into the City of Baytown Code of Ordinances.
- Section 42-151 is being amended to re-define Cottage Food Production Operation and add food items to the definition of Cottage Foods, provide a more extensive definition of Time/Temperature Control Safety Foods, and specify that Cottage Food Production Operations are exempt from permits and fees, consistent with new State law requirements
- Section 42-177 is being amended to revise food manager certification requirements to align with current state law. This proposed amendment will require that a certified food manager be present at food establishments during all hours of operation, subject to some exceptions. Food establishments are also required to maintain copies of food handler training certifications for all employees.
- Section 42-178 is being amended to update the City of Baytown permit fee schedule for food and food service establishments. As discussed in the April 9, 2026 City Council Work Session, this amendment will increase permit fees to the State allowed threshold.

The proposed amendments to Chapter 42 were presented to the City Council at the work session on April 9, 2026.

Fiscal Impact

Fiscal Year: 2026

Acct Code:

Source of Funds (Operating/Capital/Bonds): NA

Funds Budgeted Y/N: N

Amount Needed:

Fiscal Impact (Additional Information):

This will create a positive fiscal impact to the budget.

Attachments

Ordinance Amending Chapter 42

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS, AMENDING CHAPTER 42 “HEALTH AND SANITATION,” ARTICLE IV “FOOD AND FOOD SERVICE ESTABLISHMENTS,” DIVISION 1 “GENERALLY,” SECTION 42-131 “DEFINITIONS” TO ADD THE DEFINITION OF CERTIFIED FOOD MANAGER; AMENDING CHAPTER 42 “HEALTH AND SANITATION,” ARTICLE IV “FOOD AND FOOD SERVICE ESTABLISHMENTS,” DIVISION 1 “GENERALLY,” SECTION 42-133 “ADOPTION OF STATE RULES” TO AMEND SUBSECTION (A)(1) AND SUBSECTION (B)(2) AND REPEAL SUBSECTIONS (B)(3)-(4); AMENDING CHAPTER 42 “HEALTH AND SANITATION,” ARTICLE IV “FOOD AND FOOD SERVICE ESTABLISHMENTS,” DIVISION 1 “GENERALLY,” SECTION 42-151 “FARMER’S MARKETS” TO AMEND SUBSECTION (A), SUBSECTION (C), AND SUBSECTION (D); AMENDING CHAPTER 42 “HEALTH AND SANITATION,” ARTICLE IV “FOOD AND FOOD SERVICE ESTABLISHMENTS,” DIVISION 2 “PERMIT,” SECTION 42-177 “FOOD MANAGER CERTIFICATION” TO AMEND SUBSECTIONS (A)-(D) AND ADD A NEW SUBSECTION (E); AMENDING CHAPTER 42 “HEALTH AND SANITATION,” ARTICLE IV “FOOD AND FOOD SERVICE ESTABLISHMENTS,” DIVISION 2 “PERMIT,” SECTION 42-178 “FEES,” TO AMEND SUBSECTIONS (A)(1), (A)(2), (A)(4) AND (A)(5) AND ADD SUBSECTIONS (D) AND (E), OF THE CODE OF ORDINANCES OF THE CITY OF BAYTOWN, TEXAS; PRESCRIBING A MAXIMUM PENALTY OF TWO THOUSAND AND NO/100 DOLLARS ($2,000.00); PROVIDING A REPEALING CLAUSE; CONTAINING A SAVINGS CLAUSE; AND PROVIDING FOR THE PUBLICATION AND EFFECTIVE DATE THEREOF.

****

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

Section 1: That Chapter 42 "Health and Sanitation," Article IV "Food and Food Service Establishments," Division 1 "Generally," Section 42-131 "Definitions" of the Code of Ordinances, Baytown, Texas, is hereby amended to add the definition of “certified food manager” as follows:

CHAPTER 42—HEALTH AND SANITATION

…

ARTICLE IV. – FOOD AND FOOD SERVICE ESTABLISHMENTS

…

DIVISION 1. – GENERALLY

…

Sec. 42-131. - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicated a different meaning:

…

Certified food manager means any person who has demonstrated that he or she has the knowledge, skills and abilities required to protect the public from foodborne illness by means of successfully completing a certified food manager examination and becoming certified.

Section 2: That Chapter 42 "Health and Sanitation," Article IV "Food and Food Service Establishments," Division 1 "Generally," Section 42-133 "Adoption of State Rules," of the Code of Ordinances of the City of Baytown, Texas, is hereby amended to read as follows:

CHAPTER 42. HEALTH AND SANITATION

…

ARTICLE IV. FOOD AND FOOD SERVICE ESTABLISHMENTS

…

DIVISION 1. – GENERALLY

…

Sec. 42-133. Adoption of state rules.

(a) The following statutes, as they now exist and as hereinafter amended, are adopted and incorporated into this article as if they were set forth at length herein:

(1) Chapters 437-438 of V.T.C.A., Health and Safety Code, and

(2) Chapter 341, V.T.C.A., Health and Safety Code.

(b) The following regulations adopted by the Texas Board of Health, as they now exist and as hereinafter amended, are adopted and incorporated into this article as if they were set forth at length herein:

(1) TFER.

(2) FDA Food Code 2022.

(c) The regulatory authority will assure that a copy of the laws and rules adopted in this section are on file in the office of the city clerk.

(d) A food establishment's owner, manager or operator commits an offense if an employee, owner, manager, or operator of the food establishment violates a rule adopted pursuant to subsections (a) and (b). An offense shall be punishable as provided in section 1-14.

(e) If there is a conflict between a rule adopted in this section and any other section of this article, the more restrictive provision shall apply.

Section 3: That Chapter 42 "Health and Sanitation," Article IV "Food and Food Service Establishments," Division 2 "Generally," Section 42-151 "Farmer's Markets," of the Code of Ordinances of the City of Baytown, Texas, is hereby amended as follows:

CHAPTER 42. HEALTH AND SANITATION

…

ARTICLE IV. FOOD AND FOOD SERVICE ESTABLISHMENTS

…

DIVISION 1. – GENERALLY

…

Sec. 42-151. – Farmers markets.

(a) *Definitions.* The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Baked good[s] include cookies, cakes, breads, Danish, donuts, pastries, pies, and other items that are prepared by baking the item in an oven.

Cottage food means and includes the following foods if the foods are produced out of the seller's individual home or the home of an individual who is a director or officer of a nonprofit organization satisfying all state and local laws and regulations applicable to cottage food production operations:

(1) A baked good;

(2) Candy;

(3) Coated and uncoated nuts;

(4) Unroasted nut butters;

(5) Fruit butters;

(6) A canned jam or jelly;

(7) A fruit pie;

(8) Dehydrated fruit or vegetables, including dried beans;

(9) Popcorn and popcorn snacks;

(10) Cereal, including granola;

(11) Dry mix;

(12) Vinegar;

(13) Pickled fruit or vegetables that are preserved in vinegar, brine or similar solution at an equilibrium pH value of 4.6 or less;

(14) Mustard;

(15) Roasted coffee or dry tea;

(16) A dried herb or dried herb mix

(17) Plant-based acidified canned goods;

(18) Fermented vegetable products, including products that are refrigerated to preserve quality;

(19) Frozen, raw, and uncut fruit or vegetables; or

(20) Any other food that is not a time and temperature control for safety food.

Cottage food production operation shall have the meaning ascribed to that term in V.T.C.A., Health and Safety Code § 437.001. Cottage food production operations shall be exempt from the permit requirements of this section.

Cottage food vendor means a person who has a contractual relationship with a cottage food production operation and sells cottage food, except baked goods, on behalf of the cottage food production operation directly to consumers.

Home means a primary residence that contains a kitchen and appliances designed for common residential usage.

Imminent health hazard means a significant threat or danger to health that is considered to exist when there is evidence sufficient to show that a product, practice, circumstance, or event creates a situation that requires immediate correction or cessation of operation to prevent injury based on the number of potential injuries and the nature, severity, and duration of the anticipated injury.

Producer means a person or entity that produces agricultural products by practice of the agricultural arts upon land that the person controls that is within 150 miles of the corporate limits of the city.

Pure honey means the nectar of plants that has been transformed by, and is the natural product of, bees and that is in the comb or has been taken from the comb and is packaged in a liquid, crystallized, or granular form, which honey is produced from a small honey production operation, as defined in V.T.C.A., Health and Safety Code § 437.001.

Potentially hazardous food means a food that requires time and temperature control for safety to limit pathogen growth or toxin production. The term includes a food that must be held under proper temperature controls, such as refrigeration, to prevent the growth of bacteria that may cause human illness. A potentially hazardous food may include a food that contains protein and moisture and is neutral or slightly acidic, such as meat, poultry, fish, and shellfish products, pasteurized and unpasteurized milk and dairy products, raw seed sprouts, baked goods that require refrigeration, including cream or custard pies or cakes, and ice products. The term does not include a food that uses potentially hazardous food as ingredients if the final food product

does not require time or temperature control for safety to limit pathogen growth or toxin production.

Produce means fresh fruits or vegetables in their natural state.

Sample [means] a bite-sized portion of food or foods offered free of charge to demonstrate its characteristics and does not include a whole meal, an individual portion or a whole sandwich.

Time/Temperature Control for Safety Food means a food that requires time/temperature control for safety ("TCS") to limit pathogenic microorganism growth or toxin formation and includes:

(1) An animal food that is raw or heat-treated; a plant food that is heat-treated or consists of raw seed sprouts, cut melons, cut leafy greens, cut tomatoes or mixtures of cut tomatoes that are not modified in a way so that they are unable to support pathogenic microorganism growth or toxin formation, or garlic-in-oil mixtures that are not modified in a way so that they are unable to support pathogenic microorganism growth or toxin formation.

(2) Time/Temperature Control for Safety Food does not include:

a. An air-cooled hard-boiled egg with shell intact or an egg with shell intact that is not hardboiled, but has pasteurized to destroy all viable salmonellae;

b. A food in an unopened hermetically sealed container that is commonly processed to achieve and maintain commercial sterility under conditions of non-refrigerated store and distribution

Wholesale means the sale of produce, cottage foods, pure honey, or arts and crafts to retail dealers or other persons for the purpose of resale.

(b) *General.* All farmers' markets and farmers' market vendors shall comply with all requirements of this chapter, unless otherwise restricted by applicable federal, state or local law or otherwise provided in this section.

(c) *Permit.*

(1) *Required.* No person shall operate a farmers' market at which farmers' market vendors vend produce, cottage foods, or pure honey without a valid farmers' market permit issued by the regulatory authority.

(2) *Denial.* The regulatory authority may refuse to issue a permit if the regulatory authority finds that the application is incomplete or that the proposed farmers' market is not in compliance with all applicable laws and regulations, including those specified in this section.

(3) *Suspension of permits.* The regulatory authority may suspend a farmers' market permit in accordance with this subsection; however, the issuance of a suspension shall be a remedy in addition to, and not in lieu of, any penalty authorized under this Code, and shall not limit any other rights of the regulatory authority to pursue other actions or remedies to address any violation of the provisions of this article.

a. *Emergency suspension.* If the regulatory authority finds a condition constituting an imminent health hazard, or that a public health nuisance (as that

term is defined in V.T.C.A., Health and Safety Code § 341.011) that is an immediate and substantial hazard to the public health exists in the operation of a farmers' market permitted under this section, the regulatory authority may issue a summary suspension without prior warning, notice or hearing, if the notice:

1. States the reasons for the suspension;
2. States the evidence that the permit holder shall provide in order to demonstrate that the reasons for suspension have been eliminated;
3. States that the permit holder may request an appeal hearing by submitting a timely request to the regulatory authority; and
4. Provides the name and the address of the regulatory authority representative to whom a request for appeal hearing may be made.

(4) *Term.* Permits issued under this section shall be valid for two consecutive days per month for 12 months.

(5) *Restrictions.*

a. Only one farmers' market permit shall be issued for each location of a farmers' market per 12-month period.

b. Only one farmers' market permit shall be issued to a person per 12-month period.

(6) *Nontransferable.* A permit issued under this article shall be nontransferable from one person or place to another person or place. Permits will remain the property of the health department.

(7) *Exemptions.* Pursuant to V.T.C.A. Health and Safety Code § 437.0192, nothing in this section shall be construed to regulate the production of food at a cottage food production operation or require a cottage food production operation to obtain any type of license, permit, or pay any fee to produce or sell directly to a consumer or cottage food vendor.

(d) *Responsibility.*

(1) *Presence.* The farmers' market permit holder shall be the person in charge or shall designate a person in charge and shall ensure that a person in charge is present at the farmers' market during all hours of operation.

(2) *List.* At least 72 hours before the commencement of the operation of the farmers' market, the person in charge of the farmers' market shall maintain a list of all farmers' market vendors, have it readily available at the farmers' market, and provide access and copies of the list to the regulatory authority upon request. The list shall be maintained for at least 90 calendar days from the date of the end of the market. This list shall include, at a minimum:

a. The name, address, and phone number of the farmers' market vendor;

b. The date(s) the farmers' market vendor is to operate at the farmers' market;

c. A list of the items offered by farmers' market vendor for each date operated at the farmers' market;

d. A copy of any applicable permits held by the farmers' market vendor;

e. The address or location of each food item's origin, including information on where the food items were grown, cultivated or otherwise obtained by the farmers' market vendor;

f. Proof of food origin, copy of manufacturer's license, copy of storage license or a description of approved source where food items will be obtained;

g. A copy of approved food label(s) and compliance with labeling requirements of V.T.C.A. 437.0193 Health and Safety Code, where applicable ; and

h. Any other information required of the regulatory authority.

(e) *Application.* A person desiring to operate a farmers' market shall make written application and pay a non-refundable fee of $300.00. Such application shall include, but not be limited to, the following:

(1) That information required in section 42-176;

(2) The number of farmers' market vendors selling:

a. Produce;

b. Pure honey;

c. Cottage food; and

d. Arts and crafts.

(3) A plan as described in subsection (f) of this section.

(f) *Plans.* Each person desiring to operate a farmers' market shall submit the following to the regulatory authority at least 72 hours prior to the proposed start date of the farmers' market:

(1) A farmers' market permit application or valid permit;

(2) A floor plan or diagram of the farmers' market location and layout, including storage and sales together with the location of the toilet facilities, lavatory, produce sink, and trash receptacles;

(3) An equipment list;

(4) A list of the farmers' market vendors and what they are selling; and

(5) A description of each method used to disposing of solid and liquid waste.

(g) *Inspections.*

(1) *Initial inspection.* Upon receipt of an application, the regulatory authority shall make an inspection of the location proposed for the farmers' market to determine compliance with the provisions of this Code.

(2) *Subsequent inspections.* The regulatory authority may enter the farmers' market at any time to determine compliance with this Code as well as rules and regulations of the state and local governmental entities.

(h) *Location.* Farmers' markets shall be located only on properly zoned property. An active business other than the farmers' market shall be currently operating on any private property used as a farmers' market. The owner or operator of the farmers' market shall obtain a notarized letter from the business owner stating that the market has permission to vend produce, cottage food, pure honey, and crafts on the property. The notarized letter shall be submitted to the regulatory authority at the time of a food establishment permit application.

(i) *Displays.* Produce displays shall not include beds of vehicles but shall be limited to tables that are at least six inches above the ground. Fresh produce shall not be cut or sliced unless cut or sliced in accordance with subsection (k) of this section. Displays shall be located on acceptable smooth, hard, paved surfaces such as concrete or machine laid asphalt. There shall be only one farmers' market vendor per display at the farmers' market.

(j) *Hours of operation.* Farmers' markets may be operated between the hours of 8:00 a.m. and 5:00 p.m. It shall be unlawful at any other time for

(1) A farmers' market vendor to sell or offer for sale at a farmers' market; or

(2) A farmers' market permit holder to allow the sale or offer for sale at the permitted farmers' market.

(k) *Samples.*

(1) Only produce may be sampled at a farmers' market;

(2) Samples must be distributed in a sanitary manner;

(3) A person preparing produce samples on-site must:

a. Wear clean, disposable plastic gloves when preparing samples; or

b. Observe proper hand washing techniques immediately before preparing samples;

(4) Produce intended for sampling must be washed in potable water to remove any soil or other visible material;

(5) Potable water must be available for washing;

(6) Except as provided by V.T.C.A., Health and Safety Code § 437.0202(b), potentially hazardous food must be maintained at or below 41 degrees Fahrenheit or disposed of within two hours after cutting or preparing; and

(7) Utensils and cutting surfaces used for sampling shall be smooth, nonabsorbent and easily cleaned and shall be disposable unless approved by the regulatory authority.

(l) *Prohibited.*

(1) *Food.* No meat, poultry, raw milk or associated products or potentially hazardous food, with the exception of produce, may be sold, sampled or displayed for sale at a farmers' market.

(2) *Animals.* Animals may not be vended, sold, offered for adoption or given away at a farmers' market, except if vended, sold, offered for adoption or given away by an animal control facility operated by a governmental entity.

(3) *Cooking demonstration.* A farmers' market permitted pursuant to this section shall not include cooking demonstrations.

(4) *Wholesale.* The sale, offer for sale, or taking orders for sale of food processed or manufactured or that is supplied by a wholesale produce distributor is prohibited. No item which was previously wholesaled may be sold, offered for sale, ordered, sampled or displayed at the farmers' market.

(m) *Facilities.*

(1) *Toilet facilities.* Conveniently located toilet facilities with direct outdoor access for the farmers' market shall be available for market vendors. A notarized letter from the business owner granting the market vendors access to toilet facilities during all hours of the farmers' market operation shall be submitted with the food establishment permit application. A copy of the letter shall be made available to the regulatory authority upon request. All toilets shall conform to the City Code and shall have tight fitting, self-closing solid doors. Toilet rooms and fixtures shall be clean and in good repair. Toilet paper shall be available and easily accessible at all times. Toilets accessible to women shall have a trash receptacle that is covered with a lid.

(2) *Lavatory.* A hand wash lavatory with hot and cold water under pressure and tempered through a mixing valve shall be provided in or immediately adjacent to the toilet room. A soap dispenser and disposable paper towels shall be available at all times. All wastewater shall be captured and disposed of in an approved sewage disposal system.

(3) *Produce sink.* A produce sink with hot and cold water under pressure and tempered through a mixing valve shall be provided at the farmers' market for use for produce only. Disposable paper towels shall be available at all times. All wastewater shall be captured and disposed of in an approved sewage disposal system.

(4) *Tables.* Tables used within the vending area shall be made of non-porous material and be easily cleanable.

(5) *Vending areas.* Vending areas shall be covered, free of pests and capable of providing shelter for all produce displayed.

(6) *Trash receptacles.* Trash receptacles shall be available to each farmers' market vendor, and shall be non-porous and insect and rodent resistant. Trash shall be disposed of offsite as needed to prevent pests, but in no event will trash disposal be less frequent than once per day.

(7) *Floor construction.* Floors and floor coverings of all vending areas shall be located on a concrete or asphalt surface providing adequate drainage, excluding vending areas for arts and crafts.

(n) *Cleanup.* The permit holder shall ensure that all trash, refuse and garbage are removed from the site at the end of each day or that trash, refuse and garbage is placed in appropriate containers for later disposal. The premises occupied by the farmers' market shall be kept clean and free of accumulated trash, refuse or garbage during and after the hours of operation. All discarded fresh fruits, vegetables or other produce that remains at the market site shall be sealed in plastic bags and discarded in waste containers. Sufficient durable,

nonabsorbent and easily cleanable, leak-proof, rodent and insect-proof refuse and garbage containers shall be available on site.

(o) *Exemptions.*

(1) The person who has obtained a permit pursuant to subsection (b) of this section is exempt from obtaining an open air vendor permit.

(2) Farmers' market vendors selling produce at a permitted farmers' market are exempt from obtaining a food establishment permit and an open air vendor permit.

(3) Farmers' markets operated governmental entity shall not be subject to the permit fee requirements of this section.

(p) *Violation.* A violation of this section constitutes an offense punishable in accordance with section 1-14 of the Code.

Section 3: That Chapter 42 “Health and Sanitation,” Article IV "Food and Food Service Establishments," Division 2 “Permit,” Section 42-177 “Food Manager Certification,” of the Code of Ordinances, Baytown, Texas, is hereby amended to read as follows:

CHAPTER 42. – HEALTH AND SANITATION

…

ARTICLE IV. – FOOD AND FOOD SERVICE ESTABLISHMENTS

…

DIVISION 2. – PERMIT

…

Sec. 42-177. – Food manager certification.

(a) The original food manager certificate shall be posted in the food establishment in a location that is conspicuous to consumers.

(b) A certified food manager shall be present at food establishments during all hours of operation, unless the food establishment is deemed by the regulatory authority to pose minimal risk of causing, or contributing to foodborne illness based on the nature of the operation and extent of food preparation, such as but not limited to:

(1) food establishments that handle only prepackaged food and do not package food; or

(2) food establishments that do not prepare or handle exposed Time/Temperature Control for Safety (“TCS”) foods.

(c) Temporary food establishments are exempt from the requirements in subsection (b) of this section.

(d) All food employees, except for the certified food manager, shall successfully complete an accredited food handler training course, within thirty (30) days of employment. This requirement does not apply to temporary food establishments.

(e) All food establishment shall maintain, on premises, a certificate of completion of the food handler training course for each employee.

Section 4: That Chapter 42 "Health and Sanitation," Article IV "Food and Food Service Establishments," Division 2 "Permit," Section 42-178 "Fees," of the Code of Ordinances of the City of Baytown, Texas, is hereby amended to read as follows:

CHAPTER 42. HEALTH AND SANITATION

…

ARTICLE IV. FOOD AND FOOD SERVICE ESTABLISHMENTS

…

DIVISION 2. – PERMIT

…

Sec. 42.178. - Fees.

(a) The fee schedule shall be as follows:

(1) Food or food service establishment permit application types and fees:

High-risk

1—9 employees: $640.00
10+ employees: $773.00

Medium-risk: $515.00

Low-risk: $258.00

(2) Temporary food establishment permit: $25.00 application fee and $35.00 per day of the event up to 14 days.

(3) Permit renewal late fee: $100.00 for renewal applications received after January 31.

(4) Plans review: $35.00

(5) Sanitation Inspection Fee: $120.00

(b) Except as provided in subsection (c) below, no fee shall be charged relating to any food establishment owned and operated by a governmental agency; an institution of purely public charity, or a church; however, such establishments shall comply with all other requirements of this article.

(c) Subsection (b) shall not apply to any food establishment owned and operated by an independent school district or a parochial or private school, as such establishments shall comply with subsection (a) as well as all other requirements of this article.

(d) No permit shall be issued or fees charged to any food establishment that would not be permitted or inspected by the DSHS if that establishment was within the DSHS jurisdiction.

(e) No permit shall be issued or fees charged to any food establishment that has an annual gross revenue of under $1,000,000 and is currently licensed by DSHS as a Food Manufacturer.

Section 5: All ordinances or parts of ordinances inconsistent with the terms of this ordinance are hereby repealed; provided, however, that such repeal shall be only to the extent of such inconsistency; and in all other respects, this ordinance shall be cumulative of other ordinances regulating and governing the subject matter covered by this ordinance.

Section 6: If any provision, section, exception, subsection, paragraph, sentence, clause or phrase of this ordinance or the application of same to any person or set of circumstances, shall for any reason be held unconstitutional, void or invalid, such invalidity shall not affect the validity of the remaining provisions of this ordinance or their application to other persons or set of circumstances; and to this end, all provisions of this ordinance are declared to be severable.

Section 7: Any person who fails to comply with any provision of this ordinance shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine in an amount of not more than TWO THOUSAND DOLLARS AND NO/100 DOLLARS ($2,000.00). Each act of violation and each day upon which any such violation shall occur shall constitute a separate offense. In addition to the penalty prescribed above, the City may pursue other remedies such as abatement of nuisances, injunctive relief, administrative adjudication and revocation of licenses or permits.

Section 8: This ordinance shall take effect from and after ten (10) days from its passage by the City Council. The City Clerk is hereby directed to give notice hereof by causing the caption of this ordinance to be published in the official newspaper of the City of Baytown at least twice within ten (10) days after passage of this ordinance.

INTRODUCED, READ and PASSED by the affirmative vote of the City Council of the City of Baytown this the 23rd day of April, 2026.

_____
CHARLES JOHNSON, Mayor

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

CITY COUNCIL MEETING 7. b.

Meeting Date: 04/23/2026
Subject: Authorization of Surplus Property Declaration and Sale at 3316 Illinois
Prepared for: Brian Moran, Administration **Prepared by:** Brian Moran, Administration
Department: Administration

Information

ITEM

Consider an ordinance authorizing the declaration of surplus property and approving the sale of approximately 0.1194 acres of land located at 3316 Illinois Avenue, legally described as Lot Eighteen (18), Block Eight (8), of East Baytown, an addition in Harris County, Texas, according to the map or plat thereof recorded in Volume 7, Page 54, of the Map Records of Harris County, Texas.

PREFACE

The proposed ordinance authorizes the declaration of surplus property and the sale of approximately 0.1194 acres of land located at 3316 Illinois Avenue, legally described as Lot Eighteen (18), Block Eight (8), of East Baytown, an addition in Harris County, Texas, according to the map or plat thereof recorded in Volume 7, Page 54, of the Map Records of Harris County, Texas. The City of Baytown entered into a contract with a licensed real estate broker, authorized under Texas Local Government Code Section 253.014, to facilitate the sale of surplus city-owned property. In compliance with state law, the broker listed the property on the Multiple Listing Service (MLS) for a minimum of thirty (30) days, allowing offers to be submitted.

Fiscal Impact

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
No fiscal impact associated with this item.

Attachments

Ordinance - Surplus Property - 3316 Illinois
Contract
Special Warranty Deed

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS, AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AND THE CITY CLERK TO ATTEST TO DECLARING CERTAIN PROPERTY AS SURPLUS AND AUTHORIZING THE SALE OF APPROXIMATELY 0.1194 ACRES OF LAND LOCATED AT 3316 ILLINOIS AVENUE, LEGALLY DESCRIBED AS LOT EIGHTEEN (18), BLOCK EIGHT (8), OF EAST BAYTOWN, IN HARRIS COUNTY, TEXAS TO XIN ZHANG AND YUEXIN LIU; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

WHEREAS, the City of Baytown, Texas owns 0.1194 acres of land located at 3316 Illinois Avenue, legally described as lot eighteen (18), block eight (8), of East Baytown, in Harris County, Texas; and

WHEREAS, the Property is no longer needed for municipal purposes and hereby declared surplus to the needs of the City; and

WHEREAS, the Property was listed on the Multiple-Listing Service (MLS) for a minimum of thirty (30) days in accordance with applicable laws and procedures for the sale of public property; and

WHEREAS, Xin Zhang and Yuexin Liu submitted the highest cash offer of TWENTY-SIX THOUSAND, ONE-HUNDRED DOLLARS ($26,100.00) for the purchase of the Property; and

WHEREAS, the City Council of the City of Baytown, Texas finds it to be the best interest of the City to sell the Property to Xin Zhang and Yuexin Liu, and to authorize the City Manager to execute all necessary documents for the sale; NOW THEREFORE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

Section 1: That the City Council of Baytown, Texas, hereby declares the Property located at 3316 Illinois Avenue, legally described as lot eighteen (18), block eight (8), of East Baytown, in Harris County, Texas, as surplus to the needs of the City.

Section 2: Awards the sale of the approximately owns 0.1194 acres of land located at 3316 Illinois Avenue, legally described as lot eighteen (18), block eight (8), of East Baytown, in Harris County, Texas by Special Warranty Deed, to Xin Zhang and Yuexin Liu for the amount of TWENTY-SIX THOUSAND, ONE-HUNDRED DOLLARS ($26,100.00). The Special Warranty Deed is attached hereto as Exhibit "A", which is incorporated herein for all intents and purposes.

Section 3: This ordinance shall take effect immediately from and after its passage by the City Council of the City of Baytown, Texas.

INTRODUCED, READ and PASSED by the affirmative vote of the City Council of the City of Baytown, this 23rd day of April 2026.

_____
CHARLES JOHNSON, Mayor

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

Authentisign ID: 4EE88133-2C26-F111-9A49-000D3A4FF82A

PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC) 11-04-2024

UNIMPROVED PROPERTY CONTRACT

NOTICE: Not For Use For Condominium Transactions

EQUAL HOUSING OPPORTUNITY

1. **PARTIES:** The parties to this contract are **The City of Baytown** (Seller) and **Xin Zhang, Yuexin Liu** (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. **PROPERTY:** Lot **18**, Block **8 East Baytown**, Addition, City of **Baytown**, County of **Harris**, Texas, known as **3316 Illinois St 77520** (address/zip code), or as described on attached exhibit together with all rights, privileges and appurtenances pertaining thereto (Property).
RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. **SALES PRICE:**
   A. Cash portion of Sales Price payable by Buyer at closing. . . . . $ **26,100.00**
   The term "Cash portion of the Sales Price" does not include proceeds from borrowing of any kind or selling other real property except as disclosed in this contract.
   B. Sum of all financing described in the attached: ☐ Third Party Financing Addendum, ☐ Loan Assumption Addendum, ☐ Seller Financing Addendum. . . . . $ _____
   C. Sales Price (Sum of A and B) . . . . . $ **26,100.00**
   D. The Sales Price ☐ will ☒ will not be adjusted based on the survey required by Paragraph 6C.
   If the Sales Price is adjusted, the Sales Price will be adjusted based on the difference between _____ acres and the acreage set forth in the survey required by Paragraph 6C. The difference in acreage (either increased or decreased) shall be multiplied by the sum of $_____ per acre and either added to or subtracted from the Sales Price stated in Paragraph 3C. If the Sales Price is adjusted by more than 10%, either party may terminate this contract by providing written notice to the other party within _____ days after the terminating party receives the survey. If neither party terminates this contract or if the variance is 10% or less, the adjustment will be made to the amount in ☐ 3A ☐ 3B ☐ proportionately to 3A and 3B.

4. **LEASES:**
   A. Except as disclosed in this contract, Seller is not aware of any leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property.
   B. NATURAL RESOURCE LEASES: "Natural Resource Lease" means an existing oil and gas, mineral, geothermal, water, wind, or other natural resource lease affecting the Property to which Seller is a party. Seller ☐ is ☒ is not a party to a Natural Resource Lease. If Seller is a party to a Natural Resource Lease, check one of the following:
   ☐ (1) Seller has delivered to Buyer a copy of all the Natural Resource Leases.
   ☐ (2) Seller has not delivered to Buyer a copy of all the Natural Resource Leases. Seller shall provide to Buyer a copy of all the Natural Resource Leases within 3 days after the Effective Date. Buyer may terminate the contract within _____ days after the date the Buyer receives all the Natural Resource Leases and the earnest money shall be refunded to Buyer.

5. **EARNEST MONEY AND TERMINATION OPTION:**
   A. DELIVERY OF EARNEST MONEY AND OPTION FEE: Within 3 days after the Effective Date, Buyer must deliver to **Christy Zadrapa** (Escrow Agent) at **4505 N Main St, Baytown, TX 77521** (address): $ **500.00** as earnest money and $ **200.00** as the Option Fee. The earnest money and Option Fee shall be made payable to Escrow Agent and may be paid separately or combined in a single payment.
   (1) Buyer shall deliver additional earnest money of **$300.00** to Escrow Agent within **3** days after the Effective Date of this contract.
   (2) If the last day to deliver the earnest money, Option Fee, or the additional earnest money falls on a Saturday, Sunday, or legal holiday, the time to deliver the earnest money, Option Fee, or the additional earnest money, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or legal holiday.
   (3) The amount(s) Escrow Agent receives under this paragraph shall be applied first to the Option Fee, then to the earnest money, and then to the additional earnest money.
   (4) Buyer authorizes Escrow Agent to release and deliver the Option Fee to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the Option Fee to Seller. The Option Fee will be credited to the Sales Price at closing.

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B. TERMINATION OPTION: For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the Option Fee within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within 7 days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If Buyer gives notice of termination within the time prescribed: (i) the Option Fee will not be refunded and Escrow Agent shall release any Option Fee remaining with Escrow Agent to Seller; and (ii) any earnest money will be refunded to Buyer.

C. FAILURE TO TIMELY DELIVER EARNEST MONEY: If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money.

D. FAILURE TO TIMELY DELIVER OPTION FEE: If no dollar amount is stated as the Option Fee or if Buyer fails to deliver the Option Fee within the time required, Buyer shall not have the unrestricted right to terminate this contract under this Paragraph 5.

E. TIME: **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**

6. TITLE POLICY AND SURVEY:

A. TITLE POLICY: Seller shall furnish to Buyer at ☐ Seller's ☒ Buyer's expense an owner's policy of title insurance (Title Policy) issued by Great American Title (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:

(1) Restrictive covenants common to the platted subdivision in which the Property is located.
(2) The standard printed exception for standby fees, taxes and assessments.
(3) Liens created as part of the financing described in Paragraph 3.
(4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
(5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
(6) The standard printed exception as to marital rights.
(7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
(8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:
☒ (i) will not be amended or deleted from the title policy; or
☐ (ii) will be amended to read, "shortages in area" at the expense of ☐ Buyer ☐ Seller.
(9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.

B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)

☐ (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit or Declaration promulgated by the Texas Department of Insurance (T-47 Affidavit or T-47.1 Declaration). Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date if Seller fails to furnish within the time prescribed both the: (i) existing survey; and (ii) affidavit or declaration. If the Title Company or Buyer's lender does not accept the existing survey, or the affidavit or declaration, Buyer shall obtain a new survey at ☐ Seller's ☐ Buyer's expense no later than 3 days prior to Closing Date.

☒ (2) Within 15 days after the Effective Date of this contract, Buyer may obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier. If Buyer fails to obtain the survey, Buyer may not terminate the contract under Paragraph 2B of the Third Party Financing Addendum because the survey was not obtained.

☐ (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.

D. OBJECTIONS: Buyer may object in writing to (i) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; or disclosed in the Commitment other than items 6A(1) through (9) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity: _____.

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Buyer must object the earlier of (i) the Closing Date or (ii) 5 days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

(1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.

(2) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property ☐ is ☒ is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association should be used.

(3) STATUTORY TAX DISTRICTS: If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.

(4) TIDE WATERS: If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.

(5) ANNEXATION: If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.

(6) PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER: Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be

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required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.

(7) PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. An addendum containing the required notice shall be attached to this contract.

(8) TEXAS AGRICULTURAL DEVELOPMENT DISTRICT: The Property ☐ is ☒ is not located in a Texas Agricultural Development District. For additional information, contact the Texas Department of Agriculture.

(9) TRANSFER FEES: If the Property is subject to a private transfer fee obligation, §5.205, Property Code requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.

(10) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.

(11) NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."

(12) REQUIRED NOTICES: The following notices have been given or are attached to this contract (for example, utility, water, drainage, and public improvement districts): _____

_____.

Seller's failure to provide applicable statutory notices may provide Buyer with remedies or rights to terminate the contract.

7. PROPERTY CONDITION:

A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.
NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

B. ACCEPTANCE OF PROPERTY CONDITION: "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.
(Check one box only)

☒ (1) Buyer accepts the Property As Is.

☐ (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

_____.

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

C. COMPLETION OF REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, Seller shall complete all agreed repairs and treatments prior to the Closing Date and obtain any required permits. The repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. Seller shall: (i) provide Buyer with copies of documentation from the repair person(s) showing the scope of work and payment for the work completed; and (ii) at Seller's expense, arrange for the transfer of any transferable warranties with respect to the repairs and treatments to Buyer at closing. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days, if necessary, for Seller to complete repairs and treatments.

D. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

E. SELLER'S DISCLOSURE:

(1) Seller ☐ is ☒ is not aware of any flooding of the Property which has had a material adverse effect on the use of the Property.

(2) Seller ☐ is ☒ is not aware of any pending or threatened litigation, condemnation, or special assessment affecting the Property.

(3) Seller ☐ is ☒ is not aware of any environmental hazards that materially and adversely affect the Property.

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(4) Seller ☐ is ☒ is not aware of any dumpsite, landfill, or underground tanks or containers now or previously located on the Property.
(5) Seller ☐ is ☒ is not aware of any wetlands, as defined by federal or state law or regulation, affecting the Property.
(6) Seller ☐ is ☒ is not aware of any threatened or endangered species or their habitat affecting the Property.
(7) Seller ☐ is ☒ is not aware that the Property is located ☐ wholly ☐ partly in a floodplain.
(8) Seller ☐ is ☒ is not aware that a tree or trees located on the Property has oak wilt.
If Seller is aware of any of the items above, explain (attach additional sheets if necessary): _____.

8. BROKERS AND SALES AGENTS:

A. BROKER OR SALES AGENT DISCLOSURE: Texas law requires a real estate broker or sales agent who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the broker or sales agent owns more than 10%, or a trust for which the broker or sales agent acts as a trustee or of which the broker or sales agent or the broker or sales agent's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____.

B. BROKERS' FEES: All obligations of the parties for payment of brokers' fees are contained in separate written agreements.

9. CLOSING:

A. The closing of the sale will be on or before May 31, 2026, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:
(1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
(2) Buyer shall pay the Sales Price in good funds acceptable to the Escrow Agent.
(3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents, transfer of any warranties, and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
(4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
(5) Private transfer fees (as defined by Chapter 5, Subchapter G of the Texas Property Code) will be the obligation of Seller unless provided otherwise in this contract. Transfer fees assessed by a property owners' association are governed by the Addendum for Property Subject to Mandatory Membership in a Property Owners Association.

10. POSSESSION: Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.

11. SPECIAL PROVISIONS: (This paragraph is intended to be used only for additional informational items. An informational item is a statement that completes a blank in a contract form, discloses factual information, or provides instructions. Real estate brokers and sales agents are prohibited from practicing law and shall not add to, delete, or modify any provision of this contract unless drafted by a party to this contract or a party's attorney.) _____.

12. SETTLEMENT AND OTHER EXPENSES:

A. The following expenses must be paid at or prior to closing:
(1) Seller shall pay the following expenses (Seller's Expenses):
(a) releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; brokerage fees that Seller has agreed to pay; and other expenses payable by Seller under this contract;
(b) the following amount to be applied to brokerage fees that Buyer has agreed to pay: ☐ $_____ or ☐ _____% of the Sales Price (check one box only); and
(c) an amount not to exceed $_____ to be applied to other Buyer's Expenses.
(2) Buyer shall pay the following expenses (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; brokerage fees that Buyer has agreed to pay; and other expenses payable by Buyer under this contract.

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B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.

13. PRORATIONS AND ROLLBACK TAXES:

A. PRORATIONS: Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues (including prepaid items) will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.

B. ROLLBACK TAXES: If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Assessments are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: A Buyer, Seller, Listing Broker, Other Broker, or Escrow Agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:

A. ESCROW: The Escrow Agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as Escrow Agent. Escrow Agent may require any disbursement made in connection with this contract to be conditioned on Escrow Agent's collection of good funds acceptable to Escrow Agent.

B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, Escrow Agent may: (i) require a written release of liability of the Escrow Agent from all parties before releasing any earnest money; and (ii) require payment of unpaid expenses incurred on behalf of a party. Escrow Agent may deduct authorized expenses from the earnest money payable to a party. "Authorized expenses" means expenses incurred by Escrow Agent on behalf of the party entitled to the earnest money that were authorized by this contract or that party.

C. DEMAND: Upon termination of this contract, either party or the Escrow Agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the Escrow Agent. If either party fails to execute the release, either party may make a written demand to the Escrow Agent for the earnest money. If only one party makes written demand for the earnest money, Escrow Agent shall promptly provide a copy of the demand to the other party. If Escrow Agent does not receive written objection to the demand from the other party within 15 days, Escrow Agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and Escrow Agent may pay the same to the creditors. If Escrow Agent complies with the provisions of this paragraph, each party hereby releases Escrow Agent from all adverse claims related to the disbursal of the earnest money.

D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the Escrow Agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.

E. NOTICES: Escrow Agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by Escrow Agent.

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19. **REPRESENTATIONS:** All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.
20. **FEDERAL REQUIREMENTS:** If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non- foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.
21. **NOTICES:** All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by fax or electronic transmission as follows:

To Buyer at: 3110 Barnwood Crossing	**To Seller at:** 2401 Market St
Duluth, GA 30097	Baytown, TX 77520
Phone: (678)779-6226	Phone: (281)422-8281
E-mail/Fax: xinzhang98@gmail.com	E-mail/Fax: brian.moran@baytown.org
E-mail/Fax: grantl@mundusartis.com	E-mail/Fax:
With a copy to Buyer's agent at:	With a copy to Seller's agent at:
	donna.winfrey@preproperties.com

22. **AGREEMENT OF PARTIES:** This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are (check all applicable boxes):

- ☐ Third Party Financing Addendum
- ☐ Seller Financing Addendum
- ☐ Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- ☐ Buyer's Temporary Residential Lease
- ☐ Seller's Temporary Residential Lease
- ☐ Addendum for Reservation of Oil, Gas and Other Minerals
- ☐ Addendum for "Back-Up" Contract
- ☐ Addendum Concerning Right to Terminate Due to Lender's Appraisal
- ☐ Addendum containing Notice of Obligation to Pay Improvement District Assessment
- ☐ Addendum for Coastal Area Property
- ☐ Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum
- ☐ Addendum for Property Located Seaward of the Gulf Intracoastal Waterway
- ☐ Addendum for Sale of Other Property by Buyer
- ☐ Addendum for Property in a Propane Gas System Service Area
- ☐ Addendum for Section 1031 Exchange
- ☐ Other (list): _____

23. **CONSULT AN ATTORNEY BEFORE SIGNING:** TREC rules prohibit real estate brokers and sales agents from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's Attorney is: N/A	Seller's Attorney is: N/A
Phone:	Phone:
Fax:	Fax:
E-mail:	E-mail:

Donna Winfrey Phone: 7133776166 Fax: Xin Zhang and
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EXECUTED the _____ day of _____, 20_____ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

Authentisign
Xin Zhang
Buyer
Xin Zhang

Seller
The City of Baytown

Authentisign
Yuexin Liu
Buyer
Yuexin Liu

Seller

The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (http://www.trec.texas.gov) TREC NO. 9-17. This form replaces TREC NO. 9-16.

BROKER INFORMATION
(Print name(s) only. Do not sign)

Other Broker Firm License No.	Berkshire Hathaway Premier Properties - 598491 Listing Broker Firm License No.
represents ☐ Buyer only as Buyer's agent ☐ Seller as Listing Broker's subagent	represents ☒ Seller and Buyer as an intermediary ☐ Seller only as Seller's agent
Associate's Name License No.	Donna Winfrey 618453 Listing Associate's Name License No.
Team Name	Team Name
Associate's Email Address Phone	donna.winfrey@preproperties.com (713)377-6166 Listing Associate's Email Address Phone
Licensed Supervisor of Associate License No.	John McFarlin 548491 Licensed Supervisor of Listing Associate License No.
Other Broker's Address Phone	1300 Rollingbrook Dr Suite 110 (281)548-1773 Listing Broker's Office Address Phone
City State Zip	Baytown TX 77521 City State Zip
	Selling Associate's Name License No.
	Team Name
	Selling Associate's Email Address Phone
	Licensed Supervisor of Selling Associate License No.
	Selling Associate's Office Address
	City State Zip

Disclosure: Pursuant to a previous, separate agreement, Listing Broker has agreed to pay Other Broker a fee (☐ $ _____ or ☐ 6.000 % of the Sales Price). This disclosure is for informational purposes and does not change the previous agreement between brokers to pay or share a commission.

OPTION FEE RECEIPT

Receipt of $_____ (Option Fee) in the form of _____ is acknowledged.

Escrow Agent **Christy Zadrapa** _____ Date

EARNEST MONEY RECEIPT

Receipt of $_____ Earnest Money in the form of _____ is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

CONTRACT RECEIPT

Receipt of the Contract is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of $_____ additional Earnest Money in the form of _____ is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

2-10-2025

Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

EQUAL HOUSING OPPORTUNITY

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent. **An owner's agent fees are not set by law and are fully negotiable.**

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent. **A buyer/tenant's agent fees are not set by law and are fully negotiable.**

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
  - that the owner will accept a price less than the written asking price;
  - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Berkshire Hathaway Premier Properties	**598491**	**stacy.stacymathews.com**	**(713)686-5454**
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Stacy Mathews	**297864**	**stacy@stacymathews.com**	**(713)686-5454**
Designated Broker of Firm	License No.	Email	Phone
John McFarlin	**584827**	**john.mcfarlin@preproperties.com**	**(281)225-2022**
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Donna Winfrey	**618453**	**donna.winfrey@preproperties.com**	**(713)377-6166**
Sales Agent/Associate's Name	License No.	Email	Phone

XZ 03/22/26 3:48 PM CDT

Buyer/Tenant/Seller/Landlord Initials — Date

YC 03/22/26 4:29 PM CDT

Regulated by the Texas Real Estate Commission **Information available at www.trec.texas.gov**

IABS 1-1
TXR 2501

Authentisign ID 4EE88133-2C26-F111-9A49-000D3A4FF82A

TEXAS REALTORS

INTERMEDIARY RELATIONSHIP NOTICE

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THIS NOTICE DOES NOT SATISFY THE WRITTEN CONSENT REQUIREMENT UNDER TEXAS LAW

To act as an intermediary, a broker must first obtain written consent from each party in a transaction (Sec. 1101.559, TX Occupations Code). Written consent from the Seller/Landlord and Buyer/Tenant can be obtained using applicable Texas REALTORS® listing and buyer/tenant representation agreements. This form is intended to notify the parties that broker will act as an intermediary and whether the broker will appoint associates to communicate with the parties.

To: The City of Baytown **(Seller or Landlord)**

and Xin Zhang, Yuexin Liu **(Buyer or Tenant)**

From: Berkshire Hatahway Premier Properties **(Broker's Firm)**

Re: 3316 Illinois St Baytown, TX 77520 **(Property)**

Date: March 22, 2026

A. Under this notice, "owner" means the seller or landlord of the Property and "prospect" means the above-named prospective buyer or tenant for the Property.

B. Broker's firm represents the owner under a listing agreement and also represents the prospect under a buyer/tenant representation agreement.

C. In the written listing agreement and the written buyer/tenant representation agreement, both the owner and the prospect previously authorized Broker to act as an intermediary if a prospect who Broker represents desires to buy or lease a property that is listed by the Broker. When the prospect makes an offer to purchase or lease the Property, Broker will act in accordance with the authorizations granted in the listing agreement and in the buyer/tenant representation agreement.

D. Broker ☐ will or ☒ will not appoint licensed associates to communicate with, carry out instructions of, and provide opinions and advice during negotiations to each party. If Broker makes such appointments, Broker appoints:

_____ to the owner; and

_____ to the prospect.

E. By acknowledging receipt of this notice, the undersigned parties reaffirm their consent for broker to act as an intermediary.

F. Additional Information: *(Disclose material information related to Broker's relationship to the parties, such as personal relationships or prior or contemplated business relationships.):*

Broker compensation or the sharing of compensation between brokers is not set by law nor fixed, controlled, recommended, or suggested by the Association of REALTORS®, MLS, or any listing service. Broker compensation is fully negotiable. Brokers independently determine their fees.

The undersigned acknowledge receipt of this notice

		Authentisign ID Xin Zhang	03/22/2026
Seller or Landlord	Date	Prospect	Date
The City of Baytown		**Xin Zhang**	
		Yuexin Liu	03/22/2026
Seller or Landlord	Date	Prospect	Date
		Yuexin Liu	

Donna Winfrey Phone: 7133776166 Fax: Xin Zhang and

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Authentisign ID: 4EE88133-2C26-F111-9A49-000D3A4FF82A

TEXAS REALTORS

INFORMATION ABOUT SPECIAL FLOOD HAZARD AREAS

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CONCERNING THE PROPERTY AT 3316 Illinois St Baytown, TX 77520

A. FLOOD AREAS:

(1) The Federal Emergency Management Agency (FEMA) designates areas that have a high risk of flooding as special flood hazard areas.

(2) A property that is in a special flood hazard area is designated on flood insurance rate maps with a zone beginning in a "V" or "A". Both V-Zone and A-Zone areas indicate a high risk of flooding.

(3) Some properties may also lie in the "floodway" which is the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge a flood under FEMA rules. Communities must regulate development in these floodways.

B. AVAILABILITY OF FLOOD INSURANCE:

(1) Generally, flood insurance is available regardless of whether the property is located in or out of a special flood hazard area. Contact your insurance agent to determine if any limitations or restrictions apply to the property in which you are interested.

(2) FEMA encourages every property owner to purchase flood insurance regardless of whether the property is in a high, moderate, or low risk flood area.

(3) A homeowner may obtain flood insurance coverage (up to certain limits) through the National Flood Insurance Program. Supplemental coverage is available through private insurance carriers.

(4) A mortgage lender making a federally related mortgage will require the borrower to maintain flood insurance if the property is in a special flood hazard area.

C. GROUND FLOOR REQUIREMENTS:

(1) Many homes in special flood hazard areas are built-up or are elevated. In elevated homes the ground floor typically lies below the base flood elevation and the first floor is elevated on piers, columns, posts, or piles. The base flood elevation is the highest level at which a flood is likely to occur as shown on flood insurance rate maps.

(2) Federal, state, county, and city regulations:

(a) restrict the use and construction of any ground floor enclosures in elevated homes that are in special flood hazard areas.

(b) may prohibit or restrict the remodeling, rebuilding, and redevelopment of property and improvements in the floodway.

(3) The first floor of all homes must now be built above the base flood elevation.

(a) Older homes may have been built in compliance with applicable regulations at the time of construction and may have first floors that lie below the base flood elevation, but flood insurance rates for such homes may be significant.

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(b) It is possible that modifications were made to a ground floor enclosure after a home was first built. The modifications may or may not comply with applicable regulations and may or may not affect flood insurance rates.

(c) It is important for a buyer to determine if the first floor of a home is elevated at or above the base flood elevation. It is also important for a buyer to determine if the property lies in a floodway.

(4) Ground floor enclosures that lie below the base flood elevation may be used only for: (i) parking; (ii) storage; and (iii) building access. Plumbing, mechanical, or electrical items in ground floor enclosures that lie below the base flood elevation may be prohibited or restricted and may not be eligible for flood insurance coverage. Additionally:

(a) in A-Zones, the ground floor enclosures below the base flood elevation must have flow-through vents or openings that permit the automatic entry and exit of floodwaters:

(b) in V-Zones, the ground floor enclosures must have break-away walls, screening, or lattice walls; and

(c) in floodways, the remodeling or reconstruction of any improvements may be prohibited or otherwise restricted.

D. COMPLIANCE:

(1) The above-referenced property may or may not comply with regulations affecting ground floor enclosures below the base flood elevation.

(2) A property owner's eligibility to purchase or maintain flood insurance, as well as the cost of the flood insurance, is dependent on whether the property complies with the regulations affecting ground floor enclosures.

(3) A purchaser or property owner may be required to remove or modify a ground floor enclosure that is not in compliance with city or county building requirements or is not entitled to an exemption from such requirements.

(4) A flood insurance policy maintained by the current property owner does not mean that the property is in compliance with the regulations affecting ground floor enclosures or that the buyer will be able to continue to maintain flood insurance at the same rate.

(5) Insurance carriers calculate the cost of flood insurance using a rate that is based on the elevation of the lowest floor.

(a) If the ground floor lies below the base flood elevation and does not meet federal, state, county, and city requirements, the ground floor will be the lowest floor for the purpose of computing the rate.

(b) If the property is in compliance, the first elevated floor will be the lowest floor and the insurance rate will be significantly less than the rate for a property that is not in compliance.

(c) If the property lies in a V-Zone the flood insurance rate will be impacted if a ground floor enclosure below the base flood elevation exceeds 299 square feet (even if constructed with break-away walls).

Information about Special Flood Hazard Areas concerning **3316 Illinois St Baytown, TX 77520**

E. ELEVATION CERTIFICATE:

The elevation certificate is an important tool in determining flood insurance rates. It is used to provide elevation information that is necessary to ensure compliance with floodplain management laws. To determine the proper insurance premium rate, insurers rely on an elevation certificate to certify building elevations at an acceptable level above flood map levels. If available in your area, it is recommended that you obtain an elevation certificate for the property as soon as possible to accurately determine future flood insurance rates.

You are encouraged to: (1) inspect the property for all purposes, including compliance with any ground floor enclosure requirement; (2) review the flood insurance policy (costs and coverage) with your insurance agent; and (3) contact the building permitting authority if you have any questions about building requirements or compliance issues.

Receipt acknowledged by:

Authenti...
Xin Zhang 03/22/26
Signature Date
Xin Zhang

Authentisign
Yuexin Liu 03/22/26
Signature Date
Yuexin Liu

TEXAS REALTORS

GENERAL INFORMATION AND NOTICE TO CONSUMERS

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
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Be an informed consumer. The following information may assist you during your real estate transaction.

ANNEXATION. If a property is outside the limits of a municipality, the buyer should be aware that the property may later be annexed by a nearby municipality. The buyer may find information on the boundaries of nearby municipalities by contacting the municipalities directly.

APPRAISAL. An appraisal is a valuation of the property. An appraiser renders an estimate of value as of a certain date under assumptions and conditions stated in the appraisal report. Typically, a buyer's lender requires an appraisal to verify that the loan is secured by property that is worth a certain amount. An appraisal is not the same as an inspection.

BROKERS. A real estate broker may represent a party (buyer, tenant, landlord, or seller) in a real estate transaction or may act as an intermediary between the parties. A party may work with the broker or with one of the broker's agents. Buyer, tenant, landlord, and seller will be provided a form titled "Information About Brokerage Services" which defines agency relationships. An agent may help a seller or landlord market the property or help a buyer or tenant locate a property. The agent is obligated to *negotiate* the transaction and may assist in gathering information and may coordinate many details in the transaction. Brokers and agents are not inspectors. They do not possess the expertise to conduct inspections and therefore do not make any representations, warranties, or guarantees about a property's condition. Agents are not attorneys. Parties are encouraged to seek the assistance of an attorney to help in understanding any of the legal consequences and provisions of the contract or transaction.

COMPENSATION. Compensation means any commission, fee, or other valuable consideration for real estate brokerage services provided by a broker or agent. **Broker compensation or the sharing of compensation between brokers is not set by law nor fixed, controlled, recommended, or suggested by the Association of REALTORS®, any Multiple Listing Service (MLS), or any other listing service. Broker compensation is fully negotiable. Brokers independently determine their fees.** There are many different compensation models brokers may use including commission, flat fee, hourly fee, and fees for specific tasks. Broker compensation may come from different sources: buyer and tenant may pay their broker directly, or the seller, landlord, or listing broker may offer to pay certain buyer or tenant's expenses, which can include broker fees.

CONCRETE ISSUES (Alkali-Silica Reaction). Alkali-Silica Reaction (ASR), also known as Concrete Cancer, is a chemical reaction in concrete that can compromise structural integrity over time. ASR typically occurs in concrete structures exposed to moisture, such as foundations, slabs, swimming pools, and retaining walls. Diagnosing ASR definitively requires testing by a licensed structural engineer who can examine the concrete's composition and condition. Because swimming pools are in constant contact with water, they are particularly vulnerable to ASR. Over time, ASR-related damage may render the pool or surrounding deck areas unusable or unsafe. If you are buying or selling a home and have concerns about potential ASR, you should: (1) Consult a structural engineer to inspect and test the property if you notice signs such as cracking, uneven surfaces, or unexplained expansion in concrete areas. (2) Engage an attorney for guidance on disclosure obligations, inspection contingencies, and how ASR issues may affect negotiations or contracts.

ENVIRONMENTAL CONCERNS.

General. Over the years the market has identified certain environmental concerns that may affect a property and that a buyer or tenant should be aware of. These environmental concerns include, but are not limited to, the presence of hazards such as asbestos, lead-based paint, mold, pesticides, radon gas, toxic waste, underground storage tanks, urea-formaldehyde insulation, and other pollutants. There may also be other types of environmental concerns, such as wetlands or endangered species, affecting the property that could restrict the use of the property.

Environmental Inspections. If the buyer has an environmental concern about the property, the buyer should hire a qualified expert to inspect the property for such items. The parties may include a promulgated addendum (TXR 1917) in the contract that may address such matters.

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Lead-Based Paint. If a property was built before 1978, federal law requires that the seller or landlord provide the buyer or tenant with: (1) the pamphlet titled "Protect Your Family from Lead in Your Home" (TXR 2511); (2) the records and reports the seller or landlord has concerning lead-based paint or hazards; and (3) an opportunity to have the property inspected for lead-based paint or hazards.

Mold. It is not uncommon to find mold spores in a property. The concern about mold increases when there are large amounts of mold found in a property. The Texas Department of Insurance publishes a document titled "Protect Your Home from Mold" (TXR 2507) which discusses mold in more detail.

Oak Wilt and Diseased Trees. There are diseases such as oak wilt and other conditions that may affect trees and other plants. Oak wilt is a fungus that affects certain oak trees. If the buyer is concerned about such matters, the buyer may have the trees and other plants inspected by a professional.

Noise. Surrounding properties are used for a variety of purposes. Some of the uses cause noise (for example, airports, railways, highways, restaurants, bars, schools, arenas and construction). The buyer or tenant is encouraged to drive to review the area around the property at various times and days.

EXPANSIVE SOILS. Soil conditions vary greatly throughout Texas. Many soils will move; some more than others. This movement will, many times, affect the foundation of homes and buildings and may cause cracks to appear in walls or other parts of the building. Additionally, if a property is newly constructed, the concrete curing process may also cause the foundation of the building to move. Seasonal changes in the moisture in the soil may also cause foundations to move. The buyer should check with an inspector and other experts on preventive methods to minimize the risk of such movement. The tenant may be required to water the foundation of a leased property as part of the tenant's responsibilities under the lease agreement.

FIRPTA. The Foreign Investment in Real Property Tax Act of 1980 (FIRPTA) may require buyers in certain transactions involving a seller who qualifies as a "foreign person" to withhold up to 15% of the amount realized by the seller (usually the sales price) for federal taxes. A "foreign person" is defined as a: (1) nonresident alien individual; (2) foreign corporation that has not made an election under section 897(i) of the Internal Revenue Code to be treated as a domestic corporation; or (3) foreign partnership, trust, or estate. The definition does not include a resident alien individual. A seller should notify the buyer whether the seller is a "foreign person" as defined by federal law. If the seller is unsure whether he or she qualifies as a "foreign person", the seller should consult a tax professional or an attorney.

FLOOD HAZARD, FLOODWAYS, AND FLOOD INSURANCE. Many properties are in flood hazard areas. Lenders who make loans on properties located in special flood hazard areas typically require the owner to maintain flood insurance. Additionally, some properties may lie in the floodway. Texas REALTORS® publishes a form titled, "Information about Special Flood Hazard Areas" (TXR 1414), which discusses flood hazard areas and floodways in more detail. The buyer is encouraged to buy flood insurance regardless of whether the property is in a high, moderate, or low risk flood area. A tenant may want to consider purchasing flood insurance if renting in a flood hazard area. The landlord's flood insurance typically does not cover a tenant from loss of personal property or displacement costs.

FOREIGN BUYERS AND RENTERS. Pursuant to Texas Property Code Chapter 5, Subchapter H, certain buyers and renters may be prohibited from purchasing real property or entering into leases for one year or more. Buyers and renters who believe these restrictions may apply to them should consult an attorney before entering into the transaction.

HISTORIC OR CONSERVATION DISTRICTS. Properties located in historic or conservation districts may have restrictions on use and architecture of the properties. Local governments may create historic or conservation districts for the preservation of certain architectural appeal. A property owner may or may not be aware if the property is located in such a district. If the buyer is concerned whether the property is located in such a district, contact the local government for specific information.

INSPECTION, REPAIRS, AND WALK-THROUGH.

Inspections. The buyer is encouraged to have the property inspected by licensed inspectors. The buyer should have the inspections completed during any option period. The buyer should accompany the inspectors during the inspections and ask the inspectors any questions. Brokers and agents do not possess any special skills, knowledge or expertise concerning inspections or repairs. If the buyer requests names of inspectors or

repair professionals from an agent, the buyer should note that the agent is not making any representation or warranty as to the ability or workmanship of the inspector or repair professionals.

Repairs. The buyer and the seller should resolve, in writing, any obligation and any timing of the obligation to complete repairs the buyer may request before the option period expires.

Walk-Through. Before the close of the sale, the buyer should walk through the property and verify that any repairs are complete. If the condition of the property does not satisfy the contractual provisions, the buyer should notify the buyer's agent before closing.

MANDATORY OWNERS' ASSOCIATIONS. If a property is subject to an owners' association, membership in the association is typically required. The buyer is entitled to obtain subdivision information, which may include the applicable restrictions, the association bylaws and rules, and a resale certificate. Unless otherwise negotiated in the contract, the buyer may be responsible for the cost of obtaining this information. Membership in an owners' association usually involves an obligation to pay periodic dues or assessments. Failure to pay such dues could result in a lien on and foreclosure of the property. A tenant is also required to comply with all owners' association rules applicable to the leased property, and may be subject to fines for failure to do so.

MINERAL INTERESTS. Determining who owns the mineral interests under a property (for example, rights to oil and gas interests) normally requires an expert to review the chain of title to the property. Many times the mineral interests may have been severed from the property and may be owned by persons other than the seller. Contract forms commonly used in Texas provide that the seller's interest, if any, in the mineral interests convey to the buyer as part of the property. However, a seller may wish to retain all or part of the mineral interests. Texas REALTORS® publishes a form titled "Information about Mineral Clauses in Contract Forms" (TXR 2509) which discusses this issue in more detail.

MULTIPLE LISTING SERVICE. The Multiple Listing Service (MLS) is a database and cooperative tool between brokers. Agents who use the MLS must comply with the MLS's rules. The listing agent is required to timely report the current status of a listing, including when the property is sold or leased or is no longer available, as well as the sales price. Subscribers (other brokers, agents, appraisers, and other real estate professionals) and appraisal districts have access to the information for market evaluation purposes. Much of the information in the MLS, such as square footage, assessed value, taxes, school boundaries, and year built is obtained from different sources such as the county appraisal district, an appraiser, or builder. The broker or agent who provides information from the MLS does not verify the accuracy of the information. The buyer or tenant should independently verify the information and not rely solely on information obtained from the MLS.

PERMITS. Permits may be required to construct, alter, repair, or improve the property. The buyer is encouraged to contact the local government to verify that all required permits have been obtained, as this may impact future plans for the property.

POSSESSION. Most contracts provide that the seller will deliver possession of the property to the buyer at the time the sale *closes and funds or according to a temporary residential lease or other written lease required by the parties.* There may be a short delay between closing and actual funding; especially if the buyer is obtaining funds from a lender. The buyer may need to verify with the lender if the loan will fund on the day of closing. The buyer should also take this potential delay into account when planning the move into the property. Any possession by the buyer before the sale closes and funds (or by the seller after the sale closes and funds) must be authorized by a written lease.

PROPERTY INSURANCE. Promptly after entering into a contract to buy a property and before any option period expires, the buyer should contact an insurance agent to determine the availability and affordability of insurance for the property. There are numerous variables that an insurance company will evaluate when offering insurance at certain coverage levels and at certain prices. Most lenders require that the property be insured in an amount not less than the loan amount. The failure to obtain property insurance before closing may delay the transaction or cause it to end. Texas REALTORS® publishes a document titled, "Information about Property Insurance for a Buyer or Seller" (TXR 2508), which discusses property insurance in more detail. A tenant may want to consider purchasing liability insurance and insurance for casualties such as fire, flood, water damage, and theft. The landlord's insurance does not cover a tenant from loss of personal property.

PROPERTY VALUES. The real estate market is cyclical and current property values may fluctuate. Brokers and agents cannot guarantee desired future market conditions or property values. The ultimate decision on the price

and terms a Buyer is willing to buy and a Seller is willing to sell for a specific property rests solely with that Buyer and Seller.

RESIDENTIAL SERVICE CONTRACTS. A residential service contract is a product under which a residential service company, for an annual fee, agrees to repair or replace certain equipment or items in a property (for example, covered appliances, air conditioning and heating systems, and plumbing systems). Co-payments typically apply to most service calls. If the buyer requests names of residential service companies from an agent, the buyer should note that the agent is not making any representation or warranty about the service company.

RESTRICTIONS ON PROPERTY NEAR AN INTERNATIONAL BORDER. Be aware that in certain counties located near an international border, Texas law may prohibit the sale of property lacking required water and sewer services. Even if a sale of such property is permitted, a buyer may face additional costs or restrictions under Texas law due to a lack of basic infrastructure (water, sewer, roads, and drainage). Texas REALTORS® publishes a form titled, "Information Regarding Property Near an International Border" (TXR 2519), which provides more information. Brokers and agents cannot guarantee that a sale of the property is permitted under Texas law or otherwise give legal advice. Consult an attorney.

SCHOOL BOUNDARIES. School boundaries may change and are, at times, difficult to determine. The school boundaries that an agent may provide or that may be provided through a Multiple Listing Service are only mapped estimates from other sources. The buyer or tenant is encouraged to independently verify with the school district which schools the residents of the property will attend.

SEPTIC TANKS AND ON-SITE SEWER FACILITIES. Many properties have septic tanks or other on-site sewer facilities. There are several types of such systems. Special maintenance requirements may apply to certain systems. Please refer to a document titled, "Information about On-Site Sewer Facility" (TXR 1407) for more information. The buyer should also determine if the county requires any registration or other action to begin using the septic system or on-site sewer facility.

SEX OFFENDERS AND CRIMINAL ACTIVITY. Neither a seller, landlord, seller's agent, nor landlord's agent of a residential property has a duty to disclose any information about registered sex offenders. If the buyer or tenant is concerned about sex offenders who may reside in the area, access https://sor.dps.texas.gov. Contact the local police department to obtain information about any criminal activity in the area.

SQUARE FOOTAGE. If the purchase price is based on the size of the property's building and structures, the buyer should have any information the buyer receives about the square footage independently verified. Square footage information comes from other sources such as appraisal districts, appraisers, and builders. Such information is only an estimate. The actual square footage may vary.

STATUTORY TAX DISTRICTS. The property may be located in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services (for example a Municipal Utility District, Water Improvement District, or a Public Improvement District). The buyer is likely to receive a prescribed notice when buying property in such a district.

SURVEILLANCE. Be aware that when viewing a property, a seller might record or otherwise electronically monitor a buyer without the buyer's knowledge or consent, and a buyer might photograph or otherwise record the property without the seller's knowledge or consent. The parties should consult an attorney before recording or photographing another person or property.

SURVEY. A survey may identify the location of boundaries, major improvements, fence lines, drives, encroachments, easements, and other items on the property. The buyer should obtain a survey early enough in the transaction to help the buyer identify any encroachments, encumbrances to title, or restrictions. The contract will typically contain a provision which identifies who is responsible for providing a survey and the right to object to encumbrances to title disclosed in the survey.

SYNTHETIC STUCCO. Synthetic stucco (sometimes known as EIFS) is an exterior siding product that was placed on some properties in the recent past. If the product was not properly installed, it has been known to cause damage to the structure (such as wood rot and moisture). If the property has synthetic stucco, the buyer should ask an inspector to carefully inspect the siding and answer any questions.

TAX PRORATIONS. Typically, a buyer and seller agree to prorate a property's taxes through the closing date. Property taxes are due and payable at the end of each calendar year. The escrow agent will estimate, at closing, the taxes for the current year. If the seller is qualified for tax exemptions (for example, homestead, agricultural,

or over-65 exemption), such exemptions may or may not apply after closing. After closing the taxes may increase because the exemptions may no longer apply. When buying new construction, the taxes at closing may be prorated based on the land value only and will later increase when the appraisal district includes the value of the new improvements. The actual taxes due, therefore, at the end of the year and in subsequent years may be different from the estimates used at closing.

TERMINATION OPTION. Most purchase contract forms contain an option clause which provides the buyer with an unrestricted right to terminate the contract. Most buyers choose to buy the termination option. The buyer will be required to pay for the termination option in advance. The option fee is negotiable. Most buyers will conduct many of their reviews, inspections, and other due diligence during the option period. The buyer must strictly comply with the time period under the option. The option period is not suspended or extended if the buyer and the seller negotiate repairs or an amendment. If the buyer wants to extend the option period, the buyer must negotiate an extension separately, obtain the extension in writing, and pay an additional fee for the extension. The buyer should not rely on any oral extensions.

TIDE WATERS. If the property adjoins any of the state's tidal waters, the seller will provide the buyer with a prescribed notice titled, "Addendum for Coastal Area Notice" (TXR 1915). Boundaries of properties along such waters may change and building restrictions will apply. If the property is located seaward of the Gulf Intracoastal Waterway, the seller will provide the buyer with a prescribed notice titled, "Addendum for Property Located Seaward of the Gulf Intracoastal Waterway" (TXR 1916).

TITLE INSURANCE OR ABSTRACT OF TITLE. The buyer should obtain a title insurance policy or have an abstract of title covering the property examined by an attorney. If the buyer obtains a title insurance policy, the buyer should have the commitment of title insurance reviewed by an attorney not later than the time required under the contract.

UTILITIES. The buyer should evaluate what utilities the buyer will require and check to be sure that the utilities available in the area suit the buyer's needs. Some structures may or may not have utilities and electrical facilities to support many modern appliances or equipment.

WATER LEVEL FLUCTUATIONS. State law requires the seller to notify a buyer of a property that adjoins a lake, reservoir, or other impoundment of water with a storage capacity of at least 5,000 acre-feet at its normal operating level that the water level may fluctuate. The buyer and seller can find a list of lakes and reservoirs with at least 5,000 acre-feet storage capacity by accessing http://texasalmanac.com/topics/environment/lakes-and-reservoirs.

WATER WELLS. If the property has a water well, the buyer should have, and the lender may require, the equipment inspected and water tested. The buyer should determine if the county requires any registration or other action to begin using the water well.

WIRE FRAUD. Criminals are targeting real estate transactions by gaining access to electronic communications or sending emails that appear to be from a real estate agent, a title company, lender, or another trusted source. Refrain from transmitting personal information, such as bank account numbers or other financial information, via unsecured email or other electronic communication. If the buyer or tenant receives any electronic communication regarding wiring instructions, even if the communication appears to come from a legitimate source, the buyer or tenant should verify its authenticity prior to the transfer of funds in person or via phone call using a recognized phone number that is not found in the communication.

OTHER. _____.

This form was provided by:

Berkshire Hathaway Premier Properties
Broker's Printed Name

By: Donna Winfrey 03/22/26
Broker's or Broker's Associate's Signature, as an authorized agent of Broker — Date

Donna Winfrey

By signing below I acknowledge that I received, read, and understand this information and notice.

Xin Zhang 03/22/2026
Consumer — Date

Xin Zhang
Yuexin Liu 03/22/2026
Consumer — Date

Yuexin Liu

TEXAS REALTORS

WIRE FRAUD WARNING

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
©Texas Association of REALTORS®, Inc. 2018

Buyers and Sellers Beware: Criminals are targeting real estate transactions. Don't be a victim of wire fraud.

What is wire fraud and how does it occur? Criminals are targeting real estate transactions by gaining access to electronic communications or sending emails that appear to be from a real estate agent, a title company, a lender, or another trusted source. These fraudulent emails seem legitimate and direct you to wire funds to a fraudulent account. Once you wire funds to the fraudulent account, your money is gone.

How can you protect yourself from wire fraud? You should not send personal information, such as bank account numbers or other financial information, via email or other unsecured electronic communication.

If you receive any electronic communication regarding wiring instructions, even if the communication appears to come from a legitimate source, you should verify the communication's authenticity prior to the transfer of funds in person or via phone call using a recognized phone number that is not found in the communication.

Notice: This brokerage will never use any electronic communications, such as email, text messages, or social media messages, to ask you to wire funds or provide personal information.

If you think you are being targeted in a wire fraud scam, immediately notify law enforcement, your lender, the title company, and your agent.

This form was provided by:

Berkshire Hathaway Premier Properties
Broker's Printed Name

By: Authenti Donna Winfrey 03/22/26
Broker's Associate's Signature Date
Donna Winfrey

By signing below I acknowledge that I received, read, and understand this information and notice.

Authenti Xin Zhang 03/22/2026
☐ Seller ☒ Buyer Date
Xin Zhang

Authenti Yuexin Liu 03/22/2026
☐ Seller ☒ Buyer Date
Yuexin Liu

EXHIBIT "A"

SPECIAL WARRANTY DEED

STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

THAT the CITY OF BAYTOWN ("Grantor"), a home-rule municipal corporation, for and in consideration of the sum of TWENTY-SIX THOUSAND ONE HUNDRED AND NO/IOO DOLLARS ($26,100.00) and other good and valuable consideration paid by XIN ZHAND and YUEXIN LIU ("Grantee"), the receipt and sufficiency of which is hereby acknowledged and confessed, and subject to the matters set forth or referred to herein, have GRANTED, SOLD AND CONVEYED, and by these presents do GRANT, SELL AND CONVEY, unto Grantee all that certain tract or parcel of land, together with all improvements thereon (if any), lying and being situated in the State of Texas and County of Harris (the "Property"), more particularly described in Exhibit "WD1," which is attached hereto and incorporated herein for all intents and purposes.

This conveyance is made by Grantor subject to, and Grantee accepts and assumes all obligations under (a) all encumbrances, restrictions, easements, conditions, covenants and conveyances or exceptions to title set forth herein, in Exhibit WD2 attached hereto and incorporated herein for all purposes; in the Deed Records, Real property Records, Official public records or other records of Harris County, Texas; or those visible or apparent on the ground, applicable to and enforceable against the property; (b) applicable zoning, subdivision, building and other land use laws and regulations; (c) all matters of record in the official public records of Harris County, Texas, including any protective covenants affecting the property; (d) any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments, or any overlapping of improvements; (e) all matters, whether or not of record, that arise out of the actions of Grantee or its agents, representatives or contractors; (f) liens created or assumed as security for the sale consideration of the Property; (g) any Appurtenances; (h) all oil, gas and mineral conveyances and leases; (i) all ad valorem taxes, all taxes and subsequent assessments for prior years due to a change in land usage or ownership, and the lien of real estate taxes and assessments not yet due and payable; and (j) all matters affecting title to the Property that are valid and currently existing (collectively "Permitted Exceptions").

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee, its successors or assigns, forever; and subject to all of the matters set forth or referred to herein, Grantor does hereby bind itself, and its successors and assigns to WARRANT AND FOREVER DEFEND all and singular the Property unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or

to claim the same, or any part thereof, by, through, or under Grantor only from and after the date Grantor first acquired title to the Property, but not otherwise.

Ad valorem taxes with respect to the property for the current year have been prorated as of the date hereof.

Grantor has executed and delivered this Special Warranty Deed and has granted, bargained, sold and conveyed the Property, and Grantee has received and accepted this Special Warranty Deed and has purchased the Property, AS IS, WHERE IS, AND WITH ALL FAULTS, AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, WRITTEN OR ORAL, IT BEING THE INTENTION OF GRANTOR AND GRANTEE TO EXPRESSLY REVOKE, RELEASE, NEGATE, AND EXCLUDE ALL REPRESENTATIONS AND WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY AND ALL EXPRESS OR IMPLIED REPRESENTATIONS AND WARRANTIES AS TO (i) THE CONDITION OF THE PROPERTY OR ANY ASPECT THEREOF, INCLUDING, WITHOUT LIMITATION, ANY AND ALL EXPRESS OR IMPLIED REPRESENTATIONS AND WARRANTIES RELATED TO SUITABILITY FOR HABITATION, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR USE OR PURPOSE; (ii) THE NATURE OR QUALITY OF CONSTRUCTION, STRUCTURAL DESIGN, OR ENGINEERING OF THE IMPROVEMENTS; (iii) THE QUALITY OF THE LABOR OR MATERIALS INCLUDED IN THE IMPROVEMENTS; (iv) THE SOIL CONDITIONS, DRAINAGE, TOPOGRAPHICAL FEATURES, OR OTHER CONDITIONS OF THE PROPERTY OR WHICH AFFECT THE PROPERTY; (v) ANY FEATURES OR CONDITIONS AT OR WHICH AFFECT THE PROPERTY WITH RESPECT TO ANY PARTICULAR PURPOSE, USE, DEVELOPMENTAL POTENTIAL, CASH FLOW, OR OTHERWISE; (vi) ALL EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES CREATED BY ANY AFFIRMATION OF FACT OR PROMISE OR BY ANY DESCRIPTION OF THE PROPERTY; (vii) ANY ENVIRONMENTAL, GEOLOGICAL, METEOROLOGICAL, STRUCTURAL, OR OTHER CONDITION OR HAZARD OR THE ABSENCE THEREOF HERETOFORE, NOW, OR HEREAFTER AFFECTING IN ANY MANNER ANY OF THE PROPERTY; (viii) ALL EXPRESS OR IMPLIED WARRANTIES UNDER TEXAS PROPERTY CODE SECTION 5.023(a)(2); AND (ix) ALL OTHER EXPRESS OR IMPLIED WARRANTIES AND REPRESENTATIONS BY GRANTORS WHATSOEVER, EXCEPT SOLELY THE SPECIAL WARRANTY OF TITLE EXPRESSLY SET FORTH HEREIN.

Executed this _____ day of _____, 20____.

GRANTOR:

By:_____

Name:_____

Title:_____

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

ACKNOWLEDGEMENT

THE STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____**,** known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ DAY OF _____, A.D., 20____.

_____
NOTARY PUBLIC, STATE OF TEXAS

AGREED AND ACCEPTED BY GRANTEE:

_____
BY: XIN ZHANG

_____
BY: YUEXIN LIU

STATE OF TEXAS §
§
COUNTY OF HARRIS §

Before me, the undersigned Notary Public, on this day personally appeared Adam Martinez, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the instrument on behalf of the City of Baytown for the purposes and considerations expressed in it.

Given under my hand and seal of office on the ___ day of _____, 2026.

_____
Notary Public in and for the State of Texas

GRANTORS' ADDRESSES:

CITY OF BAYTOWN
ATTN: CITY CLERK
P.O. BOX 424
BAYTOWN, TX 77522

RETURN TO GRANTEE:

XIN ZHANG AND YUEXIN LIU
3110 BARNWOOD CROSSING
DULUTH, GA, 30097

Exhibit “WD1”

Being legally described as Lot Eighteen (18), of East Baytown, an addition in Harris County, Texas, according to the map or plat thereof recorded in Volume 7, Page 54, of the Map Records of Harris County, Texas.

Exhibit WD2
(Permitted Exceptions)

CITY COUNCIL MEETING 7. c.

Meeting Date: 04/23/2026

Subject: Consider an ordinance authorizing the purchase of wireless voice and data services, along with associated equipment, from Verizon Wireless through the Texas Department of Information Resources cooperative contract DIR-TELE-CTSA-003

Prepared for: Kevin Boatswain, Information Technology Services

Prepared by: Kevin Boatswain, Information Technology Services

Department: Information Technology Services

Information

ITEM

Consider an ordinance authorizing the purchase of wireless voice and data services, along with associated equipment, from Verizon Wireless through the Texas Department of Information Resources cooperative contract DIR-TELE-CTSA-003.

PREFACE

This proposed ordinance authorizes the purchase of wireless voice and data services, along with associated equipment, from Verizon Wireless through the State's Department of Information Resources cooperative contract DIR-TELE-CTSA-003 (which terminates November 5, 2027), in an amount not to exceed the prorated amount of $370,000 through November 5, 2026.

This item supports the City's essential communication infrastructure by providing reliable wireless data and voice connectivity for a wide range of municipal operations and is utilized across all departments. Services enabled through this agreement support public safety operations, utility and infrastructure systems, transportation and signal systems, cellular voice communications, and mobile workforce connectivity.

Fiscal Impact

Fiscal Year:	2026-2027
Acct Code:	10001071-54001
Source of Funds (Operating/Capital/Bonds):	Operating
Funds Budgeted Y/N:	Y
Amount Needed:	$370,000.00
Fiscal Impact (Additional Information):	

Attachments

Ordinance - Verizon
Quotation
Cooperative Contract DIR-TELE-CTSA-003
Indebtedness Certification
Cooperative COntract Am. 3

AN ORDINANCE OF THE CITY COUNCIL, CITY OF BAYTOWN, TEXAS, AWARDING A CONTRACT FOR WIRELESS VOICE AND DATA SERVICES, AND ASSOCIATED EQUIPMENT, TO VERIZON WIRELESS THROUGH THE TEXAS DEPARTMENT OF INFORMATION RESOURCES THROUGH NOVEMBER 5, 2027; AUTHORIZING PAYMENT FOR THE CONTRACT YEAR ENDING NOVEMBER 5, 2026 IN AN AMOUNT NOT TO EXCEED THREE-HUNDRED, SEVENTY-THOUSAND DOLLARS ($370,000.00); MAKING OTHER PROVISIONS RELATED THERETO; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

WHEREAS, the City of Baytown has entered into an interlocal cooperative contract with the Texas Department of Information Resources ("DIR") for the purchase of wireless voice, data services and equipment pursuant to Section 791.025 of the Texas Government Code; and

WHEREAS, the DIR's purchasing process includes posting the request on the Electronic State Business Daily (ESBD), gathering and reviewing the vendors' responses to the posting, negotiating with selected vendors, and managing vendor contracts; and

WHEREAS, such process in combination with the interlocal cooperative contract allows the City to purchase automated information systems products and/or services in an efficient, cost effective, and competitive procurement method; and

WHEREAS, the City of Baytown in making a purchase under a DIR contract through its interlocal cooperation contract satisfies state law requiring municipalities to seek competitive bids for the purchase of the item; NOW THEREFORE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

Section 1: That the City Council of the City of Baytown hereby awarding a contract for wireless voice and data services, and associated equipment, to Verizon Wireless through the Texas Department of Information Resources Through November 5, 2027.

Section 2. That the City Council authorizes payment to Verizon Wireless for the contract year ending November 5, 2026 in an amount not to exceed THREE-HUNDRED, SEVENTY-THOUSAND DOLLARS ($370,000.00).

Section 3. That the payment to Verizon Wireless shall not exceed FOUR-HUNDRED, EIGHTY-TWO THOUSAND DOLLARS ($482,000.00) in any single Contract Year.

Section 4: That the City Manager is hereby granted general authority to approve any change order involving a decrease or an increase in costs of TWENTY-FIVE THOUSAND AND NO/100 DOLLARS ($25,000.00) or less, provided that the original contract price may not be increased by more than twenty-five percent (25%) or decreased by more than twenty-five percent (25%) without the consent of the contractor to such decrease.

Section 5: This ordinance shall take effect immediately from and after its passage by the City Council of the City of Baytown.

INTRODUCED, READ, and PASSED by the affirmative vote of the City Council of the City of Baytown this the 23rd day of April, 2026.

_____
CHARLES JOHNSON, Mayor

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

verizon

Wireless Service Price Proposal
Date: 04/2/26

Customer Name:	**City of Baytown**
Address:	**7800 N. Main St.**
City, State, Zip:	**Baytown, TX. 77521**
Attention:	**Kevin Boatswain**

Verizon Wireless Sales Contact:	**Anita Law**
Phone:	**281-380-0015**
Email:	**Kevin.Boatswain@baytown.org**

WIRELESS SERVICE

PRICE PLAN/FEATURE	Monthly Allowance	Number of Lines	Monthly Access fee	Minutes Per Line	Overage	Total Estimated Monthly Service Cost
70996 - Public Safety 4G/5G MBB Plan (Routers)	Unlimited	298	$30.00	n/a	n/a	$8,940.00
69600 - Public Safety Smartphone	Unlimited	398	$36.99	n/a	n/a	$14,722.02
73964 - Public Safety Laptop	Unlimited	400	$20.00	n/a	n/a	$8,000.00
20312 - Mifi/Hotspot	Unlimited	23	$37.99	n/a	n/a	$873.77
73944 - Public Safety Tablet	Unlimited	9	$20.00	n/a	n/a	$180.00
					*TOTAL MONTHLY ACCESS (Does not include fees, surcharges or any applicable taxes)	$31,842.02
					*TOTAL ANNUAL ACCESS *(Does not include fees, surcharges or any applicable taxes)*	$379,944.24

EQUIPMENT

Device Name	SKU	Cost per Unit	# of Units	Total Estimated Cost

See One-Time Equipment Incentive (EIC) Credit offer for offer details, terms and conditions.

Year 1 - Total Estimated Costs (Equipment and Wireless Service) (Does not include fees, surcharges or any applicable taxes)	***$379,944.24***

** Information contained in this document is provided for review purposes only and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate this document. The Wireless Service Price Proposal is subject to the terms and conditions of the State of Texas DIR Contract #DIR-TELE-CTSA-003. While the data contained in this spreadsheet response was compiled from reliable sources, the information may be subject to errors and omissions. Verizon Wireless reserves the right to make any corrections necessary for accuracy and completeness. In the event of any ambiguities or inconsistencies between the information in this Wireless Service Price Proposal and the State Contract attached hereto, the State Contract shall prevail. Taxes and surcharges may apply as provided under the Agreement.*

TEX-AN 2021
Communications Technology Services Agreement

Version 2.0

DIR Contract No DIR-TELE-CTSA-003

Between

The State of Texas, acting by and through the Texas Department of Information Resources

and

Cellco Partnership d/b/a Verizon Wireless (Successful Respondent)

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TEX-AN 2021
Communications Technology Services
Agreement

This TEX-AN 2021 Communications Technology Services Agreement (CTSA) is entered into by and between the State of Texas, acting by and through the Texas Department of Information Resources (DIR), with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and Cellco Partnership d/b/a Verizon Wireless. (Successful Respondent), with a principal place of business at 1 Verizon Way, Basking Ridge, New Jersey 07920.

Preamble

WHEREAS, in accordance with the laws of the State, DIR issued the Request for Offer (RFO) for TEX-AN Communications 2021 (TEX-AN 2021) on the Texas Comptroller of Public Accounts' (CPAs) Electronic State Business Daily (ESBD) Website, Request for Offer (RFO) number DIR–CPO-TMP-552 (the RFO);

WHEREAS, in response to the RFO, Successful Respondent submitted Successful Respondent's Response, dated March 29, 2021, as revised, amended and supplemented thereafter (the Response)

WHEREAS, based on the Response, DIR and Successful Respondent have engaged in extensive negotiations, discussions, and due diligence that have culminated in the formation of the contractual relationship described in this TEX-AN 2021 Communications Technology Services Agreement (hereinafter CTSA or Contract); and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, DIR and Successful Respondent (collectively, the "Parties" and each, a "Party") hereby agree as follows:

1 INTRODUCTION

1.1 Provision, Performance, and Management by Successful Respondent

DIR desires that certain communications technology Services procured in accordance with State law (pursuant to Chapter 2170, Texas Government Code) be provided, performed, and managed by Successful Respondent as and to the extent described in this CTSA. Successful Respondent has carefully reviewed DIR's requirements, has performed all due diligence it deems necessary, has received all information requested and required of DIR, and desires to deploy, perform, and manage such communications technology Services for DIR, the Customers, and, as required, other TEX-AN NG and TEX-AN 2021 Contract Holders. If Successful Respondent later discovers such due diligence was insufficient or lacking certain information, Successful Respondent shall assume any associated costs or expenses.

1.2 Successful Respondent's Experience and Qualifications

The Successful Respondent represents and warrants that it is an established provider of communications technology Services as awarded under this CTSA and has the skills, qualifications, expertise, financial

resources, and experience necessary to provide the communications technology Services, plans, reports, and other deliverables described in this CTSA.

1.3 Definitions

a) The terms defined in this Agreement include the plural as well as the singular and the derivatives of such terms. Unless otherwise expressly stated, the words "herein," "hereof," and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section, subsection, exhibit, attachment, or other subdivision. Article, section, subsection, exhibit, and attachment references refer to articles, sections and subsections of, and exhibits and attachments to, this Agreement. The words "include" and "including" shall not be construed as terms of limitation. Unless otherwise modified, the words "day," "month," and "year" mean, respectively, calendar day, calendar month, and calendar year. The word "notice" and "notification" and their derivatives mean notice or notification in writing. References in this Agreement to any law shall be to such law in changed or amended form or to a newly adopted law replacing a prior law. All references to this Agreement shall include the exhibits and attachments to this Agreement unless otherwise provided. Other terms used in this Agreement are defined in the context in which they are used and have the meanings there indicated.

b) Except as otherwise expressly provided in this CTSA, all capitalized terms (including derivatives of such terms) used in this CTSA shall have the meanings ascribed to them in **Exhibit A Definitions**; provided however, that any such defined terms, if not capitalized herein, shall have the same meaning as the defined term unless the context or industry usage require a different meaning. Words having well-known technical or trade meanings shall be accorded such meaning, unless expressly defined otherwise herein. Uncapitalized terms or phrases are to be given their usual meaning.

c) Global drafting conventions.

   1) The terms “include,” “includes,” and “including” are terms of inclusion, and where used in this CTSA, are deemed to be followed by the words “without limitation.”

   2) Any references to “sections,” “exhibits,” or “attachments” are deemed to be references to sections, exhibits, or attachments to this CTSA.

   3) Any references to agreements, contracts, statutes, or administrative rules or regulations in this CTSA are deemed references to these documents as amended, modified, or supplemented from time to time during the term of this CTSA.

1.4 Inducements

a) In executing this CTSA, DIR relies on Successful Respondent’s representations, warranties, and covenants regarding the following:

   1) Successful Respondent, including its agents and Subcontractors, regularly provide the types of Services described in the RFO to other public or private entities;

   2) Successful Respondent, including its agents and Subcontractors, have the skills, qualifications, expertise, financial resources, and experience necessary to perform the Services described in the RFO, Successful Respondent’s Response, and this CTSA in an efficient and cost-effective manner with a high degree of quality and responsiveness, and have performed similar Services for other public or private entities;

3) Successful Respondent has thoroughly reviewed, analyzed, and understood the RFO, has timely raised all questions or objections to the RFO, and has had the opportunity to review and fully understand the DIR's current TEX-AN NG program, operating environment for the Services, this CTSA, and the needs and requirements of DIR, the Customers, and the State during the Term of the CTSA;

4) Successful Respondent has had the opportunity to review and understand the State's stated objectives in entering into this CTSA and, based on such review and understanding, Successful Respondent has the ability and capability to perform the Services in accordance with the terms and conditions of this CTSA;

5) Successful Respondent also has reviewed and understands all of the risks associated with the TEX-AN 2021 Program as described in the RFO and the CTSA, including the risk of non-appropriation of funds;

6) Successful Respondent shall at all times be capable of and legally authorized to provide the Services; and

7) The Rates to DIR, Prices, and any discounts offered hereunder shall be true and correct.

b) Accordingly, on the basis of these representations, warranties, and covenants, DIR desires to engage Successful Respondent to perform the Services under the terms and conditions set forth in this CTSA, and Successful Respondent covenants to perform the Services under the terms and conditions set forth in this CTSA.

1.5 Construction of Agreement

1.5.1 Severability

If any provision of this CTSA (or any portion thereof) or the application of any such provision (or portion thereof) to any person, entity, or circumstance is held to be illegal, invalid, or otherwise unenforceable in any respect by a final judgment, order of the State Office of Administrative Hearings, or court of competent jurisdiction, such provision shall be deemed to be void and unenforceable. Notwithstanding the preceding sentence, the remaining provisions of this CTSA, if capable of substantial performance, shall remain in full force and effect. By entering into this CTSA, DIR makes no representations or warranties regarding the enforceability of the terms of this CTSA and DIR does not waive any applicable law that conflicts with the terms of this CTSA.

1.5.2 Survival of Terms

Notwithstanding the expiration or and termination of this CTSA:

a) any provision of this CTSA that contemplates performance or observance subsequent to any termination or expiration of this CTSA shall survive any termination or expiration of this CTSA and continue in full force and effect;

b) all provisions of this Agreement shall survive the expiration or termination of this Agreement to the fullest extent necessary to give the Parties the full benefit of the bargain expressed herein

c) any provisions that the Parties have expressly agreed will survive any termination or expiration shall survive the expiration or any termination of this Agreement;

d) any terms that remain to be performed or by their nature would be intended to be applicable following any such termination or expiration, including the Administrative Fee, any and all payment obligations invoiced prior to the termination or expiration hereof, and indemnification rights and obligations;

e) the limitation on use and disclosure of DIR or Customer Data shall survive the expiration or any termination of this Agreement and shall be perpetual;

f) each party's confidentiality obligations under this CTSA shall continue for any period required by applicable law or until such time as the Confidential Information is publicly known and made generally available through no action or inaction of the receiving Party;

g) all applicable services, warranties, or service agreements that were entered into between Successful Respondent and a Customer under the terms and conditions of the CTSA shall survive the expiration or termination of the CTSA; and

h) all Purchase Orders issued and accepted by Successful Respondent shall survive expiration or termination of the CTSA for the term of the Purchase Order unless the Customer terminates the Purchase Order sooner. However, regardless of the term of the Purchase Order, no Purchase Order shall survive the expiration or termination of the CTSA for more than two (2) years, unless Customer makes an express finding and justification for the longer term. The finding and justification must either be included in the Purchase Order, or referenced in it prior to the expiration or termination of the CTSA and maintained in Customer's procurement record.

i) The Successful Respondent agrees that DIR may require continued performance, not including termination assistance, beyond the initial or any renewal CTSA term, of any of the within described Services at the rates specified in the CTSA. This option may be exercised more than once, but the total extension of performance hereunder shall not exceed four (4) calendar months. Such extension of Services shall be subject to the requirements of the CTSA, with the sole and limited exception that the original date of termination shall be extended pursuant to this provision.

1.5.3 Headings

The article and section headings and the Table of Contents in this CTSA are for reference and convenience only and may not be considered in the interpretation of this CTSA.

1.6 No Implied Authority

a) The authority delegated to Successful Respondent by DIR is limited to the terms of this CTSA. DIR is the State agency designated by the Texas Legislature to administer the TEX-AN 2021 Program, and no other agency of the State grants Successful Respondent any authority related to this TEX-AN 2021 Program. Successful Respondent may not rely upon implied authority, and specifically is not delegated authority under this CTSA to:

   1) make public policy;
   2) promulgate, amend, or disregard administrative regulations or program policy decisions made by DIR for administration of the TEX-AN 2021 Program; or
   3) unilaterally communicate or negotiate with any Customer or the Texas Legislature on behalf of DIR regarding the TEX-AN 2021 Program.

b) Successful Respondent may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of the State or DIR.

1.7 Legal Authority

a) DIR is authorized to enter into this CTSA under Chapter 2170, Texas Government Code. Successful Respondent is authorized to enter into this CTSA pursuant to the authorization of its governing board or controlling owner or officer.

b) The person or persons signing and executing this CTSA on behalf of the Parties, or representing themselves as signing and executing CTSA on behalf of the Parties, warrant and guarantee that he, she, or they have been duly authorized to execute this CTSA and to validly and legally bind the Parties to all of its terms, performances, and provisions.

2 CTSA DOCUMENTS

2.1 Definition

This CTSA includes each of the exhibits and attachments attached to this CTSA, which are hereby incorporated into and deemed part of this CTSA, and unless otherwise expressly stated all references to this CTSA shall include the exhibits and attachments. A listing of the exhibits and attachments is included in the Table of Contents.

2.2 Compliance with Procurement Laws

This CTSA is the result of compliance with applicable procurement laws of the State. DIR issued a solicitation on the CPA's ESBD, RFO DIR–CPO-TMP-552, on January 4, 2021, for TEX-AN 2021 Communications Technology Services. Successful Respondent responded, and DIR conducted its evaluation. DIR determined that Successful Respondent should be invited into negotiations. DIR and Successful Respondent have engaged in extensive negotiations, discussions, and due diligence that have culminated in the formation of the contractual relationship described in this CTSA. Upon execution of all CTSAs arising from the RFO, a notice of award for RFO DIR-CPO-TMP-552 shall be posted by DIR on the ESBD.

2.3 Order of Precedence

In the event of any conflict or contradiction between or among the various documents compromising the CTSA, the documents will control in the following order of precedence:

a) Articles 1 through 22 of this CTSA, and all amendments thereto,

b) Exhibit A Definitions to the CTSA, and all amendments thereto,

c) All other Exhibits to the CTSA, and all amendments thereto,

d) Attachments to the CTSA, and all amendments thereto,

e) Appendices to the CTSA, and all amendments thereto;

f) Successful Respondent's final Response dated March 29, 2021, and incorporated by reference herein.

g) The RFO Number DIR-CPO-TMP-552, as amended and clarified by DIR official revisions or addenda, and incorporated by reference herein.

3 TERM

3.1 Initial Term

The Initial Term of this CTSA shall commence on the Effective Date, date of last signature, and continue for four (4) years from the Effective Date, unless this CTSA is terminated earlier as provided herein, in

which case the Initial Term of this CTSA shall end at 11:59:59 p.m., Central Time, on the effective date of such termination (the "Initial Term").

3.2 Extension(s)

By giving written notice to Successful Respondent no less than thirty (30) days prior to the expiration date of the Initial Term or the then-current Renewal Term, DIR, in its sole and absolute discretion, shall have the right to extend the Term of the CTSA for up to four (4) years from the expiration of the Initial Term, in any combination of months or years as necessary to complete the purpose of this procurement. DIR, in its sole and absolute discretion, may extend the CTSA more than once up to a total of an additional four-year period (each a "Renewal Term"). The exact period(s) of the extension(s) shall be specified in the DIR notice of extension. The total period of time during which the CTSA is in effect is the Term. No termination charges or penalties shall be applicable to any termination before or after the end of the Initial Term.

4 Relationship among DIR, Successful Respondent, other TEX-AN 2021 Contract Holders, and Customers

4.1 DIR as Successful Respondent's Customer

Pursuant to its authority found in Chapter 2170, Texas Government Code, DIR is the single State agency mandated to procure telecommunications services on behalf of Customers. In all interactions under the CTSA, DIR is in the role of Successful Respondent's customer, with the exception of Local Services, Small Office/Home Office (SO/HO) Internet Connectivity Services, wireless voice and Data Services, Technology Based Conferencing Services, and telecommunications managed Services (hereinafter collectively "Direct Sales Transaction Services"). Except as noted below, DIR will issue all Purchase Orders to Successful Respondent on behalf of itself and the Customers. Except as noted below, DIR shall act as the Successful Respondent's billing agent for all Services ordered and consumed by the Customers and shall pay net proceeds from such billings to Successful Respondent.

4.2 Direct Sales Transaction Service Customers for Successful Respondent

a) If Successful Respondent is awarded any Direct Sales Transaction Services, then Successful Respondent shall receive Purchase Orders for such Direct Sales Transaction Services from the Direct Sales Transaction Service Customer(s). Successful Respondent shall bill Direct Sales Transaction Service Customers for the Services at the Prices allowed by this CTSA (or Statement of Work (SOW) as applicable) that includes the Administrative Fee. Successful Respondent shall remit the associated Administrative Fee to DIR on a monthly basis. Successful Respondent shall also be responsible for sales reports and other administrative duties associated with providing these Services to the Direct Sales Transaction Service Customers.

b) Successful Respondent agrees to process all Direct Sales Transaction Service Customer orders for Services available under the CTSA through the CTSA. Successful Respondent shall not offer Direct Sales Transaction Services to Customers outside of the CTSA or for rates higher than negotiated herein. Successful Respondent agrees that all discounts offered to DIR are equal to or exceed any discount offered by Successful Respondent to any similarly situated Customer.

4.3 Customers as Authorized End Users of Successful Respondent's Services

As specified in Section 2170.004, Texas Government Code, certain Texas governmental and non-governmental entities are authorized to use the telecommunications services for which DIR contracts in this CTSA. For DIR's purposes, these entities are Customers. From the Successful Respondent's perspective, these entities may be referred to as "Authorized End Users," whether as organizations or persons employed by such organizations. All references herein to "Customer" include "Authorized End Users." When ordering certain Services from Successful Respondent, non-state agency Customers may enter into a certain TEX-AN 2021 Customer Services Agreement (CSA), with DIR, which sets forth the terms and conditions for the deployment, acceptance, and delivery of such certain Services by Successful Respondent to such Customer. Under each CSA, DIR shall be the billing agent on behalf of Successful Respondent to receive payment for the Services from the Customer. The minimally acceptable terms and conditions of the CSA are attached as **Exhibit F**. Customers operating under the CSA will ensure funds are committed for the payment of services to DIR where DIR is acting as Successful Respondent's billing agent. In addition, Successful Respondent understands and agrees that if Successful Respondent responds to certain Customer pricing requests or Statements of Work, then, in order to contract with the Customer, Successful Respondent may be required to comply with additional terms and conditions or certifications that an individual Customer may require due to state and federal law (e.g., privacy and security requirements).

4.4 Use of Third Parties

An award from the RFO is not exclusive to the Successful Respondent. Successful Respondent acknowledges that DIR intends to award or has awarded multiple CTSAs for Services out of the RFO to other Successful Respondents (TEX-AN 2021 Contract Holders). Successful Respondent further acknowledges that some of the Services provided by Successful Respondent hereunder may also be provided by other TEX-AN 2021 Contract Holders. Finally, Successful Respondent acknowledges that Successful Respondent may have a dependency on other TEX-AN 2021 Contract Holders to serve a particular Customer in a particular area. Therefore, Successful Respondent warrants and covenants, for itself and its Subcontractors, it shall not discriminate against another TEX-AN 2021 Contract Holder in the deployment and delivery of any Service in any manner to DIR and/or any Customer, or otherwise cause any disruption to Services as deployed and delivered to DIR and/or Customers by any other TEX-AN 2021 Contract Holder.

4.5 DIR (and Customer) Right of Use

a) Notwithstanding anything to the contrary contained in this CTSA, Successful Respondent acknowledges and agrees that: (i) this is not a requirements CTSA and DIR and Customers shall not be required to obtain their requirements for any of the Services from Successful Respondent; and (ii) Successful Respondent is not the exclusive provider to DIR or the Customers of any of the Services and DIR and the Customers may at any time themselves and/or through third parties (each, a "DIR Contractor") provide and/or obtain any services (including services to supplement, replace, or render unnecessary the Services).

b) Nothing in this Agreement shall be construed or interpreted as limiting DIR's right or ability to add or delete Customers, or DIR's or any Customer's right or ability during the Term to change requirements, move parts of Services in and out of scope, or to increase or decrease their demand for Services. To the extent DIR or a Customer obtains from other Vendors, or provides to itself, any of the Services, the charges, if any, shall be adjusted downward in accordance with **Exhibit B Pricing and Volumes**, to the extent applicable, or equitably adjusted downward in proportion to

the portion of the Services that Successful Respondent shall not be providing. Both Successful Respondent and Customer shall approve such adjustments in writing.

c) DIR may elect to solicit and receive bids from third parties to perform any new services. If DIR elects to use third parties to perform new services: (i) such new services shall not be deemed "Services" under the provisions of this Agreement; and (ii) Successful Respondent shall cooperate with such third parties as provided above.

4.5.1 Successful Respondent Cooperation

Successful Respondent acknowledges that its provision of the Services shall require significant cooperation with third parties, and Successful Respondent shall fully cooperate and work in good faith with third parties as described in this CTSA and to the extent otherwise requested by DIR.

4.5.2 Notice by Successful Respondent

Without limiting its obligations under this CTSA, Successful Respondent shall expeditiously notify DIR when it becomes aware that an act or omission of DIR or Customer personnel or a DIR Contractor shall cause, or has caused, a problem or delay in providing the Services, and shall work with DIR, the Customers, and the DIR Contractor to prevent or circumvent such problem or delay. Successful Respondent shall cooperate with DIR, the Customers, and DIR Contractors to resolve differences and conflicts arising between the Services and other activities undertaken by DIR, the Customers and DIR Contractors.

4.6 Covenant of Cooperation

Successful Respondent hereby agrees and covenants that it shall fully cooperate with other TEX-AN 2021 Contract Holders in fulfilling the terms of this CTSA and/or CSA with DIR and/or Customers. Successful Respondent is required to cooperate to the fullest extent possible to assist DIR in communications and negotiations with all Customers as directed by DIR. Successful Respondent acknowledges that this covenant is material to DIR and that failure to maintain such cooperation may be grounds for termination for cause. Each Customer shall cooperate with its selected Contract Holders and DIR in fulfilling the terms of each CSA to which they are a party.

4.7 Special Covenant to Cooperate with DIR on Internal Business Process Improvements

All TEX-AN 2021 Contract Holders shall interface with DIR's internal service delivery system to support DIR's service delivery processes, including the BMC Helix ITSM platform version 20.08. Network and any subsequent versions to network demarcation points are determined on a case by case basis depending upon type of Service. Successful Respondent shall provide timely, complete, and commercially reasonable cooperation in the implementation and use of the DIR adopted systems at no additional cost to DIR or the Customers. As of the Effective Date, the BMC Helix ITSM platform includes service request management (Service ordering), asset management, performance and service level management, incident management (help desk/trouble tickets), change management, and knowledge management. Other systems in development to support Tex-AN-2021 include DIR enterprise billing and customer relationship management. As of the Effective Date, DIR and Successful Respondent have agreed to the following formats and Data to include detailed data for quotes, orders, trouble tickets, billing, Service Level Agreements, and network monitoring and formats to include email, delimited flat files, and web services XML as documented in **Appendix B Master Vendor Reporting Guide**. DIR will provide reasonable written notice to Successful Respondent as new systems become available for Successful Respondent's use. If Successful Respondent is unable to implement and use the DIR adopted internal

systems at no additional cost to DIR or Customers, DIR reserves the right to terminate the CTSA. Successful Respondent shall promptly notify DIR if it encounters an unforeseen challenge to implementing any DIR adopted internal systems. DIR agrees to negotiate in good faith to resolve the Successful Respondent's challenge, reserving the right to terminate the CTSA if no resolution is apparent within thirty (30) days of notification of the challenge.

5 AWARDED SERVICES

5.1 Description

A description of the Services awarded to Successful Respondent under this CTSA are found in Exhibit B to the CTSA. This CTSA is an indefinite quantity contract. DIR has not made and does not make any representations or warranties about the amount or type of Services that Successful Respondent may sell to DIR or the Customers as a result of executing this CTSA.

5.2 Rates, Prices, and Telecommunications Fees and Surcharges

a) The rates for the Services as set forth in Attachments to Exhibit B to the CTSA are the Rates to DIR, with the exception of the Prices for which Successful Respondent shall directly bill the Customers at the Prices set forth in Attachments to Exhibit B, or as negotiated through the SOW for Telecommunications Managed Services. For all other Services in use, Successful Respondent shall present a Monthly Consolidated Invoice to DIR based on the Rates to DIR. In its role as billing agent for Successful Respondent, DIR shall bill Customers the Rates to DIR, plus an additional percentage as the Administrative Fee, as authorized by Chapter 2170, Texas Government Code. Successful Respondent acknowledges and agrees that DIR shall retain its Administrative Fee from the amounts it collects from Customers.

b) If the Successful Respondent is awarded Local Services, SO/HO Internet Connectivity Services, wireless Services, and/or Technology Based Conferencing Services, Attachments to Exhibit B also contains the Prices for these Services, which include the Successful Respondent's rate plus the Administrative Fee. Successful Respondent shall bill the Direct Sales Transaction Service Customers for the Price as defined in Exhibit B and shall remit the Administrative Fee to DIR on a monthly basis. Successful Respondent shall provide DIR with monthly Direct Sales Transaction Service Reports.

c) If the Successful Respondent is awarded Telecommunication Managed Services, Successful Respondent shall work directly with Customers to negotiate an SOW that will include pricing for the Services, which will include the Successful Respondent's rate plus the Administrative Fee. Successful Respondent shall bill the Direct Sales Transaction Service Customer for the Price as defined in the SOW and shall remit the Administrative Fee to DIR on a monthly basis. Successful Respondent shall provide DIR with monthly Direct Sales Transaction Service Reports.

d) Attachments to Exhibit B also lists for each awarded Service, all applicable telecommunications fees and/or surcharges that are required to be assessed by Successful Respondent against Customers in accordance with federal and/or state law. DIR shall include the listed telecommunications fees and surcharges on bills to Customers and Customers shall be responsible for paying such telecommunications fees and surcharges in full. If applicable to the Direct Sales Transaction Services, Successful Respondent shall include the telecommunications fees and surcharges on its bills to the Direct Sales Transaction Service Customers, and the Direct Sales Transaction Service Customers shall be responsible for paying such telecommunications fees and surcharges in full. No telecommunications fees and surcharges that are not set forth in

Attachments to Exhibit B may appear on bills to DIR or Customers. Notwithstanding the foregoing, if federal or state laws and regulations that impose additional fees and/or surcharges become effective after the Effective Date of this CTSA then such new fees and/or surcharges may be assessed by Successful Respondent against DIR Customers; however, such charges shall be implemented through the contract amendment process as outlined in this CTSA. Additionally, Successful Respondent reserves the right to update existing fees and/or surcharges as such updates are imposed by issuing government entity with notice to DIR and incorporation into the CTSA by compliance with Article 9 of this CTSA. DIR reserves the right to review telecommunications taxes, fees, and surcharges for applicability of payments by public entities and reserves the right to exempt Customers pursuant to federal, state, and/or local exemptions.

5.3 Authorized Changes to Rates to DIR and Prices

Successful Respondent may propose Attachments to Exhibit B changes to lower the Rates to DIR and/or the Prices. DIR shall have reasonable time to review and determine, in its sole and absolute discretion, if the change to the rates to DIR is a best value for the State. If DIR approves the Rates to DIR or Price change, such change shall be implemented using the Electronic Administrative Update (EAU) process defined in CTSA Section 9.5 to amend the CTSA and document the new Rates to DIR and/or Price. The Parties agree to make new Rates to DIR or Prices available to Customers as quickly as possible. Successful Respondent initiated Point of Presence (POP) location changes, or any other changes that have an adverse effect (price increase) on Rates to DIR or Prices must be authorized by an amendment to the CTSA before being billed. Changes that lower pricing will be administered via the EAU process.

6 SUCCESSFUL RESPONDENT PERSONNEL MANAGEMENT

6.1 Qualifications, Retention, and Replacement of Successful Respondent Employees

Successful Respondent agrees to maintain the organizational and administrative capacity and capabilities to carry out all Successful Respondent duties and responsibilities, including providing and supporting the Services, under this CTSA. The personnel Successful Respondent assigns to perform the duties and responsibilities under this CTSA will be properly trained and qualified for the functions they are to perform. Notwithstanding transfer or turnover of its personnel, or of its agents' or Subcontractors' personnel, Successful Respondent remains obligated to perform all duties and responsibilities, including providing and supporting the Services, without degradation and in accordance with the terms of this CTSA.

6.2 Responsibility for Successful Respondent Personnel

a) Under no circumstances will Successful Respondent Personnel, be considered or deemed employees of DIR or the State, but will be considered Successful Respondent’s employees, agents, or Subcontractors for all purposes. Successful Respondent, not the State, DIR, or the Customers, has the right, power, authority, and duty to supervise and direct the activities of the Successful Respondent Personnel and to compensate such Successful Respondent Personnel for any work performed by them hereunder. Successful Respondent, and not the State, DIR, or the Customers, shall be responsible and therefore solely liable for all acts and omissions of Successful Respondent Personnel associated or related in any manner with this CTSA or the related products, equipment, and Services, including acts and omissions constituting negligence, gross negligence, willful misconduct, and/or fraud.

b) Except as expressly provided in this CTSA, neither Successful Respondent nor any of Successful Respondent Personnel may act in any sense as agents or representatives of DIR or the State of Texas.

c) Successful Respondent Personnel shall be paid exclusively by Successful Respondent for all Services performed. Successful Respondent is responsible for and must comply with all requirements and obligations related to such Successful Respondent Personnel under local, State, or federal law, including minimum wage, social security, unemployment insurance, State and federal income tax, and workers' compensation obligations.

d) Successful Respondent assumes sole and full responsibility for its acts and the acts of Successful Respondent Personnel relating to the performance of this CTSA.

e) Successful Respondent agrees that any claim on behalf of any person arising out of employment, alleged employment, termination of employment, failing to employ, agency, or Subcontracts (including, but not limited to, claims of discrimination against Successful Respondent, its officers, or its agents or its Subcontractors) are the sole responsibility of Successful Respondent and are not the responsibility of DIR or any Customer, and that Successful Respondent will indemnify and hold harmless the State from any and all such claims asserted against the State, DIR or any Customer. Successful Respondent understands that any person who alleges a claim arising out of employment, alleged employment, termination of employment, failing to employ, agency, or Subcontract by Successful Respondent (including, but not limited to, claims of discrimination against Successful Respondent, its officers, or its agents or tis Subcontractors) will not be entitled to any compensation, rights, or benefits from DIR (including, but not limited to, tenure rights, medical and hospital care, sick and annual/vacation leave, severance pay, or retirement benefits).

6.3 Cooperation with DIR, Other Contract Holders, and Customers

6.3.1 General

a) Successful Respondent shall perform the Services in a manner that shall not: (1) disrupt or have an unnecessary adverse impact on the activities or operations of DIR, the Customers, or another TEX-AN 2021 Contract Holder; (2) degrade the Services then being received by DIR or the Customers; or (3) disrupt or interfere with the ability of DIR or the Customers to obtain the full benefit of the Services.

b) In performing the Services and using the DIR Facilities, Successful Respondent shall observe and comply with all DIR and Customer policies, rules, and regulations applicable at or to DIR Facilities or the provision of the Services which have been communicated to Successful Respondent or Successful Respondent Personnel in advance in writing (which may include email communications and notices of information contained on web sites or conspicuously posted at DIR Facilities to the extent consistent with the way in which DIR or the Customers disseminate such information to their own employees) or by such means as are generally used by DIR or DIR Customers to disseminate such information to its employees or contractors and those applicable to specific DIR Facilities (collectively, DIR Rules). The Parties acknowledge and agree that, as of the Effective Date, the Successful Respondent is fully informed as to the DIR Rules that have been communicated to it consistent with the foregoing. Successful Respondent shall be responsible for the promulgation and distribution of DIR Rules to Successful Respondent Personnel as and to the extent necessary and appropriate. Additions or modifications to the DIR Rules may be: (i) disclosed to Successful Respondent and Successful Respondent Personnel in writing (which may include email communications and notices of information contained on web

sites to the extent consistent with the way in which DIR or Customers disseminate such information to their own employees); (ii) conspicuously posted at a DIR Facility; (iii) electronically posted; or (iv) communicated to Successful Respondent or Successful Respondent Personnel by means generally used by DIR and Customers to disseminate such information to its employees or contractors (including oral communications in immediately applicable or emergency situations). Successful Respondent and Successful Respondent Personnel shall observe and comply with such additional or modified DIR Rules.

6.3.2 DIR Cost Avoidance

As part of the performance measures reported to State leadership, DIR must provide the cost avoidance the State has achieved through the CTSA. Upon request by DIR, Successful Respondent shall provide DIR with a detailed report of a representative sample of products sold under the CTSA. The report shall contain: product part number, product description, list price and price to Customer under the CTSA. Additionally, Successful Respondent shall promptly provide DIR with all other CTSA performance related information that assists DIR in reporting any other performance measures for which it is responsible.

6.3.3 Cooperation with Other TEX-AN 2021 Contract Holders

Successful Respondent agrees to reasonably cooperate with and work with the other TEX-AN 2021 Contract Holders, Subcontractors, and third party representatives as requested by DIR. To the extent permitted by DIR's financial and personnel resources, DIR agrees to reasonably cooperate with Successful Respondent.

6.3.4 Cooperation with Customers

Successful Respondent must ensure that Successful Respondent employees, agents, and Subcontractors will cooperate with DIR and Customers at no charge to DIR or Customers for purposes relating to the administration of the TEX-AN 2021 Program including, but not limited to the following purposes:

a) The investigation and prosecution of fraud, abuse, and waste in the TEX-AN 2021 Program;

b) Audit, inspection, or other investigative purposes; and

c) Testimony in judicial or quasi-judicial proceedings relating to the Services under this CTSA or other delivery of information to DIR or Customers' investigators or legal staff.

6.3.5 Successful Respondent's Subcontractor's Compliance

In all cases where Successful Respondent is required to ensure its Subcontractors' compliance with a section of this CTSA (or must otherwise require compliance by its Subcontractor with the terms of this CTSA, or is responsible for or required to indemnify the State for any taxes, benefits, compliance with law or other responsibilities of its Subcontractors, other than the performance of Services), Successful Respondent shall:

a) include the necessary language of the section of the CTSA in the applicable Subcontract; and

b) in consultation with DIR regarding the relative prudence of continuing to use the Subcontractor for Services as opposed to potentially terminating the Subcontract for breach, Successful Respondent shall, using commercially reasonable efforts, exercise contractual remedies upon such Subcontractor's non-compliance.

6.4 Conduct of and Responsibility for Successful Respondent Employees

a) While performing the Services, Successful Respondent's Personnel must:

1) comply with applicable State, DIR, and Customer policies, procedures, rules, and regulations;

2) comply with requests of DIR or Customers regarding personal and professional conduct generally applicable to the Service locations, including, but not limited to, conforming to all physical security standards and requirements, as required given the Service location;

3) attend workplace training offered by DIR and/or the Customers at DIR's or Customer's request; and

4) otherwise conduct themselves in a businesslike and professional manner.

b) If DIR determines, in its sole and absolute discretion, that a particular employee, agent, or Subcontractor is not conducting him/herself or itself in accordance with this Section 4.4, DIR may provide Successful Respondent with notice and documentation concerning such conduct. Upon receipt of such notice, Successful Respondent must promptly investigate the matter and take appropriate action that may include:

1) Removing the employee, agent, or Subcontractor from Service delivery under this CTSA;

2) Providing DIR with written notice of such removal; and

3) Replacing the employee, agent, or Subcontractor with a similarly qualified individual acceptable to DIR, in its sole and absolute discretion, in the case of personnel and Subcontractors.

c) Successful Respondent shall replace any employee, agent, or Subcontractor who, as determined by DIR, in its sole and absolute discretion, after consultation with Successful Respondent, is unable to work effectively with DIR staff or Customer staff or is not adequately performing assigned responsibilities. In such event, Successful Respondent shall provide replacement employee(s), agent(s), or Subcontractor(s) with equal or greater skills and qualifications as soon as reasonably practicable. Replacement of personnel shall be subject to DIR prior review and written approval, which approval will not be unreasonably withheld or delayed. The Parties will work together in the event of any such required replacement so as not to disrupt Service delivery under the CTSA. Other than in instances when DIR determines, in its sole and absolute discretion, that removal must be handled immediately to avoid imminent harm to the TEX-AN 2021 Program or safety to others, DIR and Successful Respondent will provide written notice and cooperate with the other Party in a manner intended to minimize staff turnover and the adverse impact any requested removal may have on the Services. Nothing in this CTSA will prevent Successful Respondent from replacing employees. If the Parties have not been able to resolve DIR's concerns within five (5) Business Days of DIR communicating its concerns, Successful Respondent shall not assign the individual to that position and shall propose to DIR the assignment of another individual of suitable ability and qualifications.

d) Successful Respondent agrees that anyone used by Successful Respondent to fulfill the terms of this CTSA is an employee, agent, or Subcontractor of Successful Respondent and remains under Successful Respondent's sole direction and control.

e) Successful Respondent agrees to be responsible for the following with respect to Successful Respondent Personnel:

1) Damages incurred by Successful Respondent Personnel in the performance of their duties under this CTSA; and

2) Determination of the hours to be worked and the duties to be performed by Successful Respondent Personnel.

3) Successful Respondent agrees and will inform Successful Respondent Personnel that there is no right of action against DIR or any Customer for any duty owed by Successful Respondent pursuant to this CTSA. Successful Respondent expressly agrees that neither DIR nor any Customer assumes any liability for the actions of, or judgments rendered against, the Successful Respondent, its employees, agents, or Subcontractors. Successful Respondent agrees that it has no right to indemnification or contribution from DIR or any Customer for any judgments rendered against Successful Respondent or Successful Respondent Personnel. DIR's liability to the Successful Respondent Personnel, if any, will be governed by Chapter 101, Texas Civil Practice & Remedies Code.

6.5 Responsibility for Subcontractors and Third Party Providers

a) Successful Respondent remains fully responsible for obligations, services, and functions performed by its Subcontractors and third party providers to the same extent as if such obligations, services, and functions were performed by Successful Respondent's employees or agents and, for purposes of this CTSA, such work will be deemed work performed by Successful Respondent. DIR reserves the right to require the replacement of any Subcontractor found by DIR, in its sole and absolute discretion, to be unacceptable in accordance with CTSA Section 6.4.

b) Successful Respondent must not disclose Confidential Information of DIR, a Customer, or the State to a Subcontractor unless and until such Subcontractor has agreed in writing to protect the confidentiality of such Confidential Information in the manner required of Successful Respondent under this CTSA.

c) Successful Respondent must identify any Subcontractor that is a newly-formed subsidiary or entity, whether or not an Affiliate of Successful Respondent, substantiate the proposed Subcontractor's ability to perform the subcontracted Services, and certify to DIR that no loss of Service will occur as a result of the performance of such Subcontractor and provide any other information DIR may require. The Successful Respondent hereby assumes responsibility for all contractual responsibilities whether or not the Successful Respondent performs them. The Successful Respondent agrees that it is the sole point of contact for DIR with regard to all matters under this CTSA, including any matters with respect to Successful Respondent's Subcontractors.

d) Successful Respondent shall not change a Subcontractor prior to submitting for DIR's approval, in its sole and absolute discretion, a revised HUB Subcontracting Plan. Only upon DIR's approval of a revised HUB Subcontracting Plan may Successful Respondent proceed with replacement of a Subcontractor.

e) All Subcontracts are required to be in writing and signed by the Successful Respondent and Subcontractor

6.6 Security of Premises, Equipment, Data, and Personnel

Successful Respondent may, from time to time during the performance of the CTSA, have access to the premises, Equipment, Software, and other property, including data, files, information, and/or materials (collectively referred to as "Data") belonging to DIR or Customers. Successful Respondent will use its best efforts to preserve the safety, security, and the integrity of the premises, software, Equipment, Data, and other property of DIR or Customer, in accordance with the instruction of DIR or Customers. Successful Respondent will be responsible for damage to DIR or Customer's premises, Software, Equipment, Data, other property, and its contents, when such damage is caused by Successful Respondent Personnel.

6.7 Background and/or Criminal History Investigation

Prior to commencement of any Services, background checks (including national fingerprint record checks and drug testing) and/or criminal history investigation of certain of the Successful Respondent Personnel who will be involved in the provision of Services, may be performed by or at the request of DIR or certain Customers having legislative authority to require such investigations. Should any Successful Respondent Personnel who will be involved in the provision of Services to DIR under the CTSA, or to a Customer under a CSA, not be acceptable to DIR or Customer, in their sole and absolute discretion, as a result of the background and/or criminal history check, then DIR or Customer, in their sole and absolute discretion, may immediately require replacement of the Successful Respondent Personnel in question.

7 NOTICES

7.1 Delivery of Notice

Any notice or other legal communication required or permitted to be made or given by either Party pursuant to this CTSA, including any demand, will be in writing and deemed to have been duly given:

a) Three (3) Business Days after the date of mailing if sent by certified U.S. mail, postage prepaid, with return receipt requested; or

b) When delivered if delivered personally or sent by express courier service.

7.2 Notice

Any notice under this CTSA will be sufficient if delivered to the following persons or their successors:

If to Successful Respondent (including Legal Notice):

Cellco Partnership d/b/a Verizon Wireless
10170 Junction Drive, Floor 02
Annapolis Junction, Maryland 20701
Attention: Director - Contract Management

Billing Dispute Notices:

All Billing Dispute Notices must be submitted to
federalaccountsupport@verizonwireless.com

If to DIR:

Chief Procurement Officer
Department of Information Resources
300 W. 15th St., Suite 1300
Austin, Texas 78701
Phone: (512) 475-4700

With copies to:

General Counsel
Department of Information Resources
300 W. 15th Street, Suite 1300
Austin, Texas 78701
Phone: (512) 475-4700
Facsimile: (512) 475-4759
DIRLegal@dir.texas.gov

and

Texas Department of Information Resources
300 West 15th Street, Suite 1300
Austin, Texas 78701
Attention: Director of Contract Management
Phone: (512) 475-4700

7.3 Change of Designee

Either Party may change the above-referenced designees or address with five (5) days' prior written notice to the other Party.

7.4 Notification of Problems

Successful Respondent shall provide to DIR written notice of any acts or omissions (whether by DIR, a Customer, Successful Respondent, or any third party), any failure to perform any of each such party's obligations under the CTSA or CSA and any other events that may affect Successful Respondent's performance of Successful Respondent's obligations under the CTSA. Successful Respondent shall provide such written notice promptly after Successful Respondent first knew or should have known of such acts, omissions, or Failures or other events. Such written notice shall describe in reasonable detail such acts, omissions, Failures, or other events and the manner in which the foregoing may affect Successful Respondent's performance.

7.5 Notification of Defaults

DIR and Successful Respondent shall promptly inform the other Party in writing of any breach of, misuse, or fraud in connection with any third party contract, Equipment lease, or third party materials license used in connection with the Services of which it becomes aware and shall cooperate with the other Party to prevent or stay any such breach, misuse, or fraud.

7.6 Notice of Adverse Impact

If Successful Respondent becomes aware of any failure of Successful Respondent to comply with its obligations under this Agreement or any other situation (a) that has impacted or reasonably could impact the maintenance of DIR's or any Customer's financial integrity or internal controls, the accuracy of DIR's or any Customer's financial, accounting or other records and reports, or compliance with DIR Rules, DIR policies or procedures or applicable laws, or (b) that has had or reasonably could have any other material adverse impact on the Services in question or the impacted operations of DIR or the Customers, then, Successful Respondent shall immediately inform DIR in writing of such situation and the impact or

expected impact and Successful Respondent and DIR shall meet to formulate an action plan to minimize or eliminate the impact of such situation.

8 General Terms and Conditions

8.1 Delegation of Authority

Whenever, by any provision of this CTSA, any right, power, or duty is imposed or conferred on DIR, the right, power, or duty so imposed or conferred is possessed and exercised by the DIR Executive Director unless any such right, power, or duty is specifically delegated to the duly appointed agents or employees of DIR. The DIR Executive Director will reduce any such delegation of authority to writing and provide a copy to Successful Respondent on request.

8.2 No Waiver of Sovereign Immunity

The Parties expressly agree that no provision of this CTSA shall be construed as or constitute a waiver by DIR or the State of any immunities from suit or from liability that DIR or the State have by operation of law.

8.3 Force Majeure

8.3.1 General

No Party shall be liable for any default or delay in the performance of its obligations under this CTSA if and to the extent such default or delay is caused, directly or indirectly, by fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism, epidemics, or any other similar cause beyond the reasonable control of such Party except to the extent that the non-performing Party is at fault in failing to prevent or causing such default or delay, and provided that such default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans, or other means. A strike, lockout, or labor dispute involving Successful Respondent personnel shall not excuse Successful Respondent from its obligations hereunder.

8.3.2 Duration and Notification

In the event of a Force Majeure Event, the non-performing Party shall be excused from further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such Party continues to use commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay. Any Party so prevented, hindered, or delayed in its performance shall, as quickly as practicable under the circumstances, notify the Party to whom performance is due by telephone (to be confirmed in writing within one (1) day of the inception of such delay) and describe at a reasonable level of detail the circumstances of the Force Majeure Event, the steps being taken to address such Force Majeure Event, and the expected duration of such Force Majeure Event.

8.3.3 Substitute Services; Termination

a) If any Force Majeure Event described above has substantially prevented, hindered, or delayed, or is reasonably expected to substantially prevent, hinder, or delay the performance by Successful Respondent of Services necessary for the performance of critical DIR or Customer functions for longer than twenty-four (24) hours, Successful Respondent shall, unless and until otherwise directed by DIR, use commercially reasonable efforts to procure such Services from an alternate source at Successful Respondent's expense for so long as the delay in performance shall continue,

up to the Charges actually paid to Successful Respondent for the Services with respect to the period of nonperformance. If Successful Respondent is unable to procure such substitute Services on an expedited basis or DIR or Customer elects to contract directly for such Services, DIR or Customer may procure such Services from an alternate source at DIR's or Customer's expense.

b) In addition, if any Force Majeure Event described above substantially prevents, hinders, or delays the performance by Successful Respondent of Services necessary for the performance of critical DIR or Customer functions: (i) for more than seven (7) days, then DIR or Customer may, upon notice to Successful Respondent, terminate all or any portion of the Services so affected (including portions that are no longer required if the impacted portion is terminated) as of the termination date specified in the notice; or (ii) for more than fifteen (15) days, then DIR may, upon notice to Successful Respondent, terminate this Agreement, in whole or in part, as of the termination date specified in the notice. Successful Respondent shall not have the right to additional payments or increased charges as a result of any Force Majeure Event affecting Successful Respondent's ability to perform.

8.3.4 Payment Obligation

If Successful Respondent fails to provide Services in accordance with this CTSA due to the occurrence of a Force Majeure Event, all amounts payable to Successful Respondent hereunder shall be adjusted downward so that DIR or Customer is not required to pay any amounts for Services that DIR and/or any Customer are not receiving, whether from Successful Respondent or from an alternate source at Successful Respondent's expense pursuant to above.

8.3.5 Allocation of Resources

Without limiting Successful Respondent's obligations under this Agreement, whenever a Force Majeure Event causes Successful Respondent to allocate limited resources between or among Successful Respondent's customers and Affiliates, DIR and Customers shall receive at least the same treatment as comparable Successful Respondent customers.

8.4 Competitive Pricing

a) Successful Respondent shall only charge Rates to DIR and Prices that are no higher in the aggregate than the charges charged by Successful Respondent directly to substantially similar retail third party customers for the provision of the same or substantially similar Services on substantially similar terms and conditions.

b) No later than each Contract Anniversary Date, Successful Respondent shall certify to DIR, in writing, that it has been in full compliance with Section 8.4 a) above at all times during the prior twelve (12) month period. Any failure of Successful Respondent to comply with this certification requirement or any certification filed by Successful Respondent that is not true shall constitute a Material Breach. If Successful Respondent has breached Section 3.4 (a) above, then Successful Respondent shall be obligated to award DIR and/or Customer, as appropriate, Credits on the next appropriate Invoice that are equal to the overcharges paid as a result of any such breach.

c) DIR shall have the right, in its sole and absolute discretion, to conduct an audit of Successful Respondent's compliance with this Section 8.4 pursuant to the procedures set forth in CTSA, Section 13.6.

8.5 Publicity

a) Except as provided in Subsection (b) below, Successful Respondent must not use the name of DIR, the State, or any other Customer, or refer to DIR or any such Customer(s) directly or

indirectly in any media release, or public announcement, relating to this CTSA or its subject matter, including, in any promotional or marketing materials, customer lists, or business presentations (other than proposals or reports submitted to DIR, a Customer, an administrative agency of the State, or the federal government).

b) Successful Respondent may publish, at its sole expense, any media release or public announcement, relating to this CTSA or its subject matter, including, in any promotional or marketing materials, customer lists, business presentations (other than proposals or reports submitted to DIR or a Customer, an administrative agency of the State, or a governmental agency or unit of another state or the federal government), or results of Successful Respondent performance under this CTSA with DIR's prior review and approval, which DIR may exercise at its sole and absolute discretion. Successful Respondent will provide DIR a copy of any such publication no less than five (5) Business Days prior to its intended public release unless otherwise agreed by the Parties. Successful Respondent will provide additional copies at the request of DIR. Approval of the annual Marketing Plan will constitute approval by DIR for Successful Respondent to publish all materials approved in connection with such Marketing Plan.

8.6 Assignment

8.6.1 Assignment by Successful Respondent

Successful Respondent will not assign all or any portion of its rights under or interests in this CTSA (including by operation of law) or delegate any of its duties without prior written consent of DIR, which consent may be withheld in DIR's sole discretion. Any written request for assignment or delegation must be accompanied by written acceptance of the assignment by the Assignee, in a form acceptable to DIR in its sole and absolute discretion. Except where otherwise specifically agreed in writing by DIR, DIR's acceptance of any assignment or delegation does not release Successful Respondent from its obligations pursuant to this CTSA. The requirements of this Section 8.6.1 shall not apply in connection with Successful Respondent's assignment to (i) any Affiliate, or (ii) any person acquiring all or substantially all the assets of Successful Respondent or all or substantially all the assets of an Affiliate to which this CTSA, or any of the interests, rights, and obligations of Successful Respondent hereunder, previously has been assigned. DIR's consent to any assignment under this CTSA shall not constitute DIR's consent to further assignment.

8.6.2 Assignment by DIR

DIR may, without the approval of Successful Respondent, assign or transfer its rights or obligations under this CTSA, in whole or in part, to any other State agency as directed by the State Legislature or as otherwise required under law. Successful Respondent understands and agrees DIR may in one (1) or more transactions assign or transfer this CTSA. DIR will provide written notification of such assignment to Successful Respondent.

8.6.3 Amendment

Each Party agrees to cooperate to amend the CTSA as necessary to maintain an accurate record of the contracting Parties.

8.6.4 Assumption

Each Party to whom an assignment or transfer is made (an "Assignee") must assume all or any part of Successful Respondent's or DIR's interests in this CTSA, the Services, and any documents executed with respect to this CTSA, including, without limitation, its obligation for all or any portion of the payments due hereunder.

8.6.5 Impermissible Assignment

Any attempted assignment that does not comply with the terms of this section shall be null and void ab initio; provided, however, that if Successful Respondent assigns this CTSA in contravention of this section by operation of law, such assignment shall be voidable at the option of DIR.

8.7 RFO Errors and/or Omissions

Successful Respondent will not take advantage of or exploit any errors and/or omissions in the RFO or the resulting CTSA. Successful Respondent must promptly notify DIR of any such errors and/or omissions that are discovered.

8.8 Abandonment or Default

Abandon means to relinquish or renounce the CTSA for any reason other than for a Force Majeure Event. If the Successful Respondent abandons the CTSA, DIR reserves the right to cancel the CTSA without notice and either re-solicit and re-award the CTSA or take such further action or no action in the best interest of the State.

8.9 Time is of the Essence

In consideration of the need to ensure uninterrupted and continuous Services, the Parties agree that time is of the essence in the performance of this CTSA.

8.10 Place of Performance

Unless otherwise agreed to in writing, all Services performed by Successful Respondent, its Subcontractors, and agents under the CTSA must be performed in the contiguous United States.

8.11 Education Department General Administrative Regulations (EDGAR)

The Education Department of General Administrative Regulations (EDGAR) are the federal regulations that govern all federal grants awarded by the U.S. Department of Education on or after December 26, 2014. EDGAR encourages the use of cooperative agreements for procurement or use of common or share goods and services in order to foster greater economy and efficiency. DIR uses an open market competitive procurement process to award contracts as required by State law, including Texas Government Code Chapters 2054 and 2157. If Successful Respondent provides evidence of its EDGAR compliance to DIR's satisfaction, DIR may identify Successful Respondent as certifying that all or a portion of Successful Respondent's listings are EDGAR eligible, and DIR may then permit Successful Respondent to so identify all or part of its offerings on Successful Respondent's DIR website. In such cases, upon request from eligible Customer(s), Successful Respondent must complete EDGAR certification affirmation forms to satisfy Customer requirement(s).

9 AMENDMENTS, MODIFICATIONS, AND PROCEDURES

9.1 General Amendments and Modifications

The Parties developed appropriate procedures for amending or modifying the CTSA in this Section 9. Except for the amendments subject to the below subsections, this CTSA may be amended by mutual written agreement. Amendments may be made for changes in law, circumstances affecting performance of the Services, or as otherwise agreed to by the Parties.

9.2 Amendments and Modifications Resulting from Changes in Law or Contract and as Mutually Agreed

Except for changes subject to Section 9.1 above, this CTSA may be amended by mutual written agreement of the Parties if changes in federal or State laws, rules, regulations, policies, guidelines, or circumstances affect the performance of the Services, provisions need to be added or amended within the CTSA, or as otherwise agreed to in writing by the Parties.

9.3 Required Compliance with Amendment and Modification Procedures

No different or additional Services will be authorized or performed except pursuant to amendment or modification of this CTSA that is executed in compliance with the CTSA. No waiver of any term, covenant, or condition of this CTSA will be valid unless executed by both Parties. Successful Respondent shall not be entitled to payment for any Services that are not authorized by this CTSA or a properly executed amendment or modification to the CTSA.

9.4 Modifications Resulting from Imposition of Remedies

This CTSA may be modified under the terms of CTSA Article 16 Remedies and Disputes.

9.5 Adjustments to *Exhibit B, Attachment B-1* Initiated by Either Party.

a) The Successful Respondent may propose changes in the contents of **Exhibit B** for Services of this CTSA.

b) The process for submitting, reviewing, and approving/disapproving and appealing proposed adjustments or recommendations for changes to any element contained in Exhibit B, or the Attachments, shall be in accordance with this section and Article 3 of Exhibit B to the CTSA. The Parties desire to develop and implement efficiency updates to the Electronic Administrative Update (EAU) fast-track system process for the continuous improvement of the Rates to DIR and Prices available to the Customers under the CTSA, and other non-substantive administrative updates, without reliance on a formal amendment process. An approved change to the contents of Attachments to Exhibit B, approved in accordance with this section and Article 3 of Exhibit B, shall be considered an approved amendment of the CTSA for all purposes.

9.6 Benchmarking

DIR reserves the right to benchmark pricing of Services offered by Successful Respondent throughout the Term of the Contract, and to request price reductions to Successful Respondent Services that benchmarking may show to be outside industry standard pricing. Successful Respondent agrees to work in good faith with DIR to bring pricing into alignment in the best interest of the State.

9.7 All Other Changes

All other modifications to the CTSA must be accomplished through a formal written amendment executed by an authorized representative of DIR and Successful Respondent. DIR reserves the right to require periodic updates of the CTSA hereto, to maintain alignment with new and changed legislation, legal requirements, rules, and regulatory requirements relevant to the performance by Successful Respondent of this CTSA.

9.8 Mutual Covenant of Cooperation

For all such CTSA amendments, the Parties covenant to cooperate in the good faith and timely negotiation of such matters and to proceed to execution of necessary instruments without delay.

10 Availability of Appropriated Funds and Statutory Authority

a) This CTSA is expressly conditioned on the availability of State and local government appropriated funds. Successful Respondent will have no right of action against DIR in the event that DIR is unable to perform its obligations under this CTSA as a result of the suspension, termination, withdrawal, or failure of funding to DIR or lack of sufficient funding of DIR, or, by extension, failure or lack of funding from Customers, including non-appropriation or exercise of emergency budget execution authority for any Services, activities, or functions contained within the scope of this CTSA. DIR will negotiate in good faith with Successful Respondent to resolve any Successful Respondent claims for payment for Accepted Services that are pending at the time funds become unavailable. DIR will make reasonable efforts to provide written advance notice to Successful Respondent upon learning that funding for this CTSA may be changed or discontinued as set forth above.

b) If DIR, any Customer(s), and/or the subject matter of this CTSA become subject to a legislative or regulatory change or the revocation of statutory or regulatory authority that would (1) render the continued provision of the Services impossible or unnecessary, (2) render this CTSA invalid, illegal, or otherwise unenforceable, (3) substantially decrease the amount and types of the Services, or (4) terminate the appropriations for this CTSA, then DIR may, upon notice to Successful Respondent, terminate this Agreement, in whole or in part, as of the termination date specified in the notice.

11 Governing Law and Regulations

11.1 Governing Law and Venue

This CTSA and the rights and obligations of the Parties under this CTSA is governed by and construed in accordance with the laws of the State of Texas without regard to conflict of laws principles. Provided Successful Respondent first complies with the procedures set forth in Section 16.11 Dispute Resolution, proper venue for a claim arising from this CTSA will be in a State court in Travis County, Texas. Nothing in this CTSA shall be construed to waive the State's sovereign immunity.

11.2 Successful Respondent Responsibility for Compliance with Laws and Regulations

a) Successful Respondent represents, warrants, and covenants that, with respect to the provision of the Services and the performance of any of Successful Respondent's other legal and contractual obligations hereunder, Successful Respondent is and shall be in compliance in all material respects with all applicable laws and shall remain in compliance with such laws during the Term, including, but not limited to, all State and federal telecommunications laws, tax laws, State and federal employment and immigration laws, State and federal regulatory requirements, licensing provisions, and identifying and procuring applicable permits, certificates, approvals, and inspections required under such laws.

b) Successful Respondent is responsible for ensuring each of its Successful Respondent Personnel who are involved in the provision of Services under this CTSA are legally eligible to work in the

State and the United States, properly licensed, certified, and/or have proper permits to perform any activity related to the Services.

c) If any charge of non-compliance by Successful Respondent with any such laws occurs or Successful Respondent is aware that it is not in compliance with such laws that could have a material adverse impact on the performance, receipt, or use of the Services, Successful Respondent shall promptly notify DIR of such charge or non-compliance, as applicable. Successful Respondent warrants that the Services comply with all applicable federal, State, county, and municipal laws, regulations, codes, ordinances, guidelines, and policies. Successful Respondent will indemnify DIR and any Customer from and against any losses, liability, claims, damages, penalties, costs, fees, or expenses arising from or in connection with Successful Respondent's (including Successful Respondent Personnel, third party providers, or Subcontractors) failure to comply with or violation of any federal, State, county, and/or municipal law, regulation, code, ordinance, or policy.

d) At no additional charge, Successful Respondent shall provide DIR with data and reports in Successful Respondent's possession as reasonably necessary for DIR to comply with all laws applicable to the Services (including the Equipment, materials, and other resources it provides or has assumed operational responsibility hereunder).

e) Successful Respondent represents, warrants, and covenants that the materials, Equipment, and systems owned, developed, implemented, provided, or used by Successful Respondent in providing the Services are in compliance with all applicable laws and shall remain in compliance with such laws during the Term.

f) In the event of any changes in laws (including laws other than applicable to the provision of the Services and the performance of any of Successful Respondent's other legal and contractual obligations hereunder), Successful Respondent shall implement any necessary modifications to the Services, materials, Equipment, and systems prior to the deadline imposed by the regulatory or governmental body having jurisdiction for such requirement or change. Successful Respondent shall bear the costs associated with compliance with laws.

11.3 Compliance with Immigration Laws

Successful Respondent shall comply with the requirements related to federal immigration laws and regulations, including but not limited to the Immigration and Reform Act of 1986, the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 ("IIRIRA"), and the Immigration Act of 1990 (8 U.S.C.1101, et seq.) regarding employment verification and retention of verification forms for any individual(s) hired on or after the effective date of the IIRIRA, who will perform any labor or services under this CTSA. Nothing herein is intended to exclude compliance by Successful Respondent with all other relevant federal immigration statutes and regulations promulgated pursuant thereto.

11.4 Equal Opportunity Compliance

Successful Respondent represents, warrants, and covenants that it shall abide by all applicable laws, regulations, and executive orders pertaining to equal employment opportunity, including federal or State laws and the laws of the state in which its primary place of business is located. In accordance with such laws, regulations, and executive orders, the Successful Respondent agrees that no person in the United States will, on the grounds of race, color, religion, national origin, sex, age, veteran status, or disability, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any Services or activity performed by Successful Respondent under this CTSA. If Successful Respondent is found by DIR, in its reasonable discretion, any regulator with

jurisdiction over Successful Respondent's Services, or a court of competent jurisdiction to not be in compliance with these requirements during the Term of this CTSA, Successful Respondent agrees to take appropriate steps to correct these deficiencies. Upon request, Successful Respondent will furnish to DIR information regarding its non-discriminatory hiring and promotion policies, as well as specific information on the composition of its principals and staff, including the identification of minorities and women in management or other positions with discretionary or decision-making authority.

11.5 Historically Underutilized Business (HUB) Program

Successful Respondent shall comply with Chapter 2161, Texas Government Code, in the provision of Services under this CTSA. Successful Respondent's HUB Subcontracting Plan is incorporated into the CTSA. Successful Respondent shall comply with DIR's then-current Policy on Utilization of Historically Underutilized Businesses for reporting HUB subcontractor participation in the CTSA and for changing the HUB Subcontracting Plan throughout the Term.

12 PERFORMANCE MEASUREMENT

Successful Respondent performance of this CTSA will be measured by:

a) Adherence to this CTSA, including all representations, warranties, certifications, and covenants;

b) Delivery of the Services in accordance with the Service Level Agreements agreed to in Exhibit C Performance Management;

c) Results of audits performed by DIR or its representatives in accordance with Article 13;

d) Timeliness, completeness, and accuracy of required reports agreed to in this CTSA and as stated in the Master Vendor Reporting Guide as supplied in the RFO; and

e) Achievement of other performance measures developed and agreed to by Successful Respondent and DIR and as modified from time to time by written agreement.

13 AUDIT AND FINANCIAL COMPLIANCE

13.1 CTSA Record Retention and Audit

Successful Respondent agrees, and shall cause its agents and its Subcontractors to agree, to maintain complete and accurate records of, and supporting documentation for, all charges, transactions, authorizations, changes, implementations, reports, filings, returns, analyses, procedures, controls, records, data or information created, generates, collected, processed, or stored by Successful Respondent in the performance of its obligations this CTSA or any CSA, and are sufficient to ensure the accuracy and validity of Monthly Consolidated Invoices to DIR and direct billing to Customers for certain Direct Sales Transaction Services (collectively "CTSA Records"). Successful Respondent agrees, and shall cause its agents and Subcontractors to agree, to maintain and retain CTSA Records, including all original forms, records, and associated documentation, for a period of seven (7) years after the date of submission of the final billing or until the resolution of all litigation, claims, financial management reviews, or audits pertaining to this CTSA, whichever is longer.

13.2 Access to Records, Books, and Documents

a) Upon notice by DIR, Successful Respondent must provide, and cause its agents and its Subcontractors to provide, the officials and/or entities identified in this Section 13.2 with prompt, reasonable, and adequate access to any requested CTSA Records.

b) Successful Respondent and its agents and its Subcontractors must provide the access described in this Section 13.2 upon DIR's request. This request may be for, but is not limited to, the following purposes:

1) Examination;
2) Audit;
3) Investigation;
4) CTSA administration;
5) Compliance with the Texas Public Information Act; or
6) The making of copies, excerpts, or transcripts.

c) The access required must be provided to the following officials and/or entities:

1) Any Independent Verification and Validation contractor or quality assurance contractor, when acting on behalf of DIR;
2) The Office of the State Auditor, the CPA Claims Division, or their designee;
3) A State or federal agency;
4) A special or general investigating committee of the Texas Legislature or its designee; and
5) Any auditor or other entity identified by DIR.

d) Successful Respondent agrees, and will require its agents and its Subcontractors to agree, to provide the access described wherever Successful Respondent maintains such books, records, and supporting documentation. Successful Respondent further agrees, and will require its agents and its Subcontractors to agree, to provide such access in reasonable comfort and to provide any furnishings, Equipment, or other conveniences deemed reasonably necessary to fulfill the purposes described in this Section 13.2.

13.3 Audits by Governmental Authorities

Acceptance of funds under the CTSA by Successful Respondent acts as acceptance of the authority of the State Auditor's Office, the CPA Claims Division, and any successor governmental authorities, to conduct audits and investigations in connection with those funds. The State Auditor's Office and the CPA Claims Division shall at any time have access to and rights to examine, audit, excerpt, and transcribe any pertinent books, documents, working papers, and records of Successful Respondent relating to this CTSA, notwithstanding any other provision of this CTSA. Successful Respondent, and its agents and its Subcontractors, agree to cooperate fully with and provide all assistance requested by the State Auditor's Office or the CPA Claims Division or its successor in the conduct of such audits or investigations, including providing all records requested. In addition to and without limitation on the other audit provisions of this CTSA, pursuant to Section 2262.154, Texas Government Code, the State Auditor's Office may conduct an audit or investigation of Successful Respondent or any other entity or person receiving funds from the State directly through this CTSA or indirectly through a subcontract under this CTSA. The acceptance of funds by Successful Respondent or any other entity or person directly under this Agreement or indirectly through a subcontract under this CTSA acts as acceptance of the authority of the State Auditor's Office, under the direction of the Legislative Audit Committee, to conduct an audit or investigation in connection with those funds. This CTSA may be unilaterally amended by DIR upon notice to Successful Respondent to bring this CTSA into compliance with any rules and procedures of the

State Auditor's Office in the implementation and enforcement of Section 2262.154, Texas Government Code. Successful Respondent will ensure that this clause concerning the authority to audit funds received indirectly by Subcontractors through Successful Respondent and the requirement to cooperate is included in any subcontract it awards pertaining to the CTSA. Under the direction of the Legislative Audit Committee, a Successful Respondent that is the subject of an audit or investigation by the State Auditor's Office must provide the State Auditor's Office with access to any information the State Auditor's Office considers relevant to the investigation or audit.

13.4 Audits of Services, Deliverables, and Inspections

a) Upon notice from DIR, Successful Respondent will provide, and will cause its agents and its Subcontractors to provide, such auditors and inspectors as DIR may from time to time designate, with access to:

   1) Successful Respondent, agent, and Subcontractor Service locations, facilities, or installations; and

   2) Successful Respondent, agent, and Subcontractor Software and Equipment.

b) Successful Respondent must provide, and shall cause its agents and its Subcontractors to provide, as part of the Services, any assistance that such auditors and inspectors may require to complete such audits or inspections.

13.5 Response/Compliance with Audit or Inspection Findings

a) If an audit by a governmental body, standards organization, or regulatory authority having jurisdiction over DIR, a Customer, or Successful Respondent results in a finding that Successful Respondent is not in compliance with any applicable law or standard, including any generally accepted accounting principle or other audit requirement relating to the performance of its obligations under this CTSA, Successful Respondent shall, if and to the extent such audit deficiency or finding of non-compliance results from Successful Respondent's failure to comply with its obligations under this CTSA, at its own expense and within the time period reasonably specified by such auditor, address and resolve the deficiency(ies) identified by such audit governmental body, standards organization, or regulatory authority, in the manner approved by DIR, to the extent necessary to comply with Successful Respondent's obligations under this CTSA.

b) Successful Respondent must take action to ensure its employees', agents', or Subcontractors' compliance with or correction of any finding of non-compliance with any law, regulation, audit requirement, or generally accepted accounting principle relating to the Services or any other Deficiency contained in any audit, review, or inspection conducted under this Article 13. This action will include Successful Respondent's delivery to DIR, for DIR's approval, a Corrective Action Plan in accordance with Section 17.2 that addresses deficiencies identified in any audit(s), review(s), or inspection(s) within ten (10) days of the close of the audit(s), review(s), or inspection(s).

c) As part of the Services, Successful Respondent must disclose to DIR, upon DIR's request, and will include in its Subcontracts a requirement that each of its Subcontractors will disclose upon request, a copy of those portions of its internal audit reports relating to the Services. If Successful Respondent determines as a result of its own internal audit that it has overcharged DIR or Customer, then Successful Respondent shall promptly pay to DIR or Customer the amount of such overcharge, together with interest at the rate specified by the CPA in accordance with Section 2251.025(b), Texas Government Code, from the date of receipt by Successful

Respondent of the overcharged amount until the date of payment to DIR or Customer. In the event such an audit results in a determination that Successful Respondent has undercharged DIR or Customer, then, subject to DIR's right to dispute the amount of such undercharge, Successful Respondent shall promptly report such undercharge to DIR and may invoice DIR for such undercharged amounts.

13.6 Audit of Telecommunications Fees and Surcharges, Rates to DIR, Prices, and Assessments Conducted Pursuant to Section 13.3 of the CTSA

a) Successful Respondent will provide, and will cause its agents and its Subcontractors to provide, to DIR and its designees access to such financial records and supporting documentation requested by DIR to audit telecommunications fees and surcharges, Rates to DIR, Prices, and any assessment conducted pursuant to Section 13.3 of the CTSA. Successful Respondent's obligations hereunder with respect to its Subcontractors shall be fulfilled by complying with the Subcontractor Compliance Obligations.

b) In addition to its monthly review and payment of Monthly Consolidated Invoices under the CTSA, DIR may audit the applicable telecommunications fees and surcharges, Rates to DIR, Prices, and any assessments conducted under Section 13.3 of the CTSA to determine that such telecommunications fees and surcharges, Rates to DIR, Prices to Direct Sales Transaction Service Customers, and any assessments conducted pursuant to Section 13.3 of the CTSA are accurate and in accordance with this CTSA.

c) If, as a result of such audit, DIR determines that Successful Respondent has overcharged the State, DIR will notify Successful Respondent in writing of the amount of such overcharge, and provide to the Successful Respondent the work papers supporting such position. Successful Respondent will promptly pay to DIR the undisputed amount of the overcharge, plus interest as calculated in accordance with Chapter 2251, Texas Government Code, for late payments, and the Parties will use good faith efforts to resolve any disputed amounts as soon as practicable. In the event such audit reveals an overcharge of five percent (5%) or more to DIR which is not disputed and is in excess of five percent (5%) of the total invoiced amounts for such period, Successful Respondent will reimburse DIR for the reasonable cost of this audit.

14 Terms and Conditions of Successful Respondent Billing and DIR and Customer Payment

14.1 Monthly Consolidated Invoice to DIR

The Successful Respondent shall provide DIR with a Monthly Consolidated Invoice for all Services whereby DIR acts as the Successful Respondent's billing agent provided by the Successful Respondent, at the Rates to DIR and with any applicable telecommunications fees and surcharges as allowed by this CTSA, in electronic format, with the ability to batch load. All such Monthly Consolidated Invoices shall conform to the standards as set forth in Appendix B, the Master Vendor Reporting Guide and Exhibit D, Billing Plan.

14.2 Invoices for Direct Sales Transaction to Customers

The Successful Respondent shall provide to each Direct Sales Transaction Service Customer a monthly Invoice for the Direct Sales Transaction Service Services provided to such Customer, in electronic format,

at the Prices (Rates to DIR plus Administrative Fee) and with any applicable telecommunications fees and surcharges as allowed by this CTSA.

14.3 Limitations on the Right to Bill

The Successful Respondent shall not bill for any new Orders before the date Customer receives notification the new Services are available, and for disconnect Orders, the, billing end date shall equal the sooner of four (4) days after the disconnect Order is delivered to Successful Respondent or the date the Services are no longer made available to Customer by Successful Respondent.

14.4 Telecommunications Fees, Surcharges, and Taxes

a) All applicable Federal Communication Commission (FCC), Texas Public Utilities Commission (PUC), or other authorized telecommunications fees and surcharges in effect as of the date of this CTSA which may appear on billings to Customers are disclosed in the appropriate section per Service in Exhibit B to the CTSA. Any additional FCC, PUC, or other authorized telecommunications fees or surcharges applicable to any Service may only be imposed during the Term, upon a written amendment of the CTSA to authorize such imposition under the CTSA. Successful Respondent acknowledges that certain Customers that are political subdivisions of the State, are exempt from the imposition and collection of certain State telecommunications fees, including the Texas Universal Service Fund charge and the Texas Infrastructure Fund assessment. In addition, State agency Customers have additional exemptions from State telecommunications fees, including the 9-1-1 emergency service fee, 9-1-1 equalization surcharge, poison control surcharge, and late charges imposed under Section 55.010, Texas Utilities Code. Successful Respondent agrees to not bill for any items which are not mandated by the FCC, PUC, or other proper authority and which are otherwise not applicable to the Services and for which Successful Respondent has requested and received valid exemption certificates from Customers. Successful Respondent agrees to promptly correct any incorrect billings of telecommunications fees and surcharges that occur. Successful Respondent acknowledges that DIR makes no representation about the exemption status of any Customers. Successful Respondent must request and receive any exemption certificates that may apply from each assistance organization directly.

b) During the Term, all changes in the law or fee structures, which creates or authorizes Successful Respondent to impose an unlisted telecommunications fee or surcharge on the Services, which Successful Respondent desires to impose, shall require an amendment in order to be effective against the State, DIR, and Customers, which the parties shall negotiate and implement in good faith. In the event of a change in the law or telecommunications fees and surcharges structures, which results in an exemption from payment in favor of the State, DIR, and/or Customers, Successful Respondent shall give effect to the exemption without the necessity of an amendment hereto.

c) Successful Respondent acknowledges that certain Government Entity Customers are exempt from State sales, use, and excise taxes, Section 151.309, Texas Tax Code, and federal excise tax, 26 USC Sections 4253 (i) and (j). Successful Respondent further acknowledges that State agency Customers are exempt from the assessment and collection of sales taxes imposed by political subdivisions of the State, in accordance with Sections 321.208 (municipalities) and 323.207 (counties), Texas Tax Code. The Government Entity Customers shall issue a tax exemption certificate upon request to Successful Respondent. Successful Respondent acknowledges that DIR makes no representation about the exemption status of any Customers. Successful Respondent must request and receive any exemption certificates that may apply from each assistance organizations directly.

14.5 No Rights of Set-off

There is no general right of set-off for Successful Respondent against amounts owed to DIR under this CTSA. To collect Credits under Article 17, Remedies and Disputes, DIR may set-off the amount of assessed Credits from amounts otherwise owed to Successful Respondent in accordance with the terms of Section 17.10. There is no general right of set-off for Successful Respondent against amounts owed by a Customer under any CSA.

14.6 Expenses

Except as provided in this CTSA with respect to Rates to DIR, Prices, and authorized telecommunications fees and surcharges, all other expenses incurred by Successful Respondent in connection with its provision of the Services (including management; travel and lodging; document reproduction and shipping; Equipment, Software required by Successful Respondent Personnel; and long-distance telephone) will not be paid by DIR or Customer unless agreed upon by DIR or Customer in writing. Successful Respondent hereby waives any and all claims for additional compensation related to the Services except as set forth in Exhibit B hereto.

14.7 Dispute Handling and Adjustments

a) A Billing Inquiry is any question or issue about a Monthly Consolidated Invoice that may lead to a Billing Dispute. It is DIR's responsibility to validate Successful Respondent Monthly Consolidated Invoices each month. During that process, Billing Inquiries will arise, and the Successful Respondent shall timely answer or respond to billing inquiries. The Successful Respondent shall respond within one (1) Business Day of receipt of the Billing Inquiry.

b) DIR may withhold any amount of any Invoice in dispute as provided in and in accordance with Chapter 2251, Texas Government Code. DIR shall comply with Chapter 2251, Texas Government Code, with respect to timely notice of such disputed amounts.

c) For Invoice amounts that have been paid by DIR that become the subject of a Billing Dispute, in addition to any amounts that Successful Respondent may subsequently credit to DIR arising from resolution of such dispute, Successful Respondent shall include interest on the reimbursed amounts accrued monthly at the rate specified by the CPA in accordance with Section 2251.025(b), Texas Government Code, calculated from the ninetieth (90th) day following the date of DIR's Billing Dispute.

d) DIR and Customer have the right to file a Billing Dispute. The Successful Respondent shall promptly resolve Billing Disputes that involve amounts less than or equal to $15,000 no later than sixty (60) calendar days from the date DIR or Customer notifies Successful Respondent of the Billing Dispute and, for Billing Disputes that involve amounts greater than $15,000, no later than ninety (90) calendar days from the date DIR or Customer notifies Successful Respondent of the Billing Dispute. This time frame starts with the notification of the Billing Dispute by DIR and ends with the satisfactory resolution of the Billing Dispute. Billing Disputes not resolved within one-hundred twenty (120) days of submission of the Billing Dispute will automatically resolve in favor of DIR or Customer. Successful Respondent shall issue Adjustment(s) within two (2) billing cycles of resolution. DIR may require a revised Monthly Consolidated Invoice that does not contain the disputed item(s). Successful Respondent shall allow non-payment by DIR for the disputed amount until there is a dispute resolution, as allowed by Chapter 2251, Texas Government Code.

e) Direct Sales Transaction Service Customers shall have the same rights as DIR under Section 14.7, Subsection (a) and (b) above, for the Invoices they receive for Direct Sales Transaction Services.

f) If DIR or a Direct Sales Transaction Service Customer disputes payment of all or any portion of an Invoice from the Successful Respondent, DIR or the Direct Sales Transaction Service Customer, respectively, will notify Successful Respondent of such Billing Dispute and the Parties, either DIR and Successful Respondent or the Direct Sales Transaction Service Customer and Successful Respondent, as appropriate, will attempt in good faith to resolve the Billing Dispute in conformance with Chapter 2251, Texas Government Code. DIR and the Direct Sales Transaction Service Customer will not be required to pay any disputed portion of a Successful Respondent Invoice. Notwithstanding any such Billing Dispute, the Successful Respondent must continue to perform the Services in compliance with the terms of this CTSA pending resolution of Billing Disputes so long as all undisputed amounts continue to be paid to Successful Respondent.

14.8 Billing Adjustments

a) A billing Adjustment is a modification or correction of a billing amount of an element of a Service or a Service Level Agreement (SLA) Credit. Billing Adjustments may be made on both recurring and non-recurring charges, and are used to settle Disputes and financial discrepancies.

b) Successful Respondent shall include in its Monthly Consolidated Invoice to DIR or its Invoices to Direct Sales Transaction Service Customers, the following minimum items as billing Adjustments:

1) Correction of a billing error and any related interest discovered by Successful Respondent, DIR, or the Direct Sales Transaction Service Customer, as appropriate;

2) Back-billing, as discussed below;

3) SLA Credits; and

4) Any other elements Successful Respondent considers Adjustments as set forth in its Billing Plan, Exhibit D hereto.

c) The Successful Respondent shall resolve all Billing Disputes by any one of the three following approaches:

1) Issue a proposed dispute resolution for the full amount;
2) Provide evidence acceptable to DIR or the Direct Sales Transaction Service Customer, as appropriate that the disputed amount will be reduced; or
3) Provide evidence acceptable to DIR or the Direct Sales Transaction Service Customer, as appropriate, that the Billing Dispute is not valid.

d) For all Billing Disputes, Successful Respondent shall receive agreement or denial from DIR or the Direct Sales Transaction Service Customer, in their sole and absolute discretion, as appropriate, on the proposed resolution before issuing a billing Adjustment.

14.9 Back-billing and POP Moves

a) Rates to DIR or Prices for Services inadvertently left off previous Monthly Consolidated Invoices or direct Invoices by the Successful Respondent shall be back-billed no more than ninety (90) calendar days for usage and one-hundred twenty (120) calendar days for circuits (however, in no case may the back-billing include a time period prior to the delivery of the Service Order. Pursuant to PUC Rule, 16 Texas Administrative Code 26.27, a six (6) month limit from the date

of discovery of an error applies to back-billing of all billed Services. Back-billing shall be included in the Adjustments.

b) Successful Respondent Initiated POP location moves shall not adversely affect the existing Rates to DIR and/or Prices to Direct Sales Transaction Service Customers for a Service.

14.10 Liability for Taxes, Insurance, and Indemnification

a) SUCCESSFUL RESPONDENT AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CTSA, SUCCESSFUL RESPONDENT WILL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF SUCCESSFUL RESPONDENT PERSONNEL'S TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CTSA. SUCCESSFUL RESPONDENT AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. SUCCESSFUL RESPONDENT AGREES AND ACKNOWLEDGES THAT SUCCESSFUL RESPONDENT'S PERSONNEL WILL NOT BE ENTITLED TO ANY STATE BENEFIT OR BENEFIT OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER. DIR AND/OR THE STATE WILL NOT BE LIABLE TO THE SUCCESSFUL RESPONDENT, SUCCESSFUL RESPONDENT PERSONNEL, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

b) SUCCESSFUL RESPONDENT AGREES TO INDEMNIFY AND HOLD HARMLESS DIR, ALL CUSTOMERS, THE STATE, AND/OR EACH OF THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE, AND/OR WORKERS' COMPENSATION OR EXPECTATIONS OF BENEFITS BY SUCCESSFUL RESPONDENT OR SUCCESSFUL RESPONDENT PERSONNEL IN THEIR PERFORMANCE UNDER THIS CTSA. SUCCESSFUL RESPONDENT WILL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES AND OUT OF POCKET EXPENSES. THE DEFENSE WILL BE COORDINATED BY THE OFFICE OF THE ATTORNEY GENERAL FOR TEXAS STATE AGENCY CUSTOMERS AND BY CUSTOMER'S LEGAL COUNSEL FOR NON-STATE AGENCY CUSTOMERS.

c) NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, THE PARTIES AGREE THAT TO THE EXTENT THE FOREGOING PROVISIONS IMPOSE OBLIGATIONS WITH RESPECT TO SUBCONTRACTORS UPON SUCCESSFUL RESPONDENT, SUCCESSFUL RESPONDENT'S OBLIGATIONS WILL BE MET BY FULFILLMENT OF THE SUBCONTRACTOR COMPLIANCE OBLIGATIONS. AFTER COMPLIANCE WITH THE SAME, SUCCESSFUL RESPONDENT SHALL HAVE NO LIABILITY TO ANYONE UNDER THIS PROVISION WITH RESPECT TO ITS SUBCONTRACTORS.

14.11 Independent Contractor Status

Successful Respondent, in furnishing Services hereunder, is acting as an independent contractor, and Successful Respondent has the sole obligation to supervise, manage, contract, direct, procure, perform, or

cause to be performed, all work to be performed by Successful Respondent under this CTSA. The relationship of the Parties under this CTSA shall not constitute a partnership or joint venture for any purpose. Successful Respondent is not an agent of DIR or the Customers and has no right, power, or authority, expressly or impliedly, to represent or bind DIR or any Customer as to any matters.

14.12 No Additional Consideration

Successful Respondent, its agents, its Subcontractors, and Successful Respondent Personnel will not be entitled to nor receive from DIR any additional consideration, compensation, salary, wages, or any other type of remuneration for Services rendered under this CTSA, except as set forth in Exhibit B. Specifically, Successful Respondent will not be entitled by virtue of this CTSA to any consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays, or other paid leaves of absence of any type or kind whatsoever. In addition, all costs associated with transportation, delivery, and insurance relating to the Successful Respondent's, agents', Subcontractors', or Successful Respondent Personnel's performance of this CTSA will be paid for by the Successful Respondent.

14.13 Prompt Payment Act

When payments by DIR or Customers are necessary under this CTSA, or a CSA, payment by Government Entities will be made in accordance with the Texas Prompt Payment law, Chapter 2251, Texas Government Code. Non-governmental entities shall follow Chapter 2251, Texas Government Code, in making payments due hereunder.

14.14 Payments for Services

During the term of this CTSA, Successful Respondent will receive funds in consideration for the Services, calculated in accordance with Exhibit B. Payment for Disentanglement Services will be in accordance with a written agreement between the Parties.

14.15 DIR Administrative Fee and Direct Sales Transaction Services Reporting

14.15.1 DIR Administrative Fee

DIR's TEX-AN 2021 Program is a cost recovery program. The Successful Respondent shall pay an Administrative Fee to DIR to defray the DIR costs of operating and administering the TEX-AN 2021 Program.

a) DIR, in its discretion with DIR Board approval, formulates the Administrative Fee per Service designed to fulfill its program needs, as authorized in Chapter 2170, Texas Government Code. Such Administrative Fee may change over time, and DIR may change the amount of the Administrative Fee upon thirty (30) calendar days written notice to Successful Respondent without the need for a formal CTSA amendment.

b) With the exception of Direct Sales Transaction Services, DIR shall bill for such Administrative Fee and collect same from the Customers.

c) Successful Respondent shall include the applicable Direct Sales Transaction Service Administrative Fee, as a component of its Price, in its bills to the Direct Sales Transaction Service Customers and shall remit the Administrative Fee to DIR on a monthly basis. See Section 14.15.2(b), Reporting of Direct Sales Transactions and Payment of Administrative Fees, below.

d) Successful Respondent consents to DIR retaining the Administrative Fee portion of receipts received from Direct Sales Transaction Service Customers and consents to receiving the net proceeds as payment in full for its non-Direct Sales Transaction Service sold hereunder. Such payment shall be made as long as the net amount received by Successful Respondent is equal to the undisputed billed amount.

14.15.2 Direct Sales Transaction Service Reporting

a) Successful Respondent shall be responsible for reporting all Direct Sales Transaction Services purchased under the CTSA. Successful Respondent shall file the monthly reports and Subcontract reports in accordance with the due dates specified in this Section 14.15.

b) Successful Respondent shall electronically provide DIR with a detailed monthly report in the format required by DIR showing the dollar volume of any and all sales under the CTSA for the previous calendar month period. Reports are due on the fifteenth (15th) calendar day of the month following the month of the sale. If the fifteenth (15th) calendar day falls on a weekend or State or federal holiday, the report shall be due on the next Business Day. The monthly report shall include, per transaction: the detailed sales for the period, Customer name, Invoice date, Invoice number, description, quantity, MSRP or List Price, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, the estimated Administrative Fee for the reporting period, Subcontractor name, the electronic product environmental assessment Tool (EPEAT) designation (if applicable), configuration (if applicable), CTSA discount percentage, actual discount percentage, negotiated CTSA price (if fixed price is offered instead of discount off of MSRP), and other information as required by DIR. Each report must contain all information listed above per transaction or the report will be rejected and returned to the Successful Respondent for correction in accordance with this section. Successful Respondent shall report in a manner required by DIR which is subject to change dependent upon DIR's business needs. Failure to do so may result in CTSA termination. By purchasing under this Contract, each Customer shall be deemed to have consented to the disclosure to DIR of account information required by DIR as part of the contractual reporting requirements to DIR for purposes of monitoring the Contract and calculating the Administrative Fee.

c) DIR shall have the right to verify required reports and to take any actions necessary to enforce its rights under this Section, including but not limited to, audits and investigations in accordance with terms and conditions of Article 13.

d) DIR will review monthly vendor sales reports (VSR), close the sales period, and notify the Successful Respondent of the Administrative Fee due to DIR. The monthly VSR is due the fifteenth (15th) of the month following the reporting month, or the next business day if the 15th falls on a weekend or State holiday. DIR will send notification of the final Administrative Fee and any late fees by the fourteenth (14th) calendar day in the second month following the reporting month. Successful Respondent shall pay the total fee by the twenty-fifth (25th) calendar day in the second month following the reporting month. For example, vendor sales reports for invoiced sales during the month of January is due by February 15. DIR reviews and closes January sales reports and notifies Successful Respondent of final Administrative Fees by March 14th and Successful Respondent must submit payment by March 25th.

e) Successful Respondent shall reference the DIR Contract number, reporting period, and Administrative Fee amount on any remittance instruments.

f) Successful Respondent shall correct any inaccurate reports or Administrative Fee payments and deliver such corrected reports and Administrative Fee payments within three (3) Business Days upon written notification by DIR. If Successful Respondent is unable to correct inaccurate reports

or Administrative Fee payments within three (3) Business Days or delivers late reports or Administrative Fee payments, Successful Respondent must contact DIR and provide a Corrective Action Plan, including the timeline for completion of fee payments correction. The Corrective Action Plan shall be subject to DIR approval and discretion.

g) Should Successful Respondent fail to correct inaccurate reports or cure the delay in timely delivery of reports and payments within the Corrective Action Plan timeline, DIR reserves the right to require an independent third party audit of the Successful Respondent's records as specified in CTSA Section 13.5.

15 DISCLOSURE AND CONFIDENTIALITY OF INFORMATION

15.1 Confidentiality

a) Confidential Information.

1) Successful Respondent and DIR each acknowledge that the other possesses and shall continue to possess information that has been developed or received by it, has commercial, proprietary, or other value in its or its constituents' or customers' activities or operations, and is not generally available to the public, subject, however to the applicability of the Texas Public Information Act (Chapter 552, Texas Government Code) and other applicable law. Except as otherwise specifically agreed in writing by the Parties, "Confidential Information" means:

i. all information marked confidential, restricted, or proprietary by either Party and
ii. any other information that is treated as confidential by the disclosing Party and would reasonably be understood to be confidential, whether or not so marked.

2) In the case of DIR and the Customers, Confidential Information also shall include developed materials, DIR or Customer Data, Customer information, attorney-client privileged materials, attorney work product, research information, information that contains trade secrets, human resources and personnel information, or other information or data obtained, received, transmitted, processed, stored, archived, or maintained by Successful Respondent under this CTSA. Successful Respondent's Confidential Information shall not include Confidential Information of DIR or Customers, and provided further, however characterization of information as Confidential Information of Successful Respondent shall not limit or restrict the rights of DIR or Customers to exercise their rights (including rights related to auditing and benchmarking) provided for under this CTSA.

3) Successful Respondent shall cause its agents and Subcontractors to treat all information that is obtained through performance of the Services under this CTSA, including information relating to DIR and Customers as Confidential Information to the extent that confidential treatment is provided under State and federal law, regulations, or administrative rules.

b) Successful Respondent is responsible for understanding and causing its agents and Subcontractors to understand the degree to which information obtained through performance of this CTSA is confidential under State and federal law, regulations, or administrative rules.

c) Successful Respondent shall not and shall cause its agents and Subcontractors to not use or access any information obtained through performance of this CTSA in any manner except as is necessary for the fulfillment of requested Services under this CTSA.

d) Successful Respondent shall securely store DIR's and Customer's Confidential Information until such Confidential Information is returned or destroyed in accordance with this section. Successful Respondent must have systems in effect to protect all records and all other documents deemed Confidential Information that are maintained in connection with the Services. Any disclosure or transfer of Confidential Information by Successful Respondent, including information required by DIR, will be in accordance with applicable State and federal law, regulations, or administrative rules. If the Successful Respondent receives a request for information deemed to be Confidential Information, the Successful Respondent shall immediately notify DIR of such request, and shall make commercially reasonable efforts to protect such information from public disclosure.

e) In addition to the requirements expressly stated in this Section 15.1, Successful Respondent must comply with any policy, rule, or requirement of DIR that relates to the safeguarding or disclosure of information relating to the TEX-AN 2021 Program recipients, Successful Respondent's operations, or Successful Respondent's performance of this CTSA, which were provided in advance to Successful Respondent.

f) Within thirty (30) days of the expiration or termination of this CTSA for any reason, all Confidential Information of a Party, disclosed to another Party, including all copies made by the other Party, will be returned to the disclosing Party or, and to the extent authorized by applicable record retention laws and policies, at the disclosing Party's option, erased or destroyed. The recipient of the Confidential Information will provide the disclosing Party certificates evidencing such erasure or destruction. Notwithstanding anything in this CTSA to the contrary, the Successful Respondent may retain, for the duration of the seven (7) year audit period, safeguarded (and encrypted if Sensitive Personal Information as defined under the laws of the State is included) copies of the following records and Data it receives or prepares during or in connection with the TEX-AN 2021 Program and CTSA, to comply with the record keeping requirements of Section 13.1 and for archival and defense purposes:

    1) Supporting financial information and documents that are adequate to ensure CTSA compliance and are sufficient to ensure the accuracy and validity of Successful Respondent Invoices;
    2) Financial information, records and reports;
    3) Transaction logs;
    4) Successful Respondent's customer database data files;
    5) Successful Respondent human resources documentation;
    6) Audit reports;
    7) Operational reporting (e.g., security logs, security metrics reporting/audits, and relevant network reports/logs); and
    8) Data for the TEX-AN 2021 Program and CTSA and its applications, including maintenance log files, uptime log files, relevant network access log files, and other required analytics.

g) With the exception of Confidential Information of Customers, Confidential Information of a Party will not be afforded the protection of this CTSA if such data:

    1) is, at the time of disclosure, generally available to the public other than through a breach of the receiving Party's or a third party's confidentiality obligations;

    2) after disclosure, is published by the disclosing Party or otherwise becomes generally available to the public other than through a breach of the receiving Party's or a third party's confidentiality obligations;

    3) was lawfully in the possession of the receiving Party immediately prior to the time of disclosure to it;

4) is received from a third party having a lawful right to disclose such information; or

5) is independently developed by the receiving Party without reference to the disclosing Party's Confidential Information. The exclusions in this section shall not apply to sensitive or regulated Data such as personal health information and personal identifying information

h) DIR will require its agents, Subcontractors, and Successful Respondent Personnel to comply with the terms of this Section 15.1 as it relates to Successful Respondent Confidential Information. Prior to disclosing Successful Respondent Confidential Information to other Contract Holders, DIR will obtain an executed confidentiality agreement in a form acceptable to Successful Respondent, whose consent to use will not be unreasonably withheld or delayed.

15.2 Disclosure or Loss of DIR's and Customers' Confidential Information

a) Successful Respondent shall immediately report to DIR and the affected Customer any and all unauthorized disclosures, exposures, uses, or losses of DIR's and/or the Customer's Confidential Information, including Security Incidents, of which it or Successful Respondent Personnel is aware or has knowledge, including the Successful Respondent's reasonable belief that the Confidential Information may have been disclosed or exposed in an unauthorized manner. Successful Respondent acknowledges that any publication, exposure, loss, or disclosure of DIR's and/or Customer's Confidential Information may cause immediate and irreparable harm to DIR and /or the Customer and may constitute a violation of State or federal laws.

b) In the event Successful Respondent discovers or is notified of a breach, potential breach, exposure, loss, or inappropriate disclosure of Confidential Information, including Security Incidents, Successful Respondent shall, in addition to its other obligations in this CTSA, immediately once Successful Respondent knows or should have known such a breach, potential breach, exposure, loss, or inappropriate disclosure has occurred:

1) notify DIR of such breach, potential breach, exposure, loss, or inappropriate disclosure;

2) investigate (with DIR's participation if so desired by DIR) such breach, potential breach, exposure, loss, or inappropriate disclosure and perform a risk assessment, root cause analysis, and Corrective Action Plan thereon;

3) provide a written report to DIR of such rick assessment, root cause analysis, and Corrective Action Plan;

4) remediate the effects of such breach, potential breach, exposure, loss, or inappropriate disclosure as soon as practicable or coordinate such remediation if Successful Respondent does not have responsibility for the matters which are the source of the breach, potential breach, exposure, loss or inappropriate disclosure; and

5) provide DIR with reasonable assurances that such breach, potential breach, exposure, loss, or inappropriate disclosure shall not recur.

c) If Successful Respondent or Successful Respondent Personnel should publish, expose, lose, or disclose such Confidential Information without authorization, DIR and/or the affected Customer will immediately be entitled to seek injunctive relief or any other remedies to which it is, or they are, entitled under law or equity without requiring a cure period as described in Article 17. DIR and/or Customers will have the right to recover from Successful Respondent all damages and liabilities caused by or arising from Successful Respondent's, its agent(s) and/or its Subcontractors', failure to protect DIR's and Customers' Confidential Information, including but not limited to the cost of providing notice to affected individuals, the cost of providing thirty-six (36) months of credit-monitoring services, the cost of creating a call center to support affected

individuals for thirty (30) days past notification, any related governmental fees or fines assessed against DIR or Customers, any damages assessed by a court of competent jurisdiction against DIR or Customer(s) related to such event, and any other losses related to such event. Successful Respondent will defend with counsel approved by DIR and/or the affected Customer, indemnify and hold harmless DIR and the affected Customer from all damages, costs, liabilities, and expenses as described above (including without limitation reasonable attorneys' fees and costs) caused by or arising from Successful Respondent Personnel's failure to protect DIR's and/or Customers' Confidential Information. Defense and settlement matters shall be coordinated by the Texas Office of the Attorney General for State agency Customers and by counsel of Customer's choice for non-State agency Customers.

d) Successful Respondent will require its agent(s) and/or its Subcontractor(s), to comply with the terms of this Article 15.

15.3 Public Information

a) Successful Respondent acknowledges that DIR and some of the Customers are subject to the Texas Public Information Act (Chapter 552, Texas Government Code). Notwithstanding the provisions of this article, Successful Respondent also acknowledges that DIR will comply with the Texas Public Information Act, and with all opinions of the Texas Office of the Attorney General concerning the Public Information Act. DIR agrees that it will promptly notify Successful Respondent of each request for disclosure of public information filed in accordance with the Texas Public Information Act that requests any of the Successful Respondent's Confidential Information, including data to which Successful Respondent has a proprietary or commercial interest. DIR will deliver all copies of such requests for public information to Successful Respondent in accordance with Chapter 552, Texas Government Code.

b) With respect to any information that is subject to the Texas Public Information Act, Successful Respondent is solely responsible for demonstrating to the Texas Office of the Attorney General, the specific reasons why the requested information is confidential or otherwise exempted from required public disclosure under the Texas Public Information Act. Successful Respondent will provide DIR with copies of all such communications.

c) Under the terms of the CTSA, DIR may provide Successful Respondent with information related to Customers and/or the TEX-AN 2021 Program. Successful Respondent will not re-sell or otherwise distribute or release any such information to any party in any manner without DIR's or the Customer's, as appropriate, express written consent (which consent shall be in their sole and absolute discretion), unless such disclosure is required by law or pursuant to Section 15.1(g) herein.

15.4 Unauthorized Acts

Each Party agrees to:

a) Notify the other Party promptly of any unauthorized exposure, disclosure, possession, use, or knowledge, or any unauthorized attempt to possess, use, or gain knowledge, of any Confidential Information by any person or entity that may become known to it;

b) Promptly furnish to the other Party full details of the unauthorized exposure, disclosure, possession, use, or knowledge, or any unauthorized attempt to possess, use or gain knowledge, and use reasonable efforts to assist the other Party in investigating or preventing the recurrence of any unauthorized possession, use, or knowledge, or attempt thereof, of Confidential Information.

For DIR the reasonable efforts to assist Successful Respondent shall be subject to and limited by the Texas Public Information Act and any other applicable laws; and

c) Cooperate with the other Party in any litigation and investigation against third parties deemed necessary by such Party to protect its proprietary rights. For DIR the reasonable efforts to assist the Successful Respondent shall be subject to and limited by the Texas Public Information Act and any other applicable laws.

15.5 Legal Action

Successful Respondent may not commence any legal action or proceeding in respect to any unauthorized possession, use, or knowledge, or any unauthorized attempt to possess, use, or gain knowledge, of Confidential Information by any person or entity, which action or proceeding identifies DIR and/or the Customers or their Confidential Information without consent from DIR and/or Customers, which consent shall be in their sole and absolute discretion.

16 LIABILITY

16.1 Property Damage

a) Successful Respondent will protect DIR's and Customers' real and personal property from damage arising from Successful Respondent's, Successful Respondent Personnel's, and its Subcontractors' performance of this CTSA, and Successful Respondent will be responsible for any loss, destruction, or damage to DIR's and Customers' property that results from or is caused by Successful Respondent's, Successful Respondent Personnel's, or its Subcontractors' negligent or wrongful acts or omissions. Upon the loss of, destruction of, or damage to any property of DIR and Customers, Successful Respondent will notify DIR and the applicable Customer promptly and, subject to direction from DIR and the applicable Customer, will take all steps to protect that property from further damage.

b) Successful Respondent agrees to observe and require Successful Respondent Personnel and Subcontractors to observe no less than industry standard safety measures and proper operating procedures at DIR's and Customers' sites at all times and otherwise to comply with the procedures and safety standards imposed by DIR and Customers, whichever is the more rigorous standard.

c) Successful Respondent will distribute a policy statement to all of Successful Respondent Personnel and Subcontractors that directs the Successful Respondent Personnel or Subcontractor to immediately report to DIR and the applicable Customer and Successful Respondent the existence of any special defect or unsafe condition encountered while on DIR's or Customers' premises. Successful Respondent shall immediately report to DIR and the applicable Customer the existence of any special defect or an unsafe condition it encounters or otherwise learns about.

16.2 Risk of Loss

As applicable to any Equipment used in the performance of Services by Successful Respondent, during the period such Equipment is in possession of Successful Respondent, its carriers, or DIR or Customers, prior to being Accepted by DIR and/or the applicable Customer, Successful Respondent will insure and bear the risk of loss or damage thereto, unless such loss or damage is caused by the negligence or intentional misconduct of DIR or the applicable Customer.

16.3 Limitation of Liability

a) For any claim or cause of action arising under or related to the CTSA, neither Party will be liable to the other Party for indirect, punitive, special, or consequential damages, even if it is advised of the possibility of such damages.

b) Items Not Considered as Damages. The following will not be considered damages subject to, and will not be counted toward the liability exclusion or cap specified herein:

1) SLA Credits assessed against Successful Respondent pursuant to this CTSA.
2) Amounts withheld by DIR in accordance with this CTSA due to incorrect charges or Services not provided.
3) Amounts paid by DIR but subsequently recovered from Successful Respondent due to incorrect charges or services not provided.
4) Successful Respondent Invoiced Rates to DIR, Prices, telecommunications fees and surcharges and other amounts that are due and owing to Successful Respondent for Services under this CTSA.

c) Duty to Mitigate. Each Party shall use appropriate efforts to mitigate its damages to the extent within its reasonable control and consistent with the Parties' respective performance obligations under this Agreement; provided, however, this provision is not intended to expand or diminish a Party's rights or obligations under this Agreement, alter the plain meaning of the provisions contained herein, or limit a Party's rights to act in its own self-interest.

17 REMEDIES AND DISPUTES

17.1 Understanding and Expectations

DIR can choose any and all remedies including all others afforded by law at its own discretion.

17.2 Tailored Remedies

17.2.1 Understanding of the Parties

Successful Respondent agrees and understands that DIR may pursue tailored contractual remedies for noncompliance with this CTSA. At any time and at its sole and absolute discretion, DIR may impose or pursue one or more remedies for each item of noncompliance and will determine remedies on a case-by-case basis. DIR's pursuit or non-pursuit of a tailored remedy does not constitute a waiver of any other remedy that DIR may have at law or equity, including, but not limited to, the remedies set forth in Section 17.3 below. Prior to imposing any remedies, DIR will provide notice to the Successful Respondent of the non-compliance, and such notice shall include a reasonable cure period in accordance with Section 17.2.2.2 5) ii, or as specified elsewhere in this CTSA. In all instances under which DIR may pursue multiple remedies, DIR has the option, in its sole and absolute discretion, to collect either Credits or actual damages.

17.2.2 Notice and Opportunity to Cure for Deficiencies

a) In the event that DIR reasonably determines that Successful Respondent has failed or is reasonably likely to fail to meet performance expectations, standards, SLAs, or schedules (a Deficiency), but that, in the determination of DIR, in its sole and absolute discretion, do not result in a Material Breach or delay in the delivery or operation of the Services, DIR shall notify Successful Respondent in writing. If Successful Respondent has determined that it has

failed or is reasonably likely to fail to meet performance expectations, standards, SLAs, or schedules, Successful Respondent shall notify DIR.

b) Upon notice or discovery, Successful Respondent will take immediate steps to mitigate any harmful effects of such Deficiency and promptly perform a root cause analysis. Successful Respondent will, within ten (10) calendar days (or another date approved in writing by DIR) of receipt of written notice of a Deficiency from DIR or delivery of such notification to DIR, provide DIR a written response that:

   1) Explains the reasons for the Deficiency, Successful Respondent's plan to address or cure the Deficiency, and the date and time by which the Deficiency will be cured; or

   2) If Successful Respondent disagrees with DIR's findings, its reasons for disagreeing with DIR's findings.

c) Successful Respondent's proposed cure of a Deficiency is subject to the approval of DIR, in its reasonable discretion. Successful Respondent's repeated commission of Deficiencies or failure to resolve any Deficiencies may be regarded by DIR as a Material Breach and entitle DIR to pursue any other remedy provided in this CTSA or any other appropriate remedy DIR may have at law or equity. At any time, DIR may, in its own discretion and based on the passage of time and information discovered by DIR or provided by Successful Respondent, determine that a Deficiency is a Material Breach. In that instance, DIR will notify Successful Respondent in accordance with the below requirements.

17.2.2.1 Notice and Opportunity to Cure for Material Breach

a) DIR will notify Successful Respondent in writing of specific areas of Successful Respondent performance that fail to meet performance expectations, standards, SLAs, or schedules, and that, in the reasonable determination of DIR do constitute a Material Breach in the delivery or operation of the Services or a Material Breach of the CTSA. Successful Respondent may also commit a Material Breach if it attempts or threatens to commit a Material Breach

b) Upon notice or discovery of a Material Breach, Successful Respondent will take immediate steps to mitigate any harmful effects of such Material Breach and promptly perform a root cause analysis. Successful Respondent will, within ten (10) calendar days (or another date approved by DIR) of receipt of written notice of a Material Breach, provide DIR a detailed written Corrective Action Plan to correct or resolve a Material Breach of this CTSA.

c) The Corrective Action Plan must provide:

   1) A detailed explanation of the reasons for the cited Material Breach as determined by the root cause analysis;

   2) A specific proposal to cure or resolve the Material Breach promptly and completely.

d) The Corrective Action Plan is subject to approval or modification by DIR, in its reasonable discretion.

e) DIR will notify Successful Respondent in writing of DIR's final disposition of the Corrective Action Plan. If DIR accepts Successful Respondent's proposed Corrective Action Plan, DIR may:

   1) Condition such approval on completion of tasks in the order or priority that DIR may prescribe;

   2) Disapprove portions of Successful Respondent's proposed Corrective Action Plan to the extent not in accordance with the CTSA; or

3) Require additional or different Corrective Action Plan(s) required for compliance with the CTSA.

f) At any time during this process, DIR reserves the right, in its sole and absolute discretion, to:

1) Suspend all, or part of, this CTSA; or

2) Issue a written Stop Marketing Order which prohibits Successful Respondent or any of its agents, or Subcontractors, third party providers or from further marketing the Services during investigation of the alleged Material Breach and pending corrective action, if necessary, by Successful Respondent, or a decision by DIR to terminate the CTSA for Cause. DIR may delay the implementation of the Stop Marketing Order if it affects the completion of any of the Services in accordance with a Customer's approved schedule under a CSA.

g) DIR's acceptance of a Corrective Action Plan under this Section 17.2 will not:

1) Excuse Successful Respondent's prior Material Breach(es);

2) Relieve Successful Respondent of its duty to comply with performance standards; or

3) Prohibit DIR from assessing additional tailored remedies or pursuing other appropriate remedies for continued Deficiencies or Material Breaches.

17.2.2.2 Administrative Remedies

a) At its sole and absolute discretion, DIR may impose one or more of the following remedies for each item of non-compliance, both Deficiencies and Material Breaches, and will determine the scope and severity of the remedy on a case-by-case basis:

1) Assess Credits in accordance with the terms of this CTSA;

2) Conduct accelerated monitoring of Successful Respondent including more frequent or more extensive monitoring by DIR or its agents;

3) Require additional, more detailed, marketing, and/or performance reports to be submitted by Successful Respondent;

4) Decline to extend this CTSA; and/or

5) Terminate this CTSA, in its entirety or in part, in accordance with Section 17.3, provided, however, that the right to terminate hereunder shall be limited to those instances where:

i. The non-compliance constitutes a Material Breach;

ii. DIR gives Successful Respondent written notice of such Material Breach and a thirty (30) calendar day cure period, or other longer cure period that DIR in its sole discretion agrees to in writing; and

iii. Successful Respondent does not cure the Material Breach within the applicable cure period.

b) For purposes of this CTSA, an item of non-compliance, both Deficiencies and Material Breaches, means a specific action of Successful Respondent that:

1) Violates a provision of this CTSA and/or a TEX-AN 2021 Customer Service Agreement;

2) Fails to meet an agreed SLA; or

3) Represents a failure of Successful Respondent to be responsive to a request of DIR and/or a Customer relating to the Services for information, assistance, or support within the timeframe specified by DIR and/or the Customer provided that such request for information, assistance, or support is within the Services specified to be provided in this CTSA and/or CSA, as amended from time to time.

c) DIR will provide notice to Successful Respondent of the imposition of an administrative remedy in accordance with this Section 17.2, with the exception of accelerated monitoring, which may be unannounced. DIR may require Successful Respondent to file a written response in accordance with this Section.

17.2.2.3 Damages

a) DIR will be entitled to actual damages resulting from the Successful Respondent's failure to comply with any of the terms of this CTSA. In some cases, the actual damage to DIR or the Customers as a result of Successful Respondent's failure to meet any provision of, or obligation under, this CTSA and/or to meet specific SLAs or performance standards set forth in this CTSA are difficult or impossible to determine with precise accuracy. Therefore, agreed Credits may be assessed in writing against and in such event will be paid by Successful Respondent for failure to meet any aspect of Successful Respondent's responsibilities under this CTSA and/or to meet the specific performance standards identified in Exhibit C Performance Management. Credits will be assessed if DIR determines, in its sole and absolute discretion, such failure is the fault of Successful Respondent (including the Successful Respondent Personnel) and is not materially caused or contributed to by DIR, Customers, or their agents. If at any time, DIR determines, in its sole and absolute discretion, that Successful Respondent has not met a provision of, or has not fulfilled an obligation under this CTSA and/or the specific performance standards due to mitigating circumstances, DIR reserves the right to waive all or part of the Credits. All such waivers must be in writing, contain the reasons for the waiver, and must be signed by the appropriate executive of DIR.

b) The Credits prescribed in this Section 17.2 are not intended to be in the nature of a penalty, but are intended to be reasonable estimates of DIR's projected financial loss and damage resulting from the Successful Respondent's nonperformance, including financial loss as a result of Service delivery delays to DIR and/or the Customers. Accordingly, in the event Successful Respondent fails to perform in accordance with this CTSA, DIR may assess Credits as provided in this Section 17.2.

c) If Successful Respondent fails to perform any of the Services as ordered by DIR or the Customers, DIR may assess Credits for each occurrence of such failure, to the extent consistent with DIR's tailored approach to remedies and State law.

d) In accordance with Exhibit C Performance Management, DIR may elect, in its sole and absolute discretion, to collect Credits:

1) Through direct assessment and demand for payment; or

2) By deduction of amounts assessed as Credits as set-off against payments then due to Successful Respondent for the Services or that become due at any time after assessment of the Credits. DIR will make deductions until the full amount payable by the Successful Respondent is received by DIR or Customer.

e) Credits and actual damages imposed under any provision of this CTSA will be limited to the amounts and triggering events specified in this CTSA.

f) Acknowledgment of Actual Damages

The absence of actual damages listed in this section shall not be construed or interpreted as an agreement to exclude it as an actual damage under this CTSA. For the avoidance of doubt, the following shall be considered actual damages and Successful Respondent shall not assert that they are indirect, incidental, collateral, consequential, or special damages, or lost profits to the extent they result directly from the Successful Respondent's failure to perform in accordance with this CTSA:

1) Costs and expenses of restoring or reloading any lost, stolen, or damaged Data;

2) Costs and expenses of implementing a work-around in respect of a failure to provide the Services or any part thereof;

3) Costs and expenses of replacing lost, stolen, or damaged Equipment and materials;

4) Cover damages, including the costs and expenses incurred to procure the Services or corrected Services from an alternate source;

5) Costs and expenses incurred to bring the Services in-house or to contract to obtain the Services from an alternate source;

6) Straight time, overtime, or related expenses incurred by DIR or Customer in performing 1) through 5) above, including overhead allocations for employees, wages, and salaries of additional employees, travel expenses, overtime expenses, telecommunication charges, and similar charges;

7) Fines, penalties, sanctions, interest, or other monetary remedies incurred as a result of a failure to comply with applicable laws;

8) Credits assessed against Successful Respondent in accordance with this CTSA; and

9) Costs and expenses of protecting and compensating the State and its constituents after a Security Incident, including but not limited to notifications, fines and penalties, damages established by a court of law, costs to establish a call center, and thirty-six (36) months of credit monitoring for effected individuals.

g) Liquidated Damages [Requirements regarding Liquidated Damages will be negotiated per contract.]

17.2.2.4 Equitable Remedies

a) Successful Respondent acknowledges that, if Successful Respondent commits a Material Breach (or attempts or threatens to commit a Material Breach) of its obligations under this CTSA, DIR, the Customers, and the State will be irreparably harmed. In such a circumstance, DIR, for and on behalf of its Customers and the State, may proceed directly to court.

b) If a court of competent jurisdiction finds that Successful Respondent has committed an uncured Material Breach (or attempted or threatened to commit a Material Breach), Successful Respondent agrees that, without any additional findings of irreparable injury or other conditions to injunctive relief, it will not oppose the entry of an appropriate injunctive order compelling performance by Successful Respondent and restraining it from committing any further Material Breaches (or attempted or threatened Material Breaches).

17.2.2.5 Suspension of CTSA

a) DIR may suspend performance of all or any part of this CTSA if:

1) DIR determines that Successful Respondent has committed a Material Breach of this CTSA and, after written notice from DIR, such Material Breach is not cured by Successful Respondent during the cure period as further described in Section 17.2.2.2 5) ii of the CTSA; provided however, if no specific cure period is specified under this CTSA, such cure period will be not less than ten (10) calendar days.

2) DIR has reason to believe that Successful Respondent, Successful Respondent Personnel, and/or Successful Respondent's Subcontractors, have committed, assisted in the commission of, or failed to take appropriate action concerning fraud, malfeasance, or misfeasance concerning this CTSA and if DIR, in its sole and absolute discretion, believes that the suspension is necessary to prevent a material loss or material damages to the State, and the portion of the CTSA being suspended has a direct relationship to the alleged fraud, malfeasance, or misfeasance concerning this CTSA.

3) DIR determines that suspension of this CTSA in whole or in part is convenient or in the best interests of the State or the TEX-AN 2021 Program.

b) DIR will notify Successful Respondent in writing of its intention to suspend this CTSA in whole or in part. Such notice will:

1) Be delivered in writing to Successful Respondent; and

2) Include a concise description of the facts or matter leading to DIR's decision.

17.3 Termination of CTSA

In addition to other provisions of this Article 17 allowing termination, this CTSA will terminate upon the Expiration Date unless extended in accordance with the terms of this CTSA, or terminated sooner under the terms of this CTSA. Prior to completion of the Term, all or a part of this CTSA may be terminated for any of the following reasons:

17.3.1 Termination by Mutual Agreement of the Parties.

This CTSA may be terminated by mutual agreement of the Parties. Such agreement must be in writing.

17.3.2 Termination in the Best Interest of the State.

DIR may terminate this CTSA, in whole or in part, without penalty to or other liability on DIR, at any time when, in its sole discretion, DIR determines that termination is in the best interests of the State. The termination will be effective on the date specified in DIR's notice of termination.

17.3.3 Termination for Cause

Subject to the applicable notice and cure provisions in Section 17.2, DIR reserves the right to terminate this CTSA, in whole or in part, without recourse, upon the following conditions (each a Cause):

17.3.3.1 Successful Respondent Insolvency

Subject to relevant law, DIR may terminate this CTSA if Successful Respondent:

a) makes an assignment for the benefit of all or substantially all of its creditors;

b) admits in writing its inability to pay its debts generally as they become due, including passing a resolution for voluntary liquidation;

c) consents to or is subject to the appointment of a receiver, trustee, manager, or liquidator over all or any part of its property;

d) becomes or is declared insolvent or is the subject of any bona fide proceedings related to its liquidation, administration, provisional liquidation, insolvency, or the appointment of a receiver or similar officer for it; or

e) enters into an agreement or arrangement for the composition, extension, or readjustment of substantially all of its obligations or any class of such obligations.

17.3.3.2 Failure to Adhere to Laws, Rules, Ordinances, or Orders

a) DIR may terminate this CTSA upon making a determination, in its reasonable discretion, that Successful Respondent failed to adhere to any laws, ordinances, rules, regulations, or orders of any public authority having jurisdiction and such violation prevents or substantially impairs performance of Successful Respondent's duties under this CTSA.

b) DIR may terminate this CTSA if a court of competent jurisdiction finds Successful Respondent failed to adhere to any laws, ordinances, rules, regulations, or orders of any public authority having jurisdiction and such violation prevents or substantially impairs performance of Successful Respondent's duties under this CTSA.

17.3.3.3 Breach of Confidentiality

DIR may terminate this CTSA if DIR determines, in its sole and absolute discretion, that Successful Respondent breached Article 15 or any confidentiality or privacy laws with respect to the Services provided under this CTSA and related Data.

17.3.3.4 Failure to Maintain Adequate Personnel or Resources

DIR may terminate this CTSA if, after providing notice and an opportunity to cure, DIR determines, in its reasonable discretion, that Successful Respondent has failed to supply sufficient personnel or resources and such failure results in Successful Respondent's inability to fulfill its duties to provide Services under this CTSA.

17.3.3.5 Termination for Gifts and Gratuities

a) DIR may terminate this CTSA following its determination that Successful Respondent, Successful Respondent Personnel, or Successful Respondent's Subcontractors have either offered or given any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service (collectively "Thing of Value") to an officer or employee of DIR, a Customer, or the State in violation of State law. DIR may terminate this CTSA following a determination by a competent judicial or quasi-judicial authority and Successful Respondent's exhaustion of all legal remedies that Successful Respondent, Successful Respondent Personnel, or Successful Respondent's Subcontractors have either offered or given a Thing of Value to an officer or employee of DIR, a Customer, or the State in violation of State law.

b) Termination of a Subcontract by Successful Respondent pursuant to this provision will not be a cause for termination of this CTSA unless:

   1) Successful Respondent fails to replace such terminated Subcontractor within a reasonable time; and

   2) Such Failure constitutes Cause as described in this Section 16.3.

17.3.3.6 Material Adverse Change in Successful Respondent's Financial Condition

If (1) Successful Respondent receives a "going concern" qualification from its external auditor or (2) Standard & Poor's lowers Successful Respondent's long term credit rating to lower than BB- and in the reasonable opinion of DIR such change in the financial condition of Successful Respondent may impair or otherwise compromise the ability of Successful Respondent to perform its obligations under this Agreement, then DIR may, in its sole discretion, terminate this Agreement by giving Successful Respondent at least thirty (30) calendar days prior notice. With respect to the events described in (2) above, prior to exercising its right to terminate, DIR shall meet with Successful Respondent within ten (10) calendar days following notification (or awareness) of such event and permit Successful Respondent to submit to DIR within fifteen (15) calendar days of such meeting a plan that comprehensively addresses DIR's concerns related to Successful Respondent's ability to perform its obligations under this Agreement (the "Service Delivery Plan"). DIR shall not unreasonably withhold its approval of such Service Delivery Plan. If DIR does not approve the initial Service Delivery Plan it shall inform the Successful Respondent of its reasons and the Successful Respondent shall take those reasons into account in the preparation of a further Service Delivery Plan, which shall be resubmitted to DIR within ten (10) calendar days. If in DIR's reasonable discretion the updated Service Delivery Plan does not address DIR's concerns related to Successful Respondent's ability to continue delivering the Services, then DIR will have the right to terminate this Agreement as described above.

17.3.3.7 Termination for Successful Respondent's Material Breach of this CTSA

DIR has the right to terminate this CTSA, in whole or in part, if Successful Respondent has committed a Material Breach. Prior to exercising its right to terminate all or a part of this CTSA, DIR will provide the Successful Respondent written notice and an opportunity to cure the Material Breach in accordance with Section 17.2, and if such cure is made and accepted by DIR, in its reasonable discretion, DIR will not terminate the CTSA.

17.3.3.8 Prohibited Vendor's List

DIR has the absolute right to terminate this CTSA, without recourse, in the event that:

a) Successful Respondent becomes listed on the prohibited vendors list authorized by Executive Order #13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," published by the United States Department of the Treasury, Office of Foreign Assets Control, or

b) Successful Respondent becomes suspended or debarred from doing business with the federal government as listed in the Excluded Parties List System (EPLS) maintained by the General Services Administration, or

c) Successful Respondent is found by DIR to be ineligible to hold this CTSA under Section 2155.006(b), Texas Government Code.

17.4 DIR Rights Upon Successful Respondent's Bankruptcy

17.4.1 General Rights

In the event of Successful Respondent's bankruptcy or other formal procedure or of the filing of any petition under bankruptcy laws affecting the rights of Successful Respondent which is not stayed or dismissed within thirty (30) days of filing, in addition to the other rights and remedies set forth herein, to the maximum extent permitted by law, DIR and Customers shall have the immediate right to retain and take possession for safekeeping all DIR and Customer Data, DIR and Customer Confidential Information, DIR and Customer licensed third party materials, DIR and Customer owned Equipment, DIR and

Customer owned Materials, DIR and Customer owned developed materials, and all other materials, Equipment, or systems to which DIR and/or the Customers are or would be entitled during the Term or upon the expiration or any termination of this CTSA. Successful Respondent shall cooperate fully with DIR and the Customers and assist DIR and the Customers in identifying and taking possession of the items listed in the preceding sentence. DIR and Customers shall have the right to hold such Data, Confidential Information, materials, Equipment, and systems until such time as the trustee or receiver in bankruptcy or other appropriate insolvency office holder can provide adequate assurances and evidence to DIR and Customer that they shall be protected from sale, release, inspection, publication, or inclusion in any publicly accessible record, document, material, or filing. Successful Respondent and DIR agree that without this material provision, DIR would not have entered into this CTSA or provided any right to the possession or use of such Data, Confidential Information, or materials covered by this CTSA.

17.4.2 DIR Rights in Event of Bankruptcy Rejection

Notwithstanding any other provision of this CTSA to the contrary and to the maximum extent permitted by applicable laws, in the event that Successful Respondent becomes a debtor under the United States Bankruptcy Code (11 U.S.C. §101 et. seq. or any similar Law in any other country (the "Bankruptcy Code")) and rejects this Agreement pursuant to Section 365 of the Bankruptcy Code (a "Bankruptcy Rejection"):

a) any and all of the licensee and sublicensee rights of DIR and the Customers arising under or otherwise set forth in this CTSA, including the rights of DIR and the Customers shall be deemed fully retained by and vested in DIR and the Customers as protected intellectual property rights under Section 365(n)(1)(B) of the Bankruptcy Code and further shall be deemed to exist immediately before the commencement of the bankruptcy case in which Successful Respondent is the debtor;

b) DIR and the Customers shall have all of the rights afforded to non-debtor licensees and sublicensees under Section 365(n) of the Bankruptcy Code; and

c) to the extent any rights of DIR and the Customers under this CTSA which arise after the expiration or any termination of this CTSA are determined by a bankruptcy court not to be "intellectual property rights" for purposes of Section 365(n),

all of such rights shall remain vested in and fully retained by DIR and/or the Customers after any bankruptcy rejection as though this CTSA were terminated or expired. DIR shall under no circumstances be required to terminate this CTSA, in whole or in part, after a bankruptcy rejection in order to enjoy or acquire any of its rights under this CTSA, including any of the rights of DIR or the Customers unless and to the extent required by applicable law.

17.5 Effective Date of Termination

Termination will be effective as of the date specified in the notice of termination.

17.6 Extension of Termination Effective Date

Any termination date may be extended upon the mutual agreement of the Parties; however, such date shall not be extended beyond the Expiration Date of this CTSA.

17.7 Payment and Other Provisions at CTSA Termination

a) DIR further agrees to negotiate in good faith with Successful Respondent to equitably adjust and settle any accrued or outstanding liabilities for a Service which has not been Accepted that:

1) Is due or delivered prior to or upon termination of this CTSA; and

2) Benefits DIR, a Customer, or the State, notwithstanding its status as not having been Accepted.

b) Successful Respondent agrees to negotiate in good faith with DIR and/or Customer to equitably adjust and settle any outstanding disputes currently on file between the parties.

c) Successful Respondent must provide DIR access to records, facilities, and documentation as is required to efficiently and expeditiously close out the Services under this CTSA.

d) Successful Respondent must prepare a Disentanglement Plan, upon notice of termination and within ten (10) Business Days, which is acceptable to and approved by DIR, in its sole and absolute discretion. Such Disentanglement Plan will be implemented during the time period between DIR's Acceptance of the Disentanglement Plan and the termination date.

e) Subsections 17.7 a) and 17.7 b) shall only be applicable to time and materials work performed under the CTSA and/or CSAs or as otherwise allowed hereunder.

f) For all other Rates to DIR and Prices set forth in Exhibit B, DIR or Direct Sales Transaction Service Customers, as appropriate, will pay for all Services provided as of the effective termination date. Article 14 Terms and Conditions of Successful Respondent Billing and DIR and Customer Payment, shall govern the billing and payment for Services under this Section 11.7.

17.8 Amendment of CTSA in the Event of Remedies

DIR may propose an amendment of this CTSA in response to the imposition of a remedy under this Article 17. Any amendments offered pursuant to this Section 17.8 must be limited to the matters causing the exercise of a remedy and in writing. Successful Respondent must negotiate such proposed amendments in good faith.

17.9 Disentanglement Assistance

Upon receipt of notice of full or partial termination of this CTSA by DIR, Successful Respondent shall provide all Disentanglement assistance necessary to enable DIR and/or its designee to effectively close out this CTSA and transition the Services and Customers to another TEX-AN 2021 Contract Holder as provided in the Disentanglement Plan (see Article 21. Transition Plan for Expiration).

17.10 Successful Respondent Responsibility for Associated Costs

If DIR terminates this CTSA for Cause, the Successful Respondent will be responsible to DIR for all costs incurred by DIR, the State, or any of its Customers to replace the Successful Respondent. These costs include, but are not limited to, the costs of transitioning all Customers to a new TEX-AN 2021 Contract Holder or procuring a substitute, and the cost of any claim or litigation that is attributable to Successful Respondent's failure to perform the Services in accordance with the terms of this CTSA. For purposes of clarity, the Successful Respondent's liability for State's costs of transitioning all Customers to a new TEX-AN 2021 Contract Holder will be limited to the total charges incurred by DIR and the Customers from the new TEX-AN 2021 Contract Holder in transitioning.

17.11 Dispute Resolution

17.11.1 General Agreement of the Parties

The Parties mutually agree that the interests of fairness, efficiency, and good business practices are best served when the Parties employ all reasonable and informal means to resolve any Dispute under this CTSA. The Parties express their mutual commitment to using all reasonable and informal means of resolving Disputes prior to invoking a remedy provided elsewhere in this Article 17.

17.11.2 Duty to Negotiate in Good Faith.

Any Dispute that in the judgment of any Party to this CTSA may materially or substantially affect the performance of any Party will be reduced to writing and delivered to the other Party per the formal notice procedures discussed above. The Parties must then negotiate in good faith and use reasonable efforts to resolve such dispute and the Parties will not resort to pursuing further remedies unless they have reasonably determined that a negotiated resolution is not possible. The resolution of any dispute disposed of by agreement between the Parties will be reduced to writing and delivered to all Parties within ten (10) Business Days.

17.11.3 Claims for Breach of CTSA

17.11.3.1 General Requirement

As required by and in accordance with Chapter 2260, Texas Government Code, Successful Respondent's claim for breach of this CTSA must be resolved in accordance with the dispute resolution process established by DIR.

17.11.3.2 Negotiation of Claims

a) The Parties expressly agree that the Successful Respondent's claim for breach of this CTSA that the Parties cannot resolve in the ordinary course of business or through the use of all reasonable and informal means will be submitted to the negotiation process provided in Chapter 2260, Subchapter B, Texas Government Code.

b) The Parties expressly agree that the Successful Respondent's compliance with Chapter 2260, Subchapter B, Texas Government Code, is a condition precedent to the filing of a contested case proceeding under Chapter 2260, Subchapter C, Texas Government Code.

17.11.3.3 Contested Case Proceedings

The contested case process provided in Chapter 2260, Subchapter C, Texas Government Code, will be Successful Respondent's sole and exclusive process for seeking a remedy for any and all alleged breaches of the CTSA by DIR if the Parties are unable to resolve their disputes under Subsection 17.11.3.2 of this section. The Parties expressly agree that compliance with the contested case process provided in Chapter 2260, Subchapter C, Texas Government Code, is a condition precedent to seeking consent to sue from the Texas Legislature under Chapter 107, Texas Civil Practices & Remedies Code. Neither the execution of this CTSA by DIR nor any other conduct of any representative of DIR relating to this CTSA shall be construed as or be considered a waiver of the State's sovereign immunity.

17.11.3.4 DIR Rules

The submission, processing, and resolution of Successful Respondent's claim is governed by the rules adopted by DIR pursuant to Chapter 2260, Texas Government Code, found at Title 1, Chapter 201, Texas Administrative Code.

17.11.3.5 Successful Respondent's Duty to Perform

Neither the occurrence of an event constituting an alleged breach of CTSA nor the pending status of any claim for breach of CTSA is grounds for the suspension of performance, in whole or in part, by Successful Respondent of any duty or obligation with respect to the performance of Services under this CTSA and all CSAs. Any changes to this CTSA as a result of a dispute resolution will be implemented in accordance with Article 9.

17.12 Liability of Successful Respondent

a) Successful Respondent bears all risk of loss or damage due to:

   1) Defects in Services;
   2) Unfitness or obsolescence of Services; and
   3) The negligence or intentional misconduct of Successful Respondent or its employees, agents, or Subcontractors;

b) Successful Respondent shall defend, indemnify and hold harmless the State, DIR and Customers, and/or their employees, agents, representatives, contractors, Assignees, officers, directors, successors, and/or designees from any and all liability, actions, claims, demands, or suits and all related costs, attorney fees, and expenses arising out of, or resulting from any acts or omissions of the Successful Respondent, Successful Respondent Personnel, Successful Respondent's Subcontractors, or suppliers of Subcontractors in the execution or performance of the CTSA, a CSA and any Purchase Orders issued under the CTSA regardless of the negligence of the Customer, the State, DIR, and/or their employees, agents, representatives, contractors, Assignees, officers, directors, successors, and/or designees. The defense shall be coordinated by the Texas Office of the Attorney General for State agency Customers and by Customer's legal counsel for non-State agency Customers.

c) Successful Respondent will ship all Equipment, if any, related to the provision of Services under this CTSA and any CSAs entered into pursuant hereto, freight prepaid, freight on board (FOB) DIR's or Customer's destination or other designated location. The method of shipment will be consistent with the nature of the Equipment and hazards of transportation. Regardless of FOB point, Successful Respondent agrees to carry adequate freight insurance and bear all risks of loss, damage, or destruction of Equipment, in whole or in part, ordered hereunder that occurs prior to written Acceptance, except loss or damage attributable to DIR's or Customer's fault or negligence; and such loss, damage, or destruction will not release Successful Respondent from any obligation hereunder. After written Acceptance, the risk of loss or damage will be borne by DIR or the Customer, as appropriate, except loss or damage attributable to Successful Respondent's fault or negligence.

18 Assurances and Certifications

18.1 Conflicts of Interest

18.1.1 Representation

Successful Respondent agrees to comply with applicable State and federal laws, rules, and regulations regarding conflicts of interest in the performance of its duties under this CTSA. Successful Respondent warrants that it has no interest and will not acquire any direct or indirect interest that would conflict in any manner or degree with its performance under this CTSA.

18.1.2 General Duty Regarding Conflicts of Interest

a) Successful Respondent will establish safeguards to prohibit Successful Respondent Personnel and Subcontractors from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain. Successful Respondent shall, and Successful Respondent shall cause its Successful Respondent Personnel and Subcontractors, to operate with complete independence and objectivity without actual, potential, or apparent conflict of interest with respect to the activities conducted under this CTSA. Successful Respondent has disclosed, in its Response to the RFO, any existing conflicts of interest, including any situations that create an appearance of a conflict of interest. Successful Respondent has also disclosed the current or past employment of former state employees within two (2) years of the date of its Response to the RFO, under the terms of the disclosure requirement contained in the RFO.

b) Successful Respondent shall for itself and on behalf of its Subcontractors, has identified (and will identify for the duration of the Term): A. all current or former employees of the State assigned or proposed to work on the CTSA twenty percent (20%) or more of their time and has disclosed them to DIR and has disclosed or does not employ any relative of a current or former State employee within two (2) degrees of consanguinity or affinity, and, if these facts change during the course of the CTSA, Successful Respondent certifies for itself and on behalf of its Subcontractors, it shall disclose the name and other pertinent information about the employment of current and former employees and their relatives within two (2) degrees of consanguinity or affinity, and B. any former executive head of a State agency employed by Successful Respondent;

19 Representations, Warranties, and Covenants

19.1 Authorization

Successful Respondent hereby represents and warrants the following:

a) The execution, delivery, and performance of this CTSA has been duly authorized by Successful Respondent and no approval, authorization, or consent of any governmental or regulatory agency is required to be obtained in order for Successful Respondent to enter into this CTSA and perform its obligations under this CTSA.

b) Successful Respondent has obtained all licenses, assignments, certifications, permits, and authorizations necessary to perform the Services under this CTSA and currently is in good standing with all regulatory agencies that regulate any or all aspects of Successful Respondent's performance of Services under this CTSA. Successful Respondent will maintain all required certifications, licenses, permits, and authorizations during the term of this CTSA.

19.2 Ability to Perform

Successful Respondent warrants that it has the financial resources to fund the expenditures required to provide the Services under this CTSA without advances by DIR or assignment of any payments by DIR to a financing source.

19.3 Successful Respondent Certifications

Successful Respondent certifies, for itself, its agents, and on behalf of Subcontractors, as follows (all references within this section to Successful Respondent include Successful Respondent's agents and Subcontractors):

a) Successful Respondent has not given, offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the CTSA;

b) Successful Respondent is not currently delinquent in the payment of any franchise tax owed the State and is not ineligible to receive payment under Section 231.006 of the Texas Family Code and acknowledges the CTSA may be terminated and payment withheld if this certification is inaccurate;

c) neither Successful Respondent, nor anyone acting for it, has violated the antitrust laws of the United States or the State, nor communicated directly or indirectly to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage;

d) Successful Respondent has not received payment from DIR or any of its employees for participating in the preparation of the CTSA;

e) under Sections 2155.004, 2155.006, and 2261.053, Texas Government Code, Successful Respondent is not ineligible to receive the specified Contract and acknowledges that this CTSA may be terminated and payment withheld if this certification is inaccurate;

f) to the best of its knowledge and belief, Successful Respondent knows there are no suits or proceedings pending or threatened against or affecting it, which if determined adversely to it will have a material adverse effect on the ability to fulfill its obligations under the CTSA;

g) Successful Respondent and its principals are not suspended or debarred from doing business with the federal government as listed in the System for Award Management (SAM) maintained by the General Services Administration;

h) as of the Effective Date of the CTSA, Successful Respondent is not listed in any of the divestment statute lists published on the CPA's website (https://comptroller.texas.gov/purchasing/publications/divestment.php);

i) as of the Effective Date, Successful Respondent is not listed in the prohibited vendors list authorized by Executive Order #13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism," published by the United States Department of the Treasury, Office of Foreign Assets Control;

j) Successful Respondent has identified (and will identify for the duration of the Term):

   1) all current or former employees of the State assigned or proposed to work on the CTSA twenty percent (20%) or more of their time and has disclosed them to DIR and has disclosed or does not employ any relative of a current or former state employee within two (2) degrees of consanguinity or affinity, and, if these facts change during the course of the Agreement, Successful Respondent certifies for itself and on behalf of its Subcontractors, it shall disclose the name and other pertinent information about the employment of current and former employees and their relatives within two (2) degrees of consanguinity or affinity, and

   2) any former executive head of a State agency employed by Successful Respondent;

k) that, for its performance of this CTSA, Successful Respondent shall purchase products and materials produced in the State when available at the price and time comparable to products and materials produced outside the State, to the extent that such is required under Section 2155.4441, Texas Government Code;

l) Successful Respondent agrees that all equipment and materials used in fulfilling the requirements of this CTSA are of high-quality and consistent with or better than applicable industry standards,

if any. All work and Services performed pursuant to this CTSA shall be of high professional quality and workmanship and according consistent with or better than applicable industry standards, if any;

m) to the extent applicable to this scope of this CTSA, Successful Respondent is in compliance with Subchapter Y, Chapter 361, Health and Safety Code, related to the Computer Equipment Recycling Program and its rules, 30 Texas Administrative Code Chapter 328;

n) Successful Respondent agrees that any payments due under this CTSA will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed to the State;

o) Successful Respondent is in compliance Section 669.003, Texas Government Code, relating to contracting with executive head of a State agency;

p) the provision of goods and services or other performance under the CTSA will not constitute an actual or potential conflict of interest, Successful Respondent will not create the appearance of impropriety, and, if these facts change during the course of the CTSA, Successful Respondent certifies it shall disclose the actual or potential conflict of interest and any circumstances that create the appearance of impropriety;

q) Successful Respondent has complied with the Section 556.0055, Texas Government Code, restriction on lobbying expenditures.

r) Successful Respondent understands and acknowledges the applicability of Sections 2155.444 and 2155.4441, Texas Government Code, in fulfilling the terms of the CTSA;

s) DIR's or the Customer's payment to Successful Respondent and Successful Respondent's receipt of appropriated or other funds under this CTSA are not prohibited by Sections 556.005 or 556.008, Texas Government Code;

t) to the extent applicable to this scope of this CTSA, Successful Respondent is authorized to sell and provide warranty support for all products and Services listed in Exhibit B of this CTSA;

u) in accordance with Section 2271.002 of the Texas Government Code, by signature hereon, Successful Respondent does not boycott Israel and will not boycott Israel during the term of this CTSA. Successful Respondent agrees to take all necessary steps to ensure this certification remains true during the Term of this CTSA;

v) Successful Respondent represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.

w) that in accordance with Section 2155.0061, Texas Government Code, the individual or business entity named in this CTSA is not ineligible to receive the specified contract and acknowledges that this CTSA may be terminated and payment withheld if this certification is inaccurate; and

x) during the Term, Successful Respondent shall promptly disclose to DIR all changes that occur to the foregoing certifications, representations, and warranties. Successful Respondent covenants to fully cooperate in the development and execution of resulting documentation necessary to maintain an accurate record of the certifications, representations, and warranties.

19.4 Workmanship and Performance

a) All Services provided under this CTSA will be provided in a manner consistent with the standards of quality as outlined in this CTSA.

b) All Services must meet or exceed the required levels of performance specified in or pursuant to this CTSA, and will meet or exceed DIR's Goals and Objectives, as set forth in the RFO, Section 1.3.

c) Successful Respondent shall, and it shall cause Successful Respondent Personnel and Subcontractors, to perform the Services in a workmanlike manner, in accordance with best practices and high professional standards consistent with applicable industry standards used in well-managed operations performing Services similar to the Services awarded in this CTSA.

19.5 Compliance with Agreement

Successful Respondent represents, warrants, and covenants that it will not take any action inconsistent with any of the terms and conditions set forth in this CTSA without the express, prior written approval of DIR, in DIR's sole and absolute discretion.

19.6 Infringement and Misappropriation

a) Successful Respondent represents, warrants, and covenants that all Services provided by Successful Respondent will not infringe or misappropriate any right of, and will be free of any claim of, any third person or entity based on copyright, patent, trade secret, or other Intellectual Property rights. Successful Respondent agrees that it shall include the indemnity provision provided in Section 14.10 b) into its Subcontracts, in which Subcontractors participate in the development or delivery of the Services or Software.

b) As of the Effective Date, there is, to Successful Respondent's knowledge, no pending claim, suit, or proceeding against or affecting Successful Respondent or any of its Affiliates or Subcontractors that would reasonably be expected to adversely affect Successful Respondent's ability to perform and fulfill its obligations under this CTSA including, without limitation, actions pertaining to the proprietary rights to the relevant intellectual property. Successful Respondent shall notify DIR within fifteen (15) days of Successful Respondent's knowledge of any such claim, suit, or proceeding. Successful Respondent shall notify DIR, within forty-eight (48) hours, if process is served on Successful Respondent in connection with this CTSA where such matter may affect the Services or a Party's rights including any subpoena for Successful Respondent's records, and shall send a written notice of the service together with a copy of the same to DIR within seventy-two (72) hours of such service.

19.7 Organizational Conflicts of Interest

19.7.1 Definition

An organizational conflict of interest is a set of facts or circumstances, a relationship, or other situation under which Successful Respondent, agent or Subcontractor has past, present, or currently planned personal or financial activities or interests that either directly or indirectly:

a) Impairs or diminishes Successful Respondent's, agent's, or Subcontractor's ability to render impartial or non-discriminatory Services to DIR and the Customers; or

b) Provides the Successful Respondent, agent, or Subcontractor an unfair competitive advantage in the Procurement and future DIR procurements.

19.7.2 Warranty

Except as otherwise disclosed and approved by DIR prior to the Effective Date of this CTSA, Successful Respondent warrants that, as of the Effective Date and to the best of its knowledge and belief, there are no

relevant facts or circumstances that could give rise to an organizational conflict of interest affecting this CTSA. Successful Respondent affirms that it has neither given, nor shall give, at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant or any employee or representative of same, at any time during the procurement process or in connection with the procurement process except as allowed under relevant State and federal law.

19.7.3 Continuing Duty to Disclose

a) Successful Respondent agrees that, if after the Effective Date, Successful Respondent discovers or is made aware of an organizational conflict of interest, Successful Respondent will immediately and fully disclose such interest in writing to DIR. In addition, Successful Respondent must promptly disclose any relationship that might be perceived or represented as a conflict after its discovery by Successful Respondent or by DIR as a potential conflict. DIR reserves the right, in its sole and absolute discretion, to make a final determination regarding the existence of conflicts of interest, and Successful Respondent agrees to abide by DIR's decision.

b) The disclosure will include a description of the action(s) that Successful Respondent has taken or proposes to take to avoid or mitigate such organizational conflicts of interest.

19.7.4 Remedy

If DIR determines that an organizational conflict of interest exists, DIR may, at its sole discretion, terminate the CTSA. If DIR determines that Successful Respondent was aware of an organizational conflict of interest before the award of this CTSA and did not disclose the conflict in its Response to the RFO, such nondisclosure will be considered a Material Breach. Furthermore, the facts and circumstances related to such Material Breach may be submitted to the Texas Office of the Attorney General, Texas Ethics Commission, or appropriate State or federal law enforcement officials for further action.

19.7.5 Flow Down Obligation

Successful Respondent must include the provisions of CTSA Section 19.7 in all agent agreements and Subcontracts for work to be performed similar to the Services provided by Successful Respondent under this CTSA to preserve the State's rights against such agents and Subcontractors.

19.8 DIR Personnel Recruitment Prohibition

a) Successful Respondent has not retained or promised to retain any agent, Subcontractor, person, or company, or utilized or promised to utilize an agent, or a Subcontractor that participated in DIR's development of specific criteria of this CTSA or who participated in the procurement that resulted in the selection of the Successful Respondent for this CTSA.

b) Successful Respondent will not recruit or employ any DIR professional or technical personnel who have worked on Projects relating to the subject matter of this CTSA, or who have had any influence on decisions affecting the subject matter of this CTSA, for two (2) years following the expiration and/or termination of this CTSA.

19.9 Anti-kickback Provision

Successful Respondent certifies that it will comply with the Anti-Kickback Act of 1986, 41 USC §§51-58 and Federal Acquisition Regulation 52.203-7.

19.10 Debt or Back Taxes Owed to the State

In accordance with Section 403.055, Texas Government Code, Successful Respondent agrees that any payments due to Successful Respondent under this CTSA will be first applied toward any debt and/or back taxes Successful Respondent owes the State. Successful Respondent further agrees that payments will be so applied until such debts and back taxes are paid in full.

19.11 Outstanding Debts and Judgments

Successful Respondent certifies that it is not presently indebted to the State, and that Successful Respondent is not subject to an outstanding judgment in a suit by the State against Successful Respondent for collection of the balance. For purposes of this Section, an indebtedness is any amount sum of money that is due and owing to the State and is not currently under dispute. A false statement regarding Successful Respondent's status will be treated as a Material Breach.

19.12 Antitrust

In submitting a Response, and in executing this CTSA, Successful Respondent certifies and agrees as follows:

a) Neither Successful Respondent, nor agent, nor Subcontractor, nor the person represented by the Successful Respondent, nor any person acting for the represented person has:

   1) violated the antitrust laws codified by Sections 15.01, et seq., Texas Business & Commerce Code or the federal antitrust laws; or

   2) directly or indirectly communicated the Response associated with this CTSA to a competitor or other person engaged in the same line of business.

b) Successful Respondent hereby assigns to DIR any and all claims for overcharges associated with this CTSA arising under the antitrust laws of the United States, 15 U.S.C. Section 1, et seq. (1973), as amended, and the antitrust laws of the State, Sections 15.01, et seq., Texas Business & Commerce Code.

19.13 Agency Executive

Under Section 669.003, Texas Government Code, relating to contracting with an executive of a State agency, Successful Respondent represents that no employee, consultant, officer, or director of Successful Respondent, or any other person involved with Successful Respondent, has, in the past four (4) years, served as an executive of DIR, or any other State agency, was involved with or has any interest in the RFO or any CTSA resulting from the RFO. If Successful Respondent employs or has used the services of a former executive head of DIR or other State agency, then Successful Respondent shall provide DIR the following information concerning such individual: Name of former executive, name of State agency, date of separation from State agency, position with Successful Respondent, and date of employment with Successful Respondent.

19.14 Deceptive Trade Practices; Unfair Business Practices

Successful Respondent represents and warrants that it has not been the subject of allegations of deceptive trade practices violations under Chapter 17, Texas Business & Commerce Code, or allegations of any unfair business practice in any administrative hearing or litigation and that Successful Respondent has not been found to be liable for such practices in such proceedings. Successful Respondent certifies that it has

no officers who have served as officers of other entities who have been the subject allegations of deceptive trade practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.

19.15 Cybersecurity Training

In accordance with Section 2054.5192, Texas Government Code, for any contract with a State agency or institution of higher education, if Successful Respondent, or a Subcontractor, officer, or Successful Respondent Personnel, will have access to a State computer system or database, then Successful Respondent shall ensure that such Successful Respondent Personnel, officer, or Subcontractor shall complete a cybersecurity training program certified under Section 2054.519, Texas Government Code, as selected by the State agency Customer. The cybersecurity training program must be completed by such Successful Respondent Personnel, officer, or Subcontractor during the Term of the CTSA and during any renewal period. Successful Respondent shall verify to the Customer state agency or institution of higher education completion of the program by each such Successful Respondent Personnel, officer, or Subcontractor.

19.16 Drug Free Workplace Policy

Successful Respondent shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (41 U.S.C. §§8101-8106) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (Financial Assistance), issued by the Office of Management and Budget (2 C.F.R. Part 182) to implement the provisions of the Drug Free Work Place Act of 1988 is incorporated by reference and the Successful Respondent shall comply with the relevant provisions thereof, including any amendments to the final rule that may hereafter be issued.

19.17 Preservation of Records

In accordance with Section 552.372 of the Texas Government Code, Respondent agrees to (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to the Agency for the duration of the contract, (2) promptly provide to the Agency any contracting information related to the contract that is in the custody or possession of the Respondent on request of the Agency, and (3) on termination or expiration of the contract, either provide at no cost to the Agency all contracting information related to the contract that is in the custody or possession of the Respondent or preserve the contracting information related to the contract as provided by the records retention requirements applicable to the Agency. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J, Chapter 552, Government Code, may apply to the contract and the Respondent agrees that the contract can be terminated if the Respondent knowingly or intentionally fails to comply with a requirement of that subchapter.

20 INTELLECTUAL PROPERTY

20.1 Infringement Indemnification

a) Successful Respondent will, at its expense, indemnify, and hold harmless DIR and the Customers, their respective employees, officers, directors, contractors, and agents from and against any losses, liabilities, damages, penalties, costs, and fees, including without limitation attorneys' fees and expenses, from any claim or action against DIR and/or Customers that is based on a claim of breach of the warranty set forth in SECTION 19.7.2 OF THE CTSA, DIR and/or Customer will

promptly notify Successful Respondent in writing of the claim, provide Successful Respondent a copy of all information received by DIR and/or Customers with respect to the claim, and cooperate with Successful Respondent in defending or settling the claim. The defense will be coordinated by the Texas Office of the Attorney General for Texas State agencies and by Customer's legal counsel for non-State agency Customers.

b) If any Service, or part thereof, that is the subject of an action described in Section 19.1(a), is held to constitute an infringement or misappropriation, or the use thereof is enjoined or restricted or if a proceeding appears to Successful Respondent to be likely to be brought with respect there to, Successful Respondent will, at its own expense, either:

1) Procure for DIR and/or the affected Customer the right to continue using the Services; or

2) Modify or replace the Services to comply with the specifications in the CTSA, if any, and to not violate any Intellectual Property rights.

20.2 Exceptions

Successful Respondent is not responsible for any claimed breaches of the warranties set forth in Section 19.1 to the extent caused by:

a) Modifications made to the Service in question by any party other than Successful Respondent or its agents or Subcontractors, or by DIR and/or Customer and/or their agents working at Successful Respondent's direction and in accordance with another vendors' specifications; or

b) The combination, operation, or use of the Service with other items if Successful Respondent did not supply or approve for use with the item; or

c) DIR's and/or Customer's failure to use any new or corrected versions of the Service made available or provided by Successful Respondent.

20.3 Rights in Data

a) DIR or Customers will be and remain the owner of all Data made available by DIR or Customers to Successful Respondent or its agents, its Subcontractors or representatives pursuant to the CTSA. Successful Respondent and Successful Respondent Personnel will not use DIR or Customer Data for any purpose other than providing the Services, nor will any part of DIR or Customer Data be disclosed, sold, assigned, leased, or otherwise disposed of to the general public or to specific third parties (other than with respect to providing the Services) or commercially exploited by or on behalf of Successful Respondent, nor will any Successful Respondent Personnel other than those on a strictly need to know basis have access to DIR or Customer Data. Successful Respondent will not possess or assert any lien or other right against DIR or Customer Data. Without limiting the generality of this Section 20.3, Successful Respondent will only use personally identifiable information as strictly necessary to provide the Services and will disclose such information only to its employees who have a strict need to know such information, provided Successful Respondent obtains such employees' written agreement to keep such information confidential and to use it only as required in the performance of Services. Successful Respondent will comply at all times with all State and federal laws and regulations applicable to such personally identifiable information. Additionally, Successful Respondent may disclose such information to its Subcontractors who have a need to know in connection with the performance of Services, provided Successful Respondent obtains such Subcontractors' written agreement to keep such information confidential and to use it only as required in the performance of Services.

b) DIR or Customer is and will remain the owner of all DIR or Customer Data pursuant to the CTSA. Except as otherwise provided in this CTSA, or as otherwise restricted by law, and excluding Successful Respondent Confidential Information, DIR and Customer may use the data provided by the Successful Respondent for any purpose relating to the operation and enhancement of TEX-AN 2021 Program. DIR or Customer will not possess or assert any lien or other right against the Successful Respondent's data.

20.4 Ownership of Pre-existing Materials

DIR or Customers and Successful Respondent will continue to own their respective proprietary technologies and information developed before entering into the CTSA. Any Software licensed through the Successful Respondent and sold to DIR or Customers as a part of a Service, will be licensed directly to DIR or Customers, as appropriate.

20.5 Third party Commercial Software

If applicable and necessary, all third party commercial Software used in performing the Services will be provided to DIR or Customers under a separate license agreement between DIR or Customers and the owner (or authorized licensor) of such software.

20.6 Pre-existing Materials for Custom Software Deliverables Related to Services

Neither Successful Respondent nor any of its agents, representatives, or Subcontractors will incorporate any pre-existing materials (including third party commercial software) into Services or use any pre-existing materials to produce Services if such pre-existing materials will be needed by DIR or Customer in order to use the Services unless:

a) Such pre-existing materials and their owners are identified to DIR or Customer in writing prior to implementation or installation, and

b) Such pre-existing materials are either readily commercially available products for which Successful Respondent or its Subcontractor, as the case may be, has obtained a license (in form and substance approved by DIR, in its sole and absolute discretion) in the name of DIR or Customer, or are materials that Successful Respondent or its Subcontractor, as the case may be, has the right to license to DIR or Customer and has agreed to license to DIR or Customer on terms and conditions approved by DIR, in its sole and absolute discretion, prior to using such pre-existing materials to perform the Services. Successful Respondent represents, warrants, and covenants that it shall not, during the term of the CTSA or any time afterwards, assert any ownership rights, in any DIR-owned or Customer-owned Software, source code, and other materials.

20.7 Ownership of Work Product by DIR or Customer

The Services shall not be considered "work for hire" for DIR or Customers; however, the same shall be subject to licensing, on the same terms and provisions, as provided for herein, as reasonable, necessary, or required.

20.8 License to Intellectual Property

a) If necessary to the performance of Services hereunder, upon notice from Successful Respondent, DIR and/or Customers shall enter into good faith negotiations to license to Successful Respondent any Intellectual Property owned by DIR and/or Customers.

b) In the event the Successful Respondent makes or has made any modifications or configurations to any Software owned by DIR and/or a Customer under this CTSA, DIR and/or the Customer, as appropriate, shall own the modifications or configurations and the related scripts, processes, and documentation, and Successful Respondent hereby assigns all of its rights, titles and interests (including Intellectual Property rights) to such modifications or configurations and the related scripts, processes, and documentation to the appropriate party, either DIR or the Customer. Upon the request of DIR or the Customer, Successful Respondent will give a written assignment of the modifications or configurations and the related scripts, processes, and documentation to the requesting party. During the Term, Successful Respondent retains a terminable, non-transferable, non-exclusive and paid-up license to use the modifications in performing Services under this CTSA, and to use the modifications to provide Services to other Customers, including the right to sub-license or further license those modifications only to Customers.

c) The Successful Respondent shall own all modifications to the Successful Respondent owned Software made by the Successful Respondent and any modifications to the Successful Respondent Proprietary Software made on behalf of DIR and/or a Customer. DIR and/or the affected Customer hereby assign its rights, titles, and interests (including Intellectual Property rights) to such modifications to the Successful Respondent. Successful Respondent shall provide DIR and/or Customer with a nonexclusive, non-transferable, royalty-free limited right and license during the Term to use the modifications for purposes of receiving Services. Successful Respondent's license to DIR and/or the Customer to use Successful Respondent Proprietary Software shall extend to such modifications; provided, however, Successful Respondent's warranties and indemnities with respect to Successful Respondent Proprietary Software do not extend to any modifications made on behalf of DIR and/or a Customer by contractors other than Successful Respondent and its Subcontractors.

21 TRANSITION PLAN FOR EXPIRATION OF THE CTSA

Refer to Section 9, Termination Assistance, of the TEX-AN 2021 Statement of Work (SOW).

21.1 Scope

This transition plan for expiration of the CTSA addresses the orderly Transition to DIR, or the successor service provider, of all Services provided by Successful Respondent to DIR and/or Customers pursuant to a CSA through the CTSA, that has an expiration date beyond the Expiration Date of the CTSA (the Transition Effective Date), including planning activities which will be conducted prior to the Transition Effective Date. This transition plan does not apply to other contracts that Successful Respondent may hold with DIR outside the scope of this CTSA. Successful Respondent agrees that all references in this Article 21 to DIR, includes all employees of the agency and all designated contractors or consultants that may assist DIR in the Transition. DIR and Successful Respondent agree that the term "Transition" as used in this Article 21 means disposition from Successful Respondent to DIR, or the successor service provider, by any lawful method, including by sale and purchase, assumption, transfer, assignment, or other method.

21.2 General Statement for Transition

No later than twelve (12) months before the Transition Effective Date (commencement of Transition Period), Successful Respondent shall commence planning for the orderly Transition of all of the Services that have an expiration date beyond the Transition Effective Date under this CTSA to DIR or the successor service provider, in accordance with the terms of this Article, as the same may be amended from time to time. DIR and Successful Respondent desire to provide for the Transition of all things and matters comprising the Services, which have expiration dates beyond the Transition Effective Date. This Article shall not be construed narrowly, but broadly, to ensure the Transition of all Services with expiration dates beyond the Transition Effective Date occurs on or by that date. The parties do not intend for there to be residual Service-related matters that do not Transition on or by the Transition Effective Date.

21.3 Agreement for Transition Assistance Services

Transition Assistance Services, as specified in this Article 21, shall be provided from the commencement of the Transition Period and for up to twelve (12) months after the Transition Effective Date, unless further extended by the Parties. DIR will provide Successful Respondent with written notice of its intent to have Transition Assistance Services, in whole or in part, provided by Successful Respondent after the Transition Effective Date, by giving at least sixty (60) calendar days advance notice. Such notice shall contain a list of the specific Transition Assistance Services required and the duration for each of the Transition Assistance Services sought. Successful Respondent shall review the notice and provide a written proposal response for the specific services sought, as more particularly described in Section 21.04(b)(5), within thirty (30) calendar days of receipt of DIR's notice. The parties agree to negotiate in good faith to conclude a written agreement for the required Transition Assistance Services no later than one-hundred twenty (120) calendar days prior to the Transition Effective Date.

21.4 Transition Assistance Services

Transition Assistance Services shall include:

a) Full cooperation and participation in the Transition planning process, as more particularly described in Section 21.6, which shall commence no later than the commencement of the Transition Period, at DIR's sole and absolute discretion, and shall involve a series of meetings among the representatives of DIR, Vendor, the successor service provider, if known, representatives of Successful Respondent's current State agency Customers and other parties whose participation would enhance the planning process, which process is more fully described in Phase Four (4) set forth in this Section 21.4; and

b) Successful Respondent providing to DIR, or the successor Service Provider, all of the items and matters called out for in this Article 21, and other items or information reasonably necessary to complete the transition of the Services under the CTSA. Without limiting the foregoing, the Transition Assistance Services shall occur in five (5) phases:

    1) Phase 1 – Initial Reporting of Services Subject to Transition. On or by December 31st two (2) years prior to the Transition Effective Date, Successful Respondent shall provide a written report, in the form required by DIR, disclosing all Services, as of December 1st of the same year, that have expiration dates beyond the applicable Transition Effective Date under the CTSA. Without limiting the foregoing, Successful Respondent shall report on and include:

i. All Software that Successful Respondent uses to perform its Services with each Customer under each of the Services, including complete source and machine readable data, associated manuals, procedures, processes, documentation, descriptions, data files, specifications, configurations, and other such items as available in accordance with existing third party licensing agreements. For each item of Software listed, Successful Respondent shall provide a copy of the associated Software license held by Successful Respondent. Successful Respondent shall ensure the transferability of the associated licenses to a successor entity under conditions similar to that of this Transition with no fees or costs for Transition to DIR or the successor service provider, if any;

ii. All hardware and other Equipment, including all hardware leases for Equipment used to perform each Service, including leases which have a term beyond the Transition Effective Date. Successful Respondent shall provide a copy of the assignment/transfer and early termination clauses for each lease with a term beyond the Transition Effective Date and report on the status of transferability and any costs for transfer or early termination, if any. Successful Respondent shall report all known costs for transfer or termination of such leases, including the existing leases or as the same may be amended prior to the Transition Effective Date;

iii. All maintenance agreements for Software, hardware, or other Equipment and assets, including copies of their assignment/transfer and early termination clauses, a status report on transferability to DIR or its designee and the costs for transfer or early termination, if any;

iv. All third party supplier agreements, which have an effective date beyond the Transition Effective Date, including copies of their assignment/transfer and early termination clauses, a status report on transferability to DIR or its designee and the costs for transfer or early termination, if any;

v. Copies of the CSAs with the Customers for Services.

2) Phase 2 – Ongoing Reports on Services through the Transition Effective Date. Phase 2 is composed of five (5) activities, as listed below:

i. Follow Up Reporting. For each item reported in Phase I, Successful Respondent shall update DIR on a semi-annual basis up to the Transition Effective Date. The first such update after December 31st shall be due on or by June 30th of the following year.

ii. New TEX-AN 2021 CSA. For every CSA issued by Successful Respondent to a Customer between the initiation of the reporting period two (2) years out from the Transition Effective Date and the Transition Effective Date, Successful Respondent shall seek and receive DIR's approval prior to entering into any CSA. DIR shall be provided no less than five (5) Business Days in which to review the documentation for each proposed CSA, in substantially final form. In each instance Successful Respondent shall provide that the CSA contains: 1) a complete assignment or transfer to DIR, or its successor service provider, on or by the Transition Effective Date, preferably at no cost to DIR or its designee, and 2) a termination for convenience clause in favor of Successful Respondent and DIR in all such CSAs. Successful Respondent shall use commercially reasonable efforts to minimize the fee for assignment or transfer to DIR, or its successor service provider.

iii. Equipment Condition Report. Successful Respondent will develop a checklist and conduct checks/reviews of the installed Equipment and produce a report on or by six

(6) months prior to the Transition Effective Date. Such report shall detail, at a minimum, the then-current condition of each piece of installed Equipment and the preventative maintenance needed within the next six (6) months after the report is issued. For all items, Successful Respondent shall provide details about existing maintenance contracts.

iv. Subcontractor Report. On or by January 1st two (2) years prior to the Transition Effective Date, and semi-annually thereafter up to the Transition Effective Date, Successful Respondent shall identify all then-current Subcontracts that provide Services under any CSA issued pursuant to the CTSA, in a form and level of detail approved by DIR, in its sole and absolute discretion.

v. Notwithstanding any other provision in this Article 21, Successful Respondent agrees to provide another updated report for all CSAs on or by August 31st, one (1) year prior to the Transition Effective Date, and six (6) months prior to the Transition Effective Date.

3) Phase 3 – Completion of all documentation for Transition

i. DIR, or the successor service provider and Successful Respondent shall complete Transition associated documentation necessary to effect the Transition of all CSAs under the CTSA in a timely manner, including, at a minimum, the Transition of all CSAs reported to DIR under Subsections (1) and (2) hereof. Successful Respondent shall facilitate interactions and necessary documentation with third party vendors, its Subcontractors, lessors, and other providers, at the request of DIR, or at the request of the successor service provider. DIR reserves the right, in its sole and absolute discretion, to require that DIR, the successor service provider, and Successful Respondent conduct a formal closing for the Transition, in order to ensure the completion of all necessary documentation.

ii. DIR, or the successor service provider, shall cause each Transition document to provide the complete transfer of all right, title, and interest in and to the CSAs, including any related lease or third party contract related to the underlying Equipment, from Successful Respondent to DIR, or the successor service provider, effective as of the Transition Effective Date. Each Transition document shall also provide that from and after the Transition Effective Date, Successful Respondent shall have no obligation or liability to any third party vendor or lessor whatsoever related to the underlying Equipment. Successful Respondent shall ensure that the granting of such license, sublicense, assignment, and other relevant rights is not subject to third party approval or payment by DIR, Customer, or the successor service provider of license, assignment, or transfer fees or penalties. Successful Respondent shall have no responsibility to pay any third party vendor or lessor from and after the Transition Effective Date.

4) Phase 4 – Planning Phase for Transition from the CTSA to an Agreement with a successor service provider. Successful Respondent shall fully and completely participate in all meetings called by DIR for the purpose of planning and implementing the transition of CSAs from the CTSA to the successor service provider. The goal of this planning phase is to provide an orderly transition of CSA operations under the CTSA to the operations with a successor service provider. Such planning activities shall commence no later than January 1st of the year of the Transition Effective Date, at DIR's direction and shall continue until all transition activities are complete. These Transition activities shall include, but not be limited to, the following:

i. Pre-planning no later than January 1st to March 31st of the year of the Transition Effective Date. These DIR meetings will include the Successful Respondent's current Customers, as determined by DIR, the successor service provider, Successful Respondent, and DIR. The scope of the pre-planning is to plan for the transfers of the current Customers' CSA operations, scheduling of all necessary activities, development of roles and responsibilities matrix related to Transition of the CSA, and planning for all the other steps of the Transition process, as listed below. The goal of this pre-planning phase is to produce a mutually acceptable Transition Plan document that defines roles and responsibilities for accomplishing each step in the Transition among the participating parties.

ii. Turnover of CSA operations to the successor service provider. In each step in the Transition planning and execution process, Successful Respondent is required to provide information as requested by DIR, the successor service provider and /or the current Successful Respondent's Customers in accordance with the agreed upon Transition Plan. Such information shall include, but not be limited to the following tangible items and matters of inherent knowledge:

A. Assets Lists (hardware, Software, schematics, maintenance agreements, third party agreements)
B. Procedures
C. Policies
D. Practices
E. Protocols
F. Customer biographies
G. Organization charts
H. Customer and Successful Respondent (including Subcontractors) decision makers; authorized Successful Respondent Personnel
I. Institutional knowledge; unwritten rules; operational personnel; client background information; authorization lists;
J. Operational details
K. and
L. Quick reference manuals.

5) Phase 5 – Post-Transition Effective Date Services by Successful Respondent. At DIR's option, DIR will request and Successful Respondent shall respond with a proposal for Successful Respondent to provide assistance for continuing management and operation of the CSA as conducted under the CTSA for a period beyond Transition Effective Date up to one (1) year after the Transition Effective Date, but only upon the execution of an appropriate contract for such services, on terms and conditions as agreed by DIR, or the successor service provider, and Successful Respondent. In the event that DIR, or the successor service provider, requires the services of Successful Respondent during the Post-Transition Effective Date period, then DIR shall execute a separate agreement with Successful Respondent to provide services on a time and material basis.

21.5 Covenant of Cooperation

During the period of time from the commencement of the Transition, as defined, to the completion of Transition Assistance Services, Successful Respondent agrees to fully cooperate with DIR, and as appropriate, with the successor service provider, to fulfill the terms of the CTSA. DIR and Successful Respondent agree to fulfill the terms of this Article 21 in a manner that is the least disruptive to the Customers under the CSA. DIR and Successful Respondent agree to notify the other Party in the event

either discovers a condition, contract, or other matter that would benefit or adversely affect performance of the CSA, if generally known. In the event it is determined that amendment to this Article 21 is in the best interest of the State, Successful Respondent agrees to negotiate amendments to this Article 21 in good faith with DIR. In all events, the Parties agree to cooperate in the negotiation and execution of such other and further documents as necessary to fulfill the terms of this Article 21.

21.6 Other Successful Respondent Agreements with Customers

DIR and Successful Respondent agree that this Article does not apply to any other contracts that Successful Respondent has, or may have in the future, with Customer that are separate transactions from the CSA authorized under the CTSA.

22 MISCELLANEOUS

22.1 Entire Agreement

This CTSA, including with any documents, attachments, and exhibits specifically referred to herein or attached hereto, each of which is incorporated herein for all purposes, constitutes the entire agreement with respect to the subject matter hereof between the Parties. On execution of this CTSA, all prior agreements and understandings between the Parties relating to the subject matter hereof shall be null and void. The Parties specifically acknowledge that there are no unwritten side agreements or oral agreements between them which alter, amend, modify, or supplement this CTSA as of the Effective Date.

22.2 Counterparts

This CTSA may be executed in one (1) or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same single agreement. Electronic signatures shall be deemed original signatures.

22.3 Authority to Execute

IN WITNESS WHEREOF, the Parties have executed this TEX-AN 2021 Communications Technology Services Agreement in their capacities as stated below with authority to bind their organizations on the dates set forth by their signatures. This Agreement shall be effective from the date of the last signature thereto (the Effective Date).

Department of Information Resources

Signature on File

Amanda Crawford
Executive Director

11/5/2021

Date

M.H,

Legal

Cellco Partnership d/b/a Verizon Wireless

(Successful Respondent)

Signature on File

Todd Loccisano
Vice President – Contract Management

10/27/2021

Date

Exhibit A To TEX-AN 2021 Communications Technology Services Agreement

Between

The State of Texas, acting by and through the Texas Department of Information Resources

and

Cellco Partnership d/b/a Verizon Wireless(Successful Respondent)

EXHIBIT A.
DEFINITIONS

1 INTRODUCTION

The purpose of *Exhibit A Definitions* is to define certain terms used for the CTSA. This only contains definitions for words or phrases to which DIR is ascribing a special meaning. Words and phrases not listed here are to be given their usual definition within the context of the sentence in which they are used.

2 DEFINITIONS AND ACRONYMS

Term	Definition
ADA	Americans with Disabilities Act.
ADC	Austin Data Center.
Acceptance	Agreement from DIR and/or its Customer(s) that Service installations, moves, or changes have been successfully completed.
Adjustment	Correction to an Invoice resulting from a billing error or as a result of Billing Dispute reconciliation.
Administrative Fee	In general, the fee paid to DIR to defray the DIR costs of operating and administering the TEX-AN 2021 Program. The fee is a percentage applied to Successful Respondent's Service costs.
Affiliate	(i) Any person or entity directly or indirectly owning, controlling or holding, with power to vote, fifty percent (50%) or more of the outstanding voting securities of Successful Respondent; (ii) any person or entity for which fifty percent (50%) or more of the outstanding voting securities are directly or indirectly owned, controlled or held, with power to vote by Successful Respondent; or (iii) any person, or entity directly or indirectly controlling, controlled by, or under common control with, Successful Respondent.
Assignee	An individual or organization that receives an assignment of all or part of the interests of one of the Party's to the CTSA, and that undertakes to assume the responsibilities of that original Party.
Assurance	Set of processes used to maintain and guarantee the required performance of a Service.
Attachment	A form or document appended to an exhibit to the CTSA.
Authorized End Users or Authorized User	Individuals or organizations that are eligible to use the Services by statute, also known as **Customers.**
Availability	The ratio of the time when a Service is functional and available to the user for the performance of prescribed functions (e.g., to originate and terminate Calls) to the total amount of time in the reporting interval, minus scheduled maintenance Downtime. Availability is expressed as a decimal between 0 and 1 and is normally calculated for one (1) calendar month.
Bill	A formal statement of charges. See also Invoice.
Billing Dispute	A Billing Inquiry may lead to a written notice from the DIR or Customer to the Successful Respondent regarding an error in data or billing element requiring an adjustment or correction to the Monthly Consolidated Invoice which may include any applicable Credits.

Term	Definition
Billing Inquiry	Question or inquiry submitted by DIR or Customer to the Successful Respondent regarding billing which, if not satisfactorily resolved by DIR and the Successful Respondent, may result in a Billing Dispute.
Billing Plan	A plan submitted with Successful Respondent's Response demonstrating compliance with the RFO for billing matters. The final Billing Plan, as approved by DIR per Exhibit D, Billing Plan.
BMIC	Basic Maintenance of Internal Connections.
Business Day	Monday through Friday, excluding State holidays, 7:30 a.m. to 5:00 p.m. local time. State holidays will include all holidays with the status "All Agencies closed" as designated by the State Auditor's Office. State holidays will not include State optional holidays or holidays that require skeleton crews. If the CTSA calls for performance on a day that is not a Business Day, then performance is intended to occur on the next Business Day.
Cause	Has the meaning as provided in Section 17.3 of this CTSA.
CFO	Chief Financial Office.
Change(s)	Any planned modification to a Service Instance or to a Successful Respondent's network. Changes may include corrections, enhancements, modifications, additions, and replacements.
Commercially Available	As applied to a Service in a geographic area, a Service or related Service feature provided legally by a Successful Respondent to one (1) or more entities, which as independent entities from such Successful Respondent, use the Services for its legal commercial business purposes.
Comptroller of Public Accounts (CPA)	A State agency. The State's chief tax collector, accountant, revenue estimator and treasurer. CPA includes the Texas State Treasury.
Confidential Information	Is defined in CTSA Section 15.1(a).
Consolidated State Network	Means the consolidated telecommunications system as defined by Section 2170.001(a)(2), Texas Government Code, as the network of telecommunications services serving the State government. This Consolidated State Network is composed of DIR, Customer, and Successful Respondent Network segments as defined herein.
Contract (or CTSA)	Means the TEX-AN 2021 Communications Technology Services Agreement, or (CTSA) – The final version of this contractually binding agreement between the Texas Department of Information Resources and the Successful Respondent awarded pursuant to the RFO, including all exhibits and attachments thereto.
Contract Anniversary Date	The date marking the end of the period commencing on the Effective Date and ending one (1) year later and for each year in the Term thereafter.
Contract Holder(s)	Other Successful Respondents awarded a Contract pursuant to RFO DIR-CPO-TMP-552 and part of the TEX-AN 2021 Program.
Corrective Action Plan	Has the meaning assigned in Section 17.2, Tailored Remedies.
COTS	Commercial off-the shelf.
Credit(s)	Monetary assessments against amounts owed.
CTCD	Certified Texas Contract Developer.
CTCM	Certified Texas Contract Manager.

Term	Definition
CTS	Communication Technology Services.
Current Service Area	The geographic area where the Successful Respondent is currently providing Commercially Available services.
Customer	Any eligible purchaser of Services. Customers are defined in accordance with Section 2170.004, Texas Government Code.
Customer Circuit Record Code (CKR)	DIR internal tracking number based on the agency/division of the Customer and the type of Service ordered.
Customer Facilities	Building and infrastructure owned or operated by Customer.
Customer Network	Customer networks are built and maintained by the Customer. Customer Networks may or may not connect to the DIR Network or a Successful Respondent Network, depending upon whether the Customer needs access to Services provided by the DIR Network or a Successful Respondent Network. Network to network demarcation points are determined on a case by case basis depending upon type of Service.
Customer Premises Equipment (CPE)	All communications terminal Equipment that is located on the Customer's premises.
Data	Information available in physical and/or electronic form.
Data Destruction	Handling, securing and disposing of data in both physical and electronic form, in compliance with, federal and State Laws that include, but are not limited to: 1 Texas Administrative Code Chapter 202; Section 403.278, Texas Government Code; Chapter 2175, Texas Government Code; the Internal Revenue Code; the Fair and Accurate Credit Transactions Act; the Family Educational Rights and Privacy Act ; the Health Insurance Portability and Accountability Act of 1996 ; and the Gramm-Leach-Bliley Act.
Deficiency(ies)	Has the meaning as used in Section 17.2.2 of this CTSA.
Deliverable	A report or item that must be completed and delivered under the terms of the CTSA or a CSA. The measurable result or output of a process prepared, developed, or procured by Successful Respondent as part of the Services under the CTSA or a CSA.
Department of Information Resources (DIR)	State agency that oversees and assists in managing the information resource assets of the State pursuant to Chapters 2054, 2059, and 2170, Texas Government Code, as the same may be amended from time to time.
Descriptions	The description(s) of the awarded Services set forth in Exhibit B.
Developing Technologies	Includes technologies Respondents currently have and those that are in work and soon to become available.
DIR Contractor	Has the meaning as defined in Section 4.5 of this CTSA.
DIR Cooperative (Coop) Contracts Program	A streamlined cooperative purchasing program for state, local, public education, and other public entities within and outside the State of Texas, administered by the CPO of DIR.
DIR Facilities	Building and infrastructure owned or operated by DIR.
DIR Network(s)	The DIR Network provides connectivity for primarily State government agencies but also includes educational institutions, political subdivisions, and assistance organizations. Customer and Contract Holder Networks connect to the DIR Network for interconnectivity and for enterprise services such as connectivity to the State data centers and internet service.
DIR Rules	Rules and procedures promulgated by DIR in accordance with the Texas Administrative Procedures Act and Texas Administrative Code.

Term	Definition
Direct Sales Transaction Services	Direct Sales Transaction Services – Refer to Section 4.1 of this CTSA Services that are direct billed as determined by DIR.
Disentanglement	The process of winding up all issues in the business relationship between DIR, Customer, and Successful Respondent in the event of any termination of the CTSA. See Section 17.7, Payment and Other Provisions at CTSA Termination.
Disentanglement Plan	The plan developed and submitted by Successful Respondent and approved by DIR, in its sole and absolute discretion, to provide for the orderly and efficient winding up of the issues of the business relationship between Successful Respondent, Customer, and DIR in the event of any termination of the CTSA. See Section 17.7, Payment and Other Provisions at CTSA Termination.
Disputes	A Billing Dispute is a disagreement over the accuracy of charges in an Invoice either to DIR or a Customer. Other Disputes may be disagreements over actions taken or not taken pursuant to the CTSA or a CSA, which are subject to the provisions of Section 16.10 Dispute Resolution of the CTSA.
Downtime	Period of time when the system is unavailable, in whole or in part. Downtime may be scheduled or unscheduled.
DWDM	Dense wave division multiplexing.
Effective Date	The commencement date for the CTSA, which is the date on which the last Party signs the CTSA.
Electronic Administrative Update (EAU)	An electronic fast-track system process for the continuous improvement of the Rates to DIR and Prices available to the Customers under the CTSA, and other non-substantive administrative updates, without reliance on a formal amendment process.
Electronic State Business Daily	A web portal operated by the CPA, to which all State agencies must post procurement opportunities, in compliance with Section 2155.083, Texas Government Code.
Emerging Technologies	Any technology within scope of the RFO currently not available from a Successful Respondent that may become available during the term of the CTSA.
EPLS	Excluded Persons List System.
Equipment	Computer hardware, routers, telecommunication devices, peripherals, and similar materials (and all modifications, replacements, upgrades, enhancements, documentation, materials, and media related thereto) that are used or provided in connection with this CTSA or Services related to this CTSA.
ESBD	Electronic State Business Daily.
Executive Leadership Team	A committee of DIR executives tasked with helping resolve issues that may arise between DIR and Successful Respondent.
Expiration Date	As defined in CTSA Section 3.1.
Failure	A detected cessation of capability to perform a specified function or functions within previously established limits, which is beyond adjustment by the operator through means of controls normally accessible during routine operations of the system.
FCC	The Federal Communication Commission, with regulatory authority over the telecommunications industry, including certain telecommunications carriers.

Term	Definition
Feature	Additional capability beyond the basic Service that may be selected at the Customer's option. Features normally are separately priced, although some Features have been defined to be Not Separately Priced .
Force Majeure Event	An event experienced by a Party that is within the scope of the CTSA clause found at Section 8.3.2.
Government Entity or Entities	Has the meaning provided in Texas Government Code § 2170.004.
Grade of Service	A number of network design variables used to provide a measure of adequacy for a group of resources under specified conditions.
HUB	Historically Underutilized Business.
HSP	HUB Subcontracting Plan.
HVAC	Heating, ventilation, and air conditioning.
IC	Internal connections.
ID	Identification.
Independent Verification and Validation contractors	A third party provider of independent assessment and testing methodologies for quality assurance or performance verification purposes.
Initial Term	Has the meaning provided in Section 3.1 of the CTSA.
Intellectual Property	Any trademarks, patents, inventions, copyrights, trade secrets, or domain names created prior to, on, or after the Effective Date.
Invoice	Depending on the context in which used, may mean the Monthly Consolidated Invoice issued by Successful Respondent to DIR, or an Invoice issued to a Direct Sales Transaction Service Customer for Direct Sales Transaction Services. In the proper context, Invoice may refer to both types of Invoices.
Invoice File	Summarized Invoice data that are delivered by the Successful Respondent to DIR, or a Customer, in a machine-readable format.
IT	Information technology.
IVR	Interactive voice response.
Key Performance Indicator (KPI)	Measurable Service attribute that is critical to its proper functioning and delivery to the Customer.
LAN	Local area network.
Local Services	A type of Service as discussed in Section 11.2 e) of the SOW, which may be directly sold to Customers by Successful Respondent as set forth in Article 4 of the CTSA, if awarded to Successful Respondent under this CTSA.
Managed Network Services	Has the meaning set forth in RFO Section 2.1.a) including facility, power, and HVAC solutions.
Managed Services	Has the meaning set forth in RFO Section 2.1.
Management Plan(s)	Has the meaning provided in Section 2.3 and in the CTSA's Exhibit named Plans.
Marketing Plan	A plan submitted with Successful Respondent's Response to demonstrate Successful Respondent's resources and activities to promote the CTSA and gain Customers. The Marketing Plan, as approved by DIR, in its sole and absolute discretion, shall become an attachment to the CTSA.
Material Breach	Has the meaning set forth in Section 16.2 Tailored Remedies.
MIBS	Managed internal broadband services.
MPLS	Multiple protocol label switching.

Term	Definition
Monthly Consolidated Invoice	A formal, single statement of charges provided by Successful Respondent to DIR, which includes the Invoice file, Detailed Billing File, Adjustment file, and monthly informational memorandum for all Services provided by Successful Respondent.
Monthly Recurring Charge (MRC)	Regular fees repeatedly billed each month by Successful Respondents for Services performed. See also Non-Recurring Charge (NRC).
Move, Add, Change, or Delete (MACD)	Term describing a variance to Services.
Network Access	Has the meaning set forth in RFO Section 2.1.a) and 2.1.b).
Network Power Management Services	Has the meaning set forth in Section ??? of the SOW addressing Network Power Management Services and Section ??? of the SOW addressing Network Power Management Services Response Instructions.
Network Security Operations Center (NSOC)	The NSOC, which is owned by DIR, protects TEX-AN 2021 computer systems and information assets from unauthorized external intervention or improper use, in accordance with Chapter 2059, Texas Government Code.
Next Generation 911 (also NextGen 911)	Has the meaning set forth in Section ??? of the SOW addressing 911 Services to a 911 Administrative Entity and Section ??? addressing 911 Services to a 911 Administrative Entity Response Instructions.
Non-Recurring Charge (NRC)	Extraordinary or unusual fees that are unlikely to occur again in the normal course of performing Services. They include fees for facilities, Services, or products that occurred one time or infrequently. Examples include expedite fees, installations, or special construction.
Not Separately Priced (NSP)	The price and or cost for a particular cost or fee element which includes another cost or fee element.
NSOC	Network and security operations center.
Order	A request or authorization by DIR or Customer, as applicable, to acquire a Service.
Parties or Party	Has the meaning given in the Preamble to CTSA.
PBX	Private branch exchange.
Performance Data	Measured and recorded data that reflect resource utilization.
Performance Management	Has the meaning given in the Performance Management Exhibit.
Point of Presence (POP)	Successful Respondent-owned or controlled physical location (1) where Successful Respondent-owned or controlled network facilities used to provide Services are located and (2) where access to or from on-net locations is connected to the Successful Respondent's Network.
Prices	Are the values for Direct Sales Transaction Services as reflected in Exhibit B to the CTSA which Successful Respondent is allowed to directly bill to Customers and are composed of the Successful Respondent's price plus the Administrative Fee, and also includes the values billed to Customers by DIR acting as the Successful Respondent's billing agent.
Project	A transaction that requires special, custom, or unique treatment by the Successful Respondent due to size, complexity, or importance of the Services ordered.
Public Information	As defined by the Texas Public Information Act, Texas Government Code, Chapter 552.

Term	Definition
Public Safety	Has the meaning as describe in Section 4.1 of the SOW addressing 911 Services to a 911 Administrative Entity and in Section 11.9 of the SOW addressing 911 Services to a 911 Administrative Entity Response Instructions.
PUC	The Texas Public Utility Commission.
Purchase Order	DIR's or Customer's fiscal form or format, which is used when making a purchase of Services (e.g., formal written Purchase Order, Procurement Card, Electronic Purchase Order, or another authorized instrument).
Rates to DIR	The Successful Respondent's charges to DIR for Services, as established and agreed to between DIR and the Successful Respondent in the CTSA. Rates to DIR do not include the Administrative Fee.
Renewal Term(s)	Has the meaning set forth in Section 3.2 of the CTSA.
Request for Offer (RFO)	Has the meaning given in the Preamble to the CTSA.
Respondent	A firm, company, entity or individual that responds to the solicitation. Unless the Contract clearly indicates otherwise, all terms and conditions of the Contract that refer to Respondent apply with equal force to Successful Respondent.
Response	Has the meaning given in the Preamble to the CTSA.
RFO	Request for offer.
RFRO	Request for revised offer.
SAM	System for Award Management.
SD WAN	Software defined wide area network.
SDC	San Angelo Data Center.
SDN	Software defined networking.
Security Incident	An event which results in accidental or deliberate unauthorized access, exposure, loss, disclosure, modification, disruption, or destruction of information resources, including DIR or Customer data.
Service Level Agreement(s) (SLA(s))	Agreement between DIR and Successful Respondent which establishes the minimum standard of performance for Services by the Successful Respondent under the CTSA. Compliance with SLAs is determined by measurement of KPIs and AQLs. The SLA(s) also specifies the amount of Credit to which DIR or the Customer is entitled if the Successful Respondent fails to meet the applicable AQL.
Service Instance	Has the meaning as used in Section 2.4 of the CTSA's Performance Management Exhibit.
Service Order Completion Notice (SOCN)	Written notice from Successful Respondent that contains data elements notifying DIR and/or the Customer that the Service for a given Order has been fully installed and is ready for Acceptance (applies only where DIR serves as the billing agent for Customers).
Service(s)	Means the TEX-AN 2021 Communications Technology Services (TEX-AN 2021 Services) as specified in the CTSA and awarded under the CTSA.
SHB	Sam Houston building
SIM Platform	Security information management system hardware and Software that monitors the security of the DIR Network.
Small Office/Home Office (SO/HO) Internet Connectivity	A type of Service as specified in Section 4.1 of the CTSA, which may be directly sold to Customers by Successful Respondent as set forth in Article 4 Relationship among DIR, Successful Respondent, other TEX-AN 2021 Contract Holders, and Customers of the CTSA, if awarded to Successful

Term	Definition
	Respondent under this CTSA. Service available only to locations with twenty-five (25) or less Internet users per location.
Software	All Materials consisting of software programs and programming (and all modifications, replacements, Upgrades, enhancements, documentation, materials and media related thereto), including Antivirus Software, Application Software, Development Tools, and System Software.
State	The State of Texas.
Statement of Work (SOW)	Document used to clarify project requirements and document additional terms, conditions, and payment details for services rendered.
Stop Marketing Order	Has the meaning set forth in Section 16.2 Tailored Remedies.
STS	Share Technology Services.
Subcontract	Any written agreement between Successful Respondent and other third party to fulfill the requirements of this CTSA.
Subcontractor	A party to a Subcontract which is not the Successful Respondent.
Subcontractor Compliance Obligations	Has the meaning set forth in Section 6.3.5 Subcontractor's Compliance.
Successful Respondent	The entity(ies) awarded a CTSA under this solicitation.
Successful Respondent Network	A Successful Respondent Network is built and maintained by Successful Respondent for supporting Customer and DIR Requirements. A Successful Respondent Network provides Customer connectivity similar to the DIR Network. Successful Respondent Networks also provide access between Customer Networks and the enterprise services on the DIR Network.
Successful Respondent Personnel	People, including employees, agents, and individuals serving as subcontractors to the Successful Respondent.
Successful Respondent's Proprietary Software	All software owned by Successful Respondent or its Affiliates and used in providing the Services.
Technology Based Conferencing Services	Audio, video, and web-based conferencing services available as part of an integrated solution, or as a subscription-based solution, but does not include the sale of hardware. Conferencing hardware is available through DIR Cooperative Contracts.
Telecommunication Managed Services (or Telecom Managed Services)	Offerings include, but are not limited to, management of Customer owned, or Successful Respondent provided Equipment in support of management of call processing architecture, call centers or contact center services, interactive voice response (IVR)/auto-attendant services, managed private branch exchange (PBX) services, management of voice and data networks, network optimization services, and hosted solutions on a subscriptions basis. Services are negotiated through an SOW process and a sample SOW document is located as Appendix A.
Telecommunications Service Priority (TSP)	The Services identified by DIR, or per applicable laws and regulations, as Services for Successful Respondents to initiate, restore, or otherwise provide on a priority basis to ensure the continued effective operation of State-defined critical Services.

Term	Definition
Term	The period of time during which the CTSA is in effect between DIR and the Successful Respondent, as more particularly described in CTSA Article 3 Term.
TEX-AN	The activities and contracts authorized by Chapter 2170, Texas Government Code, administered by DIR on behalf of the State.
TEX-AN 2021 Communications Technology Services Agreement, or (CTSA)	The final version of this contractually binding agreement between DIR and the Successful Respondent, including all exhibits and attachments thereto.
TEX-AN Next Generation or TEX-AN NG	Means the current TEX-AN Program as it exists today.
TEX-AN 2021 Customer Services Agreement (CSA)	A contractual document containing the terms, conditions, and scope for Services to be deployed and operated under this CTSA, and executed by the Customer, Successful Respondent, and DIR. Attachments H-1 and H-2 contain the template for the form of TEX-AN 2021 Customer Services Agreement.
Texas.gov	Official State internet portal in accordance with Chapter 2054, Texas Government Code.
The Electronic Product Environmental Assessment Tool (EPEAT)	A method for purchasers (governments, institutions, consumers, etc.) to evaluate the effect of a product on the environment. It assesses various lifecycle environmental aspects of a device and ranks products as Gold, Silver, or Bronze based on a set of environmental performance criteria.
Transition	Process for the coordinated transfer of any Service from the outgoing contract holder at the termination or expiration of this CTSA to an incoming Successful Respondent.
Transition Assistance Services	Are defined as set forth in Section 21.4, Transition Assistance Services.
Transition Effective Date	Has the meaning set forth in Section 21.1, Scope.
Transition Period	Has the meaning set forth in Section 21.2, General Statement for Transition.
Transition Plan for Expiration of the CTSA (Transition Plan)	The plan for the period of time and activities for the transition of TEX-AN 2021 Services under this CTSA from the Successful Respondent to DIR or a successor service provider designated by DIR at the end of the Term. See Article 21 of the CTSA.
VIS	Vendor Information System.
Voice	Has the meaning described in Section 3.1, Voice Services of the SOW.
VPAT	Voluntary Product Accessibility Template.
WAN	Wide area network.
WCAG	Web content accessibility guidelines
Wired	In the context of this RFO, Wired refers to the transmission of data over a wire-based communication technology.
Wireless	In the context of this RFO, Wireless is the electromagnetic transfer of information between two or more points that are not connected by an electrical conductor.

— End of Exhibit A —

Exhibit B To TEX-AN 2021 Communications Technology Services Agreement

Between

The State of Texas, acting by and through the Texas Department of Information Resources

and

Cellco Partnership d/b/a Verizon Wireless(Successful Respondent)

EXHIBIT B.
DESCRIPTIONS, RATES TO DIR, PRICES, AND RELATED TELECOMMUNICATIONS FEES AND SURCHARGES FOR AWARDED SERVICES

1 INTRODUCTION

The purpose of Exhibit B is to address the agreed-upon Descriptions, Rates to DIR, Prices, and related telecommunications fees and surcharges for Awarded Services.

2 CONTRACTUAL PRINCIPLES

a) This Exhibit B addresses the following principles:

b) The specifics for the Descriptions, Rates to DIR, Prices, and related telecommunications fees and surcharges for Awarded Services within scope of this CTSA are contained in this Exhibit B, Attachment B-1 through Attachment B-4. The Successful Respondent's Descriptions, Rates to DIR, Prices, and fees are consistent with the terms of the CTSA.

c) The Marketing Plan is the Successful Respondent's projection of the activities it will engage in to maximize the economic value of the CTSA during the Term of the CTSA. The Marketing Plan includes a statement of operations for the awarded Services and the narrative discussion including all key assumptions, risks, and risk mitigation strategies used to generate Purchase Orders from Customers.

3 METHODOLOGY FOR UPDATING ASSOCIATED ATTACHMENTS

3.1 Recommendations

Either DIR or Successful Respondent may submit to the other Party a recommendation for changes to Attachment C-1. Such recommendation will be in writing and will:

a) Specifically identify the portion or portions of the Attachments to be changed,

b) Include the specific Rates to DIR, Prices, or telecommunications fees and surcharges to be changed and/or Descriptions to be altered in the Attachments, and

c) Identify the reasons for the proposal and anticipated revenue impact from the change or repercussions for Failure to adopt the change. A copy of the recommendation will be provided to the other Party. The Parties will use electronic communications to submit, review, and implement changes to the Attachments. Attachment changes shall be provided to Customers via the Successful Respondent's webpage and DIR's TEX-AN 2021 Program webpage.

3.2 Review and Input

a) DIR will determine whether input on the recommendation from other Customers is appropriate and will promptly circulate the recommendation to those identified. If DIR does request input from any Customer, DIR will require any input to be provided in writing and submitted within a

specified period of time, not to exceed thirty (30) Business Days from the date of the recommendation.

b) DIR and Successful Respondent will each receive a copy of the written input from the Customers, if applicable. The Party making the recommendation may propose adjustments to the recommendation to address any input of the Customers.

3.3 Approval

If DIR and Successful Respondent agree upon the recommendation, the Parties will execute a revision to Attachments, as applicable, which will be effective when signed by authorized representatives of both DIR and Successful Respondent. The revised Attachments will be posted in a location agreed to by Successful Respondent and DIR. Revisions may be in the form of electronic records of the new Descriptions, Rates to DIR, Prices, and/ or telecommunications fees and surcharges for changes to Attachment B-1. Successful Respondent shall update its webpage accessible to Customers immediately to have the revised portions of the Attachment B-1 available to Customers as soon as possible.

3.4 Appeal

If DIR and Successful Respondent cannot agree on a recommendation, the recommendation may be submitted to the Executive Leadership Team for resolution.

4 ATTACHMENTS TO EXHIBIT B

The following attachments are incorporated as part of Exhibit B*:*

Attachments to Exhibit B	Description and Contents
Attachment B-1 Descriptions, Rates to DIR, Prices, and related telecommunications fees and surcharges for Awarded Services	Attachment B-1 contains the Descriptions, Rates to DIR, Prices, and the telecommunications fees and surcharges for the Awarded Services.
Attachment B-2 Descriptions, Rates to DIR, Prices and related telecommunications fees and surcharges for Carrier Class Services; and only applicable to Successful Respondents that are awarded Carrier Class Services.	Attachment B-2 contains service descriptions, rates to DIR and customer prices and related telecommunications fees, taxes and surcharges related to Carrier Class Services and include the respective administrative fee (12% for services where DIR acts as billing agent, and 4% for direct sales services) for services described therein. Attachment B-2 is attached to the CTSA as referenced here.
Attachment B-3 Descriptions, Rates to DIR, Prices and related telecommunications fees and surcharges for Wireless Services; and only applicable to Successful Respondents that are awarded Wireless Services.	Attachment B-3 contains service descriptions, rates to DIR and customer prices and related telecommunications fees, taxes and surcharges related to Wireless Services and include the respective administrative fee of 2% for services described therein. Attachment B-3 is attached to the CTSA as referenced here.
Attachment B-4 Descriptions, Rates to DIR, Prices and related telecommunications fees and surcharges for Telecom Managed Services; and only applicable to Successful Respondents that are awarded Telecom Managed Services.	Attachment B-4 contains service descriptions, rates to DIR and customer prices and related telecommunications fees, taxes and surcharges related to Telecom Managed Services and include the respective administrative fee of .50% for services described therein. There is no pricing related to Attachment B-4, but the Sample Statement of Work Template for Telecom Managed Services is included as an attachment to the CTSA.

Attachment B-1.

The parties will agree which services at what prices will be contained in the tables in this section.

1. **Wireless Services**
   Includes, but not limited to wireless voice, data and bundled plans, bundled mobile device and network management services, intelligent community services, wireless business services, microwaves, satellite voice plans, wireless WAN, and wireless broadband. Wireless Services awarded under this contract are those specifically stated in Attachment B-3 to Exhibit B

Pricing for services awarded under this contract can be found in Attachment B-2, and Attachment B-3.

— End of Exhibit B —

Exhibit C to TEX-AN 2021 Communications Technology Services Agreement

Between

The State of Texas, acting by and through the Texas Department of Information Resources

and

Cellco Partnership d/b/a Verizon Wireless(Successful Respondent)

EXHIBIT C.
PERFORMANCE MANAGEMENT

This Exhibit C is not applicable to this contract DIR-TELE-CTSA-003.

1 INTRODUCTION

The purpose of Exhibit C is to comprehensively address the agreed-upon Performance Management for delivery of awarded Services.

2 PERFORMANCE MANAGEMENT CONTRACTUAL PRINCIPLES

Exhibit C Performance Management addresses the following principles:

2.1 Credit Assessments

DIR has chosen to address a majority of the risks related to Successful Respondent performance through the assessment of Credits against Rates to DIR and Prices for Services. The following provisions form the basis for assessing Credits as described in the CTSA:

a) If the Successful Respondent does not fulfill its Services as specified under the CTSA, DIR and the Customers will be damaged;

b) Establishing the precise amount or value of such damage may be difficult to quantify; and

c) Except as otherwise provided in the CTSA, Credits will start to accumulate immediately following the end of the Service billing period in which an applicable SLA was not met.

2.2 Service Level Agreements (SLAs)

a) Successful Respondent will comply with the performance criteria outlined in this Exhibit C.

b) For each Service, Successful Respondent and DIR have agreed on acceptable SLAs and acceptable Credits associated with failure to deliver on each SLA, as set forth in Service Level Agreement (SLA) Plan. Successful Respondent will provide continuous improvement of the SLAs over the life of the CTSA. DIR and the Successful Respondent will review all of the SLAs on an annual basis.

c) All proposed plans and mechanisms to be used for reporting shall be subject to approval by DIR, and all approved SLAs will be governed by the CTSA, as well as any special provisions agreed upon by DIR, Customer, and the Successful Respondent with respect to each SLA and/or CSA.

2.3 Reporting

a) Failure of the Successful Respondent to submit the Management Plans required in Exhibit D Plans and Reports required in Attachment C-1 may result in Credits in the amount of $500 per day after a five (5) day cure period.

b) Due dates for the initial drafts and final drafts of the Management Plans are specified in Exhibit D Plans.

2.4 Service Instance Performance

a) The Successful Respondent will measure SLAs per Service as defined below, and report on performance as described in the CTSA.

b) Per Service, as applicable:

1) Mean Time to Repair
2) Service Availability
3) Latency
4) Packet Delivery Rate
5) Jitter
6) Chronic Outage

2.5 Reports

Tailored remedies as described in the CTSA, may be used by DIR if the Successful Respondent fails to produce and submit all required reports as documented by the schedule of reports agreed to by the Parties pursuant to the Master Vendor Reporting Guide and stated in this Attachment C-1. Successful Respondent will not be liable for any failure or delay in performing its obligations under this Section if such failure or delay is due to Force Majeure Events. Additional reporting may be required by DIR in accordance with the CTSA.

2.6 Reporting on Performance Management

All plans and mechanisms to be used for reporting shall be subject to approval by DIR.

3 Methodology for Updating Associated Attachment C-1

Attachment C-1 sets forth the actual reports related to Performance Management due on a monthly basis and as related to Successful Respondent business functions.

3.1 Recommendations

Either DIR or Successful Respondent may submit to the other Party a recommendation for changes to reports listed in Attachment C-1. Such recommendation will be in writing and will:

a) Specifically identify the portion or portions of the Master Vendor Reporting Guide to be changed,

b) Include the specific information to be changed and/or descriptions to be altered, and

c) Identify the reasons for the proposal and anticipated revenue impact from the change or repercussions for failure to adopt the change. A copy of the recommendation will be provided to the other Party. The parties will use electronic communications to submit, review, and implement changes to Master Vendor Reporting Guide and Attachment C-1. Attachment C-1 changes shall be provided to Customers via DIR's contract landing webpage.

3.2 Review and Input

a) DIR will determine whether input on the recommendation from other Customers is appropriate and will promptly circulate the recommendation to those identified. If DIR does request input from any Customer, DIR will require any input to be provided in writing and submitted within a

specified period of time, not to exceed thirty (30) Business Days from the date of the recommendation.

b) DIR and Successful Respondent will each receive a copy of the written input from the Customers, if applicable. The Party making the recommendation may propose adjustments to the recommendation to address any input of the Customers.

3.3 Approval

If DIR and Successful Respondent agree upon the recommendation, the Parties will execute a revision to Attachment C-1 or Master Vendor Reporting Guide, as applicable, which will be effective when signed by authorized representatives of both DIR and Successful Respondent. The revised Attachment C-1 will be posted in a location agreed to by Successful Respondent and DIR. Revisions may be in the form of electronic records of the new, or updated reports related to Attachment C-1 or the Master Vendor Reporting Guide.

3.4 Appeal

If the DIR and Successful Respondent cannot agree on a recommendation, the recommendation may be submitted to the Executive Leadership Team for resolution.

4 DOCUMENTS REFERENCED IN EXHIBIT C PERFORMANCE MANAGEMENT

4.1 Attachments to Exhibit C

Attachment C-1 is incorporated herein as part of Exhibit C Performance Management.

Attachment C-1. Tables reflecting Performance Measurement Reports due on a monthly basis

The tables in Attachment C-1 set forth the actual Performance Measurement Reports as related to Successful Respondent business functions.

(1) Change/Release Management Report.
(2) After Action Reports,
(3) Request for Change Report.
(4) Trouble Ticket Aging Report
(5) SLA Non-Compliance Report
(6) Outbound CDR Report
(7) Inbound CDR
(9) Marketing Report
(10) Invoice Summary Report
(11) Status for Projects by Customer Report
(12) HUB Subcontractor Report,
(13) Direct Sales Transactions Reports
(14) Monthly Recurring Charge (MRC) Report
(15) Non-Recurring Charge (NRC) Report
(16) Adjustments/Credits Report
(17) Long Distance (LD) Usage

— End of Exhibit C —

Exhibit D to TEX-AN 2021 Communications Technology Services Agreement

Between

The State of Texas, acting by and through the Texas Department of Information Resources

and

Cellco Partnership d/b/a Verizon Wireless (Successful Respondent)

EXHIBIT D.
PLANS

This Exhibit D is not applicable to this Contract DIR-TELE-CTSA-003, except for the Marketing Plan, which is required of all Successful Respondents.

1 INTRODUCTION

The purpose of Exhibit D Plans is to comprehensively address agreed-upon CTSA Management Plans related to services where DIR acts as the Successful Respondent's billing agent, with the exception of the Marketing Plan which is required of all Successful Respondents.

2 REQUIREMENTS

a) The Successful Respondent is responsible for Services delivered under the CTSA.

b) The Successful Respondent shall demonstrate strong project management practices.

c) The Successful Respondent shall create, maintain, implement, and update Management Plans in accordance with this Exhibit D.

d) Initial and final drafts of the Management Plans are to be submitted to DIR for approval within the timeframes specified in Table 1 of Section 4.2, Plans and Timelines in this Exhibit D.

e) The Successful Respondent will provide updated Management Plans annually or as requested by DIR.

f) The Management Plans and Services to be provided by Successful Respondent are included in Attachment D-1 to Exhibit D:

3 METHODOLOGY FOR UPDATING ASSOCIATED PLANS

3.1 Recommendations

Either DIR or Successful Respondent may submit to the other Party a recommendation for changes or additions to Plans. Such recommendation will be in writing and will:

a) Specifically identify the portion or portions of the plan to be changed,

b) Include the specific language to accomplish the proposed change, and

c) Identify the reasons for the proposal and anticipated improvements from the change or repercussions for failure to adopt the change. A copy of the recommendation will be provided to the other Party.

3.2 Review and Input

a) DIR will determine whether input on the recommendation from any other Customers is appropriate and will promptly circulate the recommendation to those identified. If DIR does request input from any other Customers, DIR will require any input to be provided in writing and submitted within a specified period of time, not to exceed sixty (60) Business Days from the date of the recommendation.

b) DIR and Successful Respondent will each receive a copy of the written input from the other Customers, if applicable. The Party making the recommendation may propose adjustments to the recommendation to address any input of the other Customers.

3.3 Approval

a) If DIR and Successful Respondent agree upon the recommendation, the Parties will execute a revision to the Plan, as applicable, which will be effective when signed by authorized representatives of both DIR and Successful Respondent and the revised Plan will be posted in a location agreed to by Successful Respondent and DIR.

b) An approved Plan revision resulting in a substantial change to CTSA operations may trigger a formal amendment process.

3.4 Appeal

If the DIR and Successful Respondent cannot agree on a recommendation, the recommendation may be submitted to the Executive Leadership Team for resolution.

4 DOCUMENTS REFERENCED IN EXHIBIT D PLANS

4.1 Attachments to Exhibit D

Once accepted by DIR, the final version of the Exhibit D attachments will be incorporated as part of Exhibit D Plans.

4.2 Exhibit D Plans

The following plans are associated with Exhibit D Plans:

4.2.1 Attachments D-1 through D-7 to be determined by the Parties and posted to the contract landing page on the DIR website.

Plan #	Management Plan Name
D1	Program Management Plan
D2	Marketing Plan
D3	Service Delivery & Order Process Plan
D4	Help Desk Plan
D5	Change Management Plan
D6	Service Level Agreement (SLA) Plan
D7	Billing Plan

— End of Exhibit D —

Exhibit E to TEX-AN 2021 Communications Technology Services Agreement

Between

The State of Texas, acting by and through the Texas Department of Information Resources

and

Cellco Partnership d/b/a Verizon Wireless (Successful Respondent)

EXHIBIT E.
INSURANCE

1 INTRODUCTION

The purpose of Exhibit E Insurance is to address the Successful Respondent insurance requirements for the CTSA.

2 INSURANCE CONTRACTUAL PRINCIPLES

a) Successful Respondent agrees to keep in full force and effect and maintain at its sole cost and expense the following policies of insurance with the specified minimum limits of liability during the term of this CTSA and shall provide proof of such insurance coverage to DIR within five (5) Business Days following the execution of the CTSA. Successful Respondent may not begin performance under the CTSA until such proof of insurance coverage is provided to, and approved by, DIR, in its sole and absolute discretion. All required insurance must be issued by companies whose A.M. Best Company Financial Strength Ratings are at least A – financially rated and duly licensed, admitted, and authorized to do business in the State. DIR will be named as Additional Insured on all required coverage (except for Worker's Compensation coverage). Notwithstanding the foregoing, the parties agree that Successful Respondent's carrier(s) for non-Worker's Compensation and non-Business Automobile Liability coverages may be a company other than one admitted in the State, so long as the company has a minimum A.M. Best Company Financial Strength Rating of A- and complies with all other requirements stated herein. The minimum acceptable insurance provisions are as follows:

1) Commercial General Liability: Commercial General Liability must include a combined single limit of $500,000 per occurrence for coverage A, B, & C including products/completed operations, where appropriate, with a separate aggregate of $500,000. The policy shall contain the following provisions:

   i. Blanket contractual liability coverage for liability assumed under the CTSA;

   ii. Independent Contractor coverage;

   iii. State, DIR and Customer listed as an additional insured;

   iv. Thirty (30)-day Notice of Termination in favor of DIR and/or Customer; and

   v. Waiver of Transfer Right of Recovery Against Others in favor of DIR and/or Customer.

2) Workers' Compensation Insurance: Workers' Compensation Insurance and Employers' Liability coverage must include limits consistent with statutory benefits outlined in the Texas Workers' Compensation Act (Art. 8308-1.01 et seq. Tex. Rev. Civ. Stat) and minimum policy limits for Employers' Liability of $250,000 bodily injury per accident, $500,000 bodily injury disease policy limit, and $250,000 per disease per employee.

3) Business Automobile Liability Insurance: Business Automobile Liability Insurance must cover all owned, non-owned, and hired vehicles with a minimum combined single limit of $500,000 per occurrence for bodily injury and property damage. Alternative acceptable limits are $250,000 bodily injury per person, $500,000 bodily injury per occurrence and at least $100,000 property damage liability per accident. The policy shall contain the following endorsements in favor of DIR and/or Customer:

i. Waiver of Subrogation;

ii. 30-day Notice of Termination; and

iii. Additional Insured.

4) Professional Liability (also known as Errors and Omissions Liability) and, as and to the extent becoming commercially available, Cyber Risk Insurance covering acts, errors and omissions arising out of Successful Respondent's operations or Services. The per claim and policy aggregate amount(s) shall be negotiated by the Parties.

b) Similar coverage as described above shall be required from Successful Respondent in each instance in which it agrees to perform work related to Services at a Customer's premises. A certificate of insurance demonstrating compliance with these coverages and listing the Customer as the additional Insured shall be provided to the Customer prior to Successful Respondent commencing work at a Customer's premises.

3 Methodology for Updating Associated Exhibit E Attachments and Plans

There is no need to update Attachment E-1 Successful Respondent's Certificate of Insurance. Any changes to insurance requirements will be made at the exhibit level.

4 Documents Referenced in Exhibit E Insurance

4.1 Exhibit E Insurance Attachments

In Attachment E-1 Successful Respondent's Certificate of Insurance, Successful Respondent has included its Certificate of Insurance, which sets forth the Successful Respondent's insurance coverage.

Attachments to Exhibit E	Description
Attachment E-1 Successful Respondent's Certificate of Insurance	Successful Respondent's Certificate of Insurance

4.2 Attachment E-1. Successful Respondent's Certificate of Insurance

— End of Exhibit E —

Exhibit F to TEX-AN 2021 Communications Technology Services Agreement

Between

The State of Texas, acting by and through the Texas Department of Information Resources

and

Cellco Partnership d/b/a Verizon Wireless (Successful Respondent)

EXHIBIT F.
FORM OF TEX-AN 2021
CUSTOMER SERVICES AGREEMENT

1 INTRODUCTION

The purpose of *Exhibit F Form of TEX-AN 2021 Customer Services Agreement* is to address the agreed-upon form of the CSA.

2 CONTRACTUAL PRINCIPLES

a) Attachment F-1 TEX-AN 2021 Customer Service Agreement is the template for the Form of the CSA among DIR and Customer.

b) Attachment F-1 TEX-AN 2021 Customer Service Agreement is a template which will be the basis of negotiations with Customers, and contains the terms and conditions between and among the Customer and DIR. The terms and conditions of a CSA may be negotiated to meet Customer business needs, so long as the CSA terms and conditions do not conflict with or weaken the terms of the CTSA.

3 METHODOLOGY FOR UPDATING ASSOCIATED EXHIBIT ATTACHMENT

3.1 Recommendations

In addition to negotiations with Customers to reach an acceptable CSA, DIR or Customer may submit to the other Party a recommendation for changes or additions to Attachment F-1 TEX-AN 2021 Customer Service Agreement. Such recommendation will be in writing and will:

a) Specifically identify the portion or portions of the attachment requested to be changed,

b) Include the specific language to accomplish the proposed change, and

Identify the reasons for the proposal and anticipated improvements from the change or repercussions for failure to adopt the change.

4 DOCUMENTS REFERENCED IN EXHIBIT F FORM OF TEX-AN 2021 CUSTOMER SERVICES AGREEMENT

The following attachments are incorporated as part of Exhibit F Form of TEX-AN 2021 Customer Services Agreement:

Attachments to *Exhibit F*	Description and Contents
Attachment F-1 Form of TEX-AN 2021 Customer Services Agreement	*Attachment F-1 Form of TEX-AN 2021 Customer Services Agreement* provides the agreement to be executed by authorized representatives of the Customer and DIR to maximize standardization of the terms and conditions and provide DIR the opportunity for oversight of the contractual relationship between Customer and DIR.

CITY OF BAYTOWN, TEXAS
INDEBTEDNESS CERTIFICATION

Project Name: Consider an ordinance authorizing the purchase of wireless voice and data services, along with associated equipment, from Verizon Wireless through the Texas Department of Information Resources cooperative contract DIR-TELE-CTSA-003

Company Name: Verizon Wireless

Department: Information Technology Service (ITS)

Date: 04/07/2026 **Council Date:** 04/23/2026

A review of the above-described company was made in accordance with 2-663 of the City of Baytown Code of Ordinances and the aforementioned company was found:

☐ to be indebted to the City in the following areas:

_____

_____

_____

☑ not to be indebted to the City.

It is hereby certified the above is true and correct based on the best information available.

Director of Finance — Date: 04/07/2026

For information regarding this certificate, please contact the Finance Director at 281-420-6531.

If an appeal to this determination is to be filed under section 2-664 of this code, please forward to the following address:

City of Baytown
Director of Finance
P O Box 424
Baytown, TX 77522-0424

Amendment Number 3
to
Contract Number DIR-TELE-CTSA-003
between
State of Texas, acting by and through the Department of Information Resources
and
Cellco Partnership d/b/a Verizon Wireless

This Amendment Number 3 to Communications Technology Services Agreement ("CTSA") Number DIR-TELE-CTSA-003 ("the CTSA") is between the Department of Information Resources ("DIR") and Cellco Partnership d/b/a Verizon Wireless**,** ("Successful Respondent"). DIR and Successful Respondent agree to modify the terms and conditions of the **CTSA** as follows:

I. Pursuant to **Section 3**, **Term**, **Subsection 3.2, Extension(s)**, DIR and Successful Respondent hereby mutually agree to exercise one Renewal Term of the **CTSA** to extend the term for two (2) years through November 5, 2027, or until terminated pursuant to the termination clauses contained in the Contract.

II. **CTSA, Section 7.2, Notice,** is hereby amended to read as follows:

Any notice under this CTSA will be sufficient if delivered to the following persons or their successors:

If to Successful Respondent (including Legal Notice):

Cellco Partnership d/b/a Verizon Wireless
10170 Junction Drive, Floor 02
Annapolis Junction, Maryland 20701
Attention: Director - Contract Management

Billing Dispute Notices:

All Billing Dispute Notices must be submitted to
StateofTX@verizonwireless.com

If to DIR:

Chief Procurement Officer
Department of Information Resources
300 W. 15th St., Suite 1300
Austin, Texas 78701
Phone: (512) 475-4700

With copies to:
General Counsel
Department of Information Resources
300 W. 15th Street, Suite 1300
Austin, Texas 78701
Phone: (512) 475-4700
Facsimile:(512) 475-4759
DIRLegal@dir.texas.gov

All other terms and conditions of the CTSA as amended, not specifically modified herein, shall remain in full force and effect. In the event of conflict among the provisions, the order of precedence shall be this, Amendment 3, Amendment 2, Amendment 1 and then the CTSA.

{Remainder of page intentionally left blank}

IN WITNESS WHEREOF,
the parties hereby execute this amendment to be effective as of the date of last signature.

Cellco Partnership d/b/a Verizon Wireless

Authorized By: Signature on File

Name: Clifton G. Miller

Title: Sr. Director – Wireless Contracting

Date: 8/21/2025

The State of Texas, acting by and through the
Department of Information Resources

Authorized By: Signature on File

Name: Amanda Crawford

Title: Executive Director

Date: 8/28/2025

Office of General Counsel: Signature on File 8/28/2025

CITY COUNCIL MEETING 7. d.

Meeting Date: 04/23/2026

Subject: Consider Authorizing an Application for Funding from the Houston Ship Channel Security District - Police

Prepared for: John Stringer, Police **Prepared by:** Leasa Lopez, Finance

Department: Police

Information

ITEM

Consider a resolution authorizing the City Manager to submit a request for funding support to the Houston Ship Channel Security District on behalf of the City of Baytown Police Department.

PREFACE

This proposed resolution authorizes the City of Baytown (the "City") to submit a request for funding support to the Houston Ship Channel Security District ("District") on behalf of the City of Baytown Police Department. The District's mission is to provide an integrated strategy to increase the level of security for both the water and land facilities within the District. The District has funded or partially funded various projects in the past for both the Police and Fire Departments.

The City seeks Council approval to submit a request for 100% funding from the HSCSD for the project described below. If approved by Council and the District Board of Directors, no additional action will be required by the City. However, the District Board may require the City of Baytown to first submit a request for 75% funding for the project described below to the FY26 Port Security Grant Program funding in the amount of $94,089.00 and reduce the request for funding support to $31,363.00 for the required 25% local match for a total project cost of $125,452.00. These funds will be used for the purchase of one quarter-ton truck and trailer, one DIVE team response boat and DIVE team's communication equipment to enhance maritime response capabilities in the Houston Port Region. If the District's Board approves Baytown's request for funding for direct (100%) funding, the total award would be $125,452.00. If the Board only approves the 25% local match, that amount will be $31,363.00. If fully funded, the District's award combined, if approved, with the PSGP award provide 100% funding for the project.

Item	Unit Cost	Qty	75%	25%	100%
1/4 Ton Truck w/trailer	$65,770.00	1	$49,327.50	$16,442.50	$65,770.00
Response Boat	$47,112.00	1	$35,334.00	$11,778.00	$57,112.00
DIVE Comms Equipment	$12,570.00	1	$9,427.50	$3,142.50	$12,570.00
			$94,089.00	**$31,363.00**	**$125,452.00**

The truck/prime mover and trailer will be used to deploy the boat and DIVE team communications equipment to conduct response operations in support of the Houston Ship Channel Security District and Port Security Grant Program priorities and response areas.

Fiscal Impact

Fiscal Year: 2027

Acct Code: None

Source of Funds (Operating/Capital/Bonds): Grant

Funds Budgeted Y/N: N
Amount Needed: $125,452.00
Fiscal Impact (Additional Information):
Scenario 1: HSCSD Board of Directors approves 100% direct funding for project; there will be no local match; grant funds will be paid on a reimbursement basis.
Scenario 2: HSCSD Board of Directors approves 25% local match only **and** requires City of Baytown to apply to the FY26 Port Security Grant Program for 75% funding; there will be no local match for either award; funds from both HSCSD and PSGP will be paid on a reimbursement basis

- If the FY26 PSGP application is required and is funded at 75%; the HSCSD may choose to fund 25% required local match;
- If the FY26 PSGP application is required and is **not** funded at 75%;
    - The HSCSD has the option to:
        - decline to fund any portion of the project;
        - direct fund the project at 100%, or
        - direct fund 25% which would require the City of Baytown to fund the 75% difference.
            - The City would decline 25% funding as there is no local budget for the 75% project balance.

Attachments

Resolution Authorizing Submission of Request for Funding Support to the Houston Ship Channel Security District.vh
ReqFundSupp_BPD-DIVE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS, AUTHORIZING THE CITY MANAGER TO SUBMIT A REQUEST FOR FUNDING SUPPORT TO THE HOUSTON SHIP CHANNEL SECURITY DISCTRICT ON BEHALF OF THE BAYTOWN POLICE DEPART IN AN AMOUNT NOT TO EXCEED ONE HUNDRED TWENTY-FIVE THOUSAND FOUR HUNDRED FIFTY-TWO AND NO/100 DOLLARS ($125,452.00) FOR TRUCK, TRAILER, RESPONSE BOAT, AND COMMUNICATIONS EQUIPMENT FOR THE DIVE RESPONSE TEAM; DESIGNATING AN AUTHORIZED REPRESENTATIVE; AUTHORIZING THE REPRESENTATIVE TO ACCEPT OR AFFIRM ANY GRANT AWARD THAT MAY RESULT THEREFROM; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

Section 1: That the City Manager of the City of Baytown is hereby authorized to submit a request for funding support to the Houston Ship Channel Security District on behalf of the Baytown Police Department in an amount not to exceed ONE HUNDRED TWENTY-FIVE THOUSAND FOUR HUNDRED FIFTY-TWO AND NO/100 DOLLARS ($125,452.00), for a quarter ton truck with trailer, response boat, and communications equipment for the DIVE response team.

Section 2: That the City Manager is hereby designated as the authorized representative for all purposes under the grants and funding support programs.

Section 3: That the City Manager is hereby authorized to accept or affirm any grant award that may result from the above applications and requests for funding support.

Section 4: This resolution shall take effect immediately from and after its passage by the City Council of the City of Baytown.

INTRODUCED, READ and PASSED by the affirmative vote of the City Council of the City of Baytown this the 23rd day of April, 2026.

_____
CHARLES JOHNSON, Mayor

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

Houston Ship Channel Security District

Request for Funding Support

Project Title	Enhance DIVE Team Response Capabilities		
Organization	City of Baytown		
Project Manager:	Jeremy Cox; Grant Coordinator: Leasa Renteria Lopez		
Department:	Baytown Police Department/DIVE		
Address:	2401 Market Street, Baytown, Texas 77520		
Email:	Jeremy.cox@baytown.org and/or Leasa.Lopez@Baytown.org		
Telephone:	(713) 502-5057 (Cox) and/or 281-420-6509 or 713-898-2300 (Lopez)		
Start Date	End Date	Total Cost	Requested Funding
01/01/2027	12/31/2028	$125,452.00	$125,452.00

PROJECT/SERVICE(S)/EQUIPMENT SUMMARY:

The Baytown Police Department and Fire Department dive team is requesting a boat of specific design and specifications to get into water that is not accessible by traditional dive and safe boats. Examples of this is the water in between boats and bulkheads and small craft egress points, such as intercostals. This also includes shallow water inlets. Some of the areas cannot be accessed by land and there is a need for equipment and divers to be transported to those isolated areas. The boat requested has the capability of being dismantled, carried and reassembled in isolated areas that are not easily accessible by land or a boat launch. We are also requesting a communications equipment to compliment diver operations with the boat. Additionally, we are requesting a prime mover to assist in transporting the boat and communications equipment to a scene.

This capability is not currently available within the district. Baytown does not currently have this capability and it can enhance response and mitigation to an incident.

Funding requested is for items listed. Baytown will absorb maintenance and repair cost within its budget. No ongoing funding is being requested for this project.

Signature: Jason E. Reynolds, City Manager Date: 04/06/2026

District Administration will review your request and may follow up with further requests for information before submitting your request to the Board of Directors. Submission of a request does not guarantee project funding.

Houston Ship Channel Security District

Instructions:

1) Attach a detailed description of the project to be funded, including description of benefits to the District, project goals, objectives, timelines, target population, equipment to be purchased, infrastructure affected, regional security gaps addressed, etc.
2) Attach an initial budget for the project including costs of personnel, equipment, materials, travel, and first year operational costs. Include other sources and amounts of funding for this project including grant funds.
3) Attach an estimated budget for future annual operations and maintenance costs, including those costs for which you intend to seek District funding.
4) Attach a letter of support from your organization.
5) Submit this page, along with attachments and any other supporting documentation, to the District administration office at: Houston Ship Channel Security District, 4400 Highway 225

CITY COUNCIL MEETING 7. e.

Meeting Date: 04/23/2026
Subject: Consider an ordinance authorizing the first renewal for the Liquid Chlorine chemical contract with PVS DX, Inc.
Prepared for: Sharon Valiante, Public Works/Engineering/BAWA
Prepared by: Jamie Wimmer, Public Works/Engineering/BAWA
Department: Public Works/Engineering/BAWA

Information

ITEM
Consider an ordinance authorizing the first renewal of the Liquid Chlorine chemical contact with PVS DX, Inc.

PREFACE
This proposed ordinance authorizes the first renewal of the Liquid Chlorine chemical contract with PVS DX, Inc., for an amount not to exceed $438,600.00.

This agreement was approved at the Baytown Area Water Authority Meeting held on April 15, 2026.

Fiscal Impact

Fiscal Year:	2026
Acct Code:	35007030-52030
Source of Funds (Operating/Capital/Bonds):	Operating
Funds Budgeted Y/N:	Y
Amount Needed:	$438,600.00
Fiscal Impact (Additional Information):	

Attachments
Ordinance Approving 1st Renewal of BAWA Annual Liquid Chlorine Chemical Contract
Renewal Letter - PVS DX, Inc.
Original Agreement
Indebtedness Certification

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS APPROVING THE FIRST RENEWAL OF THE ANNUAL LIQUID CHLORINE PURCHASE AGREEMENT BETWEEN THE BAYTOWN AREA WATER AUTHORITY AND PVS DX, INC.; AUTHORIZING PAYMENT BY THE BAYTOWN AREA WATER AUTHORITY IN AN AMOUNT NOT TO EXCEED FOUR HUNDRED THIRTY-EIGHT THOUSAND SIX HUNDRED AND 00/100 DOLLARS ($438,600.00); MAKING OTHER PROVISIONS RELATED THERETO; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

WHEREAS, the Baytown Area Water Authority contracted with PVS DX, Inc., for the Annual Liquid Chlorine Purchase Agreement; and

WHEREAS, the Annual Liquid Chlorine Purchase Agreement included an option by the parties to renew for additional one-year periods; and

WHEREAS, such Agreement can now be renewed for an additional one-year term and PVS DX, Inc., has indicated its willingness to renew the Agreement for an additional year; and

WHEREAS, the Baytown Area Water Authority's enabling legislation requires that the City Council approve certain agreements before the Baytown Area Water Authority ("BAWA") enters into the same; and

WHEREAS, the BAWA Board of Directors has reviewed the market conditions and recommends renewal as being in the best interest of the Baytown Area Water Authority; and

WHEREAS, the City of Baytown desires to approve the same, NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS

Section 1: That the City Council of the City of Baytown, Texas, hereby approves the first renewal of the Annual Liquid Chlorine Purchase Agreement between the Baytown Area Water Authority and PVS DX, Inc. for an amount not to exceed FOUR HUNDRED THIRTY-EIGHT THOUSAND SIX HUNDRED AND 00/100 DOLLARS ($438,600.00) and authorizes payment thereof.

Section 2: That the City Manager is hereby granted general authority to approve any change order involving a decrease or an increase in costs of FIFTY THOUSAND AND NO/100 DOLLARS ($50,000.00) or less, subject to the provision that the original contract price may not be increased by more than twenty-five percent (25%) or decreased by more than twenty-five percent (25%) without the consent of the contractor to such decrease.

Section 3: This ordinance shall take effect immediately from and after its passage by the City Council of the City of Baytown, Texas.

INTRODUCED, READ and PASSED by the affirmative vote of the City Council of the City of Baytown, Texas this the 23rd day of April, 2026.

_____
CHARLES JOHNSON, MAYOR

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

R:\Ordinances and Resolutions\Ordinance Drafts\2026-04-23\Approving 1st renewal.Annual Liquid Chlorine Purchase Agreement btw BAWA and PVS DX.kh.docx

5245 Sunbelt
Corpus Christi, Tx. 78408

March 4th, 2026

Attn: Christopher Wallace

Baytown Area Water Authority

RE: Request to extend Contract IFB B001-25
Liquid Chlorine

Mr. Wallace:

As stated in the above referenced formal bid and Contract, PVS DX, Inc., Inc. agrees to exercise a contract renewal/extension contained herein.

Whereas the Baytown Area Water Authority and PVS DX, Inc. have agreed to exercise this contractual clause, PVS DX, Inc. agrees to this contract renewal/extension with a delivered 200 one-ton cylinders, at a cost of $438,600.00.

PVS DX, Inc. agrees that this extension shall be on the same terms, conditions, and specifications as contained in the original Contract/Agreement Award Letter, from the Baytown Area Water Authority. Said Contract/Agreement will be extended for 1 year commencing on October 1th, 2025, and expiring on September 30th, 2026.

Company: _____

Agent Name: _____

Agent Signature: _____

Address: _____

City: _____ State: _____ Zip: _____

Respectfully submitted,

Alex Cobarrubias
RGV - Territory Manager
PVS DX, Inc.
713.551.3455
acobarrubias@pvschemicals.com

AGREEMENT FOR THE PURCHASE OF LIQUID CHLORINE

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This Agreement (this "Agreement") is entered into by and between PVS DX, Inc. (hereinafter "Vendor") and the Baytown Area Water Authority, a governmental agency and a body politic and corporation of the State of Texas, created pursuant to Chapter 600, Acts of the 63rd Legislature, regular Session, 1973 (hereinafter "BAWA").

1. Scope

This Agreement is for the purchase of Liquid Chlorine, 200-one-ton cylinders (the "Goods") for and on behalf of BAWA. This Agreement shall commence on the date of execution by the General Manager and shall terminate:

- ☐ upon delivery of the Goods in accordance with paragraph 2;
- ☒ Twelve (12]) months following execution by the General Manager, allowing for annual renewals; *or*
- ☐ the earlier of delivery of the Goods in accordance with paragraph 2 or number of months/days (spelled out) (number of months/days [numerical]) months/days following execution by the General Manager, allowing for annual renewals.

The Scope of Work is attached to this Agreement as Exhibit "A" and is fully incorporated by reference for all purposes.

2. Price and Delivery

a. BAWA shall pay Vendor the sum of up to Four hundred thirty eight thousand six hundred dollars ($438,600.00) for delivery of the Goods as follows:

i. Liquid Chlorine, one-ton cylinders
ii. Description of Goods
iii. Description of Goods
iv. Description of Goods
v. Description of Goods

b. Vendor shall not exceed the fixed contractual amount without written authorization in the form of a contract amendment.

c. Vendor shall invoice based upon conforming Goods actually delivered to BAWA. Vendor shall not invoice BAWA for services or expenses that were incurred more than sixty (60) days before the date of the invoice. Failure to timely invoice BAWA for services or expenses shall result in Vendor's invoice being denied.

d. In the event of a disputed or contested invoice, BAWA may withhold from payment that portion so disputed or contested, and the undisputed portion will be paid.

e. BAWA shall pay Vendor the maximum rate permitted by Chapter 2251 of the Texas Government Code on any past due payment not received within thirty (30) days after the payment due date. In accordance with § 2251.043, in a formal administrative or judicial action to collect an invoice payment or interest due under this chapter, the opposing party, which may be BAWA or Vendor, shall pay the reasonable attorney fees of the prevailing party.

f. Vendor is not authorized to ship the Goods under reservation and no tender of a bill of lading will serve as a tender of Goods.

g. The title and risk of loss of the Goods shall not pass to BAWA until BAWA actually receives and takes possession of the Goods at the point or points of delivery in Baytown, Texas.

h. Every tender or delivery of Goods must fully comply with all provisions of this Agreement as to time of delivery, quality and the like. If a tender is made which does not fully conform, this shall constitute a breach and Vendor shall not have the right to substitute a conforming tender, provided, where the time for performance has not yet expired, the Vendor may reasonably notify BAWA of its intention to cure and may then make a conforming tender within the contract time, but not afterward unless evidenced by BAWA's consent executed by the General Manager.

3. Insurance

Vendor shall procure and maintain at its sole cost and expense for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the purchase of the Goods hereunder by Vendor, its agents, representatives, volunteers, employees or subcontractors.

a. Vendor's insurance coverage shall be primary insurance with respect to BAWA, its officials, employees and agents. Any insurance or self-insurance maintained by BAWA, its officials, employees or agents shall be considered in excess of Vendor's insurance and shall not contribute to it. Further, Vendor shall include all subcontractors, agents and assigns as additional insureds under its policy or shall furnish separate certificates and endorsements for each such person or entity. All coverages for subcontractors and assigns shall be subject to all of the requirements stated herein.

The following is a list of standard insurance policies along with their respective minimum coverage amounts required in this Agreement:

i. Commercial General Liability
   - General Aggregate: $2,000,000
   - Products & Completed Operations Aggregate: $2,000,000
   - Personal & Advertising Injury: $1,000,000
   - Per Occurrence: $1,000,000
   - Fire Damage $500,000
   - Waiver of Subrogation required
   - Coverage shall be broad form
   - No coverage shall be deleted from standard policy without notification of individual exclusions being attached for review and acceptance.

ii. If Vendor drives in or on BAWA property or facilities, Business Automobile Policy
   - Combined Single Limits: $1,000,000
   - Coverage for "Any Auto"
   - Waiver of Subrogation required

iii. If Vendor has more than one employee and drives in or on BAWA property or facilities, Workers' Compensation
   - Statutory Limits
   - Employer's Liability $500,000
   - Waiver of Subrogation required

b. The following shall be applicable to all policies of insurance required herein:

i. Insurance carrier for all liability policies must have an A.M. Best Rating of A:VIII or better.

ii. Only insurance carriers licensed and admitted to do business in the State of Texas will be accepted.

iii. Liability policies must be on occurrence form. Errors and Omissions can be on claims-made form.

iv. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after thirty (30) days prior written notice by mail, return receipt requested, has been given to BAWA.

v. BAWA, its officers, agents and employees are to be added as Additional Insureds to all liability policies, with the exception of the Workers' Compensation and Errors and Omissions Policies required herein.

vi. Upon request and without cost to BAWA, certified copies of all insurance policies and/or certificates of insurance shall be furnished to BAWA.

vii. Upon request and without cost to BAWA, loss runs (claims listing) of any and/or all insurance coverages shall be furnished to BAWA.

viii. All insurance required herein shall be secured and maintained in a company or companies satisfactory to BAWA, and shall be carried in the name of Vendor. Vendor shall provide copies of insurance policies and endorsements required hereunder to BAWA on or before the effective date of this Agreement.

4. Indemnification and Release

VENDOR AGREES TO AND SHALL INDEMNIFY AND HOLD HARMLESS AND DEFEND THE BAYTOWN AREA WATER AUTHORITY, ITS OFFICERS, AGENTS, AND EMPLOYEES (HEREINAFTER REFERRED TO AS THE "BAWA") FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITY OF EVERY KIND, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, FOR INJURY TO OR DEATH OF ANY PERSON, FOR DAMAGE TO ANY PROPERTY OR FOR ANY BREACH OF CONTRACT TO THE EXTENT ARISING OUT OF OR IN CONNECTION WITH AN ACT OF NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY THE VENDOR OR THE VENDOR'S AGENT, VENDOR UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH THE VENDOR EXERCISES CONTROL (COLLECTIVELY, VENDOR'S PARTIES). IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO, BOTH VENDOR AND BAWA, THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH IS INDEMNITY BY VENDOR TO INDEMNIFY AND PROTECT BAWA FROM THE CONSEQUENCES OF VENDOR'S PARTIES' OWN WILLFUL MISCONDUCT, JOINT OR SOLE NEGLIGENCE, AS WELL AS THE VENDOR'S PARTIES' INTENTIONAL TORTS, INTELLECTUAL PROPERTY INFRINGEMENTS, AND FAILURES TO MAKE PAYMENTS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT. SUCH INDEMNITY SHALL NOT APPLY, HOWEVER, TO LIABILITY ARISING FROM THE PERSONAL INJURY, DEATH, OR PROPERTY DAMAGE OF PERSONS THAT

IS CAUSED BY OR RESULTS FROM THE NEGLIGENCE OF ANY PERSON OTHER THAN THE VENDOR'S PARTIES. IN THE EVENT THAT ANY ACTION OR PROCEEDING IS BROUGHT AGAINST BAWA FROM WHICH BAWA IS INDEMNIFIED, VENDOR FURTHER AGREES AND COVENANTS TO DEFEND THE ACTION OR PROCEEDING BY LEGAL COUNSEL ACCEPTABLE TO BAWA. THE INDEMNITY PROVIDED HEREINABOVE SHALL SURVIVE THE TERMINATION AND/OR EXPIRATION OF THIS AGREEMENT.

By this Agreement, BAWA does not consent to litigation or suit, and BAWA hereby expressly revokes any consent to litigation that it may have granted by the terms of this Agreement or any other contract or agreement, any charter, or applicable state law. Nothing herein shall be construed so as to limit or waive BAWA's immunity. Vendor assumes full responsibility for its services performed hereunder and hereby releases, relinquishes and discharges BAWA, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person (whether they be either of the parties hereto, their employees, or other third parties) and any loss of or damage to property (whether the property be that of either of the parties hereto, their employees, or other third parties) that is caused by or alleged to be caused by, arising out of, or in connection with Vendor's services to be performed hereunder. This release shall apply with respect to Vendor's services regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance.

5. Records

Within ten (10) days of BAWA's request and at no cost to BAWA, BAWA will be entitled to review and receive a copy of all documents relating to the purchase and delivery of the Goods.

6. Supervision of Vendor

Vendor is an independent contractor, and BAWA neither reserves nor possesses any right to control the details of the Goods provided by Vendor under the terms of this Agreement.

7. Billing

BAWA shall have thirty (30) days to pay Vendor's invoices from the date of receipt of such invoices and necessary backup information. All invoices must identify the Goods with specificity and the date(s) of the Goods' delivery. In the event of a disputed or contested invoice, the parties understand and agree that BAWA may withhold the portion so contested, but the undisputed portion will be paid. Vendor shall not invoice BAWA for Goods not provided. Invoices shall be received by BAWA no later than sixty (60) calendar days from the date Vendor delivers the Goods to BAWA. Failure by Vendor to comply with this requirement shall result in Vendor's invoice being denied and BAWA being relieved from any liability for payment of the late invoice.

8. Indebtedness

If Vendor, at any time during the term of this Agreement, incurs a debt, as that word is defined in section 2-662 of the Code of Ordinances of the City of Baytown, it shall immediately notify the City's Director of Finance in writing. If the City's Director of Finance becomes aware that Vendor has incurred a debt, the City's Director of Finance shall immediately notify Vendor in writing. If Vendor does not pay the debt within thirty (30) days of either such notification, the City's Director of Finance may deduct funds in an amount equal to the debt from any payments owed to Vendor under this Agreement, and Vendor waives any recourse therefor.

9. Verifications

If Vendor has ten (10) or more full-time employees and Vendor's total compensation under this Agreement has a value of One Hundred Thousand Dollars ($100,000.00) or more, Vendor makes the following verifications in accordance with Chapters 2271 and 2274 of the Texas Government Code:

a. the Vendor does not boycott Israel and will not boycott Israel during the term of the contract to be entered into with the Baytown Area Water Authority;
b. the Vendor does not boycott energy companies and will not boycott energy companies during the term of the contract to be entered into with the Baytown Area Water Authority; and
c. the Vendor does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

10. Governing Law

This Agreement has been made under and shall be governed by the laws of the State of Texas. The parties further agree that performance and all matters related thereto shall be in Harris County, Texas.

11. Notices

Unless otherwise provided in this Agreement, any notice provided for or permitted to be given must be in writing and delivered in person or by depositing same in the United States mail, postpaid and registered or certified, and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party. Notice deposited in the mail as described above shall be conclusively deemed to be effective, unless otherwise stated in this Agreement, from and after the expiration of three (3) days after it is so deposited.

For the purpose of notice, the addresses of the parties shall be as follows unless properly changed as provided for herein below:

For BAWA:

BAYTOWN AREA WATER AUTHORITY
Attn: Michael Gay
P. O. Box 424
Baytown, Texas 77522-0424

For Vendor:

PVS DX, Inc
Alex Cobarrubias
1919 Jacinto Port Blvd.
Houston, TX 77015

Each party shall have the right from time to time at any time to change its respective address and each shall have the right to specify a new address, provided that at least fifteen (15) days written notice is given of such new address to the other party.

12. No Third-Party Beneficiary

This Agreement shall not bestow any rights upon any third party, but rather, shall bind and benefit Vendor and BAWA only.

13. No Right to Arbitration

Notwithstanding anything to the contrary contained in this Agreement, BAWA and Vendor hereby agree that no claim or dispute between BAWA and Vendor arising out of or relating to this Agreement shall be decided by any arbitration proceeding, including, without limitation, any proceeding under the Federal Arbitration Act (9 U.S.C. Sections 1-14), or any applicable State arbitration statute, including, but not limited to, the Texas General Arbitration Act, provided that in the event that BAWA is subjected to an arbitration proceeding notwithstanding this provision, Vendor consents to be joined in the arbitration proceeding if Vendor's presence is required or requested by BAWA of complete relief to be recorded in the arbitration proceeding.

14. Waiver

No waiver by either party to this Agreement of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

15. Complete Agreement

This Agreement represents the entire and integrated Agreement between BAWA and Vendor in regard to the subject matter hereof and supersedes all prior negotiations, representations or agreements, whether written or oral, on the subject matter hereof. This Agreement may only be amended by written instrument approved and executed by both of the parties. BAWA and Vendor accept and agree to these terms.

16. No Assignment

Vendor may not sell or assign all or part interest in this Agreement to another party or parties without the prior express written approval of the General Manager of such sale or assignment. BAWA may require any records or financial statements necessary in its opinion to ensure such sale or assignment will be in the best interest of BAWA.

17. Headings

The headings used in this Agreement are for general reference only and do not have special significance.

18. Severability
All parties agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not affect any other term of this Agreement, which shall continue in full force and effect.

19. Ambiguities
In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

20. Authority
The officers executing this Agreement on behalf of the parties hereby represent that such officers have full authority to execute this Agreement and to bind the party he/she represents.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of which shall be deemed to be an original, but all of which shall constitute but one and the same Agreement on the 7th day of October, 2024 the date of execution by the General Manager of the Baytown Area Water Authority.

BAYTOWN AREA WATER AUTHORITY

for JASON E. REYNOLDS, General Manager
Brant Gary, Asst. City/Gen. Mgr.

ATTEST:

ANGELA JACKSON, Assistant Secretary

Legal

VENDOR:

PVS DX, INC.

Kurt Filer
(Signature)

Kurt R. Filer
(Printed Name)

President
(Title)

STATE OF Texas §
§
COUNTY OF Harris §

Before me on this day personally appeared Kurt R. Filer, in his/her capacity as President, on behalf of such PVS DX, Inc.,

☒ known to me;
☐ proved to me on the oath of _____; or
☐ proved to me through his/her current _____ {description of identification card or other document issued by the federal government or any state government that contains the photograph and signature of the acknowledging person}

(check one)

to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

SUBSCRIBED AND SWORN before me this 29th day of August, 2024.

Beverley S. Bates

Notary Public in and for the State of Texas

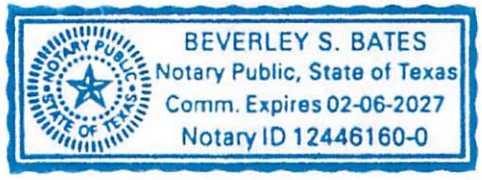


EXHIBIT A

SPECIFICATIONS (Minimum): The Baytown Area Water Authority (BAWA) seeks competitive bids for LIQUID CHLORINE. The purpose of these specifications is to describe the minimum requirements of BAWA for an annual LIQUID CHLORINE contract. The quantities on the Invitation to Bid are estimates. These estimates are for acquainting the Bidder with the probable quantities to be expected during the contract period. These estimates are not intended to set forth minimum or maximum quantities of this contract.

REQUIREMENTS: Any variance in any item must be specified clearly under the "Exceptions to Specifications" section in order to have a valid bid.

MATERIAL SPECIFICATIONS: LIQUID CHLORINE shall be 99.5 percent pure by volume AS DETERMINED BY ANALYZING THE CHLORINE BY THE METHOD DESCRIBED IN
Sec. 5.3.2.1, It shall be ANSI/**NSF** certified for Public Water Systems. Proof of certificate must be furnished with bid. The material supplied under these specifications shall contain no mineral or organic substances in quantities capable of producing deleterious or injurious effects upon the health of those consuming the water which has been treated with it and shall in all respects meet as a minimum the current minimum standard specifications of the American Water Works Association Standard B301-18 or the current Water Chemicals Codes (as published by the National Academy of Sciences), whichever is more restrictive unless otherwise specified in these specifications, for material used in the purification of municipal potable water supplies.

CYLINDER SPECIFICATIONS: All one-ton cylinders shall comply with the Interstate Commerce Commission Regulations and shall bear its stamp of approval. One-ton cylinders shall be marked with only one legible serial number clearly stamped in the metal. This cannot be on a tag or removable label. Any cylinder that does not conform to this requirement will not be accepted by BAWA and will be picked up and replaced at the Bidder's expense. Each cylinder shall have two (2) lead washers of appropriate size wired to each valve on the cylinder. BIDDER MUST GUARANTEE THAT ALL VALVES ON ALL CYLINDERS ARE PROPERLY TAGGED PRIOR TO EACH AND EVERY SHIPMENT. No cylinder shall have signs of mistreatment or abuse such as dents, gouges, or bulges. If BAWA determines that a cylinder has signs of mistreatment or abuse, BAWA will notify the Bidder and the Bidder shall pick up and replace the cylinder at the Bidder's expense. Nor shall any cylinder be in excess of the Knietch Temperature – Pressure Curve.
VALVES: The one-ton cylinder valves shall be standard chlorine valves and meet all the latest AWWA and Safety Standards. Any cylinders having defective valves are to be picked up and replaced without cost to BAWA within 12 hours of verbal notification. All Bidders must demonstrate the ability to react as stated in emergency response.

EMERGENCY RESPONSE: All Bidders must demonstrate the ability to react 24 hours a day, 365 days a year within one hour to any and all cylinder or valve emergencies, regardless of location, upon request by BAWA's authorized agent. BAWA shall bear no charge for such response(s), and Bidder shall replace defective cylinders and valves at no cost to BAWA.

SAFETY DATA SHEET (MSDS): In addition to proper labeling of hazardous chemicals, the Bidder shall supply BAWA with one (1) copy of the SDS for the product they are offering BAWA. **Bidder shall include an SDS with the Invitation to BID**. Bidder shall also provide an SDS with **each** product delivered in conformance with the Hazardous Substances Act pursuant to Chapter 501 of the Texas Health and Safety Code.

TRAINING AND LABELING: BAWA shall comply with the Texas Hazard Communication Act pursuant to Chapter 502 of the Texas Health and Safety Code. BAWA requires the Bidder, within thirty (30) days from award of contract, to provide instruction, documentation and/or any training program available regarding any hazardous chemical.

ORDERING DATA: Quantities of LIQUID CHLORINE shall be ordered on an as needed basis. A Purchase Order Number shall be issued at time of order.

SHIPPING AND HANDLING: The LIQUID CHLORINE is to be supplied in one-ton cylinders. The Cylinders are to be reconditioned, maintained, and loaded in strict accordance with the latest edition of "Container Procedure at LIQUID CHLORINE Packaging Plants", issued by the Chlorine Institutes, Inc. LIQUID CHLORINE shipping cylinders are to conform to applicable regulations of the Interstate Commerce Commission. All cylinders are to be carefully examined and any that show evidence of leakage, damage, or corrosion are to be rejected. Cylinders having a pressure exceeding the vapor pressure of LIQUID CHLORINE are to be rejected.

LOADING AND/OR UNLOADING: The Bidder is to be responsible for loading used cylinders and unloading full cylinders as well as any damages to property of BAWA caused by negligence on the part of the Bidder. Delivery trucks shall be equipped with a lifting device that will lift the cylinders from the truck and place them in racks provided for all deliveries. The operator of the truck shall be qualified to operate the lifting device safely to avoid accidental damage to the cylinders, rack, or other structures. The contract vendor will be responsible for the demurrage and repair of leaks on his system.

DELIVERY: LIQUID CHLORINE shall be delivered within five (5) working days after receipt of order but, if the need exists, delivery shall be made within twenty-four (24) hours if requested. **Appropriate documentation containing the information requested under invoicing shall be provided with all deliveries.** Truckload lots of one-ton cylinders shall be delivered to the chlorine rack at **Baytown Area Water Authority, 7425 Thompson Road, Baytown, TX 77521** The requirement of BAWA necessitates a minimum of ten (10) one-ton cylinders connected on the line at all times. The successful Bidder shall make provisions for the number of cylinders.

Liquid Chlorine (#9251965)
Owner: Baytown TX, City of
Solicitor: Baytown TX, City of
08/20/2024 10:00 AM CDT

						DXI Ind (PVS DX, Inc.)		Brenntag Southwest, Inc.	
Section Title	Line Item	Item Code	Item Description	UofM	Quantity	Unit Price	Extension	Unit Price	Extension
Liquid Chlorine							438,600.0000		495,800.0000
	1	1	Liquid Chlorine, one-ton cylinders, per specifications	EA	200	2,193.0000	438,600.0000	2,479.0000	495,800.0000
Base Bid Total:							438,600.0000		495,800.0000

CITY OF BAYTOWN, TEXAS
INDEBTEDNESS CERTIFICATION

BAWA Chemical Contract Renewal (Liquid Chlorine)

Project Name:

Company Name: PVS DX, Inc.

Department: Public Works/Engineering/BAWA

Date: 04/07/2026 **Council Date:** 04/23/2026

A review of the above-described company was made in accordance with 2-663 of the City of Baytown Code of Ordinances and the aforementioned company was found:

☐ to be indebted to the City in the following areas:

_____

_____

_____

☑ not to be indebted to the City.

It is hereby certified the above is true and correct based on the best information available.

Teresa McKenzie — 04/07/2026

Director of Finance — Date

For information regarding this certificate, please contact the Finance Director at 281-420-6531.

If an appeal to this determination is to be filed under section 2-664 of this code, please forward to the following address:

City of Baytown
Director of Finance
P O Box 424
Baytown, TX 77522-0424

CITY COUNCIL MEETING 7. f.

Meeting Date: 04/23/2026
Subject: Consider an ordinance authorizing the first renewal for the Liquid Cationic Polymer chemical contract with Polydyne Inc.
Prepared for: Sharon Valiante, Public Works/Engineering/BAWA
Prepared by: Jamie Wimmer, Public Works/Engineering/BAWA
Department: Public Works/Engineering/BAWA

Information

ITEM
Consider an ordinance authorizing the first renewal of the Liquid Cationic Polymer chemical contract with Polydyne Inc.

PREFACE
This proposed ordinance authorizes the first renewal of the Liquid Cationic Polymer chemical contract with Polydyne Inc., for an amount not to exceed $439,285.40.

This agreement was approved at the Baytown Area Water Authority Meeting held on April 15, 2026.

Fiscal Impact

Fiscal Year:	2026
Acct Code:	35007030-52030
Source of Funds (Operating/Capital/Bonds):	Operating
Funds Budgeted Y/N:	Y
Amount Needed:	$439,285.40
Fiscal Impact (Additional Information):	

Attachments
Ordinance Approving 1st renewal of Liquid Cationic Polymer Chemical Agreement btw BAWA and Poydyne
Renewal Letter - Polydyne, Inc.
Original Agreement
Indebtedness Certification

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS APPROVING THE FIRST RENEWAL OF THE ANNUAL LIQUID CATIONIC POLYMER PURCHASE AGREEMENT BETWEEN THE BAYTOWN AREA WATER AUTHORITY AND POLYDYNE, INC.; AUTHORIZING PAYMENT BY THE BAYTOWN AREA WATER AUTHORITY IN AN AMOUNT NOT TO EXCEED FOUR HUNDRED THIRTY-NINE THOUSAND TWO HUNDRED EIGHTY-FIVE AND 40/100 DOLLARS ($439,285.40); MAKING OTHER PROVISIONS RELATED THERETO; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

WHEREAS, the Baytown Area Water Authority contracted with Polydyne, Inc. for the Annual Liquid Cationic Polymer Purchase Agreement; and

WHEREAS, the Annual Liquid Cationic Polymer Purchase Agreement included an option by the parties to renew for additional one-year periods; and

WHEREAS, such Agreement can now be renewed for an additional one-year term; and

WHEREAS, Polydyne, Inc. has indicated its willingness to renew the Agreement for an additional year; and

WHEREAS, the Board has reviewed the market conditions and recommends renewal as being in the best interest of the Baytown Area Water Authority; and

WHEREAS, the Baytown Area Water Authority's enabling legislation requires that the City Council approve certain agreements before the Baytown Area Water Authority ("BAWA") enters into the same; and

WHEREAS, the City of Baytown desires to approve the same, NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

Section 1: That the City Council of the City of Baytown, Texas, hereby approves the first renewal of the Annual Liquid Cationic Polymer Purchase Agreement between BAWA and Polydyne, Inc. for an amount not to exceed FOUR HUNDRED THIRTY-NINE THOUSAND TWO HUNDRED EIGHTY-FIVE AND 40/100 DOLLARS ($439,285.40) and authorizes payment thereof.

Section 2: That the City Manager is hereby granted general authority to approve any change order involving a decrease or an increase in costs of FIFTY THOUSAND AND NO/100 DOLLARS ($50,000.00) or less, subject to the provision that the original contract price may not be increased by more than twenty-five percent (25%) or decreased by more than twenty-five percent (25%) without the consent of the contractor to such decrease.

Section 3: This ordinance shall take effect immediately from and after its passage by the City Council of the City of Baytown, Texas.

INTRODUCED, READ and PASSED by the affirmative vote of the Board of Directors of the Baytown Area Water Authority this the 23rd day of April, 2026.

_____
CHARLES JOHNSON, Mayor

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

R:\Ordinances and Resolutions\Ordinance Drafts\2026-04-23\Approving 1st renewal.Annual Liquid Cationic Polymer Purchase Agreement btw BAWA and Polydyne.kh.docx

SNF
WATER SCIENCE

polydyneinc.com

Emailed to: Christopher.Wallace@baytown.org

February 23, 2026
Revised: April 6, 2026

Chris Wallace
Superintendent
7425 Thompson Rd.
Baytown, TX 77521

SUBJECT: Polymer Contract Renewal - Baytown Area Water Authority - City of Baytown

Dear Mr. Wallace,

This letter confirms that the subject contract between Polydyne Inc. and the City of Baytown was renewed on October 1, 2025, for an additional one-year term at the below rates.

PRODUCT	UNIT PRICE	PACKAGE	TOTAL
CLARIFLOC C-308P	$0.756/LB. DELIVERED	2300 LB. TOTES	$83,462.40
	$0.65/LB. DELIVERED	FULL LIQUID BULK	$355,823.00

The original agreement provided 547,420 bulk pounds and 48 totes, representing a total contract value of $439,285.40.

We appreciate the opportunity to continue our partnership and remain committed to providing quality products and dependable service throughout the renewal term. Please let us know if you have any questions or require any additional documentation.

Sincerely,

Boyd Stanley
Sr. Vice-President

AGREEMENT FOR THE PURCHASE OF LIQUID CATIONIC POLYMER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This Agreement (this "Agreement") is entered into by and between Polydyne, Inc (hereinafter "Vendor") and the Baytown Area Water Authority, a governmental agency and a body politic and corporation of the State of Texas, created pursuant to Chapter 600, Acts of the 63rd Legislature, regular Session, 1973 (hereinafter "BAWA").

1. Scope

This Agreement is for the purchase of 547,420 bulk pounds and 48 totes Cationic Polymer (the "Goods") for and on behalf of BAWA. This Agreement shall commence on the date of execution by the General Manager and shall terminate:

☐ upon delivery of the Goods in accordance with paragraph 2;
☒ Twelve (12]) months following execution by the General Manager, allowing for annual renewals; *or*
☐ the earlier of delivery of the Goods in accordance with paragraph 2 or number of months/days (spelled out) (number of months/days [numerical]) months/days following execution by the General Manager, allowing for annual renewals.

The Scope of Work is attached to this Agreement as Exhibit "A" and is fully incorporated by reference for all purposes.

2. Price and Delivery

a. BAWA shall pay Vendor the sum of up to four hundred eighteen thousand eight hundred eighty-eight dollars and 40 cents ($418,888.40) for delivery of the Goods as follows:

i. Cationic Polymer, Bulk
ii. Cationic Polymer, Tote
iii. Description of Goods
iv. Description of Goods
v. Description of Goods

b. Vendor shall not exceed the fixed contractual amount without written authorization in the form of a contract amendment.

c. Vendor shall invoice based upon conforming Goods actually delivered to BAWA. Vendor shall not invoice BAWA for services or expenses that were incurred more than sixty (60) days before the date of the invoice. Failure to timely invoice BAWA for services or expenses shall result in Vendor's invoice being denied.

d. In the event of a disputed or contested invoice, BAWA may withhold from payment that portion so disputed or contested, and the undisputed portion will be paid.

e. BAWA shall pay Vendor the maximum rate permitted by Chapter 2251 of the Texas Government Code on any past due payment not received within thirty (30) days after the payment due date. In accordance with § 2251.043, in a formal administrative or judicial action to collect an invoice payment or interest due under this chapter, the opposing party, which may be BAWA or Vendor, shall pay the reasonable attorney fees of the prevailing party.

f. Vendor is not authorized to ship the Goods under reservation and no tender of a bill of lading will serve as a tender of Goods.

g. The title and risk of loss of the Goods shall not pass to BAWA until BAWA actually receives and takes possession of the Goods at the point or points of delivery in Baytown, Texas.

h. Every tender or delivery of Goods must fully comply with all provisions of this Agreement as to time of delivery, quality and the like. If a tender is made which does not fully conform, this shall constitute a breach and Vendor shall not have the right to substitute a conforming tender, provided, where the time for performance has not yet expired, the Vendor may reasonably notify BAWA of its intention to cure and may then make a conforming tender within the contract time, but not afterward unless evidenced by BAWA's consent executed by the General Manager.

3. Insurance

Vendor shall procure and maintain at its sole cost and expense for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the purchase of the Goods hereunder by Vendor, its agents, representatives, volunteers, employees or subcontractors.

a. Vendor's insurance coverage shall be primary insurance with respect to BAWA, its officials, employees and agents. Any insurance or self-insurance maintained by BAWA, its officials, employees or agents shall be considered in excess of Vendor's insurance and shall not contribute to it. Further, Vendor shall include all subcontractors, agents and assigns as additional insureds under its policy or shall furnish separate certificates and endorsements for each such person or entity. All coverages for subcontractors and assigns shall be subject to all of the requirements stated herein.

The following is a list of standard insurance policies along with their respective minimum coverage amounts required in this Agreement:

i. Commercial General Liability
   - General Aggregate: $2,000,000
   - Products & Completed Operations Aggregate: $2,000,000
   - Personal & Advertising Injury: $1,000,000
   - Per Occurrence: $1,000,000
   - Fire Damage $500,000
   - Waiver of Subrogation required
   - Coverage shall be broad form
   - No coverage shall be deleted from standard policy without notification of individual exclusions being attached for review and acceptance.

ii. If Vendor drives in or on BAWA property or facilities, Business Automobile Policy
   - Combined Single Limits: $1,000,000
   - Coverage for "Any Auto"
   - Waiver of Subrogation required

iii. If Vendor has more than one employee and drives in or on BAWA property or facilities, Workers' Compensation
   - Statutory Limits
   - Employer's Liability $500,000
   - Waiver of Subrogation required

b. The following shall be applicable to all policies of insurance required herein:

i. Insurance carrier for all liability policies must have an A.M. Best Rating of A:VIII or better.

ii. Only insurance carriers licensed and admitted to do business in the State of Texas will be accepted.

iii. Liability policies must be on occurrence form. Errors and Omissions can be on claims-made form.

iv. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after thirty (30) days prior written notice by mail, return receipt requested, has been given to BAWA.

v. BAWA, its officers, agents and employees are to be added as Additional Insureds to all liability policies, with the exception of the Workers' Compensation and Errors and Omissions Policies required herein.

vi. Upon request and without cost to BAWA, certified copies of all insurance policies and/or certificates of insurance shall be furnished to BAWA.

vii. Upon request and without cost to BAWA, loss runs (claims listing) of any and/or all insurance coverages shall be furnished to BAWA.

viii. All insurance required herein shall be secured and maintained in a company or companies satisfactory to BAWA, and shall be carried in the name of Vendor. Vendor shall provide copies of insurance policies and endorsements required hereunder to BAWA on or before the effective date of this Agreement.

4. Indemnification and Release

VENDOR AGREES TO AND SHALL INDEMNIFY AND HOLD HARMLESS AND DEFEND THE BAYTOWN AREA WATER AUTHORITY, ITS OFFICERS, AGENTS, AND EMPLOYEES (HEREINAFTER REFERRED TO AS THE "BAWA") FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITY OF EVERY KIND, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, FOR INJURY TO OR DEATH OF ANY PERSON, FOR DAMAGE TO ANY PROPERTY OR FOR ANY BREACH OF CONTRACT TO THE EXTENT ARISING OUT OF OR IN CONNECTION WITH AN ACT OF NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY THE VENDOR OR THE VENDOR'S AGENT, VENDOR UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH THE VENDOR EXERCISES CONTROL (COLLECTIVELY, VENDOR'S PARTIES). IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO, BOTH VENDOR AND BAWA, THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH IS INDEMNITY BY VENDOR TO INDEMNIFY AND PROTECT BAWA FROM THE CONSEQUENCES OF VENDOR'S PARTIES' OWN WILLFUL MISCONDUCT, JOINT OR SOLE NEGLIGENCE, AS WELL AS THE VENDOR'S PARTIES' INTENTIONAL TORTS, INTELLECTUAL PROPERTY INFRINGEMENTS, AND FAILURES TO MAKE PAYMENTS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT. SUCH INDEMNITY SHALL NOT APPLY, HOWEVER, TO LIABILITY ARISING FROM THE PERSONAL INJURY, DEATH, OR PROPERTY DAMAGE OF PERSONS THAT

IS CAUSED BY OR RESULTS FROM THE NEGLIGENCE OF ANY PERSON OTHER THAN THE VENDOR'S PARTIES. IN THE EVENT THAT ANY ACTION OR PROCEEDING IS BROUGHT AGAINST BAWA FROM WHICH BAWA IS INDEMNIFIED, VENDOR FURTHER AGREES AND COVENANTS TO DEFEND THE ACTION OR PROCEEDING BY LEGAL COUNSEL ACCEPTABLE TO BAWA. THE INDEMNITY PROVIDED HEREINABOVE SHALL SURVIVE THE TERMINATION AND/OR EXPIRATION OF THIS AGREEMENT.

By this Agreement, BAWA does not consent to litigation or suit, and BAWA hereby expressly revokes any consent to litigation that it may have granted by the terms of this Agreement or any other contract or agreement, any charter, or applicable state law. Nothing herein shall be construed so as to limit or waive BAWA's immunity. Vendor assumes full responsibility for its services performed hereunder and hereby releases, relinquishes and discharges BAWA, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person (whether they be either of the parties hereto, their employees, or other third parties) and any loss of or damage to property (whether the property be that of either of the parties hereto, their employees, or other third parties) that is caused by or alleged to be caused by, arising out of, or in connection with Vendor's services to be performed hereunder. This release shall apply with respect to Vendor's services regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance.

5. Records

Within ten (10) days of BAWA's request and at no cost to BAWA, BAWA will be entitled to review and receive a copy of all documents relating to the purchase and delivery of the Goods.

6. Supervision of Vendor

Vendor is an independent contractor, and BAWA neither reserves nor possesses any right to control the details of the Goods provided by Vendor under the terms of this Agreement.

7. Billing

BAWA shall have thirty (30) days to pay Vendor's invoices from the date of receipt of such invoices and necessary backup information. All invoices must identify the Goods with specificity and the date(s) of the Goods' delivery. In the event of a disputed or contested invoice, the parties understand and agree that BAWA may withhold the portion so contested, but the undisputed portion will be paid. Vendor shall not invoice BAWA for Goods not provided. Invoices shall be received by BAWA no later than sixty (60) calendar days from the date Vendor delivers the Goods to BAWA. Failure by Vendor to comply with this requirement shall result in Vendor's invoice being denied and BAWA being relieved from any liability for payment of the late invoice.

8. Indebtedness

If Vendor, at any time during the term of this Agreement, incurs a debt, as that word is defined in section 2-662 of the Code of Ordinances of the City of Baytown, it shall immediately notify the City's Director of Finance in writing. If the City's Director of Finance becomes aware that Vendor has incurred a debt, the City's Director of Finance shall immediately notify Vendor in writing. If Vendor does not pay the debt within thirty (30) days of either such notification, the City's Director of Finance may deduct funds in an amount equal to the debt from any payments owed to Vendor under this Agreement, and Vendor waives any recourse therefor.

9. Verifications

If Vendor has ten (10) or more full-time employees and Vendor's total compensation under this Agreement has a value of One Hundred Thousand Dollars ($100,000.00) or more, Vendor makes the following verifications in accordance with Chapters 2271 and 2274 of the Texas Government Code:

a. the Vendor does not boycott Israel and will not boycott Israel during the term of the contract to be entered into with the Baytown Area Water Authority;
b. the Vendor does not boycott energy companies and will not boycott energy companies during the term of the contract to be entered into with the Baytown Area Water Authority; and
c. the Vendor does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

10. Governing Law

This Agreement has been made under and shall be governed by the laws of the State of Texas. The parties further agree that performance and all matters related thereto shall be in Harris County, Texas.

11. Notices

Unless otherwise provided in this Agreement, any notice provided for or permitted to be given must be in writing and delivered in person or by depositing same in the United States mail, postpaid and registered or certified, and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party. Notice deposited in the mail as described above shall be conclusively deemed to be effective, unless otherwise stated in this Agreement, from and after the expiration of three (3) days after it is so deposited.

For the purpose of notice, the addresses of the parties shall be as follows unless properly changed as provided for herein below:

For BAWA:

BAYTOWN AREA WATER AUTHORITY
Attn: Michael Gay
P. O. Box 424
Baytown, Texas 77522-0424

For Vendor:

Polydyne, Inc
Boyd Stanley
One Chemical Plant Road
Riceboro, GA 31323

Each party shall have the right from time to time at any time to change its respective address and each shall have the right to specify a new address, provided that at least fifteen (15) days written notice is given of such new address to the other party.

12. No Third-Party Beneficiary

This Agreement shall not bestow any rights upon any third party, but rather, shall bind and benefit Vendor and BAWA only.

13. No Right to Arbitration

Notwithstanding anything to the contrary contained in this Agreement, BAWA and Vendor hereby agree that no claim or dispute between BAWA and Vendor arising out of or relating to this Agreement shall be decided by any arbitration proceeding, including, without limitation, any proceeding under the Federal Arbitration Act (9 U.S.C. Sections 1-14), or any applicable State arbitration statute, including, but not limited to, the Texas General Arbitration Act, provided that in the event that BAWA is subjected to an arbitration proceeding notwithstanding this provision, Vendor consents to be joined in the arbitration proceeding if Vendor's presence is required or requested by BAWA of complete relief to be recorded in the arbitration proceeding.

14. Waiver

No waiver by either party to this Agreement of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

15. Complete Agreement

This Agreement represents the entire and integrated Agreement between BAWA and Vendor in regard to the subject matter hereof and supersedes all prior negotiations, representations or agreements, whether written or oral, on the subject matter hereof. This Agreement may only be amended by written instrument approved and executed by both of the parties. BAWA and Vendor accept and agree to these terms.

16. No Assignment

Vendor may not sell or assign all or part interest in this Agreement to another party or parties without the prior express written approval of the General Manager of such sale or assignment. BAWA may require any records or financial statements necessary in its opinion to ensure such sale or assignment will be in the best interest of BAWA.

17. Headings

The headings used in this Agreement are for general reference only and do not have special significance.

18. Severability
All parties agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not affect any other term of this Agreement, which shall continue in full force and effect.

19. Ambiguities
In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

20. Authority
The officers executing this Agreement on behalf of the parties hereby represent that such officers have full authority to execute this Agreement and to bind the party he/she represents.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of which shall be deemed to be an original, but all of which shall constitute but one and the same Agreement on the 7th day of October, 2024, the date of execution by the General Manager of the Baytown Area Water Authority.

BAYTOWN AREA WATER AUTHORITY

for JASON E. REYNOLDS, General Manager
Brant Gary, Asst. City/Gen. Mgr.

ATTEST:

ANGELA JACKSON, Assistant Secretary

BAYTOWN AREA WATER AUTHORITY TEXAS

~~Legal~~

VENDOR:

POLYDYNE, INC.

(Signature)

Boyd Stanley
(Printed Name)

Sr. Vice-President
(Title)

STATE OF GEORGIA §
§
COUNTY OF LIBERTY §

Before me on this day personally appeared Boyd Stanley,
in his/her capacity as Sr. Vice-President, on behalf of such Polydyne Inc.,

- ☒ known to me;
- ☐ proved to me on the oath of _____; or
- ☐ proved to me through his/her current _____ {description of identification card or other document issued by the federal government or any state government that contains the photograph and signature of the acknowledging person}

(check one)

to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

SUBSCRIBED AND SWORN before me this 29th day of August, 20__.

Rebecca Beasley
Notary Public in and for the State of GEORGIA

My Commission Expires
December 17, 2026

REBECCA BEASLEY NOTARY PUBLIC Comm. Exp. 12/17/26 LIBERTY COUNTY, GA

EXHIBIT A

SCOPE:

The Baytown Area Water Authority (BAWA) seeks competitive bids for LIQUID CATIONIC POLYMER. The purpose of these specifications is to describe the minimum requirements of BAWA for an annual LIQUID CATIONIC POLYMER contract. The quantities on the Invitation to Bid are estimates. These estimates are for acquainting the bidder with probable quantities to be expected during the contract period. These estimates are not intended to set forth minimum or maximum quantities of this contract.

REQUIREMENTS:

Any variance in any item must be specified clearly under the "Exception to Specifications" section in order to have a valid bid.

MATERIAL SPECIFICATIONS:

1. The product delivered under this Specification must conform to the American National Standards Institute/National Sanitation Foundation Institute for Drinking-Water Treatment Chemical-Health Effects, ANSI/**NSF** 60, and to the American National Standards Institute/American Water Works Association standard B452-14 for LIQUID CATIONIC POLYMER or the most current AWWA standard.
2. The LIQUID CATIONIC POLYMER solution will be prepared so that a homogeneous, well-mix product is received at BAWA's location as identified in section 3.2 of these specifications.
3. The chemical and physical properties of the LIQUID CATIONIC POLYMER delivered under this Specification shall be as follows:

The vendor provides certification for each lot or batch number that meets the requirements of NSF/ANSI 60 and AWWA B452-14 or the latest revision. The certification must be received before shipment acceptance. A certificate of analysis will be provided with each batch or lot for the following tests. The acceptance criteria given below must be met.

Test Acceptance Criteria

• Active DADMAC	20 - 25% by weight
• Specific Gravity	1.02 - 1.05
• pH	3-7
• Relative density	1.0-1.2
• Decomposition Temperature	> 100

EMERGENCY RESPONSE:

All Bidders must demonstrate the ability to respond 24 hours a day, 365 days a year within one hour to any and all container, valve or any other delivery emergencies, regardless of location, upon request by BAWA's authorized agent. BAWA shall bear no charge for such response(s), and delays incurred in unloading shall be at no cost to BAWA.

SAFETY DATA SHEET:

In addition to proper labeling of hazardous chemicals, the Bidder shall supply BAWA with one (1) copy of the safety data sheet for the product they are offering BAWA. **BIDDER SHALL INCLUDE SDS SHEET WITH INVITATION TO BID.** Bidder shall provide SDS sheet with **each** product delivered in conformance with the Hazardous Substances Act pursuant to Chapter 501 of the Texas Health and Safety Code.

TRAINING AND LABELING:

BAWA shall comply with the Texas Hazard Communication Act pursuant to Chapter 502 of the Texas Health and Safety Code. BAWA requires the Bidder, within thirty (30) days from award of contract, to provide instruction, documentation and/or any training program available regarding any hazardous chemical.

ORDERING DATA:

Quantities of LIQUID CATIONIC POLYMER shall be ordered on an "as needed basis." A Purchase Order Number shall be issued at time of order.

SAMPLING OF MATERIAL:

Samples for certificate of analysis shall be analyzed in accordance with AWWA Standard B452- 14. BAWA may collect a 1-liter sample, in the presence of the vendor's driver, before unloading. The sample will be taken to the Lab where QC tests will be performed on the sample **BEFORE UNLOADING.**

REJECTION OF DELIVERY:

BAWA reserves the right to reject any truckload of LIQUID CATIONIC POLYMER that is not within the specified maximum and minimum limits that are listed in the "Material Specification" section. If BAWA reject any shipment for failure to meet specifications, the supplier has to supply a different shipment within 24 hours. Any additional expenses over the contract price shall be at the expense of the supplier. Any attempt to re-deliver any rejected material shall be cause to terminate any and/or all contracts from the supplier, and shall cause the supplier's name to be removed from the bid list.

The Bidder is to be responsible for the unloading of the LIQUID CATIONIC POLYMER. Delivery truck(s) shall be equipped with a pneumatic pump, air compressor, and a minimum of two 20-foot sections of discharge hose. Hose must be compatible for connection to 2-inch I. D. PVC pipes with "RF" flange, for all deliveries. The operator of the truck shall be qualified to operate the unloading equipment safely to avoid accidental damage to the storage tank, piping, or other structures. Contract vendor will be responsible for any and all repairs resulting from damages caused by delivery. Unloading will be halted any time a leak develops. The contract vendor will be responsible for the demurrage and repair of leaks on his system.

LOADING AND UNLOADING MATERIAL IN TOTES:

The Bidder is to be responsible for the loading or unloading of the totes. Baytown Area Water Authority does not have any equipment to load or unload totes from delivery trucks. The East Plant is equipped with a loading dock. The bidder is responsible for the return of the empty tote(s) to the supplier. **Equipment,**

such as a forklift and or pallet jack, to load or unload totes are the responsibility of supplier. The contract vendor will be responsible for the demurrage and repair of leaks on his system.

DELIVERY:

LIQUID CATIONIC POLYMER shall be delivered within five (5) working days after receipt of order but, if the need exists, delivery shall be made within twenty-four (24) hours if requested. **Appropriate documentation containing the information requested under "Invoicing" shall be provided with all deliveries.** Truckload deliveries shall be delivered at:

Baytown Area Water Authority - Main Plant
7425 Thompson Rd Baytown, Texas 77521

Baytown Area Water Authority - East Plant
5359 E. Grand Parkway S.

Baytown, Texas 77523

The requirements of BAWA necessitate a minimum of 1 (330 gallon) tote for the East Plant and/or 2,500 gallons for the Main Plant available at all times. The successful Bidder shall make provisions for the quantity of LIQUID CATIONIC POLYMER. No demurrage will be charged for the delivery. Each delivery shall be accompanied by a current SDS, certificate of analysis, and certificate of weight.

Liquid Cationic Polymer (#9251970)
Owner: Baytown TX, City of
Solicitor: Baytown TX, City of
08/20/2024 10:00 AM CDT

						Polydyne, Inc,	
Section Title	Line Item	Item Code	Item Description	UofM	Quantity	Unit Price	Extension
Cationic Polymer							$418,888.40
	1	1	Cationic polymenr, bulk, per specifications	LB	547420	$0.62	$339,400.40
	2	2	Cationic Polymer, 330-gallon tote	EA	48	$1,656.00	$79,488.00
Base Bid Total:							**$418,888.40**

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY
CERTIFICATION OF FILING

Certificate Number:
2024-1207862

Date Filed:
08/29/2024

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Polydyne Inc.
Riceboro, GA United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Baytown, Baytown Area Water Authority

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

B005-25
PURCHASE OF LIQUID CATIONIC POLYMER

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary

5 Check only if there is NO Interested Party. [X]

6 UNSWORN DECLARATION

My name is Boyd Stanley, Sr. Vice-President, and my date of birth is 04/10/1960.

My address is One Chemical Plant Road (street), Riceboro (city), GA (state), 31323 (zip code), USA (country).

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Liberty County, State of Georgia, on the 29th day of August (month), 20 24 (year).

Boyd Stanley
Sr. Vice-President
Signature of authorized agent of contracting business entity
(Declarant)

Baytown Area Water Authority

TEXAS GOVERNMENT CODE VERIFICATIONS

(for companies with 10 or more full-time employees entering to a contract with a value of $100,000 or more)

Pursuant to the Texas Government Code, I, Boyd Stanley, Sr. Vice-President, the undersigned representative of Polydyne Inc. (Company Name), do hereby verify the following for and on behalf of the above-referenced company (the "Company"):

a. the Company does not boycott Israel and will not boycott Israel during the term of the contract to be entered into with the Baytown Area Water Authority;

b. the Company does not boycott energy companies and will not boycott energy companies during the term of the contract to be entered into with the Baytown Area Water Authority; and

c. the Company does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

In making this verification, I understand that the following definitions apply:

1. "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

2. "Boycott energy company" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company:
   a. engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or
   b. does business with a company described by Paragraph (a).

3. "Discriminate against a firearm entity or firearm trade association" means, with respect to the entity or association, to:
   a. refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association;
   b. refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or
   c. terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association;

   but does not include:
   a. the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and
   b. a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship:
      (1) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or
      (2) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.

EXECUTED this the 13th day of August, 2024.

Polydyne Inc.
Company Name

Signature

Boyd Stanley, Sr. Vice-President
Printed Name/Title

STATE OF GA §
COUNTY OF Liberty §

Before me, Rebecca Beasley, the undersigned notary public, on this day personally appeared Boyd Stanley, the Sr. Vice-President (Title) of Polydyne Inc. (Company Name), known to me to be the person whose name is subscribed to the foregoing instrument, who after by me being duly sworn, did swear and affirm that the above is true and correct.

Given under my hand and seal of office this 13th day of August, 2024.

REBECCA BEASLEY NOTARY PUBLIC Comm. Exp. 12/17/26 LIBERTY COUNTY, GA

Notary Public in and for the State of GEORGIA

My Commission Expires
December 17, 2026

R:\Trevor\2270 forms\BAWAGovernmentCodeVerifications.docx

Orig. Dept.: _____ File/I.D. No.: _____

INSTRUCTION: ENTITIES USING AN ASSUMED NAME SHOULD DISCLOSE SUCH FACT TO AVOID REJECTION OF THE AFFIDAVIT. THE FOLLOWING FORMAT IS RECOMMENDED: CORPORATE/LEGAL NAME DBA ASSUMED NAME.

STATE OF GEORGIA §
§ AFFIDAVIT OF OWNERSHIP OR CONTROL
COUNTY OF LIBERTY §

BEFORE ME, the undersigned authority, on this day personally appeared Boyd Stanley [**FULL NAME**] (hereinafter "Affiant"), Sr. Vice-President [**STATE TITLE/CAPACITY WITH CONTRACTING ENTITY**] of POLYDYNE INC. [**CONTRACTING ENTITY'S CORPORATE/LEGAL NAME**] ("Contracting Entity"), who being by me duly sworn on oath stated as follows:

1. Affiant is authorized to give this affidavit and has personal knowledge of the facts and matters herein stated.

2. Contracting Entity seeks to do business with the City in connection with supplying and delivery of liquid cationic polymer [**DESCRIBE PROJECT OR MATTER**] which is expected to be in an amount that exceeds $50,000.

3. The following information is submitted in connection with the proposal, submission or bid of Contracting Entity in connection with the above described project or matter.

4. Contracting Entity is organized as a business entity as noted below (check box as applicable).

FOR PROFIT ENTITY:	NON-PROFIT ENTITY:
☐ SOLE PROPRIETORSHIP	☐ NON-PROFIT CORPORATION
☑ CORPORATION	☐ UNINCORPORATED ASSN.
☐ PARTNERSHIP	
☐ LIMITED PARTNERSHIP	
☐ JOINT VENTURE	
☐ LIMITED LIABILITY COMPANY	
☐ OTHER (Specify type in space below):	

_____

_____

_____

5. The information shown below is true and correct for the Contracting Entity and all owners of 5% or more of the Contracting Entity and, where the Contracting Entity is a non-profit entity, the required information has been shown for each officer. [NOTE: IN ALL CASES, USE FULL NAMES, LOCAL BUSINESS AND RESIDENCE ADDRESSES AND TELEPHONE

NUMBERS. DO NOT USE POST OFFICE BOXES FOR ANY ADDRESS. INCLUSION OF E-MAIL ADDRESSES IS OPTIONAL, BUT RECOMMENDED. ATTACH ADDITIONAL SHEETS AS NEEDED.]

Contracting Entity

Name: POLYDYNE INC.

Business Address [NO./STREET] One Chemical Plant Road

[CITY/STATE/ZIP CODE] Riceboro, GA 31323

Telephone Number (800) 848-7659 option 2

Email Address [OPTIONAL] bids@polydyneinc.com

Residence Address [NO./STREET] One Chemical Plant Road

[CITY/STATE/ZIP CODE] Riceboro, GA 31323

Telephone Number [OPTIONAL] (800) 848-7659 option 2

Email Address [OPTIONAL] bids@polydyneinc.com

5% or More Owner(s)/Officers of Non-Profit Corporation
(IF NONE, STATE "NONE.")

Name: NONE

Business Address [NO./STREET] _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address [OPTIONAL] _____

Residence Address [NO./STREET] _____

[CITY/STATE/ZIP CODE] _____

Telephone Number [OPTIONAL] (____) _____

Email Address [OPTIONAL] _____

6. Optional Information Contracting Entity and/or _____ [NAME OF

Orig. Dept.: _____ File/I.D. No.: _____

OWNER OR NON-PROFIT OFFICER] is actively protesting, challenging or appealing the accuracy and/or amount of taxes levied against _____ [**CONTRACTING ENTITY, OWNER OR NON-PROFIT OFFICER**] as follows:

Name of Debtor: _____

Type of Debt: _____

Account Nos.: _____

Case or File Nos.: _____

Attorney/Agent Name: _____

Attorney/Agent Phone No.: _____

Delinquent Years/Months: _____

Status of Appeal [DESCRIBE]: _____

_____

_____

Affiant certifies that he or she is duly authorized to submit the above information on behalf of the Contracting Entity, that Affiant is associated with the Contracting Entity in the capacity noted above and has personal knowledge of the accuracy of the information provided herein, and that the information provided herein is true and correct to the best of Affiant's knowledge and belief.

_____
Affiant

REBECCA BEASLEY NOTARY PUBLIC LIBERTY COUNTY, GA Comm. Exp. 12/17/26

SWORN TO AND SUBSCRIBED before me this 13 day of August, 2024.

(Seal)

_____
Notary Public in and for the State of GEORGIA

My Commission Expires December 17, 2026

NOTE:
This affidavit constitutes a government record as defined by Section 37.01 of the Texas Penal Code. Submission of a false government record is punishable as provided in Section 37.10 of the Texas Penal Code.

Attach additional pages if needed to supply the required names and addresses.

R:\Karen\Files\Contracts\Affidiavit of Ownership or Control.doc

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/28/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER

EPIC Insurance Brokers & Consultants
1140 Avenue of the Americas – 8th Floor
New York, NY 10036

CONTACT NAME: Andrea Kim
PHONE (A/C, No, Ext): 212.293-6203
FAX (A/C, No): 212.488.0220
E-MAIL ADDRESS: andrea.kim@epicbrokers.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: IRONSHORE SPECIALTY INSURANCE COMPANY	25445
INSURER B: HARTFORD FIRE INSURANCE COMPANY	19682
INSURER C: HARTFORD ACCIDENT AND INDEMNITY COMPANY	22357
INSURER D:	
INSURER E:	
INSURER F:	

INSURED

Polydyne Inc.
One Chemical Plant Road
PO Box 250
Riceboro GA 31323

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	Y		IEPICB5ZFB004	12/31/2023	12/31/2024	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$1,000,000 $500,000 $25,000 $1,000,000 $2,000,000 $2,000,000 $
B	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS	Y		10ABR30602	12/31/2023	12/31/2024	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$1,000,000 $ $ $ $
A	UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DED RETENTION $			IEELCASB5ZFD004	12/31/2023	12/31/2024	EACH OCCURRENCE AGGREGATE 	$5,000,000 $5,000,000 $
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y	10WNR30600	12/31/2023	12/31/2024	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $1,000,000 $1,000,000 $1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certification Holder, its officers, agents & employees are included as Additional Insured (except as respects all coverage afforded by the Workers Compensation policy) and Waiver of Subrogation is in favor of the certificate holder as their interest may appear as required by contract and subject to the policy terms conditions and exclusions. Both provisions are limited to the liability arising out of the operations of the Named Insured.
30 DAY CANCELLATION CLAUSE INCLUDED

CERTIFICATE HOLDER

City of Baytown
2123 Market Street
Baytown, TX 77520

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Andrea Kim

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CITY OF BAYTOWN, TEXAS
INDEBTEDNESS CERTIFICATION

Project Name: Consider an ordinance approving the bid award for the Annual Liquid Chlorine Contract

Company Name: Polydyne Inc

Department: Public Works/Engineering/BAWA

Date: 09/12/2024 **Council Date:** 09/26/2024

A review of the above-described company was made in accordance with 2-663 of the City of Baytown Code of Ordinances and the aforementioned company was found:

☐ to be indebted to the City in the following areas:

_____

_____

_____

☑ not to be indebted to the City.

It is hereby certified the above is true and correct based on the best information available.

Teresa McKee 09/12/2024

Director of Finance Date

For information regarding this certificate, please contact the Finance Director at 281-420-6531.

If an appeal to this determination is to be filed under section 2-664 of this code, please forward to the following address:

City of Baytown
Director of Finance
P O Box 424
Baytown, TX 77522-0424

EXCEPTIONS TO SPECIFICATIONS

If any item, material or equipment submitted as a part of this proposal does not fully meet or exceed the minimum specifications as published, the exception(s) MUST be listed on this sheet and attached to the bid.

Section	Item/Material/Equipment Proposed	Reason
None.		

If no exceptions are listed, it will be assumed that the proposal meets or exceeds the minimum specifications and any purchase as a result of this proposal will be contingent on that condition.

Company Polydyne Inc.

Agent _____

Boyd Stanley, Sr. Vice-President

PROPOSER'S CERTIFICATION

Section 2252.002 of the Texas Government Code provides as follows:

> A governmental entity may not award a governmental contract to a nonresident proposer unless the nonresident underbids the lowest proposal submitted by a responsible resident proposer by an amount that is not less than the amount by which a resident proposer would be required to underbid the nonresident proposer to obtain a comparable contract in the state in which the nonresident's principal place of business is located.

In providing the certification below, please make note of the following definitions:

> "Governmental contract" means a contract awarded by a governmental entity for general construction, an improvement, a service, or a public works project or for a purchase of supplies, materials, or equipment.
>
> "Nonresident proposer" refers to a person who is not a resident.
>
> "Resident proposer" refers to a person whose principal place of business is in this state, including a proposer whose ultimate parent company or majority owner has its principal place of business in this state.

I certify that _____ is a resident proposer as defined hereinabove.
(Company Name)

Signature: _____

Print Name: _____

I certify that Polydyne Inc. is a nonresident proposer as
(Company Name)
defined hereinabove and our principal place of business is Riceboro, GA.

Signature: _____

Print Name: Boyd Stanley, Sr. Vice-President

Liquid Cationic Polymer (#9251970)
Owner: Baytown TX, City of
Solicitor: Baytown TX, City of
08/20/2024 10:00 AM CDT

						Polydyne, Inc,	
Section Title	Line Item	Item Code	Item Description	UofM	Quantity	Unit Price	Extension
Cationic Polymer							$418,888.40
	1	1	Cationic polymenr, bulk, per specifications	LB	547420	$0.62	$339,400.40
	2	2	Cationic Polymer, 330-gallon tote	EA	48	$1,656.00	$79,488.00
Base Bid Total:							**$418,888.40**

CITY OF BAYTOWN, TEXAS
INDEBTEDNESS CERTIFICATION

BAWA Chemical Contract Renewal (Liquid Cationic Polymer)

Project Name:

Company Name: Polydyne, Inc.

Department: Public Works/Engineering/BAWA

Date: 04/08/2026 **Council Date:** 04/23/2026

A review of the above-described company was made in accordance with 2-663 of the City of Baytown Code of Ordinances and the aforementioned company was found:

☐ to be indebted to the City in the following areas:

_____

_____

_____

☑ not to be indebted to the City.

It is hereby certified the above is true and correct based on the best information available.

Teresa M Kersee — 04/08/2026

Director of Finance — Date

For information regarding this certificate, please contact the Finance Director at 281-420-6531.

If an appeal to this determination is to be filed under section 2-664 of this code, please forward to the following address:

City of Baytown
Director of Finance
P O Box 424
Baytown, TX 77522-0424

CITY COUNCIL MEETING 7. g.

Meeting Date: 04/23/2026
Subject: Consider an ordinance authorizing the first renewal for the Liquid Ammonium Sulfate chemical contract with Chemtrade Chemicals US, LLC
Prepared for: Sharon Valiante, Public Works/Engineering/BAWA
Prepared by: Jamie Wimmer, Public Works/Engineering/BAWA
Department: Public Works/Engineering/BAWA

Information

ITEM

Consider an ordinance authorizing the first renewal of the Liquid Ammonium Sulfate chemical contract with Chemtrade Chemicals US, LLC.

PREFACE

This proposed ordinance authorizes the first renewal of the Liquid Ammonium Sulfate chemical contract with Chemtrade Chemicals US, LLC., for an amount not to exceed $139,411.80.

This agreement was approved at the Baytown Area Water Authority Meeting held on April 15, 2026.

Fiscal Impact

Fiscal Year:	2026
Acct Code:	35007030-52030
Source of Funds (Operating/Capital/Bonds):	Operating
Funds Budgeted Y/N:	Y
Amount Needed:	$139,411.80
Fiscal Impact (Additional Information):	

Attachments

Ordinance Approving 1st renewal of Annual Liquid Ammonium Sulfate Contract btw BAWA and Chemtrade
Renewal Letter - Chemtrade Chemicals US, LLC
Original Agreement
Indebtedness Certification

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS APPROVING THE FIRST RENEWAL OF THE ANNUAL LIQUID AMMONIUM SULFATE PURCHASE AGREEMENT BETWEEN THE BAYTOWN AREA WATER AUTHORITY AND CHEMTRADE CHEMICALS US, LLC; AUTHORIZING PAYMENT BY THE BAYTOWN AREA WATER AUTHORITY IN AN AMOUNT NOT TO EXCEED ONE HUNDRED THIRTY-NINE THOUSAND FOUR HUNDRED ELEVEN AND 80/100 DOLLARS ($139,411.80); MAKING OTHER PROVISIONS RELATED THERETO; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

WHEREAS, the Baytown Area Water Authority contracted with Chemtrade Chemicals US, LLC., for the Annual Liquid Ammonium Sulfate Purchase Agreement; and

WHEREAS, the Annual Liquid Ammonium Sulfate Purchase Agreement included an option by the parties to renew for additional one-year periods; and

WHEREAS, such Agreement can now be renewed for an additional one-year term; Chemtrade Chemicals US, LLC, has indicated its willingness to renew the Agreement for an additional year; and

WHEREAS, the Board has reviewed the market conditions and recommends renewal as being in the best interest of the Baytown Area Water Authority; and

WHEREAS, the Baytown Area Water Authority's enabling legislation requires that the City Council approve certain agreements before the Baytown Area Water Authority ("BAWA") enters into the same; and

WHEREAS, the City of Baytown desires to approve the same, NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

Section 1: That the City Council of the City of Baytown, Texas, hereby approves the first renewal of the Annual Liquid Ammonium Sulfate Purchase Agreement between the Baytown Area Water Authority and Chemtrade Chemicals US, LLC for an amount not to exceed ONE HUNDRED THIRTY-NINE THOUSAND FOUR HUNDRED ELEVEN AND 80/100 DOLLARS ($139,411.80) and authorizes payment thereof.

Section 2: That the City Manager is hereby granted general authority to approve any change order involving a decrease or an increase in costs of FIFTY THOUSAND AND NO/100 DOLLARS ($50,000.00) or less, subject to the provision that the original contract price may not be increased by more than twenty-five percent (25%) or decreased by more than twenty-five percent (25%) without the consent of the contractor to such decrease.

Section 3: This ordinance shall take effect immediately from and after its passage by the City Council of the City of Baytown, Texas.

INTRODUCED, READ and PASSED by the affirmative vote of the City Council of the City of Baytown, Texas this the 23rd day of April, 2026.

_____
CHARLES JOHNSON, Mayor

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

R:\Ordinances and Resolutions\Ordinance Drafts\2026-04-23\Approving 1st renewal.Annual Liquid Ammonium Sulfate Purchase Agreement btw BAWA and Chemtrade Chemicals.kh.docx

CHEMTRADE 25 YEARS
Celebrating 25 years of Great Chemistry

90 East Halsey Road, Suite 200Parsippany, NJ 07054 | Tel: 1-800-441-2653 | www.chemtradelogistics.com

March 2, 2026

Baytown Area Water Authority | City of Baytown
7425 Thompson Rd., Baytown, Texas 77521

Renewal for Liquid Ammonium Sulfate IFB B008-25 Confirmation

Chemtrade Chemicals US, LLC is pleased to have renewed of the current bid contract for Liquid Ammonium Sulfate the City of Baytown's Liquid Ammonium Sulfate requirements under bid IFB B008-25. We can continue the current pricing for this year, the first of four one-year renewal periods. To confirm pricing remains at:

Liquid Ammonium Sulfate, Bulk
$0.165/LB
Price effective for October 1, 2025 – September 30, 2026

All the terms of IFB B-008-25 would remain the same.

We appreciate the opportunity to continue to supply your chemical requirements. Please feel free to contact us if you have questions or need additional information. We may be reached at 1-800-441-2659 or via e-mail at bids@chemtradelogistics.com.

Kind regards,

Christine LaSala
Bid/Price Analyst
bids@chemtradelogistics.com
direct: clasala@chemtradelogistics.com

AGREEMENT FOR THE PURCHASE OF LIQUID AMMONIUM SULFATE

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This Agreement (this "Agreement") is entered into by and between Chemtrade Chemicals US, LLC. (hereinafter "Vendor") and the Baytown Area Water Authority, a governmental agency and a body politic and corporation of the State of Texas, created pursuant to Chapter 600, Acts of the 63rd Legislature, regular Session, 1973 (hereinafter "BAWA").

1. Scope

This Agreement is for the purchase of 844,920 pounds Liquid Ammonium Sulfate (the "Goods") for and on behalf of BAWA. This Agreement shall commence on the date of execution by the General Manager and shall terminate:

- ☐ upon delivery of the Goods in accordance with paragraph 2;
- ☒ Twelve (12]) months following execution by the General Manager, allowing for annual renewals; *or*
- ☐ the earlier of delivery of the Goods in accordance with paragraph 2 or number of months/days (spelled out) (number of months/days [numerical]) months/days following execution by the General Manager, allowing for annual renewals.

The Scope of Work is attached to this Agreement as Exhibit "A" and is fully incorporated by reference for all purposes.

2. Price and Delivery

a. BAWA shall pay Vendor the sum of up to One hundred thirty-nine thousand four hundred eleven dollars and 80 cents ($139,411.80) for delivery of the Goods as follows:

i. Liquid Ammonium Sulfate, Bulk
ii. Description of Goods
iii. Description of Goods
iv. Description of Goods
v. Description of Goods

b. Vendor shall not exceed the fixed contractual amount without written authorization in the form of a contract amendment.

c. Vendor shall invoice based upon conforming Goods actually delivered to BAWA. Vendor shall not invoice BAWA for services or expenses that were incurred more than sixty (60) days before the date of the invoice. Failure to timely invoice BAWA for services or expenses shall result in Vendor's invoice being denied.

d. In the event of a disputed or contested invoice, BAWA may withhold from payment that portion so disputed or contested, and the undisputed portion will be paid.

e. BAWA shall pay Vendor the maximum rate permitted by Chapter 2251 of the Texas Government Code on any past due payment not received within thirty (30) days after the payment due date. In accordance with § 2251.043, in a formal administrative or judicial action to collect an invoice payment or interest due under this chapter, the opposing party, which may be BAWA or Vendor, shall pay the reasonable attorney fees of the prevailing party.

f. Vendor is not authorized to ship the Goods under reservation and no tender of a bill of lading will serve as a tender of Goods.

g. The title and risk of loss of the Goods shall not pass to BAWA until BAWA actually receives and takes possession of the Goods at the point or points of delivery in Baytown, Texas.

h. Every tender or delivery of Goods must fully comply with all provisions of this Agreement as to time of delivery, quality and the like. If a tender is made which does not fully conform, this shall constitute a breach and Vendor shall not have the right to substitute a conforming tender, provided, where the time for performance has not yet expired, the Vendor may reasonably notify BAWA of its intention to cure and may then make a conforming tender within the contract time, but not afterward unless evidenced by BAWA's consent executed by the General Manager.

3. Insurance

Vendor shall procure and maintain at its sole cost and expense for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the purchase of the Goods hereunder by Vendor, its agents, representatives, volunteers, employees or subcontractors.

a. Vendor's insurance coverage shall be primary insurance with respect to BAWA, its officials, employees and agents. Any insurance or self-insurance maintained by BAWA, its officials, employees or agents shall be considered in excess of Vendor's insurance and shall not contribute to it. Further, Vendor shall include all subcontractors, agents and assigns as additional insureds under its policy or shall furnish separate certificates and endorsements for each such person or entity. All coverages for subcontractors and assigns shall be subject to all of the requirements stated herein.

The following is a list of standard insurance policies along with their respective minimum coverage amounts required in this Agreement:

i. Commercial General Liability
   - General Aggregate: $2,000,000
   - Products & Completed Operations Aggregate: $2,000,000
   - Personal & Advertising Injury: $1,000,000
   - Per Occurrence: $1,000,000
   - Fire Damage $500,000
   - Waiver of Subrogation required
   - Coverage shall be broad form
   - No coverage shall be deleted from standard policy without notification of individual exclusions being attached for review and acceptance.

ii. If Vendor drives in or on BAWA property or facilities, Business Automobile Policy
   - Combined Single Limits: $1,000,000
   - Coverage for "Any Auto"
   - Waiver of Subrogation required

iii. If Vendor has more than one employee and drives in or on BAWA property or facilities, Workers' Compensation
   - Statutory Limits
   - Employer's Liability $500,000
   - Waiver of Subrogation required

b. The following shall be applicable to all policies of insurance required herein:

i. Insurance carrier for all liability policies must have an A.M. Best Rating of A:VIII or better.

ii. Only insurance carriers licensed and admitted to do business in the State of Texas will be accepted.

iii. Liability policies must be on occurrence form. Errors and Omissions can be on claims-made form.

iv. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after thirty (30) days prior written notice by mail, return receipt requested, has been given to BAWA.

v. BAWA, its officers, agents and employees are to be added as Additional Insureds to all liability policies, with the exception of the Workers' Compensation and Errors and Omissions Policies required herein.

vi. Upon request and without cost to BAWA, certified copies of all insurance policies and/or certificates of insurance shall be furnished to BAWA.

vii. Upon request and without cost to BAWA, loss runs (claims listing) of any and/or all insurance coverages shall be furnished to BAWA.

viii. All insurance required herein shall be secured and maintained in a company or companies satisfactory to BAWA, and shall be carried in the name of Vendor. Vendor shall provide copies of insurance policies and endorsements required hereunder to BAWA on or before the effective date of this Agreement.

4. Indemnification and Release

VENDOR AGREES TO AND SHALL INDEMNIFY AND HOLD HARMLESS AND DEFEND THE BAYTOWN AREA WATER AUTHORITY, ITS OFFICERS, AGENTS, AND EMPLOYEES (HEREINAFTER REFERRED TO AS THE "BAWA") FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS AND LIABILITY OF EVERY KIND, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, FOR INJURY TO OR DEATH OF ANY PERSON, FOR DAMAGE TO ANY PROPERTY OR FOR ANY BREACH OF CONTRACT TO THE EXTENT ARISING OUT OF OR IN CONNECTION WITH AN ACT OF NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY THE VENDOR OR THE VENDOR'S AGENT, VENDOR UNDER CONTRACT, OR ANOTHER ENTITY OVER WHICH THE VENDOR EXERCISES CONTROL (COLLECTIVELY, VENDOR'S PARTIES). IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO, BOTH VENDOR AND BAWA, THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH IS INDEMNITY BY VENDOR TO INDEMNIFY AND PROTECT BAWA FROM THE CONSEQUENCES OF VENDOR'S PARTIES' OWN WILLFUL MISCONDUCT, JOINT OR SOLE NEGLIGENCE, AS WELL AS THE VENDOR'S PARTIES' INTENTIONAL TORTS, INTELLECTUAL PROPERTY INFRINGEMENTS, AND FAILURES TO MAKE PAYMENTS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT. SUCH INDEMNITY SHALL NOT APPLY, HOWEVER, TO LIABILITY ARISING FROM THE PERSONAL INJURY, DEATH, OR PROPERTY DAMAGE OF PERSONS THAT

IS CAUSED BY OR RESULTS FROM THE NEGLIGENCE OF ANY PERSON OTHER THAN THE VENDOR'S PARTIES. IN THE EVENT THAT ANY ACTION OR PROCEEDING IS BROUGHT AGAINST BAWA FROM WHICH BAWA IS INDEMNIFIED, VENDOR FURTHER AGREES AND COVENANTS TO DEFEND THE ACTION OR PROCEEDING BY LEGAL COUNSEL ACCEPTABLE TO BAWA. THE INDEMNITY PROVIDED HEREINABOVE SHALL SURVIVE THE TERMINATION AND/OR EXPIRATION OF THIS AGREEMENT.

By this Agreement, BAWA does not consent to litigation or suit, and BAWA hereby expressly revokes any consent to litigation that it may have granted by the terms of this Agreement or any other contract or agreement, any charter, or applicable state law. Nothing herein shall be construed so as to limit or waive BAWA's immunity. Vendor assumes full responsibility for its services performed hereunder and hereby releases, relinquishes and discharges BAWA, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person (whether they be either of the parties hereto, their employees, or other third parties) and any loss of or damage to property (whether the property be that of either of the parties hereto, their employees, or other third parties) that is caused by or alleged to be caused by, arising out of, or in connection with Vendor's services to be performed hereunder. This release shall apply with respect to Vendor's services regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance.

5. Records

Within ten (10) days of BAWA's request and at no cost to BAWA, BAWA will be entitled to review and receive a copy of all documents relating to the purchase and delivery of the Goods.

6. Supervision of Vendor

Vendor is an independent contractor, and BAWA neither reserves nor possesses any right to control the details of the Goods provided by Vendor under the terms of this Agreement.

7. Billing

BAWA shall have thirty (30) days to pay Vendor's invoices from the date of receipt of such invoices and necessary backup information. All invoices must identify the Goods with specificity and the date(s) of the Goods' delivery. In the event of a disputed or contested invoice, the parties understand and agree that BAWA may withhold the portion so contested, but the undisputed portion will be paid. Vendor shall not invoice BAWA for Goods not provided. Invoices shall be received by BAWA no later than sixty (60) calendar days from the date Vendor delivers the Goods to BAWA. Failure by Vendor to comply with this requirement shall result in Vendor's invoice being denied and BAWA being relieved from any liability for payment of the late invoice.

8. Indebtedness

If Vendor, at any time during the term of this Agreement, incurs a debt, as that word is defined in section 2-662 of the Code of Ordinances of the City of Baytown, it shall immediately notify the City's Director of Finance in writing. If the City's Director of Finance becomes aware that Vendor has incurred a debt, the City's Director of Finance shall immediately notify Vendor in writing. If Vendor does not pay the debt within thirty (30) days of either such notification, the City's Director of Finance may deduct funds in an amount equal to the debt from any payments owed to Vendor under this Agreement, and Vendor waives any recourse therefor.

9. Verifications

If Vendor has ten (10) or more full-time employees and Vendor's total compensation under this Agreement has a value of One Hundred Thousand Dollars ($100,000.00) or more, Vendor makes the following verifications in accordance with Chapters 2271 and 2274 of the Texas Government Code:

a. the Vendor does not boycott Israel and will not boycott Israel during the term of the contract to be entered into with the Baytown Area Water Authority;
b. the Vendor does not boycott energy companies and will not boycott energy companies during the term of the contract to be entered into with the Baytown Area Water Authority; and
c. the Vendor does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

10. Governing Law

This Agreement has been made under and shall be governed by the laws of the State of Texas. The parties further agree that performance and all matters related thereto shall be in Harris County, Texas.

11. Notices

Unless otherwise provided in this Agreement, any notice provided for or permitted to be given must be in writing and delivered in person or by depositing same in the United States mail, postpaid and registered or certified, and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party. Notice deposited in the mail as described above shall be conclusively deemed to be effective, unless otherwise stated in this Agreement, from and after the expiration of three (3) days after it is so deposited.

For the purpose of notice, the addresses of the parties shall be as follows unless properly changed as provided for herein below:

For BAWA:

BAYTOWN AREA WATER AUTHORITY
Attn: Michael Gay
P. O. Box 424
Baytown, Texas 77522-0424

For Vendor:

Chemtrade Chemicals US, LLC
Attn: Parul Kachhia-Patel
90 East Halsey Road, Suite 200
Parsippany, NJ 07054

Each party shall have the right from time to time at any time to change its respective address and each shall have the right to specify a new address, provided that at least fifteen (15) days written notice is given of such new address to the other party.

12. No Third-Party Beneficiary

This Agreement shall not bestow any rights upon any third party, but rather, shall bind and benefit Vendor and BAWA only.

13. No Right to Arbitration

Notwithstanding anything to the contrary contained in this Agreement, BAWA and Vendor hereby agree that no claim or dispute between BAWA and Vendor arising out of or relating to this Agreement shall be decided by any arbitration proceeding, including, without limitation, any proceeding under the Federal Arbitration Act (9 U.S.C. Sections 1-14), or any applicable State arbitration statute, including, but not limited to, the Texas General Arbitration Act, provided that in the event that BAWA is subjected to an arbitration proceeding notwithstanding this provision, Vendor consents to be joined in the arbitration proceeding if Vendor's presence is required or requested by BAWA of complete relief to be recorded in the arbitration proceeding.

14. Waiver

No waiver by either party to this Agreement of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

15. Complete Agreement

This Agreement represents the entire and integrated Agreement between BAWA and Vendor in regard to the subject matter hereof and supersedes all prior negotiations, representations or agreements, whether written or oral, on the subject matter hereof. This Agreement may only be amended by written instrument approved and executed by both of the parties. BAWA and Vendor accept and agree to these terms.

16. No Assignment

Vendor may not sell or assign all or part interest in this Agreement to another party or parties without the prior express written approval of the General Manager of such sale or assignment. BAWA may require any records or financial statements necessary in its opinion to ensure such sale or assignment will be in the best interest of BAWA.

17. Headings

The headings used in this Agreement are for general reference only and do not have special significance.

18. Severability
All parties agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not affect any other term of this Agreement, which shall continue in full force and effect.

19. Ambiguities
In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

20. Authority
The officers executing this Agreement on behalf of the parties hereby represent that such officers have full authority to execute this Agreement and to bind the party he/she represents.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of which shall be deemed to be an original, but all of which shall constitute but one and the same Agreement on the 7th day of October, 2024, the date of execution by the General Manager of the Baytown Area Water Authority.

BAYTOWN AREA WATER AUTHORITY

for JASON E. REYNOLDS, General Manager
Brant Gary, Asst. City/Gen. Mgr.

ATTEST:

ANGELA JACKSON, Assistant Secretary

Legal

VENDOR:

CHEMTRADE CHEMICALS US, LLC.

(Signature)

PARUL KACHHIA-PATEL
(Printed Name)

MARKETING SPECIALIST
(Title)

STATE OF NEW JERSEY §
§
COUNTY OF MORRIS §

Before me on this day personally appeared PARUL KACHHIA-PATEL, in his/her capacity as MARKETING SPECIALIST, on behalf of such CHEMTRADE CHEMICALS US LLC;

(check one)

- ☒ known to me;
- ☐ proved to me on the oath of _____; or
- ☐ proved to me through his/her current _____ {description of identification card or other document issued by the federal government or any state government that contains the photograph and signature of the acknowledging person}

to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

SUBSCRIBED AND SWORN before me this 30TH day of AUGUST, 20 24.

Elizabeth Ryno

Notary Public in and for the State of _____

ELIZABETH RYNO
NOTARY PUBLIC OF NEW JERSEY
Commission # 50022926
My Commission Expires 09/10/2025

EXHIBIT A

SCOPE:

The Baytown Area Water Authority (BAWA) seeks competitive bids for LIQUID AMMONIUM SULFATE (40%). The purpose of these specifications is to describe the minimum requirements of BAWA for an annual LIQUID AMMONIUM SULFATE (40%) contract. The quantities on the Invitation to Bid are estimates. These estimates are for acquainting the bidder with probable quantities to be expected during the contract period. These estimates are not intended to set forth minimum or maximum quantities of this contract.

REQUIREMENTS:

Any variance in any item must be specified clearly under the "Exception to Specifications" section in order to have a valid bid.

CONFLICT OF INTEREST QUESTIONNAIRE:

Effective January 1, 2006, failure to submit the attached questionnaire with the bid will disqualify the bid.

MATERIAL SPECIFICATIONS:

1. The product delivered under this Specification must conform to the American National Standards Institute/National Sanitation Foundation Institute for Drinking-Water Treatment Chemical-Health Effects, ANSI/**NSF** 60, and to the American National Standards Institute/American Water Works Association standard B302-16 for LIQUID AMMONIUM SULFATE (40%) or the most current AWWA standard.
2. The LIQUID AMMONIUM SULFATE (40%) solution will be prepared so that a homogeneous, well-mix product is received at BAWA's location as identified in section 3.2 of these specifications.
3. The chemical and physical properties of the LIQUID AMMONIUM SULFATE (40%) delivered under this Specification shall be as follows:

The vendor provides certification for each lot or batch number that meets the requirements of NSF/ANSI 60 and AWWA B302-16 or the latest revision. The certification must be received before shipment acceptance. A certificate of analysis will be provided with each batch or lot for the following tests. The acceptance criteria given below must be met.

Test Acceptance Criteria

• Sulfuric Acid Diammonium	38-40% (wt % dry salt)
• Ammonia Availability	10%
• pH	4.0-7.0
• Specific gravity©20°C	1.20-1.23
• Solubility in Water Complete	

EMERGENCY RESPONSE:

All Bidders must demonstrate the ability to respond 24 hours a day, 365 days a year within one hour to any and all container, valve or any other delivery emergencies, regardless of location, upon request by BAWA's authorized agent. BAWA shall bear no charge for such response(s), and delays incurred in unloading shall be at no cost to BAWA.

SAFETY DATA SHEET:

In addition to proper labeling of hazardous chemicals, the Bidder shall supply BAWA with one (1) copy of the safety data sheet for the product they are offering BAWA. **BIDDER SHALL INCLUDE SDS SHEET WITH INVITATION TO BID.** Bidder shall provide SDS sheet with **each** product delivered in conformance with the Hazardous Substances Act pursuant to Chapter 501 of the Texas Health and Safety Code.

TRAINING AND LABELING:

BAWA shall comply with the Texas Hazard Communication Act pursuant to Chapter 502 of the Texas Health and Safety Code. BAWA requires the Bidder, within thirty (30) days from award of contract, to provide instruction, documentation and/or any training program available regarding any hazardous chemical.

ORDERING DATA:

Quantities of LIQUID AMMONIUM SULFATE (40%) shall be ordered on an "as needed basis." A Purchase Order Number shall be issued at time of order.

SAMPLING OF MATERIAL:

Samples for certificate of analysis shall be analyzed in accordance with AWWA Standard B302- 16. BAWA may collect a 1-liter sample, in the presence of the vendor's driver, before unloading. The sample will be taken to the Lab where QC tests will be performed on the sample **BEFORE UNLOADING.**

REJECTION OF DELIVERY:

BAWA reserves the right to reject any truckload of LIQUID AMMONIUM SULFATE (40%) that is not within the specified maximum and minimum limits that are listed in the "Material Specification" section. If BAWA reject any shipment for failure to meet specifications, the supplier has to supply a different shipment within 24 hours. Any additional expenses over contract price shall be at the expense of the supplier. Any attempt to re-deliver any rejected material shall be cause to terminate any and/or all contracts from the supplier, and shall cause the supplier's name to be removed from the bid list.

LOADING AND UNLOADING BULK MATERIAL:

The Bidder is to be responsible for the unloading of the LIQUID AMMONIUM SULFATE (40%). Delivery truck(s) shall be equipped with a pneumatic pump, air compressor, and a minimum of two 20-foot sections of discharge hose. Hose must be compatible for connection to 2-inch I. D. PVC pipes with "RF" flange, for all deliveries. The operator of the truck shall be qualified to operate the unloading equipment safely to avoid accidental damage to the storage tank, piping, or other structures. Contract vendor will be responsible for any and all repairs resulting from damages caused by delivery. Unloading will be halted any time a leak develops. The contract vendor will be responsible for the demurrage and repair of leaks on his system.

LOADING AND UNLOADING MATERIAL IN TOTES:

The Bidder is to be responsible for the loading or unloading of the totes. Baytown Area Water Authority does not have any equipment to load or unload totes from delivery trucks. The East Plant is equipped with a loading dock. The bidder is responsible for the return of the empty tote(s) to the supplier. **Equipment, such as a forklift and or pallet jack, to load or unload totes are the responsibility of supplier.** The contract vendor will be responsible for the demurrage and repair of leaks on his system.

DELIVERY:

LIQUID AMMONIUM SULFATE (40%) shall be delivered within five (5) working days after receipt of order but, if the need exists, delivery shall be made within twenty-four (24) hours if requested. **Appropriate documentation containing the information requested under "Invoicing" shall be provided with all deliveries.** Truckload deliveries shall be delivered at:

Baytown Area Water Authority - Main Plant
7425 Thompson Rd Baytown, Texas 77521

Baytown Area Water Authority - East Plant
5359 E. Grand Parkway S.
Baytown, Texas 77523

The requirements of BAWA necessitate a minimum of 2,500 gallons available at all times. The successful Bidder shall make provisions for the quantity of LIQUID AMMONIUM SULFATE (40%). No demurrage will be charged for the delivery. Each delivery shall be accompanied by a current SDS, certificate of analysis, and certificate of weight.

Liquid Ammonium Sulfate (#9251977)
Owner: Baytown TX, City of
Solicitor: Baytown TX, City of
08/20/2024 10:00 AM CDT

Section Title	Line Item	Item Description	UofM	QTY	Chemtrade Chemicals US LLC Unit Price	Chemtrade Chemicals US LLC Extension	Brenntag Southwest, Inc. Unit Price	Brenntag Southwest, Inc. Extension	Univar USA Inc. Unit Price	Univar USA Inc. Extension
Liquid Ammonium Sulfate						139,411.8000		151,663.1400		243,167.9800
	1	Liquid Ammonium Sulfate, bulk, per specifications	LB	844920	0.1650	139,411.8000	0.1795	151,663.1400	0.2878	243,167.9800
Base Bid Total:						139,411.8000		151,663.1400		243,167.9800

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY
CERTIFICATION OF FILING

Certificate Number:
2024-1207907

Date Filed:
08/29/2024

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
CHEMTRADE CHEMICALS US LLC
Parsippany, NJ United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
CITY OF BAYTOWN

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
B008-25
SUPPLY OF LIQUID AMMONIUM SULFATE

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary

5 Check only if there is NO Interested Party. [X]

6 UNSWORN DECLARATION

My name is PARUL KACHHIA-PATEL, and my date of birth is JANUARY 18, 1971.

My address is 90 EAST HALSEY ROAD, SUITE 200 (street), PARSIPPANY (city), NJ (state), 07054 (zip code), USA (country).

I declare under penalty of perjury that the foregoing is true and correct.

Executed in MORRIS County, State of NEW JERSEY, on the 29TH day of AUGUST (month), 20 24 (year).

Signature of authorized agent of contracting business entity
(Declarant)
PARUL KACHHIA-PATEL, MARKETING SPECIALIST

Baytown Area Water Authority

TEXAS GOVERNMENT CODE VERIFICATIONS

(for companies with 10 or more full-time employees entering to a contract with a value of $100,000 or more)

Pursuant to the Texas Government Code, I, PARUL KACHHIA-PATEL, the undersigned representative of CHEMTRADE CHEMICALS US LLC (Company Name), do hereby verify the following for and on behalf of the above-referenced company (the "Company"):

a. the Company does not boycott Israel and will not boycott Israel during the term of the contract to be entered into with the Baytown Area Water Authority;

b. the Company does not boycott energy companies and will not boycott energy companies during the term of the contract to be entered into with the Baytown Area Water Authority; and

c. the Company does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

In making this verification, I understand that the following definitions apply:

1. "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

2. "Boycott energy company" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company:
   a. engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or
   b. does business with a company described by Paragraph (a).

3. "Discriminate against a firearm entity or firearm trade association" means, with respect to the entity or association, to:
   a. refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association;
   b. refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or
   c. terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association;

   but does not include:
   a. the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and
   b. a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship:
      (1) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or
      (2) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.

EXECUTED this the 6TH day of AUGUST, 2024

CHEMTRADE CHEMICALS US LLC
Company Name

Signature

PARUL KACHHIA-PATEL,
MARKETING SPECIALIST
Printed Name/Title

STATE OF NEW JERSEY §
COUNTY OF MORRIS §

Before me, ELIZABETH RYNO, the undersigned notary public, on this day personally appeared PARUL KACHHIA-PATEL, the MARKETING SPECIALIST (Title) of CHEMTRADE CHEMICALS US LLC (Company Name), known to me to be the person whose name is subscribed to the foregoing instrument, who after by me being duly sworn, did swear and affirm that the above is true and correct.

Given under my hand and seal of office this 6TH day of AUGUST, 2024

Notary Public in and for the State of

ELIZABETH RYNO
NOTARY PUBLIC OF NEW JERSEY
Commission # 50022926
My Commission Expires 09/10/2025

Orig. Dept.: _____ File/I.D. No.: _____

INSTRUCTION: ENTITIES USING AN ASSUMED NAME SHOULD DISCLOSE SUCH FACT TO AVOID REJECTION OF THE AFFIDAVIT. THE FOLLOWING FORMAT IS RECOMMENDED: CORPORATE/LEGAL NAME DBA ASSUMED NAME.

STATE OF NEW JERSEY §
§ AFFIDAVIT OF OWNERSHIP OR CONTROL
COUNTY OF MORRIS §

BEFORE ME, the undersigned authority, on this day personally appeared PARUL KACHHIA-PATEL [**FULL NAME**] (hereinafter "Affiant"), MARKETING SPECIALIST [**STATE TITLE/CAPACITY WITH CONTRACTING ENTITY**] of CHEMTRADE CHEMICALS US LLC [**CONTRACTING ENTITY'S CORPORATE/LEGAL NAME**] ("Contracting Entity"), who being by me duly sworn on oath stated as follows:

1. Affiant is authorized to give this affidavit and has personal knowledge of the facts and matters herein stated.

2. Contracting Entity seeks to do business with the City in connection with BID IFB B008-25 LIQUID AMMONIUM SULFATE [**DESCRIBE PROJECT OR MATTER**] which is expected to be in an amount that exceeds $50,000.

3. The following information is submitted in connection with the proposal, submission or bid of Contracting Entity in connection with the above described project or matter.

4. Contracting Entity is organized as a business entity as noted below (check box as applicable).

FOR PROFIT ENTITY:	NON-PROFIT ENTITY:
☐ SOLE PROPRIETORSHIP	☐ NON-PROFIT CORPORATION
☐ CORPORATION	☐ UNINCORPORATED ASSN.
☐ PARTNERSHIP	
☐ LIMITED PARTNERSHIP	
☐ JOINT VENTURE	
☒ LIMITED LIABILITY COMPANY	
☐ OTHER (Specify type in space below):	

_____

_____

_____

5. The information shown below is true and correct for the Contracting Entity and all owners of 5% or more of the Contracting Entity and, where the Contracting Entity is a non-profit entity, the required information has been shown for each officer. [NOTE: IN ALL CASES, USE FULL NAMES, LOCAL BUSINESS AND RESIDENCE ADDRESSES AND TELEPHONE

THE 5% OR MORE OWNER OF THE CONTRACTING ENTITY (CHEMTRADE CHEMICALS US LLC) IS CHEMTRADE CHEMICALS CORPORATION

NUMBERS. DO NOT USE POST OFFICE BOXES FOR ANY ADDRESS. INCLUSION OF E-MAIL ADDRESSES IS OPTIONAL, BUT RECOMMENDED. ATTACH ADDITIONAL SHEETS AS NEEDED.]

Contracting Entity

Name: CHEMTRADE CHEMICALS US LLC

Business Address **[NO./STREET]** 90 EAST HALSEY ROAD, SUITE 200

[CITY/STATE/ZIP CODE] PARSIPPANY, NJ 07054

Telephone Number (800) 441-2659

Email Address **[OPTIONAL]** bids@chemtradelogistics.com

Residence Address **[NO./STREET]** _____

[CITY/STATE/ZIP CODE] _____

Telephone Number **[OPTIONAL]** (____) _____

Email Address **[OPTIONAL]** _____

5% or More Owner(s)/Officers of Non-Profit Corporation
(IF NONE, STATE "NONE.")

Name: _____

Business Address **[NO./STREET]** _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address **[OPTIONAL]** _____

Residence Address **[NO./STREET]** _____

[CITY/STATE/ZIP CODE] _____

Telephone Number **[OPTIONAL]** (____) _____

Email Address **[OPTIONAL]** _____

6. Optional Information
Contracting Entity and/or
_____ **[NAME OF**

Orig. Dept.: _____ File/I.D. No.: _____

OWNER OR NON-PROFIT OFFICER] is actively protesting, challenging or appealing the accuracy and/or amount of taxes levied against _____ **[CONTRACTING ENTITY, OWNER OR NON-PROFIT OFFICER]** as follows:.

Name of Debtor: _____

Type of Debt: _____

Account Nos.: _____

Case or File Nos.: _____

Attorney/Agent Name: _____

Attorney/Agent Phone No.: _____

Delinquent Years/Months: _____

Status of Appeal [DESCRIBE]: _____

_____

_____

Affiant certifies that he or she is duly authorized to submit the above information on behalf of the Contracting Entity, that Affiant is associated with the Contracting Entity in the capacity noted above and has personal knowledge of the accuracy of the information provided herein, and that the information provided herein is true and correct to the best of Affiant's knowledge and belief.

Affiant PARUL KACHHIA-PATEL

SWORN TO AND SUBSCRIBED before me this 6TH day of AUGUST, 2024

(Seal)

ELIZABETH RYNO
NOTARY PUBLIC OF NEW JERSEY
Commission # 50022926
My Commission Expires 09/10/2025

Notary Public in and for the State of _____

NOTE:
This affidavit constitutes a government record as defined by Section 37.01 of the Texas Penal Code. Submission of a false government record is punishable as provided in Section 37.10 of the Texas Penal Code.

Attach additional pages if needed to supply the required names and addresses.

R:\Karen\Files\Contracts\Affidiavit of Ownership or Control.doc

CITY OF BAYTOWN, TEXAS
INDEBTEDNESS CERTIFICATION

Project Name: Consider an ordinance authorizing the first renewal of the Annual Parks Janitorial Contract

Company Name: Chemtrade Chemicals US, LLC

Department: Public Works/Engineering/BAWA

Date: 09/12/2024 **Council Date:** 09/26/2024

A review of the above-described company was made in accordance with 2-663 of the City of Baytown Code of Ordinances and the aforementioned company was found:

☐ to be indebted to the City in the following areas:

_____
_____
_____

☑ not to be indebted to the City.

It is hereby certified the above is true and correct based on the best information available.

Director of Finance — Date: 09/12/2024

For information regarding this certificate, please contact the Finance Director at 281-420-6531.

If an appeal to this determination is to be filed under section 2-664 of this code, please forward to the following address:

City of Baytown
Director of Finance
P O Box 424
Baytown, TX 77522-0424

EXCEPTIONS TO SPECIFICATIONS

If any item, material or equipment submitted as a part of this proposal does not fully meet or exceed the minimum specifications as published, the exception(s) MUST be listed on this sheet and attached to the bid.

Section	Item/Material/Equipment Proposed	Reason
NONE		

If no exceptions are listed, it will be assumed that the proposal meets or exceeds the minimum specifications and any purchase as a result of this proposal will be contingent on that condition.

Company CHEMTRADE CHEMICALS US LLC

Agent PARUL KACHHIA-PATEL

PROPOSER'S CERTIFICATION

Section 2252.002 of the Texas Government Code provides as follows:

> A governmental entity may not award a governmental contract to a nonresident proposer unless the nonresident underbids the lowest proposal submitted by a responsible resident proposer by an amount that is not less than the amount by which a resident proposer would be required to underbid the nonresident proposer to obtain a comparable contract in the state in which the nonresident's principal place of business is located.

In providing the certification below, please make note of the following definitions:

> "Governmental contract" means a contract awarded by a governmental entity for general construction, an improvement, a service, or a public works project or for a purchase of supplies, materials, or equipment.
>
> "Nonresident proposer" refers to a person who is not a resident.
>
> "Resident proposer" refers to a person whose principal place of business is in this state, including a proposer whose ultimate parent company or majority owner has its principal place of business in this state.

I certify that _____ is a resident proposer as defined hereinabove.
(Company Name)

Signature: _____

Print Name: _____

I certify that PARUL KACHHIA-PATEL is a nonresident proposer as defined hereinabove and our principal place of business is PARSIPPANY, NJ
(Company Name)

Signature: _____

Print Name:
PARUL KACHHIA-PATEL, MARKETING SPECIALIST

Liquid Ammonium Sulfate (#9251977)
Owner: Baytown TX, City of
Solicitor: Baytown TX, City of
08/20/2024 10:00 AM CDT

						Chemtrade Chemicals US LLC		Brenntag Southwest, Inc.		Univar USA Inc.	
Section Tit	Line Item	Item Code	Item Description	UofM	Quantity	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
Liquid Ammonium Sulfate							139,411.80		151,663.14		243,167.98
	1	1	Liquid Ammonium Sulfate, bulk, pr specifications	LB	844920	0.165	139,411.80	0.1795	151,663.14	0.2878	243,167.98
Base Bid Total:							139,411.80		151,663.14		243,167.98

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 08/30/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER MARSH USA, LLC. 9830 Colonnade Blvd, Suite 410 San Antonio, TX 78230 CN102200184-STND-GAWUL-24-26	**CONTACT NAME:** **PHONE (A/C, No, Ext):** **FAX (A/C, No):** **E-MAIL ADDRESS:**
INSURED Chemtrade Chemicals US LLC 90 E Halsey Road Parsippany, NJ 07054	**INSURER(S) AFFORDING COVERAGE** — **NAIC #** **INSURER A :** Berkley Global Underwriters **INSURER B :** Liberty Mutual Insurance Company — 23043 **INSURER C :** N/A — N/A **INSURER D :** N/A — N/A **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** HOU-004138768-01 **REVISION NUMBER:** 4

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	X **COMMERCIAL GENERAL LIABILITY** CLAIMS-MADE [X] OCCUR X SIR: $1,000,000 GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY [ ] PRO-JECT [ ] LOC OTHER:			AGN 5700000-14	05/01/2024	05/01/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ $ $ $ $ $	4,000,000 100,000 5,000 4,000,000 4,000,000 4,000,000
B	**AUTOMOBILE LIABILITY** X ANY AUTO OWNED AUTOS ONLY [ ] SCHEDULED AUTOS HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY			AS1-B71-072790-064 AS1-B71-072790-074	05/01/2024 05/01/2024	05/01/2025 05/01/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $	5,000,000
	[ ] **UMBRELLA LIAB** [ ] OCCUR [ ] **EXCESS LIAB** [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $	
B B	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N [N] **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WA2-B7D-072790-084 (AOS) WC2-B71-072790-014 (WI)	05/01/2024 05/01/2024	05/01/2025 05/01/2025	X PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ $ $	1,000,000 1,000,000 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

BAWA, its officers, agents and employees are included as additional insured (except Workers Compensation) where required by written contract. Waiver of subrogation is applicable where required by written contract and subject to policy terms and conditions. This insurance is primary and non-contributory over any existing insurance and limited to liability arising out of the operations of the named insured subject to policy terms and conditions.

CERTIFICATE HOLDER

City of Baytown
2401 Market Street
Baytown, TX 77522

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Marsh USA LLC

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The ACORD name and logo are registered marks of ACORD

Policy Number AS1-B71-072790-064
Issued by Liberty Mutual Insurance Co.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

We will not cancel this policy or make changes that reduce the insurance afforded by this policy until written notice of cancellation or reduction has been mailed or delivered to those listed in the schedule below at least:

a. 30 days before the effective date of cancellation, if we cancel for non-payment of premium; or

b. 30 days before the effective date of the cancellation or reduction if we cancel or reduce the insurance afforded by this policy for any other reason.

NAME	ADDRESS
Cobb County, Georgia	Attention: Cobb County Water Systems/Operations 680 South Cobb Drive Mariette, GA 30060-3105

© 2014 Liberty Mutual Insurance. All rights reserved.

POLICY NUMBER: AGN 5700000-11

INTERLINE
IL 83 36 12 14

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

STANDARD NOTICE OF CANCELLATION TO THIRD PARTIES

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL CRIME COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL OUTPUT PROGRAM
COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Designated Person or Organization and Address:

As required by those entities with whom the Named Insured executes a written contract or agreement with prior to loss and are on file with the underwriter.

Number of Days Advance Notice: 30

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

If we cancel or nonrenew this policy for any statutorily permitted reason, other than nonpayment of premium, we will mail a copy of the written notice of cancellation or nonrenewal that we sent you to the person or organization show in the Schedule above. We will provide this notification only if there is an existing contractual obligation to notify a certificate holder when this policy is canceled or nonrenewed and we are provided a copy of a certificate of insurance stating such notice will be provided.

This notification of cancellation or nonrenewal to the person or organization shown in the Schedule above is intended as a courtesy only. Our failure to provide such notification to the person or organization shown in the schedule above will not extend any policy cancellation date, negate the cancellation as to any insured or any certificate holder, or provide any additional insurance that would not have been provided in the absence of this endorsement.

This endorsement does not entitle the person or organization shown in the Schedule above of any benefit, rights or protection under this policy. Failure by us to provide this notice of cancellation to the person or organization shown in the Schedule above will not impose liability of any kind upon us.

Any of these provisions in this endorsement that conflict with a law that controls the notice of cancellation of insurance is changed by this statement to comply with the law.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

CITY OF BAYTOWN, TEXAS
INDEBTEDNESS CERTIFICATION

BAWA Chemical Contract Renewal (Liquid Ammonium Sulfate 40%)

Project Name:

Company Name: Chemtrade Chemicals US, LLC

Department: Public Works/Engineering/BAWA

Date: 04/07/2026 **Council Date:** 04/23/2026

A review of the above-described company was made in accordance with 2-663 of the City of Baytown Code of Ordinances and the aforementioned company was found:

☐ to be indebted to the City in the following areas:

_____

_____

_____

☑ not to be indebted to the City.

It is hereby certified the above is true and correct based on the best information available.

Teresa Kelley 04/07/2026

Director of Finance Date

For information regarding this certificate, please contact the Finance Director at 281-420-6531.

If an appeal to this determination is to be filed under section 2-664 of this code, please forward to the following address:

City of Baytown
Director of Finance
P O Box 424
Baytown, TX 77522-0424

CITY COUNCIL MEETING 7. h.

Meeting Date: 04/23/2026
Subject: Consider an ordinance authorizing an easement to CenterPoint Energy for the East District Wastewater Treatment Plant Phase 2 Rehabilitation Project
Prepared for: Sharon Valiante, Public Works/Engineering/BAWA
Prepared by: Jamie Wimmer, Public Works/Engineering/BAWA
Department: Public Works/Engineering/BAWA

Information

ITEM

Consider an ordinance authorizing an easement to CenterPoint Energy for the East District Wastewater Treatment Plant Phase 2 Rehabilitation Project.

PREFACE

This proposed ordinance authorizes the easement to CenterPoint Energy for the East District Wastewater Treatment Plant Phase 2 Rehabilitation Project. As part of the City of Baytown East District Wastewater Treatment Plant Phase 2 Rehabilitation Project, electrical service is required to support construction and future operations of the facility. In order to facilitate timely installation of the CenterPoint Energy infrastructure, a blanket easement is being requested across City-owned property.

The proposed easement allows CenterPoint Energy to install electrical distribution and related communication facilities within a defined project area consisting of approximately 41.23 acres located in the Christian Smith Survey, Abstract No. 69, Harris County, Texas.

This blanket easement is intended to provide flexibility during the design and construction phase of the project when final facility locations are not yet fully defined. Upon completion of design and installation of the facilities, the exact location of the infrastructure will be surveyed, and a defined easement will be prepared and executed. At that time, the blanket easement will be formally released and terminated, ensuring that CenterPoint Energy's rights are limited only to the specific area necessary for permanent operations. This approach protects the City's property interests while allowing the project to proceed without delay.

Fiscal Impact

Fiscal Year:
Acct Code:
Source of Funds (Operating/Capital/Bonds):
Funds Budgeted Y/N:
Amount Needed:
Fiscal Impact (Additional Information):
No fiscal impact.

Attachments

Ordinance Authorizing Conveyance of Easement to CenterPoint
Exhibit A - Easement - CenterPoint - East District Wastewater Treatment Plant Phase 2 Project

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS, AUTHORIZING THE CONVEYANCE OF A BLANKET EASEMENT TO CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC IN CONNECTION WITH THE EAST DISTRICT WASTEWATER TREATMENT PLANT PHASE TWO REHABILITATION PROJECT; AUTHORIZING THE CITY MANAGER TO EXECUTE A BLANKET EASEMENT AGREEMENT INVOLVING, APPROXIMATELY 41.23 ACRES OF LAND, WITH CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

Section 1: That the City Council of the City of Baytown, Texas, hereby authorizes the conveyance of a blanket easement to CenterPoint Energy Houston Electric, LLC in connection with the East District Wastewater Treatment Plant Phase Two Rehabilitation Project.

Section 2: That the City Council of the City of Baytown, Texas hereby authorizes the City Manager to execute a blanket easement agreement with CenterPoint Energy Houston, LLC, for the conveyance of the blanket easement referenced in Section 1 hereof, involving approximately 41.23 acres of land. A copy of said easement is attached hereto as Exhibit "A," and incorporated herein for all intents and purposes.

Section 3: This ordinance shall take effect immediately from and after its passage by the City Council of the City of Baytown.

INTRODUCED, READ and PASSED by the affirmative vote of the City Council of the City of Baytown this the 23rd day of April, 2026.

_____
CHARLES JOHNSON, Mayor

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

EXHIBIT A

SHORT FORM BLANKET EASEMENT
3-PHASE OVERHEAD AND UNDERGROUND

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS }
KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF HARRIS }

THAT, the City of Baytown, its successors and assigns, hereinafter referred to as "Grantor", whether one or more, for and in consideration of the sum of ONE DOLLAR ($1.00) CASH to Grantor paid by CenterPoint Energy Houston Electric, LLC, its successors and assigns, hereinafter referred to as "Grantee", whose principal address is P. O. Box 1700, Houston, Texas 77251-1700, has **GRANTED, SOLD AND CONVEYED** and by these presents, does **GRANT, SELL AND CONVEY** unto said Grantee, all or in part, a perpetual **blanket** easement, hereinafter referred to as the "Easement", for electric distribution and related communication facilities consisting of a variable number of wires and cables and all necessary and desirable equipment and appurtenances, including, but not limited to, towers or poles made of wood, metal or other materials, props and guys, hereinafter referred to as "Facilities", lying on, over, under, and across the following described lands owned by Grantor, ("Grantor's Property"), to wit:

> That certain 41.23-acre tract of land situated in the Christian Smith Survey, Abstract No. 69, Harris County, Texas, being the same property described in a deed from Charles Laird to City of Baytown, dated December 14, 1960 and filed for record under Volume 4226, Page 116 in the Official Public Records of said County and State, (the "Easement Area").

The Easement Area herein granted is a blanket easement and shall apply only insofar as the boundaries of Grantor's Property will permit. Grantee further reserves the right to extend services and drops within Grantor's Property and to adjacent land owners from said Facilities.

Grantor or its successors or assigns shall observe and exercise all notification laws as per the Underground Facility Damage Prevention and Safety Act, also known as "ONE CALL" & "CALL BEFORE YOU DIG" when working in or near the Easement Area.

To the extent that such laws and codes apply to Grantor, its successors and assigns, Grantor, its successors and assigns shall observe all safety codes and laws which apply to working along, within and or near the Easement Area and Facilities during construction activities and safe clearance from such Facilities, including the Occupational Safety and Health Administration ("O.S.H.A."), Chapter 752 of the Texas Health and Safety Code, the National Electric Code, and the National Electrical Safety Code.

Grantor herein reserves the right to grant easements in favor of third parties across the herein described Easement Area in a near perpendicular fashion to Grantee's Facilities, the approximate locations of which are shown on Exhibit "A", attached hereto and made a part hereof, provided (i) no other utilities are permitted to cross within a vertical distance of twenty-four (24) inches of Grantee's below ground Facilities, (ii) no other facilities or structures shall be permitted longitudinally within a distance of five (5) feet of the centerline of any of Grantee's below ground and above ground Facilities, (iii) no other utilities or structures shall be permitted longitudinally within a distance of fifteen (15) feet of the centerline of any of Grantee's overhead Facilities, beginning at a plane sixteen (16) feet above the ground and extending upward, hereinafter collectively referred

to as “Grantee’s Exclusive Easement Area”, and, (iv) doing so does not, in the sole opinion of Grantee, endanger or interfere with the efficient, safe and proper operation and maintenance of Grantee’s Facilities.

Grantor herein covenants and agrees that, in the event that any third party facilities or obstructions are located within Grantee’s Exclusive Easement Area, Grantor will take immediate action to remove and/or relocate said facilities and/or obstructions to a location outside of Grantee’s Exclusive Easement Area at Grantor’s sole cost and expense.

If Grantor, its successors or assigns should, at any future date, request that the Easement Area herein granted be further defined, Grantee agrees, at Grantor’s expense, to prepare a new, defined easement described by a sealed survey sketch. Defined easements shall be unobstructed and may be further described by, but not limited to, the following descriptions:

1.) A ten (10) foot wide easement (for above and below ground facilities);
2.) A ten (10) foot wide easement together with ten (10) foot aerial easements adjoining both sides of said ten (10) foot wide easement (for above ground and overhead facilities that are not along a perimeter);
3.) A ten (10) foot wide easement together with an adjoining eleven (11) foot, six (6) inch wide aerial easement (for above ground and overhead perimeter facilities);
4.) A fourteen (14) foot wide easement together with an adjoining seven (7) foot, six (6) inch wide aerial easement (for above ground and overhead perimeter facilities);
5.) An easement sixteen (16) feet wide and twenty-four (24) feet long (for Grantee’s pad-mounted transformer station purposes).

Grantee further agrees to release this Easement upon execution and delivery of the new defined easement by Grantor.

In the event that Grantor, its successors and assigns, desires that Grantee's Facilities be relocated, then Grantee agrees to relocate said Facilities provided that Grantor furnishes a suitable and feasible site or location for such relocation and, provided

that Grantor, its successors and assigns, shall, if requested by Grantee, furnish to Grantee a suitable and acceptable easement covering the new location. Any and all costs associated with relocating said Facilities will be at Grantor's sole expense.

Grantee shall also have reasonable rights of ingress and egress to and from said Easement Area, together with reasonable working space, for the purposes of erecting, installing, operating, maintaining, replacing, inspecting, and removing said Facilities, together with the additional right to remove from said Easement Area, all bushes, trees and parts thereof, or other structures which, in the opinion of Grantee, endanger or may interfere with the efficiency, safe and proper operation, and maintenance of said Facilities.

TO HAVE AND TO HOLD the above described Easement, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee forever, and Grantor does hereby bind itself and its successors, heirs, assigns, and legal representatives, to fully warrant and forever defend all and singular the above described Easement and rights unto said Grantee, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise. In the event of a deficiency in title or actions taken by others which results in the relocation of Grantee's Facilities, the Grantor herein, its successors and assigns, will be responsible for all costs associated with the relocation and/or removal of Grantee's Facilities.

The terms, conditions and provisions contained herein constitute the complete and final agreement between Grantor and Grantee, (collectively the "Parties") with respect to the subject matter hereof and supersedes all prior agreements, representations and understandings of the Parties and, by Grantor's signature affixed hereto and Grantee's use of the Easement, the Parties evidence their agreement thereof. No oral or written agreements made or discussed prior to, or subsequent to, the execution of this Easement shall supersede those contained herein. Any and all revisions, amendments and/or exceptions to the terms, conditions and provisions contained in this Easement shall be in

written, recordable form and executed by both parties, or their respective successors or assigns in order to be deemed valid.

EXECUTED this _____ day of _____, 20___.

City of Baytown

BY: _____
Signature

_____
Name typed or printed

_____
Title

STATE OF TEXAS }

COUNTY OF _____}

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared _____, the _____ of City of Baytown, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (__)he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said city.

Given under my hand and seal of office this _____ day of _____, 20___.

_____
Notary's Signature

_____
Name typed or printed

_____
Commission Expires

ATTACHMENT
AFFIDAVIT

STATE OF TEXAS }

COUNTY OF_____}

BEFORE me the undersigned authority on this day personally appeared _____the_____ of City of Baytown, hereinafter referred to as Affiant, who being duly sworn, deposes and says that Affiant is the current owner of the tract of land described in an easement instrument executed by the same on even date herewith, said tract of land is further described as follows:

> That certain 41.23-acre tract of land situated in the Christian Smith Survey, Abstract No. 69, Harris County, Texas, being the same property described in a deed from Charles Laird to City of Baytown, dated December 14, 1960, and filed for record under Volume 4226, Page 116 in the Official Public Records of said County and State.

Affiant further says that the said premises have been held by Affiant, that possession thereof has been peaceable and undisturbed, and that the title thereto has never been disputed or questioned to Affiant's knowledge, nor does Affiant know of any facts by reason of which said possession or title might be disturbed or questioned, or by reason of which any claim to said premises, or any part thereof, might arise or be set up adverse to this Affiant.

EXECUTED this _____ day of _____, 20___.

City of Baytown

BY: _____
Signature

_____
Title

_____
Name typed or printed

SUBSCRIBED and SWORN before me this ____ day of _____, 20____.

_____
Notary's Signature

_____
Name typed or printed

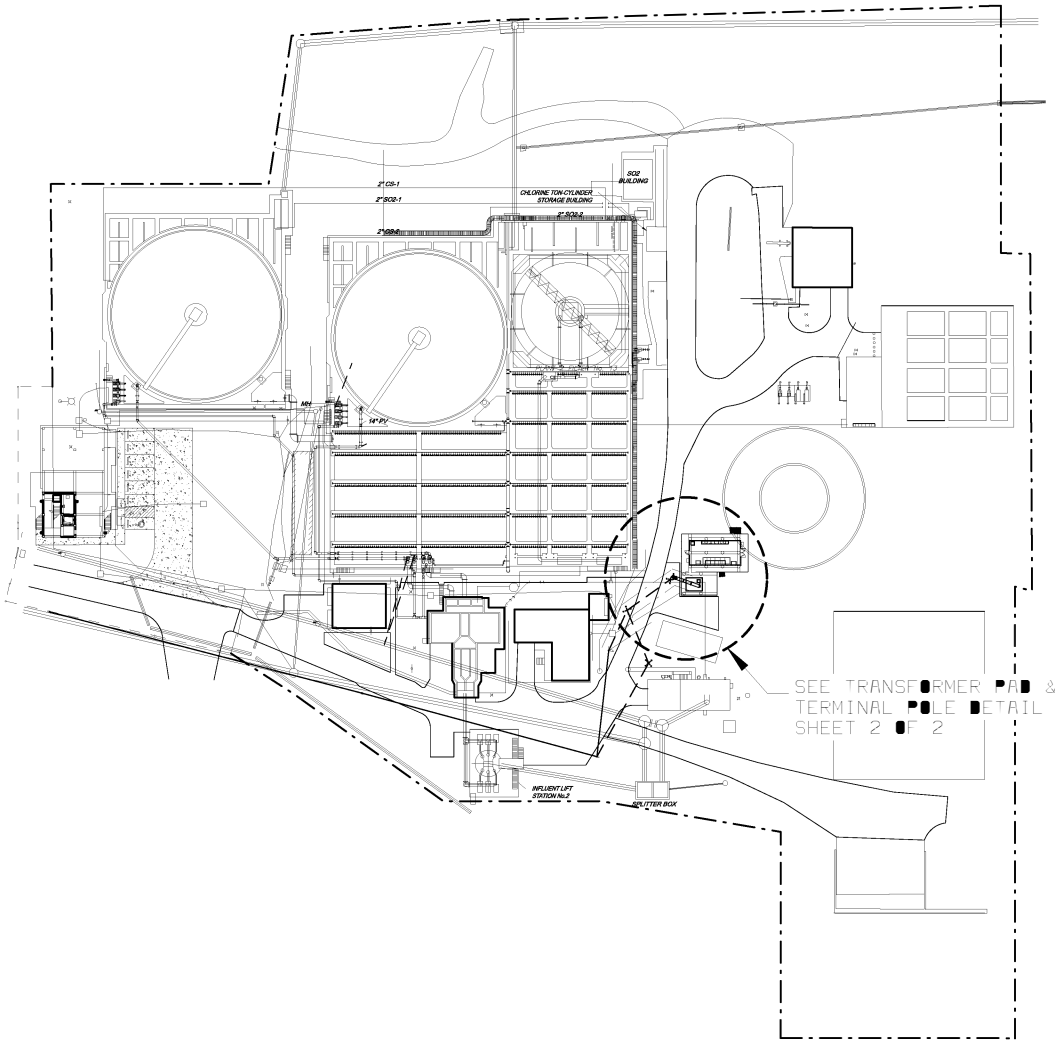
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Commission Expires

AFTER RECORDING RETURN TO:
SURVEYING & RIGHT OF WAY
CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC
P. O. BOX 1700
HOUSTON, TX 77251-1700

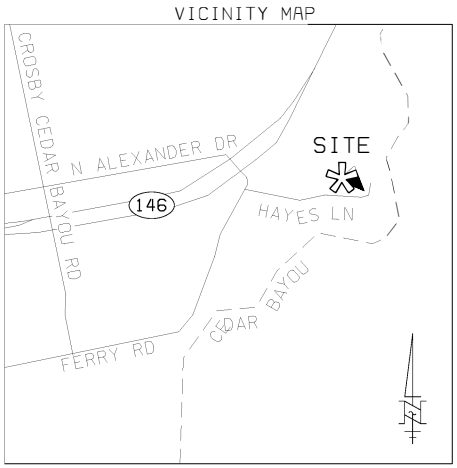
CenterPoint Energy

GENERAL LOCATION SKETCH

LAMBERT	SECTION	KEY MAP	FUNCTIONAL LOCATION	SCALE	CIRCUIT	ORDER NO.
6458	D4	502Q		N.T.S.		112473350



VICINITY MAP

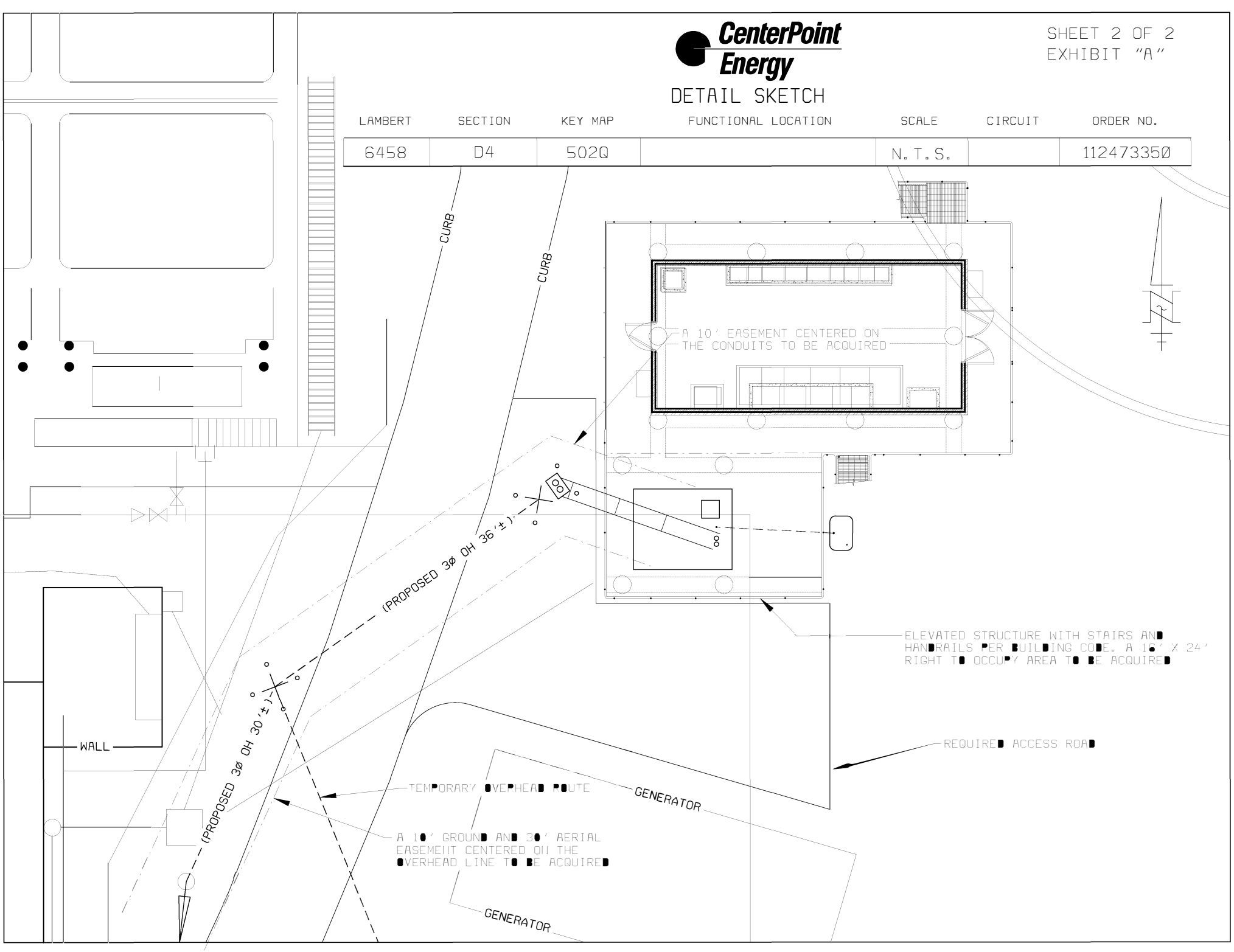


CenterPoint Energy

SHEET 2 OF 2
EXHIBIT "A"

DETAIL SKETCH

LAMBERT	SECTION	KEY MAP	FUNCTIONAL LOCATION	SCALE	CIRCUIT	ORDER NO.
6458	D4	502Q		N.T.S.		112473350



CITY COUNCIL MEETING 7. i.

Meeting Date: 04/23/2026
Subject: Consider an ordinance awarding the Bulk Hydraulic Cement Contract to Ash Grove Cement Company
Prepared for: Sharon Valiante, Public Works/Engineering/BAWA
Prepared by: Jamie Wimmer, Public Works/Engineering/BAWA
Department: Public Works/Engineering/BAWA

Information

ITEM

Consider an ordinance awarding the Bulk Hydraulic Cement Contract to Ash Grove Cement Company, through a cooperative purchasing agreement with Tarrant County.

PREFACE

This proposed ordinance authorizes the award of Bulk Annual Hydraulic Cement to Ash Grove Cement Company, in an amount not to exceed $100,000.00, through a cooperative purchasing agreement with Tarrant County. The cost per ton delivered is $173.03. This contract will allow the City to mix batches of concrete, which lowers the cost and delivery time compared to ready-mix concrete.

Fiscal Impact

Fiscal Year:	2026-2027
Acct Code:	10003012-53020
Source of Funds (Operating/Capital/Bonds):	Operating
Funds Budgeted Y/N:	Y
Amount Needed:	$100,000.00
Fiscal Impact (Additional Information):	

Attachments

Ordinance - Ash Grove
Commissioners Court Award - Tarrant County
Tarrant Count Interlocal Agreement
Indebtedness Certification

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS, AUTHORIZING PAYMENT IN AN AMOUNT NOT TO EXCEED ONE HUNDRED THOUSAND AND NO/100 DOLLARS ($100,000.00) TO ASH GROVE CEMENT COMPANY FOR THE ANNUAL BULK HYDRAULIC CEMENT CONTRACT THROUGH A COOPERATIVE PURCHASING AGREEMENT WITH TARRANT COUNTY; MAKING OTHER PROVISIONS RELATED THERETO; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

****

WHEREAS, the City Council of the City of Baytown has approved an Interlocal Agreement for cooperative purchasing with Tarrant County; and

WHEREAS, pursuant to such agreement, the City may make purchases based upon the bids received by Tarrant County; and

WHEREAS, Tarrant County has taken bids for the Annual Bulk Hydraulic Cement Contract; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAYTOWN, TEXAS:

Section 1: That the City Council of the City of Baytown hereby authorizes payment in an amount not to exceed ONE HUNDRED THOUSAND AND NO/100 DOLLARS ($100,000.00) to Ash Grove Cement Company for the Annual Bulk Hydraulic Cement Contract through a cooperative purchasing agreement with Tarrant County.

Section 2: That pursuant to the provisions of Texas Local Government Code Annotated §252.048, the City Manager is hereby granted general authority to approve any change order involving a decrease or an increase in costs of FIFTY THOUSAND AND NO/100 DOLLARS ($50,000.00) or less, provided that the original contract price specified in Section 1 hereof may not be increased by more than twenty-five percent (25%) or decreased by more than twenty-five percent (25%) without the consent of the contractor to such decrease.

Section 3: This ordinance shall take effect immediately from and after its passage by the City Council of the City of Baytown.

INTRODUCED, READ and PASSED by the affirmative vote of the City Council of the City of Baytown this the 23rd day of April, 2026.

_____
CHARLES JOHNSON, Mayor

ATTEST:

_____
ANGELA JACKSON, City Clerk

APPROVED AS TO FORM:

_____
SCOTT LEMOND, City Attorney

COMMISSIONERS COURT COMMUNICATION

COURT ORDER NUMBER 145358

DATE: 6/3/2025

SUBJECT: **BID NO. F2023182 - ANNUAL CONTRACT FOR DRY BULK HYDRAULIC CEMENT - COUNTYWIDE - ASH GROVE CEMENT COMPANY - EXERCISE SECOND AND FINAL OPTION FOR RENEWAL - SAME FIRM FIXED PRICES AND DISCOUNT FROM LIST PRICE**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve renewal of Bid No. F2023182, Annual Contract for Dry Bulk Hydraulic Cement, for the second and final optional twelve (12) month period at the same firm fixed prices and discount from list price.

Primary Ash Grove Cement Company 1 of 2 Items

BACKGROUND

On September 19, 2023, the Commissioners Court, through Court Order #141775, awarded Bid No. F2023182, Annual Contract for Dry Bulk Hydraulic Cement, Countywide, to Ash Grove Cement Company.

The award was based upon low bid meeting specifications and contained options to renew for two (2) additional twelve (12) month periods.

On July 2, 2024, the Commissioners Court, through Court Order #143421, approved the first renewal option.

This contract is for the purchase and installation of materials used in road construction and repair. Dry bulk hydraulic cement is used primarily to fix cracks in roads.

The vendor notified Purchasing in writing that their prices will remain firm through September 30, 2026. The four (4) Maintenance Precincts notified Purchasing in writing that they are pleased with the vendor and want to renew.

Therefore, it is the joint recommendation of the four (4) Maintenance Precincts and Purchasing that the Commissioners Court approve renewal of Bid No. F2023182, Annual Contract for Dry Bulk Hydraulic Cement, for another twelve (12) month period.

FISCAL IMPACT

Expenses for last year were approximately $299,547.36. Orders are placed on an as-needed basis. Funding has been requested in the FY 2026 budget.

SUBMITTED BY	Purchasing	PREPARED BY:	Emily Salter
		APPROVED BY:	Christopher Lax, CPSM, CPSD, CPCP

TAKINGS IMPACT ASSESSMENT CHECKLIST

Complete this form for any county action that involves the adoption of a regulation, policy, guideline, court resolution, or order.

Project/Regulation Name: Bid No. F2023182 - Annual Contract for Dry Bulk Hydraulic Cement - Countywide - Ash Grove Cement Company – Exercise Second and Final Option for Renewal - Same Firm Fixed Prices and Discount from List Price

County Department: PURCHASING

Contact Person: Melissa Lee, C.P.M., A.P.P.

Phone Number for Contact Person: (817) 884-3245

Type of TIA Performed: (SHORT TIA) or FULL TIA. Circle one after answering the questions in Sections II and III below.

****

I. Stated Purpose

Attach to this checklist an explanation of the purpose of the regulation, policy, guideline, court resolution, or order.

****

Note: The remainder of this Takings Impact Assessment Checklist should be completed in consultation with the Criminal District Attorney's Office.

II. Potential Effect on Private Real Property

1. Does the county action require a physical invasion, occupation, or dedication of real property?

   Yes_____ No__√__

2. Does the county action limit or restrict a real property right, even partially, or temporarily?

   Yes_____ No__√__

If you answered yes to either question, go to Section III. If you answered no to both, STOP HERE and circle SHORT TIA at the top of the form.

****

TARRANT COUNTY PURCHASING DEPARTMENT
100 E. Weatherford St. #303 • Fort Worth, TX 76196 • (817) 884-1414 • (817) 884-2629 (Fax)

Melissa Lee, C.P.M., A.P.P.
Purchasing Agent

Chris Lax, CPSM, CPSD, CPCP
Assistant Purchasing Agent

May 5, 2025

Ash Grove Cement Company
Cara Dacus
PO Box 25900
Overland Park, KS 66225

Re: F2023182 Annual Contract for Dry Bulk Hydraulic Cement

Dear Ms. Dacus:

The above referenced bid was for twelve (12) months with one (2) options to renew for an additional twelve (12) months. The original contract was for the period of 10/01/2023, through 09/30/2024. The effective dates for the second and final renewal option will run from 10/01/2025 through 09/30/2026.

The Tarrant County Purchasing Department hereby extends an invitation to your firm to accept the second and final option for an additional one (1) year period. Please mark the appropriate response below and provide your signature above your printed name.

☑ Yes, Ash Grove Cement Company, will accept the offer to renew at the same firm fixed prices.
Please include a current 1295 Form with your response and your current insurance certificate.

☐ No, Ash Grove Cement Company, will NOT accept the offer to renew.

Are any other governmental entities currently utilizing this contract? ☐ Yes ☑ No
If yes, please return a listing of the participating entities with this letter.

Please email your signed response.

Sincerely,

Emily Salter
Emily Salter, Senior Buyer
Tarrant County
817-884-1143

Cara Dacus
Ash Grove Cement Company
Cara Dacus

5/6/25
Date

Memorandum

To: Joe Trammel, Director

Dept.: Precinct 1 Maintenance

From: Emily Salter, Senior Buyer, Purchasing Department

Date: May 6, 2025

Re: Renewal of F2023182 Annual Contract for Dry Bulk Hydraulic Cement

---

The above referenced contract will expire on September 30, 2025. This contract included options to renew with the vendor for two (2) additional twelve (12) month term. The second and final renewal term will commence October 01, 2025 and would expire September 30, 2026.

If you wish to exercise this option to renew and continue this contract with the vendor(s) listed below for twelve (12) more months, please check the appropriate boxes and email this form back to me on or before Thursday, May 8, 2025.

Ash Grove Cement Company

☑ Yes, I wish to continue the current contract with the above-mentioned vendor(s) for the first and final renewal term of the contract. Account information must be provided below.

558091 / 26100 / 6110300000 / _____

(GL acct) / (Fund #) / (Cost Center) / (Grant # or NRG)

☐ No, I do not wish to continue the current contract with the above-mentioned vendor(s) for the following reason(s).

SIGNATURE: Joe L. Trammel DATE: 5/6/25

Memorandum

To: Jason L Thomas, Director

Dept.: Precinct 2 Maintenance

From: Emily Salter, Senior Buyer, Purchasing Department

Date: May 6, 2025

Re: Renewal of F2023182 Annual Contract for Dry Bulk Hydraulic Cement

---

The above referenced contract will expire on September 30, 2025. This contract included options to renew with the vendor for two (2) additional twelve (12) month term. The second and final renewal term will commence October 01, 2025 and would expire September 30, 2026.

If you wish to exercise this option to renew and continue this contract with the vendor(s) listed below for twelve (12) more months, please check the appropriate boxes and email this form back to me on or before Thursday, May 8, 2025..

Ash Grove Cement Company

☑ Yes, I wish to continue the current contract with the above-mentioned vendor(s) for the first and final renewal term of the contract. Account information must be provided below.

558092 / 26100-2025 / 6210300000

(GL acct) / (Fund #) / (Cost Center) / (Grant # or NRG)

☐ No, I do not wish to continue the current contract with the above-mentioned vendor(s) for the following reason(s).

SIGNATURE: Ron Edwards DATE: 5-6-2025

Memorandum

To: Anthony Jaramillo, Director

Dept.: Precinct 3 Maintenance

From: Emily Salter, Senior Buyer, Purchasing Department

Date: May 6, 2025

Re: Renewal of F2023182 Annual Contract for Dry Bulk Hydraulic Cement

---

The above referenced contract will expire on September 30, 2025. This contract included options to renew with the vendor for two (2) additional twelve (12) month term. The second and final renewal term will commence October 01, 2025 and would expire September 30, 2026.

If you wish to exercise this option to renew and continue this contract with the vendor(s) listed below for twelve (12) more months, please check the appropriate boxes and email this form **back to me on or before Thursday, May 8, 2025.**

Ash Grove Cement Company

☑ Yes, I wish to continue the current contract with the above-mentioned vendor(s) for the first and final renewal term of the contract. Account information must be provided below.

558092 / 26100.2025 / 6310300000

(GL acct) / (Fund #) / (Cost Center) / (Grant # or NRG)

☐ No, I do not wish to continue the current contract with the above-mentioned vendor(s) for the following reason(s).

_____

_____

SIGNATURE: _____ DATE: _____

Memorandum

To: Doug Deweese, Director

Dept.: Precinct 4 Maintenance

From: Emily Salter, Senior Buyer, Purchasing Department

Date: May 6, 2025

Re: Renewal of F2023180 Annual Contract for Reinforced Concrete Pipe (RCP), Concrete Box Culverts, and Safety End Treatment

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The above referenced contract will expire on September 30, 2025. This contract included options to renew with the vendor for two (2) additional twelve (12) month term. The second and final renewal term will commence October 01, 2025 and would expire September 30, 2026.

If you wish to exercise this option to renew and continue this contract with the vendor(s) listed below for twelve (12) more months, please check the appropriate boxes and email this form **back to me on or before Thursday, May 8, 2025.**

Rinker Materials

☑ Yes, I wish to continue the current contract with the above-mentioned vendor(s) for the first and final renewal term of the contract. Account information must be provided below.

558081 / 26100-2025 / 6410300000 / n/a

(GL acct) / (Fund #) / (Cost Center) / (Grant # or NRG)

☐ No, I do not wish to continue the current contract with the above-mentioned vendor(s) for the following reason(s).

SIGNATURE: Doug Deweese DATE: 05/06/2025

F2023[illegible]2 Annual Contract for Bulk Dry Hydraulic Cement

				Ash Grove Cement Company Overlandpark, KS HUB - No CO-OP - Yes	
				Total Price	$30,798.91
Line #	Description	QTY	UOM	Unit	Extended
1	Type I or Type I/II Dry Bulk Hydraulic Cement, per Specifications, Delivered and Placed (Spread) at Various Tarrant County Locations on an As Needed Basis	497.5	TONS	No Bid	
2	Type 1L (10) MS Dry Bulk Hydraulic Cement, per Specifications, Delivered and Placed (Spread) at Various Tarrant County Locations on an As Needed Basis	139.8	TONS	$220.37	$30,798.91
3	Discount for Related Items not Specified	1	EA	0.0%	

Notes: A no bid response was received from CTU of DFW.

FEB 2 2012 PM3:47

TARRANT COUNTY
PURCHASING DEPARTMENT

JACK BEACHAM, C.P.M., A.P.P.
PURCHASING AGENT

ROB COX, C.P.M., A.P.P.
ASSISTANT PURCHASING AGENT

January 25, 2011

Drew Potts, CPPO, C.M.P.
Purchasing Manager
City of Baytown
2123 Market Street
Baytown, Texas 77520

Re: Interlocal Agreement between Tarrant County and the City of Baytown

Dear Mr. Potts:

Enclosed please find an original fully executed Interlocal Agreement between Tarrant County and the City of Baytown. This Agreement will remain in effect until terminated by either party to the Agreement.

Also enclosed a list of the present Bids you may want to review for future use. If you do not see an area of interest listed, please feel free to contact this office with your inquiry. Copies of any contracts are available upon request.

I have enclosed my card for future reference. Please contact me should there be an area in which I may assist you.

Welcome to the Tarrant County Cooperative Purchasing Program. We look forward to working with you.

Sincerely,

Patty Page

Patty Page
Cooperative Purchasing Contact
Tarrant County Texas

Enclosures: Signed Interlocal Agreement
List of Available Bids
Business Card

112078

INTERLOCAL AGREEMENT

BETWEEN COUNTY OF TARRANT AND City of Baytown **, TEXAS**

This agreement is made this 24th day of January, 2012 between the County of Tarrant, Texas and the City of Baytown, Texas.

Pursuant to the authority granted by the "Texas Interlocal Cooperation Act," Chapter 791 Texas Government Code providing for the cooperation between local governmental bodies, the parties hereto, in consideration of the premises and mutual promises contained herein, agree as follows:

WHEREAS, the contract is made under the authority of Sections 791.001-791.029 of the Texas Government Code; and,

WHEREAS, the parties, in performing governmental functions or in paying for the performance of governmental functions hereunder shall make that performance or those payments from current revenues legally available to that party;

WHEREAS, the governing bodies of each party find that the subject of this contract is necessary for the benefit of the public and that each party has the legal authority to perform and to provide the governmental function or service which is the subject matter of this contract; furthermore, the governing bodies find that the performance of this contract is in the common interest of both parties; and that the division of cost fairly compensates the performing party for the services under this contract.

I.

The City of Baytown, hereby makes, constitutes and appoints Tarrant County its true and lawful purchasing agent for the purchase of various commodities using Annual Contracts (Bids). Tarrant County will maintain a listing of Annual Contracts which are available for local entities use. Tarrant County will forward a copy of the requested Annual Contract to the requesting entity. The City of Baytown agrees that Tarrant County shall serve as the purchasing agent for selected items, and agrees that the bidding shall be conducted by Tarrant County according to its usual bidding procedures and in accordance with applicable State statutes.

II.

The City of Baytown agrees that all specifications for selected items shall be determined by Tarrant County.

III.

The City of Baytown agrees to pay the supplier for all goods, equipment and products pursuant to this agreement. The successful bidder or bidders shall bill the City of Baytown directly for all items purchased, and the City of Baytown shall be responsible for vendor's compliance with all conditions of delivery and quality of the purchased items.

IV.

Drew Potts (name), Purchasing Manager (title) is hereby designated as the official representative to act for the City of Baytown in all matters relating to this agreement.

V.

This agreement shall take effect upon execution by both signatories.

VI.

This agreement shall be in effect from the date of execution until terminated by either party to the agreement upon written thirty (30) days notice prior to cancellation

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their authorized officers the day and year first above written.

TARRANT COUNTY

BY: Glen Whitley

TITLE: COUNTY JUDGE

DATE: 11/24/12

(Entity): CITY OF BAYTOWN

BY:

TITLE: CITY MANAGER

DATE:

COOPERATIVE PURCHASING
AVAILABLE BIDS

Bid Number	Bid Title	Buyer	Bid Expiration Date
2006-100	Facsimile and Multi-Function Machine	Debra Feaster	5/23/12
2006-174	Pagers and Paging Services	Debra Feaster	9/30/12
2007-161	Janitorial Services	Gwen Peterson	9/30/12
2008-056	Rental/Purchase of Refurbished Copiers	Debra Feaster	3/24/12
2008-063	Job Order Contracting (JOC) RFP	Danny Roberson	8/5/12
2008-077	Tools	James Bocks	5/17/12
2008-081	Domestic Automotive and Light Truck Parts and Supp	Tim Jones	4/15/12
2008-124	Emergency Vehicle Equip & Supplies	Tim Jones	7/29/12
2008-127	Community Emergency Notification Services	Gwen Peterson	7/31/12
2008-144	Armored Car Service	Gwen Peterson	9/30/12
2008-146	Kitchen Equipment Parts	Gwen Peterson	9/9/12
2008-167	Misc Laboratory Testing &Blood & Urine Testing	Dayna George	9/30/12
2008-191	Wiring Materials and Services	Gwen Peterson	10/13/12
2009-044	Lawn Maintenance Equip & Parts	Carl Voss	04/07/12
2009-050	Work Uniforms	Carl Voss	04/07/12
2009-057	Locksmith Services and Supplies	Debra Feaster	04/30/12
2009-062	Fire Extinguisher/Fire Hoses Services	Debra Feaster	05/13/12

COOPERATIVE PURCHASING
AVAILABLE BIDS

Bid Number	Bid Title	Buyer	Bid Expiration Date
2009-084	Onsite Collection & Disposal Lab Chemicals	Susanna Lea	07/16/12
2009-090	Inmate Food Trays	Gwen Peterson	08/22/12
2009-091	Protective Clothing and Safety Equipment	James Bocks	06/15/12
2009-098	Digitech Sys Paper Flow&Vision License/Maintenance	Gwen Peterson	06/29/12
2009-104	Offender Paid Electronic Monitoring	Dianna Lee	08/31/12
2009-105	Preventative Maintenance on Standby Generators	Carl Voss	08/04/12
2009-116	Temporary Clerical Personnel	Dianna Lee	09/30/12
2009-118	Monitoring Services (Burglary,Fire,Safe)	Debra Feaster	09/30/12
2009-119	Pre-Employment Polygraph Services	Gwen Peterson	09/30/12
2009-122	Asphalt Road Surfacing Products	Tim Jones	08/30/12
2009-127	Trash Removal Services	Susanna Lea	09/30/12
2009-133	Asbestos Consulting Services	Danny Roberson	08/31/12
2009-134	Background Screening Services	Susanna Lea	01/11/12
2009-135	Air Quality Consulting (Indoor)	Danny Roberson	09/01/12
2009-136	Preventive Maintenance on Ice Machines	Carl Voss	09/21/12
2009-137	Inmate Uniforms	Carl Voss	10/04/12
2009-141	Exterminating/Pest Control Services	Susanna Lea	09/30/12

COOPERATIVE PURCHASING
AVAILABLE BIDS

Bid Number	Bid Title	Buyer	Bid Expiration Date
2009-143	Welding Equipment/Supplies and Industrial Gases	James Bocks	09/28/12
2009-151	Microfiche and Microfilm Equipment Maintenance & Supplies	Debra Feaster	09/30/12
2009-153	Lime Slurry and Hydrated Lime	Tim Jones	09/30/12
2010-006	Specialized Electrical Services	Danny Roberson	11/23/11
2010-012	Dishwashing & Laundry Chemicals	Carl Voss	11/30/12
2010-013	Office Supplies	Melissa Lee	12/31/12
2010-016	Wrecker Service	Tim Jones	01/12/12
2010-019	Destruction & Disposal of 8-Liner Machines, CRTs and Mixed Electronic Recycling	Susanna Lea	02/15/12
2010-020	Destruction of Sensitive Film/Microfiche	Susanna Lea	01/11/12
2010-024	Purchase and Installation of Fuel and Lube Body	Tim Jones	02/16/12
2010-025	Soil Compactor	Tim Jones	02/02/12
2010-031	Printing of Election Ballots	James Bocks	01/18/12
2010-035	Carpet, Tile & Misc. Flooring	Melissa Lee	02/23/12
2010-036	Equipment Rentals	Tim Jones	07/07/12
2010-037	Installation & Removal of Guard Fence	Carl Voss	03/16/12
2010-039	Temporary Healthcare Personnel	Dianna Lee	03/17/12
2010-044	Purchase and Maintenance of Digital Copiers	Debra Feaster	03/30/12

COOPERATIVE PURCHASING
AVAILABLE BIDS

Bid Number	Bid Title	Buyer	Bid Expiration Date
2010-045	Electrical Services	Janel Jenkins	03/23/12
2010-046	Fuels	Tim Jones	04/06/12
2010-047	Automotive and Light Truck Transmission Repair	James Bocks	03/30/12
2010-049	Van Conversions for Prisoner Transport and Miscellaneous Vehicle Alterations	James Bocks	04/20/12
2010-050	Automotive and Light Truck Body Repair	James Bocks	04/13/12
2010-051	Fire Alarm/Fire and Sprinkler Alarm Inspections, Backlow Preventer Testing Plus Maintenance and Repair	James Bocks	04/30/12
2010-055	Standard Highway/Road Signs	Dayna George	04/12/12
2010-059	Cold Milling Machine w/Operator	Tim Jones	04/26/12
2010-065	Sign Shop Supplies and Traffic Control Equipment	Dayna George	07/26/12
2010-066	Equipment Trailers	Tim Jones	08/02/12
2010-067	Tractor/Backhoe/Loader	Tim Jones	07/26/12
2010-074	Rental of Tables and Chairs	James Bocks	07/30/12
2010-076	Automotive Radiator Service	James Bocks	06/30/12
2010-079	Tire Repairs and Service	James Bocks	06/28/12
2010-083	Sign Post and Anchor Material Breakaway Style	Dayna George	08/12/12
2010-087	Floor Mat and Shop Towel Service	Susanna Lea	09/30/12

COOPERATIVE PURCHASING
AVAILABLE BIDS

Bid Number	Bid Title	Buyer	Bid Expiration Date
2010-089	Short-Term and Long-Term Rental of Cars, Trucks & Vans	Susanna Lea	09/10/12
2010-092	Warehouse Boxes and Lids	Susanna Lea	08/31/12
2010-093	Language Interpretation and Translation Services	Dianna Lee	09/30/12
2010-094	Copier Maintenance and Supplies	Debra Feaster	09/30/12
2010-096	HIV Prescription Drugs	Dayna George	09/30/12
2010-097	Automated Phone System Labor	Gwen Peterson	10/15/12
2010-102	Temp Labor Payroll Serve. Election Admin	Dianna Lee	08/31/12
2010-107	Mechanical and Plumbing Services	Danny Roberson	09/30/12
2010-108	Preventive Maintenance on Air Handling & Cooling Equipment	Danny Roberson	09/30/12
2010-113	Air Filters	Carl Voss	10/04/12
2010-117	Mapsco Street Guides & Directories	Susanna Lea	10/20/12
2010-121	Security Guard Services	Susanna Lea	10/31/12
2011-004	Paper and Plastic Products	Dayna George	11/16/11
2011-007	ASTM Type 1 Portland Cement	Tim Jones	11/09/12
2011-012	Grease/Sand Trap Services	Susanna Lea	11/30/12
2011-014	Self-Propelled Bituminous Paver	Tim Jones	01/17/12
2010-016	Mattress Materials	Debra Feaster	12/14/11
2011-017	Automotive, Truck and Equipment Tires and Tubes	Tim Jones	12/13/11

COOPERATIVE PURCHASING
AVAILABLE BIDS

Bid Number	Bid Title	Buyer	Bid Expiration Date
2011-018	Vending Services	Debra Feaster	01/18/13
2011-021	Pickup Trucks	Tim Jones	02/01/12
2011-022	Vans	Tim Jones	02/07/12
2011-125	Drug and Alcohol Testing Services	Ralph McBroom	02/22/12
2011-029	Geotextile Paving Fabrics & Installation	Tim Jones	01/11/13
2011-032	Miscellaneous Inmate Hygiene Supplies	Carl Voss	02/14/12
2011-033	Toner Cartridges for Ink Jet and Laser Printers	Susanna Lea	03/16/12
2011-036	Drug and Alcohol Confirmation Testing	Dianna Lee	08/31/12
2011-039	Erosion Control, Hydrmulch Services and Materials	Carl Voss	04/19/12
2011-041	Law Enforcement Uniforms	Carl Voss	02/14/12
2011-042	Health Risk Assessment Services	Debra Feaster	06/30/14
2011-044	Windshield Replacement and Repair	James Bocks	03/14/13
2011-048	Flares	Dayna George	03/31/12
2011-049	Transportation of Human Remains	Debra Feaster	04/10/12
2011-051	Miscellaneous Office Furniture	James Bocks	04/18/12
2011-054	Time/Date Stamp Machines, Service & Supplies	Susanna Lea	05/25/12
2011-055	Moving Services	Debra Feaster	05/23/12
2011-074	U.S., Texas and Tarrant County Flags	Susanna Lea	04/18/12

COOPERATIVE PURCHASING
AVAILABLE BIDS

Bid Number	Bid Title	Buyer	Bid Expiration Date
2011-082	Miscellaneous Medical Supplies/Disposables	Dayna George	06/22/12
2011-084	Custom Coroplast Boxes	Susanna Lea	07/21/12
2011-088	Window Washing	Carl Voss	7/25/12
2011-089	Various Concrete Work	Janel Rains-Jenkins	05/30/12
2011-091	Cellular Telephone and Handheld Wireless Voice and Data Services and Equipment	Gwen Peterson	07/11/13
2011-098	Bio Medical Waste Pick up and Disposal	Dayna George	07/31/12
2011-102	Cold Applied Asphalt Crack Sealant	Tim Jones	7/11/12
2011-110	Emulsions	Tim Jones	07/12/12
2011-112	Reinforced Concrete Pipe	Tim Jones	07/12/12
2011-113	Flexible Base Road Material	Tim Jones	08/02/12
2011-114	Toilet Paper	Dayna George	08/31/12
2011-115	Fax Machine Maintenance	Debra Feaster	9/30/12
2011-116	Hemopoint H2 Supplies and Equipment	Dayna George	08/31/12
2011-117	Panasonic Digital Bus Sys & Key Voice Equip	Gwen Peterson	9/30/13
2011-118	Temporary General Labor	Dianna Lee	09/30/12
2011-122	Sedans	Tim Jones	08/23/12
2011-125	Rental of Bobtail Trucks	Susanna Lea	9/6/12

COOPERATIVE PURCHASING
AVAILABLE BIDS

Bid Number	Bid Title	Buyer	Bid Expiration Date
2011-127	Various In-house Urine and Saliva Drug and Alcohol Testing Supplies	Dayna George	9/15/12
2011-130	Interpretation Services for the Deaf and Hearing Impaired	Dianna Lee	8/31/12
2011-131	Medical Examiner's Supplies	Dayna George	9/19/12
2011-132	Lawn Maintenance	Carl Voss	9/6/13
2011-134	Truck and Bus Repairs	James Bocks	9/20/12
2011-136	Standard Address Labels	Susanna Lea	09/12/12
2011-139	Police Package Vehicles	Tim Jones	09/19/12
2011-149	Water Treatment Services	Carl Voss	10/10/12
2011-150	Service Awards	Susanna Lea	10/10/12
2011-153	Lumber and Building Materials/Supplies	James Bocks	10/10/12
2012-004	Graphic and Photographic Supplies	Susanna Lea	10/25/12
2012-033	Aggregate Road Surface Treatment	Tim Jones	09/30/12

COMMISSIONERS COURT COMMUNICATION

COPY

REFERENCE NUMBER 112078

PAGE 1 OF 4

DATE 1/24/2012

SUBJECT: **APPROVAL OF INTERLOCAL AGREEMENT BETWEEN TARRANT COUNTY AND CITY OF BAYTOWN FOR THE COOPERATIVE PURCHASING OF GOODS AND SERVICES**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court approve an Interlocal Agreement between Tarrant County and the City of Baytown for the Cooperative Purchasing of Goods and Services.

BACKGROUND:

Periodically, Tarrant County enters into Cooperative Purchasing Interlocal Agreements with various other political entities in Texas in accordance with the Texas Intergovernmental Cooperation Act, Chapter 791, Texas Government Code. The agreements allow those entities to purchase goods and services under existing Tarrant County annual contract.

The attached agreement was signed by the City Manager for the City of Baytown on January 13, 2012. It is being presented to the Commissioners Court for final approval and signature.

FISCAL IMPACT:

There is no fiscal impact associated with this item.

SUBMITTED BY:	Purchasing	PREPARED BY: APPROVED BY:	Patricia Page Patricia Page

INTERLOCAL AGREEMENT

BETWEEN COUNTY OF TARRANT AND City of Baytown **, TEXAS**

This agreement is made this 24th day of January, 2012 between the County of Tarrant, Texas and the City of Baytown, Texas.

Pursuant to the authority granted by the "Texas Interlocal Cooperation Act," Chapter 791 Texas Government Code providing for the cooperation between local governmental bodies, the parties hereto, in consideration of the premises and mutual promises contained herein, agree as follows:

WHEREAS, the contract is made under the authority of Sections 791.001-791.029 of the Texas Government Code; and,

WHEREAS, the parties, in performing governmental functions or in paying for the performance of governmental functions hereunder shall make that performance or those payments from current revenues legally available to that party;

WHEREAS, the governing bodies of each party find that the subject of this contract is necessary for the benefit of the public and that each party has the legal authority to perform and to provide the governmental function or service which is the subject matter of this contract; furthermore, the governing bodies find that the performance of this contract is in the common interest of both parties; and that the division of cost fairly compensates the performing party for the services under this contract.

I.

The City of Baytown, hereby makes, constitutes and appoints Tarrant County its true and lawful purchasing agent for the purchase of various commodities using Annual Contracts (Bids). Tarrant County will maintain a listing of Annual Contracts which are available for local entities use. Tarrant County will forward a copy of the requested Annual Contract to the requesting entity. The City of Baytown agrees that Tarrant County shall serve as the purchasing agent for selected items, and agrees that the bidding shall be conducted by Tarrant County according to its usual bidding procedures and in accordance with applicable State statutes.

II.

The City of Baytown agrees that all specifications for selected items shall be determined by Tarrant County.

III.

The City of Baytown agrees to pay the supplier for all goods, equipment and products pursuant to this agreement. The successful bidder or bidders shall bill the City of Baytown directly for all items purchased, and the City of Baytown shall be responsible for vendor's compliance with all conditions of delivery and quality of the purchased items.

IV.

Drew Potts (name), Purchasing Manager (title) is hereby designated as the official representative to act for the City of Baytown in all matters relating to this agreement.

V.

This agreement shall take effect upon execution by both signatories.

VI.

This agreement shall be in effect from the date of execution until terminated by either party to the agreement upon written thirty (30) days notice prior to cancellation

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their authorized officers the day and year first above written.

TARRANT COUNTY

BY: Glen Whitley

TITLE: COUNTY JUDGE

DATE: 1/24/12

(Entity): CITY OF BAYTOWN

BY:

TITLE: CITY MANAGER

DATE: 1/13-12

CITY OF BAYTOWN, TEXAS
INDEBTEDNESS CERTIFICATION

Annual Bulk Hydraulic Cement

Project Name:

Company Name: Ash Grove Cement Company

Department: Public Works/Engineering/BAWA

Date: 04/09/2026 **Council Date:** 04/23/2026

A review of the above-described company was made in accordance with 2-663 of the City of Baytown Code of Ordinances and the aforementioned company was found:

☐ to be indebted to the City in the following areas:

_____

_____

_____

☑ not to be indebted to the City.

It is hereby certified the above is true and correct based on the best information available.

_____ 04/09/2026

Director of Finance Date

For information regarding this certificate, please contact the Finance Director at 281-420-6531.

If an appeal to this determination is to be filed under section 2-664 of this code, please forward to the following address:

City of Baytown
Director of Finance
P O Box 424
Baytown, TX 77522-0424

CITY COUNCIL MEETING 10. a.

Meeting Date: 04/23/2026
Subject: Executive session - 551.072
Prepared by: Gabriella Gonzales, City Clerk's Office
Department: City Clerk's Office

Information

ITEM

Recess into and conduct an executive session pursuant to Texas Government Code Section 551.072 to deliberate the purchase, exchange, lease, or value of real property.

PREFACE

Recess into and conduct an executive session pursuant to Texas Government Code Section 551.072 to deliberate the purchase, exchange, lease, or value of real property.

CITY COUNCIL MEETING 11. a.

Meeting Date: 04/23/2026

Subject: Consider an ordinance for declaration of surplus tracts of land located at 1004 Market Street, 1006 Market Street, 1010 Market Street, and 1011 West Texas Avenue, and exchange of same with Lee College for tracts of land 909 Decker Drive and 2 Price Street.

Prepared for: Brant Gary, Administration **Prepared by:** Sabrina Martin, Administration

Department: Administration

Information

ITEM

Consider an ordinance to exchange tracts of land located at 1004 Market Street, 1006 Market Street, 1010 Market Street, and 1011 West Texas Avenue, with Lee College for tracts of land 909 Decker Drive and 2 Price Street.

PREFACE

Staff recommends City Council approve the presented ordinance authorizing the conveyance of the land located at 909 Decker Drive and 2 Price Street from Lee College to the City of Baytown in exchange for land located at 1004 Market Street, 1006 Market Street, 1010 Market Street, and 1011 W. Texas Avenue.

Fiscal Impact

Fiscal Year:	2026
Acct Code:	
Source of Funds (Operating/Capital/Bonds):	
Funds Budgeted Y/N:	y
Amount Needed:	0
Fiscal Impact (Additional Information):	