

**CITY OF TEXAS CITY
REGULAR CALLED CITY COMMISSION MEETING**

*** * AGENDA * ***

WEDNESDAY, MAY 6, 2009 - 5:00 P. M.

KENNETH T. NUNN COUNCIL ROOM - CITY HALL

- 1. INVOCATION**
- 2. PLEDGE OF ALLEGIANCE**
- 3. PROCLAMATIONS AND PRESENTATIONS**
 - a. Naming of the Sports Complex.
 - b. Medal of Valor presented to Dontrell Gardner from the Colorado Springs Fire and Police Department. (Fire Dept.)
 - c. Proclamation declaring the week of May 10 through May 16, 2009 as Police Week. (Police Dept.)
- 4. CONSENT AGENDA:** All of the following items on the Consent Agenda are considered to be routine by the City Commission and will be enacted by one motion. There will not be separate discussion of these items unless a Commission Member or citizen so requests. For a citizen to request removal of an item, a speaker card must be filled out and submitted to the City Secretary.
 - a. Consider approval of the minutes from the April 15, 2009 City Commission Meeting.
 - b. Consider approval of **Resolution No. 09-045** authorizing the **aerial spraying for mosquitoes** funded by the County's Mosquito Control Program
 - c. Consider approval of **Resolution No. 09-046** authorizing intervention in **Centerpoint Energy Houston Electric**, LLC's Application for Determination of **Hurricane Restoration costs** filed at the Public Utility Commission of Texas, approving cooperation with the Gulf Coast Coalition of Cities to review Centerpoint's applications, hire legal and consulting services and to negotiate with the company and direct any necessary litigation and appeals. (Legal Dept.)
 - d. Consider approval of **Resolution No. 09-047** approving the **appointments** and reappointments of boardmembers to the **City Technical Board** and the **Board of Electrical Examiners**. (Mayor)
 - e. Consider approval of **Resolution No. 09-048** adopting an **Identity Theft Prevention Program** pursuant to the Federal Trade Commission's Red Flags Rule. (Dept. of Human Resources)

- f. Consider approval of **Resolution No. 09-049** awarding the **annual contract** for the purchase and delivery of **Water Meters**. (Purchasing Dept.)
- g. Consider approval of **Resolution No. 09-050** awarding the **annual contract** for the purchase and delivery of **Chemicals and Fertilizer**. (Purchasing Dept.)
- h. Consider approval of **Resolution No. 09-051** authorizing the **purchase and delivery** of one (1) **Ashland TR-1200 Trash Rake**, to be utilized by Pump Station B. (Purchasing Dept.)
- i. Consider approval of **Resolution No. 09-052** authorizing the Mayor to execute an **Interlocal Agreement** by and between Galveston County and the City of Texas City to **provide funding for construction of Amburn Road**. (Transportation and Planning Dept.)
- j. Consider approval of **Resolution No. 09-053** authorizing the Mayor to execute a contract for the purchase and installation of **Community Splash Parks** to be located at Carver Park and Sanders-Vincent Park. (Dept. of Recreation and Tourism)

5. **REGULAR ITEMS**

- a. Consider approval of the **first reading** of **Ordinance No. 09-19 annexing certain territory** within Galveston County Municipal Utility District No. 52 **for limited purposes** and to impose the City of Texas City's sales and use tax in such territory, and implement certain other City functions enumerated in the Strategic Partnership Agreement and as prescribed by Chapter 43 of the State Local Government Code. (Planning Dept.)
- b. Consider approval of the **second reading** of **Ordinance No. 09-10 amending the City of Texas City Code of Ordinances, Chapter 94 - *Secondhand Goods*, by adding Article III (*Garage Sales*), Section 94-69 through 94-75 to provide for permits for garage sales in the community.**
- c. Consider approval of **Ordinance No. 09-20** amending the City of Texas City's **Investment Policy**. (Finance Dept.)
- d. Consider approval of **Ordinance No. 09-21 amending** the City of Texas City's fiscal year 2008/2009 **budget to finance the construction of the Amburn Road Improvements Project** (Finance Dept.)
- e. Consider approval of **Ordinance No. 09-22 amending** the City of Texas City's fiscal year 2008/2009 **budget to provide funding for** the purchase and **installation of lights at Tarpey Park Softball Field**, purchase and **installation of canopies** over the skeet shoot stations **at the Shooting Range**, and to provide **additional funding for cart path repairs**. (Finance Dept.)
- f. Consider approval of **Ordinance No. 09-23 amending** the City of Texas City's fiscal year 2008/2009 **budget to carry forward funding for the Phase 9 Water Line Improvement Project**, which was originally funded in the 2007/2008 adopted budget. (Finance Dept.)

- g. Consider approval of **Ordinance No. 09-24 amending** the City of Texas City's fiscal year 2008/2009 **budget to establish a Special Revenue Fund** to account for revenues and expenditures related to Hurricane Ike. (Finance Dept.)

6. **PUBLIC COMMENTS**

7. **MAYOR'S COMMENTS**

8. **COMMISSIONERS' COMMENTS**

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

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

I CERTIFY THAT THE ABOVE NOTICE OF THE MEETING WAS POSTED ON THE BULLETIN BOARD IN THE MUNICIPAL BUILDING, 1801 9TH AVENUE NORTH, TEXAS CITY, TEXAS ON THE DATE LISTED BELOW AT 5:00 P.M.

/s/ Pamela A. Lawrence
PAMELA A. LAWRENCE
CITY SECRETARY

DATED: May 1, 2009

Naming of Sports Complex

CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Matthew Doyle, Mayor's Office
Submitted For: Matthew Doyle
Department: Mayor's Office
Agenda Area: Proclamations and Presentations

Information

ACTION REQUEST (Brief Summary)

Sports Complex Naming

BACKGROUND

None

ANALYSIS

None

ALTERNATIVES CONSIDERED

None

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Matthew Doyle	05/01/2009 03:19 PM	CREATED
1	Mayor (Originator)	Matthew Doyle	05/01/2009 03:49 PM	APRV
2	Finance			NEW
3	Paralegal			
4	City Attorney Office			
5	Mayor (Originator)			
6	City Secretary			
Form Started By: Matthew Doyle		Started On: 05/01/2009 03:19 PM		

Medal of Valor

CITY COMMISSION AGENDA 2

Date: 05/06/2009

Submitted By: Pam Lawrence, Administration

Submitted For: Fire Department

Department: Administration

Agenda Area: Proclamations and Presentations

Information

ACTION REQUEST (Brief Summary)

Medal of Valor presented to Dontrell Gardner from the Colorado Springs Fire and Police Department.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

*No file(s)
attached.*

Police Week 2009 CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Matthew Doyle, Mayor's Office
Submitted For: Robert Burby
Department: Police Department
Agenda Area: Proclamations and Presentations

Information

ACTION REQUEST (Brief Summary)

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link: [Police Memorial Week](#)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Matthew Doyle	05/01/2009 01:48 PM	CREATED
1	Police Department	Robert Burby	05/01/2009 02:11 PM	APRV
2	Finance			NEW
3	Paralegal			
4	City Attorney Office			
5	Mayor (Originator)			
6	City Secretary			

Form Started By: Matthew Doyle

Started On: 05/01/2009 01:48 PM

Office of the Mayor



Proclamation

I, Matthew T. Doyle, Mayor of the City of Texas City, am honored to hereby proclaim May 10 – May 16, 2009 as Police Week.

WHEREAS, the Congress and President of the United States have designated May 15 as Peace Officers Memorial Day, and the week in which it falls as Police Week; and

WHEREAS, the members of the Texas City Police Department play an essential role in safeguarding the rights and freedoms of the citizens of Texas City; and

WHEREAS, it is important that all citizens know and understand the problems, duties and responsibilities of the Texas City Police Department, and that members of our police department recognize their duty to serve the people by safeguarding life and property, by protecting them against violence or disorder, and by protecting the innocent against deception and the weak against oppression or intimidation; and

WHEREAS, the Texas City Police Department has grown to be a modern and scientific law enforcement agency which unceasingly provides a vital public service;

NOW, THEREFORE, I, Matthew T. Doyle, Mayor of the City of Texas City, call upon all citizens of Texas City and upon all patriotic, civil, and educational organizations to observe the week of May 10 through 16, 2009 as Police Week with appropriate ceremonies in which all of our people may join in commemorating police officers, past and present, who by their faithful and loyal devotion to their responsibilities have rendered a dedicated service to their communities and, in doing so, have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens.

I FURTHER call upon all citizens of Texas City to observe Wednesday, May 13, 2009, as Peace Officers Memorial Day in honor of those peace officers who, through their courageous deeds, have lost their lives or have become disabled in the performance of duty.

In testimony whereof, witness my hand and the Seal of the City of Texas City, this the 6th day of May, 2009.

Matthew T. Doyle, Mayor

Pamela A. Lawrence, City Secretary

CITY COMMISSION AGENDA 2

Date: 05/06/2009

Submitted By: Pam Lawrence, Administration

Department: Administration

Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

CONSENT AGENDA

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link: [April 15, 2009 CC Minutes](#)

REGULAR CALLED CITY COMMISSION MEETING

*** * M I N U T E S * ***

**WEDNESDAY, APRIL 15, 2009 – 5:00 P.M.
KENNETH T. NUNN COUNCIL ROOM – CITY HALL**

A Regular Called Meeting of the City Commission was held on **Wednesday, April 15, at 5:00 P.M.** in the Kenneth T. Nunn Council Room in City Hall, Texas City, Texas, with the following in attendance: Mayor Matthew T. Doyle; Commissioners: Tommy Clark, Dee Ann Haney, Dedrick Johnson, Mike Land, Donald Singleton, and John W. Wilson.

The **Mayor** called upon **Commissioner Johnson** to offer the **Invocation**. **Commissioner Haney** led all present in the **recitation of the Pledge of Allegiance**.

The Mayor declared a quorum present and called the meeting to order at 5:00 p.m.

PROCLAMATIONS AND PRESENTATIONS

Mayor Doyle read and presented a Proclamation commemorating Cinco de Mayo. The Proclamation read as follows:

May 5, 2009

Cinco De Mayo in Texas City

And ask the citizens of Texas City to join me in commemorating the victory of the Mexican Army, led by General Ignacio Zaragoza, over a French Army at the Battle of Puebla, Mexico on May 5, 1862. Many thanks to the Cinco De Mayo Committee for organizing a fun filled weekend at Rotary Pavilion for all to enjoy.

Hilda Torres accepted the proclamation and introduced members of the Ballet Folkloric Fiesta Mexicana they will perform at Cinco de Mayo Celebration on May 2nd.

The Mayor informed the public on upcoming events: The 1947 Memorial will be held at Memorial Park on April 16th at 9:00 a.m.; the Art Festival Gala will be held on April 18th at the Doyle Convention Center; Cinco de Mayo will be celebrated on May 2nd.

REPORTS

- a. Report on City of Texas City's Comprehensive Annual Financial Report for the year ended September 30, 2008.

Cheryl Hunter, Financial Director, reported that this report was prepared in compliance with GASB 34. Key elements of the report: Government-wide financial statements-The government-wide financial statements are designed to provide readers with a broad overview of the City of Texas City's finances, in a manner similar to a private-sector business.

Both of the government-wide financial statements distinguish functions of the City of Texas City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City of Texas City include general government, public safety, public works, health, and culture and recreation. The business-type activities of the City of Texas City include the water and sewer system revenue.

Financial highlights of the report include: the City received an unqualified opinion, clean opinion, for the fiscal year ending September 30, 2008. The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$84.4 million (net assets). Of this amount, \$30.7 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors. The City's total net assets increased by \$11.8 million. As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$32.1 million, a decrease of \$1.6 million in comparison with the prior year. Approximately, 54% of this total amount, \$17.4 million is available for spending at the government's discretion. At the end of the current fiscal year, unreserved fund balance for the General Fund was \$17.4 million, or 41.3 percent of total general fund expenditures. The net change in the City's long-term debt was a decrease of \$4.1 million as a result of additions and reductions to certificates of obligation, bonds, compensated absences, capital leases, and notes payable. Total outstanding long-term debt was \$53 million, with \$53 million for governmental activities and \$7.5 million for business-type activities, \$3.9 million is of the total is due within one year.

The City's assets exceeded liabilities by \$84.4 million at the close of the most recent fiscal year. Total Revenue were \$46 million, which include property taxes at \$19 million and sales tax revenues at \$14.8 million. Total Expenses \$34.4 million, which include General Government at \$3.9 million, Public Safety at \$12.6 million, Public Works at \$10.2 million and Culture and Recreation at \$5.9 million. Revenues for business-type activities remained constant. Water and Sewer rates remained the same as in the prior fiscal year. During the year, the City provided water and sewer service for approximately 14,000 customers. Operating expenses for business-type activities were \$1 million.

Commissioner Singleton asked if the sales tax increased from last year. Ms. Hunter replied that sales tax revenues increase about 30%.

Helen Duval, auditor, required communications we do have specific requirements as to what we communicate to the governing body. Our responsibility as described by professional standards is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects. We have done that and as Cheryl mentioned we have issued an unqualified opinion which is the highest level of assurance that you can get. Significant Audit Findings – *Qualitative Aspects of Accounting Practices* – Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used, are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2008. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements. The most significant estimates affecting your financial statements are the estimates of the useful lives of capital assets and the allowances for uncollectible accounts receivable. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole. *Difficulties Encountered in Performing the Audit* - We encountered no significant difficulties in dealing with management in performing and completing our audit. *Corrected and Uncorrected Misstatements* – Management has corrected all such misstatement. In addition, none of the misstatement detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole. *Disagreements with Management* – No such disagreements arose during the course of our audit. *Management Representations* – we have requested certain representations from management that are included in the management representation letter dated April 15, 2009. *Management Consultations with Other Independent Accountants* – to our knowledge, there were no such consultations with other accountants.

Ms. Duval reviewed what used to be termed the Management Letter, it is now the SAS 112 letter, and she explained that it is a communication to the governing body of items that we feel might be handled in a more efficient manner. The items that we would like to bring to your attention are: the city does not have a policy regarding adjustments to utility billing. A policy should be in place that includes a provision for approval of all adjustments made. Bank reconciliations are not consistently reviewed and approved. Additionally, the employee responsible for preparation of bank reconciliations is also authorized to sign checks on the bank account. We would like to see a separation of duties there, we discussed this and because there is another person in that department now we think that possibly we can separate those duties. Instances of noncompliance with the Public Funds Investment Act were noted – Investments exceeded limitations set for diversification standards in local policy; broker certifications were not available for two brokers; no annual review of the investment policy and strategies was documented.

Mayor noted you did meet with the audit committee Monday. Ms. Duval replied, yes. Commissioner Land, member of the Audit Committee, remarked that they went through ever detail of the report.

- a. Public Hearing to receive input from the public on a proposal for the City of Texas City to annex certain territory in Galveston County Municipal Utility District No. 52 for limited purposes and to impose the City of Texas City's sales and use tax in such territory, and implement certain other City functions enumerated in the Strategic Partnership Agreement.

Don Carroll, City Planner, reported that the City will initiate this Limited Purpose Annexation in order to adhere to the covenant established between the City and Developer. More specifically in agreement with the Strategic Partnership Agreement the Developers Agreement and the Utility Agreement approved for the development of Grand Cay subdivision. Finally, we will initiate the Limited Purpose Annexation in order for the City to legally have the authority to collect sales tax from the Development at the appropriate time. The Planning Study/Service Plan was formulated and presented to the Planning Board and Zoning Commission. A copy was made available the City Secretary and the City's web site. An ordinance calling for notice of hearing was initiated at the City Commission meeting on March 4, 2009. Today's City Commission meeting is the second of two hearings as prescribed by Statute to meet the 20/40 day stipulation mandated by statute.

Mayor Doyle asked if there were anyone that would like to speak for or against this limited purpose annexation; there were none.

- b. Wesson Sand Company Inc. – c/o Herb Wesson requests to rezone from "A" (Single Family Residential) to "SP" (Site Plan) for mining of clay and sand, being 15 lots in the W. K. Wilson, Abstract No. 208, approximately 10 acres; located at 8211 Deats Lane, Texas City, Texas.

Mr. Carroll reported that the request was reviewed and carefully evaluated by both the Planning Board on December 1, 2008 and the Zoning Commission on January 6, 2009, February 17, 2009 and March 3, 2009. This is a request to expand an existing SP development by 10 acres. This first approval was granted by the City Commission on September 15, 2004. There were initial concerns raised by several of the adjacent property owners, which required several meeting of the Zoning Commission before they were able to provide this recommendation. All concerns were properly addressed to the satisfaction of all interested parties. The request to extend the hours of operation up to 2:00 p.m. on Saturdays was also recommended for approval. Mr. Honeycutt and Mr. Wesson were both in attendance.

Mayor Doyle asked if there were anyone that would like to speak for or against this zoning request; there were none.

Commissioner Land made a MOTION to CLOSE the PUBLIC HEARINGS; the motion was SECONDED by Commissioner Johnson. All presented voted AYE. MOTION CARRIED.

PRELIMINARY ZONING APPROVAL

- a. Consider preliminary approval of Wesson Sandpit Inc.'s request to rezone from "A" Single Family Residential) to "SP" (Site Plan) for Mining clay and sand. (Planning Dept.)

Commissioner Clark made a MOTION to APPROVE PRELIMINARY ZONING of property located at 8211 Deats Lane, Texas City, Texas, being 15 lots in the W. K. Wilson, Abstract No. 208 (approximately 10 acres) from "A" Single Family Residential) to "SP" (Site Plan) requested by Wesson Sandpit Inc.'s for mining clay and sand; the motion was SECONDED by Commissioner Wilson. All presented voted AYE. MOTION CARRIED.

CONSENT AGENDA: All of the following items on the Consent Agenda are considered to be routine by the City Commission and will be enacted by one motion. There will not be separate discussion of these items unless a Commission Member or citizen so requests. For a citizen to request removal of an item, a speaker card must be filled out and submitted to the City Secretary.

Commissioner Land requested that item d., *Consider approval of Resolution No. 09-039 suspending the May 5, 2009 effective date of Texas-New Mexico Power Company's "TNMP's") requested supplemental application to change rates to permit the City time to study the request and to establish reasonable rates,* **be pulled for further discussion.** **Mayor Doyle** requested that **items f.,** *Consider approval of Resolution No. 09-042 authorizing the purchase and delivery of one ambulance, radio system included,* **g.,** *Consider approval of Resolution No. 09-043 authorizing the purchase and delivery of one OPTICOM System,* **h.,** *Consider approval of Resolution No. 09-044 supporting the restoration of UTMB's Level 1 Trauma Center ,* **and i.,** *Consider the approval of Resolution No. 09-041 supporting the restoration of Shriners Hospital located in Galveston,* **be pulled for further discussion.**

- a. Consider approval of the **Minutes** from the April 1, 2009 Regular Called City Commission Meeting.
- b. Consider approval of **Resolution No. 09-037** accepting funding from Supplemental Environmental Protection (SEP). (Dept. of Emergency Management)

RESOLUTION NO. 09-037

A RESOLUTION AUTHORIZING THE MAYOR TO ACCEPT SUPPLEMENTAL ENVIRONMENTAL PROTECTION (SEP) FUNDING FOR PURCHASE OF EMERGENCY MANAGEMENT EQUIPMENT, IN THE AMOUNT OF \$365,000.00; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

- c. Consider approval of **Resolution No. 09-038** requesting an amendment to Resolution No. 08-099 by removing a 1995 Cadillac as surplus vehicle. (Purchasing Dept.)

RESOLUTION NO. 09-038

A RESOLUTION AMENDING RESOLUTION 08-099, WHICH DECLARED CERTAIN CITY VEHICLES AS "SURPLUS" AND DIRECTED THEIR DISPOSAL,

BY DELETING ONE VEHICLE FROM THE SURPLUS LIST; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

- e. Consider approval of **Resolution No. 09-040** amendment to the Communications Facilities License Agreement. (Legal Dept.)

RESOLUTION NO. 09-040

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AMENDMENT TO COMMUNICATIONS FACILITIES LICENSE AGREEMENT WITH AT & T MOBILITY TEXAS, LLC TO CHANGE THE SITE PLAN AT 718 14TH STREET NORTH, TEXAS CITY; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

Commissioner Haney made a MOTION to APPROVE the CONSENT AGENDA; the motion was SECONDED by Commissioner Johnson. All present voted AYE. MOTION CARRIED.

- d. Consider approval of **Resolution No. 09-039** suspending the May 5, 2009 effective date of Texas-New Mexico Power Company's "TNMP's") requested supplemental application to change rates to permit the City time to study the request and to establish reasonable rates. (Legal Dept.)

Bobby Gervais reported that Texas-New Mexico Power Company filed an application to increase their rates last year after Hurricane Ike they filed a supplemental filing to also put into the equation the cost from Hurricane Ike. Basically, they have to go through the process again starting again at the city level where we have to adopt a resolution and then they take it to the state level.

RESOLUTION NO. 09-039

RESOLUTION OF THE CITY OF TEXAS CITY SUSPENDING THE MAY 5, 2009 EFFECTIVE DATE OF TEXAS-NEW MEXICO POWER COMPANY'S ("TNMP'S") REQUESTED SUPPLEMENTAL APPLICATION TO CHANGE RATES TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL

Commissioner Clark made a MOTION to APPROVE Resolution No. 09-039 suspending the May 5, 2009 effective date of Texas-New Mexico Power Company's "TNMP's") requested supplemental application to change rates to permit the City time to study the request and to establish reasonable rates; Commissioner Haney SECONDED the motion. All present voted AYE. MOTION CARRIED.

- f. Consider approval of **Resolution No. 09-042** authorizing the purchase and delivery of one ambulance, radio system included. (Dept. of Emergency Management)

Bruce Clawson, Emergency Management Coordinator, reported that agenda items f. and g. are both part of an agreed to order between EPA and BP. This agreement is item or program specific. Our particular part is a new ambulance, repeaters, computers, a light tower, remodeling the emergency management center, and an OPTICOM System. The OPTICOM System is installed at key intersections and on fire equipment and when activated turns the lights at intersections green facilitating the movement of emergency equipment.

RESOLUTION NO. 09-042

A RESOLUTION APPROVING THE PURCHASE AND DELIVERY OF ONE AMBULANCE WITH RADIO SYSTEM INCLUDED FOR EMERGENCY MANAGEMENT SERVICES; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

- g. Consider approval of **Resolution No. 09-043** authorizing the purchase and delivery of one OPTICOM System. (Dept. of Emergency Management)

RESOLUTION NO. 09-043

A RESOLUTION APPROVING THE PURCHASE AND DELIVERY OF OPTICOM SYSTEM FOR EMERGENCY MANAGEMENT SERVICES; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

Commissioner Clark made a MOTION to APPROVE Resolution No. 09-042 authorizing the purchase and delivery of one ambulance, radio system included and Resolution No. 09-043 authorizing the purchase and delivery of one OPTICOM System; Commissioner Haney SECONDED the motion. All present voted AYE. MOTION CARRIED.

- h. Consider approval of **Resolution No. 09-044** supporting the restoration of UTMB's Level 1 Trauma Center. (Fire Dept.)

Mayor we have a great stress on our ems system not having a Level 1 Trauma Center here it is over 60 miles to the nearest Level 1 Trauma Center we are an industrial based community, when we have a tragic accident we understand how severe that is not to mention any other accidents in our city, we take an ambulance out of service for at least 2 hours. Consequently we need to make sure that not only to get UTMB back but also our Level 1 Trauma Center back.

RESOLUTION NO. 09-044

A RESOLUTION SUPPORTING THE RESTORATION OF THE UNIVERSITY OF TEXAS MEDICAL BRANCH (UTMB) LEVEL 1 TRAUMA CENTER IN GALVESTON, TEXAS; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

Commissioner Clark made a MOTION to APPROVE Resolution No. 09-044 supporting the restoration of UTMB's Level 1 Trauma Center; Commissioner Singleton SECONDED the motion. All present voted AYE. MOTION CARRIED.

- i. Consider the approval of **Resolution No. 09-041** supporting the restoration of Shriners Hospital located in Galveston. (Fire Dept.)

This is exactly the same thing, that burns hospital does great work for our community if UTMB gets back Shriners will be back, we need to make sure that they know they have our support.

RESOLUTION NO. 09-041

A RESOLUTION SUPPORTING THE RE-OPENING OF THE SHRINER'S HOSPITAL IN GALVESTON, TEXAS; AND PROVIDING THAT THIS RESOLUTION

SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION

Commissioner Wilson made a MOTION to APPROVE Resolution No. 09-041 supporting the restoration of Shriners Hospital located in Galveston; Commissioner Clark SECONDED the motion. All present voted AYE. MOTION CARRIED.

Addressing Consent Agenda item e., Mayor Doyle noted that BP will hold its BP Classic on June 24th; the BP Classic will consist of 100-150 volunteers that will help with the landscaping project.

REGULAR ITEMS

- a. Consider approval of Ordinance No. 09-16 abandoning the following right-of-ways: (1) 4th Avenue South lying between Kohfeldt and Braun Subdivisions Block C and South Logan Street (25th Street South) comprised of two tracts, to-wit: 0.3157 acres and 1.3039 acres; (2) 4th Avenue South lying between South Logan Street (25th Street South and 27th Street South) comprising 1.2833 acres; (3) Alley right-of-ways lying between 5th Avenue South and the Southeast corner of Westmont Subdivision comprising 0.2710 acres. (Planning Dept.)

BP Products North America, Inc. requests to abandon right-of-ways. The request has been given approval by the Planning Board.

ORDINANCE NO. 09-16

AN ORDINANCE APPROVING BP PRODUCTS NORTH AMERICA, INC.'S REQUESTS FOR ABANDONMENT OF VARIOUS RIGHT-OF-WAYS IN TEXAS CITY, GALVESTON COUNTY, TEXAS; AUTHORIZING THE MAYOR TO EXECUTE A QUITCLAIM DEED FOR SAID PROPERTY UPON REQUEST; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

Commissioner Wilson made a MOTION to APPROVE Ordinance No. 09-16 abandoning the following right-of-ways: (1) 4th Avenue South lying between Kohfeldt and Braun Subdivisions Block C and South Logan Street (25th Street South) comprised of two tracts, to-wit: 0.3157 acres and 1.3039 acres; (2) 4th Avenue South lying between South Logan Street (25th Street South and 27th Street South) comprising 1.2833 acres; (3) Alley right-of-ways lying between 5th Avenue South and the Southeast corner of Westmont Subdivision comprising 0.2710 acres; Commissioner Singleton SECONDED the motion. All present voted AYE. MOTION CARRIED.

- b. Consider approval of the first reading of Ordinance No. 09-10 amending the **City of Texas City Code of Ordinances**, Chapter 94-Secondhand Goods, by adding Article III (Garage Sales), Section 94-69 through 94-75 to provide for permits for community garage sales. (Community Development)

Sheila Bowden, Community Development Department, reported that this amendment to the Code would require anyone having a community garage sale to obtain a permit. The

permit fee is \$10. Only two garage sales a year will be permitted at a location. A garage sale permit must be obtained to have a garage sale. A \$25 garage sale sign permit must also be obtained if one is to advertise throughout the community. The sign permit is a refundable fee. Garage sale signs are allowed out one day before the garage sale and they must be removed the day that the garage sale ends. If the signs are not removed and the City pulls them up the \$25 fee will be forfeited. Those that are caught having a garage sale without a permit can be fined and/or will not be allowed to have a garage sale for one year. Commissioner Wilson inquired as to what drove this in the first place to make people have to have a permit to have a garage sale. Ms. Bowden responded that during certain periods of the year, if you drive around the city, you will see garage sale signs posted on all the city easements and on poles and they are left there. City staff in turn spends a large amount of energy and time picking up these signs; it is a nuisance. There are some residences that have perpetual garage sales. We need something to bring the signage that is posted throughout the city and the infraction of having a business at residences in control. Commissioner Singleton questioned the signage fee. Ms. Bowden responded that the signage fee is a refundable deposit. She explained that a person having a garage sale would leave a \$25 deposit and is allowed to put out four signs in the community for their garage sale. The day their garage sale ends they pick up their signs and they are refunded their \$25 deposit. If they do not pick up their signs and city staff has to pick up the signs they forfeit their \$25 deposit. Commissioner Wilson inquired whether the City would provide the four signs. Ms. Bowden answered that the person having the garage sale will bring in their four signs when they apply for a permit; their permit number will be placed on their signs at the department and the location of where their signs are going to be will also be noted on the permit. Commissioner Land asked who was going to enforce this. She replied that the City has code enforcement officers but also the City is developing a new program, "The Good Neighbor Program". "The Good Neighbor Program" will use the Police Citizens Academy; one of their responsibilities will be to pick up the signs that are left out. Commissioner Land stated that he would like to see this done but I want to see it done right. Most garage sales are held on the week end what concerns me is who is going to enforce this on the weekends; the people we have enforcing this work Monday through Friday. He said that he did not think that the City should put a law on the books that it is not going to enforce; we should be cautious about passing ordinances that we have no intention of enforcing. Commissioner Johnson remarked that the concept behind it is good; the rationale behind the whole thing is trying to clean up the city and that is the overall thing that I think every commissioner on here would like to do. At the same time, when you look at a \$10 permit and then a \$25 signage fee the people that I know that have garage sales sometimes gross \$35 so to pay \$35 to have a garage sale in their eyes would be counterproductive and the City will probably see an onslaught of people trying to be more creative in getting through this system that we put in order to regulate. The Commissioner said that he too has a problem with the frequent garage sales but sometimes he has just as much of a problem with a heavy handed government. There still are some freedoms that citizens have and running a business out of your home unlicensed and unpermitted is not one of them. The signage ordinance that City has in place might need to be stepped and tweaked without bothering the garage sales. The Commissioner asked how this ordinance would affect people that are having free give a ways at their homes; would they fall under this ordinance since they are not selling anything. The City Attorney replied that it would not fall under this ordinance, under the definition there must be an offer for sale. The Commissioner commented this free spot that he was speaking of is one of the most visual nuisances around, but it doesn't fall under this. We are hitting and missing with the goal of what we are trying to do. The Commissioner addressed the issue of four signs. He said that he knows that they are going to put out more than four signs and

now City is going to limit where they can advertise. Ms. Bowden remarked, four signs that has always been in the ordinance under the *Signs and Garage Sales*. Commissioner Johnson responded, which further proves the point that it is not being enforced because he has always seen more than four signs. If the City is not enforcing it in its current ordinances then, the Commissioner said, he is not sure that \$5 or \$10 is going to make the City start enforcing; it is not a deterrent.

Mayor Doyle commented that we are going to see more of these types of ordinances. Community Development, the Fire Marshall, and Inspection Department are meeting monthly and working on these things. He warned the public that if they are parking in their yard, the City is going to try to figure out a way how not to allow you to park on your grass anymore. We are going to get these things under control they are causing physical hazards to people. Imagine a fire fighter having to fight a fire with a house that has a car parked in front of the front door. Another thing that is being worked on is apartment registration and making sure that our apartments are clean, well kept and inspected annually. This is being done for numerous reasons not only fire and protection reasons but quality of life reasons and that will dwindle down to land lords. Commissioner Clark asked if our neighboring communities have garage sale ordinances. Ms. Bowden responded yes.

ORDINANCE NO. 09-10

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF TEXAS CITY, CHAPTER 94, "SECONDHAND GOODS", BY ADDING A NEW ARTICLE III "GARAGE SALES" TO REGULATE GARAGE SALES IN THE CITY; AMENDING CHAPTER 98-135 'GARAGE SALE SIGNS'; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR THE READING OF THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION AND PUBLICATION BY CAPTION ONLY IN THE OFFICIAL NEWSPAPER OF THE CITY.

Commissioner Land made a MOTION to APPROVE the FIRST READING of Ordinance No. 09-10 amending the City of Texas City Code of Ordinances, Chapter 94-Secondhand Goods, by adding Article III (Garage Sales), Section 94-69 through 94-75 to provide for permits for community garage sales; the motion was SECONDED by Commissioner Haney. All present voted AYE. MOTION CARRIED.

- c. Consider approval of **Ordinance No. 09-17 amending** the City of Texas City's fiscal year 2008/2009 **budget transferring monies from the Hotel-Motel Tax fund to the Texas City Economic Development Corporation** to provide funding for the Landscaping Project. (Finance Dept.)

In August 2008, Hotel-Motel funds were committed to partially fund the proposed landscaping project from E. F. Lowry Expressway to I-45. The project will be accounted for in the Texas City Economic Development Corporation. Funds in the amount of \$200,000 will be transferred from the Hotel-Motel Tax fund to the Texas City Economic Development Corporation, these funds will be an addition to the Budget to \$200,000 in the TCEDC for a total project budget of \$400,000.

ORDINANCE NO. 09-17

AN ORDINANCE AMENDING ORDINANCE NO. 08-37, ADOPTING THE 2008-2009 FISCAL YEAR BUDGET TO PROVIDE FUNDING FOR THE LANDSCAPING PROJECT FROM E. F. LOWRY EXPRESSWAY TO I-45; DIRECTING THE CHIEF EXECUTIVE OFFICER TO FILE OR CAUSE TO BE FILED A COPY OF THE

AMENDED BUDGET IN THE OFFICE OF THE GALVESTON COUNTY CLERK AND THE STATE COMPTROLLER'S OFFICE; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

Commissioner Land made a MOTION to APPROVE Ordinance No. 09-17 amending the City of Texas City's fiscal year 2008/2009 budget transferring monies from the Hotel-Motel Tax fund to the Texas City Economic Development Corporation to provide funding for the Landscaping Project; Commissioner Haney SECONDED the motion. All present voted AYE. MOTION CARRIED.

- d. Consider approval of **Ordinance No. 09-18 amending** the City of Texas City's fiscal year 2008/2009 **budget to accept the Supplemental Environmental Protection (SEP) funds** from BP Products. (Finance Dept.)

A budget amendment is needed to accept the SEP funds in the amount of \$365,000 as a result of an agreed order between BP Products and the Environmental Protection Agency.

PUBLIC COMMENTS

Mr. Jenkins, a Texas City resident, reported that he and Mr. Robbins had attended the meeting two weeks ago concerning the noise in the neighborhood and that they have not had a response yet. From 3:00 p.m. till 1:00 a.m. sometimes all the way up to 6:00 a.m. music booms so loud that it shakes the house. This is against the law and something should be done about it; we are really suffering and we would like something to be done about it. We have waited and waited and nothing has happened; we pay taxes for police protection and I feel that the police should do something about it. Chief Burby reported that the police have been working that area. They are not going to crank up the music when the police are out there in parked cars. We are patrolling that area and have been out there before you came to the commission. We have not left that neighborhood and we are not going to leave that neighborhood. Just like your concerns we have that all over the city and we are addressing it. We have had a lot of drug arrest in your neighborhood; these problems will not go away over night but again we are working on it. Mr. Jenkins told the Chief that he appreciated what the police are doing. Mr. Jenkins said that he and Mr. Robbins can tell him the cars that are causing the problem; he said that he would get the license plate numbers and hand them to him at the next meeting. Discussion continued. Mayor Doyle said that the City will continue to address that problem throughout the city.

COMMISSIONERS' COMMENTS

Having no further business, **Commissioner Land made a MOTION to ADJOURN at 6:20 p.m.; the motion was SECONDED by Commissioner Haney. All present voted AYE. MOTION CARRIED.**

MATTHEW T. DOYLE, MAYOR

ATTEST:

Pamela A. Lawrence, City Secretary

pal: 04-02-2009

04-15-2009 City Commission Minutes
CITY COMMISSION AGENDA 2

Date: 05/06/2009

Submitted By: Pam Lawrence, Administration

Department: Administration

Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

Consider approval of the minutes from the April 15, 2009 City Commission Meeting.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link: [April 15, 2009](#)
[CC Minutes](#)

REGULAR CALLED CITY COMMISSION MEETING

*** * M I N U T E S * ***

**WEDNESDAY, APRIL 15, 2009 – 5:00 P.M.
KENNETH T. NUNN COUNCIL ROOM – CITY HALL**

A Regular Called Meeting of the City Commission was held on **Wednesday, April 15, at 5:00 P.M.** in the Kenneth T. Nunn Council Room in City Hall, Texas City, Texas, with the following in attendance: Mayor Matthew T. Doyle; Commissioners: Tommy Clark, Dee Ann Haney, Dedrick Johnson, Mike Land, Donald Singleton, and John W. Wilson.

The **Mayor** called upon **Commissioner Johnson** to offer the **Invocation**. **Commissioner Haney** led all present in the **recitation of the Pledge of Allegiance**.

The Mayor declared a quorum present and called the meeting to order at 5:00 p.m.

PROCLAMATIONS AND PRESENTATIONS

Mayor Doyle read and presented a Proclamation commemorating Cinco de Mayo. The Proclamation read as follows:

May 5, 2009

Cinco De Mayo in Texas City

And ask the citizens of Texas City to join me in commemorating the victory of the Mexican Army, led by General Ignacio Zaragoza, over a French Army at the Battle of Puebla, Mexico on May 5, 1862. Many thanks to the Cinco De Mayo Committee for organizing a fun filled weekend at Rotary Pavilion for all to enjoy.

Hilda Torres accepted the proclamation and introduced members of the Ballet Folkloric Fiesta Mexicana they will perform at Cinco de Mayo Celebration on May 2nd.

The Mayor informed the public on upcoming events: The 1947 Memorial will be held at Memorial Park on April 16th at 9:00 a.m.; the Art Festival Gala will be held on April 18th at the Doyle Convention Center; Cinco de Mayo will be celebrated on May 2nd.

REPORTS

- a. Report on City of Texas City's Comprehensive Annual Financial Report for the year ended September 30, 2008.

Cheryl Hunter, Financial Director, reported that this report was prepared in compliance with GASB 34. Key elements of the report: Government-wide financial statements-The government-wide financial statements are designed to provide readers with a broad overview of the City of Texas City's finances, in a manner similar to a private-sector business.

Both of the government-wide financial statements distinguish functions of the City of Texas City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City of Texas City include general government, public safety, public works, health, and culture and recreation. The business-type activities of the City of Texas City include the water and sewer system revenue.

Financial highlights of the report include: the City received an unqualified opinion, clean opinion, for the fiscal year ending September 30, 2008. The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$84.4 million (net assets). Of this amount, \$30.7 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors. The City's total net assets increased by \$11.8 million. As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$32.1 million, a decrease of \$1.6 million in comparison with the prior year. Approximately, 54% of this total amount, \$17.4 million is available for spending at the government's discretion. At the end of the current fiscal year, unreserved fund balance for the General Fund was \$17.4 million, or 41.3 percent of total general fund expenditures. The net change in the City's long-term debt was a decrease of \$4.1 million as a result of additions and reductions to certificates of obligation, bonds, compensated absences, capital leases, and notes payable. Total outstanding long-term debt was \$53 million, with \$53 million for governmental activities and \$7.5 million for business-type activities, \$3.9 million is of the total is due within one year.

The City's assets exceeded liabilities by \$84.4 million at the close of the most recent fiscal year. Total Revenue were \$46 million, which include property taxes at \$19 million and sales tax revenues at \$14.8 million. Total Expenses \$34.4 million, which include General Government at \$3.9 million, Public Safety at \$12.6 million, Public Works at \$10.2 million and Culture and Recreation at \$5.9 million. Revenues for business-type activities remained constant. Water and Sewer rates remained the same as in the prior fiscal year. During the year, the City provided water and sewer service for approximately 14,000 customers. Operating expenses for business-type activities were \$1 million.

Commissioner Singleton asked if the sales tax increased from last year. Ms. Hunter replied that sales tax revenues increase about 30%.

Helen Duval, auditor, required communications we do have specific requirements as to what we communicate to the governing body. Our responsibility as described by professional standards is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects. We have done that and as Cheryl mentioned we have issued an unqualified opinion which is the highest level of assurance that you can get. Significant Audit Findings – *Qualitative Aspects of Accounting Practices* – Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used, are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2008. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements. The most significant estimates affecting your financial statements are the estimates of the useful lives of capital assets and the allowances for uncollectible accounts receivable. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole. *Difficulties Encountered in Performing the Audit* - We encountered no significant difficulties in dealing with management in performing and completing our audit. *Corrected and Uncorrected Misstatements* – Management has corrected all such misstatement. In addition, none of the misstatement detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole. *Disagreements with Management* – No such disagreements arose during the course of our audit. *Management Representations* – we have requested certain representations from management that are included in the management representation letter dated April 15, 2009. *Management Consultations with Other Independent Accountants* – to our knowledge, there were no such consultations with other accountants.

Ms. Duval reviewed what used to be termed the Management Letter, it is now the SAS 112 letter, and she explained that it is a communication to the governing body of items that we feel might be handled in a more efficient manner. The items that we would like to bring to your attention are: the city does not have a policy regarding adjustments to utility billing. A policy should be in place that includes a provision for approval of all adjustments made. Bank reconciliations are not consistently reviewed and approved. Additionally, the employee responsible for preparation of bank reconciliations is also authorized to sign checks on the bank account. We would like to see a separation of duties there, we discussed this and because there is another person in that department now we think that possibly we can separate those duties. Instances of noncompliance with the Public Funds Investment Act were noted – Investments exceeded limitations set for diversification standards in local policy; broker certifications were not available for two brokers; no annual review of the investment policy and strategies was documented.

Mayor noted you did meet with the audit committee Monday. Ms. Duval replied, yes. Commissioner Land, member of the Audit Committee, remarked that they went through ever detail of the report.

- a. Public Hearing to receive input from the public on a proposal for the City of Texas City to annex certain territory in Galveston County Municipal Utility District No. 52 for limited purposes and to impose the City of Texas City's sales and use tax in such territory, and implement certain other City functions enumerated in the Strategic Partnership Agreement.

Don Carroll, City Planner, reported that the City will initiate this Limited Purpose Annexation in order to adhere to the covenant established between the City and Developer. More specifically in agreement with the Strategic Partnership Agreement the Developers Agreement and the Utility Agreement approved for the development of Grand Cay subdivision. Finally, we will initiate the Limited Purpose Annexation in order for the City to legally have the authority to collect sales tax from the Development at the appropriate time. The Planning Study/Service Plan was formulated and presented to the Planning Board and Zoning Commission. A copy was made available the City Secretary and the City's web site. An ordinance calling for notice of hearing was initiated at the City Commission meeting on March 4, 2009. Today's City Commission meeting is the second of two hearings as prescribed by Statute to meet the 20/40 day stipulation mandated by statute.

Mayor Doyle asked if there were anyone that would like to speak for or against this limited purpose annexation; there were none.

- b. Wesson Sand Company Inc. – c/o Herb Wesson requests to rezone from "A" (Single Family Residential) to "SP" (Site Plan) for mining of clay and sand, being 15 lots in the W. K. Wilson, Abstract No. 208, approximately 10 acres; located at 8211 Deats Lane, Texas City, Texas.

Mr. Carroll reported that the request was reviewed and carefully evaluated by both the Planning Board on December 1, 2008 and the Zoning Commission on January 6, 2009, February 17, 2009 and March 3, 2009. This is a request to expand an existing SP development by 10 acres. This first approval was granted by the City Commission on September 15, 2004. There were initial concerns raised by several of the adjacent property owners, which required several meeting of the Zoning Commission before they were able to provide this recommendation. All concerns were properly addressed to the satisfaction of all interested parties. The request to extend the hours of operation up to 2:00 p.m. on Saturdays was also recommended for approval. Mr. Honeycutt and Mr. Wesson were both in attendance.

Mayor Doyle asked if there were anyone that would like to speak for or against this zoning request; there were none.

Commissioner Land made a MOTION to CLOSE the PUBLIC HEARINGS; the motion was SECONDED by Commissioner Johnson. All presented voted AYE. MOTION CARRIED.

PRELIMINARY ZONING APPROVAL

- a. Consider preliminary approval of Wesson Sandpit Inc.'s request to rezone from "A" Single Family Residential) to "SP" (Site Plan) for Mining clay and sand. (Planning Dept.)

Commissioner Clark made a MOTION to APPROVE PRELIMINARY ZONING of property located at 8211 Deats Lane, Texas City, Texas, being 15 lots in the W. K. Wilson, Abstract No. 208 (approximately 10 acres) from "A" Single Family Residential) to "SP" (Site Plan) requested by Wesson Sandpit Inc.'s for mining clay and sand; the motion was SECONDED by Commissioner Wilson. All presented voted AYE. MOTION CARRIED.

CONSENT AGENDA: All of the following items on the Consent Agenda are considered to be routine by the City Commission and will be enacted by one motion. There will not be separate discussion of these items unless a Commission Member or citizen so requests. For a citizen to request removal of an item, a speaker card must be filled out and submitted to the City Secretary.

Commissioner Land requested that item d., *Consider approval of Resolution No. 09-039 suspending the May 5, 2009 effective date of Texas-New Mexico Power Company's "TNMP's") requested supplemental application to change rates to permit the City time to study the request and to establish reasonable rates,* **be pulled for further discussion.** **Mayor Doyle** requested that **items f.,** *Consider approval of Resolution No. 09-042 authorizing the purchase and delivery of one ambulance, radio system included,* **g.,** *Consider approval of Resolution No. 09-043 authorizing the purchase and delivery of one OPTICOM System,* **h.,** *Consider approval of Resolution No. 09-044 supporting the restoration of UTMB's Level 1 Trauma Center ,* **and i.,** *Consider the approval of Resolution No. 09-041 supporting the restoration of Shriners Hospital located in Galveston,* **be pulled for further discussion.**

- a. Consider approval of the **Minutes** from the April 1, 2009 Regular Called City Commission Meeting.
- b. Consider approval of **Resolution No. 09-037** accepting funding from Supplemental Environmental Protection (SEP). (Dept. of Emergency Management)

RESOLUTION NO. 09-037

A RESOLUTION AUTHORIZING THE MAYOR TO ACCEPT SUPPLEMENTAL ENVIRONMENTAL PROTECTION (SEP) FUNDING FOR PURCHASE OF EMERGENCY MANAGEMENT EQUIPMENT, IN THE AMOUNT OF \$365,000.00; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

- c. Consider approval of **Resolution No. 09-038** requesting an amendment to Resolution No. 08-099 by removing a 1995 Cadillac as surplus vehicle. (Purchasing Dept.)

RESOLUTION NO. 09-038

A RESOLUTION AMENDING RESOLUTION 08-099, WHICH DECLARED CERTAIN CITY VEHICLES AS "SURPLUS" AND DIRECTED THEIR DISPOSAL,

BY DELETING ONE VEHICLE FROM THE SURPLUS LIST; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

- e. Consider approval of **Resolution No. 09-040** amendment to the Communications Facilities License Agreement. (Legal Dept.)

RESOLUTION NO. 09-040

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AMENDMENT TO COMMUNICATIONS FACILITIES LICENSE AGREEMENT WITH AT & T MOBILITY TEXAS, LLC TO CHANGE THE SITE PLAN AT 718 14TH STREET NORTH, TEXAS CITY; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

Commissioner Haney made a MOTION to APPROVE the CONSENT AGENDA; the motion was SECONDED by Commissioner Johnson. All present voted AYE. MOTION CARRIED.

- d. Consider approval of **Resolution No. 09-039** suspending the May 5, 2009 effective date of Texas-New Mexico Power Company's "TNMP's") requested supplemental application to change rates to permit the City time to study the request and to establish reasonable rates. (Legal Dept.)

Bobby Gervais reported that Texas-New Mexico Power Company filed an application to increase their rates last year after Hurricane Ike they filed a supplemental filing to also put into the equation the cost from Hurricane Ike. Basically, they have to go through the process again starting again at the city level where we have to adopt a resolution and then they take it to the state level.

RESOLUTION NO. 09-039

RESOLUTION OF THE CITY OF TEXAS CITY SUSPENDING THE MAY 5, 2009 EFFECTIVE DATE OF TEXAS-NEW MEXICO POWER COMPANY'S ("TNMP'S") REQUESTED SUPPLEMENTAL APPLICATION TO CHANGE RATES TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL

Commissioner Clark made a MOTION to APPROVE Resolution No. 09-039 suspending the May 5, 2009 effective date of Texas-New Mexico Power Company's "TNMP's") requested supplemental application to change rates to permit the City time to study the request and to establish reasonable rates; Commissioner Haney SECONDED the motion. All present voted AYE. MOTION CARRIED.

- f. Consider approval of **Resolution No. 09-042** authorizing the purchase and delivery of one ambulance, radio system included. (Dept. of Emergency Management)

Bruce Clawson, Emergency Management Coordinator, reported that agenda items f. and g. are both part of an agreed to order between EPA and BP. This agreement is item or program specific. Our particular part is a new ambulance, repeaters, computers, a light tower, remodeling the emergency management center, and an OPTICOM System. The OPTICOM System is installed at key intersections and on fire equipment and when activated turns the lights at intersections green facilitating the movement of emergency equipment.

RESOLUTION NO. 09-042

A RESOLUTION APPROVING THE PURCHASE AND DELIVERY OF ONE AMBULANCE WITH RADIO SYSTEM INCLUDED FOR EMERGENCY MANAGEMENT SERVICES; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

- g. Consider approval of **Resolution No. 09-043** authorizing the purchase and delivery of one OPTICOM System. (Dept. of Emergency Management)

RESOLUTION NO. 09-043

A RESOLUTION APPROVING THE PURCHASE AND DELIVERY OF OPTICOM SYSTEM FOR EMERGENCY MANAGEMENT SERVICES; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

Commissioner Clark made a MOTION to APPROVE Resolution No. 09-042 authorizing the purchase and delivery of one ambulance, radio system included and Resolution No. 09-043 authorizing the purchase and delivery of one OPTICOM System; Commissioner Haney SECONDED the motion. All present voted AYE. MOTION CARRIED.

- h. Consider approval of **Resolution No. 09-044** supporting the restoration of UTMB's Level 1 Trauma Center. (Fire Dept.)

Mayor we have a great stress on our ems system not having a Level 1 Trauma Center here it is over 60 miles to the nearest Level 1 Trauma Center we are an industrial based community, when we have a tragic accident we understand how severe that is not to mention any other accidents in our city, we take an ambulance out of service for at least 2 hours. Consequently we need to make sure that not only to get UTMB back but also our Level 1 Trauma Center back.

RESOLUTION NO. 09-044

A RESOLUTION SUPPORTING THE RESTORATION OF THE UNIVERSITY OF TEXAS MEDICAL BRANCH (UTMB) LEVEL 1 TRAUMA CENTER IN GALVESTON, TEXAS; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

Commissioner Clark made a MOTION to APPROVE Resolution No. 09-044 supporting the restoration of UTMB's Level 1 Trauma Center; Commissioner Singleton SECONDED the motion. All present voted AYE. MOTION CARRIED.

- i. Consider the approval of **Resolution No. 09-041** supporting the restoration of Shriners Hospital located in Galveston. (Fire Dept.)

This is exactly the same thing, that burns hospital does great work for our community if UTMB gets back Shriners will be back, we need to make sure that they know they have our support.

RESOLUTION NO. 09-041

A RESOLUTION SUPPORTING THE RE-OPENING OF THE SHRINER'S HOSPITAL IN GALVESTON, TEXAS; AND PROVIDING THAT THIS RESOLUTION

SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION

Commissioner Wilson made a MOTION to APPROVE Resolution No. 09-041 supporting the restoration of Shriners Hospital located in Galveston; Commissioner Clark SECONDED the motion. All present voted AYE. MOTION CARRIED.

Addressing Consent Agenda item e., Mayor Doyle noted that BP will hold its BP Classic on June 24th; the BP Classic will consist of 100-150 volunteers that will help with the landscaping project.

REGULAR ITEMS

- a. Consider approval of Ordinance No. 09-16 abandoning the following right-of-ways: (1) 4th Avenue South lying between Kohfeldt and Braun Subdivisions Block C and South Logan Street (25th Street South) comprised of two tracts, to-wit: 0.3157 acres and 1.3039 acres; (2) 4th Avenue South lying between South Logan Street (25th Street South and 27th Street South) comprising 1.2833 acres; (3) Alley right-of-ways lying between 5th Avenue South and the Southeast corner of Westmont Subdivision comprising 0.2710 acres. (Planning Dept.)

BP Products North America, Inc. requests to abandon right-of-ways. The request has been given approval by the Planning Board.

ORDINANCE NO. 09-16

AN ORDINANCE APPROVING BP PRODUCTS NORTH AMERICA, INC.'S REQUESTS FOR ABANDONMENT OF VARIOUS RIGHT-OF-WAYS IN TEXAS CITY, GALVESTON COUNTY, TEXAS; AUTHORIZING THE MAYOR TO EXECUTE A QUITCLAIM DEED FOR SAID PROPERTY UPON REQUEST; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

Commissioner Wilson made a MOTION to APPROVE Ordinance No. 09-16 abandoning the following right-of-ways: (1) 4th Avenue South lying between Kohfeldt and Braun Subdivisions Block C and South Logan Street (25th Street South) comprised of two tracts, to-wit: 0.3157 acres and 1.3039 acres; (2) 4th Avenue South lying between South Logan Street (25th Street South and 27th Street South) comprising 1.2833 acres; (3) Alley right-of-ways lying between 5th Avenue South and the Southeast corner of Westmont Subdivision comprising 0.2710 acres; Commissioner Singleton SECONDED the motion. All present voted AYE. MOTION CARRIED.

- b. Consider approval of the first reading of Ordinance No. 09-10 amending the **City of Texas City Code of Ordinances**, Chapter 94-Secondhand Goods, by adding Article III (Garage Sales), Section 94-69 through 94-75 to provide for permits for community garage sales. (Community Development)

Sheila Bowden, Community Development Department, reported that this amendment to the Code would require anyone having a community garage sale to obtain a permit. The

permit fee is \$10. Only two garage sales a year will be permitted at a location. A garage sale permit must be obtained to have a garage sale. A \$25 garage sale sign permit must also be obtained if one is to advertise throughout the community. The sign permit is a refundable fee. Garage sale signs are allowed out one day before the garage sale and they must be removed the day that the garage sale ends. If the signs are not removed and the City pulls them up the \$25 fee will be forfeited. Those that are caught having a garage sale without a permit can be fined and/or will not be allowed to have a garage sale for one year. Commissioner Wilson inquired as to what drove this in the first place to make people have to have a permit to have a garage sale. Ms. Bowden responded that during certain periods of the year, if you drive around the city, you will see garage sale signs posted on all the city easements and on poles and they are left there. City staff in turn spends a large amount of energy and time picking up these signs; it is a nuisance. There are some residences that have perpetual garage sales. We need something to bring the signage that is posted throughout the city and the infraction of having a business at residences in control. Commissioner Singleton questioned the signage fee. Ms. Bowden responded that the signage fee is a refundable deposit. She explained that a person having a garage sale would leave a \$25 deposit and is allowed to put out four signs in the community for their garage sale. The day their garage sale ends they pick up their signs and they are refunded their \$25 deposit. If they do not pick up their signs and city staff has to pick up the signs they forfeit their \$25 deposit. Commissioner Wilson inquired whether the City would provide the four signs. Ms. Bowden answered that the person having the garage sale will bring in their four signs when they apply for a permit; their permit number will be placed on their signs at the department and the location of where their signs are going to be will also be noted on the permit. Commissioner Land asked who was going to enforce this. She replied that the City has code enforcement officers but also the City is developing a new program, "The Good Neighbor Program". "The Good Neighbor Program" will use the Police Citizens Academy; one of their responsibilities will be to pick up the signs that are left out. Commissioner Land stated that he would like to see this done but I want to see it done right. Most garage sales are held on the week end what concerns me is who is going to enforce this on the weekends; the people we have enforcing this work Monday through Friday. He said that he did not think that the City should put a law on the books that it is not going to enforce; we should be cautious about passing ordinances that we have no intention of enforcing. Commissioner Johnson remarked that the concept behind it is good; the rationale behind the whole thing is trying to clean up the city and that is the overall thing that I think every commissioner on here would like to do. At the same time, when you look at a \$10 permit and then a \$25 signage fee the people that I know that have garage sales sometimes gross \$35 so to pay \$35 to have a garage sale in their eyes would be counterproductive and the City will probably see an onslaught of people trying to be more creative in getting through this system that we put in order to regulate. The Commissioner said that he too has a problem with the frequent garage sales but sometimes he has just as much of a problem with a heavy handed government. There still are some freedoms that citizens have and running a business out of your home unlicensed and unpermitted is not one of them. The signage ordinance that City has in place might need to be stepped and tweaked without bothering the garage sales. The Commissioner asked how this ordinance would affect people that are having free give a ways at their homes; would they fall under this ordinance since they are not selling anything. The City Attorney replied that it would not fall under this ordinance, under the definition there must be an offer for sale. The Commissioner commented this free spot that he was speaking of is one of the most visual nuisances around, but it doesn't fall under this. We are hitting and missing with the goal of what we are trying to do. The Commissioner addressed the issue of four signs. He said that he knows that they are going to put out more than four signs and

now City is going to limit where they can advertise. Ms. Bowden remarked, four signs that has always been in the ordinance under the *Signs and Garage Sales*. Commissioner Johnson responded, which further proves the point that it is not being enforced because he has always seen more than four signs. If the City is not enforcing it in its current ordinances then, the Commissioner said, he is not sure that \$5 or \$10 is going to make the City start enforcing; it is not a deterrent.

Mayor Doyle commented that we are going to see more of these types of ordinances. Community Development, the Fire Marshall, and Inspection Department are meeting monthly and working on these things. He warned the public that if they are parking in their yard, the City is going to try to figure out a way how not to allow you to park on your grass anymore. We are going to get these things under control they are causing physical hazards to people. Imagine a fire fighter having to fight a fire with a house that has a car parked in front of the front door. Another thing that is being worked on is apartment registration and making sure that our apartments are clean, well kept and inspected annually. This is being done for numerous reasons not only fire and protection reasons but quality of life reasons and that will dwindle down to land lords. Commissioner Clark asked if our neighboring communities have garage sale ordinances. Ms. Bowden responded yes.

ORDINANCE NO. 09-10

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF TEXAS CITY, CHAPTER 94, "SECONDHAND GOODS", BY ADDING A NEW ARTICLE III "GARAGE SALES" TO REGULATE GARAGE SALES IN THE CITY; AMENDING CHAPTER 98-135 'GARAGE SALE SIGNS'; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR THE READING OF THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION AND PUBLICATION BY CAPTION ONLY IN THE OFFICIAL NEWSPAPER OF THE CITY.

Commissioner Land made a MOTION to APPROVE the FIRST READING of Ordinance No. 09-10 amending the City of Texas City Code of Ordinances, Chapter 94-Secondhand Goods, by adding Article III (Garage Sales), Section 94-69 through 94-75 to provide for permits for community garage sales; the motion was SECONDED by Commissioner Haney. All present voted AYE. MOTION CARRIED.

- c. Consider approval of **Ordinance No. 09-17 amending** the City of Texas City's fiscal year 2008/2009 **budget transferring monies from the Hotel-Motel Tax fund to the Texas City Economic Development Corporation** to provide funding for the Landscaping Project. (Finance Dept.)

In August 2008, Hotel-Motel funds were committed to partially fund the proposed landscaping project from E. F. Lowry Expressway to I-45. The project will be accounted for in the Texas City Economic Development Corporation. Funds in the amount of \$200,000 will be transferred from the Hotel-Motel Tax fund to the Texas City Economic Development Corporation, these funds will be an addition to the Budget to \$200,000 in the TCEDC for a total project budget of \$400,000.

ORDINANCE NO. 09-17

AN ORDINANCE AMENDING ORDINANCE NO. 08-37, ADOPTING THE 2008-2009 FISCAL YEAR BUDGET TO PROVIDE FUNDING FOR THE LANDSCAPING PROJECT FROM E. F. LOWRY EXPRESSWAY TO I-45; DIRECTING THE CHIEF EXECUTIVE OFFICER TO FILE OR CAUSE TO BE FILED A COPY OF THE

AMENDED BUDGET IN THE OFFICE OF THE GALVESTON COUNTY CLERK AND THE STATE COMPTROLLER'S OFFICE; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

Commissioner Land made a MOTION to APPROVE Ordinance No. 09-17 amending the City of Texas City's fiscal year 2008/2009 budget transferring monies from the Hotel-Motel Tax fund to the Texas City Economic Development Corporation to provide funding for the Landscaping Project; Commissioner Haney SECONDED the motion. All present voted AYE. MOTION CARRIED.

- d. Consider approval of **Ordinance No. 09-18 amending** the City of Texas City's fiscal year 2008/2009 **budget to accept the Supplemental Environmental Protection (SEP) funds** from BP Products. (Finance Dept.)

A budget amendment is needed to accept the SEP funds in the amount of \$365,000 as a result of an agreed order between BP Products and the Environmental Protection Agency.

PUBLIC COMMENTS

Mr. Jenkins, a Texas City resident, reported that he and Mr. Robbins had attended the meeting two weeks ago concerning the noise in the neighborhood and that they have not had a response yet. From 3:00 p.m. till 1:00 a.m. sometimes all the way up to 6:00 a.m. music booms so loud that it shakes the house. This is against the law and something should be done about it; we are really suffering and we would like something to be done about it. We have waited and waited and nothing has happened; we pay taxes for police protection and I feel that the police should do something about it. Chief Burby reported that the police have been working that area. They are not going to crank up the music when the police are out there in parked cars. We are patrolling that area and have been out there before you came to the commission. We have not left that neighborhood and we are not going to leave that neighborhood. Just like your concerns we have that all over the city and we are addressing it. We have had a lot of drug arrest in your neighborhood; these problems will not go away over night but again we are working on it. Mr. Jenkins told the Chief that he appreciated what the police are doing. Mr. Jenkins said that he and Mr. Robbins can tell him the cars that are causing the problem; he said that he would get the license plate numbers and hand them to him at the next meeting. Discussion continued. Mayor Doyle said that the City will continue to address that problem throughout the city.

COMMISSIONERS' COMMENTS

Having no further business, **Commissioner Land made a MOTION to ADJOURN at 6:20 p.m.; the motion was SECONDED by Commissioner Haney. All present voted AYE. MOTION CARRIED.**

MATTHEW T. DOYLE, MAYOR

ATTEST:

Pamela A. Lawrence, City Secretary

pal: 04-02-2009

4.b.

Aerial Spraying for Mosquitoes CITY COMMISSION AGENDA 2

Date: 05/06/2009

Submitted By: Pam Lawrence, Administration

Submitted For: Mayor

Department: Administration

Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

Consider approval of a Resolution authorizing the aerial spraying for mosquitoes funded by the County's Mosquito Control Program.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link: Res
09-045

RESOLUTION NO. 09-045

A RESOLUTION APPROVING THE AERIAL SPRAYING OVER THE TERRITORY OF THE CITY OF TEXAS CITY, TEXAS, FOR THE ABATEMENT OF MOSQUITOES BY THE GALVESTON COUNTY MOSQUITO CONTROL DISTRICT; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the Galveston County Mosquito Control District is responsible for the operation of the county-wide Mosquito Control Program; and

WHEREAS, the Federal Aviation Administration has indicated that governmental approval is necessary to provide aerial spraying services over the territories of general-purpose governments.

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

SECTION 1: That the City Commission hereby approves the aerial spraying over its territory for the abatement of mosquitoes, provided such spraying is conducted within the regulations and constraints of the Federal Aviation Administration, the Environmental Protection Agency, and other authoritative Federal and State agencies.

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

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

Intervention in Centerpoint Hurricane Restoration Costs CITY COMMISSION AGENDA 2

Date: 05/06/2009

Submitted By: Linda Jennings, City Attorney Office

Submitted For: Linda Jennings

Department: City Attorney Office

Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

Resolution authorizing intervention in Centerpoint Energy Houston Electric, LLC's Application for Determination of Hurricane Restoration costs filed at the Public Utility Commission of Texas, approving cooperation with the Gulf Coast Coalition of Cities to review Centerpoint's applications, hire legal and consulting services and to negotiate with the company and direct any necessary litigation and appeals.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link:

Res
09-046

Link:

Exhibit

A

RESOLUTION NO. 09-046

A RESOLUTION AUTHORIZING INTERVENTION IN CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S APPLICATION FOR DETERMINATION OF HURRICANE RESTORATION COSTS FILED AT THE PUBLIC UTILITY COMMISSION OF TEXAS, APPROVING COOPERATION WITH THE GULF COAST COALITION OF CITIES TO REVIEW CENTERPOINT'S APPLICATION, HIRE LEGAL AND CONSULTING SERVICES AND TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

WHEREAS, on or about April 17, 2009, CenterPoint Houston Electric, LLC ("CenterPoint" or "Company"), pursuant to PURA § 14.001 and Senate Bill 769, filed with the Public Utility Commission of Texas an application, PUC Docket No. 36918, for approval of \$677,816,820 in restoration costs associated with Hurricane Ike, including \$54.7 million in carrying costs; and

WHEREAS, the City of Texas City is a member of the Gulf Coast Coalition of Cities and will cooperate with other similarly situated city members and other city participants located within the CenterPoint service area in conducting a review of the Company's application and to hire and direct legal counsel and consultants and to prepare a common response and to negotiate with the Company and direct any necessary litigation; and

WHEREAS, working with the Gulf Coast Coalition of Cities to review the application filed by CenterPoint allows members to accomplish more collectively than each city could do acting alone; and

WHEREAS, the Gulf Coast Coalition of Cities has a lengthy history of participation in Public Utility Commission dockets and projects, as well as court proceedings, affecting transmission and distribution utility rates in CenterPoint's service area to protect the interests of municipalities and electric customers residing within municipal boundaries; and

WHEREAS, PURA § 33.023 provides that costs incurred by cities in ratemaking activities are to be reimbursed by the regulated utility.

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

SECTION 1: That the City is authorized to participate with the Gulf Coast Coalition of Cities in PUC Docket No. 36918 to coordinate efforts to protect the interests of the City and

protect the interests of CenterPoint's end-use customers residing and conducting business within municipal limits.

SECTION 2: Subject to the right to terminate employment at any time, the City hereby authorizes the hiring of Thomas Brocato and Geoffrey Gay of the law firm of Lloyd Gosselink Rochelle and Townsend, P.C. and consultants to negotiate with the Company, make recommendations regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of the rate case filed with the Public Utility Commission.

SECTION 3: That the City's reasonable rate case expenses shall be reimbursed by CenterPoint.

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

SECTION 5: A copy of this Resolution shall be sent to CenterPoint care of John Hudson, III, CenterPoint Energy, Inc., P. O. Box 4567, Houston, TX 77210-4567 and to Thomas Brocato, General Counsel to the Gulf Coast Coalition of Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P. O. Box 1725, Austin, Texas 78767-1725.

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

MODEL STAFF REPORT REGARDING CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S REQUEST FOR DETERMINATION OF HURRICANE RESTORATION COSTS

PURPOSE

On September 13, 2008, Hurricane Ike made landfall in the Greater Houston Area. The hurricane caused widespread damage and loss of electric power throughout CenterPoint Houston Electric, LLC's ("CenterPoint's" or "Company's") service area.

In response to the storm, the Texas Legislature adopted Senate Bill 769 authorizing CenterPoint to seek recovery of its reasonable costs associated with restoring power as a result of Hurricane Ike. The bill was signed into law on April 16, 2009.

On April 17, 2009, CenterPoint filed with the Public Utility Commission of Texas ("PUC" or "Commission") an application, PUC Docket No. 36918, seeking approval of **\$677,816,820** in restoration costs. The Company's application includes \$429 million for contractor services, \$68 million in payroll costs, \$12.2 million for hotels, \$45.6 million for catering/tents, \$30 million for materials and supplies and \$54.7 million in carrying costs.

The resolution authorizes intervention in the PUC proceeding, participation with other members of the Gulf Coast Coalition of Cities ("GCCC") and the hiring of attorneys and consultants to evaluate CenterPoint's filing, determine whether the filing complies with law, and to determine what further strategy, including settlement, to pursue. Specifically, consultants will ensure that CenterPoint has not included unreasonable expenses, has provided adequate documentation of its costs, has not sought to double recover any costs that are currently in rates, and has not allocated an unreasonable amount to cities or their citizens.

DISCUSSION

The City of _____ is a member of a coalition of cities known alternatively as the Gulf Coast Coalition of Cities ("GCCC"). The coalition has been in existence since the early 1990s. GCCC has been the primary public interest advocate before the PUC, the Courts, and the Legislature on electric utility regulation matters for nearly 20 years.

Explanation of "Be It Resolved" Paragraphs:

Section 1. This provision authorizes the City to participate in a coalition of cities (i.e. the Gulf Coast Coalition of Cities) served by CenterPoint in order to more efficiently represent the interests of the City and their citizens.

Section 2. This provision authorizes the hiring of Lloyd Gosselink Rochelle and Townsend, P.C. and consultants to represent the City in this matter. It also provides authority for the attorneys and consultants to act on behalf of the City in settlement discussions, before the

PUC, and on appeal to the Courts. Negotiating clout and efficiency are enhanced by city cooperation in a common review and common purpose. Additionally, rate case expenses are minimized when cities hire one set of attorneys and experts who work under the guidance and control of the cities.

Section 3. The Company will reimburse the cities for their reasonable rate case expenses. Legal counsel and consultants approved by the Cities will submit monthly invoices that will be forwarded to CenterPoint for reimbursement. No individual city incurs liability for payment of rate case expenses by adopting a suspension resolution.

Section 4. This section merely recites that the resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.

Section 5. This section provides that both CenterPoint and counsel for the cities will be notified of the City's action by sending a copy of the approved and signed resolution to certain designated individuals.

4.d.

Appointment to City Technical Board - Board of Electrical Examiners CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Matthew Doyle, Mayor's Office
Submitted For: Matthew Doyle
Department: Mayor's Office
Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

Update City Technical Board - Board of Electrical Examiners

BACKGROUND

Charles "Chuck" Carpenter, Chairman (Master Electrician) - Re-Appointment
Ron Collins (Master Electrician) - Re-Appointment
Morris "Moose" Meadows (Texas New Mexico Power Company) - Appoint
Charles Bergvall, (Insurance Agent) - Appoint
Daryl K. Stewart (Local Union Rep for Electrical Local 527) - Appoint

ANALYSIS

None

ALTERNATIVES CONSIDERED

None

Fiscal Impact

Attachments

Link: [Res
09-047](#)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Matthew Doyle	04/13/2009 09:15 AM	CREATED
1	Mayor (Originator)	Matthew Doyle	04/13/2009 09:31 AM	APRV
2	Finance	Cheryl Hunter	04/29/2009 01:05 PM	APRV
3	Paralegal	Linda Jennings	04/29/2009 01:43 PM	APRV
4	City Attorney Office	Linda Jennings	04/29/2009 01:43 PM	APRV
5	Mayor (Originator)	Matthew Doyle	04/29/2009 02:35 PM	APRV
6	City Secretary			NEW

Form Started By: Matthew
Doyle

Started On: 04/13/2009 09:15 AM

RESOLUTION NO. 09-047

A RESOLUTION APPOINTING AND/OR REAPPOINTING MEMBERS TO THE CITY OF TEXAS CITY TECHNICAL BOARD / BOARD OF ELECTRICAL EXAMINERS; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the terms of various members of the City of Texas City's Technical Board / Board of Electrical Examiners has or will be expiring; and

WHEREAS, in order to continue the uninterrupted and efficient operation of the Technical Board / Board of Electrical Examiners, it is necessary to appoint or reappoint members to fill these positions.

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

SECTION 1: That the City Commission of the City of Texas City, Texas, hereby appoints or reappoints the individuals named on the attached Exhibit "A" to the various Boards and Committees for the terms as stated therein.

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

PASSED AND ADOPTED this 6th day of May 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

Attachment - Exhibit "A"

EXHIBIT “A”

Boards, Commissions and Committees	Reappointment	Appointment	Term Expires
Technical Board / Board of Electrical Examiners	Charles “Chuck” Carpenter, Chairman (Master Electrician)		06/01/2011
Technical Board / Board of Electrical Examiners	Ron Collins (Master Electrician)		06/01/2011
Technical Board / Board of Electrical Examiners		Morris “Moose” Meadows (Texas New Mexico Power Company)	06/01/2011
Technical Board / Board of Electrical Examiners		Charles Bergvall (Insurance Agent)	06/01/2011
Technical Board / Board of Electrical Examiners		Daryl K. Stewart (Local Union Rep for Electrical Local 527)	06/01/2011

Identity Theft Prevention Program CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Rachel Wyatt, Human Resources
Submitted For: Finance Department
Department: Human Resources
Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

The City needs to adopt a policy preventing identity theft in order to comply with a recent amendment to the Fair and Accurate Credit Transactions Act of 2003 ("FACTA"). FACTA requires cities and utilities to adopt an Identity Theft Prevention Program ("Program") pursuant to the Federal Trade Commission's Red Flags Rule ("Rule").

BACKGROUND

Compliance and adoption of an Identity Theft Prevention Program must occur on or before May 1, 2009, pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("FACTA").

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link: [Res 09-048](#)

Link: [Memorandum](#)

Link: [Identity Theft Prevention Program](#)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Rachel Wyatt	04/16/2009 10:39 AM	CREATED
1	Human Resources (Originator)	Rachel Wyatt	04/16/2009 10:54 AM	APRV
2	Finance	Cheryl Hunter	04/29/2009 01:06 PM	APRV
3	Paralegal	Linda Jennings	04/29/2009 01:43 PM	APRV
4	City Attorney Office	Linda Jennings	04/29/2009 01:43 PM	APRV
5	Mayor	Matthew Doyle	04/29/2009 02:35 PM	APRV

RESOLUTION NO. 09-048

A RESOLUTION ADOPTING AN IDENTITY THEFT POLICY IN ACCORDANCE WITH AN AMENDMENT TO THE FAIR AND ACCURATE CREDIT TRANSACTION ACT OF 2003; PROVIDING A SEVERABILITY CLAUSE AND DECLARING AN EFFECTIVE DATE.

WHEREAS, a recent amendment to the Fair and Accurate Credit Transactions Act of 2003 requires the development of an Identity Theft Prevention Program; and

WHEREAS, the new rules are scheduled to become effective May 1, 2009, and require municipal utilities and other departments to implement an identity theft program; and

WHEREAS, this Resolution is being passed in full accordance with all requirements of State law, including but not limited to the Open Meetings Act; and

WHEREAS, the City Commission determines that the passage of this Resolution is in the best interest of the public.

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

SECTION 1: All matters set forth herewith are found to be true and correct, are incorporated herein by reference as if copied in their entirety, and are adopted by the City.

SECTION 2: The City hereby adopts the Policy attached to this Resolution as Exhibit "A" and incorporated by reference herein to be the City's Identity Theft Protection Policy.

SECTION 3: It is hereby declared to be the intention of the City, that sections, paragraphs, clauses, and phrases of this Resolution are severable, and if any phrase, clause, sentence or section of this Resolution shall be declared unconstitutional or illegal by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality or illegality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this Resolution since the same would have been enacted by the City without the incorporation in this Resolution of any such unconstitutional or illegal phrase, clause, sentence, paragraph or section.

SECTION 4: This Resolution shall be in full force and effect from and after the date of its passage.

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

Memorandum – Finance

Date: April 16, 2009
To: Mayor and City Commissioners
From: Cheryl Hunter
RE: Adoption of Identity Theft Prevention Program (FACTA Policy)

The City needs to adopt a policy preventing identity theft in order to comply with a recent amendment to the Fair and Accurate Credit Transactions Act of 2003 (“FACTA”). I have attached a Policy the City can use and a draft Resolution for the City Commission to adopt the Policy.

FACTA requires cities and utilities to adopt an Identity Theft Prevention Program ("Program") pursuant to the Federal Trade Commission's Red Flags Rule (“Rule”).¹ Each program must contain reasonable policies and procedures to:

1. Identify relevant Red Flags (discussed below) for new and existing covered accounts and incorporate those Red Flags into the Program;
2. Detect Red Flags that have been incorporated into the Program;
3. Respond appropriately to any Red Flags that are detected to prevent and mitigate Identity Theft; and
4. Ensure the Program is updated periodically, to reflect changes in risks to customers or to the safety and soundness of the creditor from Identity Theft.

A. FACTA Definitions

The Rule defines “Identity Theft” as “fraud committed using the identifying information of another person” and a “Red Flag” as “a pattern, practice, or specific activity that indicates the possible existence of Identity Theft.”

According to the Rule, a municipal utility is a creditor subject to the Rule requirements. The Rule defines creditors “to include finance companies, automobile dealers, mortgage brokers, utility companies, and telecommunications companies. Where non-profit and government entities defer payment for goods or services, they, too, are to be considered creditors.”

¹ 16 C.F.R. § 681.2.

All the City's accounts that are individual utility service accounts held by customers of the utility whether residential, commercial or industrial are covered by the Rule. Under the Rule, a "covered account" is:

1. Any account the City offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and
2. Any other account the City offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the City from Identity Theft.

"Identifying information" is defined under the Rule as "any name or number that may be used, alone or in conjunction with any other information, to identify a specific person," including: name, address, telephone number, social security number, date of birth, government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number, unique electronic identification number, computer's Internet Protocol address, or routing code.

B. Identifying Red Flags

In order to identify relevant Red Flags, the City considers the types of accounts that it offers and maintains, the methods it provides to open its accounts, the methods it provides to access its accounts, and its previous experiences with Identity Theft. The City identifies the red flags in each of the following categories: (1) Notifications and Warnings from Credit Reporting Agencies; (2) Suspicious Documents; (3) Suspicious Personal Identifying Information; (4) Suspicious Account Activity or Unusual Use of Account; and (5) Alerts From Others.

C. Other Steps That a City Must Take

Cities must also take the following steps: (1) Detect Red Flags-for new accounts and existing accounts; (2) Prevent and Mitigate Identity Theft-includes protecting customers' identifying information; (3) Program Updates; and (4) Program Administration-includes oversight, staff training and reports, service provider arrangements, and non-disclosure of specific practices.

D. Identity Theft Prevention Program for the City

FACTA requires that the City adopt an Identity Theft Prevention Program on or before May 1, 2009. The Program (attached to memo) that I am recommending for the City to adopt covers all the necessary actions that the City must take in order to be in compliance with FACTA. It addresses each of the legal points referenced above and describes specific steps that the City must take in order to implement a successful and effective program.

Conclusion

The City is covered by the new amendment to the Fair and Accurate Credit Transactions Act and should adopt a policy on or before May 1, 2009 in order to be in compliance with the requirements of that Act. Please review the policy that is attached and let me know if you have any questions.

POLICY



City of Texas City

Identity Theft Prevention Program

Effective beginning May 6, 2009

I.

PROGRAM ADOPTION

The City of Texas City ("Utility") developed this Identity Theft Prevention Program ("Program") pursuant to the Federal Trade Commission's Red Flags Rule ("Rule"), which implements Section 114 of the Fair and Accurate Credit Transactions Act of 2003. 16 C. F. R. § 681.2. This Program was developed with oversight and approval of the City Commission. After consideration of the size and complexity of the Utility's operations and account systems, and the nature and scope of the Utility's activities, the City Commission determined that this Program was appropriate for the City of Texas City, and therefore approved this Program on May 6, 2009.

II.

PROGRAM PURPOSE AND DEFINITIONS

A. Fulfilling requirements of the Red Flags Rule (16 C.F.R. §681.2)

Under the Red Flag Rule, every financial institution and creditor is required to establish an "Identity Theft Prevention Program" tailored to its size, complexity and the nature of its operation. Each program must contain reasonable policies and procedures to:

1. Identify relevant Red Flags for new and existing covered accounts and incorporate those Red Flags into the Program;
2. Detect Red Flags that have been incorporated into the Program;
3. Respond appropriately to any Red Flags that are detected to prevent and mitigate Identity Theft; and
4. Ensure the Program is updated periodically, to reflect changes in risks to customers or to the safety and soundness of the creditor from Identity Theft.

B. Red Flags Rule definitions used in this Program

The Red Flags Rule defines "Identity Theft" as "fraud committed using the identifying information of another person" and a "Red Flag" as "a pattern, practice, or specific activity that indicates the possible existence of Identity Theft."

According to the Rule, a municipal utility is a creditor subject to the Rule requirements. The Rule defines creditors "to include finance companies, automobile dealers, mortgage brokers, utility companies, and telecommunications companies. Where non-profit and government entities defer payment for goods or services, they, too, are to be considered creditors."

All the Utility's accounts that are individual utility service accounts held by customers of the utility whether residential, commercial or industrial are covered by the Rule. Under the Rule, a "covered account" is:

1. Any account the Utility offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and
2. Any other account the Utility offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the Utility from Identity Theft.

"Identifying information" is defined under the Rule as "any name or number that may be used, alone or in conjunction with any other information, to identify a specific person," including: name, address, telephone number, social security number, date of birth, government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number, unique electronic identification number, computer's Internet Protocol address, or routing code.

III.

IDENTIFICATION OF RED FLAGS.

In order to identify relevant Red Flags, the Utility considers the types of accounts that it offers and maintains, the methods it provides to open its accounts, the methods it provides to access its accounts, and its previous experiences with Identity Theft. The Utility identifies the following red flags, in each of the listed categories:

A. Notifications and Warnings From Credit Reporting Agencies

Red Flags

- 1) Report of fraud accompanying a credit report;
- 2) Notice or report from a credit agency of a credit freeze on a customer or applicant;
- 3) Notice or report from a credit agency of an active duty alert for an applicant; and
- 4) Indication from a credit report of activity that is inconsistent with a customer's usual pattern or activity.

B. Suspicious Documents

Red Flags

1. Identification document or card that appears to be forged, altered or inauthentic;
2. Identification document or card on which a person's photograph or physical description is not consistent with the person presenting the document;
3. Other document with information that is not consistent with existing customer information (such as if a person's signature on a check appears forged); and
4. Application for service that appears to have been altered or forged.

C. Suspicious Personal Identifying Information

Red Flags

1. Identifying information presented that is inconsistent with other information the customer provides (example: inconsistent birth dates);
2. Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a credit report);
3. Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
4. Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
5. Social security number presented that is the same as one given by another customer;
6. An address or phone number presented that is the same as that of another person;
7. A person fails to provide complete personal identifying information on an application when reminded to do so (however, by law social security numbers must not be required); and
8. A person's identifying information is not consistent with the information that is on file for the customer.

D. Suspicious Account Activity or Unusual Use of Account

Red Flags

1. Change of address for an account followed by a request to change the account holder's name;
2. Payments stop on an otherwise consistently up-to-date account;
3. Account used in a way that is not consistent with prior use (example: very high activity);
4. Mail sent to the account holder is repeatedly returned as undeliverable;
5. Notice to the Utility that a customer is not receiving mail sent by the Utility;
6. Notice to the Utility that an account has unauthorized activity;
7. Breach in the Utility's computer system security; and
8. Unauthorized access to or use of customer account information.

E. Alerts from Others

Red Flag

1. Notice to the Utility from a customer, identity theft victim, law enforcement or other person that it has opened or is maintaining a fraudulent account for a person engaged in Identity Theft.

IV. **DETECTING RED FLAGS.**

A. New Accounts

In order to detect any of the Red Flags identified above associated with the opening of a **new account**, Utility personnel will take the following steps to obtain and verify the identity of the person opening the account:

Detect

1. Require certain identifying information such as name, date of birth, residential or business address, principal place of business for an entity, driver's license or other identification;
2. Verify the customer's identity (for instance, review a driver's license or other identification card);
3. Review documentation showing the existence of a business entity; and
4. Independently contact the customer.

B. Existing Accounts

In order to detect any of the Red Flags identified above for an **existing account**, Utility personnel will take the following steps to monitor transactions with an account:

Detect

1. Verify the identification of customers if they request information (in person, via telephone, via facsimile, via email);
2. Verify the validity of requests to change billing addresses; and
3. Verify changes in banking information given for billing and payment purposes.

V. **PREVENTING AND MITIGATING IDENTITY THEFT**

In the event Utility personnel detect any identified Red Flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the Red Flag:

Prevent and Mitigate

1. Continue to monitor an account for evidence of Identity Theft;

2. Contact the customer;
3. Change any passwords or other security devices that permit access to accounts;
4. Not open a new account;
5. Close an existing account;
6. Reopen an account with a new number;
7. Notify the Program Administrator for determination of the appropriate step(s) to take;
8. Notify law enforcement; or
9. Determine that no response is warranted under the particular circumstances.

Protect customer identifying information

In order to further prevent the likelihood of Identity Theft occurring with respect to Utility accounts, the Utility will take the following steps with respect to its internal operating procedures to protect customer identifying information:

1. Ensure that its website is secure or provide clear notice that the website is not secure;
2. Ensure complete and secure destruction of paper documents and computer files containing customer information;
3. Ensure that office computers are password protected and that computer screens lock after a set period of time;
4. Keep offices clear of papers containing customer information;
5. Request only the last 4 digits of social security numbers (if any);
6. Ensure computer virus protection is up to date; and
7. Require and keep only the kinds of customer information that are necessary for utility purposes.

VI. PROGRAM UPDATES

The Program Administrator will periodically review and update this Program to reflect changes in risks to customers and the soundness of the Utility from Identity Theft. In doing so, the Program Administrator will consider the Utility's experiences with Identity Theft situations, changes in Identity Theft methods, changes in Identity Theft detection and prevention methods, and changes in the Utility's business arrangements with other entities. After considering these factors, the Program Administrator will determine whether changes to the Program, including the listing of Red Flags, are warranted. If warranted, the Program Administrator will update the Program or present the City Commission with his or her recommended changes and the City Commission will make a determination of whether to accept, modify or reject those changes to the Program.

VII.

PROGRAM ADMINISTRATION.

A. Oversight

Responsibility for developing, implementing and updating this Program lies with an Identity Theft Committee for the Utility. The Committee is headed by a Program Administrator who may be the head of the Utility or his or her appointee. Two or more other individuals appointed by the head of the Utility or the Program Administrator comprise the remainder of the committee membership. The Program Administrator will be responsible for the Program administration, for ensuring appropriate training of Utility staff on the Program, for reviewing any staff reports regarding the detection of Red Flags and the steps for preventing and mitigating Identity Theft, determining which steps of prevention and mitigation should be taken in particular circumstances and considering periodic changes to the Program.

B. Staff Training and Reports

Utility staff responsible for implementing the Program shall be trained either by or under the direction of the Program Administrator in the detection of Red Flags, and the responsive steps to be taken when a Red Flag is detected.

Staff will provide reports to the Program Administrator on incidents of Identity Theft, the Utility's compliance with the Program and the effectiveness of the Program.

C. Service Provider Arrangements

In the event the Utility engages a service provider to perform an activity in connection with one or more accounts, the Utility will take the following steps to ensure the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of Identity Theft.

1. Require, by contract, that service providers have such policies and procedures in place; and
2. Require, by contract, that service providers review the Utility's Program and report any Red Flags to the Program Administrator.

D. Non-disclosure of Specific Practices

For the effectiveness of this Identity Theft Prevention Program, knowledge about specific Red Flag identification, detection, mitigation and prevention practices must be limited to the Identity Theft Committee who developed this Program and to those employees with a need to know them. Any documents that may have been produced or are produced in order to develop or implement this program that list or describe such specific practices and the information those documents contain are considered

unavailable to the public because disclosure of them would be likely to substantially jeopardized the security of information against improper use, that use being to circumvent the Utility's Identity Theft prevention efforts in order to facilitate the commission of Identity Theft.

If a request is received for such information, City staff will request an opinion from the Texas Attorney General as to whether or not such information is public, citing concerns in regard to identity theft and federal laws requiring prevention of identity theft.

Bid # 2009-935 Water Meters Annual Contract CITY COMMISSION AGENDA 2

Date: 05/06/2009

Submitted By: Rita Williams, Purchasing

Department: Purchasing

Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

Approve and award Bid # 2009-935 for the purchase and delivery of Water Meters Annual Contract.

BACKGROUND

Bids were mailed to area vendors on March 23, 2009. A bid tabulation is attached for your review.

Bids opened Wednesday, April 8, 2009 at 2:00 p.m.

ANALYSIS

The low responsible bid meeting all specifications was received by Badger Meter, Inc., in Milwaukee, WI., for the unit prices bid.

It is my recommendation to award the Annual Contract for Water Meters to Badger Meter, Inc., for the unit prices bid and that the Mayor is authorized to execute a contract on behalf of the City Commission.

Thank you.

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link:

Res
09-049

Link:

Bid Tab

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Rita Williams	04/17/2009 11:28 AM	CREATED
1	Public Works	Tommy Maris	04/28/2009 09:49 AM	APRV
2	Purchasing (Originator)	Rita Williams	04/28/2009 10:29 AM	APRV
3	Finance	Cheryl Hunter	04/29/2009 01:06 PM	APRV

4	Paralegal	Linda Jennings 04/29/2009 01:43 PM	APRV
5	City Attorney Office	Linda Jennings 04/29/2009 01:43 PM	APRV
6	Mayor	Matthew Doyle 04/29/2009 02:35 PM	APRV
7	City Secretary		NEW
Form Started By: Rita Williams		Started On: 04/17/2009 11:28 AM	

RESOLUTION NO. 09-049

A RESOLUTION AWARDING A BID AND AUTHORIZING THE MAYOR TO ENTER INTO AN ANNUAL CONTRACT FOR THE PURCHASE AND DELIVERY OF WATER METERS WITH BADGER METER, INC., FOR THE RESPECTIVE SPECIFICATIONS; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, on March 23, 2009, bids were mailed to vendors for the purchase and delivery of Water Meters Annual Contract, Bid No. 2009-935; and

WHEREAS, bids opened on April 8, 2009, and the lowest bid received meeting specifications was submitted by Badger Meter, Inc, in Milwaukee, Wisconsin.

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

SECTION 1: That the successful bidder for the Water Meters Annual Contract, Bid No. 2009-935 is Badger Meter, Inc.

SECTION 2: That the Mayor is hereby authorized to enter into an annual contract with Badger Meter, Inc. for the Water Meters Annual Contract, Bid No. 2009-935, for the respective unit prices bid in Exhibit "A", as attached hereto and incorporated herein for all intents and purposes.

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

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

BID TABULATION

Bid #2009-935 Water Meters Annual Contract

Bid Opening: Wednesday, April 8, 2009 @ 2:00 p.m.

DESCRIPTION	Badger Meter, Inc. Milwaukee, WI	Hersey Meter Co. Cleveland, NC	Previous Contract
¾" x ¾" Positive Displacement Meter Non-AMR	\$52.55	NO BID	\$44.55
1" Positive Displacement Meter Non-AMR	\$92.55	-----	\$79.55
1 ½" Positive Displacement Meter Non-AMR	\$255.00	-----	\$193.50
2" Positive Displacement Meter Non-AMR	\$315.00	-----	\$245.00
2" Compound Meter Non-AMR	\$925.00	-----	\$825.00
3" Compound Meter with Hi/Low AMR Registers and RF pit device	\$1,195.00	-----	\$1,095.00
4" Compound Meter with Hi/Low AMR Registers and RF pit device	\$1,625.00	-----	\$1,595.00
6" Compound Meter with Hi/Low AMR Registers and RF pit device	\$2,355.00	-----	\$2,355.00
¾" x ¾" Positive Displacement Meter with AMR Registers and RF pit device	\$125.00	-----	\$125.00
1" Positive Displacement Meter with AMR Registers and RF pit device	\$170.00	-----	\$170.00
1 ½" Positive Displacement Meter with AMR Registers and RF pit device	\$325.00	-----	\$295.00
2" Positive Displacement Meter with AMR Registers and RF pit device	\$395.00	-----	\$357.00

BID TABULATION

Bid #2009-935 Water Meters Annual Contract

Bid Opening: Wednesday, April 8, 2009 @ 2:00 p.m.

DESCRIPTION	Badger Meter, Inc. Milwaukee, WI	Hersey Meter Co. Cleveland, NC	Previous Contract
2" Compound Meter with AMR Registers and RF pit device	\$1,050.00	NO BID	\$1,050.00
¾" Magnetic Drive AMR Register and RF pit device	\$88.80	-----	\$88.80
1" Magnetic Drive AMR Register and RF pit device	\$88.80	-----	\$88.80
1 ½" Magnetic Drive AMR Register and RF pit device	\$94.00	-----	\$94.00
2" Magnetic Drive AMR Register and RF pit device	\$94.00	-----	\$94.00
2" Compound Register AMR with Hi/Low flows and RF pit device	\$226.50	-----	\$226.50
3" Compound Register AMR with Hi/Low flows and RF pit device	\$226.50	-----	\$226.50
4" Compound Register AMR with Hi/Low flows and RF pit device	\$226.50	-----	\$226.50
6" Compound Register AMR with Hi/Low flows and RF pit device	\$226.50	-----	\$226.50

Bid # 2009-936 Chemicals and Fertilizer Annual Contract
CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Rita Williams, Purchasing
Submitted For: Bayou Golf Course
Department: Purchasing
Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

Approve and award the purchase and delivery of Bid # 2009-936 Chemicals and Fertilizer Annual Contract.

BACKGROUND

Bid packets were mailed to area vendors on April 2, 2009. A bid tabulation is attached for your review.

Bids opened Monday, April 20, 2009.

ANALYSIS

The low responsible bids were received as follows for the unit prices bid:

John Deere in Cleveland, Ohio:

Section One - Turf Chemicals

Items # 3, 4, 19, 25 and 33

Section Two - Fertilizer

Items # 6 and 12

BWI in Houston, Texas

Section One - Turf Chemicals

Items # 1, 6, 9, 10, 11, 17, 20, 26, 27 and 35

Section Two - Fertilizer

Items # 3, 5, 8 and 11

CPS in Houston, Texas

Section One - Turf Chemicals

Items # 5, 8, 14 and 34

Section Two - Fertilizer

Item # 2

Estes Inc. in Houston, Texas

Section One - Turf Chemicals

Items # 2, 7, 12, 13, 15, 16, 18, 21, 22, 23, 24, 28, 29, 30, 31 and 32

Section Two - Fertilizer

Items # 1, 4, 7, 9 and 10

ALTERNATIVES CONSIDERED

It is my recommendation to award the Chemicals and Fertilizer Annual Contract to John Deere, BWI, CPS and Estes, Inc. for the items listed per sections and the unit prices bid and that the is authorized to execute a contract on behalf of the City Commission.

Thank you.

Fiscal Impact

Attachments

Link:

Res
09-050

Link:

Bid Tab

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Rita Williams	04/22/2009 08:48 AM	CREATED
1	Bayou Golf Course	Larry Boyle	04/27/2009 12:18 PM	APRV
2	Purchasing (Originator)	Rita Williams	04/28/2009 07:40 AM	APRV
3	Finance	Cheryl Hunter	04/29/2009 01:06 PM	APRV
4	Paralegal	Linda Jennings	04/29/2009 01:43 PM	APRV
5	City Attorney Office	Linda Jennings	04/29/2009 01:43 PM	APRV
6	Mayor	Matthew Doyle	04/29/2009 02:35 PM	APRV
7	City Secretary			NEW
Form Started By: Rita Williams			Started On: 04/22/2009 08:48 AM	

RESOLUTION NO. 09-050

A RESOLUTION AWARDING A BID AND AUTHORIZING THE MAYOR TO ENTER INTO ANNUAL CONTRACT FOR THE PURCHASE AND DELIVERY OF VARIOUS TURF CHEMICALS AND FERTILIZER PRODUCTS FOR THE CITY'S BAYOU GOLF COURSE; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, on April 20, 2009, bids for Bid No. 2009-936 were received for the purchase and delivery of various turf chemicals and fertilizer products to be utilized by the City's Bayou Golf Course; and,

WHEREAS, the lowest bids meeting specifications for the various chemicals and fertilizers were submitted by the following bidders, for the unit prices bid:

John Deere, Cleveland Ohio

Section One – Turf Chemicals – Items 3, 4, 19, 25, 33

Section Two – Fertilizer – Items 6, 12

BWI, Houston, Texas

Section One – Turf Chemicals - Items 1, 6, 9, 10, 11, 17, 20, 26, 27, 35

Section Two – Fertilizer – Items 3, 5, 8, 11

CPS, Houston, Texas

Section One – Turf Chemicals – Items 5, 8, 14, 34

Section Two – Fertilizer – Item 2

Estes, Inc., Houston, Texas

Section One – Turf Chemicals – Items 2, 7, 12, 13, 15, 16, 18, 21, 22, 23, 24, 28,
29, 30, 31, 32

Section Two – Fertilizer – Items 1, 4, 7, 9, 10

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

SECTION 1: That the successful bidders for the annual contracts for the purchase and delivery of various turf chemicals and fertilizer products for the Golf Course, Bid No. 2009-936, are the bidders listed above, and in the bid tabulation sheet (attached as Exhibit A and incorporated herein), for the unit prices bid.

SECTION 2: That the Mayor is hereby authorized to execute any documentation necessary to enter into the annual contracts with the bidders listed above, and in the bid tabulation sheet (attached as Exhibit A and incorporated herein), for the unit prices bid.

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

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

Bid # 2009-936
CHEMICALS AND FERTILIZER ANNUAL CONTRACT

Bid Opening: Monday, April 20, 2009 @ 2:00 p.m.

SECTION ONE - TURF CHEMICALS

VENDORS

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Item	John Deere Cleveland, Ohio	BWI Houston, Texas	CPS Houston, Texas	Estes Inc. Houston, Texas	Previous Contract
1) Award Fire Ant Killer (25 LB bag)	NO BID	\$162.00 Per bag	\$191.00 Per bag	\$189.18 Per bag	\$174.60
2) Carbaryl SL (Sevin etc) 2.5 gal container	\$106.85 Per container	\$83.00 Per container	\$80.25 Per container	\$72.50 Per container	\$68.50
3) Chipco Top Choice 50 LB bag	\$141.46 Per bag	\$160.00 Per bag	149.25 Per bag	\$150.00 Per bag	\$147.89
4) Merit 75WSP 1.6 oz package	\$12.33 Per package	\$16.00 Per package	\$13.24 Per package	\$17.92 Per package	\$21.88
5) MSMA 6 LB material 2.5 gal container	\$58.25 Per container	\$50.00 Per container	\$46.08 Per container	\$50.00 Per container	\$37.50
6) Trimec Classic 2.5 gal container	\$65.59 Per container	\$52.50 Per container	\$54.12 Per container	\$58.00 Per container	\$46.50
7) Glyphosate Pro 41% AI 2.5 gal container	\$90.00 Per container	\$70.00 Per container	\$104.17 Per container	\$68.25 Per container	\$81.25
8) Simazine 41.9% 2.5 gal container	\$68.10 Per container	\$56.00 Per container	\$47.25 Per container	\$55.00 Per Container	45.00
9) Non – ionic Surfactant 1 gal container	\$21.00 Per gal	\$9.00 Per gal	\$11.36 Per gal	\$24.20 Per gal	\$8.00
10) Monument Box 25 grams	NO BID	\$235.00 Per 25 gr box (fast delivery)	\$235.00 Per 25 gr box	\$235.00 Per 25 gr box	\$228.00

SECTION ONE - TURF CHEMICALS

VENDORS

Item	John Deere Cleveland, Ohio	BWI Houston, Texas	CPS Houston, Texas	Estes Inc. Houston, Texas	Previous Contract
11) Water Buffer for treating hard water Example-Insure XL	NO BID	\$13.20 Per gal	NO BID	\$17.40 Per gal	\$15.00
12) Revolver Quart container	\$229.01 Per qt	\$190.00 Per qt	\$193.00 Per qt	\$174.50 Per qt	\$165.00
13) Anderson's Goose & Crab Greens Prem per bag	NO BID	\$78.00 Per bag	\$91.00 Per bag	\$75.43 Per bag	\$77.00
14) Glyphosate Aquatic 2.5 gal container	\$128.63 Per container	\$125.00 Per container	\$81.57 Per container	\$91.95 Per container	\$72.82
15) Iprodione Flowable (Chipco 26 etc) 2.5 gal container	\$147.11 Per container	\$325.00 Per container	\$211.00 Per container	\$145.00 Per container	\$171.00
16) Propamocarb Hydrochloride 66.5% 1 gal container	\$427.33 Per container	\$400.00 Per container	\$382.68 Per container	\$362.70 Per Container	\$199.25
17)Chlorothalonil 82.5% AI 5 LB. bag	\$38.39 Per bag	\$35.00 Per bag	\$41.00 Per bag	\$47.40 Per bag	\$31.00
18)Mefenoxam (Subdue Maxx) 1 gal	\$452.88 Per gal	\$615.00 Per gal	\$599.00 Per gal	\$383.50 Per gal	\$354.00
19)Mancozeb -Mn 16% -Z 2% 48 LB case	\$4.67 Per LB	\$8.00 Per LB	\$5.35 Per LB	\$6.90 Per LB.	\$3.63
20) Heritage 1 LB container	\$413.70 Per container	\$413.70 Per container (fast delivery)	\$413.70 Per container	\$413.70 Per container	\$394.00

SECTION ONE - TURF CHEMICALS

VENDORS					
Item	John Deere Cleveland, Ohio	BWI Houston, Texas	CPS Houston, Texas	Estes Inc. Houston, Texas	Previous Contract
21)Thiophanate Methyl (Cleary's 3336) 2.5 gal container	\$444.91 Per 2.5 container	\$282.00 Per 2.5 container	\$276.50 Per 2.5 container	\$225.00 Per 2.5 container	\$256.27
22)Prostar Wettable Powder 1 LB bag	\$186.00 Per 3 LB bag	\$157.50 Per 3 LB bag	\$149.00 Per bag	\$141.75 Per bag	\$44.10
23) Lake Colorant WSB bags	\$10.56 Per LB	\$12.50 Per LB	\$13.00 Per LB	\$10.40 Per LB	\$10.00
24)Primo Maxx 1 gal container	\$405.36 Per gal	\$343.00 Per gal	\$425.00 Per gal	\$308.30 Per gal	\$406.31
25) Spray Dye Indicator 2.5 gal container	\$43.77 Per container	\$62.50 Per container	\$77.50 Per container	\$85.72 Per container	\$45.00
26) PH Buffer gal container or 2.5 gal container	NO BID	\$13.20 Per gal	\$30.00 Per gal	\$18.80 Per gal	\$12.00
27)Liquid Wetting Agent for Turf Ex. Primer, Soaker Lesco West 1 or 2.5 gal container	\$56.19 Per gal	\$48.80 Per gal	\$55.45 Per gal	\$85.75 Per gal	\$29.00
28)Barricade 65WG	\$393.75 Per 50 LB bag	\$200.00 Per 50 LB bag	\$199.50 Per 50 LB bag	\$185.22 Per 50 LB bag	\$18.25
29) Reward 1 gal or 2.5 gal container	\$137.83 Per gal	\$120.00 Per gal	\$115.00 Per gal	\$105.00 Per gal	\$105.00

SECTION ONE - TURF CHEMICALS

VENDORS					
Item	John Deere Cleveland, Ohio	BWI Houston, Texas	CPS Houston, Texas	Estes Inc. Houston, Texas	Previous Contract
30) Advion fire Ant Bait 12 LB bag	\$17.65 Per bag	\$11.00 Per bag	\$15.00 Per bag	\$9.00 Per bag	\$9.57
31) Rubigan 1gal	\$393.67 Per gal	\$341.00 Per gal	\$304.00 Per gal	\$299.00 Per gal	\$297.80
32) Talstar or Bifenthrin 1 gal	\$41.36 Per gal	\$45.00 Per gal	\$48.00 Per gal	\$30.00 Per gal	\$38.00
33) Crystal Plex Aquatic Algae Control or/equiv. Copper Sulfite Pentahydrate 1 gal or 4 gal/cs	18.31 Per gal	\$20.00 Per gal	\$22.52 Per gal	\$20.85 Per gal	NA
34) Spreader/ Sticker 1 gal or 2.5 gal container	\$18.77 Per gal	\$22.00 Per 2.5 gal	\$11.36 Per 2.5 gal	\$24.20 Per 2.5 gal	9.50
35) Chemical Tank Cleaner Liquid or Powder	\$5.00 Per 2 LB container powder	\$4.50 Per 2 LB container powder	\$30.00 Per 2 LB container powder	\$12.89 Per gal container liquid	\$4.50

SECTION TWO – FERTILIZER

VENDORS					
Item	John Deere Cleveland, Ohio	BWI Houston, Texas	CPS Houston, Texas	Estes Inc. Houston, Texas	Previous Contract
1) 21-0-0 Ammonium Sulfate 50 LB bag	\$346.00 Per ton	\$320.00 Per ton	\$533.50 Per ton	\$300.00 Per ton	NA
2) Fairway Pelletized Gypsum per ton	\$401.60 Per ton	\$240.00 Per Ton	\$213.00 Per ton	\$235.00 Per ton	\$173.00
3) 18-4-18 50% Nutralene Greens Grade 50 LB bag	\$58.00 Per 50 LB bag	\$33.00 Per 50 LB bag	\$37.46 Per 50 LB bag	\$35.65 Per 50 LB. bag	\$22.50
4)) 10-18-22 Greens grade 50 LB bag	\$58.00 Per 50 LB bag	\$41.00 Per 50 LB bag	\$46.25 Per 50 LB bag	\$40.95 Per 50 LB bag	\$24.95
5) 19-0-19 w.MOP .86% pendimethylin 22DSGN 50 or 100 LB bag	\$764.80 Per ton	\$760.00 Per ton (fast delivery)	\$930.00 Per ton	\$760.00 Per ton	NA
6) 21-0-0 Ammonium Sulphate Sprayable 50 LB bag	\$8.65 Per 50 LB bag	\$12.00 Per 50 LB bag	\$13.06 Per 50 LB bag	\$11.35 Per 50 LB bag	\$7.53
7) Liquid Nutrient Foliar 18-3-6 50% SRN 2.5 gal container	\$11.796 Per gal	\$14.00 Per gal	\$12.50 Per gal	\$10.01 Per gal	\$7.00

SECTION TWO – FERTILIZER

VENDORS					
Item	John Deere Cleveland, Ohio	BWI Houston, Texas	CPS Houston, Texas	Estes Inc. Houston, Texas	Previous Contract
8) 25-05-10 w/ MOP .86% pendimethylin 220SGN 50 or 1000 LB bag	\$728.40 Per ton	\$720.00 Per ton (fast delivery)	\$820.75 Per ton	\$720.00 Per ton	NA
9) 15-0-15 Urea 1% Ronstar 50 LB bag	\$1,973.20 Per ton	\$2,000.00 Per ton	\$1,821.48 Per ton	\$1,450.00 Per ton	\$1,280.00
10) 25-5-15 50% Nutralene 50 LB bag	\$18.15 Per bag	\$36.00 Per bag	\$44.16 Per bag	\$12.67 Per bag	\$19.97
11)) 28-3-10 Sulfur Coated Urea Fairway tees	\$18.34 Per bag	\$16.50 Per bag	\$18.25 Per bag	\$16.90 Per bag	\$16.85
12) 18-3-18 Homogenous. Green Grade Methylene Urea SGN 90 50 LB bag	\$30.72 Per bag	\$42.00 Per bag	\$37.46 Per bag	\$51.10 Per bag	\$28.50

Purchase of one Ashland 1200TR Trash Rake CITY COMMISSION AGENDA 2

Date: 05/06/2009

Submitted By: Rita Williams, Purchasing

Department: Purchasing

Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

Approve the purchase and delivery of one (1) Ashland TR-1200 Trash Rake, to be utilized by Pump Station B.

Funds are available in the Rainwater Pump Stations Capital Outlay Account.

A letter of recommendation from the City's Storm Water Manager is attached for your review.

BACKGROUND

A Trash Rake is used in the expediting of debris removal to allow for maximum pumping flow at Pump Station B. The existing Trash Rake is several years old and is inadequate for the increasing debris loads placed upon the bar screens.

A pricing sheet for the new TR-1200 is attached for your review.

ANALYSIS

Ashland Industries, in Wisconsin, is the sole manufacturer of the TR-1200 Trash Rake. The TR-1200 has the capability to lower cycle times of debris removal during rain events, which in turn will allow for continuous, uninterrupted pumping operations. A sole manufacturer letter from Ashland is attached for your review.

It is my recommendation to award the purchase and delivery of one (1) TR-1200 Trash Rake to Ashland Industries for the total price of \$125,000.00.

Thank you.

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link: [Res](#)
[09-051](#)

Link: [Storm](#)
[Water](#)
[Manager Memo](#)

Link: [Pricing Sheet](#)

Link: [Sole Manufacturer Letter](#)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Rita Williams	04/28/2009 08:24 AM	CREATED
1	Public Works	Tommy Maris	04/28/2009 09:50 AM	APRV
2	Purchasing (Originator)	Rita Williams	04/28/2009 10:29 AM	APRV
3	Finance	Cheryl Hunter	04/29/2009 01:06 PM	APRV
4	Paralegal	Linda Jennings	04/29/2009 01:43 PM	APRV
5	City Attorney Office	Linda Jennings	04/29/2009 01:43 PM	APRV
6	Mayor	Matthew Doyle	04/29/2009 02:35 PM	APRV
7	City Secretary			NEW
Form Started By: Rita Williams			Started On: 04/28/2009 08:24 AM	

RESOLUTION NO. 09-051

A RESOLUTION APPROVING THE PURCHASE AND DELIVERY OF A REPLACEMENT TRASH RAKE FOR PUMP STATION B; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, it has become necessary to replace the Trash Rake at Pump Station B, which was damaged in Spring 2007, repaired extensively, and has now become inadequate for the increasing debris loads;

WHEREAS, Ashland Industries, in Wisconsin, is the sole source manufacturer of the TR-1200 Trash Rake, which has the capability to lower cycle times of debris removal during rain events, which in turn will allow for continuous, uninterrupted pumping operations;

WHEREAS, Ashland Industries is a sole source manufacturer of the Ashland TR-1200 Trash Rake, as set out on the letter attached hereto as Exhibit "A", and made a part hereof.

WHEREAS, funds are available in the Rainwater Pump Stations Capital Outlay Account for the total purchase and delivery price of \$125,000.00, which includes material, labor, equipment and supervision of the siren system.

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

SECTION 1: That the City Commission of the City of Texas City, Texas, hereby approves the purchase of one (1) Ashland TR-1200 Trash Rake from Ashland Industries, for Pump Station B.

SECTION 2: That the Mayor is hereby authorized to negotiate and execute any documentation necessary to purchase the TR-1200 Trash Rake from Ashland Industries as set out on the proposal attached hereto as Exhibit "B" and made a part hereof.

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

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

Memo

To: Rita Williams, Purchasing Dept.
From: Ron Dysart, Storm Water Manager
Date: 5/4/2009
Re: Ashland TR-1200

In 1998 the City installed a, REX Trash Rake to improve the debris removal that accumulates in the fore bay area of Pump Station "B". Debris removal is an ongoing condition that exists during every rain event at the station and must be removed immediately or the pumping operations will come to a halt, subsequent flooding will occur.

In approximately spring 2007, the City received a severe rain event that inundated the Pump Station to the point where debris was stacked against the bar screens to produce a 10-12 foot differential. The pressure was so severe that the footer on the extreme east end of the structure broke numerous anchors which subsequently caused the entire structure to fail. The Pump Station ceased pumping operation for a period of time and the City had to implement emergency repairs to the structure to allow for operations to continue.

The current rake configuration is inadequate for the increasing debris loads placed upon the bar screens. The TR-1200 has the capability to lower cycle times of debris removal during rain events, which in turn will allow for continuous, uninterrupted pumping operations.

P.O. Box 717
1115 Rail Dr.
Ashland, WI 54806 USA
877.634.4622 toll-free
715.682.4622 phone
715.682.9717 fax
www.ashlandind.com

January 12, 2009

City of Texas City
3402 Loop 197 North
P.O. Drawer 2608
Texas City, TX 77592

1200 TR

\$125,000 FOB Texas City, TX

Enclosed cab

- Heat/AC
- Wiper/wash
- Defrost
- Headlights, adjustable
- Dome light
- Control panel
- E-stop

Hydraulic power system

- 30 HP, voltage to match customers supply
- 6 spool control valve
- joystick control

3000 pound lift at rack, 1000 pound lift 10 feet from rack

400 degree swing

Approximate total weight: 18,000 pounds

Texas City specifics:

Stainless rail catches

Stainless fasteners where appropriate

Chevron AW100 hydraulic oil

Strobe-beacon-back up buzzer

No hydraulic oil heater

Extra window wiper

No training or installation help from OEM

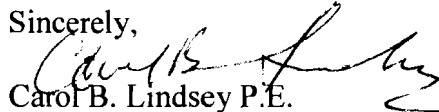
Window in floor bottom

48" Rake width, 3" teeth spacing with replaceable plastic wiper

Boom length: 20 feet

Rail width of 48- 6 1/8"

Sincerely,



Carol B. Lindsey P.E.
Engineering Manager



P.O. Box 717
1115 Rail Dr.
Ashland, WI 54806 USA
877.634.4622 toll-free
715.682.4622 phone
715.682.9717 fax
www.ashlandind.com

Ashland 1200TR

Ashland Industries, Inc. has been manufacturing trash rake machines for over 30 years. These machines are used on hydro electric facilities and storm water pumping stations. It is specifically design to rake the submerged debris off the racks and grab the floating trash in front of the racks. The ability to do remove both submerged and floating trash with one machine is what makes the Ashland 1200TR a unique machine, built only by Ashland Industries.

Carol B. Lindsey P.E.
Vice President
Ashland Industries, Inc.

Move More for Less

Amburn Road Project CITY COMMISSION AGENDA 2

Date: 05/06/2009

Submitted By: Edna Patterson, Transportation and Planning

Submitted For: Doug Kneupper

Department: Transportation and Planning

Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

Approval of Interlocal Agreement by and between Galveston County and The City of Texas City to provide funding for construction of Amburn Road.

BACKGROUND

BACKGROUND:

Through negotiations with the City, Galveston County listed Amburn Road as one of the roadway projects to be funded by the County's November, 2008 Bond Election. The level of County funding is established at \$3,620,000.

In an effort to expedite the construction of Amburn Road, the City authorized Claunch & Miller to begin the engineering design of Amburn Road. The roadway design is complete and the project is ready to bid, however, County bond funding is not available. To be able to take advantage of the current, good construction pricing, the City will need to initially fund the construction of Amburn Road. Claunch & Miller's latest estimate for construction is \$2.7 million.

ANALYSIS

This Interlocal Agreement provides for reimbursing the City for Amburn Road construction costs once County bond funds become available.

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link: Res
09-052

Link:
Amburn
Road
Interlocal

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Edna Patterson	04/28/2009 04:41 PM	CREATED
1	Transportation and Planning	Doug Kneupper	04/29/2009 08:32 AM	APRV
2	Finance	Cheryl Hunter	04/29/2009 01:07 PM	APRV
3	Paralegal	Linda Jennings	04/29/2009 01:43 PM	APRV
4	City Attorney Office	Linda Jennings	04/29/2009 01:43 PM	APRV
5	Mayor	Matthew Doyle	04/29/2009 02:35 PM	APRV
6	City Secretary			NEW
Form Started By: Edna Patterson			Started On: 04/28/2009 04:41 PM	

RESOLUTION NO. 09-052

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN INTERLOCAL AGREEMENT WITH GALVESTON COUNTY, TEXAS, AND THE CITY OF TEXAS CITY TO PROVIDE FUNDING FOR CONSTRUCTION OF AMBURN ROAD; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the City of Texas City, Texas and Galveston County wish to formalize the cooperation between the City and County with regards to providing funding for construction of Amburn Road;

WHEREAS, through negotiations with the City, Galveston County listed Amburn Road as one of the roadway projects to be funded by the County's November 2008 Bond Election, with level of funding established at \$3,620,000.00; and

WHEREAS, in an effort to expedite the construction of Amburn Road, the City authorized Claunch & Miller to begin the engineering design of Amburn Road;

WHEREAS, the roadway design is complete and the project is ready to bid; however, County bond funding is not available; and

WHEREAS, to be able to take advantage of the current good construction pricing, the City will need to initially fund the construction of Amburn Road; and

WHEREAS, Claunch & Miller's latest estimate for construction is \$2.7 million.

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

SECTION 1: That the City Commission hereby approves an Interlocal Agreement between the City of Texas City, Texas, and Galveston County for the purpose of providing funding for construction of Amburn Road.

SECTION 2: That the City Commission authorizes the Mayor to execute an Interlocal Agreement in substantially the same form as the agreement attached hereto and made a part hereof for all intents and purposes.

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

PASSED AND ADOPTED this the 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

The State of Texas	§
	§
County of Galveston	§

**Interlocal Agreement to Partially Fund Development of Amburn Road Improvements within the
City Limits of the City of Texas City, Texas**

This Agreement is entered into pursuant to **Texas Transportation Code §251.012**. It is by and between the **County of Galveston** and the **City of Texas City**, both of which are political subdivisions of the State of Texas.

I. Preamble

The Parties agree:

- The County allocated \$3,620,000 in road bond funds for the Amburn Road Improvements, hereinafter called the “Project”.
- The City has entered into a contract with Claunch & Miller to do the engineering design work and handle construction phase engineering services.
- The City will advertise for the Project, award the bid to the lowest and best bidder and construct the Project.
- The City will provide any R.O.W. which is required.
- The City has requested the County to partially fund construction costs up to \$3,620,000.
- The County agrees to honor the City’s request upon the terms and conditions stated herein.

II. City Approval

- As required by the **Texas Transportation Code §251.012** the City gives its approval to the County to finance the Project up to the limits established herein.

III. Payment

- The County will finance the construction up to a maximum expenditure of \$3,620,000. The City will be responsible to provide funding for or obtain funding from other outside sources for all additional Project costs, if any. If construction costs are less than \$3,620,000 then that lesser amount will be the maximum amount financed by the County.
- If the actual construction costs are less than the \$3,620,000 maximum expenditure, then the County and City may mutually agree to utilize the difference on another 2008 county road bond project within the city.

IV. Duties

4.1. City's Duties

The City will, to the County's satisfaction:

- Furnish the County with a set of plans and specifications to enable the County to determine whether the Project will be constructed in accordance with the County's understanding of the Project.
- Construct the Project in accordance with the plans and specifications in a timely manner.
- Continuously monitor construction to ensure the Project is constructed in accordance with the plans and specifications.
- After the County has secured bond funds the City will invoice the County monthly through the County Engineer for construction expenses on the Project.
- Submit such supporting documentation with each invoice as is required by the County
- After completion of the Project be responsible for such maintenance and upkeep as is required to keep the Project continuously and properly functioning.

4.2 County's Duties:

The County will:

- Reimburse the City within 45 days of receipt of each invoice.
- Withhold payment on invoice(s) that lack sufficient documentation until questions surrounding the invoice(s) have been mutually resolved to the satisfaction of the County and the City.

V. Completion of Project

- Upon reimbursement to the City of the funds committed to this Project, the County's responsibility under this Agreement ends.

VI. General Provisions

- 7.1 Anything in this Agreement to the contrary notwithstanding, a) in no event shall any provision of this Agreement be construed to impose, create or increase any liability to any third party whatsoever; and b) in no manner shall this Agreement be construed to operate for the benefit of any third party.
- 7.2 This Agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understanding or written or oral agreement between the parties representing the within subject matter.
- 7.3 Each party represents that it has full authorization to enter into this Agreement as required by law.

- 7.4 In case any one or more of the provisions contained in the Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such fact shall not affect any other provision thereof and this Agreement shall be construed as if the stricken provision had never been contained herein.
- 7.5 Each party to this Agreement agrees that in any legal action brought hereunder, venue shall lie in Galveston County, Texas. The validity of this Agreement and of its terms and provision, as well as the rights and duties of the parties, shall be governed by the laws of the State of Texas.
- 7.6 It is expressly understood and agreed that under this Agreement neither party waives, nor shall be deemed to waive, any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions.

Executed effective this _____ day of _____, 2009

COUNTY OF GALVESTON

By: _____
James D. Yarbrough, County Judge

ATTEST:

Mary Ann Daigle, County Clerk

Executed this _____ day of _____, 2009

CITY OF TEXAS CITY

By: _____
Matthew T. Doyle, Mayor

ATTEST:

Pamela Lawrence, City Secretary

Carver & Sanders Vincent Splash Park Proposal

CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Matthew Doyle, Mayor's Office
Submitted For: Jay Williams
Department: Recreation and Tourism
Agenda Area: Consent

Information

ACTION REQUEST (Brief Summary)

Approve Proposal for Carver Splash Park and Sanders-Vincent Splash Park
 (See attached Proposal)

BACKGROUND

It is the desire of the City of Texas City to install a community splash park at Carver Park & Sanders-Vincent Park.

ANALYSIS

None

ALTERNATIVES CONSIDERED

None

Fiscal Impact

Attachments

Link: [Splash Parks 2009](#)

Link: [Resolution No. 09-053](#)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Matthew Doyle	04/29/2009 04:57 PM	CREATED
1	Jay Williams			NEW
2	Finance			
3	Paralegal			
4	City Attorney Office			
5	Mayor (Originator)			
6	City Secretary			
Form Started By: Matthew Doyle		Started On: 04/29/2009 04:57 PM		



MEMORANDUM

Department of Recreation & Tourism

TO: Jay Williams
FROM: Leslie Henderson
Date: April 23, 2009
RE: Carver Splash Park - Updated

1. Kraftsman Playground & Park Equipment (David Ondrias 361-949-8668)
2,000 sq ft with 14 assorted water spray features
\$133,189.26

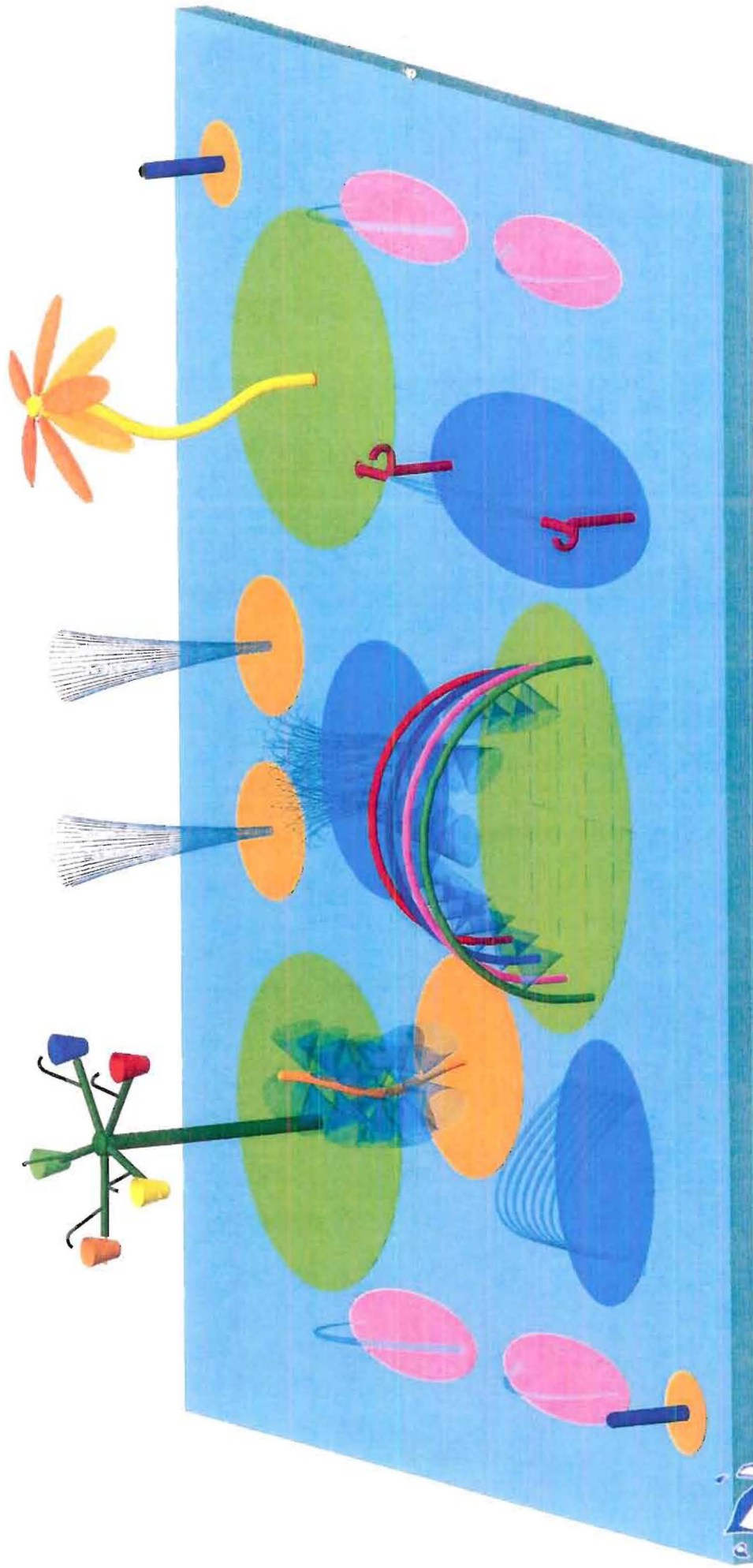
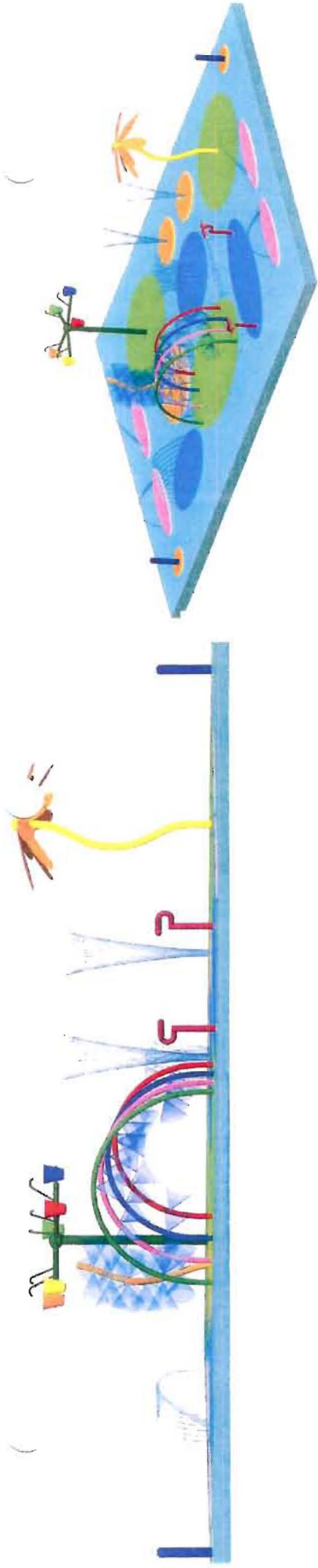
Bid for 2 Splash Parks (each)\$129,189.26 – Installed by September 1, 2009

2. Fun Abounds – Vortex Splashpad (Leigh Walden 281-793-8002)
2,175 sq ft with 14 assorted water spray features
\$144,168.00

Bid for 2 Splash Parks (each)\$137.046.00 – Installed 4-6 weeks

3. Water Splash (Gokhan Celik 972-853-8823)
2,000 sq ft with 14 water assorted water spray features
\$125.327.00

10% discount on 2nd park – Installed by July 1, 2009



Texas City Splash Park
2009-412



WATER SPLASH INC.
www.watersplashnet.com
(800) 936-3430

SPLASH PARK INSTALLATION

Project Name: Texas City Splash Park
Project Code: 2009-412

This quote is provided for installation of concrete play surface splash park as quoted 2009-412, which includes:

- Light broom finish, concrete play surface,
- Installation of all play equipment and control system,
- Tie into main water inlet (city to provide 2" water line to water play area)
- Tie into main electrical connection (city to provide 20 amp-120V electrical source)
- 6" drain connection to a storm sewer or drainage ditch – up to 100 feet.
- Training of city employees for control system usage.

Does not include:

- any permits or inspections



WATER SPLASH

GOKHAN CELIK

regional sales manager
gcelik@watersplashnet.com

Head Office:
818-110 West 9th Street
Wilmington DE 19801
Phone: (800) 936-3430 Fax: (212) 918-7902

Texas:
(972) 853-8823



WATER SPLASH INC.
www.watersplashnet.com
(800) 936-3430

where innovation starts

SPLASH PLAY PRODUCTS WARRANTY

Water Splash Inc. guarantees that all its products meet the specifications provided in the installation drawings and offers a :

25 YEAR WARRANTY on stainless steel structures and workmanship

5 YEAR WARRANTY on brass parts, spray nozzles and spray openings and high density polyethylene components

2 Year WARRANTY on coatings, moving parts and on fiberglass components

The above mentioned warranties are valid only so long as Water Splash Inc.'s installation, assembly and maintenance instructions are followed and the products are used in a normal manner and for the purposes they are designed for. The warranty does not cover vandalism damages and becomes void in case of any unauthorized modifications to the products.

In order to present a claim, contact your local representative or call Water Splash Inc. at (800) 936-3430 and provide your project number.

Jay Williams

From: Gokhan Celik [gcelik@watersplashnet.com]

Sent: Wed 4/22/2009 11:15 AM

To: Jay Williams

Cc:

Subject: Splash Park

Attachments:

Hi Jay,

It was nice talking to you yesterday. After my review with our production group and installation company, we can have both parks ready to be used by July 1st.

Also, we can offer 10% additional discount on second park which will be additional 12K discount.

Hope to talk to you further.

Wish you a great day,

Gokhan Celik

-

Gokhan CELIK

WATER SPLASH INC.

Phone : (800) 936-3430

<http://www.watersplashnet.com>

**WATER SPLASH****QUOTATION**818-110 West 9th Street
Wilmington DE 19801

P.(800) 936-3430

F.(212) 918-7902

CP 28518 -5100 De Verdun
Quebec H4G 3L7 Canada

P.(800) 936-3430

F.(514) 227-5257

Quotation Date

3/24/2009

Order Receive Date:

Promised Shipment Date:

Revision: A

Revision Date:

Project No 2009 - 412**Project Name:** Texas City Splash Park - Texas**Distributor****Ship to Address****Bill to Address**Texas City
USA

Texas

Product Code	Description	QTY	Net Price	Item Total	Discount	Discount Amount	Net Price
S-01.01.01	Aqua Flower w Bended Post	1	\$6,500	\$6,500.00	10	650	\$5,850.00
S-01.28	AQUA FIVE BUCKETS	1	\$8,990	\$8,990.00	10	899	\$8,091.00
S-01.32	Misty Curves	1	\$4,000	\$4,000.00	10	400	\$3,600.00
S-03.01	Aqua Arches	1	\$8,900	\$8,900.00	10	890	\$8,010.00
S-04.02	Aqua Cannon	2	\$4,090	\$8,180.00	10	818	\$7,362.00
S-05.01	Aqua Jet	4	\$385	\$1,540.00	10	154	\$1,386.00
S-05.03	Circular Shower	1	\$2,750	\$2,750.00	10	275	\$2,475.00
S-05.05	Aqua Tunnel	1	\$2,650	\$2,650.00	10	265	\$2,385.00
S-05.06	Aqua Spray	2	\$660	\$1,320.00	10	132	\$1,188.00
S-11.10	Water Distribution System Manifold- with Vault (10 output)	1	\$9,400	\$9,400.00	10	940	\$8,460.00
S-15.10	Water Wise Controller, 10 Output 120V	1	\$3,400	\$3,400.00	10	340	\$3,060.00
S-16.01	Drain Box (12"x12"x16")	2	\$500	\$1,000.00	10	100	\$900.00
S-20.01	Activator-Sensor	2	\$2,200	\$4,400.00	10	440	\$3,960.00
ZZ - INST	PROJECT INSTALLATION COST	1	\$74,000	\$74,000.00	10	7400	\$66,600.00

**WATER SPLASH****QUOTATION**818-110 West 9th Street
Wilmington DE 19801

P.(800) 936-3430

F.(212) 918-7902

CP 28518 -5100 De Verdun
Quebec H4G 3L7 Canada

P.(800) 936-3430

F.(514) 227-5257

Quotation Date

3/24/2009

Order Receive Date:

Promised Shipment Date:

Revision: A

Revision Date:

Project No 2009 - 412**Project Name:** Texas City Splash Park - Texas**Distributor****Ship to Address****Bill to Address**Texas City Texas
USA

Product Code	Description	QTY	Net Price	Item Total	Discount	Discount Amount	Net Price
--------------	-------------	-----	-----------	------------	----------	-----------------	-----------

Notes:**SALES TERMS**

- 1-Prices are valid for 60 days.
- 2-Freight charge applies to complete shipment. If embedded equipment is required in advance, additional freight charges will apply. Please note: freight charge is an estimate and is subject to change without notice.
- 3-All equipment is the property of Water Splash until customer's payment is received by Water Splash.
- 4-Payment Term:
 - %50 of total cost of product upfront to start manufacturing,
 - Remaining to be paid when the project is shipped from Water Splash production plant. Also 30 days net payment term is offered to approved customers. Forty-five days after project shipment, unpaid balance is subject to 2% monthly interest rate.
- 5-All projects are due to be shipped in 6 to 8 weeks time frame upon receipt of %30 payment and signed copy of purchase order.

Project Total	\$137,030.00
Total Discount	13703
Freight	\$2,000.00
Total after discount	\$123,327.00
Project Total	\$125,327.00

Approved by: _____**Date:** _____

RESOLUTION NO. 09-053

**A RESOLUTION APPROVING THE PURCHASE AND INSTALLATION OF
SPLASH PARKS AT SANDERS-VINCENT PARK AND CARTER PARK;
AND PROVIDING THAT THIS RESOLUTION SHALL BECOME
EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

WHEREAS, it is the desire of the City to install community splash parks at Carver Park and Sanders-Vincent Park;

WHEREAS, it is recommended that the City purchase, through Buyboard Contract pricing, two splash parks as set out in the attached proposal, for the total contract price of \$238,121.30;

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

SECTION 1: That the City Commission of the City of Texas City, Texas, hereby approves the purchase and installation of Splash Parks for Carver Park and Sanders-Vincent Park, through Buyboard Contract pricing, for a total contract price of \$238,121.30, as set out in the proposal attached hereto as Exhibit "A", and made a part hereof.

SECTION 2: That the Mayor is hereby authorized to negotiate and execute any documentation necessary to purchase the Splash Parks.

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

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

Limited Purpose Annexation CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Julie Morreale, Planning
Submitted For: Don Carroll
Department: Planning
Agenda Area: Regular Items

Information

ACTION REQUEST (Brief Summary)

Ordinance: Limited Purpose Annexation for the City of Texas City - To annex certain territory within Galveston County Municipal Utility District No. 52 for limited purposes and to impose the City of Texas City's sales and use tax in such territory, and implement certain other City functions enumerated in the Strategic Partnership Agreement and as prescribed by Chapter 43 of the State Local Government Code.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link:

Ord
09-19

Link:

Exhibit
A

Link:

Exhibit
B

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Julie Morreale	04/29/2009 01:21 PM	CREATED
1	Planning (Originator)	Don Carroll	04/29/2009 02:04 PM	APRV
2	Paralegal	Linda Jennings	04/29/2009 03:03 PM	APRV
3	Planning (Originator)	Don Carroll	04/29/2009 03:33 PM	APRV
4	Finance	Cheryl Hunter	04/29/2009 04:11 PM	APRV
5	Paralegal	Linda Jennings	04/29/2009 04:13 PM	APRV
6	City Attorney Office	Linda Jennings	04/29/2009 04:13 PM	APRV
7	Mayor	Matthew Doyle	04/29/2009 05:03 PM	APRV

8

City Secretary

NEW

Form Started By: Julie Morreale

Started On: 04/29/2009 01:21 PM

ORDINANCE NO. 09-19

AN ORDINANCE ANNEXING TO THE CITY OF TEXAS CITY, TEXAS FOR LIMITED PURPOSES A CERTAIN AREA LOCATED WITHIN GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 52, IN GALVESTON COUNTY, TEXAS; CONTAINING FINDINGS AND OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; ADOPTING A REGULATORY PLAN FOR CERTAIN AREAS IN THE VICINITY OF GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 52; IMPOSING THE SALES AND USE TAX OF THE CITY OF TEXAS CITY, TEXAS, IN THE AREA WITHIN GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 52 ANNEXED FOR LIMITED PURPOSES; AND PROVIDING FOR SEVERABILITY.

WHEREAS, the City of Texas City, Texas (the “City”) is authorized to annex territory for limited purposes in compliance with the procedures established by the Texas Local Government Code; and

WHEREAS, the City Commission of the City of Texas City, Texas (the “City Commission”) by Resolution No. 09-015 adopted on March 4, 2009, called certain public hearings relating to the annexation for limited purposes of a certain area located within Galveston County Municipal Utility District No. 52 (the “District”), in Galveston County, Texas; and

WHEREAS, in compliance with §43.124 of the Texas Local Government Code, on April 1, 2009, and April 15, 2009, the City Commission held the required public hearings regarding the proposed limited purpose annexation of said area;

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

SECTION 1. The findings set forth in the recitals to this Ordinance are determined to be true and correct and are hereby adopted.

SECTION 2. Subject to all sections of this Ordinance, the City hereby annexes for limited purposes certain territory located within the District, in Galveston County, Texas. The boundaries of the annexed areas are set out in written form in the attached “Exhibit A,” which is incorporated herein by this reference and made a part hereof for all purposes.

SECTION 3. A regulatory plan for the annexed territory is hereby adopted as part of this Ordinance. Such regulatory plan is attached hereto as “Exhibit B,” and is incorporated herein by this reference and made a part hereof for all purposes.

SECTION 4. In accordance with the authority granted by §43.0751(k) of the Texas Local Government Code, the City hereby imposes a retail sales and use tax within the boundaries

of the area in the District annexed for limited purposes. Such sales and use tax will be administered and governed by the pertinent provisions of the Texas Tax Code.

SECTION 5. The City Commission officially finds, determines, recites, and declares that a sufficient written notice of the date, hour, place, and subject of this meeting of the City Commission was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof have been discussed, considered, and formally acted upon. The City Commission further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 6. If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance or their application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Commission in adopting this Ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose. Should this Ordinance for any reason be ineffective as to any part of the area annexed to the City, such ineffectiveness of this Ordinance as to any such part or parts of any such area shall not affect the effectiveness of this Ordinance as to all of the remainder of such area, and the City Commission hereby declares it to be its purpose to annex to the City for limited purposes every part of the area described in Exhibit A of this Ordinance, regardless of whether any other part of such described area is hereby effectively annexed to the City. Provided, further, that if there is included within the description of territory set out in Exhibit A of this Ordinance to be hereby annexed for limited purposes to the City any area or lands which are presently part of and included within the general limits of the City, or which are presently part of and included within the limits of any other municipality, or which are not within the jurisdiction or power of the City to annex, the same is hereby excluded and excepted from the territory to be hereby annexed as fully as if such excluded and excepted area were expressly described herein.

SECTION 7: That the Charter requirement for reading this Ordinance on three (3) separate days has been dispensed by a majority vote of all members of the City Commission.

SECTION 8: That this Ordinance shall be finally passed and adopted on the date of its introduction and shall become effective from and after its passage and adoption and publication by caption only in the official newspaper of the City, and subject to the contingencies stated herein.

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

EXHIBIT A

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Survey of 277.49 acres out of the Stephen F. Austin Survey No. 4, Abstract 4, Galveston County, Texas, and being the same tract conveyed to the Lyman S. Reed Family limited partnership in Film Code No. 012-22-0985 as recorded in the office of the County Clerk, Galveston County, Texas, and being described by metes and bounds as follows:

COMMENCING at the NGS Monument H 1204;
THENCE N 60° 57' 04" W, a distance of 63.97 feet to the Mean Higher High Water Line of Dollar Bay and the POINT OF BEGINNING;
THENCE along the said Mean Higher High Water Line of GALVESTON Bay the following courses and distances:
N 06-34-31 E, a distance of 66.08 feet;
THENCE N 60-47-51 E, a distance of 88.51 feet;
THENCE N 71-05-46 E, a distance of 62.84 feet;
THENCE N 44-50-25 E, a distance of 57.25 feet;
THENCE N 63-17-38 E, a distance of 45.84 feet;
THENCE S 71-19-18 E, a distance of 101.06 feet;
THENCE S 50-17-16 E, a distance of 46.63 feet;
THENCE S 62-13-04 E, a distance of 29.05 feet;
THENCE S 21-39-22 E, a distance of 34.19 feet;
THENCE S 46-00-27 E, a distance of 203.29 feet;
THENCE S 49-41-16 E, a distance of 148.77 feet;
THENCE S 51-50-22 E, a distance of 110.35 feet;
THENCE S 61-40-09 E, a distance of 1291.50 feet;
THENCE S 65-28-22 E, a distance of 481.14 feet;
THENCE S 54-57-58 E, a distance of 49.87 feet;
THENCE S 65-08-15 E, a distance of 774.67 feet;
THENCE S 65-57-13 E, a distance of 744.38 feet to the East line of the said Lyman S. Reed Family Limited Partnership Tract, and the west line of the Nature Conservancy of Texas Inc., tract as described in Film Code 013-74-1903 in the office of the County Clerk, Galveston County, Texas;
THENCE S 24-48-03 W along the said common line, a distance of 136.96 feet to a found 1/2" I. Rod;
THENCE continuing S 24-48-03 W, along the said common line, a distance of 3033.68 feet to the Mean Higher High water line of Dollar Bay;
THENCE along the said Mean Higher High water line of Dollar Bay, the following courses and distances:
N 74-21-19 W, a distance of 51.77 feet;
THENCE N 68-38-46 W, a distance of 72.84 feet;
THENCE N 89-13-33 W, a distance of 32.73 feet;
THENCE N 86-41-25 W, a distance of 31.69 feet;
THENCE S 81-04-44 W, a distance of 75.77 feet;
THENCE S 65-54-19 W, a distance of 55.51 feet;
THENCE S 78-45-06 W, a distance of 46.25 feet;
THENCE S 70-57-47 W, a distance of 238.10 feet;
THENCE S 53-15-06 W, a distance of 48.99 feet;
THENCE S 79-12-24 W, a distance of 92.16 feet;
THENCE S 80-58-23 W, a distance of 31.89 feet;
THENCE N 87-28-32 W, a distance of 93.60 feet;
THENCE S 85-18-06 W, a distance of 147.93 feet;
THENCE S 70-33-04 W, a distance of 241.75 feet;
THENCE S 60-48-43 W, a distance of 24.62 feet;
THENCE N 21-21-56 W, a distance of 25.28 feet;
THENCE N 54-12-28 W, a distance of 13.54 feet;
THENCE N 17-37-11 W, a distance of 23.09 feet;
THENCE S 88-54-59 W, a distance of 122.73 feet;
THENCE S 70-51-57 W, a distance of 25.98 feet;
THENCE S 76-07-37 W, a distance of 196.35 feet;
THENCE N 87-08-24 W, a distance of 23.70 feet;
THENCE S 89-10-26 W, a distance of 235.74 feet;
THENCE S 84-12-11 W, a distance of 43.94 feet;
THENCE S 80-21-20 W, a distance of 58.18 feet;

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THENCE N 80-30-24 W, a distance of 153.72 feet;
 THENCE N 84-48-58 W, a distance of 93.30 feet;
 THENCE S 18-52-55 W, a distance of 29.39 feet;
 THENCE N 79-01-56 W, a distance of 67.64 feet;
 THENCE S 08-03-16 W, a distance of 20.43 feet;
 THENCE N 49-18-09 W, a distance of 49.02 feet;
 THENCE S 61-11-40 W, a distance of 36.53 feet;
 THENCE N 68-21-49 W, a distance of 41.78 feet;
 THENCE S 60-56-36 W, a distance of 59.29 feet;
 THENCE N 31-11-51 W, a distance of 45.77 feet;
 THENCE N 66-59-24 W, a distance of 98.41 feet;
 THENCE N 62-37-26 W, a distance of 100.51 feet;
 THENCE S 88-36-55 W, a distance of 126.15 feet;
 THENCE N 67-05-04 W, a distance of 64.42 feet;
 THENCE S 68-12-19 W, a distance of 56.35 feet;
 THENCE N 72-31-12 W, a distance of 39.93 feet;
 THENCE N 26-58-36 W, a distance of 14.07 feet;
 THENCE N 86-17-14 W, a distance of 26.72 feet;
 THENCE N 83-12-48 W, a distance of 39.06 feet;
 THENCE S 45-06-17 W, a distance of 31.31 feet;
 THENCE S 44-59-38 W, a distance of 40.46 feet;
 THENCE S 03-05-43 E, a distance of 30.54 feet;
 THENCE S 45-27-44 W, a distance of 24.76 feet;
 THENCE S 71-43-35 W, a distance of 68.54 feet;
 THENCE N 46-15-13 W, a distance of 172.98 feet;
 THENCE N 85-59-21 W, a distance of 42.60 feet;
 THENCE S 39-02-48 W, a distance of 28.38 feet;
 THENCE N 86-00-58 W, a distance of 162.56 feet;
 THENCE S 65-58-40 W, a distance of 41.90 feet;
 THENCE S 75-28-08 W, a distance of 26.30 feet;
 THENCE N 35-24-56 W, a distance of 18.19 feet;
 THENCE N 70-07-06 W, a distance of 61.94 feet;
 THENCE N 16-59-06 W, a distance of 27.56 feet;
 THENCE N 61-55-57 W, a distance of 263.29 feet;
 THENCE S 85-13-42 W, a distance of 80.44 feet;
 THENCE N 55-26-00 W, a distance of 25.76 feet;
 THENCE N 19-12-49 E, a distance of 91.04 feet;
 THENCE N 29-45-09 E, a distance of 179.21 feet;
 THENCE N 03-13-30 E, a distance of 48.16 feet;
 THENCE N 38-43-10 E, a distance of 154.15 feet;
 THENCE N 24-37-46 E, a distance of 39.53 feet;
 THENCE N 03-37-35 E, a distance of 35.84 feet;
 THENCE N 37-02-56 W, a distance of 25.59 feet;
 THENCE N 39-59-54 E, a distance of 136.90 feet;
 THENCE N 27-06-59 E, a distance of 71.01 feet;
 THENCE N 67-19-09 E, a distance of 14.21 feet;
 THENCE N 08-55-53 E, a distance of 12.48 feet;
 THENCE N 69-16-37 E, a distance of 20.35 feet;
 THENCE N 54-33-39 E, a distance of 171.44 feet;
 THENCE N 44-13-45 E, a distance of 62.58 feet;
 THENCE N 09-43-37 E, a distance of 111.71 feet;
 THENCE N 20-51-18 W, a distance of 13.34 feet;
 THENCE N 20-07-50 E, a distance of 25.62 feet;
 THENCE N 78-48-13 E, a distance of 20.19 feet;
 THENCE S 76-34-00 E, a distance of 89.41 feet;
 THENCE N 69-41-04 E, a distance of 131.15 feet;
 THENCE N 46-52-10 E, a distance of 72.99 feet;
 THENCE N 21-36-17 E, a distance of 36.15 feet;
 THENCE N 06-35-38 W, a distance of 50.52 feet;
 THENCE N 04-48-41 E, a distance of 76.66 feet;
 THENCE N 50-25-21 E, a distance of 33.88 feet;
 THENCE N 07-41-28 E, a distance of 66.94 feet;

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THENCE N 43-50-42 E, a distance of 42.50 feet;
 THENCE S 57-02-19 E, a distance of 13.20 feet;
 THENCE S 17-36-36 W, a distance of 51.83 feet;
 THENCE S 23-47-44 W, a distance of 57.55 feet;
 THENCE S 20-23-00 W, a distance of 86.98 feet;
 THENCE S 07-58-54 E, a distance of 55.50 feet;
 THENCE S 11-34-07 W, a distance of 45.73 feet;
 THENCE S 44-48-02 W, a distance of 84.64 feet;
 THENCE S 60-42-52 W, a distance of 87.84 feet;
 THENCE S 23-30-59 W, a distance of 179.02 feet;
 THENCE S 07-32-08 E, a distance of 190.76 feet;
 THENCE S 18-10-01 E, a distance of 323.81 feet;
 THENCE S 26-12-34 E, a distance of 466.07 feet;
 THENCE S 52-23-25 E, a distance of 68.27 feet;
 THENCE N 65-10-56 E, a distance of 67.96 feet;
 THENCE S 68-14-08 E, a distance of 55.00 feet;
 THENCE S 89-31-06 E, a distance of 134.09 feet;
 THENCE S 54-35-07 E, a distance of 81.49 feet;
 THENCE S 79-43-44 E, a distance of 116.61 feet;
 THENCE S 76-04-19 E, a distance of 138.76 feet;
 THENCE S 85-17-31 E, a distance of 67.34 feet;
 THENCE N 49-03-02 E, a distance of 40.08 feet;
 THENCE N 83-35-25 E, a distance of 153.01 feet;
 THENCE S 89-09-41 E, a distance of 139.48 feet;
 THENCE S 71-26-02 E, a distance of 69.48 feet;
 THENCE N 85-53-11 E, a distance of 271.92 feet;
 THENCE N 64-43-02 E, a distance of 188.43 feet;
 THENCE N 18-43-13 E, a distance of 55.74 feet;
 THENCE N 12-38-59 W, a distance of 57.18 feet;
 THENCE N 36-12-51 E, a distance of 154.20 feet;
 THENCE N 31-45-30 W, a distance of 66.74 feet;
 THENCE N 13-18-07 E, a distance of 107.28 feet;
 THENCE N 34-08-31 E, a distance of 80.65 feet;
 THENCE N 01-47-00 W, a distance of 59.87 feet;
 THENCE N 30-03-37 E, a distance of 204.57 feet;
 THENCE N 12-33-00 E, a distance of 87.38 feet;
 THENCE N 01-42-10 W, a distance of 166.29 feet;
 THENCE N 25-38-06 W, a distance of 302.88 feet;
 THENCE N 30-01-48 W, a distance of 199.01 feet;
 THENCE N 01-45-31 E, a distance of 187.37 feet;
 THENCE N 26-43-02 W, a distance of 89.96 feet;
 THENCE N 79-36-21 W, a distance of 167.39 feet;
 THENCE N 80-18-30 W, a distance of 46.68 feet;
 THENCE S 41-55-36 W, a distance of 42.33 feet;
 THENCE N 73-05-36 W, a distance of 35.03 feet;
 THENCE S 43-15-20 W, a distance of 45.57 feet;
 THENCE S 43-46-07 W, a distance of 239.98 feet;
 THENCE S 82-39-18 W, a distance of 165.03 feet;
 THENCE N 78-18-30 W, a distance of 140.16 feet;
 THENCE N 53-16-15 W, a distance of 169.48 feet;
 THENCE N 33-04-14 W, a distance of 143.19 feet;
 THENCE N 25-42-20 W, a distance of 238.31 feet;
 THENCE N 09-49-29 W, a distance of 135.23 feet;
 THENCE N 49-35-31 W, a distance of 103.43 feet;
 THENCE S 82-16-12 W, a distance of 20.29 feet;
 THENCE N 49-10-37 W, a distance of 4.15 feet;
 THENCE N 02-49-30 E, a distance of 18.35 feet;
 THENCE N 34-49-42 E, a distance of 8.88 feet;
 THENCE N 71-42-55 E, a distance of 53.24 feet;
 THENCE N 01-21-01 W, a distance of 87.30 feet;
 THENCE N 20-39-51 E, a distance of 61.66 feet;
 THENCE N 30-13-36 E, a distance of 55.38 feet;

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THENCE N 06-21-20 W, a distance of 39.34 feet;
 THENCE N 17-44-38 W, a distance of 55.92 feet;
 THENCE N 18-14-48 W, a distance of 109.02 feet;
 THENCE N 28-36-21 W, a distance of 102.61 feet;
 THENCE N 28-16-16 W, a distance of 74.55 feet;
 THENCE N 44-41-32 W, a distance of 53.18 feet;
 THENCE N 60-53-02 W, a distance of 89.30 feet;
 THENCE S 83-10-40 W, a distance of 21.18 feet;
 THENCE S 41-52-34 W, a distance of 18.75 feet;
 THENCE N 84-57-42 W, a distance of 30.17 feet;
 THENCE N 34-09-14 E, a distance of 54.69 feet;
 THENCE N 47-35-24 E, a distance of 71.26 feet;
 THENCE N 14-43-32 E, a distance of 130.76 feet;
 THENCE N 12-43-56 W, a distance of 48.41 feet;
 THENCE N 08-01-21 E, a distance of 19.49 feet;
 THENCE N 67-07-59 W, a distance of 46.42 feet;
 THENCE N 13-22-16 W, a distance of 38.91 feet;
 THENCE N 12-15-12 W, a distance of 31.47 feet;
 THENCE N 28-22-05 E, a distance of 87.13 feet;
 THENCE N 62-58-42 E, a distance of 30.21 feet;
 THENCE N 01-41-38 W, a distance of 54.79 feet;
 THENCE N 20-37-10 W, a distance of 30.38 feet;
 THENCE N 46-20-41 W, a distance of 20.79 feet;
 THENCE N 72-48-53 E, a distance of 38.89 feet;
 THENCE N 10-05-32 W, a distance of 39.84 feet;
 THENCE N 06-43-20 E, a distance of 83.68 feet;
 THENCE N 17-20-12 E, a distance of 66.33 feet;
 THENCE N 44-45-50 E, a distance of 22.38 feet;
 THENCE N 00-22-32 E, a distance of 55.86 feet;
 THENCE N 13-41-27 E, a distance of 74.04 feet;
 THENCE N 01-02-53 E, a distance of 245.07 feet;
 THENCE N 14-34-19 W, a distance of 43.91 feet;
 THENCE N 48-49-34 E, a distance of 20.56 feet;
 THENCE N 79-32-44 E, a distance of 22.63 feet;
 THENCE N 40-28-54 E, a distance of 19.63 feet;
 THENCE N 12-30-22 E, a distance of 52.08 feet;
 THENCE N 04-02-33 E, a distance of 82.26 feet;
 THENCE N 58-58-22 E, a distance of 27.15 feet;
 THENCE N 38-14-02 E, a distance of 186.94 feet;
 THENCE N 21-24-41 E, a distance of 74.11 feet;
 THENCE N 02-20-05 W, a distance of 123.86 feet;
 THENCE N 33-04-18 E, a distance of 92.18 feet;
 THENCE N 01-26-47 E, a distance of 100.70 feet to the PLACE OF BEGINNING, and
 containing 277.49 acres.

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A Report on the Proposed Limited Purpose Annexation of Certain Property in Galveston County Municipal Utility District No. 52

In accordance with §43.123 of the Texas Local Government Code, the City of Texas City, Texas (the "City") has prepared this report on the proposed limited-purpose annexation of land (the "Property") located in Galveston County Municipal Utility District No. 52 (the "District"). The limited-purpose annexation of the Property is an element of a Strategic Partnership Agreement between the City and the District.

Planning Study

Pursuant to §43.123(c) of the Texas Local Government Code, this planning study must address the following four topics: (i) the kinds and levels of development that will occur in the Property in the next ten years if the Property is not annexed for limited purposes and also if the Property is annexed for limited purposes; (ii) the issues the City considers to give rise to the need for the annexation of the Property for limited purposes and the public benefits to result from the limited-purpose annexation; (iii) the economic, environmental, and other impacts the annexation of the Property will have on the residents, landowners, and businesses in the area; and (iv) the proposed zoning of the Property.

Ten-Year Development Projections

Currently, development in the Property includes an approved Planned Unit Development which will allow for the construction of Single Family Dwellings, Patio Home Dwellings, Town Home Dwellings and a Commercial Marina. Future development of the Property is likely to be restricted to the aforementioned land uses approved by the City for this Planned Unit Development. The proposed limited-purpose annexation of the Property will not change or otherwise affect the types of development planned for the Property over the next ten years.

Issues Leading to Proposal

The limited-purpose annexation of the Property will benefit the City and is consistent with the terms of the Strategic Partnership Agreement, the Utility District Agreement, and the approved Planned Unit Development (Reference Zoning Ordinance No. 05-38), between the City and the District. The Property is located in an important area of commercial activity in Galveston County. The proposed limited-purpose annexation will provide needed revenues to the City. Reference the attached documents.

- a) Strategic Partnership Agreement

- b) Utility District Agreement
- c) Planned Unit Development Rezoning approval Ordinance No. 05-038; 10-5-05

Economic, Environmental, and Other Impacts

The limited-purpose annexation of the Property will provide revenues that will enable the City to fund needed municipal services and administrative services related to and in conjunction with the aforementioned ordinances and agreements cited under "The Issues Leading to the Proposal", text adopted for the approval of this development intent..

Proposed Zoning

The Property has obtained rezoning approved prior to the disannexation of the property and is also a contractual requirement of the developer/MUD 52. There is no anticipation of a future rezoning proposal. (within the next 20-30 years, Reference PUD Ordinance No. 05-038).

Regulatory Plan

The City is annexing the Property for the sole purpose of imposing a retail sales and use tax within the boundaries of the Property. With the exception of (i) ordinances or regulations relating to the City's retail sales and use tax and (ii) ordinances relating to the governance of areas within the City's extraterritorial jurisdiction, no other ordinances or regulations will apply within the boundaries of the Property.



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Google

29°26'15.89" N 94°54'37.77" W

Jan 9, 2008 Eye alt 2.45 km

SERVICE PLAN FOR CITY OF TEXAS CITY

I. INTRODUCTION

This Service Plan ("Plan") is made by the City of Texas City, Texas ("City") pursuant to Chapter 43 of the Local Government Code. This relates to the annexation of the City Proposed Annexed Areas of land located within the Extraterritorial Jurisdiction of Texas City. The Proposed Annexed Areas is described by metes and bounds in Exhibit "A," attached to this Plan and with the annexation ordinance of which this Plan is a part of.

II. TERM: EFFECTIVE DATE

This Plan shall be in effect for a ten-year period commencing on the effective date for annexation of the Proposed Annexed Area, unless otherwise stated in this Plan. Renewal of this Plan shall be the option of the City. Such option may be exercised by the adoption of an Ordinance by the City Commission which refers to this Plan and specifically renews this Plan for a stated period of time.

III. SERVICE PROGRAMS

A. General Coverage

This Plan includes two service programs: (1) the early action program described below, and (2) the Capital Improvement Program also described below.

B. Scope and Quality of Services

Services under this Plan shall equal or exceed the number and level of services in existence in the Proposed Annexed Area prior to annexation. It is not the intent of this Plan to require that a uniform level of services in existence by provided to all areas of the City (including the Proposed Annexed Area) where differing characteristics of topography, land utilization and population density are considered a sufficient basis for providing differing service levels.

C. Definitions

1. As used in this Plan, providing services includes having services provided by any method or means by which the City extends municipal services to any other areas of the City. This may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services, in whole or in part, it may also include separate agreements with associations or similar entities.

2. As used in this Plan, the phrase "standard policies and procedures" means those policies and procedures of the City applicable to a particular service which are in effect either at the time that the service is requested or at the time that the service is made available or provided. The policies and procedures may require that a specific type of request be made, such as an application or petition. They may require that fees or changes be paid, and may include eligibility requirements and similar provisions.

D. Early Action Program

1. Statutory Services. The statutory services will be provided within the Proposed Annexed Area within the period required by State law. Service will be provided immediately upon annexation. The statutory services are as follows:
 - a. Police Protection. The Police Department of the City will provide protection and law enforcement in the Proposed Annexed Area. These activities will include normal patrols and responses, the handling of complaints and incident reports, and, as appropriate, support by special units. Patrol Services will be provided by units based at 1004 9th Avenue North.
 - b. Fire Protection. The Fire Department of the City will provide fire protection, and first response medical services.
 - c. Emergency Medical Service (EMS). The City and/or EMS will provide EMS for emergencies occurring in the Proposed Annexed Area. Ambulances will be dispatched from Fire Station #2.
 - d. Solid Waste Collection. For eligible operations in the Proposed Annexed Area, contract services will be provided under City franchise agreement.
 - e. There are currently no public water distribution/wastewater facilities within the area. No maintenance will be required at this time.
 - f. Maintenance of Roads, Drainage, and Street Lighting. Roads, drainage, and street lighting is required immediately after annexation of the Proposed Annexed Area.
2. Additional Service. Certain services, in addition to the statutory services, will be provided within the Proposed Annexed Area to the same extent they are provided to similar territories elsewhere in the City. These are as follows:
 - a. Planning and inspection services will be provided for proposed facilities or activities to be constructed within the Proposed Annexed Area in accordance with City codes and ordinances.
 - b. Emergency Management Planning for the Proposed Annexed Area and any facilities or activities in the Proposed Annexed Area will be coordinated through the City, Office of Emergency Management.
 - c. Other City services, to the extent applicable to persons or properties

within the Proposed Annexed Area, in accordance with standard policies and procedures.

3. Capital Improvement Program. The City will initiate the construction of certain capital improvements necessary for providing municipal service for the Proposed Annexed Area. Those improvements which are necessary are indicated below, and any necessary construction or acquisition shall begin within two years of the effective date of this Plan, except as otherwise indicated.
 - a. Police Protection. Police protection for the Proposed Annexed Area can be provided by using existing capital improvements. Additional capital improvements are not necessary at this time to provide police protection to the Proposed Annexed Area. However, the Proposed Annexed Area will be included with other territory in connection with Planning for new, revised, or expanded facilities.
 - b. Fire Protection. Fire protection for the Proposed Annexed Area can initially be provided by using existing capital improvements. The Proposed Annexed Area will be included with other territory in connection with Planning for a new, revised or expanded fire fighting facility in the area.
 - c. Solid Waste Collection. No capital improvements are necessary at this time to provide solid waste collection services within the Proposed Annexed Area described in the Early Action Program. However, the Proposed Annexed Area will be included with other territory in connection with Planning for new, revised or expanded solid waste facilities.
 - d. Water and Waste Facilities. Currently no public water distribution or wastewater services exist in the area. Capital improvements for future needs if necessary will be based on the standard policies and procedures of the City, Public Works and Engineering Departments. Additionally, the Proposed Annexed Area will be included with other territory in connection with Planning for new, revised or expanded public water and wastewater facilities. The Capital Facilities Plan will be initiated as Capital Recovery Fees are collected.
 - e. Roads, Drainage and Street Lighting. It is not anticipated that any new roads, drainage or street lighting improvements will be required. However, the Proposed Annexed Areas will be included with other territory in connection with Planning for new, revised, widened or enlarged roads, streets or related facilities.
 - f. Other Publicly-Owned Facilities, Buildings, or Services; Additional Services. In general, other City functions and services, and the additional services described above, can be provided for the Proposed Annexed Area by using existing capital improvements. Additional capital improvements are not necessary to provide City services. However, the Proposed Annexed Area will be included with other territory in connection with Planning for new, revised or expanded facilities,

functions and services, including the additional services described above.

IV. AMENDMENT: GOVERNING LAW

This Plan may not be amended or repealed except as provided by the Local Government Code or other controlling law. Neither changes in the methods nor means of implementing any part of the service programs nor changes in the responsibilities of the various Departments of the City shall constitute amendments to this Plan, and the City reserves the right to make changes. This Plan is subject to and shall be interpreted in accordance with the Constitution and laws of the United States of America and the State of Texas, the Local Government Code, and the orders, rules and regulations of governmental bodies and officers having jurisdiction.

V. FORCE MAJEURE

In case of an emergency, such as a hurricane or other "force majeure" as that term is defined herein, in which the City is forced to temporarily divert its personnel and resources away from the Proposed Annexed Area for humanitarian purposes or for the safety of the general public, the City hereby obligates itself to take all reasonable measures to restore services to the Proposed Annexed Area to the level described in this Plan as soon as possible. "Force Majeure," for the purpose of this Plan shall include, but not be limited to acts of God, acts of the public enemy, war blockades, insurrection, riots, epidemics, landslides, lightning, earthquakes, fire, storms, floods, washouts, droughts, tornadoes, hurricanes, arrests and restraints of government, explosions, collisions and other inability of the City, whether similar to those enumerated or otherwise, which is not within the control of the City. Unavailability or shortage of funds shall not constitute Force Majeure for purposes of this Service Plan.

VI. ENTIRE PLAN

This document contains the entire and integrated Service Plan relating to the Proposed Annexed Area and supersedes all other negotiations, representations, Plans, and agreements whether written or oral.

Garage Sale Ordinance
CITY COMMISSION AGENDA 2

Date: 05/06/2009

Submitted By: Linda Jennings, City Attorney Office

Submitted For: Sheila Bowden

Department: Community Development, Housing Autho

Agenda Area: Regular Items

Information

ACTION REQUEST (Brief Summary)

Consider second reading of Ordinance No. 09-10 amending the City of Texas City Code of Ordinances, Chapter 94 - Secondhand Goods, by adding Article III (Garage Sales), Section 94-69 through 94-75 to provide for permits for garage sales in the community.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link:

Ord

09-10

ORDINANCE NO. 09-10

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF TEXAS CITY, CHAPTER 94, "SECONDHAND GOODS", BY ADDING A NEW ARTICLE III "GARAGE SALES" TO REGULATE GARAGE SALES IN THE CITY; AMENDING CHAPTER 98-135 "GARAGE SALE SIGNS"; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR THE READING OF THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION AND PUBLICATION BY CAPTION ONLY IN THE OFFICIAL NEWSPAPER OF THE CITY.

WHEREAS, the City of Texas City, Texas, is a home-rule city; and,

WHEREAS, the City seeks to regulate garage sales throughout the City; and,

WHEREAS, the City of Texas City, Texas, seeks to amend the Code of Ordinances of the City of Texas City, Chapter 94, "Secondhand Goods", by adding a new Article III, "Garage Sales", and by amending section 98-135 "Garage Sale Signs";

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

SECTION 1: That **The Code of Ordinances of the City of Texas City, Texas**, Chapter 94, "Secondhand Goods", is amended by adding a new Article III, "Garage Sales", to read and provide as follows:

"ARTICLE III. GARAGE SALES

Sec. 94-69. Definitions.

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

Advertise means to seek to attract or direct the attention of the public to and including, but not limited to, goods, activities, information or messages.

Garage sale means the offering for sale of personal or household property belonging to or in the possession of the person conducting the sale. The term includes all sales entitled "garage sale," "lawn sale," "attic sale", "rummage sale," "flea market sale," or any similar casual sale of tangible personal property which is advertised by any means whereby the public at large is or can be made aware of said sale.

Sec. 94-70. Permits.

(a) Garage sale permit.

(1) It shall be unlawful for any person to conduct a garage sale in the city without first filing with the inspections division the information specified in subsection 94-71(a) of this section and obtaining from the inspections division a permit to do so, to be known as a “garage sale permit.”

(2) The fee for such permit shall be \$10.00.

(3) Such permit shall be issued to any one person or location only once within a six-month period and such permit shall be issued for either

a. Three consecutive calendar days, or

b. Two calendar days within an eight-day period.

(4) Each permit issued under this section must be prominently displayed on the premises upon which the garage sale is conducted throughout the entire period of the permitted sale.

(b) Garage sale sign permit.

(1) It shall be unlawful to erect signs advertising a garage sale on any premises other than the location of the garage sale without having first obtained a garage sale sign permit. This permit is separate from, and in addition to, the garage sale permit.

(2) Application for such sign permit shall be made to the inspections division.

(3) No such permit shall be issued unless there is deposited with the city the sum of \$25.00, which sum shall be returned to the applicant if the applicant causes all such signs, posters or advertisements to be removed within the time prescribed by this section. If a permit holder does not cause the removal of the signs, posters or advertisements within the time specified by this section, then the \$25.00 deposit shall be forfeited to the city.

(4) A maximum of four (4) signs shall be allowed, and no such sign, poster or advertisement shall be permitted to remain for a period longer than four days. Signs may be erected one day before the date of the permitted sale and must be removed on the last day of the permitted sale.

(5) The person holding a garage sale shall be entitled to post a maximum of two on-premise and two off-premise temporary signs on private property only. Said signs shall not exceed two square feet in size.

(6) Each sign shall have prominently displayed thereon information from the garage sale sign permit, including, but not limited to the permit number, the term of the permit and the sign number.

Sec. 94-71. Applications

(a) Garage sale permit application. The information to be filed with the inspections division by an application for a garage sale permit shall include the following:

(1) name of each person conducting the garage sale;

(2) name of owner of each property on which the garage sale is to be conducted and consent of owner if applicant is other than the owner;

(3) location(s) at which the garage sale is to be conducted;

(4) number of days of the garage sale;

(5) date of the proposed garage sale;

(6) date, location and nature of any garage sale participated in or conducted by each person named in subsection (a)(1) of this section or held on the proposed premises listed in subsection (a)(3) of this section during the past 12-month period;

(7) an affirmative statement that the property to be sold at the garage sale is personal property owned by the applicant, was neither acquired nor consigned for the purpose of resale, and is not from an inventory or stock of goods in trade; and

(8) a sworn statement of affirmation by the applicant that the information provided in the application is true and correct.

Multiple locations under one permit must be located within the same subdivision.

(b) Garage sale sign permit application. The information to be filed with the inspections division by an applicant for a garage sale sign permit shall include, at a minimum, the following:

- (1) The garage sale permit number;
- (2) The number of signs proposed to be placed; and
- (3) The location of the proposed signs.

Sec. 94-72. Persons and sales excepted.

- (a) The provisions of this ordinance shall not apply to or affect the following persons or sales:
 - (1) Persons selling personal property or goods pursuant to an order or process of a court of competent jurisdiction;
 - (2) Persons acting in accordance with their power and duties as public officials;
 - (3) Any person selling or advertising for sale an item or items of personal property which are specifically named or described in the advertisement and which do not exceed five in number; or
 - (4) Persons conducting a garage sale on property, which is:
 - a. Used for commercial purposes and is not used for residential purposes;
or
 - b. Located in a mixed use, light industry or heavy industry zoning district and is not used for residential purposes.
- (b) If a garage sale is not held on the dates for which the permit is issued or is terminated during the first day of the sale because of inclement weather conditions, and an affidavit by the permit holder to this effect is submitted to the sign administrator, the city may, but shall not be required to, issue another permit to the applicant for a garage sale to be conducted at the same location within 30 days from the date when the first sale was to be held. No additional permit fee shall be required.

Sec. 94-73. Revocation and refusal of permit.

- (a) Any permit issued under this section may be revoked or any application for issuance of a permit may be refused by the city if the application submitted by the applicant or permit holder contains any false, fraudulent or misleading statement.

- (b) If any individual is convicted of an offense under this section, the city may cancel any existing garage sale permit held by the individual convicted and shall not thereafter issue to such individual another garage sale permit for a period of one year.

Sec. 94-74. Unlawful sales.

It shall be unlawful for any individual to sell or offer for sale, under authority granted by this article, property from an inventory or stock in trade or goods on consignment, or property other than goods as described in Section 94-69.

Sec. 94-75. Penalty.

Any person violating this article shall upon conviction be punished as provided in Section 1-7."

SECTION 2: That **The Code of Ordinances of the City of Texas City, Texas**, Chapter 98-135, "Garage Sale Signs", is amended to read and provide as follows:

"Sec. 98-135. Garage sale signs.

The person holding a garage sale shall obtain a sign permit and erect all signs in compliance with Chapter 94, "Secondhand Goods", Article III. "Garage Sales". ~~be entitled to post two on premises and two off premises temporary signs on private property only. Said signs shall not exceed two square feet in size. All signs must be removed by Sunday at 6:00 p.m. after the sale, or the holder of the sale is subject to penalties."~~

SECTION 3: It is hereby declared to be the intention of the City Commission that the sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable.

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

SECTION 5: That all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION 6: That the Charter requirement for reading this Ordinance on three (3) separate days has been dispensed by a majority vote of all members of the City Commission.

SECTION 7: That the City Secretary is hereby directed, in accordance with Article III of the City Charter, to publish this ordinance, by caption only, in one issue of the official paper, and obtain proof of such publication made by the printer or publisher of such paper. An affidavit made by said printer or publisher before some officer authorized by law to administer oaths, and filed with the person performing the duties of city secretary shall be prima facie evidence of such

publication and promulgation of such ordinance in courts of the state. The ordinance so published shall take effect, and be in force, from and after ten days after publication thereof, unless otherwise expressly provided.

PASSED ON FIRST READING this 15th day of April, 2009.

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

ATTEST:

Pamela A. Lawrence
City Secretary

PASSED ON SECOND READING this 6th day of May, 2009.

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

ATTEST:

Pamela A. Lawrence
City Secretary

PASSED AND FINALLY ADOPTED this 20th day of May, 2009.

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

ATTEST:

Pamela A. Lawrence
City Secretary

APPROVED AS TO FORM:

Robert Gervais
City Attorney

Consider approval of an ordinance to approve the changes to the City of Texas City's Investment Policy.

CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Cheryl Hunter, Finance
Submitted For: Cheryl Hunter
Department: Finance
Agenda Area: Regular Items

Information

ACTION REQUEST (Brief Summary)

Consider approval of an ordinance to approve the changes to the City of Texas City's Investment Policy.

BACKGROUND

In 1995, the City adopted an Investment Policy to comply with the Texas Public Funds Investment Act (TPFIA). The City of Texas City's Investment Policy mandates how City funds are to be managed and invested. The Investment Policy was updated in 1998, 2000, 2004, 2005 and 2006 and is in need of City Commission review and approval.

ANALYSIS

The City's Investment Policy approved in 2006 has been updated to reflect changes in the City's investment policy and plan. The policy has a multitude of changes, many of the changes involve wording and are considered minor, the major changes are to the City's Investment Strategy and Diversification parameters. Attached are the 2006 Investment Policy with strikes and additions (additions are underlined) along with the "clean" version of the policy, which will be the policy to be approved.

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link: [Ord 09-20](#)

Link: [Investment Policy-Strike Version](#)

Link: [Investment Policy-Clean Version](#)

Route Seq	Inbox	Approved By	Date	Status
		Cheryl Hunter	04/29/2009 12:40 PM	CREATED
1	Finance (Originator)	Cheryl Hunter	04/29/2009 01:07 PM	APRV
2	Finance (Originator)	Cheryl Hunter	04/29/2009 01:07 PM	APRV
3	Paralegal	Linda Jennings	04/29/2009 01:43 PM	APRV
4	City Attorney Office	Linda Jennings	04/29/2009 01:43 PM	APRV
5	Mayor	Matthew Doyle	04/29/2009 02:35 PM	APRV
6	City Secretary			NEW
Form Started By: Cheryl Hunter			Started On: 04/29/2009 12:40 PM	

ORDINANCE NO. 09-20

AN ORDINANCE APPROVING CHANGES TO THE CITY OF TEXAS CITY'S INVESTMENT POLICY AND STRATEGIES; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

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

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

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

WHEREAS, the City's Investment Policy was updated in 1998, 2000, 2004, 2005 and 2006 and is in need of City Commission review and approval;

WHEREAS, the City's Investment Policy approved in 2006 has been updated to reflect changes in the City's Investment policy and plan;

WHEREAS, the policy has a multitude of changes, many involving wording and are considered minor, the major changes are to the City's Investment Strategy and Diversification parameters; and

WHEREAS, attached hereto are the 2006 Investment Policy with strikes and additions (additions are underlined), along with the "clean" version of the policy, which will be the policy to be approved.

WHEREAS, the Finance Director has recommended approval of the Investment Policy and Strategies.

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

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

SECTION 2: That the Charter requirement for reading this Ordinance on three (3) separate days has been dispensed by a majority vote of the City Commission.

SECTION 3: That this Ordinance shall be passed and adopted on the date of its introduction and shall become effective from and after its passage and adoption.

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pam Lawrence
City Secretary

Robert Gervais
City Attorney

INVESTMENT STRATEGY

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

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

City of Texas City, Texas

Investment Policy

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

I. POLICY

It is the policy of the City of Texas City, Texas ("City") to invest public funds in a manner that will ensure the preservation of capital, conform to all applicable State and Local statutes governing the investment of public funds and provide reasonable investment returns. ~~Investments shall be made in a manner, which will provide the maximum security of principal invested through limitations and diversification. The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. The City shall invest all funds deemed in excess of current needs. "Current needs" are hereby defined as expenditures to be required within a given ninety- (90) -day period. It is the intent of the City to be in complete compliance with local law and the Texas Public Funds Investment Act, Chapter 2256, Texas Government Code.~~

II. SCOPE

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

A. Funds

1. General Funds
2. Special Revenue Funds
3. Capital Projects Funds
4. Enterprise Funds
5. Internal Service Funds
6. Debt Service Funds
7. Trust and Agency Funds
8. ~~Any new funds created by the City, unless specifically exempted.~~

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

~~B. Pooled Investments.~~

~~In order to make effective use of the City's resources, all funds shall be pooled into one investment bank account, except for those funds accounted for in the bank accounts as deemed necessary, or as stipulated by applicable laws, bond covenants or contracts. The income derived from this pooled investment account shall be used in a manner that best serves the public trust and interests of the City.~~

~~C. Fund Restrictions.~~

~~This policy shall not supercede the restrictions on investment and use applicable to any specific fund and, in the event of any conflict between this Policy and the requirements of any fund subject hereto, the specific requirement applicable to such fund shall be followed as well as all other provisions of this Policy other than those in conflict.~~

~~D. Public Record~~

~~The overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The Investment Officer and City staff shall recognize that the investment activities of the City are a matter of public record.~~

III. INVESTMENT OBJECTIVES

The City of Texas City shall manage and invest its cash with ~~six (6)~~ three (3) primary objectives, listed in order of priority: **suitability, safety, liquidity, marketability, diversification and yield**. The safety of principal invested always remains the primary objective. ~~All investments shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.~~

~~The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, vendor payments in accordance with invoice terms, and prudent investment of available cash. Cash management is defined as the process of managing monies in order to insure maximum cash availability and maximum yield on short term investment of pooled idle cash.~~

~~To accomplish this, the City's principal investment objectives in order of priority are as follows:~~

A. Suitability

~~Each investment must be in conformance with all Federal regulations, State of Texas statutes, and other legal requirements including the City Charter, City Ordinances, and this Investment Policy.~~

Safety

Safety of principal is the foremost objective of the City. Investment of City funds shall be undertaken in a manner that seeks to ensure the preservation of capital and the protection of investment principal in the overall portfolio. ~~The objective will be to mitigate credit and interest rate risk.~~

- (1) ~~**Credit Risk**~~ The City will minimize credit risk, the risk of loss due to the failure of the security issuer or back, by:
- a. ~~Limiting investments to the safest types of securities~~
 - b. ~~Pre-qualifying the financial institutions and broker/dealers with which the City will do business~~
 - c. ~~Diversifying the investment portfolio so that potential losses on individual securities will be minimized.~~
- (2) ~~**Interest Rate Risk**~~ the City will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:
- a. ~~Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell on the open market prior to maturity~~
 - b. ~~Investing operating funds primarily in shorter term securities, money market mutual funds, or similar investment pools.~~

Liquidity

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

B. Marketability

~~The marketability of each investment shall be considered in an effort to minimize loss should the need arise to liquidate to liquidate the investment before maturity.~~

C. Diversification

~~Diversification of the portfolio will include diversification by maturity and market sector and will include the use of a number of brokers/dealers for diversification and market coverage. Competitive bidding will be used on each sale and purchase.~~

Yield

The City's investment portfolio shall be designed with the objectives of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow of the portfolio. Return on investment is of least

importance compared to the safety and liquidity objectives described above. "Market rate of return" may be defined as the average yield of the current three-month U.S. Treasury Bill or such other index that closely matches the average maturity of the portfolio. ~~Securities may be sold prior to maturity for cash flow purposes to meet disbursement schedules in emergencies when funds cannot be borrowed on a short term basis. Any losses for early maturity liquidation should be minimized, and they should be reported as such to the Director of Finance and City Commission in a timely manner.~~

IV. INVESTMENT STRATEGY

~~The City of Texas City maintains a pooled investment portfolio that utilizes specific investment strategy considerations designed to address the unique characteristics of the fund groups represented in the portfolio. In order to minimize the risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Investment guidelines by fund type are as follows:~~

A. Operating Funds

~~— Investment strategies for operating funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to structure a portfolio, which will minimize volatility during economic cycles. Article XI., Section 1-3 of the City Charter directs the City to "invest all funds deemed in excess of current needs in the manner authorized by the laws of the State of Texas and the investment policy approved by the City Commission; current needs are hereby defined as expenditures to be required within a ninety (90) day period." In order to be in compliance with the City Charter, the City must maintain a bank balance sufficient to cover required expenditures for a ninety (90) day period. These funds deemed as "current needs" shall be placed in a money market mutual fund account held at the City's designated depository, so that liquidity will not become an issue. Funds deemed "excess" shall be invested by purchasing high quality, short-term securities, which will complement each other in a ladder maturity structure. A dollar weighted average maturity of 365 days or less will be maintained and calculated by using the stated final maturity date of each security.~~

B. Debt Service Funds

~~— Investment Strategies for debt service funds shall have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Securities purchased shall not have a stated final maturity date which exceeds the debt service payment date, or funds shall be maintained in an investment pool or money market mutual fund to be available for debt service payments.~~

C. Construction and Special Purpose Funds

~~Investment strategies for construction projects or special purpose portfolios will have as their primary objective to assure that anticipated cash flow are matched with adequate investment liquidity. Except as may be required by the bond ordinance specific to an individual issue, securities should be of high quality, with short to medium term maturities.~~

IV. STANDARDS OF CARE

Delegation of Investment Authority

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

A. Investment Procedures

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

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

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

Investment Training

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

- (1) Attend at least one training session, from an independent source approved by the City Commission and containing at least 10 hours of instruction relating to the responsibilities under this policy within 12 months after taking office or assuming duties; and

- (2) Attend an investment training session not less than once in a two-year period and receive not less than 10 hours of instruction relating to investment responsibilities.

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

~~Additional training in the investment of public funds is encouraged and investment courses recommended or sponsored by the organizations listed in the Appendix are hereby approved.~~

Standard of Ethics and Conflicts of Interest

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

1. The employee or officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. Funds received by the employee or officer from the business organization exceed 10 percent of the employee's gross income for the previous year; or
3. The employee or officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the employee or officer.

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

Prudence

~~The standard of prudence to be used in the investment function shall be the “prudent person” standard and shall be applied in the context of managing the overall portfolio. The standard states:~~

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

~~(1) Investment of funds shall be governed by the following objectives, in order of priority:~~

- ~~a. Preservation and safety of principal~~
- ~~b. Liquidity~~
- ~~c. Maturity~~
- ~~d. Yield~~

~~(2) In determining whether investment decisions were made exercising prudence, the following shall be taken into consideration:~~

- ~~a. The investment of all funds, taken as a whole, rather than the prudence of a single investment, and~~
- ~~b. Whether the investment decision is consistent with the written Investment Policy of the City at that time.~~

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

Limitation of Personal Liability

~~The Investment Officer and those delegated investment authority under this policy, when acting in accordance with the written procedures and this policy and in accord with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations from expectations for a specific security’s credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate action is taken to control adverse market effects.~~

Cash Flow Forecasting

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

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

Internal Controls/Annual Compliance Audit

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

V. SUITABLE AND AUTHORIZED INVESTMENTS

~~Acceptable investments under this policy shall be limited to the instruments listed below. The investments are to be chosen in a manner that promotes diversity or market sector and maturity. The choice of high grade government investments and high grade, money market instruments are designed to assure the marketability of those investments should liquidity needs arise.~~

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

Authorized

1. Direct Obligations of the United States Government:
~~Obligations of the United States Government, U.S. Treasury Bills, U.S. Treasury Notes, and U.S. Treasury Bonds, not to exceed five years to stated maturity.~~

U.S. Treasury Bills, U.S. Treasury Notes, and U.S. Treasury Bonds as well as Bonds or other interest bearing obligations for which the principal and interest are guaranteed by the full faith and credit of the United States government.

- ~~2. Debentures or Discount Notes~~
~~Issued by, guaranteed by, or for which the credit of any Federal Agencies and Instrumentalities is pledged for payment. Examples include Federal Agencies and instrumentalities including but not limited to, discount notes, callables and debentures of the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank (FHLB), the Federal Farm Credit Bank (FFCB), and the Federal Home Loan Mortgage Corporation (FHLMC).~~

~~a. Bonds or Other Interest Bearing Obligations~~

~~Which the principal and interest are guaranteed by the full faith and credit of the United States government.~~

3. Time Certificates of Deposit, insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, in state or national banks. Any deposits exceeding FDIC insurance limits shall be collateralized at 102% of the face amount of the Certificate of Deposit by securities listed in 1 – 2 above and held by the City's custodial bank. Bids for Certificates of Deposit may be solicited orally, in writing, electronically or using any combination of these methods.

~~1. Fully insured certificates of deposit from a bank domiciled in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed one year to the stated maturity.~~

~~2. Certificates of deposit from a bank domiciled in the State of Texas which are collateralized with U.S. Treasury or agency issues which are 102% of the City's investment, pledged and held with the City's custodial bank or unconditional letters of credit from the Federal Home Loan Bank or the Federal Reserve. The term of the certificates of deposit shall not exceed one year to the stated maturity.~~

4. Repurchase Agreements with a defined termination date of 90 days or less collateralized by securities listed in 1 -2 above. Collateral must have a minimum market value of 102% of the repurchase agreement, and must be held by the custodian bank or other independent third-party custodian contracted by the City. Bond proceeds may be invested in flexible repurchase agreements with maturity dates not exceeding the expected final project expenditure if a formal bidding process is followed and properly documented for IRS purposes.

~~Repurchase agreement as defined by the Public Funds Investment Act, not to exceed 180 days to stated maturity, provided an executed PSA Master Repurchase Agreement is on file with the City and the counter party bank or primary dealer.~~

~~Repurchase agreements purchased by the City must be:~~

~~1. Secured by obligations of the United States or its agencies and instrumentalities;~~

~~2. Pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City; and~~

- ~~3. Placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state; and~~

~~Proceeds from bond issues may be invested in flexible repurchase agreements that exceed 180 days to maturity, provided that the defined termination date of the agreement does not exceed the estimated final expenditure date of the bond proceeds.~~

5. ~~State and Local Investment Pools~~

AAA-rated Investment Pools organized under the Texas Interlocal Cooperation Act that follow the requirements in the Public Funds Investment Act and which have been specifically approved by the City Commission.

~~Texas local government investment pools as defined by the Public Funds Investment Act. Investment pools must meet all criteria specified in the Public Funds Investment Act Sections 2256.016 and 2256.019. Additionally, all provisions related to required disclosure and reporting by the investment pool must be adhered to.~~

~~If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the City until this policy has been amended and the amended version approved by the City Commission.~~

6. Commercial Paper maturing within 180 days carrying a minimum rating of A-1, P-1 or F-1.
7. AAA-rated Money Market Mutual Funds registered with the Securities and Exchange Commission that invest exclusively in investments described in this section.

Not Authorized

The following security types are not permitted:

1. Interest-Only Strips (IO's): Obligations whose payments represent the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no principal.
2. Principal-Only Strips (PO's): Obligations whose payments represent the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
3. Collateralized Mortgage Obligations (CMO's): Obligations that have a stated final maturity date of greater than 10 years.

4. Any security, the interest rate of which is determined by an index that adjusts opposite to the changes in the Market Index (inverse floaters).

Effect of Loss of Required Rating

~~An investment that requires a minimum rating under this policy does not qualify as an authorized investment during the period the investment does not have the minimum rating. The investment officer shall take all prudent measures that are consistent with this policy to liquidate an investment that does not have the minimum rating.~~

If any security that requires a minimum investment rating is downgraded below that minimum rating subsequent to purchase, it will no longer be considered an authorized investment. As a result, the City shall take all prudent measures to liquidate the security in an effort to preclude or reduce principle loss.

- a. ~~**GASB Statement 40-Deposit and Investment Risk Disclosures** This statement requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates. The risks are as follows:~~

1. ~~**Credit Risk** The risk that an issuer or other counterparty to an investment will not fulfill its obligations.~~
2. ~~**Concentration of Credit Risk** The risk of loss attributed to the magnitude of a government's investment in a single issuer.~~
3. ~~**Interest Rate Risk** The risk that changes in interest rates will adversely affect the fair value of an investment or a deposit.~~
4. ~~**Foreign Currency Risk** The risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit.~~

VI. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

~~The Investment Officer authorizes the following financial institutions for use:~~

- ~~**A.** Banks chartered by the State of Texas.~~
- ~~**B.** Brokers approved and designated as primary dealers by the Federal Reserve Bank of New York.~~
- ~~**C.** Secondary or regional brokers who are National Association of Security Dealers certified and carry Texas State Registration with net capital of \$200 million or more.~~

~~All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the following as appropriate:~~

- ~~(1) Audited financial statements for the most recent period.~~
- ~~(2) Proof of certification by the National Association of Securities Dealers (NASD).~~
- ~~(3) Proof of current registration with the State Securities Commission.~~
- ~~(4) Completion of City's broker/dealer questionnaire (Exhibit A).~~

~~A list of no more than five (5) authorized broker/dealers will be established and maintained. Every dealer with whom the City transacts business will be provided a copy of this investment policy to assure that they are familiar with the goals and objectives of the investment program. The broker/dealer will be required to return a signed copy of the certification form certifying that the policy has been received and reviewed (Exhibit B).~~

~~As investments are made, the Investment Officer shall rotate from authorized bidder's list for bids/offers. An attempt will be made to alternate to all names on the list.~~

Authorized Brokers/Dealers

The Investment Officer shall maintain a list of financial institutions authorized to provide investment services. In addition, a list shall also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in the State of Texas. These may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except in a qualified public depository as established by state laws.

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

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

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

Additionally, the registered principal of the business organization seeking to transact investment business shall execute a written instrument substantially to the effect that the registered principle has received and reviewed this Investment Policy, and acknowledge that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the City.

The City Commission shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

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

1. Appointment of an Investment Advisor shall otherwise be according to the City's normal purchasing procedures for selecting professional services. Appointment may not exceed a term of two years. A renewal or extension of the contract must be made by City Commission resolution.
2. The City may not purchase any securities from the Investment Advisor, or a parent or other affiliated company of the Investment Advisor.
3. The Investment Advisor is prohibited from making soft-dollar arrangements of any kind.
4. All contracted Investment Advisors shall report book value and market value of investment holdings, the total investment return, and such other information requested by the Director of Finance as often as requested by the Director.

Depository

~~The City will designate one banking institution through a competitive process as its central banking services provider at least every three years. This institution will be used for normal banking services including disbursements, deposits, lockbox, controlled disbursement and safekeeping of securities. Other banking institutions from which the City may purchase certificates of deposit will also be designated after they provide their latest audited financial statements to the City.~~

At least every five (5) years a Depository shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP).

The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

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

The bank depository contract is subject to City Commission approval.

Competitive Bids

Investment transactions will normally be conducted based on comparison of a minimum of three (3) quotes obtained from any of the approved brokers with attention to yield as well as diversification with regard to issuing entity and broker/dealer. Limitations of time and supply may provide otherwise. Security transactions that may be purchased without competitive offers include: a) transactions with money market mutual funds; b) local government investment pools and c) new securities still in syndicate priced at par.

Delivery vs. Payment

All security transactions, including collateral for repurchase agreements *but excluding investment pool and mutual funds*, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis.

VII. SAFEKEEPING AND CUSTODY

~~The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery versus payment basis and be held in safekeeping by either the City, and independent third party financial institution, or the City's designated depository.~~

~~The Investment Officer shall designate all safekeeping arrangements and an agreement of the terms executed in writing. The third party custodian shall be required to issue safekeeping receipts to the City listing each specific security, rate, description, maturity,~~

~~cusip number, and other pertinent information. Each safekeeping receipt will be clearly marked that the security is held for the City or pledged to the City.~~

~~All securities pledged to the City for certificates of deposit or demand deposits shall be held by an independent third party bank domiciled in Texas. The safekeeping bank may not be within the same holding company as the bank from which the securities are pledged.~~

~~a. Delivery versus Payment~~

~~All security transactions, including collateral for repurchase agreements *but excluding investment pool and mutual funds*, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis.~~

~~b. Competitive Bidding~~

~~All securities, including certificates of deposit, will be purchased or sold after three (3) offers/bids are taken to verify that the City is receiving fair market value/price for the investment.~~

Safekeeping Agreement

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

Safekeeping and Custody

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

Collateralization

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the City to require full collateralization of all investments and funds on deposit with a depository bank, other than investments, which are obligations of the U.S. Government, its agencies and instrumentalities, and government sponsored enterprises. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on deposits or investments less than an amount insured by the FDIC.

Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained.

The right of collateral substitution is granted.

VIII. COLLATERALIZATION

~~The City requires that all insured collected balances plus accrued interest, if any, in depository accounts be secured in accordance with requirements of State Law. Financial institutions serving as City depositories will be required to sign a Depository Agreement with the City which details eligible collateral, collateralization ratios, standards for collateral custody and control, collateral valuation, rights of substitution and conditions for agreement termination. Collateralization shall be required on two types of investments:~~

~~(1) Certificates of deposits over and above the FDIC insurance coverage of \$100,000.~~

~~(2) Repurchase agreements.~~

~~In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required will be 102% of the market value of the principal and accrued interest.~~

~~Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City of Texas City and shall be reviewed at least monthly to ensure that the market value of the pledged securities is adequate.~~

VIII. INVESTMENT PARAMETERS

Diversification and Maturity Limitations

~~It is the policy of the City to diversify its investment portfolio. Invested funds shall be diversified to minimize risk or loss resulting from over concentration of assets in a specific class of securities. Diversification strategies shall be established and periodically reviewed. At a minimum, diversification standards by security type and issuer shall be:~~

~~U.S. Treasuries and securities
with the U.S. Government's guarantee 100%~~

~~U.S. Government agencies
and instrumentalities not to exceed 50%~~

~~Fully insured or collateralized CDs 100%~~

~~State and Local Government Investment Pools not to exceed 50%~~

~~The Investment Officer shall be required to diversify maturities. The Investment Officer, to the extent possible, will attempt to match investment with anticipated cash flow requirements. Matching maturities with cash flow dates will reduce the need to sell securities prior to maturity, thus reducing market risk. Remaining stated maturities in investments purchased should be no longer than five (5) years except as specifically authorized by the City Commission. Securities with maturities exceeding three (3) years shall not exceed 20% of the total portfolio.~~

Maximum Maturities

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

Diversification

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

- | | |
|--|-------------|
| 1. <u>U.S. Treasury Securities</u> | <u>100%</u> |
| 2. <u>Agencies and Instrumentalities</u> | <u>75%</u> |
| 3. <u>Certificates of Deposit</u> | <u>100%</u> |
| 4. <u>Money Market Mutual Funds</u> | <u>30%</u> |
| 5. <u>Repurchase Agreements</u> | <u>20%</u> |
| 6. <u>Commercial Paper</u> | <u>20%</u> |
| 7. <u>Authorized Pools</u> | <u>70%</u> |

Weighted Average Maturity (WAM)

~~The Public Funds Investment Act (PFIA) states for pooled fund groups, the maximum dollar-weighted average maturity (WAM) allowed based on the stated maturity date for the portfolio.~~

IX. REPORTING

~~Within 30 days of the end of each quarter, the Director shall prepare and submit to the City Commission a report, which, at a minimum, shall contain:~~

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

~~A summary statement, prepared in compliance with generally accepted accounting principles, of each pooled fund group that states the:~~

- ~~a. _____ Beginning market value for the reporting period.~~
- ~~b. _____ Additions and changes to the market value during the period.~~
- ~~c. _____ Ending market value for the period.~~
- ~~d. _____ Fully accrued interest for the reporting period.~~

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

~~A statement of compliance of the investment portfolio of the City as it relates to the investment strategy expressed in this investment policy.~~

6. The quarterly report will be prepared jointly by all investment officers and be signed by all investment officers.

~~The quarterly report shall be in compliance with the Public Funds Investment Act (PFIA).~~

7. State all accrued interest payable.

8. State the compliance of the investment portfolio as it relates to this policy and the Public Funds Investment Act (PFIA).

~~The Director may use any generally accepted method to monitor the market price of investments, including, but not limited to, periodic reports from approved brokers/dealers or nationally recognized business publications that provide daily market valuations on individual securities.~~

~~The City's independent auditors will review the quarterly reports for the fiscal year and will report the result of that review to the City Commission along with their report on the audited financial statements.~~

Marking to Market

The market values of the City's investments shall be obtained from a reliable outside source, which has access to investment market values.

9. ANNUAL COMPLIANCE AUDIT

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

X. PERFORMANCE STANDARDS

Performance Standards

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

Performance Benchmark

The City of Texas City, Texas investment strategy is passive. Given this strategy, the benchmark to be used by the Investment Officer to determine whether market yields are being achieved shall be the average closing yield during the reporting period comparable to the portfolios dollar-weighted average maturity in days.

XI. POLICY CONSIDERATIONS- INVESTMENT POLICY ADOPTION

Exemptions

~~Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.~~

Annual Review and Adoption of Investment Policy

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

City of Texas City, Texas

Investment Policy



Amended and Approved May 6, 2009

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

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

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

City of Texas City, Texas

Investment Policy

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

I. POLICY

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

II. SCOPE

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

Funds

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

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

III. INVESTMENT OBJECTIVES

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

Safety

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

Liquidity

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

Yield

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

IV. STANDARDS OF CARE

Delegation of Investment Authority

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

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program, which are consistent with this investment policy. Procedures will include reference to safekeeping, require and include PSA

Delegation of Investment Authority (continued)

master repurchase agreements, wire transfer agreements; banking services contracts, and other investment related activities.

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

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

Investment Training

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

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

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

Standard of Ethics and Conflicts of Interest

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

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

Standard of Ethics and Conflicts of Interest (continued)

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

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

Prudence

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

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

Cash Flow Forecasting

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

Internal Controls/Annual Compliance Audit

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

V. SUITABLE AND AUTHORIZED INVESTMENTS

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

Authorized

1. Direct Obligations of the United States Government: U.S. Treasury Bills, U.S. Treasury Notes, and U.S. Treasury Bonds as well as Bonds or other interest bearing obligations for which the principal and interest are guaranteed by the full faith and credit of the United States government. Federal Agencies and instrumentalities including but not limited to, discount notes, callables and debentures of the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank (FHLB), the Federal Farm Credit Bank (FFCB), and the Federal Home Loan Mortgage Corporation (FHLMC).
2. Time Certificates of Deposit, insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, in state or national banks. Any deposits exceeding FDIC insurance limits shall be collateralized at 102% of the face amount of the Certificate of Deposit by securities listed in 1 – 2 above and held by the City's custodial bank. Bids for Certificates of Deposit may be solicited orally, in writing, electronically or using any combination of these methods.
3. Repurchase Agreements with a defined termination date of 90 days or less collateralized by securities listed in 1 -2 above. Collateral must have a minimum market value of 102% of the repurchase agreement, and must be held by the custodian bank or other independent third-party custodian contracted by the City. Bond proceeds may be invested in flexible repurchase agreements with maturity dates not exceeding the expected final project expenditure if a formal bidding process is followed and properly documented for IRS purposes.

Authorized (continued)

4. AAA-rated Investment Pools organized under the Texas Inter-local Cooperation Act that follow the requirements in the Public Funds Investment Act and which have been specifically approved by the City Commission.
5. Commercial Paper maturing within 180 days carrying a minimum rating of A-1, P-1 or F-1.
6. AAA-rated Money Market Mutual Funds registered with the Securities and Exchange Commission that invests exclusively in investments described in this section.

Not Authorized

The following security types are not permitted:

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

VI. FINANCIAL DEALERS AND INSTITUTIONS

Authorized Brokers/Dealers

The Investment Officer shall maintain a list of financial institutions authorized to provide investment services. In addition, a list shall also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in the State of Texas. These may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except in a qualified public depository as established by state laws.

Authorized Brokers/Dealers (continued)

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

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

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

Additionally, the registered principal of the business organization seeking to transact investment business shall execute a written instrument substantially to the effect that the registered principle has received and reviewed this Investment Policy, and acknowledge that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the City.

The City Commission shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

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

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

Authorized Brokers/Dealers (continued)

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

Depository

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

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

The bank depository contract is subject to City Commission approval.

Competitive Bids

Investment transactions will normally be conducted based on comparison of a minimum of three (3) quotes obtained from any of the approved brokers with attention to yield as well as diversification with regard to issuing entity and broker/dealer. Limitations of time and supply may provide otherwise. Security transactions that may be purchased without competitive offers include: a) transactions with money market mutual funds; b) local government investment pools and c) new securities still in syndicate priced at par.

Delivery vs. Payment

All security transactions, including collateral for repurchase agreements *but excluding investment pool and mutual funds*, entered into by the City, shall be conducted on a delivery versus payment (DVP) basis.

VII. SAFEKEEPING AND CUSTODY

Safekeeping Agreement

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

Safekeeping and Custody

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

Collateralization

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the City to require full collateralization of all investments and funds on deposit with a depository bank, other than investments, which are obligations of the U.S. Government, its agencies and instrumentalities, and government sponsored enterprises. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on deposits or investments less than an amount insured by the FDIC.

Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained.

The right of collateral substitution is granted.

VIII. INVESTMENT PARAMETERS

Maximum Maturities

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

Diversification

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

1. U.S. Treasury Securities 100%
2. Agencies and Instrumentalities 75%
3. Certificates of Deposit 100%
4. Money Market Mutual Funds..... 30%
5. Repurchase Agreements..... 20%
6. Commercial Paper 20%
7. Authorized Pools 70%

IX. REPORTING

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

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

Reporting (continued)

6. The quarterly report will be prepared jointly by all investment officers and be signed by all investment officers.
7. State all accrued interest payable.
8. State the compliance of the investment portfolio as it relates to this policy and the Public Funds Investment Act (PFIA).

Marking to Market

The market values of the City's investments shall be obtained from a reliable outside source, which has access to investment market values.

X. PERFORMANCE STANDARDS

Performance Standards

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

Performance Benchmark

The City of Texas City, Texas investment strategy is passive. Given this strategy, the benchmark to be used by the Investment Officer to determine whether market yields are being achieved shall be the average closing yield during the reporting period comparable to the portfolios dollar-weighted average maturity in days.

XI. POLICY ADOPTION

Annual Review and Adoption of Investment Policy

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

GLOSSARY

-A-

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

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

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

Asked – The price at which securities are offered.

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

-B-

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

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

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

Broker – A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

-C-

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

-C- (continued)

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

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

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

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

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

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

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

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

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

Credit Quality – The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

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

-D-

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

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

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

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

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

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

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

-F-

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

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

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

-F- (continued)

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

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

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

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

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

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

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

-G-

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

-I-

Interest Rate – See “Coupon Rate”.

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

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

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

Inverted Yield Curve – A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

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

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

-I- (continued)

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

-L-

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

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

-M-

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

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

Market Value – Current market price of a security.

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

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

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

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

-N-

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

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

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

-O-

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

-P-

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

Portfolio – Collection of securities held by an investor.

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

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

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

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

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

-P- (continued)

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

-Q-

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

-R-

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

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

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

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

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

-S-

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

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

-S- (continued)

Securities & Exchange Commission – Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Serial Bond – A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

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

Swap – Trading one asset for another.

-T-

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

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

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

Treasury Bonds – Marketable, fixed-interest U.S. government debt securities with maturities of more than ten years and issued in minimum denominations of \$1,000. Treasury bonds make interest payments semi-annually and the income that holders receive is only taxed at the federal level.

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

-U-

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

-V-

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

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

-W-

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

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

-Y-

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

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

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

-Y- (continued)

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

-Z-

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

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

Name of Firm: _____

Address: _____

Telephone: _____

Fax: _____

Years Established: _____

Number of Employees: _____

PRIMARY REPRESENTATIVE/MANAGER/PARTNER-IN-CHARGE:

Primary Representative(s):

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

Manager/Partner-in-Charge:

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

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

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

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

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

Firm Wide \$
(Securities purchase and sold only)

Transactions

Local Office \$
(Including repurchase Agreements)

Transactions

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

- | | | |
|---|---|--|
| <input type="checkbox"/> T-Bills | <input type="checkbox"/> S and L CDs | <input type="checkbox"/> Instrumentality's |
| <input type="checkbox"/> Treasury | <input type="checkbox"/> BAs (Domestic) | <input type="checkbox"/> Commercial Paper |
| <input type="checkbox"/> Notes/Bonds | <input type="checkbox"/> BAs (Foreign) | <input type="checkbox"/> Other (Specify) |
| <input type="checkbox"/> Agencies (Specify) | <input type="checkbox"/> Bank CDs | |

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

Name: _____

Name: _____

Title: _____

Title: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

CRD Number: _____

CRD Number: _____

Number of Years with Firm: _____

Number of Years with Firm: _____

Email: _____

Email: _____

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

☐ Yes ☐ No

If yes, please explain below:

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

☐Yes ☐No

If yes, please explain below:

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

Last Month? %

Last Year? %

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

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

☐Yes ☐No

The following information needs to be included:

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

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

☐Yes ☐No

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

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

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

☐Yes ☐No

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

a. Debt/Equity

b. Assets (in Millions)

c. Net Capital (in Millions)

d. Volume of Security Transactions (in Millions)

e. Total Liabilities (in Millions)

f. Total Stockholders' Equity (in Millions)

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

☐Yes ☐No

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

☐Yes ☐No

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

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

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

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

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

☐Yes ☐No

If no, please explain below:

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

☐Yes ☐No

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

☐Yes ☐No

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

Trader Name:

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

Trader Name:

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

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

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

Checklist:

- ☐ Certified documentation of your capital adequacy enclosed.
- ☐ Audited financial statement enclosed.
- ☐ Copy of your National Association of Securities Dealer Registration enclosed.
- ☐ Copy of your State of Texas Securities Commission Registration enclosed.
- ☐ Schedule of fees and charges enclosed.

ATTACHMENT B

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

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

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

1. The Dealer Qualified Representative is duly authorized to execute this Certification
on behalf of the Dealer, and
2. The Dealer Qualified Representative has received and reviewed the Investment Policy
furnished by the Investor, and
3. The Dealer has implemented reasonable procedures and controls in an effort to
preclude investment transactions conducted between the Dealer and the Investor
that are not authorized by the entity's investment policy, except to the extent that this
authorization is dependent on an analysis of the makeup of the entity's entire
portfolio or requires an interpretation of subjective investment standards.

Dealer Qualified Representative

Signature

Name (Printed)

Title

Date

Attachment C

RECOMMENDED SPONSORS OF INVESTMENT TRAINING

- Government Finance Officers Association of Texas (GFOAT)
- Government Treasurers Association of Texas (GTOT)
- Texas Municipal League (TML)
- University of North Texas (UNT)
- State of Texas

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

Coastal Securities, Inc.
5555 San Felipe, Suite 2200
Houston, Texas 77056
Phone: 713-435-4352
Stuart Ford

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

Wachovia Securities, LLC
2700 Post Oak Blvd., Ste. 800
Houston, Texas 77056
Phone: 713-599-6700
Robert Florance

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

Consider budget amendment for the Amburn Road Project.**CITY COMMISSION AGENDA 2****Date:** 05/06/2009**Submitted By:** Cheryl Hunter, Finance**Submitted For:** Cheryl Hunter**Department:** Finance**Agenda Area:** Regular Items**Information****ACTION REQUEST (Brief Summary)**

Consider approval of a request to amend the City of Texas City's fiscal year 2008/2009 budget.

BACKGROUND

A budget amendment is needed to finance the construction of the Amburn Road Improvements project, up to a maximum expenditure of \$3,620,000, as outlined in the inter-local agreement between the City and Galveston County. As stated in the inter-local agreement, the City will fund all Right-of-Ways (ROW) that may be required for a estimated cost of \$160,000.

ANALYSIS

The budget amendment is as follows:

Construction Fund-Galveston County Bond Projects Fund (407):

407-070-55250-09007-Amburn Road Improvements \$3,620,000
 407-070-55720-Procurement of Property \$ 160,000
 407-000-44010-Galveston County Project Revenue <\$3,620,000>
 407-000-49001-Transfer from General Fund <\$ 160,000>

General Fund (101):

101-000-59033-Transfer to Galveston County Project Fund \$160,000
 101-000-79999-Undesignated Budget Balance <\$160,000>

ALTERNATIVES CONSIDERED**Fiscal Impact****Attachments**

Link:

Ord
09-21

Form Routing/Status**Route Seq Inbox****Approved By Date****Status**

Cheryl Hunter 04/29/2009 03:00 PM CREATED

Started On: 04/29/2009 03:00 PM

ORDINANCE NO. 09-21

AN ORDINANCE AMENDING ORDINANCE NO. 08-37, ADOPTING THE 2008-2009 FISCAL YEAR BUDGET TO PROVIDE FOR THE FINANCE OF AMBURN ROAD IMPROVEMENTS PROJECT; DIRECTING THE CHIEF EXECUTIVE OFFICER TO FILE OR CAUSE TO BE FILED A COPY OF THE AMENDED BUDGET IN THE OFFICE OF THE GALVESTON COUNTY CLERK AND THE STATE COMPTROLLER'S OFFICE; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, by Ordinance No. 08-37, the City Commission of the City of Texas City, Texas, adopted its budget for Fiscal Year 2008-2009;

WHEREAS, a budget amendment is needed to finance the construction of the Amburn Road Improvements Project, up to a maximum expenditure of \$3,620,000, as outlined in the Interlocal Agreement between the City and Galveston County;

WHEREAS, as stated in the Interlocal Agreement, the City will fund all Right-of-Ways (ROW) that may be required for an estimated cost of \$160,000.00.

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

SECTION 1: That the facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

SECTION 2: That the budget for Fiscal Year 2008-2009 of the City of Texas City, Texas, is hereby amended as follows:

Construction Fund – Galveston County Bond Projects Fund (407):

407-070-55250-09007 – Amburn Road Improvements	\$ 3,620,000
407-070-55720 – Procurement of Property	160,000
407-000-44010 – Galveston County Project Revenue	< 3,620,000>
407-000-49001 – Transfer from General Fund	< 160,000>

General Fund (101):

101-000-59033 – Transfer to Galveston County Project Fund	\$ 160,000
101-000-79999 – Undesignated Budget Balance	< 160,000>

SECTION 3: That the chief executive officer shall file or cause to be filed a copy of this budget amendment in the office of the Galveston County Clerk and the State Comptroller's Office.

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

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

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

5.e.

Consider budget amendment to provide funding for Tarpey Lights and Canopies at the Shooting Range.

CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Cheryl Hunter, Finance
Submitted For: Cheryl Hunter
Department: Finance
Agenda Area: Regular Items

Information

ACTION REQUEST (Brief Summary)

Consider approval of a request to amend the City of Texas City's fiscal year 2008/2009 budget.

BACKGROUND

A budget amendment is needed to provide funding for the purchase and installation of lights at Tarpey Park Softball Field and purchase and installation of canopies over the skeet shoot stations at the Shooting Range. A budget amendment is also needed to provide additional funding for cart path repairs. Funds totaling \$230,500 are available in the General Fund.

ANALYSIS

The budget amendment is as follows:

General Fund (101):

101-401-55010-08010-Light Fixtures/Cross Arms-Ball Field	\$180,000
101-401-53540-Maintenance-Building & Grounds	\$ 15,000
101-403-55010-40305-Cart Path-Phase 3	\$ 35,500
101-000-79999-Undesignated Budget Balance	<\$230,500>

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link:
Ord
09-22

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Cheryl Hunter	04/29/2009 03:36 PM	CREATED
1	Finance (Originator)	Cheryl Hunter	04/29/2009 04:11 PM	APRV
2	Finance (Originator)	Cheryl Hunter	04/29/2009 04:11 PM	APRV

3 Paralegal Linda Jennings 04/29/2009 04:13 PM APRV

4 City Attorney Office Linda Jennings 04/29/2009 04:13 PM APRV

5 Mayor Matthew Doyle 04/29/2009 05:03 PM APRV

6 City Secretary NEW

Form Started By: Cheryl Hunter

Started On: 04/29/2009 03:36 PM

ORDINANCE NO. 09-22

AN ORDINANCE AMENDING ORDINANCE NO. 08-37, ADOPTING THE 2008-2009 FISCAL YEAR BUDGET TO PROVIDE FUNDING FOR PURCHASE AND INSTALLATION OF LIGHTS AT TARPEY PARK SOFTBALL FIELD, CANOPIES AT THE SHOOTING RANGE AND CART PATH REPAIRS; DIRECTING THE CHIEF EXECUTIVE OFFICER TO FILE OR CAUSE TO BE FILED A COPY OF THE AMENDED BUDGET IN THE OFFICE OF THE GALVESTON COUNTY CLERK AND THE STATE COMPTROLLER'S OFFICE; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, by Ordinance No. 08-37, the City Commission of the City of Texas City, Texas, adopted its budget for Fiscal Year 2008-2009;

WHEREAS, a budget amendment is needed to fund the purchase and installation of lights at Tarpey Park Softball Field, purchase and installation of canopies over the skeet shoot stations at the City's Shooting Range, and additional funding for cart path repairs.

WHEREAS, funds totaling \$230,500.00 are available in the General Fund.

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

SECTION 1: That the facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

SECTION 2: That the budget for Fiscal Year 2008-2009 of the City of Texas City, Texas, is hereby amended as follows:

General Fund (101):

101-401-55010-08010 – Light Fixtures/Cross Arms-Ball Field	\$ 180,000
101-401-53540 – Maintenance – Building & Grounds	15,000
101-403-55010-40305 – Cart Path – Phase 3	35,500
101-000-79999 – Undesignated Budget Balance	< 230,500>

SECTION 3: That the chief executive officer shall file or cause to be filed a copy of this budget amendment in the office of the Galveston County Clerk and the State Comptroller's Office.

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

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

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

Consider budget amendment to carry forward funding for the Water Line Improvement Project-Phase 9.

CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Cheryl Hunter, Finance
Submitted For: Cheryl Hunter
Department: Finance
Agenda Area: Regular Items

Information

ACTION REQUEST (Brief Summary)

Consider approval of a request to amend the City of Texas City's fiscal year 2008/2009 budget.

BACKGROUND

A budget amendment is needed to carry forward funding for the Phase 9 Water Line Improvement Project, which was originally funded in the 2007/2008 adopted budget for a total budget of \$1,500,000.

ANALYSIS

The budget amendment is as follows:

Water Revenue Fund (501)-Water Distribution (705):

501-705-55690-08504-Water Line Improvement Project-Phase 9	\$1,500,000
501-000-79999-Undesignated Budget Balance	<\$1,500,000>

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link:
Ord
09-23

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Cheryl Hunter	04/29/2009 03:51 PM	CREATED
1	Finance (Originator)	Cheryl Hunter	04/29/2009 04:11 PM	APRV
2	Finance (Originator)	Cheryl Hunter	04/29/2009 04:11 PM	APRV
3	Paralegal	Linda Jennings	04/29/2009 04:13 PM	APRV
4	City Attorney Office	Linda Jennings	04/29/2009 04:13 PM	APRV
5	Mayor	Matthew Doyle	04/29/2009 05:03 PM	APRV
6	City Secretary			NEW

ORDINANCE NO. 09-23

AN ORDINANCE AMENDING ORDINANCE NO. 08-37, ADOPTING THE 2008-2009 FISCAL YEAR BUDGET TO PROVIDE FUNDING FOR THE PHASE 9 WATER LINE IMPROVEMENT PROJECT; DIRECTING THE CHIEF EXECUTIVE OFFICER TO FILE OR CAUSE TO BE FILED A COPY OF THE AMENDED BUDGET IN THE OFFICE OF THE GALVESTON COUNTY CLERK AND THE STATE COMPTROLLER'S OFFICE; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, by Ordinance No. 08-37, the City Commission of the City of Texas City, Texas, adopted its budget for Fiscal Year 2008-2009; and

WHEREAS, a budget amendment is needed to carry forward funding for the Phase 9 Water Line Improvement Project, which was originally funded in the 2007/2008 adopted budget for a total budget of \$1,500,000.

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

SECTION 1: That the facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

SECTION 2: That the budget for Fiscal Year 2008-2009 of the City of Texas City, Texas, is hereby amended as follows:

Water Revenue Fund (501)-Water Distribution (705):

501-705-55690-08504 – Water Line Improvement Project – Phase 9	\$ 1,500,000
101-000-79999 – Undesignated Budget Balance	< 1,500,000>

SECTION 3: That the chief executive officer shall file or cause to be filed a copy of this budget amendment in the office of the Galveston County Clerk and the State Comptroller's Office.

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

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

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney

5.g.

Consider budget amendment to establish a Special Revenue Fund to account for Hurricane Ike related expenditures.

CITY COMMISSION AGENDA 2

Date: 05/06/2009
Submitted By: Cheryl Hunter, Finance
Submitted For: Cheryl Hunter
Department: Finance
Agenda Area: Regular Items

Information

ACTION REQUEST (Brief Summary)

Consider approval of a request to amend the City of Texas City's fiscal year 2008/2009 budget.

BACKGROUND

A budget amendment is needed to establish a Special Revenue Fund to account for revenues and expenditures related to Hurricane Ike. This will allow City staff to better monitor, control and account for expenditures and reimbursements/or amounts due from insurance and FEMA which are related to Hurricane Ike.

ANALYSIS

The budget amendment is as follows:

Hurricane Ike Fund-FEMA Fund (277):

277-301-55730-Hurricane Ike Expenditures	\$5,000,000
277-000-44013-FEMA Disaster Relief Grant Revenue-Ike	<\$5,000,000>

ALTERNATIVES CONSIDERED

Fiscal Impact

Attachments

Link:
[Ord](#)
[09-24](#)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
		Cheryl Hunter	04/29/2009 03:56 PM	CREATED
1	Finance (Originator)	Cheryl Hunter	04/29/2009 04:11 PM	APRV
2	Finance (Originator)	Cheryl Hunter	04/29/2009 04:11 PM	APRV
3	Paralegal	Linda Jennings	04/29/2009 04:12 PM	APRV
4	City Attorney Office	Linda Jennings	04/29/2009 04:13 PM	APRV
5	Mayor	Matthew Doyle	04/29/2009 05:03 PM	APRV

ORDINANCE NO. 09-24

AN ORDINANCE AMENDING ORDINANCE NO. 08-37, ADOPTING THE 2008-2009 FISCAL YEAR BUDGET TO ESTABLISH A SPECIAL REVENUE FUND TO ACCOUNT FOR REVENUES AND EXPENDITURES RELATED TO HURRICANE IKE; DIRECTING THE CHIEF EXECUTIVE OFFICER TO FILE OR CAUSE TO BE FILED A COPY OF THE AMENDED BUDGET IN THE OFFICE OF THE GALVESTON COUNTY CLERK AND THE STATE COMPTROLLER'S OFFICE; DISPENSING WITH THE REQUIREMENT FOR READING THIS ORDINANCE ON THREE (3) SEPARATE DAYS; AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, by Ordinance No. 08-37, the City Commission of the City of Texas City, Texas, adopted its budget for Fiscal Year 2008-2009; and

WHEREAS, a budget amendment is needed to establish a Special Revenue Fund to account for revenues and expenditures related to Hurricane Ike; and

WHEREAS, this account will allow City staff to better monitor, control and account for expenditures and reimbursements or amounts due from insurance and FEMA which are related to Hurricane Ike.

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

SECTION 1: That the facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

SECTION 2: That the budget for Fiscal Year 2008-2009 of the City of Texas City, Texas, is hereby amended as follows:

Hurricane Ike Fund-FEMA Fund (277):

277-301-55730 – Hurricane Ike Expenditures	\$ 5,000,000
277-000-44013 – FEMA Disaster Relief Grant Revenue - Ike	< 5,000,000>

SECTION 3: That the chief executive officer shall file or cause to be filed a copy of this budget amendment in the office of the Galveston County Clerk and the State Comptroller's Office.

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

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

PASSED AND ADOPTED this 6th day of May, 2009.

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

ATTEST:

APPROVED AS TO FORM:

Pamela A. Lawrence
City Secretary

Robert Gervais
City Attorney