

CITY OF TEXAS CITY
REGULAR CALLED CITY COMMISSION MEETING

AGENDA

WEDNESDAY, OCTOBER 7, 2026 - 5:00 P.M.
DOYLE CONVENTION CENTER
2010 5th Ave. N.
Texas City, TX 77590

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

- (1) ROLL CALL
- (2) INVOCATION
- (3) PLEDGE OF ALLEGIANCE
- (4) PROCLAMATIONS AND PRESENTATIONS
 - (a) National Physical Therapy Month
 - (b) Probationary Firefighter First Year Completion Recognition
- (5) SWEARING-IN CEREMONY
 - (a) Swearing in of Clayton Pope as Chief of Police.
 - (b) Swearing in of James Patterson as Assistant Chief of Police.
- (6) PUBLIC COMMENTS
- (7) PUBLIC HEARING
 - (a) Public Hearing for the creation of the Tax Increment Reinvestment Zone #2, City of Texas City.

(8) CONSENT AGENDA

- (a) Approve City Commission Minutes for the September 16, 2026 meeting. (City Secretary)
- (b) Consider and take action on Resolution No. 2026-117, awarding Bid No. 2026-026 and authorizing the City to enter into a contract for Landscape Maintenance for Texas City Economic Development Corporation properties. (Economic Development)
- (c) Consider and take action on Resolution No. 2026-118, approving the hiring of one (1) full-time position and two (2) part-time positions in the Economic Development Department, as approved by the Texas City Economic Development Corporation FY27 budget. (Economic Development)
- (d) Consider and take action on Resolution No. 2026-119, authorizing the purchase of a new International 2026 HX620 Roll Off Truck from Holt Truck Centers of Texas, LLC. through HGAC Buy Contract HT06-20. (Public Works)
- (e) Consider and take action on Resolution No. 2026-120, authorizing the City of Texas City's participation with the Cities Served by Texas-New Mexico Power (TNMP) Company in Public Utility Commission (PUC) of Texas Docket No. 59944, and authorizing the hiring of the law firm of Lloyd Gosselink Rochelle & Townsend, P.C. and consultants to review the filing and negotiate with TNMP to make recommendations on reasonable rates. (Administration)
- (f) Consider and take action on Resolution No. 2026-122, approving the Submission of FY 2026 H-GAC State Homeland Security Program (SHSP) Application. (Community Development/Grants Administration)
- (g) Consider and take action on Resolution No. 2026-123, appointing Jose Boix to the Texas City Historical Preservation Corporation. (Administration)

(9) REGULAR ITEMS

- (a) Discussion and possible action regarding a review of the City's current policies and ordinances related to bandit signs. (Commissioner DeAndre Knoxson and Commissioner Wade Johnson)
- (b) Consider and take action on Resolution No. 2026-116, casting the City of Texas City Ballot for TML Region 14 Board Director. (Administration)
- (c) Consider and take action on Ordinance No. 2026-37, amending the Code of Ordinances, City of Texas City, Texas, Title III "Administration", Chapter 32 "Law Enforcement and Fire Department", Section 32.010 "Police Department; Classes of Positions; Authorized Strength". (Police)

- (d) Consider and take action on Resolution No. 2026-121, authorizing a Change Order to PGAL Architects in the amount of \$490,000.00 for the redesign to reduce the size and scope of the building, relocation, and design changes for the Emergency Operations Center. (Public Works)
- (e) Consider and take action on the first reading of Ordinance No. 2026-38, designating a contiguous geographic area within the City of Texas City as Reinvestment Zone #2, City of Texas City, Texas, and the creation of a Board of Directors for such zone. (Administration & Marsh Darcy)

(10) EXECUTIVE (CLOSED) SESSION

- (a) Notice is hereby given that at this time the Mayor and City Commission may recess into Executive/Closed Session as provided for under Texas Government Code Chapter 551 (The Texas Open Meetings Act). Specifically, the Mayor and City Commission may convene into Executive/Closed Session under Texas Government Code §§ 551.071 – Consultation with Attorney

Pursuant to § 551.102 no final action, decision, deliberation or vote may be conducted in Executive Session. When the Mayor and City Commission reconvene in open session, action may be taken on any item discussed in Executive/Closed session.

(11) RECONVENE FROM EXECUTIVE (CLOSED) SESSION

(12) COMMISSIONERS' COMMENTS

(13) MAYOR'S COMMENTS

(14) STAFF UPDATES

(15) ADJOURNMENT

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

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

I, THE UNDERSIGNED AUTHORITY, DO HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE BULLETIN BOARDS AT INTERIM CITY HALL, 2000 TEXAS AVENUE, TEXAS CITY, TEXAS, AT A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AND ON THE CITY'S WEBSITE ON OCTOBER 1, 2026, PRIOR TO 5:00 P.M. AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST THREE (3) BUSINESS DAYS PRECEDING THE SCHEDULED TIME OF SAID MEETING.

RHOMARI LEIGH
CITY SECRETARY

CITY COMMISSION REGULAR MTG**(4) (b)****Meeting Date:** 10/07/2026

Probationary Firefighter First Year Completion Recognition

Submitted For: Mathew Wyatt, Fire Department**Submitted By:** Mathew Wyatt, Fire Department**Department:** Fire Department

Information**ACTION REQUEST**

No commission action requested: The Fire Department will recognize Matthew Barrera and Caleb Argo for successfully completing their first year of service and present each firefighter with their Firefighter helmet shield.

BACKGROUND (Brief Summary)

Firefighters serve a one-year probationary period during which they are evaluated on all aspects of their duties and performance. Successful completion of the first year is an important milestone in a firefighter's career and an opportunity to recognize their commitment and achievement.

RECOMMENDATION

No action required. Recognition and presentation only.

Fiscal Impact**Funds Available Y/N:** N**Amount Requested:** 0**Source of Funds:** 0**Account #:** 0**Fiscal Impact:**

None.

CITY COMMISSION REGULAR MTG

(7) (a)

Meeting Date: 10/07/2026

Public Hearing for the Creation of Reinvestment Zone No. 2

Submitted By: Rhomari Leigh, City Secretary

Department: City Secretary

Information

ACTION REQUEST

Public Hearing for the Creation of Reinvestment Zone No. 2

BACKGROUND (Brief Summary)

RECOMMENDATION

Fiscal Impact

Attachments

Newspaper

TIRZ Preliminary Plan

Column Affidavit

Powerpoint



TAX INCREMENT REINVESTMENT
ZONE NUMBER 2

PRELIMINARY PROJECT PLAN &
REINVESTMENT ZONE FINANCING PLAN
LATITUDE MARGARITAVILLE GALVESTON BAY

September 24, 2026

Prepared on behalf of Texas City by:

marshdarcy
PARTNERS

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1. OVERVIEW

1.1 Background

This Project Plan and Reinvestment Zone Financing Plan (The Plan) has been prepared in accordance with the requirements of Chapter 311.011 of the Texas Tax Code and outlines the improvements to be funded and implemented by Tax Increment Reinvestment Zone Number 2, Texas City, Texas.

The real property included in the Tax Increment Reinvestment Zone (TIRZ) consists of 2,056 acres of vacant land in the City of Texas City, Texas. The property is bounded by FM 1764 on the south, on the west by State Highway 3, on the east by railroad right-of-way, and on the north by Moses Bayou.

1.2 The Challenge

This significantly large property is vacant and devoid of any internal access to water and sanitary sewer facilities or services to enable development. Additionally, the property has a list of impediments hindering development:

- Abandoned oil and gas infrastructure
- Mineral ownership rights and lease agreements
- Pipelines and gathering lines throughout the entire tract
- Drainage and elevation impediments
- Potential wetlands areas to be mitigated

1.3 Responding to the Challenge

The time and costs of removing, remediating, and securing regulatory approvals are prohibitive. But for the creation of a TIRZ to help overcome these impediments, this tract is not likely to develop in the foreseeable future.

The TIRZ, in conjunction with four municipal utility districts covering the tract, will reimburse the developer for certain eligible project costs. This financing structure will enable the development of a trade-marked residential retirement community, with associated non-residential amenities and services marketed as “Latitude Margaritaville Galveston Bay”. The developer for the project is Minto Latitude GB, LLC, a Texas limited liability company (Minto).

This financing structure is consistent with and supportive of the City’s goal of providing cost effective, quality facilities and services. It also results in new growth paying for itself. Additionally, this financing structure is performance-driven. The developer must create enough new value to generate tax increment. The developer is also at risk if the tax increment is not sufficient to reimburse the project costs.

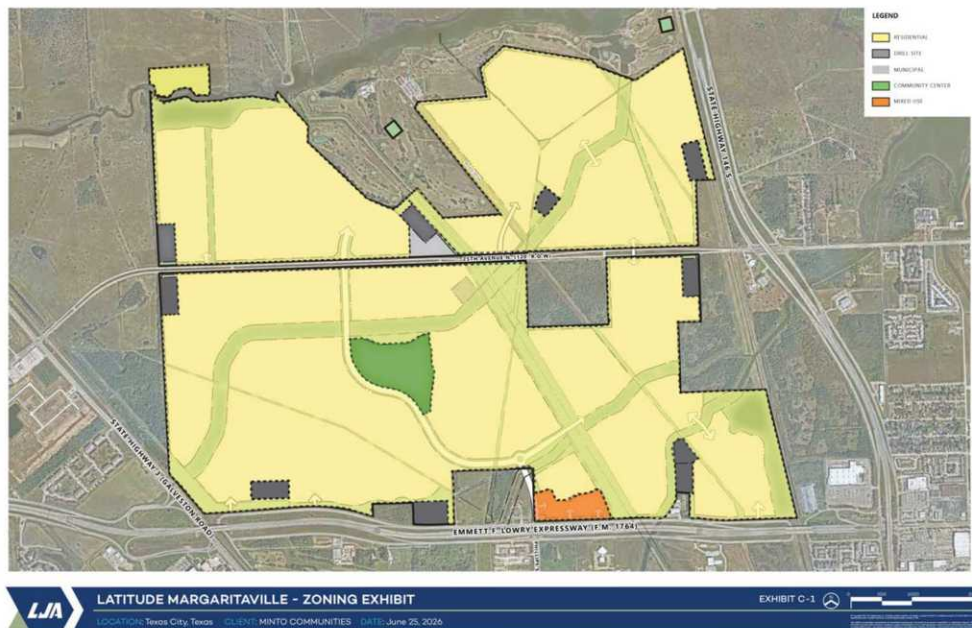
2. Project Plan

2.1 Existing Uses and Conditions, Proposed Uses (311.011(b)(1))

Figure 1 – Existing Conditions Vacant Land & City Golf Course



Figure 2 – Proposed Use Development Concept Plan



2.2 Changes to Municipal Ordinances Required (311.011(b)(2))

In accordance with the City's zoning code, Minto submitted a planned unit development (PUD) to enable its trade-marked development concept to be implemented as "Latitude Margaritaville Galveston Bay". The PUD documents certain changes to and variances from Texas City's zoning ordinance that are required to implement the proposed community. Below is the written justification provided by Minto in seeking approval of the PUD:

One of the primary purposes of this PUD is to encourage high-quality development in the City by providing additional flexibility to take advantage of unique site characteristics, location, and land uses. This PUD establishes specific development standards for a distinctive Active Adult, age-restricted community in the City. This PUD establishes minimum development requirements in conjunction with the Code through specific development, design, and engineering standards such as:

- Providing a document that can respond to current market conditions and maintain the flexibility necessary to address changes in the future;
- Incorporating traditional single-family lots and innovative forms of single-family and senior apartment products that have been proven successful in other Active Adult communities.
- Incorporating golf cart pathways as a component of the pedestrian trails system within the development;
- Incorporating a community center which will include uses such as a fitness center, resort style pool, restaurant, and concert venue;
- Providing lush tropical themed landscaping throughout common areas that reinforce the resort development theme; and,
- Universal maintenance requirements for landscaping and the exterior of homes

The PUD was approved by the City Commission on September 2, 2026.

2.3 Non-Project Costs (311.011(b)(3))

The preliminary estimated non-project costs associated with development of the project that are not included in the TIRZ Project Costs are listed below. Private residential and commercial vertical construction costs are excluded.

Estimated Non-Project Cost Category	Estimated Cost
Utilities, Paving & Site Development	\$154,900,000
Parks, Amenities & Community Facilities	\$66,200,000
Landscaping & Entry Features	\$14,300,000
Site Preparation & Land Management	\$1,700,000
Professional Services & Other Development Costs	\$3,200,000
Total Estimated Non-Project Costs	\$240,300,000

2.4 Method of Relocation (311.011(b)(4))

The property in its current condition is vacant except for the Texas City municipal golf course; thus relocation is not anticipated.

3 REINVESTMENT ZONE FINANCING PLAN

3.1 Estimated Project Cost Description (311.011(c)(1))

The project cost categories in in Table 1 and Table 2 are the eligible project costs under this Plan. The project cost estimates are based on best available information, expressed in year 2026 dollars, and may be adjusted to actual development plans, bid costs and/or for inflation.

A development agreement documenting the respective obligations and commitments of the City and Minto was adopted by the City Commission on September 2, 2026 (Development Agreement). With respect to project costs, the Development Agreement establishes the priority and procedures for financing the project costs.

Project Costs are divided into two subcategories: District TIRZ Improvements and City TIRZ Improvements. The Development Agreement establishes District TIRZ Improvements as the first priority for reimbursement, followed by City TIRZ Improvements. This structure emphasizes the goal to incentivize the construction of the improvements that directly create and support an increase in taxable value. The District TIRZ Improvements and City TIRZ Improvements are listed in Tables 1 and 2 and further described below.

Table 1: District TIRZ Improvements are the improvements necessary to support development of the Project which may be financed or funded from the Available Tax Increment Revenue, as more fully set forth in the Development Agreement. The Developer will construct or cause to be constructed, through the master municipal utility district (Master District), based on procedures that shall be established by the City and the TIRZ Board of Directors.

Table 2: City TIRZ Improvements are the improvements which may be financed or funded from the Available Tax Increment, as more fully set forth in the Development Agreement. After the Developer has been fully reimbursed for all District TIRZ Improvements, the City or a local government corporations (LGC) may use Net Available Tax Increment Revenue to fund remaining City TIRZ Improvements, provided the last TIRZ Bonds issued by the Master District shall allocate not less than \$8.5 million in present value to fund City TIRZ Improvements, even if District TIRZ Improvements remain unreimbursed

Table 1

Project	UNIT	QUANTITY	UNIT COST	COST	ENGINEERING/LA/SWPPP	TOTAL COST
District TIRZ Improvements						
Water and Waste Water Projects						
1 Offsite Waterline Extensions	LF	8,000	\$ 150	\$ 1,200,000	\$ 228,000	\$ 1,428,000
2 Lift Stations	EA	5	\$ 1,000,000	\$ 5,000,000	\$ 950,000	\$ 5,950,000
Traffic Improvements						
1 Traffic Signal New Install	EA	1	\$ 1,000,000	\$ 1,000,000	\$ 190,000	\$ 1,190,000
2 Turn Lanes	EA	16	\$ 250,000	\$ 4,000,000	\$ 760,000	\$ 4,760,000
3 Traffic Signal Upgrades	EA	5	\$ 100,000	\$ 500,000	\$ 95,000	\$ 595,000
Mass Grading Floodplain Mitigation & Wetland Impact Mitigation						
1 Mass Grading	LF	800,000	\$ 8	\$ 6,400,000	\$ 1,216,000	\$ 7,616,000
2 Wetland/Stream Impact	AC	214	\$ 18,650	\$ 3,991,100	\$ 758,309	\$ 4,749,409
Major Roadway Landscape Improvements						
1 25th Avenue ROW Landscaping	LF	8,850	\$ 96	\$ 849,600	\$ 161,424	\$ 1,011,024
2 Spine Road Landscaping	LF	7,400	\$ 128	\$ 947,200	\$ 179,968	\$ 1,127,168
3 Major Collector Landscaping	LF	4,290	\$ 80	\$ 343,200	\$ 65,208	\$ 408,408
4 Minor Collector Landscaping	LF	10,250	\$ 48	\$ 492,000	\$ 93,480	\$ 585,480
5 Irrigation Costs	AC	125	\$ 35,000	\$ 4,375,000	\$ 831,250	\$ 5,206,250
Landscaping/Community Art Improvements						
1 Neighborhood Park Improvements	EA	4	\$ 500,000	\$ 2,000,000	\$ 380,000	\$ 2,380,000
2 Pocket Park Improvements	EA	29	\$ 100,000	\$ 2,900,000	\$ 551,000	\$ 3,451,000
3 Landscape Reserve Improvements Including Themed A	EA	38	\$ 180,000	\$ 6,840,000	\$ 1,299,600	\$ 8,139,600
Waterway Improvements and Integrated Trail System						
1 Channel Cut and Spoil Placement for Flood Plain Mitigat	CY	800,000	\$ 8	\$ 6,400,000	\$ 1,216,000	\$ 7,616,000
2 Channel Crossings	SF	56,600	\$ 185	\$ 10,471,000	\$ 1,989,490	\$ 12,460,490
3 Detention Pond Trails	LF	24,650	\$ 60	\$ 1,479,000	\$ 281,010	\$ 1,760,010
4 Drainage Channel Trails	LF	20,500	\$ 90	\$ 1,845,000	\$ 350,550	\$ 2,195,550
5 Drainages Channel Landscape	AC	64	\$ 45,000	\$ 2,880,000	\$ 547,200	\$ 3,427,200
6 Golfcart Pathway Integration	LF	28,150	\$ 48	\$ 1,351,200	\$ 256,728	\$ 1,607,928
7 Multimodal Arterials	LF	28,150	\$ 120	\$ 3,378,000	\$ 641,820	\$ 4,019,820
8 Multimodal Crossing 25th Under/Overpass	LS	1	\$ 5,000,000	\$ 5,000,000	\$ 950,000	\$ 5,950,000
Brownfield Reclamation						
1 Cap and Plug Existing Wells	EA	14	\$ 50,000	\$ 700,000	\$ 133,000	\$ 833,000
2 Remove Gathering Lines	LF	50,000	\$ 100	\$ 5,000,000	\$ 950,000	\$ 5,950,000
3 Soil Remediation	CY	10,000	\$ 150	\$ 1,500,000	\$ 285,000	\$ 1,785,000
4 Groundwater Remediation	AC	1,300	\$ 635	\$ 825,500	\$ 156,845	\$ 982,345
5 Pipeline Crossings	EA	15	\$ 100,000	\$ 1,500,000	\$ 285,000	\$ 1,785,000
6 Pipeline Relocations and Lowering	LF	830	\$ 1,000	\$ 830,000	\$ 157,700	\$ 987,700
TOTAL						\$ 99,957,382

Total Project Plan Costs \$ 99,957,382

Legal, Auditing, Planning, Architectural, Engineering, Administration, etc. (soft costs 3%) \$ 2,998,721

Total TIRZ Costs \$ 102,956,103

Table 2

Project	UNIT	QUANTITY	UNIT COST	COST	ENGINEERING/LA/SWPPP	TOTAL COST
City Priority Projects						
1 Fire Station	LS	1	\$ 17,000,000	\$ 17,000,000	\$ 2,500,000	\$ 19,500,000
2 Golf Course Improvements	LS	1	\$ 2,000,000	\$ 2,000,000	\$ 380,000	\$ 2,380,000
3 Water Plant Improvements	LS	1	\$ 2,700,000	\$ 2,700,000	\$ 513,000	\$ 3,213,000
4 Emergency Response Equipment	LS	1	\$ 1,500,000	\$ 1,500,000	\$ -	\$ 1,500,000
5 Major Collector Road Expansion	LS	1	\$ 2,000,000	\$ 2,000,000	\$ 400,000	\$ 2,400,000
6 Municipal Use Buildings	LS	1	\$ 5,000,000	\$ 5,000,000	\$ 2,000,000	\$ 7,000,000
Total City Priority Project Costs						\$ 35,993,000

In conjunction with the eligible project categories described above, costs incidental to the implementation of the eligible projects, as established in Section 311.002 (1) of the Texas Tax Code are eligible Project Costs.

3.2 Kind, Number and Location of Proposed Public Improvements (311.011(c)(2))

Over the life of the TIRZ, improvements listed as Project Costs in Table 1 and Table 2 are eligible in any part of the TIRZ.

3.3 Economic Feasibility (311.011(c)(3))

An economic feasibility report prepared by John Burns Research and Consulting (JBRC), dated September 18, 2026, included in Appendix C, served as the basis for the value and absorption projections contained in this Plan. The report presents JBRC's professional opinion as to the likely build out rates and values achievable for the various residential product types in the Texas City market.

3.4 Estimate of Bonded Indebtedness To Be Incurred (311.011(c)(4))

Bonds may be issued to the maximum extent possible utilizing the Available Tax Increment Revenue. The currently estimated amount of bonded indebtedness to be incurred is \$49,725,000.

3.5 Estimated Time When Monetary Obligations Are To Be Incurred (311.011(c)(5))

Reimbursement to the Developer of eligible Project Costs will be made only when sufficient Available Tax Increment Revenue is available to support a bond issue or direct reimbursement. Therefore, the TIRZ will incur monetary obligations only as Available Tax Increment Revenue is deposited and available.

3.6 Methods and Sources of Financing (311.011(c)(6))

The Financing Plan is based on participation in the TIRZ by the City and the College of the Mainland. This Plan may be amended to incorporate additional taxing jurisdiction participants.

City and College of the Mainland participation in the TIRZ is calculated as a percentage of the amount of property taxes levied and collected by the City on the captured appraised value of real property located within the TIRZ as shown in Table 3.

Table 3

Entity	Years 1-12	Years 13-32
City of Texas City	60%	40%
College of the Mainland	60%	40%

3.7 Current Appraised Value of Taxable Real Property (311.011(c)(7))

Based upon the 2026 Galveston Central Appraisal District 1/1/2026 assessed valuation as of September 1, 2026, the total taxable value of all real property in the TIRZ is \$2,714,597. The base value for the TIRZ will be the final certified total taxable value of all real property in the TIRZ as of January 1, 2026

3.8 Estimated Captured Appraised Value By Year (311.011(c)(8))

Table 4 depicts the estimated Captured Appraised Value and the resulting revenue from the City and College for the duration of the TIRZ.

3.9 Duration of TIRZ (311.011(c)(9))

The duration of the TIRZ is 32 years. Per the ordinance designating the TIRZ, termination of the operation of the Zone shall occur no later than December 31, 2058. Unless terminated earlier, the final payment of tax increment revenue due to the TIRZ will be based on values as of January 1, 2058, which revenue is paid and collected in Fiscal Year 2059. Therefore, wind down operations may continue through September 30, 2059, for the purposes of collecting the final tax increment revenue due to the TIRZ and paying of final obligations.

Table 4



Texas City TIRZ No. 2 - Latitude Margaritaville
TIRZ Revenue Cash Flow
City of Texas City and College of the Mainland
PRELIMINARY - FOR DISCUSSION PURPOSES ONLY
(JBC Market Study Dated 9/18/26)

9/12/2025

CITY OF TEXAS CITY											COLLEGE OF THE MAINLAND											TOTAL INCREMENTAL REVENUE TO TIRZ
Tax year	Base Value (c)	Taxable Value in TIRZ	Incremental Value	Less: Homestead Ex. 20%	NET Incremental Value	City of Texas City 2025 Tax Rate	Calendar year	Incremental Revenue 95%	60% 40% (a) (b) (c)	TIRZ Revenue to the City	COM 2025 Tax Rate	Calendar year	Incremental Revenue 95%	60% 40% (a) (b) (c)	TIRZ Revenue to the COM							
2026	2,714,397	2,714,397	(b)	-	-	0.478433	2027	-	-	-	0.269800	2027	-	-	-	-						
2027	2,714,397	2,714,397	(b)	-	-	0.478433	2028	-	-	-	0.269800	2028	-	-	-	-						
2028	2,714,397	2,714,397	(b)	-	-	0.478433	2029	-	-	-	0.269800	2029	-	-	-	-						
2029	2,714,397	103,802,894	(b)	103,808,287	21,160,579	0.478433	2030	372,371	223,422	148,948	0.269800	2030	303,919	123,191	52,128	946,614						
2030	2,714,397	230,912,239	(b)	216,197,662	44,182,452	0.478433	2031	790,919	474,551	316,368	0.269800	2031	436,100	261,680	174,440	736,211						
2031	2,714,397	386,088,231	(b)	333,379,694	67,217,846	0.478433	2032	1,209,705	725,216	483,884	0.269800	2032	867,014	400,308	266,805	1,126,094						
2032	2,714,397	480,349,217	(b)	437,834,620	92,113,843	0.478433	2033	1,662,333	997,400	664,933	0.269800	2033	916,383	348,930	366,633	1,547,300						
2033	2,714,397	589,702,618	(b)	566,988,021	117,940,524	0.478433	2034	2,121,874	1,279,124	823,790	0.269800	2034	1,173,480	700,288	470,192	1,984,412						
2034	2,714,397	724,384,214	(b)	721,669,617	144,876,243	0.478433	2035	2,621,289	1,572,929	1,048,630	0.269800	2035	1,443,300	867,300	578,200	2,440,259						
2035	2,714,397	863,747,718	(b)	861,009,121	172,748,244	0.478433	2036	3,128,218	1,876,981	1,251,287	0.269800	2036	1,724,847	1,094,908	688,999	2,911,839						
2036	2,714,397	1,008,820,118	(b)	1,006,185,521	204,770,024	0.478433	2037	3,635,921	2,199,329	1,462,372	0.269800	2037	2,015,820	1,209,492	806,228	3,403,072						
2037	2,714,397	1,151,306,926	(b)	1,150,872,329	230,717,385	0.478433	2038	4,192,209	2,509,325	1,672,883	0.269800	2038	2,306,000	1,383,600	922,400	3,892,925						
2038	2,714,397	1,293,137,478	(b)	1,290,422,878	256,627,485	0.478433	2039	4,689,627	2,875,831	2,013,778	0.269800	2039	2,383,782	1,094,312	1,731,469	2,910,164						
2039	2,714,397	1,413,009,286	(b)	1,410,294,686	282,601,827	0.478433	2040	5,125,492	3,000,197	2,075,295	0.269800	2040	2,826,111	1,190,444	1,695,667	3,180,641						
2040	2,714,397	1,527,922,927	(b)	1,523,197,730	300,582,465	0.478433	2041	5,548,290	3,217,316	2,323,974	0.269800	2041	3,026,478	1,221,291	1,833,887	3,439,907						
2041	2,714,397	1,611,896,368	(b)	1,609,981,971	321,339,314	0.478433	2042	5,921,573	3,340,629	2,510,944	0.269800	2042	3,226,460	1,290,384	1,952,876	3,631,213						
2042	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2043	6,014,180	3,400,672	2,608,708	0.269800	2043	3,316,119	1,326,448	1,989,671	3,732,120						
2043	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2044	6,014,180	3,400,672	2,608,708	0.269800	2044	3,316,119	1,326,448	1,989,671	3,732,120						
2044	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2045	6,014,180	3,400,672	2,608,708	0.269800	2045	3,316,119	1,326,448	1,989,671	3,732,120						
2045	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2046	6,014,180	3,400,672	2,608,708	0.269800	2046	3,316,119	1,326,448	1,989,671	3,732,120						
2046	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2047	6,014,180	3,400,672	2,608,708	0.269800	2047	3,316,119	1,326,448	1,989,671	3,732,120						
2047	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2048	6,014,180	3,400,672	2,608,708	0.269800	2048	3,316,119	1,326,448	1,989,671	3,732,120						
2048	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2049	6,014,180	3,400,672	2,608,708	0.269800	2049	3,316,119	1,326,448	1,989,671	3,732,120						
2049	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2050	6,014,180	3,400,672	2,608,708	0.269800	2050	3,316,119	1,326,448	1,989,671	3,732,120						
2050	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2051	6,014,180	3,400,672	2,608,708	0.269800	2051	3,316,119	1,326,448	1,989,671	3,732,120						
2051	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2052	6,014,180	3,400,672	2,608,708	0.269800	2052	3,316,119	1,326,448	1,989,671	3,732,120						
2052	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2053	6,014,180	3,400,672	2,608,708	0.269800	2053	3,316,119	1,326,448	1,989,671	3,732,120						
2053	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2054	6,014,180	3,400,672	2,608,708	0.269800	2054	3,316,119	1,326,448	1,989,671	3,732,120						
2054	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2055	6,014,180	3,400,672	2,608,708	0.269800	2055	3,316,119	1,326,448	1,989,671	3,732,120						
2055	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2056	6,014,180	3,400,672	2,608,708	0.269800	2056	3,316,119	1,326,448	1,989,671	3,732,120						
2056	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2057	6,014,180	3,400,672	2,608,708	0.269800	2057	3,316,119	1,326,448	1,989,671	3,732,120						
2057	2,714,397	1,677,416,982	(b)	1,654,702,382	331,483,396	0.478433	2058	6,014,180	3,400,672	2,608,708	0.269800	2058	3,316,119	1,326,448	1,989,671	3,732,120						
								137,192,024	38,827,840	78,364,183									91,264,933			

Footnotes:

(a) Assumes 60% of the incremental revenue to the TIRZ years 2026 through 2037 and 40% thereafter to 2057.

(b) Build-out projections are based on a market study performed by John Burns Research & Consulting dated September 18, 2025.

(c) Base value is estimated based upon 2025 preliminary assessed valuation provided by GCAD and is subject to verification. Assumes Termination of the TIRZ on December 31, 2026.

Appendix A
TIRZ Boundary Legal Description

DESCRIPTION: A parcel of land lying in the John Sellers Survey (Abstract A-180), the James Haggard Survey (Abstract A-119), the Thomas W. Johnson Survey (Abstract A-125), and the James Smith Survey (Abstract A-176), being a portions of the Kohfeldt's Resubdivision as recorded in Book 10, Page 35, the Willaim Righter Subdivision as recorded in Book 57, Page 588, and Lot 13, Pabst Subdivision, as recorded in Book 245, Page 104, all of the public records of Galveston County, Texas, and being more particularly described as follows:

BEGIN at the intersection of the South right-of-way FM Highway 1764 (Emmet F. Lowrey Expressway) and the West right-of-way of the Union Pacific (Southern Pacific Railroad);

RUN THENCE along said South right-of-way, S.88°01'40"W., a distance of 1111.65 feet;

THENCE Westerly, 374.45 feet along the arc of a tangent curve to the right having a radius of 3064.93 feet and a central angle of 07°00'00" (chord bearing N.88°28'20"W., 374.22 feet);

THENCE N.84°58'18"W., a distance of 918.49 feet;

THENCE N.88°46'10"W., a distance of 272.16 feet;

THENCE S.88°04'04"W., a distance of 4390.24 feet;

THENCE N.57°11'47"W., a distance of 175.33 feet;

THENCE N.78°03'20"W., a distance of 195.13 feet;

THENCE Westerly, 718.61 feet along the arc of a non-tangent curve to the left having a radius of 2619.83 feet and a central angle of 15°42'57" (chord bearing N.86°12'00"W., 716.35 feet);

THENCE S.85°56'41"W., a distance of 1088.37 feet;

THENCE S.01°34'20"E., a distance of 77.30 feet;

THENCE crossing a 100-foot Union Pacific (G.H.&H.) Railroad right-of-way, S.88°25'40"W., a distance of 260.86 feet to the East right-of-way of State Highway 3, also being the West right-of-way of said railroad;

THENCE along said East right-of-way, N.40°44'15"W., a distance of 687.86 feet;

THENCE N.41°07'07"W., a distance of 5053.24 feet;

THENCE N.41°06'39"W., a distance of 2465.10 feet to the Westerly extension of the North boundary of lands described in Document 2017003526, of the public records of Galveston County, Texas;

THENCE crossing said 100-foot Union Pacific (G.H.&H.) Railroad right-of-way and along the Westerly extension and the North boundary thereof, N.60°04'47"E., a distance of 352.58 feet;

THENCE N.75°43'16"E., a distance of 720.91 feet to the East boundary of lands described in Document 2000060098, of the public records of Galveston County, Texas;

THENCE along said East boundary, N.03°27'57"W., a distance of 99.56 feet to the Northwest corner of said lands described in Document 2000060098;

THENCE along the North boundary thereof, N.88°10'50"E., a distance of 266.49 feet;

THENCE N.61°12'25"E., a distance of 168.21 feet;

THENCE N.54°26'07"E., a distance of 81.19 feet;

THENCE S.89°47'11"E., a distance of 201.56 feet;

THENCE N.81°59'13"E., a distance of 311.84 feet;

THENCE N.89°22'41"E., a distance of 97.83 feet;

THENCE S.67°25'25"E., a distance of 188.35 feet; -

THENCE N.87°59'22"E., a distance of 362.59 feet;

THENCE N.79°52'49"E., a distance of 254.98 feet;

THENCE N.60°56'38"E., a distance of 41.90 feet to the Northeast corner of said lands described in Document 2000060098 and the Southern Mean High Water of Moses Bayou;

THENCE along said Southern Mean High Water, a distance of 4065 feet, more or less, to the West boundary of the James Haggard Survey, Abstract Number 119, and East boundary of the John Sellers Survey, Abstract Number 180, Galveston, County Texas;

THENCE crossing Moses Bayou and along said West boundary, N.02°52'29"W., a distance of 373.58 feet to the Northwest corner of said James Haggard Survey and an interior corner of the John Sellers Survey;

THENCE along the common boundary between the John Sellers and James Haggard surveys, N.87°07'30"E., a distance of 980.03 feet to the intersection of said common boundary between the John Sellers and James Haggard surveys and the West boundary of lands described in Document Number 9746280, of the public records of Galveston, County Texas;

THENCE along said West boundary of lands described in Document Number 9746280 and crossing Moses Creek, S.01°59'25"E., a distance of 577.11 feet returning to said Southern Mean High Water of Moses Creek;

THENCE along said Southern Mean High Water 9800 feet, more or less, to the intersection with the Westerly right-of-way of the Union Pacific (Southern Pacific) Railroad;

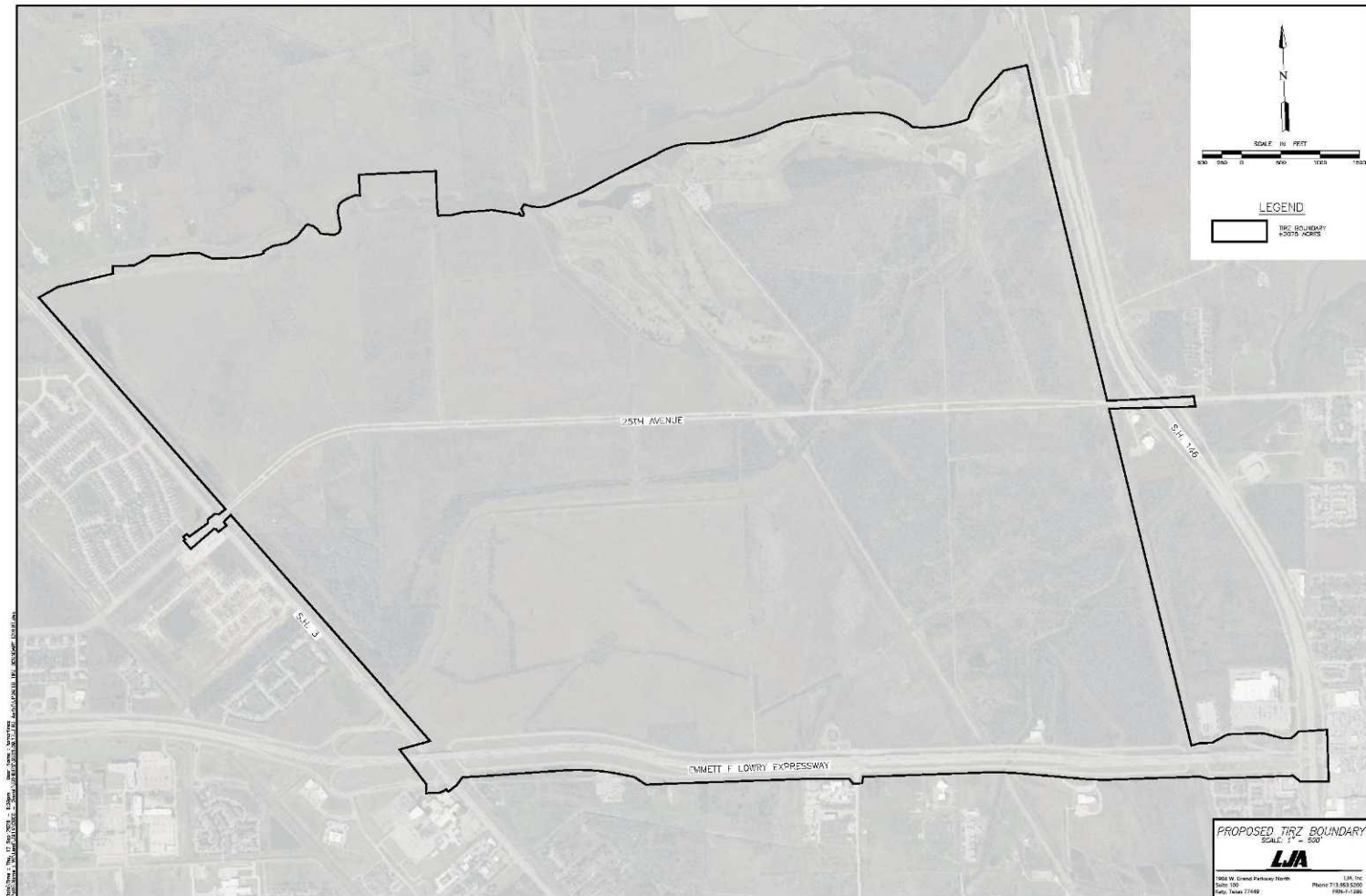
THENCE along said Westerly right-of-way, S.13°36'01"E., a distance of 3149.53 feet;

THENCE S.13°36'32"E., a distance of 3538.40 feet;

THENCE S.13°36'32"E., a distance of 2565.53 feet to the **POINT OF BEGINNING**.

Containing 2056 acres, more or less.

Appendix B TIRZ Boundary Map



Appendix C
Economic Feasibility Report

Product	Units	Total (Lot + Home)	Lot Price 20%	Home Price	Value Creation
Villas	1,104	\$ 387,456.00	\$ 77,491	\$ 309,965	427,751,424
Cottages	848	\$ 326,771.00	\$ 65,354	\$ 261,417	277,101,808
50s Beach	915	\$ 503,605.00	\$ 100,721	\$ 402,884	460,798,575
60s Island	825	\$ 596,079.00	\$ 119,216	\$ 476,863	491,765,175
	3,692				1,657,416,982

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Minto - Margaritaville													CUMULATIVE LOT & HOME VALUE
PROJECTIONS OF ASSESSED VALUATION													
PREPARED BY MASTERSON ADVISORS LLC													
SUBDIVISION	MARKET STUDY ABSORPTION FACTOR	NEW LOTS DEVELOPED IN CALENDAR YEAR	CUMULATIVE LOTS DEVELOPED	LOT PRICE NO STICKS/ BRICKS	TOTAL NEW LOTS VALUE	NEW HOMES STARTED BY AUGUST 1 ANNUALLY	CUMULATIVE HOMES STARTED	AVERAGE HOME VALUE (STICKS & BRICKS) ONLY	TOTAL NEW HOME VALUE	TOTAL NEW LOT & HOME VALUE	SUBTOTAL		
Projected Taxable Value January 1, 2028													-
Villas	4.1	117	117	77,491	9,065,977	49	49	309,965	15,250,268	24,316,245	24,316,245	24,316,245	
Cottages	4.5	128	128	65,354	8,391,979	54	54	261,417	14,116,507	22,508,486	22,508,486	22,508,486	
50s Beach	4.1	117	117	100,721	11,783,715	49	49	402,884	19,821,893	31,605,608	31,605,608	31,605,608	
60s Island	3.0	86	86	119,216	10,205,480	36	36	476,863	17,167,075	27,372,555	27,372,555	27,372,555	
TOTALS		448	448		39,447,151	188	188		66,355,743	105,802,894	105,802,894		
Projected Taxable Value January 1, 2029													105,802,894
Villas	4.7	118	235	77,491	9,115,389	56	106	309,965	17,482,015	26,597,404	26,597,404	50,913,649	
Cottages	5.1	128	256	65,354	8,341,971	61	115	261,417	15,998,708	24,340,679	24,340,679	46,849,165	
50s Beach	4.7	118	235	100,721	11,847,941	56	106	402,884	22,722,658	34,570,598	34,570,598	66,176,207	
60s Island	3.4	85	171	119,216	10,144,665	41	77	476,863	19,456,019	29,600,684	29,600,684	56,973,239	
TOTALS		448	896		39,449,966	215	403		75,659,399	115,109,365	115,109,365		
Projected Taxable Value January 1, 2030													220,912,259
Villas	5.5	79	313	77,491	6,088,594	66	172	309,965	20,457,677	26,546,271	26,546,271	77,459,920	
Cottages	6.0	86	342	65,354	5,601,789	72	187	261,417	18,822,010	24,423,798	24,423,798	71,272,963	
50s Beach	5.5	79	313	100,721	7,913,793	66	172	402,884	26,590,344	34,504,137	34,504,137	100,680,343	
60s Island	4.0	57	228	119,216	6,812,331	48	125	476,863	22,889,434	29,701,765	29,701,765	86,675,004	
TOTALS		300	1,196		26,416,507	252	655		88,759,464	115,175,971	115,175,971		
Projected Taxable Value January 1, 2031													336,088,231
Villas	6.1	79	392	77,491	6,112,452	73	245	309,965	22,689,423	28,801,876	28,801,876	106,261,796	
Cottages	6.6	85	427	65,354	5,577,643	79	266	261,417	20,704,211	26,281,853	26,281,853	97,554,817	
50s Beach	6.1	79	392	100,721	7,944,803	73	245	402,884	29,491,109	37,435,912	37,435,912	138,116,255	
60s Island	4.4	57	285	119,216	6,782,968	53	178	476,863	25,178,377	31,961,345	31,961,345	118,636,349	
TOTALS		300	1,496		26,417,866	278	934		98,063,120	124,480,986	124,480,986		
Projected Taxable Value January 1, 2032													460,569,217
Villas	6.4	79	471	77,491	6,122,761	77	322	309,965	23,805,297	29,928,058	29,928,058	136,189,854	
Cottages	6.9	85	512	65,354	5,567,210	83	349	261,417	21,645,311	27,212,521	27,212,521	124,767,337	
50s Beach	6.4	79	471	100,721	7,958,202	77	322	402,884	30,941,491	38,899,694	38,899,694	177,015,949	
60s Island	4.6	57	342	119,216	6,770,280	55	233	476,863	26,322,849	33,093,129	33,093,129	151,729,477	
TOTALS		300	1,796		26,418,454	292	1,225		102,714,948	129,133,401	129,133,401		
Projected Taxable Value January 1, 2033													589,702,618
Villas	6.7	79	550	77,491	6,084,270	80	402	309,965	24,921,170	31,005,440	31,005,440	167,195,294	
Cottages	7.3	86	598	65,354	5,590,848	88	437	261,417	22,900,112	28,490,959	28,490,959	153,258,296	
50s Beach	6.7	79	550	100,721	7,908,172	80	402	402,884	32,391,874	40,300,046	40,300,046	217,315,995	
60s Island	4.9	57	399	119,216	6,845,595	59	292	476,863	28,039,556	34,885,151	34,885,151	186,614,628	
TOTALS		300	2,096		26,428,885	307	1,532		108,252,711	134,681,596	134,681,596		
Projected Taxable Value January 1, 2034													724,384,214
Villas	7.0	79	628	77,491	6,094,813	84	486	309,965	26,037,043	32,131,857	32,131,857	199,327,151	
Cottages	7.6	85	683	65,354	5,580,808	91	528	261,417	23,841,212	29,422,020	29,422,020	182,680,317	
50s Beach	7.0	79	628	100,721	7,921,876	84	486	402,884	33,842,256	41,764,132	41,764,132	259,080,127	
60s Island	5.1	57	456	119,216	6,831,467	61	353	476,863	29,184,028	36,015,495	36,015,495	222,630,123	

Minto - Margaritaville												CUMULATIVE
PROJECTIONS OF ASSESSED VALUATION												LOT & HOME
PREPARED BY MASTERSON ADVISORS LLC												VALUE
SUBDIVISION	MARKET STUDY	NEW LOTS	CUMULATIVE	LOT PRICE	TOTAL	NEW HOMES	CUMULATIVE	AVERAGE	TOTAL	TOTAL		
	ABSORPTION	DEVELOPED	LOTS	NO STICKS/	NEW LOTS	STARTED	HOMES	HOME VALUE	NEW HOME	NEW LOT & HOME	SUBTOTAL	
	FACTOR	IN CALENDAR YEAR	DEVELOPED	BRICKS	VALUE	BY AUGUST 1	STARTED	(STICKS & BRICKS)	VALUE	VALUE		
						ANNUALLY		ONLY				
TOTALS		300	2,396		26,428,965	320	1,853		112,904,539	139,333,504	139,333,504	
Projected Taxable Value January 1, 2035												863,717,718
Villas	7.4	79	707	77,491	6,122,081	89	575	309,965	27,524,874	33,646,955	33,646,955	232,974,106
Cottages	8.0	85	769	65,354	5,581,853	96	624	261,417	25,096,013	30,677,866	30,677,866	213,358,183
50s Beach	7.4	79	707	100,721	7,957,317	89	575	402,884	35,776,099	43,733,417	43,733,417	302,813,544
60s Island	5.3	57	513	119,216	6,745,663	64	416	476,863	30,328,500	37,074,162	37,074,162	259,704,286
TOTALS		300	2,696		26,406,914	337	2,190		118,725,486	145,132,400	145,132,400	
Projected Taxable Value January 1, 2036												1,008,850,118
Villas	7.4	79	786	77,491	6,122,081	89	664	309,965	27,524,874	33,646,955	33,646,955	266,621,060
Cottages	8.0	79	848	65,354	5,186,262	96	720	261,417	25,096,013	30,282,275	30,282,275	243,640,458
50s Beach	7.4	79	786	100,721	7,957,317	89	664	402,884	35,776,099	43,733,417	43,733,417	346,546,960
60s Island	5.3	57	569	119,216	6,745,663	64	480	476,863	30,328,500	37,074,162	37,074,162	296,778,448
TOTALS		294	2,990		26,011,323	337	2,527		118,725,486	144,736,808	144,736,808	
Projected Taxable Value January 1, 2037												1,153,586,926
Villas	7.4	79	865	77,491	6,122,081	89	752	309,965	27,524,874	33,646,955	33,646,955	300,268,015
Cottages	8.0	-	848	65,354	-	96	816	261,417	25,096,013	25,096,013	25,096,013	268,736,470
50s Beach	7.4	79	865	100,721	7,957,317	89	752	402,884	35,776,099	43,733,417	43,733,417	390,280,377
60s Island	5.3	57	626	119,216	6,745,663	64	544	476,863	30,328,500	37,074,162	37,074,162	333,852,610
TOTALS		215	3,205		20,825,061	337	2,864		118,725,486	139,550,546	139,550,546	
Projected Taxable Value January 1, 2038												1,293,137,473
Villas	7.4	79	944	77,491	6,122,081	89	841	309,965	27,524,874	33,646,955	33,646,955	333,914,970
Cottages	8.0	-	848	65,354	-	32	848	261,417	8,365,338	8,365,338	8,365,338	277,101,808
50s Beach	7.4	50	915	100,721	5,009,260	89	841	402,884	35,776,099	40,785,359	40,785,359	431,065,736
60s Island	5.3	57	683	119,216	6,745,663	64	607	476,863	30,328,500	37,074,162	37,074,162	370,926,772
TOTALS		185	3,390		17,877,003	273	3,138		101,994,811	119,871,813	119,871,813	
Projected Taxable Value January 1, 2039												1,413,009,286
Villas	8.5	110	1,054	77,491	8,517,352	102	943	309,965	31,616,410	40,133,761	40,133,761	374,048,731
Cottages	-	-	848	65,354	-	-	848	261,417	-	-	-	277,101,808
50s Beach	8.5	-	915	100,721	-	74	915	402,884	29,732,839	29,732,839	29,732,839	460,798,575
60s Island	6.2	80	763	119,216	9,557,818	74	682	476,863	35,478,622	45,036,441	45,036,441	415,963,213
TOTALS		190	3,580		18,075,170	250	3,388		96,827,871	114,903,041	114,903,041	
Projected Taxable Value January 1, 2040												1,527,912,327
Villas	9.3	50	1,104	77,491	3,860,353	112	1,055	309,965	34,592,072	38,452,425	38,452,425	412,501,156
Cottages	-	-	848	65,354	-	-	848	261,417	-	-	-	277,101,808
50s Beach	-	-	915	100,721	-	-	915	402,884	-	-	-	460,798,575
60s Island	6.8	62	825	119,216	7,419,779	82	763	476,863	38,912,037	46,331,816	46,331,816	462,295,029
TOTALS		112	3,692		11,280,132	193	3,581		73,504,109	84,784,241	84,784,241	
Projected Taxable Value January 1, 2041												1,612,696,568
Villas	9.3	-	1,104	77,491	-	49	1,104	309,965	15,250,268	15,250,268	15,250,268	427,751,424
Cottages	-	-	848	65,354	-	-	848	261,417	-	-	-	277,101,808
50s Beach	-	-	915	100,721	-	-	915	402,884	-	-	-	460,798,575
60s Island	6.8	-	825	119,216	-	62	825	476,863	29,470,146	29,470,146	29,470,146	491,765,175
TOTALS		-	3,692		-	111	3,692		44,720,414	44,720,414	44,720,414	
Projected Taxable Value January 1, 2042												1,657,416,982

AFFIDAVIT OF PUBLICATION

State of Florida, County of Orange, ss:

Anjana Bhadoriya, of lawful age, being duly sworn upon oath depose and say that I am an agent of Column Software, PBC and duly authorized agent of the The Galveston County Daily News, a Daily newspaper published in Texas City, State of Texas, and in general circulation within Galveston County, that the attached printed material was published in said newspaper.

PUBLICATION DATES:

Sep. 25, 2026

NOTICE ID: nrFfPxpZokfNPx3h6awM

PUBLISHER ID: 1428586

NOTICE NAME: TIRZ 2 with Map

Publication Fee: \$526.81

I declare under penalty of perjury that the foregoing is true and correct.

Anjana Bhadoriya

(Signed) _____

VERIFICATION

State of Florida
County of Orange

Subscribed in my presence and sworn to before me on this: 09/30/2026

[Signature]

Notary Public
Notarized remotely online using communication technology via Proof.



PAMELA BAEZ
Notary Public - State of Florida

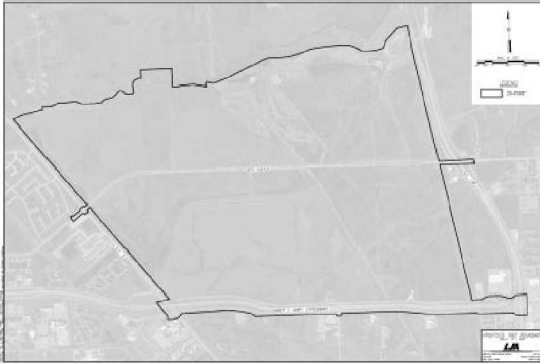
Commission # HH 732409
Expires on October 19, 2029

Legal Notice
NOTICE OF PUBLIC HEARING
FOR THE CREATION OF
REINVESTMENT ZONE NUMBER TWO, CITY OF TEXAS CITY, TEXAS
UNDER CHAPTER 311, TEXAS TAX CODE

Notice is hereby given that the City Commission of the City of Texas City, Texas will hold a public hearing on Wednesday, October 7, 2026, beginning at 5:00 p.m. in the Doyle Convention Center, 2010 5th Avenue North, Texas City, Texas, 77590 on the creation of Reinvestment Zone Number Two, City of Texas City, Texas (the "Zone") under the provisions of Chapter 311 of the Texas Tax Code and the benefits of the Zone to the City and the property in the Zone. The general impact of the proposed Zone will be to increase the value of taxable properties through the construction of new public and private improvements.

All persons are invited to attend the hearing and speak for or against the creation of the Zone, its proposed boundaries or the concept of tax increment financing. Owners of property in the proposed Zone may protest orally or in writing the inclusion of their property in the Zone. The proposed boundaries of the Zone are shown on the drawing below. Copies of the metes and bounds description of the proposed Zone are available at the City Secretary's office at City Hall.

All interested citizens and property owners are hereby notified of their right to appear and be heard on the matter.



Rhomari Leigh, City Secretary

Published: September 25, 2026



Texas City Tax Increment Reinvestment Zone No. 2

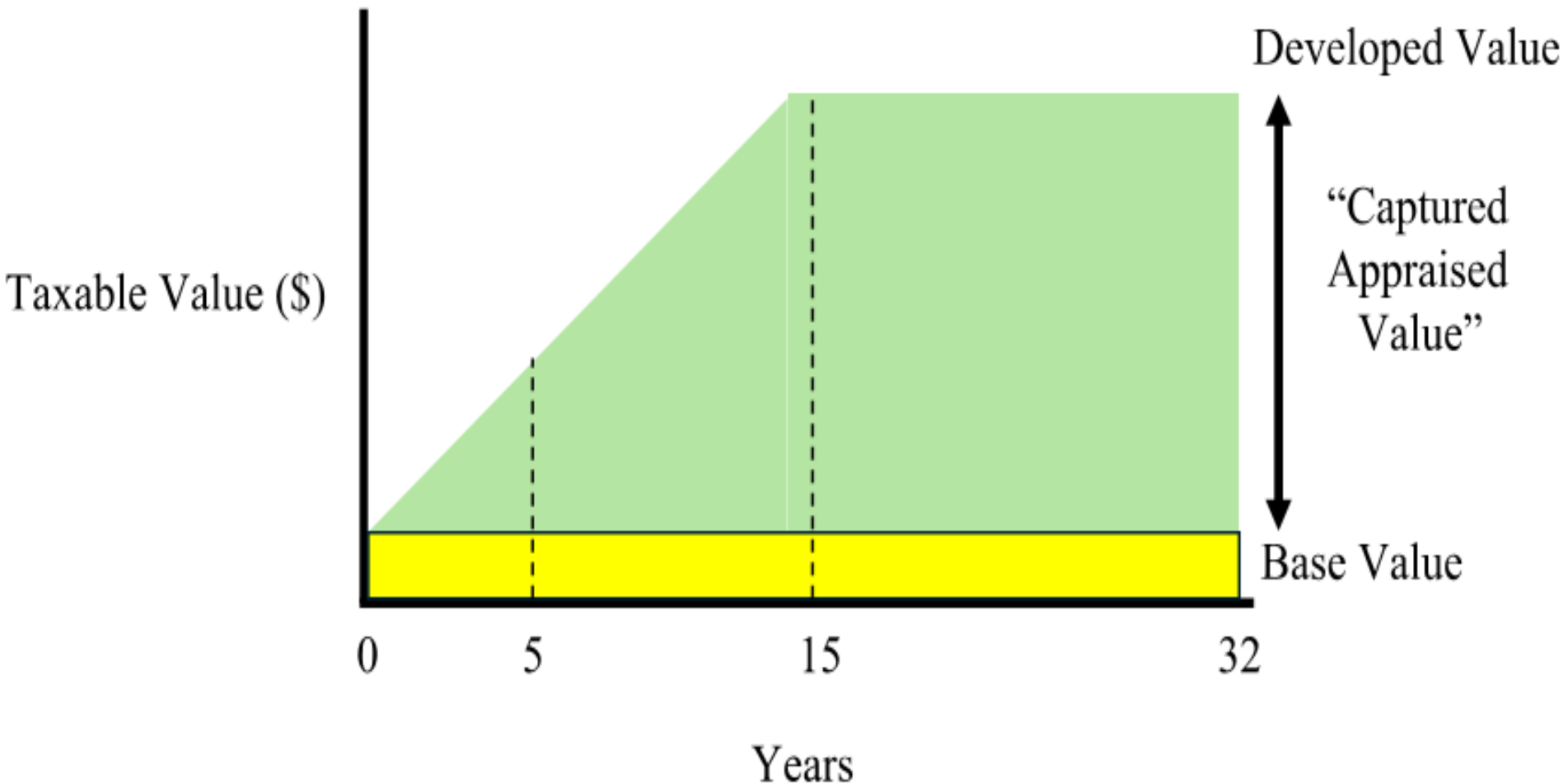
PROPOSED LATITUDE MARGARITAVILLE GALVESTON BAY

Development By
Minto Latitude GB, LLC

Tax Increment Reinvestment Zone “TIRZ”

- Economic Development Tool governed by Chapter 311 of the Texas Tax Code
- Chapter 311 dictates the criteria for TIRZ creation:
 - Process for creation including public a public hearing
 - The criteria that must be met for TIRZ creation, including conditions prohibiting development or redevelopment
 - The contents of the Preliminary and Final TIRZ plans, must include the term of the TIRZ, the types of infrastructure/projects to be funded, estimates of both expenditures and tax revenue for the term of the TIRZ, etc.
- Cities and Counties can create TIRZ, and other taxing entities may participate

How a TIRZ Works: New Taxable Value Growth



Example at Year 5

Taxable Value

Developed Value \$102,000,000

Captured
Appraised Value
= \$100,000,000

Base Value \$2,000,000



Tax Increment Revenue

New Property Tax Revenue on Captured Appraised Value:

60% to TIRZ: \$288,000

40% Retained by City: \$192,000

Total \$480,000

Property Tax on Base Value continues same as prior to TIRZ

\$9,569

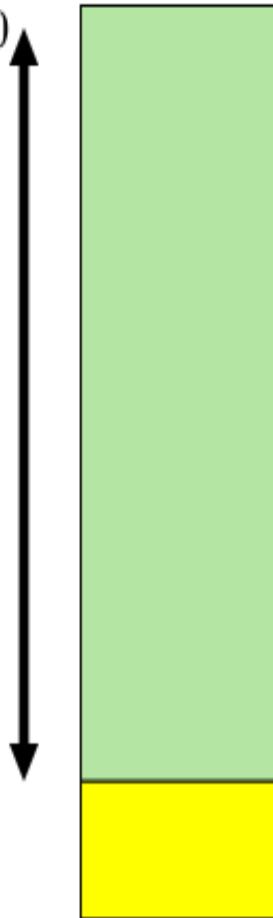
Example at Year 15

Taxable Value

Developed Value \$1,002,000,000

Captured
Appraised Value
= \$1,000,000,000

Base Value \$2,000,000



Tax Increment Revenue

New Property Tax Revenue on Captured Appraised Value:

40% to TIRZ: \$1,920,000

60% Retained by City: \$2,880,000

Total \$4,800,000

Property Tax on Base Value continues same as prior to TIRZ

\$9,569

TIRZ Creation Process

Determine Eligibility Under Chapter 311

Before a City Can Create a TIRZ It Must...

- ☐ Determine that development or redevelopment will not likely occur solely through private investment in the foreseeable future;
- ☐ Prepare a “Preliminary” Tax Increment Reinvestment Zone Project and Financing Plan, with contents as dictated by Chapter 311;
- ☐ Hold a public hearing after publishing at least 7 days notice of such hearing.

So, here we are this



Texas City Tax Increment Reinvestment Zone No. 2

Preliminary Project and Financing Plan
&
Public Hearing

Preliminary Project Plan and Reinvestment Zone Financing Plan

- The Plan before you complies dictates of Chapter 311.005, Criteria for Reinvestment Zone
- The bolded titles of each section correspond to a requirement stated in Chapter 311.005
- This Plan sets forth the basis on which your findings for creation in the adoption ordinance will be based, at a later date, if you proceed.
- If you do proceed with TIRZ creation, this Preliminary Plan will be the basis for the final TIRZ Project Plan and Financing Plan, which will come back to you for adoption.

Next Steps in Creation Process...

Date	Action
10/7/26	Public Hearing, presentation of the TIRZ Preliminary Project and Financing Plan, first reading of the Ordinance Designating Tax Increment Reinvestment Zone No. 2, Texas City, Texas
10/21/26	Second reading of the Ordinance
11/4/26	Third reading of the Ordinance and TIRZ Board appointments
1st Qtr. 2027	Organizational Meeting of TIRZ Board to recommend Final TIRZ Plan; Commission meeting to adopt Final TIRZ Plan



Texas City Tax Increment Reinvestment Zone No. 2

Questions and Answers

Thank you for the opportunity of working on this project.

CITY COMMISSION REGULAR MTG

(8) (a)

Meeting Date: 10/07/2026

Approve City Commission Minutes for the September 16, 2026 meeting. (City Secretary)

Submitted By: Renee Edgar, City Secretary

Department: City Secretary

Information

ACTION REQUEST

Approve City Commission Minutes for the September 16, 2026 meeting. (City Secretary)

BACKGROUND (Brief Summary)

RECOMMENDATION

Fiscal Impact

Attachments

Minutes

REGULAR CALLED CITY COMMISSION MEETING

MINUTES

WEDNESDAY, SEPTEMBER 16, 2026 – 5:00 P.M.
DOYLE CONVENTION CENTER

A Regular Called Meeting of the City Commission was held on Wednesday, September 16, 2026, at 5:00 P.M. in the Doyle Convention Center, Texas City, Texas. A quorum having been met, the meeting was called to order at 5:00 p.m. by Mayor Abel Garza, Jr.

1. ROLL CALL

Present: Abel Garza, Jr., Mayor
Brian Goetschius, Commissioner At-Large, Mayor Pro Tem
Wade Johnson, Commissioner At-Large
DeAndre' Knoxson, Commissioner District 1
Barbie Tucker, Commissioner District 2
Chris Sharp, Commissioner District 3
Jason Delgado, Commissioner District 4

2. INVOCATION

Led by Wade Johnson, Commissioner At-Large.

3. PLEDGE OF ALLEGIANCE

Led by Chris Sharp, Commissioner District 3.

4. PROCLAMATIONS AND PRESENTATIONS

- a. Proclaiming September 17–23, 2026, as "Constitution Week" to be received by the George Washington Chapter of Daughters of the American Revolution.

Mayor Abel Garza, Jr. presented Susan Pope with the Proclamation for "Constitution Week".

5. PUBLIC COMMENTS

The following members of the public requested to address the City Commission: AJ Pacheco, *Marisa Voight (Declined to speak), Chris Walters, Jamie Kern, Bill Etheredge, Barbara White, Vicki Robertson, and Jose Boix.

Nicole Miller, Parks, Recreation, and Tourism Director, addressed AJ Pacheco's concerns about the updates needed at Godard Park.

6. PUBLIC HEARING

CITY OF TEXAS CITY - TAXPAYER IMPACT STATEMENT

House Bill 1522, passed by the 89th Texas Legislature, amends section 551.043 of the Texas Government Code to require that the notice of a meeting required to be posted under section 551.043(a) of the Texas Open Meetings Act, at which a governmental body will discuss or adopt a budget for the governmental body, must include a taxpayer impact statement showing, for the median-valued homestead property, a comparison of the property tax bill in dollars pertaining to the property for the current fiscal year to an estimate of the property tax bill in dollars for the same property for the upcoming fiscal year.

Description	FY 2025-2026 Adopted Tax Rate	FY 2026-2027 No New Revenue Rate	FY 2026-2027 Proposed Tax Rate
Tax Rate per \$100 Valuation	\$0.478433	\$0.497231	\$0.497231
Median Taxable Value Homestead	\$190,840.00	\$188,833.00	\$188,833.00
Estimated Annual Tax Bill	\$913.04	\$938.94	\$938.94

Laura Boyd, Interim Director of Finance, gave a presentation on Fiscal Year 2026-2027 Budget.

- a. Public hearing in support of or opposition to the City of Texas City's proposed 2026-2027 Fiscal Year Budget.

The public hearing opened at 5:55 pm.

Robert Clem, a resident, stated that they were in opposition to the proposed budget. Henry Gomez, a resident, stated that they were not necessarily for or against the proposed budget but spoke about HOT taxes.

The public hearing closed at 6:00 pm.

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

Vote: 7 - 0 CARRIED

7. EXECUTIVE (CLOSED) SESSION

- a. *Notice is hereby given that at this time the Mayor and City Commission may recess into Executive/Closed Session as provided for under Texas Government Code Chapter 551 (The Texas Open Meetings Act). Specifically, the Mayor and City Commission may convene into Executive/Closed Session under Texas Government Code §§ 551.076 and 551.074— Discussion of the results of security audit and discussions regarding personnel matters (Chief of Police)*

Pursuant to § 551.102 no final action, decision, deliberation or vote may be conducted in Executive Session. When the Mayor and City Commission reconvene in open session, action may be taken on any item discussed in Executive/Closed session.

8. RECONVENE FROM EXECUTIVE (CLOSED) SESSION

- a. Consider and take action on Resolution No. 2026-111, confirming the Mayor's appointment of the Chief of Police and authorizing the Mayor to negotiate and enter into an employment agreement. (Administration)

Mayor Abel Garza, Jr., appointed Clayton Pope to the position of Police Chief. The mayor expressed gratitude to Interim Police Chief James Patterson for stepping into this role.

Motion by Commissioner District 4 Jason Delgado, Seconded by Commissioner District 3 Chris Sharp

Vote: 7 - 0 CARRIED

9. CONSENT AGENDA

Commissioner District 1, DeAndre' Knoxson, made a motion to approve Consent Agenda items 9a, d, e, f, and h. The motion was seconded by Commissioner District 2, Barbie Tucker. DeAndre' Knoxson, Commissioner District 1, pulled Consent Agenda items 9b, c, and g for more discussion and voted on them separately.

- a. Approve City Commission Minutes for the September 2, 2026 meeting. (City Secretary)

Vote: 7 - 0 CARRIED

- b. Consider and take action on Resolution No. 2026-105, authorizing a Purchase Order approving the purchase of equipment funded by Red Egret BESS totaling \$227,405.74. (Fire)

Motion by Commissioner District 1 DeAndre' Knoxson, Seconded by Commissioner District 4 Jason Delgado, to approve items 9b and 9c.

Vote: 7 - 0 CARRIED

- c. Consider and take action on Resolution No. 2026-106, authorizing a Purchase Order approving the purchase of equipment funded by Alpha Omega BESS totaling \$306,915.23. (Fire)

Vote: 7 - 0 CARRIED

- d. Consider and take action on Resolution No. 2026-107, appointing and reappointing members to various Boards, Committees, Commissions, and Advisory positions. (City Secretary)

Vote: 7 - 0 CARRIED

- e. Consider and take action on Resolution No. 2026-108, authorizing consent to the annexation of Willow Wood into Galveston County Municipal Utility District No. 66. (Engineering)

Vote: 7 - 0 CARRIED

- f. Consider and take action on Resolution No. 2026-109, awarding an RFA #2026-028 and approving a banking services contract. (Finance)

Vote: 7 - 0 CARRIED

- g. Consider and take action on Resolution No. 2026-110, authorizing the Mayor or his designee to execute a Development Agreement with Castlerock Communities LLC. (Engineering)

Trent Perez, Interim City Engineer, recommends approval of the Development Agreement for the Willow Wood Subdivision.

Motion by Commissioner District 1 DeAndre' Knoxson, Seconded by Commissioner At-Large Wade Johnson

Vote: 7 - 0 CARRIED

- h. Consider and take action on Resolution No. 2026-112, approving the City of Texas City Investment Policy. (Finance)

Vote: 7 - 0 CARRIED

10. REGULAR ITEMS

- a. Consider and take action on the third reading and final adoption of Ordinance No. 2026-31, amending Ordinance No. 16-01 permissible fees and charges under City of Texas City Code 112.01 - Automobile Wreckers. (Commissioner Barbie Tucker and Administration)

Jennifer Hendershot, Deputy Chief of Staff, recommended that the Commission amend Ordinance No. 16-01, permissible fees and charges under the City of Texas City Code 112.01 - Automobile Wreckers.

Motion by Commissioner District 2 Barbie Tucker, Seconded by Commissioner At-Large, Mayor Pro Tem Brian Goetschius

Vote: 7 - 0 CARRIED

- b. Consider and take action on Ordinance No. 2026-35, amending Title I, Chapter 10, General Provisions, Section 10. (Administration)

Joe Tumbleson, Chief of Staff, recommends approving this amendment to allow the City Secretary to correct typographical errors in meeting minutes.

Motion by Commissioner At-Large Wade Johnson, Seconded by Commissioner District 4 Jason Delgado

Vote: 7 - 0 CARRIED

- c. Consider and take action, by record vote, to adopt the City of Texas City's 2026-2027 Fiscal Year Budget. (Finance)

Laura Boyd, Interim Director of Finance, stated that she had nothing more to add from the Public Hearing on the same subject.

Abel Garza, Jr., Mayor --- aye
Brian Goetschius, Commissioner At-Large, Mayor Pro Tem --- aye
Wade Johnson, Commissioner At-Large --- aye
DeAndre' Knoxson, Commissioner District 1 --- aye
Barbie Tucker, Commissioner District 2 --- aye
Chris Sharp, Commissioner District 3 --- aye
Jason Delgado, Commissioner District 4 --- aye

Vote: 7 - 0 CARRIED

- d. Consider and take action on Ordinance No. 2026-36, by record vote, levying an ad valorem tax for the tax year 2026 for the City of Texas City. (Finance)

DeAndre' Knoxson, Commissioner District 1, motioned to approve levying an ad valorem tax at 0.497231 per \$100 for the tax year 2026, but it died for lack of a second.

Abel Garza, Jr., Mayor --- nay
Brian Goetschius, Commissioner At-Large, Mayor Pro Tem --- aye
Wade Johnson, Commissioner At-Large --- aye
DeAndre' Knoxson, Commissioner District 1 --- nay
Barbie Tucker, Commissioner District 2 --- aye
Chris Sharp, Commissioner District 3 --- aye
Jason Delgado, Commissioner District 4 --- aye

Motion by Commissioner District 3 Chris Sharp, Seconded by Commissioner District 2 Barbie Tucker, to table Regular Items 10d and 10e.

Vote: 5 - 2 CARRIED

- e. Consider and take action, by record vote, on Resolution No. 2026-113, to ratify the tax increase reflected in the 2026-2027 Fiscal Year Budget. (Finance)
- f. Consider and take action on Resolution No. 2026-114, accepting and approving the 2026 Certified Tax Roll. (Finance)

Laura Boyd, Interim Director of Finance, recommends accepting and approving the 2026 Certified Tax Roll.

Motion by Commissioner District 3 Chris Sharp, Seconded by Commissioner District 2 Barbie Tucker

Vote: 7 - 0 CARRIED

11. COMMISSIONERS' COMMENTS

12. MAYOR'S COMMENTS

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

13. STAFF UPDATES

14. ADJOURNMENT

Having no further business, Mayor Abel Garza, Jr., made a MOTION to ADJOURN at 7:25 p.m.,
MOTION CARRIED.

Abel Garza, Jr., Mayor

ATTEST:

Rhomari Leigh, City Secretary
Date Approved:

CITY COMMISSION REGULAR MTG

(8) (b)

Meeting Date: 10/07/2026

Approve and award Bid # 2026-026 Landscape Maintenance for Texas City Economic Development Corporation properties.

Submitted For: Kristin Edwards, Economic Development

Submitted By: Kristin Edwards, Economic Development

Department: Economic Development

Information

ACTION REQUEST

Approve and award Bid # 2026-026 Landscape Maintenance for Texas City Economic Development Corporation properties.

BACKGROUND (Brief Summary)

On August 18th and 25th 2022 the Notice to Bidders was Published in the Galveston Daily Newspaper, and bid packets were sent out to vendors. Bids were opened on September 2, 2026, at 11AM. A total of six (6) contractors submitted proposals which ranged from a total low bid of \$122,232 to a total high bid of \$325,000.

Companies that submitted bids included:

1. Texas Ranch Maintenance- \$125,400
2. Ambassador - \$252,800.15
3. Lawnboy Services – \$148,000
4. Seril – Houston Grotech - \$133,600
5. HILD Foundation - \$325,000
6. Yellowstone Landscaping - \$122,232

The bid tab is attached for reference. Based on the evaluation of the bids, the best value to the City based on the bid specifications is Yellowstone Landscaping in the amount of \$122,232 per year.

Kristin Edwards, Executive Director of Economic Development, recommends Bid # 2026-026 Landscape Maintenance for Texas City Economic Development Corporation properties to be awarded to Yellowstone Maintenance.

RECOMMENDATION

Approve and award Bid # 2026-026 Landscape Maintenance for Texas City Economic Development Corporation properties to Yellowstone Landscaping.

Fiscal Impact

Funds Available Y/N: Y

Amount Requested: \$122,232

Source of Funds: Fund 801

Account #: 801-050-53560

Fiscal Impact:

Fiscal impact is \$122,232 to be paid from Fund 801.

Attachments

BID ITB 2026-026

Bid Number: ITB 2026-026 Bid Title: Landscape Maintenance TCEDC
 Day and Date: Wednesday 09.02.2026 @ 11 am
 Bids Opened By: Witnessed By:

Bidder	Received: date/time	Original & 3 Copies & Media Source	Appendix A - Proposal Document	Appendices B, C, D, E, F	Addendum One	Proceed to Review
1 Texas Ranch Maint.	8/18 @ 10:17	✓	✓	✓		\$ 125,400.00
2 Ambassador	9/01 @ 10:31	✓	✓	✓		\$ 252,800.15
3 Lawnbay Services	9/02 @ 9:40	✓	✓	✓		\$ 148,000.00
4 Seril - Houston Grottech	9/02 @ 9:47	✓	✓	✓		\$ 33,600.00
5 HILD Foundation	9/2 @ 9:56	✓	✓	✓		\$ 325,000.00
6 Yellowstone	9/2 @ 10:45	✓	✓	✓		\$ 122,232.00
7						
8						
9						
10						
11						
12						
13						
14						
15						

CITY COMMISSION REGULAR MTG

(8) (c)

Meeting Date: 10/07/2026

Consider approval to hire one (1) full-time position and two (2) part-time positions, as approved by the TCEDC FY27 budget.

Submitted For: Kristin Edwards, Economic Development

Submitted By: Kristin Edwards, Economic Development

Department: Economic Development

Information

ACTION REQUEST

Consider approval to hire one (1) full-time position and two (2) part-time positions, as approved by the Texas City Economic Development Corporation FY27 budget.

BACKGROUND (Brief Summary)

In 2023, the Texas City Economic Development Corporation (TCEDC) ratified the “Pathways to Prosperity” strategic plan, which included goals related to asset development, effective execution, entrepreneurial development and communicating the brand.

Since that time, staff has completed the vast majority of the tasks outlined in the plan, from establishing the Phoenix Business Accelerator as well as the 6th Street Community Plaza, executing effective advertising, growing and training staff, conducting retail development studies, and creating a “Texas City entrepreneurs pitch” in partnership with Vision Galveston. Staff has also been closely involved with major industrial efforts, including one multi-billion dollar project currently under construction, and securing two due diligence leases on Shoal Point, with promising projects attached. Staff is communicating with several additional major projects that each represent potential investments of \$250 million or more.

During their regular meeting on July 29, 2026, Executive Director of Economic Development Kristin Edwards presented a budget to include one new full-time position - an Assistant Director – as well as two part-time positions to include an administrative assistant and a groundskeeper for the 6th Street Community Plaza. The positions are critical as the Economic Development Department grows in scope.

The TCEDC approved the budget, including the new positions, per Resolution 2026-19, and Commission adopted the full budget during their regular meeting on September 16.

Staff is seeking approval to move forward with filling these positions, utilizing TCEDC dollars from Fund 801. None of the positions will impact the General Fund or any other City funds.

RECOMMENDATION

Approve hiring of one (1) full-time position and two (2) part-time positions, as approved by the Texas City Economic Development Corporation FY27 budget.

Fiscal Impact

Funds Available Y/N: Y

Amount Requested: \$223,329.41

Source of Funds: Fund 801

Account #: 801-050-51010 through 801-050-51191

Fiscal Impact:

Assistant Director of Economic Development

- Pay Grade 127

- Min \$92,850.29, Mid \$116,062.86, Max \$139,275.43

Groundskeeper

- Pay Grade 109

- Min \$38,581.20, Mid \$48,226.52, Max \$57,871.82

Administrative assistant

- Pay Grade 110

- Min \$40,360.36, Mid \$50,637.84, Max \$60,765.42

Final amount requested covers insurance and benefits.

Attachments

EDC Resolution - Budget adoption

Budget presentation

Budget document

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 2026-19

A RESOLUTION APPROVING THE PROPOSED TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION 2026-2027 FISCAL YEAR BUDGET; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, at a meeting of the Board of Directors of the Texas City Economic Development Corporation duly held on July 29, 2026, a general discussion was held concerning the proposed 2026-2027 budget of the Texas City Economic Development Corporation.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1: The Board of Directors of the Texas City Economic Development Corporation hereby approves the proposed 2026-2027 Fiscal Year Budget, for the Texas City Economic Development Corporation to be submitted to the City Commission of the City of Texas City.

SECTION 2: A copy of said proposed Fiscal Year 2026-2027 Budget is attached hereto as **Exhibit "A"** and made a part hereof for all intents and purposes.

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

PASSED AND ADOPTED this 29th day of July 2026.



CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:



ALTERNATE BOARD SECRETARY
Texas City Economic Development Corporation

A stylized sun graphic on the left side of the slide. It features a solid yellow circle at the bottom left, with several short, dashed yellow lines of varying lengths curving upwards and to the right from its top edge, suggesting sunbeams. The background is split: the top half is orange, and the bottom half is white, separated by a large, smooth, white curved line that starts from the left and arcs towards the right.

TEXAS CITY EDC BUDGET PRESENTATION

Presented by Kristin Edwards,
Economic Development Director

PRIMARY INSIGHTS

- TOTAL BUDGET FOR EDC IN FY26 WAS \$4,869,597.
- TOTAL REQUESTED FY27 BUDGET FOR EDC IS APPROXIMATELY \$4.3 MILLION.
- *This represents a decrease of OVER \$500,000*
- ***With New Positions and Sales Tax Rebate funds included, the budget still represents a decrease from FY26 spending.***

A large orange shape on the left side of the slide, consisting of a rectangle with a quarter-circle cutout at the top right corner.

SALARIES AND BENEFITS

- At this time, staff is working with leadership to create three new positions, including
 - Assistant Director
 - Administrative Assistant – Part-time
 - Groundskeeper – Part-time
 - As well, staff is working on promotions for two members of existing staff based on the acceptance of additional duties.
 - Final salary/benefit expenses finalized in partnership with HR.
- 
- Four short, curved yellow lines in the bottom right corner of the slide, arranged in a slightly upward-curving sequence.



PRIORITY
PROFESSIONAL FEES:
\$700,000

TCEDC contracts with a variety of professional organizations, be they engineers, tax professionals or tourism consultants.

- HDR ENGINEERING – USACE permit renewal and ongoing Shoal Point efforts.
- HDL COMPANIES – Sales Tax recovery and research
- MARSH DARCY – Management consultant
- RETAIL STRATEGIES
- TEXAS DOWNTOWN – 6th Street strategy
- BAXTER & WOODMAN – GIS
- SIGNIFICANT CONTINGENCY FOR SHOAL POINT GEOTECHNICAL RESEARCH AND ROAD DESIGN

EDC PRIORITIES

BUILDING MAINTENANCE/LIGHTING REPAIRS

MAINTENANCE - BUILDING	\$350,000
PLUMBING REPAIRS	\$20,000
HVAC REPAIRS	\$20,000
LIGHTING (SUPPLIES)	\$15,000
STREET LIGHTING (LABOR)	\$17,500

The EDC owns property along 6th Street including 317-319, 411, 413, 522, 607, and 718 6th Street, as well as the festoon lighting on 6th Street.

We also own the building located at the intersection of 9th Street and 9th Avenue.

These items support recurring and/or potential maintenance needs.



Priority: Community Plaza needs

MAINTENANCE
CONTRACTS:
\$99,540

GROUNDSKEEPER

ALARMS/CAMERAS:
\$10,000

UTILITIES
\$156,492

EVENT SUPPLIES

PAINTING, SUPPLIES,
ELECTRICAL,
SECURITY:
\$15,000

EDC PRIORITIES

GRANTS

\$200,000 TOTAL

This line includes allowance for ten (10) Business Improvement Grants with a maximum amount of \$15,000 each, totaling \$150,000.

As well, 10 TCLM Chamber dues grants are included, which at a max of \$5,000 each account for another \$50,000.

PROCUREMENT OF PROPERTY

\$300,000 TOTAL

In the past, the EDC has offered a program to purchase property changing hands within the Industrial Business District (IBD), to discourage future residential use. As well, the EDC can purchase property in best interest of the City for future development.

DEMOLITIONS

\$400,000 TOTAL

Funds available for commercial demolition – reduced from previous fiscal years.



MAJOR INITIATIVE – Phoenix Business Accelerator

53111 BUSINESS INCENTIVES

\$50,000

53680 PROFESSIONAL FEES

AS NEEDED

FACILITY MAINTENANCE

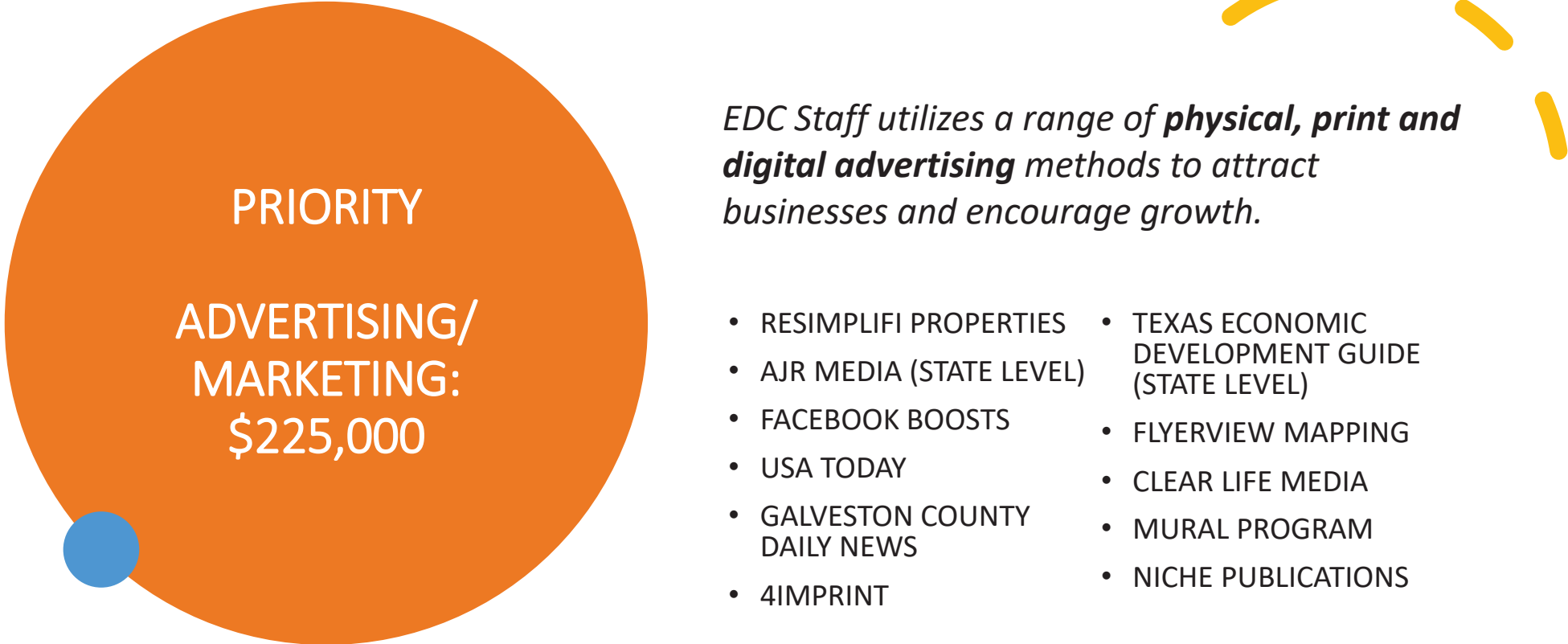
\$20,000

52670 COPIER/PRINTERS

\$7,500

52201 PC/DIGITAL EQUIP LESS \$5000

\$2,000



PRIORITY

ADVERTISING/
MARKETING:
\$225,000

*EDC Staff utilizes a range of **physical, print and digital advertising** methods to attract businesses and encourage growth.*

- RESIMPLIFI PROPERTIES
- AJR MEDIA (STATE LEVEL)
- FACEBOOK BOOSTS
- USA TODAY
- GALVESTON COUNTY DAILY NEWS
- 4IMPRINT
- TEXAS ECONOMIC DEVELOPMENT GUIDE (STATE LEVEL)
- FLYERVIEW MAPPING
- CLEAR LIFE MEDIA
- MURAL PROGRAM
- NICHE PUBLICATIONS

EDC PRIORITIES

SOFTWARE - \$100,000

CoStar – Property research/contacts

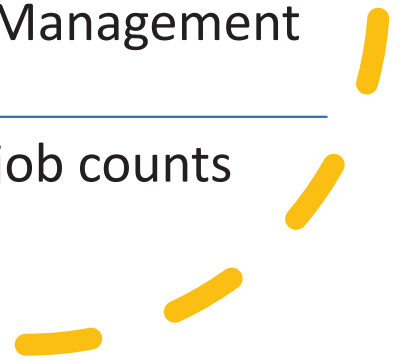
Loopnet - Property advertising

PlacerAI – Economic Development/Tourism stats

Brown Book – Retail insights and contacts

Civic Serve – Customer Relationship Management

Implan – Project info, tax estimates, job counts



EDC PRIORITIES

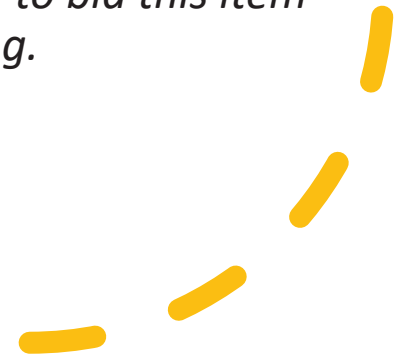
COMMUNITY BEAUTIFICATION

CITYWIDE LITTER CONTROL **\$110,000**

This line covers the temporary labor needed for the Clean Team.

MOWING SERVICES **\$156,000**

This line covers annual mowing costs for all EDC properties, currently through Yellowstone. We will have to bid this item out during this fiscal year for updated pricing.





PRIORITY
TRAINING/
CONFERENCES:
\$40,000

Industry-specific training opportunities are a top priority for our team, with key partners at the State and National levels including:

- Texas Economic Development Council (Annual conference)
- Destinations TX (Tourism education)
- Texas Association of Foreign Trade Zones (Zone management)
- Texas City Management Association (Legislative and education)
- Retail Strategies (Advisory Services)
- Greater Houston Manufacturers Association
- Small Business Administration (webinars)



Thank you for your
continued support of our
goals!

Object Code	Description	
21500	ACI LIABILITY PCARD	
51010	SALARIES	
51030	OVERTIME PAY	
51070	LIFE & DISABILITY	
51080	RETIREMENT	
51090	MEDICARE TAX	
51110	GROUP HEALTH INSURANCE	
51120	TERMINATION PAY	
51130	INCENTIVE PAY	
51191	NON-CASH FRINGE BENEFIT	
		Estimated total is \$223,329.41 (includes salaries and all benefits).
52060	CLOTHING & UNIFORMS	1000
52190	SUPPLIES & MATERIALS	2500
52200	SOFTWARE	100000
52201	PC/DIGITAL EQUIP LESS \$5000	2000
52240	GASOLINE & OIL	3000
52241	OIL AND LUBRICANTS	500
52243	TIRES	3000
52244	AUTO & EQUIP PARTS	
52247	LIGHTING	15000
52250	MOWER PARTS & SUPPLIES	
52255	LANDSCAPING SUPPLIES	
52265	LUMBER & FENCING MATERIALS	
52270	POOL SUPPLIES	
52275	ELECTRICAL SUPPLIES	6000
52481	SIGNAGE	
52520	PAINT & STRIPING MATERI	1000
52540	SUPPLIES - FOOD, MISC.	750
52543	PLUMBING PARTS	
52625	ALARMS/CAMERAS	10000
52660	OFFICE SUPPLIES	2500
52665	LOCKS AND KEYS	500
52670	COPIER/PRINTERS	7500
53060	EXPENSE ADMINISTRATIVE	0
53061	BUSINESS VISIT EXPENSES	10000
53070	SECURITY	3500
53080	LAUNDRY	250
53110	DEMOLITION	400000
53111	BUSINESS INCENTIVE	50000
53120	INSURANCE - PROPERTY	0
53200	UTILITIES	156492
53201	JANITORIAL FEES	19686.76
53240	STREET STRIPING	
53241	STREET LIGHTING	17500
53260	COMMUNICATIONS	0
53340	MAINTENANCE - EQUIP. & TIRES	0
53431	GENERATOR SRVS & REPAIRS	1200
53456	PEST CONTROL	1000
53540	MAINTENANCE - BUILDING	350000
53543	PLUMBING REPAIRS	20000
53544	HVAC REPAIRS	20000
53560	MAINTENANCE CONTRACTS	99540

53567	CITYWIDE LITTER CONTROL	110000
53570	ADVERTISING/MARKETING	225000
53595	MOWING SERVICES	156000
53680	PROFESSIONAL FEES	700000
53710	RENT EXPENSE	0
53715	PORTABLE SANITATION	10000
53800	DUES & MEMBERSHIPS	70250
53860	WORKMEN'S COMPENSATION	1000
54000	EMPL EXPENSE DEFAULT	
54175	TEXAS CITY MUSIC FESTIVAL	
54180	CONTRIBUTIONS/DONATIONS	207950
54242	VEHICLE REGISTRATION	100
54300	TRAINING & CONFERENCES	40000
54901	GRANTS	200000
55020	OPERATING EQUIP. & VEHICLES	
55100	RECYCLING PROGRAM	
55201	PC/DIGITAL EQUIP OVER \$5000	
55650	PARK IMPROVEMENTS	
55720	PROCUREMENT OF PROPERTY	300000
59007	TRANSFER TO DEBT SERVIC	0
59043	SALES TAX REBATE	700000
		4,248,048.17
	CIP	
55250	STREET IMPROVEMENTS	4500000
55010	LAND & BUILDING IMPROVEMENTS	1137500
53684	ENGINEERING FEES	Unknown

CITY COMMISSION REGULAR MTG**(8) (d)****Meeting Date:** 10/07/2026

Purchase of New Roll-Off Truck for Sanitation Department

Submitted For: Mike Stump, Public Works**Submitted By:** Dj Hutchinson, Public Works**Department:** Public Works

Information**ACTION REQUEST**

The Sanitation Department is seeking Commission approval for the purchase of a new International 2026 HX620 Roll Off Truck from HOLT TRUCK CENTERS OF TEXAS,LLC.using HGAC Buy Contract HT06-20 (See Attached Exhibits for detailed vehicle specs and price information)

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BACKGROUND (Brief Summary)

This new truck will replace an existing 2008 Peterbilt Roll Off Truck with a new International 2026 HX620 Roll Off Truck. This new truck will ensure continuity, reduce exposure to potential downtime, and increase our fleet's long-term performance.

RECOMMENDATION

The sanitation department recommends Commission approval for the purchase of the International HX620 Roll Off Truck versus placing a factory order that includes a price increase tied to a new first-year engine design with an unproven track record.

This unit is equipped with a proven, reliable engine platform and avoids the operational and financial risks commonly associated with first-year engine designs.

Fiscal Impact**Funds Available Y/N:** Yes**Amount Requested:** \$237,950.00**Source of Funds:** FY27 Budget**Account #:** 602302-55020**Fiscal Impact:**

Attachments

Dealer Proposal

Vehicle Specs

HGAC Buy Contract



**FREIGHT LINK LLC
DBA ROLL OFF TRUCK WORLD**

3941 FM 362 RD BROOKSHIRE, TX 77423
Ph: (281)864-0891
www.rollofftruckworld.com

Invoice

Date	Invoice #
6/11/2026	2827

Bill To
HOLT TRUCK CENTERS OF HOUSTON 8900 N Loop E Fwy, Houston, TX 77029

Ship To

Rep	P.O. No.	Terms
PDM		Due on receipt

Item	Part Number	Quantity	Description	Price Unit	Amount
			-HYDRAULIC PUMP		
			-ALL HOSES & PLUMBING KIT		
			-DECAL KIT AND SAFETY LABELS		
			-3 YEARS LIMITED WARRANTY		
			-1 YEAR HYDRAULIC CYCLINDERS (EXCLUDES HOSES & FITTINGS)		
2F		1	TANDEM AXLE STEEL FENDERS	1,800.00	1,800.00T
RI		1	ROLL OFF INSTALLATION SERVICE	13,500.00	13,500.00
AT4		1	2026 AMERICAN TARP; MODEL: RAPTOR X SERIAL NUMBER: 26.289 Fully Hydraulic tarp system, adjustable extendable hydraulic arms, hydraulic gantry tower with height adjustability of 4ft up to 10ft height for maximum container versatility with 5 years warranty. LED work lights mounted on gantry tower. Painted gloss black enamel.	9,800.00	9,800.00T
PTOA400...		1	Brand New Chelsea PTO with direct mount hydraulic pump	2,752.00	2,752.00T
		0	All DOT decals. Complete functionality test and quality control 120 point inspection prior to delivery. Greased and Lubed.		0.00
ATI		1	Includes installation of the American Tarp system.	3,500.00	3,500.00
			Non Sales Tax	0.00%	0.00

WIRE TRANSFER INFORMATION
Home Bank 12941 Gulf Freeway Houston, TX, 77084
Credit to: Freight Link LLC
Routing (ABA) # 265270303
Account CK # 4052308269

Total	\$69,231.03
Payments/Credits	\$0.00
Balance Due	\$69,231.03



**FREIGHT LINK LLC
DBA ROLL OFF TRUCK WORLD**

3941 FM 362 RD BROOKSHIRE, TX 77423
Ph: (281)864-0891
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Invoice

Date	Invoice #
6/11/2026	2827

Bill To
HOLT TRUCK CENTERS OF HOUSTON 8900 N Loop E Fwy, Houston, TX 77029

Ship To

Rep	P.O. No.	Terms
PDM		Due on receipt

Item	Part Number	Quantity	Description	Price Unit	Amount
XOR-75-2...		1	STOCK# I079 BUILD FOR CHASSIS VIN# 3HTPCAPT2TN548236 BRAND NEW 2026 TITAN MANUFACTURING ROLL OFF; MODEL: XOR-75-22 SERIAL NUMBER: 7478 RATED AT 75,000 LBS CABLE HOIST SYSTEM 22FT LONG RAILS STANDARD RAILS: 36" WIDTH -STEEL HYDRAULIC TANK RESERVOIR -INSIDE CAB OPERATOR CONTROLS FOR CABLE AND HOIST CONTROLS -OUTSIDE 5 SPOOL VALVE CONTROLS FOR HOIST & TARPER SYSTEM -REAR STEEL BUMPER WITH LED LIGHTS & HARNESS -BUYERS STEEL TOOL BOX WITH KEYS -TIE DOWN BAR -LED WORK LIGHTS	37,879.03	37,879.03T

WIRE TRANSFER INFORMATION
Home Bank 12941 Gulf Freeway Houston, TX, 77084
Credit to: Freight Link LLC
Routing (ABA) # 265270303
Account CK # 4052308269

Total
Payments/Credits
Balance Due

Prepared For:

City of Texas City
 Michael Stump
 1801 9th Ave. N
 Texas City, TX 77590-5472
 (409)643 - 5940
 Reference ID: TN548236*

Presented By:

HOLT TRK CTRS OF TX, LLC
 Greg Hughes
 8900 NORTH LOOP E
 HOUSTON TX 77029 - 1218
 (713)674-3444

Thank you for the opportunity to provide you with the following quotation on a new International truck. I am sure the following detailed specification will meet your operational requirements, and I look forward to serving your business needs.

Model Profile
2026 HX620 SBA (HX620)

AXLE CONFIG:	6X4
APPLICATION:	Roll-On/Roll-off
MISSION:	Requested GVWR: 80000. Calc. GVWR: 80000. Calc. GCWR: 140000 Calc. Start / Grade Ability: 26.01% / 2.27% @ 55 MPH Calc. Geared Speed: 81.8 MPH
DIMENSION:	Wheelbase: 264.00, CA: 195.00, Axle to Frame: 100.00
ENGINE, DIESEL:	{Cummins X15 500V} Productivity Series, EPA 2024, 500HP @ 1900 RPM, 1850 lb-ft Torque @ 900 RPM, 2000 RPM Governed Speed, 512 Peak HP (Max)
TRANSMISSION, AUTOMATIC:	{Allison 4500 RDS} 6th Generation Controls, Wide Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, On/Off Highway
CLUTCH:	Omit Item (Clutch & Control)
AXLE, FRONT NON-DRIVING:	{Meritor MFS-20-133A} Wide Track, I-Beam Type, 20,000-lb Capacity
AXLE, REAR, TANDEM:	{Meritor RT-46-164EH} Single Reduction, Standard Width, 46,000-lb Capacity, Driver Controlled Locking Differential in Forward-Rear and Rear-Rear Axle, 200 Wheel Ends Gear Ratio: 4.56
CAB:	Conventional, Day Cab
TIRE, FRONT:	(2) 315/80R22.5 Load Range L HAU 3 WT (CONTINENTAL), 480 rev/mile, 68 MPH, All-Position
TIRE, REAR:	(8) 315/80R22.5 Load Range L HAU 3 WT (CONTINENTAL), 480 rev/mile, 68 MPH, All-Position
SUSPENSION, REAR, TANDEM:	{Hendrickson HMX EX 460} Walking Beam, 46,000-lb Capacity, 54" Axle Spacing, Rubber Springs, with Transverse Torque Rods, Rubber End Bushings
PAINT:	Cab schematic 100LZ Location 1: 9219, Winter White (Std) Chassis schematic N/A

Code	Description	F/R Wt (lbs)	Tot Wt (lbs)	List (US DOLLAR)
HX62000	Base Chassis, Model HX620 SBA with 264.00 Wheelbase, 195.00 CA, and 100.00 Axle to Frame.	9356/6680	16036	\$249,143.00
1AMS	CROSSMEMBER, FRAME TIE for Heavy Duty	53/3	56	\$258.00
1AND	AXLE CONFIGURATION 6x4	0/0	0	\$0.00
	<u>Notes</u> : Pricing may change if axle configuration is changed.			
1CGD	FRAME RAILS Heat Treated Alloy Steel (120,000 PSI Yield); 12.50" x 3.750" x 0.500" (317.5mm x 95.25mm x 12.7mm); 480.8" (12212mm) Maximum OAL	401/844	1245	\$2,025.00
1LEH	LICENSE PLATE HOLDER Single Plate, Swing Type, Mounted Below Front Bumper	1/0	1	\$29.00
1LTE	BUMPER, FRONT Contoured, Aluminum, Stainless Steel Clad, Heavy Duty	-58/8	-50	\$354.00
1SAP	CROSSMEMBER, REAR, AF (1) 5-Piece	-15/80	65	\$162.00
1VBC	TOW PIN, FRONT Heavy Duty; 150,000-lb. Total Capacity	87/-13	74	\$838.00
1WXM	WHEELBASE RANGE 238" (605cm) Through and Including 295" (750cm)	250/-250	0	\$1,597.00
2ARY	AXLE, FRONT NON-DRIVING {Meritor MFS-20-133A} Wide Track, I-Beam Type, 20,000-lb Capacity	126/0	126	\$2,450.00
3AGA	SUSPENSION, FRONT, SPRING Parabolic Taper Leaf, Shackle Type, 20,000-lb Capacity, with Shock Absorbers	-26/0	-26	\$724.00
4091	BRAKE SYSTEM, AIR Dual System for Straight Truck Applications	0/0	0	\$0.00
	<u>Includes</u> : BRAKE LINES Color and Size Coded Nylon : PARKING BRAKE CONTROL Yellow Knob, Located on Instrument Panel : PARKING BRAKE VALVE For Truck : QUICK RELEASE VALVE On Rear Axle for Spring Brake Release: 1 for 4x2, 2 for 6x4 : SPRING BRAKE MODULATOR VALVE SR-7 with relay valve for 6x4/8x6			
4619	TRAILER CONNECTIONS Four-Wheel, with Hand Control Valve and Tractor Protection Valve, for Straight Truck	2/0	2	\$542.00
4AZJ	AIR BRAKE ABS {Bendix AntiLock Brake System} 4-Channel (4 Sensor/4 Modulator) Full Vehicle Wheel Control System, with Automatic Traction Control	0/0	0	\$0.00
4EDM	AIR DRYER {Bendix AD-HF} with Heater, Includes Pressure Protection Circuits, Safety Valve, Integral Purge Tank, Governor Pressure Settings 110 psi Cut-In/130 psi Cut-Out, Integrated PuraGuard Coalescing Filtration	0/0	0	\$0.00
4GBM	BRAKE, PARKING Manual Push-Pull Pneumatic Parking Brake	1/0	1	\$0.00
4JBS	BRAKES, PUSHER AXLE Air S-Cam Type, 16.5" x 7.0", Includes MGM 30 Sq.In. Brake Chambers, Furnished with One Pusher Lift Axle	0/0	0	\$220.00

Code	Description	F/R Wt (lbs)	Tot Wt (lbs)	List (US DOLLAR)
4SPA	AIR COMPRESSOR {Cummins} 18.7 CFM	0/0	0	\$0.00
4VGN	AIR TANK Painted Aluminum, with Straight Thread O-Ring Ports	-22/-6	-28	\$432.00
4VKC	AIR DRYER LOCATION Mounted Inside Left Rail, Back of Cab	0/0	0	\$0.00
4WYS	DRAIN VALVE (4) {Berg} with Pull Chains, for Air Tanks	0/1	1	\$236.00
4XAC	AIR TANK LOCATION (4) Mounted Between the Rails, Back of Cab, for use with Between the Rails Air Tank System	0/0	0	\$2,203.00
4XCJ	BRAKES, FRONT {Bendix Spicer ADB22X} Air Disc Type, Extended Service, Size 22.5", 23,000-lb Capacity	0/0	0	\$0.00
4XCK	BRAKES, REAR {Bendix Spicer ADB22X} Air Disc Type, Extended Service, Size 22.5", 26,000-lb Capacity per Axle	0/0	0	\$0.00
4XDX	BRAKE CHAMBERS, FRONT AXLE 20 SqIn, for Air Disc Brakes	1/0	1	\$0.00
4XED	BRAKE CHAMBERS, REAR AXLE 20/24 SqIn Piston Spring Brake, for Air Disc Brakes	0/16	16	\$936.00
4XEE	PARK BRAKE CHAMBERS, ADDITIONAL (2) Spring Brake Type	0/60	60	\$0.00
5710	STEERING COLUMN Tilting and Telescoping	0/0	0	\$0.00
5CAW	STEERING WHEEL 4-Spoke; 18" Dia., Black	0/0	0	\$0.00
5PTB	STEERING GEAR (2) {Sheppard M100/M80} Dual Power	105/-9	96	\$1,159.00
6DGU	DRIVELINE SYSTEM {Dana Spicer} SPL250 Main Driveline with SPL170 Interaxle Shaft, for 6x4	1/6	7	\$527.00
7BEU	AFTERTREATMENT COVER Aluminum	0/0	0	\$278.00
7BLY	EXHAUST SYSTEM Horizontal Aftertreatment System, Frame Mounted Right Side Under Cab, for Single Vertical Tail Pipe, Cab Mounted Right Side	0/0	0	\$0.00
7SAP	ENGINE COMPRESSION BRAKE {Cummins} Interbrake For Cummins Signature/ISX/X15 Engines; Furnished with Engine	0/0	0	\$0.00
7WBA	TAIL PIPE (1) Turnback Type, Bright	-11/-2	-13	\$208.00
7WBS	MUFFLER/TAIL PIPE GUARD (1) Bright Stainless Steel	22/9	31	\$133.00
7WDM	EXHAUST HEIGHT 10'	0/0	0	\$0.00
8000	ELECTRICAL SYSTEM 12-Volt, Standard Equipment	0/0	0	\$0.00

Includes

: HAZARD SWITCH Push On/Push Off, Located on Instrument Panel to Right of Steering Wheel
: HEADLIGHT DIMMER SWITCH Integral with Turn Signal Lever
: PARKING LIGHT Integral with Front Turn Signal and Rear Tail Light
: STARTER SWITCH Electric, Key Operated
: STOP, TURN, TAIL & B/U LIGHTS Dual, Rear, Combination with Reflector
: WINDSHIELD WIPER SWITCH 2-Speed with Wash and Intermittent Feature (5 Pre-Set Delays), Integral with Turn Signal Lever
: WINDSHIELD WIPERS Single Motor, Electric, Cowl Mounted

Code	Description	F/R Wt (lbs)	Tot Wt (lbs)	List (US DOLLAR)
8541	HORN, ELECTRIC (2) Disc Style	1/0	1	\$29.00
8899	JUMP START STUD (2) 12V, Remote Mounted	1/0	1	\$214.00
8ACE	BEACON LIGHT WIRING for (2) Customer Installed Beacons, Includes 2-Way Switch	0/0	0	\$126.00
8GXJ	ALTERNATOR {Leece-Neville AVI160P2013} Brush Type, 12 Volt, 160 Amp Capacity, Pad Mount	0/0	0	\$0.00
8HAB	BODY BUILDER WIRING Back of Day Cab at Left Frame or Under Sleeper, Extended or Crew Cab at Left Frame; Includes Sealed Connectors for Tail/Amber Turn/Marker/ Backup/ Accessory Power/Ground and Sealed Connector for Stop/Turn	3/0	3	\$100.00
8MMZ	BATTERY SYSTEM {Fleetrite AGM-GP31} Maintenance-Free, (3) AGM 12-Volt 2475CCA Total, Top Threaded Stud	38/15	53	\$649.00
8RBZ	SPEAKER, AUXILIARY, CB RADIO with Jack for CB; Mounted Left Side Above Driver's Door	0/0	0	\$0.00
8RMW	SPEAKERS (2) 6.5" Coax Mounted in Doors, (2) 5.25" Coax Mounted in B-Pillars	4/0	4	\$68.00
8RNB	CB RADIO Accommodation Package, Header Mounted, Feeds from Accessory Side of Ignition Switch, Includes Power Source, One Antenna and Antenna Base with Wiring on Left Side Mirror	0/0	0	\$202.00
8RPP	ANTENNA Shark Fin, Roof Mounted	1/0	1	\$0.00
8RPS	RADIO AM/FM/WB/Clock/Bluetooth/USB Input/Auxiliary Input	3/0	3	\$483.00
8TMG	TRAILER CONNECTION SOCKET {Phillips} 7-Way, Mounted at Rear of Frame, Wired for Turn Signals Combined with Stop, Compatible with Trailers with Combined Stop, Tail, Turn Lamps	0/0	0	\$439.00
8WDG	BACK-UP ALARM {Preco 1059} Electronic; Solid State, Dual Function, 112 dBA	0/1	1	\$211.00
8WEP	WIRING, FLOOD LIGHTS Wiring for (2) Flood Lights That Customer Will Install on Bottom Rear Corners of Cab	0/0	0	\$110.00
8WEZ	TURN SIGNAL SWITCH Self-Canceling	0/0	0	\$0.00
8WHJ	HORN, AIR (2) Rectangular Bell, Chrome	4/0	4	\$135.00
8WKM	SOLENOID, AIR for Customer Use; Provides (6) Normally Closed Pilot Air Source, Approx. 4 CFM, Includes Latched Switch in Cab; Air Available Only with Key in "Ignition" or "Accessory" Position; Air Will Exhaust with Key in "Off" Position	4/0	4	\$363.00
8WPZ	TEST EXTERIOR LIGHTS Pre-Trip Inspection will Cycle all Exterior Lamps Except Back-up Lights	0/0	0	\$42.00
8WRB	HEADLIGHTS ON W/WIPERS Headlights Will Automatically Turn On if Windshield Wipers are Turned On	0/0	0	\$42.00
8WXB	HEADLIGHT WARNING BUZZER Sounds When Head Light Switch is on and Ignition Switch is in "Off" Position	0/0	0	\$0.00
8WXG	STARTING MOTOR {Mitsubishi Electric Automotive America 105P} 12-Volt, with Soft-Start	0/0	0	\$0.00

Code	Description	F/R Wt (lbs)	Tot Wt (lbs)	List (US DOLLAR)
8XAH	CIRCUIT BREAKERS Manual-Reset (Main Panel) SAE Type III with Trip Indicators, Replaces All Fuses	0/0	0	\$0.00
8XBK	SWITCH, AUXILIARY Switch 40 amp Circuit for Customer Use; Includes Wiring Connection at Power Distribution Center (PDC) and Control in Cab	2/0	2	\$84.00
8XDZ	BATTERY BOX Steel, 2-3 Battery Capacity, Mounted Inside the Cab, Under Passenger Seat	33/-1	32	\$1,125.00
8XJC	BATTERY WIRING MODIFICATION Battery Discharge Protection System; Control thru Body Controller	0/0	0	\$246.00
8XMB	CONNECTOR, DASH, CENTER PANEL Cab Wiring for TMC RP1226 Vehicle Accessory Connector; Includes 14-pin Connector with Switched Power, Battery Power, Ignition Power, Ground & Body 250K Datalink, Connector Located Behind Instrument Panel Center Console	3/0	3	\$58.00
8XNB	BATTERY DISCONNECT SWITCH 300 Amp, Disconnects Power to Power Distribution Center (PDC), Does Not Disconnect Charging Circuits, Locks with Padlock, Cab Mounted	7/1	8	\$397.00
8XNY	HEADLIGHTS Halogen	0/0	0	\$0.00
8XPK	POWER SOURCE, ADDITIONAL Auxiliary Power Outlet (APO) with USB-A Port and USB-C Port, Located in the Instrument Panel	0/0	0	\$109.00
9AAB	LOGOS EXTERIOR Model Badges	0/0	0	\$0.00
9AAE	LOGOS EXTERIOR, ENGINE Badges	0/0	0	\$0.00
9ASE	FRONT END Tilting, Composite	0/0	0	\$0.00
9HCN	GRILLE Chrome Vertical Accent Bars, with Black Mesh	0/0	0	\$329.00
9WAC	BUG SCREEN Mounted Behind Grille	5/0	5	\$131.00
10060	PAINT SCHEMATIC, PT-1 Single Color, Design 100	0/0	0	\$0.00
10761	PAINT TYPE Base Coat/Clear Coat, 1-2 Tone	0/0	0	\$0.00
10AGB	CONNECTED PLATFORM Includes Connectivity Module and Five Year Data Plan	0/0	0	\$0.00
10NZL	SPECIAL RATING, GVWR Limited to 80,000-lb GVWR	0/0	0	\$0.00
10UAV	VEHICLE REGISTRATION IDENTITY ID for Non-CARB Omnibus and/or Non-ACT Adopting State or Exempt Vehicle. Not for use on vehicles registering in CA. Contains non-mitigated legacy engine & cannot be registered in CA unless exempt. You may be held liable under state law for failure to properly register vehicle.	0/0	0	\$0.00
	Notes : CANNOT BE REGISTERED IN CA. For vehicles that will be registered in States other than CA.			
10VAA	KEYS - ALL ALIKE, ADDITIONAL 3 Keys	0/0	0	\$57.00
10WCY	SAFETY TRIANGLES	5/1	6	\$47.00
11001	CLUTCH Omit Item (Clutch & Control)	-119/-15	-134	\$0.00

Code	Description	F/R Wt (lbs)	Tot Wt (lbs)	List (US DOLLAR)
12703	ANTI-FREEZE Red, Extended Life Coolant; To -40 Degrees F/ -40 Degrees C, Freeze Protection	0/0	0	\$0.00
12864	BLOCK HEATER, ENGINE {Phillips} 120V/1500W <u>Includes</u> : BLOCK HEATER SOCKET Receptacle Type; Mounted below Drivers Door	2/0	2	\$156.00
12EWZ	ENGINE, DIESEL {Cummins X15 500V} Productivity Series, EPA 2024, 500HP @ 1900 RPM, 1850 lb-ft Torque @ 900 RPM, 2000 RPM Governed Speed, 512 Peak HP (Max)	603/30	633	\$9,812.00
12THT	FAN DRIVE {Horton Drivemaster} Two-Speed Type, Direct Drive, with Residual Torque Device for Disengaged Fan Speed <u>Includes</u> : FAN Nylon	0/0	0	\$0.00
12VCA	AIR CLEANER Single Element, with Pre-Cleaner, Engine Mounted	0/0	0	\$0.00
12VGU	ENGINE CONTROL, REMOTE MOUNTED for X15 Engines	0/0	0	\$93.00
12VJZ	EMISSION, CALENDAR YEAR {Cummins X15} EPA, OBD and GHG Certified for Calendar Year 2025	0/0	0	\$0.00
12WCX	HOSE CLAMPS, RADIATOR HOSES {Gates} Shrink Band Type	0/0	0	\$0.00
12WTA	FAN DRIVE SPECIAL EFFECTS Fan Cooling Ring with Fan Shroud Effects, Engine Mounted	0/0	0	\$0.00
12WVG	EPA IDLE COMPLIANCE Low NOx Idle Engine, Complies with EPA Clean Air Regulations; Includes "Certified Clean Idle" Decal on Hood	0/0	0	\$97.00
12WYZ	RADIATOR DRAIN & FILL FITTING SPECIAL; To Vacuum Out or Fill the Cooling System from the Bottom of Radiator, for Use with Quick-Connect Radiator Drain Tool or Shop Coolant Evacuation-Fill System	0/0	0	\$0.00
12WZE	CARB IDLE COMPLIANCE Does Not Comply with California Clean Air Idle Regulations	0/0	0	\$0.00
12XBC	RADIATOR Aluminum, Welded, Down Flow, Front to Back System, 1325 SqIn, with 806 SqIn Charge Air Cooler <u>Includes</u> : RADIATOR HOSES Premium, Rubber	0/0	0	\$0.00
12XCS	CARB EMISSION WARR COMPLIANCE Does Not Comply with CARB Emission Warranty	0/0	0	\$0.00
13BEK	TRANSMISSION, AUTOMATIC {Allison 4500 RDS} 6th Generation Controls, Wide Ratio, 6-Speed with Double Overdrive, with PTO Provision, Less Retarder, Includes Oil Level Sensor, On/Off Highway	309/62	371	\$20,990.00
13WCU	OIL COOLER, TRANSMISSION {Modine} Remote Mounted; Not for use with Retarder, for Automatic Transmission	41/-5	36	\$1,371.00
13WEH	AUTOMATIC NEUTRAL Allison Transmission Shifts to Neutral When Parking Brake is Engaged and Remains in Neutral When Parking Brake is Disengaged, without On/Off Switch	0/0	0	\$129.00

Code	Description	F/R Wt (lbs)	Tot Wt (lbs)	List (US DOLLAR)
13WET	TRANSMISSION SHIFT CONTROL Column Mounted Stalk Shifter, Not for Use with Allison 1000 & 2000 Series Transmission	1/0	1	\$50.00
13WLM	TRANSMISSION OIL Synthetic; 63 thru 76 Pints	0/0	0	\$405.00
13WUS	ALLISON SPARE INPUT/OUTPUT for Rugged Duty Series (RDS) and Regional Haul Series (RHS), General Purpose Trucks, Package Number 223, Modified for Single Input Auto Neutral	0/0	0	\$0.00
13WVV	NEUTRAL AT STOP Allison Transmission Shifts to Neutral When Service Brake is Depressed and Vehicle is at Stop; Remains in Neutral Until Service Brake is Released	0/0	0	\$725.00
13XBD	SHIFT CONTROL PARAMETERS {Allison} 3000 or 4000 Series Transmissions, with DynActive, Dynamic Shift Sensing (FuelSense 2.0 Basic)	0/0	0	\$690.00
14HRC	AXLE, REAR, TANDEM {Meritor RT-46-164EH} Single Reduction, Standard Width, 46,000-lb Capacity, Driver Controlled Locking Differential in Forward-Rear and Rear-Rear Axle, 200 Wheel Ends . Gear Ratio: 4.56 <u>Notes</u> : Axle Lead Time is 45 Days	0/487	487	\$5,563.00
14RAR	AXLE, LIFT, CONTROLS for One Lift Axle; Controls Inside and Outside Cab; Includes Lift/Lower Switch Inside Cab on Dash; Pressure Gauge and Pressure Regulator Outside Cab	0/0	0	\$1,088.00
14UAC	AXLE SPACING, FIRST PUSHER 54" Ahead of Drive Axle	0/0	0	\$0.00
14UMX	SUSPENSION, REAR, TANDEM {Hendrickson HMX EX 460} Walking Beam, 46,000-lb Capacity, 54" Axle Spacing, Rubber Springs, with Transverse Torque Rods, Rubber End Bushings	0/9	9	\$1,164.00
14WBA	LIFT AXLE ENGR REVIEW Special Quotation to Allow Engineering Review of Lift Axle Configurations	0/0	0	\$0.00
14WCP	TORQUE RODS {Hendrickson} TRAAX Rods, Longitudinal Only	0/-6	-6	\$172.00
14WCR	TRANSVERSE TORQUE RODS {Hendrickson} TRAAX Rod, Transverse Only	0/-4	-4	\$172.00
14WLM	AXLE, PUSHER, LIFT TYPE {Watson & Chalin AL-2200} 20,000-lb Capacity, One Non-Steer Axle	407/920	1327	\$11,378.00
14WMK	AXLE, REAR, LUBE {EmGard FE-75W-90} Synthetic Oil; 65 thru 89.99 Pints	0/0	0	\$488.00
14WZY	AXLE SHAFT MODIFICATION Axle Shaft Flanges Modified for 0.625" Diameter Drive Studs with Solid Type Cone-Locks	0/0	0	\$498.00
15BAA	DEF TANK COVER Stainless Steel	3/0	3	\$233.00
15LNA	FUEL HEATER PLUMBING {Cummins} Plumbing for Thermal Recirculation Valve (TRV) Mounted to Cummins X15 Engines, Thermostatically Controlled	0/0	0	\$148.00
15LPX	FUEL/WATER SEPARATOR {Davco 386} 12 VDC Electric Heater, with ESOC Fittings, Includes Water-in-Fuel Sensor	4/0	4	\$560.00

<u>Code</u>	<u>Description</u>	<u>F/R Wt</u> (lbs)	<u>Tot Wt</u> (lbs)	<u>List</u> (US DOLLAR)
15SWD	FUEL TANK Top Draw, Polished Aluminum, 26" Dia, 80 US Gal (303L), Mounted Left Side, Under Cab	-2/7	5	\$633.00
15WAJ	FUEL TANK CAP Chrome, Locking Type	0/0	0	\$55.00
15WEY	DEF TANK 10.8 US Gal (41L) Capacity, Frame Mounted Outside Left Rail, Under Cab	0/0	0	\$0.00
16030	CAB Conventional, Day Cab	0/0	0	\$0.00
	<u>Includes</u> : CAB REAR SUSPENSION Air : CLEARANCE/MARKER LIGHTS (5) LED Roof Mounted : COAT HOOK, CAB Located on Rear Wall, Centered Above Rear Window : CONSOLE, CENTER Includes Two Cup Holders and One Additional Storage Area : CONSOLE, OVERHEAD Molded Plastic with Dual Storage Pockets, Retainer Nets and CB Radio Pocket; Located Above Driver and Passenger : COURTESY LIGHT (2) Driver and Passenger Door Mounted : DOME LIGHT, CAB Rectangular, Door and Instrument Panel Mounted Switch Activated, Timed Theater Dimming, Center Mounted, Integral to Console : FLOOR COVERING Rubber, Black : GLASS, ALL WINDOWS Tinted : GRAB HANDLE, CAB INTERIOR (1) "A" Pillar Mounted, Passenger Side : GRAB HANDLE, CAB INTERIOR (4) "B" Pillar and Door Mounted, Two Each Side : READING LIGHT, CAB Located in Overhead Console : STORAGE POCKET, DOOR (2) Full Length, Driver and Passenger Door			
16564	HEATER SHUT-OFF VALVES (1) Ball Valve Type, Supply Line	5/0	5	\$69.00
16BAM	AIR CONDITIONER with Integral Heater and Defroster	0/0	0	\$0.00
	<u>Includes</u> : HOSE CLAMPS, HEATER HOSE Mubea Constant Tension Clamps			
16DYE	CAB, SPECIAL EFFECTS Provide Opening in Floor Pan and Mat, Includes Access Cover for Transmission Maintenance	0/0	0	\$58.00
16GEG	GAUGE CLUSTER Premium Level; English with English Electronic Speedometer	0/0	0	\$0.00
	<u>Includes</u> : GAUGE CLUSTER DISPLAY: Base Level (3" Monochromatic Display), Premium Level (5" LCD Color Display); Odometer, Voltmeter, Diagnostic Messages, Gear Indicator, Trip Odometer, Total Engine Hours, Trip Hours, MPG, Distance to Empty/Refill for : GAUGE CLUSTER Speedometer, Tachometer, Engine Coolant Temp, Fuel Gauge, DEF Gauge, Oil Pressure Gauge, Primary and Secondary Air Pressure : WARNING SYSTEM Low Fuel, Low DEF, Low Oil Pressure, High Engine Coolant Temp, Low Battery Voltage (Visual and Audible), Low Air Pressure (Primary and Secondary)			

Code	Description	F/R Wt (lbs)	Tot Wt (lbs)	List (US DOLLAR)
16GHU	GRAB HANDLE, CAB INTERIOR (2) Safety Yellow	0/0	0	\$33.00
16HCH	SEATBELT WARNING LIGHT IND. Mounted in Dash, Will Flash when Park Brake is Disengaged and Driver Seatbelt Unfastened, Audible Alarm to Remind Driver to Fasten Seatbelt	0/0	0	\$56.00
16HHE	GAUGE, AIR CLEANER RESTRICTION {Filter-Minder} Mounted in Instrument Panel	2/0	2	\$30.00
16HKT	IP CLUSTER DISPLAY On Board Diagnostics Display of Fault Codes in Gauge Cluster	0/0	0	\$0.00
16LWM	SEAT, DRIVER {ISRI} Series 400, Air Suspension, High Back, Mordura, Double Chamber Lumbar, Heat, Inboard Armrest, Suspension Cover, Fore/Aft Isolator, Cushion Extension, Seat Tilt, Memory Quickdown	0/0	0	\$250.00
16SDC	GRAB HANDLE, EXTERIOR (2) Chrome, Towel Bar Type, with Anti-Slip Rubber Inserts, for Cab Entry Mounted Left and Right Side at B-Pillar	6/0	6	\$283.00
16SMZ	SEAT, PASSENGER {Seats, Inc.} Non Suspension, High Back, Fixed Back, Integral Headrest, Mordura Cloth, for use with Batteries in Cab	36/8	44	\$596.00
16SNV	MIRRORS (2) Aero Pedestal, Power Adjust, Heated, Turn Signals, Bright Heads, Black Arms, 6.5" x 14" Flat Glass, Includes 6.5" x 6" Convex Mirrors, for 102" Load Width	0/0	0	\$701.00
	<u>Notes</u> : Mirror Dimensions are Rounded to the Nearest 0.5"			
16SNX	MIRROR, CONVEX, LOOK DOWN Right Side, Bright, 6" x 10.5"	3/0	3	\$57.00
16SNY	MIRROR, CONVEX, HOOD MOUNTED (2) Right and Left Sides, Bright, 7.5" x 7"	11/-1	10	\$270.00
16UZJ	STORAGE, REAR WALL Storage Pocket, Located on Back Wall Between Driver and Passenger Seats	3/0	3	\$50.00
16VLV	MONITOR, TIRE PRESSURE Omit	-10/-1	-11	(\$1,288.00)
16VVB	CAB INTERIOR TRIM Diamond Elite, for Day Cab	0/0	0	\$560.00
	<u>Includes</u> : DOOR TRIM, INTERIOR Bright Handle : INSTRUMENT PANEL TRIM Black with Woodgrain Accent, Black Gauges with Chrome Bezels : SUN VISOR (4) Padded Vinyl, 2 Moveable (Front-to-Side) Primary Visors and 2 Flip-down Auxiliary Visors; Vanity Mirrors and Toll Ticket Straps Driver and Passenger Sides			
16WJU	WINDOW, POWER (2) and Power Door Locks, Left and Right Doors, Includes Express Down Feature	0/0	0	\$0.00
16WLM	HOURLMETER, PTO for Customer Provided PTO; with Indicator Light and Hourmeter in Gauge Cluster Includes Return Wire for PTO Feedback Switch	2/0	2	\$138.00
16WLS	FRESH AIR FILTER Attached to Air Intake Cover on Cowl Tray in Front of Windshield Under Hood	0/0	0	\$76.00

Code	Description	F/R Wt (lbs)	Tot Wt (lbs)	List (US DOLLAR)
16XCM	CAB DOOR LOCKS Power, Driver Side Only; Non-Locking When Door Open	0/0	0	\$16.00
16XCU	TELEMATICS BRACKET with Universal Mount, 1" Ball Mount Size, for Customer Supplied Telematics Device, Mounted to Side Wing Panel	0/0	0	\$168.00
16XJP	INSTRUMENT PANEL Wing Panel	0/0	0	\$0.00
16XRX	MODESTY PANEL Painted	0/0	0	\$0.00
16XTM	ACCESS, CAB Aluminum, Driver & Passenger Sides, Two Steps per Door, for use with Day Cab or Sleeper Cab	0/0	0	\$0.00
16XWE	SUNSHADE, EXTERIOR Bright Finish, with Integral Clearance/Marker Lights	20/1	21	\$928.00
27DUS	WHEELS, FRONT {Accuride 41730} DISC; 22.5x9.00 Rims, Extra Polish Aluminum, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with Steel Hubs	-18/0	-18	\$811.00
28DUS	WHEELS, REAR {Accuride 41730} DUAL DISC; 22.5x9.00 Rims, Extra Polish Aluminum, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut, with Steel Hubs	0/-72	-72	\$2,618.00
29AEL	HUB BRAND, REAR {ConMet PreSet Plus Premium} Rear Hubs In Lieu Of Standard Source Hubs	0/0	0	\$942.00
34ACD	WHEELS, LIFT AXLE PUSHER {Accuride 41730} Single Wheels, For One Lift Axle; 22.5x9.00 Rims, Extra Polish Aluminum, 10-Stud, 285.75mm BC, Hub-Piloted, Flanged Nut << Pricing Includes Standard Tires >>	91/325	416	\$2,850.00
60AAG	BDY INTG, REMOTE POWER MODULE Mounted Inside Cab Behind Driver Seat, Up to 6 Outputs & 6 Inputs, Max 20 amp per Channel, Max 80 amp Total; Includes 1 Switch Pack with Latched Switches	0/0	0	\$790.00
60AAT	BDY INTG, ADDITIONAL CAB HOLE for Customer Use	0/0	0	\$50.00
60ABT	BDY INTG, RPM I/O HARNESS Includes One Harness with 12 Input Blunt Cut Wires and 17 Output Blunt Cut Wires, for use with One RPM	0/0	0	\$44.00
60AKG	BDY INTG, PTO ACCOMMODATION for (3) Latched Rocker Switches, (1) PTO Switch, (2) Generic Switches to Control (3) 30 amp relays, with Programmable Interlocks, for Body Builder Hook up in the Engine Compartment Left Side, Recommended for Automatic Transmissions	0/0	0	\$148.00
7792545437	(2) TIRE, FRONT 315/80R22.5 Load Range L HAU 3 WT (CONTINENTAL), 480 rev/mile, 68 MPH, All-Position	62/0	62	\$726.00
7792545437	(2) TIRE, PUSHER 315/80R22.5 Load Range L HAU 3 WT (CONTINENTAL), 480 rev/mile, 68 MPH, All-Position	0/0	0	\$726.00
7792545437	(8) TIRE, REAR 315/80R22.5 Load Range L HAU 3 WT (CONTINENTAL), 480 rev/mile, 68 MPH, All-Position	0/248	248	\$2,904.00
Total of Product Features				\$342,580.00
Cab schematic 100LZ				

<u>Code</u>	<u>Description</u>	<u>F/R Wt</u> (lbs)	<u>Tot Wt</u> (lbs)	<u>List</u> (US DOLLAR)
	Location 1: 9219, Winter White (Std)			
	Chassis schematic N/A			
	Services Section:			
40132	WARRANTY Standard for HX520, HX620, Effective with Vehicles Built January 1, 2021 or Later, CTS-2015B	0/0	0	\$0.00
	Total of Service Features			\$0.00
	Total Component Weight:	11850/9437	21287	
	Total List Price Including Options:			\$342,580.00
		(lbs)	(lbs)	(US DOLLAR)
1	Titan XOR 75-22 rolloff body by ROTW	0/0	0	\$69,231.00
	Total Body Allied:	0/0	0	\$69,231.00
		(lbs)	(lbs)	(US DOLLAR)

The weight calculations included in this proposal are an estimate of future vehicle weight. The actual weight as manufactured may be different from the estimated weight. Navistar, Inc. shall not be liable for any consequences resulting from any differences between the estimated weight of a vehicle and the actual weight.

Error creating report. Method not found: 'Void Navistar.ST.Web.UI.Controls.UILSTPageBarData..ctor(System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, System.String, Boolean, System.String, System.String, System.String, System.String, Boolean, Boolean, System.String, System.String)'.

Description	(US DOLLAR)	Price
Total Factory List Price Including Options:		\$164,619.00
Total Preparation And Delivery:		\$1,000.00
Total Freight:		\$3,100.00
Total Factory List Price Including Freight:		\$168,719.00
Total Vehicle Price:		\$168,719.00
Total Body/Allied Equipment:		\$69,231.00
Total Sale Price:		\$237,950.00
Total Per Vehicle Sales Price:		\$237,950.00
Net Sales Price:		\$237,950.00

Please feel free to contact me regarding these specifications should your interests or needs change. I am confident you will be pleased with the quality and service of an International vehicle.

Approved by Seller:

Accepted by Purchaser:

Official Title and Date

Firm or Business Name

Authorized Signature

Authorized Signature and Date

**This proposal is not binding upon the seller without
 Seller's Authorized Signature**

Official Title and Date

If you haven't added a planned maintenance service contract to your proposal yet, please get in touch with your local dealer, International or IC Bus Sales Representative to learn more about the benefits when ordering together with the vehicle.

International® Financial offers loans, a full line up of lease options, and can establish a line of credit for use towards the purchase of International and IC Bus vehicles. Ask your dealer, International® or IC Bus® Sales Representative about completing an International Financial credit application and any promotional offers that may be available. International Financial services are provided by Navistar Financial Corporation.

The TOPS FET Calculation is an estimate for reference purposes only. The seller is responsible for calculating and reporting/paying appropriate FET to the IRS.

The limited warranties applicable to the vehicles described here in are International Motors, LLC* standard printed warranties which are incorporated herein by reference and to which you have been provided a copy and hereby agree to their terms and conditions.

International Motors, LLC d/b/a International Motors USA LLC in Illinois and Ohio.



CONTRACT PRICING WORKSHEET
For MOTOR VEHICLES Only

Contract
No.:

HT06-20

Date
Prepared:

9/21/2026

This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.

Buying Agency:	CITY OF TEXAS CITY	Contractor:	HOLT TRUCK CENTERS OF TEXAS,LLC
Contact Person:	MICHAEL STUMP	Prepared By:	CARLOS WEEBER
Phone:	409-643-5940	Phone:	713-674-3444
Fax:		Fax:	
Email:	mstump@texascitytx.gov	Email:	carlos.weeber@holttruckcenters.com

Product Code:	F16	Description:	2026 INTERNATIONAL HX620 6x4, SBFA with ROLLOFF WORLD Roll On/Off
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A. Product Item Base Unit Price Per Contractor's H-GAC Contract: 112420

B. Published Options - Itemize below - Attach additional sheet(s) if necessary - Include Option Code in description if applicable.

(Note: Published Options are options which were submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
01CGD FRAME RAILS HEAT TREATED 120psi	2025		
02ARY AXLE, FRT MERITOR 20K	2450	14HRC AXLE, MERITOR REAR 46k LOCKING DIFF	5563
03AGA SUSPENSION, FRT 20K TAPER LEAF	724	14WLM AXLE, PUSHER LIFT 20K	11378
04XAC AIR TANK LOCATION (4) BTWN RAILS	2203		
05PTB STEERING GEAR DUAL SHEPPARD	133		
12BEY ENGINE, DIESEL CUMMINS 500HP/ 1850 LB-FT T	9812		
13BEK TRANS AUTO ALLISON 4500 6-SPEED	20990		
		Rolloff Truck World 75K capacity roll/on equipment	69231
		Subtotal From Additional Sheet(s):	
		Subtotal B:	124509

C. Unpublished Options - Itemize below / attach additional sheet(s) if necessary.

(Note: Unpublished options are items which were not submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
		UNPUBLISHED OPTIONS ROLL ON/OFF BODY	21
		Subtotal From Additional Sheet(s):	
		Subtotal C:	21

Check: Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B).	For this transaction the percentage is:	0%
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D. Total Cost Before Any Applicable Trade-In / Other Allowances / Discounts (A+B+C)

Quantity Ordered:	1	X Subtotal of A + B + C:	236950	=	Subtotal D:	236950
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E. H-GAC Order Processing Charge (Amount Per Current Policy)	Subtotal E:	1000
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F. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges

Description	Cost	Description	Cost
		Subtotal F:	0

Delivery Date:		G. Total Purchase Price (D+E+F):	237950
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CITY COMMISSION REGULAR MTG

(8) (e)

Meeting Date: 10/07/2026

Resolution No. 2026-120 authorizing the City of Texas City to participate with other TNMP cities in the legal review of PUC Docket No. 59944.

Submitted For: Joe Tumbleson, Administration

Submitted By: Jennifer Hendershot, Administration

Department: Administration

Information

ACTION REQUEST

Consider and take action on Resolution No. 2026-120, authorizing the City of Texas City's participation with the Cities Served by Texas-New Mexico Power (TNMP) Company in Public Utility Commission (PUC) of Texas Docket No. 59944, and authorizing the hiring of the law firm of Lloyd Gosselink Rochelle & Townsend, P.C. and consultants to review the filing and negotiate with TNMP to make recommendations on reasonable rates.

BACKGROUND (Brief Summary)

On or about September 1, 2026, Texas-New Mexico Power Company (TNMP) filed an application with the Public Utility Commission of Texas (PUC) in Docket No. 59944 seeking approval of a Single Unified Tracker Mechanism (UTM) under Public Utility Regulatory Act (PURA) § 36.216. Through the filing, TNMP seeks to update its Distribution Cost Recovery Factor, Transmission Cost Recovery Factor, and transmission cost of service. All TNMP electric customers residing in Texas City would be affected by the outcome of this proceeding.

PURA § 36.216 was enacted through House Bill 5247 to streamline certain electric utility rate proceedings into a single annual proceeding. Utilities that operate solely within the ERCOT region, are responsible for constructing transmission under the PUC-approved Permian Basin reliability plan, and make capital expenditures exceeding 300% of annual depreciation in a calendar year may use the UTM to begin recovering incremental transmission and distribution investment more quickly, at their authorized rate of return. Approved costs are then trued up in the utility's next comprehensive base rate case. TNMP is an eligible utility, and this is its first UTM proceeding.

The City is a member of the Cities Served by TNMP, a coalition of similarly situated cities that jointly review and respond to TNMP rate matters. Participating through the coalition allows the City to advocate for its residents more efficiently and cost-effectively than it could on its own. This resolution authorizes the City to intervene in Docket No. 59944 with those Cities Served by TNMP; authorizes the hiring of Lloyd Gosselink and consultants to review the filing, negotiate with TNMP, and make recommendations regarding reasonable rates; and authorizes those Cities Served by TNMP to direct any necessary administrative proceedings or court litigation associated with an appeal. The City retains the right to terminate the engagement at any time.

Because Docket No. 59944 is a ratemaking proceeding under PURA § 33.023, the City's reasonable rate case expenses are reimbursable by TNMP.

RECOMMENDATION

Staff recommends approval of Resolution No. 2026-120.

Fiscal Impact

Funds Available Y/N: N/A

Amount Requested: N/A

Source of Funds: N/A
Account #: N/A
Fiscal Impact:

Attachments

Staff Report
Draft Resolution

STAFF REPORT

PURPOSE

Texas-New Mexico Power Company (“TNMP” or “Company”) filed an application on or around September 1, 2026 with the Public Utility Commission of Texas (“PUC” or “Commission”), seeking to file for the approval of a single unified tracker mechanism (“UTM”) under PURA § 36.216.

The Texas Legislature enacted PURA § 36.216 in Texas House Bill 5247 to streamline certain electric utility rate proceedings into a single, annual proceeding.

Pursuant to this new legislation, electric utilities that (1) operate solely inside the Electric Reliability Council of Texas region, (2) are responsible for constructing transmission as part of the reliability plan for the Permian Basin approved by the PUC under PURA § 39.167, and (3) make total capital expenditures that exceed 300% of annual depreciation in a calendar year, may elect to file an application in a UTM proceeding to reflect changes in transmission and distribution invested capital. TNMP is an eligible utility. This will be TNMP’s first UTM proceeding. Cities’ rate case expenses are reimbursable because this is a rate proceeding.

The new legislation sought to address the regulatory lag that utilities will experience building out their transmission and distribution systems while expanding their transmission infrastructure in the Permian Basin. It allows the utilities to file one proceeding to begin recovering costs of specified incremental transmission and distribution invested capital more quickly, at their authorized rate of return. The approved costs are then true-up in the utility’s next comprehensive base rate case.

The resolution authorizes the City to intervene in TNMP’s UTM proceeding before the Commission in Docket No. 59944. The resolution authorizes the cooperation with Cities to prepare a common response. Additionally, the resolution authorizes the hiring of legal counsel and consultants to negotiate with TNMP and direct necessary litigation.

DISCUSSION

City groups have long participated in ratemaking proceedings before the PUC, the Courts, and the Legislature on electric utility regulation matters. Participation in a city group such as Cities allows cities to advocate for the public interest and accomplish more collectively than each city could on its own.

Explanation of “Be It Resolved” Paragraphs:

Section 1. This section authorizes the City to participate with Cities as a party in the Company’s UTM filing, PUC Docket No. 59944.

Section 2. This section authorizes the hiring of Lloyd Gosselink and consultants to review the filing, negotiate with TNMP, and make recommendations to the City regarding

reasonable rates. Additionally, it authorizes Cities to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

Section 3. 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 4. This section provides that Cities' counsel will be notified of the City's action by sending a copy of the approved and signed resolution to certain designated individuals.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF _____,
TEXAS AUTHORIZING PARTICIPATION WITH THE
CITIES SERVED BY TEXAS-NEW MEXICO POWER
COMPANY; AUTHORIZING HIRING OF LEGAL
COUNSEL; 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 LEGAL COUNSEL.**

WHEREAS, the City of _____, Texas ("City") is an electric utility customer of Texas-New Mexico Power Company ("TNMP " or "Company"), and a regulatory authority with an interest in the rates and charges of TNMP; and

WHEREAS, the City is a member of the Cities Served by TNMP ("Cities"), a membership of similarly situated cities served by TNMP that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in TNMP's service area; and

WHEREAS, on or about September 1, 2026, TNMP filed an Application for Approval of a Single Unified Tracking Mechanism ("UTM") at the Public Utility Commission of Texas ("PUC") in Docket No. 59944, seeking to update its Distribution Cost Recovery Factor, Transmission Cost Recovery Factor, and transmission cost of service; and

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

WHEREAS, Cities are coordinating its review of TNMP's UTM filing with designated attorneys and consultants to resolve issues in the Company's application; and

WHEREAS, Docket No. 59944 constitutes a ratemaking proceeding for purposes of Public Utility Regulatory Act § 33.023, making it a reimbursable matter.

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

SECTION 1. That the City is authorized to participate with Cities in PUC Docket No. 59944.

SECTION 2. That subject to the right to terminate employment at any time, the City hereby authorizes the hiring of the law firm of Lloyd Gosselink and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.

SECTION 3. 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 4. That a copy of this Resolution shall be sent to Jamie Mauldin, General Counsel to Cities, at Lloyd Gosselink Rochelle & Townsend, 816 Congress Ave., Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED this _____ day of _____, 2026.

Mayor

ATTEST:

APPROVED AS TO FORM:

CITY COMMISSION REGULAR MTG

(8) (f)

Meeting Date: 10/07/2026

Submission of FY 2026 H-GAC State Homeland Security Program (SHSP) Application

Submitted For: Community Development, Community Development/ Grant Admin

Submitted By: Community Development
Community Development/ Grant Admin

Department: Community Development/ Grant Admin

Information

ACTION REQUEST

Consider and approve the Submission of FY 2026 H-GAC State Homeland Security Program (SHSP) Application.

BACKGROUND (Brief Summary)

The City proposes to submit an application for funding under the FY 2026 State Homeland Security Program (SHSP) through the Houston-Galveston Area Council (H-GAC). SHSP is a federally funded grant program administered by the Texas Division of Emergency Management (TDEM) under the oversight of the U.S. Department of Homeland Security (DHS).

The SHSP provides funding to enhance the capability of state and local jurisdictions to prevent, protect against, respond to, and recover from acts of terrorism and other catastrophic incidents. Eligible activities include planning, equipment acquisition, training, exercises, and critical infrastructure protection projects that align with the National Preparedness Goal and core capabilities. Eligible activities include planning, equipment acquisition, training, exercises, and critical infrastructure protection projects that align with the National Preparedness Goal and core capabilities.

For FY 2026, the proposed application will support the acquisition of a SWAT vehicle. The project is consistent with the City's Hazard Mitigation Plan, Emergency Operations Plan, and regional homeland security priorities established by H-GAC. The grant amount requested will not exceed \$450,000. Submission of the application does not obligate the City to accept an award, but authorizes staff to apply for available funding.

With the updated personnel changes, there must be an updated resolution before grant awards can be released.

RECOMMENDATION

Staff recommends that the City Council/Commission authorize submission of the FY 2026 SHSP grant application through H-GAC and authorize the Mayor to execute all necessary documents related to the application and, if awarded, to accept and administer the grant in accordance with applicable federal and state requirements.

Fiscal Impact

Funds Available Y/N:

Amount Requested:

Source of Funds:

Account #:

Fiscal Impact:

If awarded, grant funds will be included in the appropriate fiscal year budget amendment. Any required local match or ineligible costs, if applicable, will be identified and brought forward for Commission approval prior to project implementation.

Attachments

HGAC

SHSP Sample Resolution

COTC SHSP Resolution



HOUSTON-GALVESTON AREA COUNCIL FY 2026 STATE HOMELAND SECURITY PROGRAM GRANT APPLICATION INSTRUCTIONS, PROCESS, AND MATERIALS

I. INTRODUCTION

The Texas Office of the Governor's Public Safety Office (PSO) is soliciting applications for projects that support local and regional efforts to prevent terrorism and other catastrophic events and prepare for the threats and hazards that pose the greatest risk to the security of Texas citizens. The PSO provides funding to implement investments that build, sustain, and deliver the 32 core capabilities essential to achieving a secure and resilient state.

II. PURPOSE

The purpose of this solicitation is to support state, tribal and local preparedness activities that address high-priority preparedness gaps across all core capabilities *where a nexus to terrorism exists*.

The PSO contracts with the Houston-Galveston Area Council (H-GAC) to manage the application prioritization process for the 13-county region. All final funding decisions are made by the Office of the Governor.

III. APPLICATION PROCESS AND IMPORTANT CHANGES FOR FISCAL YEAR 2026

The shortened application period requires a different process for fiscal year 2026. SHSP applicants must complete the following two steps to be recommended for funding:

1. Submit an [eGrants](#) application certified by your agency's Authorized Official by 03/16/2026 at 5:00pm
2. Submit the H-GAC paper application to justin.riley@h-gac.com by 03/19/2026 at 5:00pm

Failure to complete either of these steps may result in your project not being recommended for funding. Urban Area Security Initiative (UASI) applicants should take care to not confuse the State Homeland Security Program process or application materials for the UASI program, materials, or process. UASI applicants should contact the City of Houston for all questions related to that program.

IV. APPLICATION TIMELINE

eGrants Applications Open	02/17/2026	eGrants Deadline	03/16/2026
Grant Application Workshop	02/19/2026	Paper Application Deadline	03/19/2026

V. GRANT APPLICATION WORKSHOP

To assist applicants, H-GAC will host one grant application workshop on **February 19 at 1:00 PM**. Unlike previous years, due to the abbreviated application period attendance at the workshop will not be mandatory for fiscal year 2026.

[CLICK HERE TO REGISTER](#)

VI. NEW REQUIREMENTS FROM THE OFFICE OF THE GOVERNOR

- **Resolutions** - Resolutions from the entity's Governing Body will now be required at the time of eGrants submission. Given the compressed timeline, applicants should begin coordinating immediately with their governing bodies to ensure timely approval and documentation. Resolutions [have a new template](#) and requirements from the PSO for FY 2026.
- **CEO/Law Enforcement Certifications and Assurances Form** – This form, issued by the PSO, must be signed by both the Chief Executive Officer and the Head of the Law Enforcement Agency to certify compliance with U.S. Department of Homeland Security notification and detainer requirements, applicable federal immigration statutes, and Chapter 752, Subchapter C of the Texas Government Code.

VII. APPLICATION MATERIALS

The link below provides access to all required and supplemental application materials, including the paper application, resources for completing the Narrative Tab, example project narratives, the eGrants walkthrough, and additional guidance documents to support a complete and competitive submission.

[CLICK HERE FOR APPLICATION MATERIALS](#)

VIII. TECHNICAL ASSISTANCE

If, after attending the grant application workshop, an agency requires additional assistance with its application(s), a request for support should be submitted to:

Justin Riley, CEM
Principal Planner, Public Safety
justin.riley@h-gac.com

SAMPLE RESOLUTION

WHEREAS, The _____ (Governing Body) finds it in the best interest of the citizens of _____, (Geographic Area) that the _____ (Name of Project) be operated for the _____ (Year); and

WHEREAS, _____ (Governing Body) agrees to provide applicable matching funds for the said project as required by the _____ (Funding Source) grant application; and

WHEREAS, _____ (Governing Body) agrees that in the event of loss or misuse of the Office of the Governor funds, _____ (Governing Body) assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, _____ (Governing Body) designates _____ (Name and/or Position Title) as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

WHEREAS, _____ (Governing Body) designates _____ (Name and/or Position Title) as the grantee's financial officer. The financial officer is given the power to submit financial and/or programmatic reports or alter a grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that _____ (Governing Body) approves submission of the grant application for the _____ (Name of Project) to the Office of the Governor.

Signed by:

Passed and Approved this _____ (Day) of _____ (Month), _____ (Year)

Grant Number: _____

SAMPLE RESOLUTION

WHEREAS, The City of Texas City finds it in the best interest of the citizens of City of Texas City that the State Homeland Security Program LETPA Projects, 5917201-COTC SWAT APC, be operated for 2027 fiscal year; and

WHEREAS, The City of Texas City agrees to provide applicable matching funds for the said project as required by the State Homeland Security Program grant application; and

WHEREAS, The City of Texas City agrees that in the event of loss or misuse of the Office of the Governor funds, The City of Texas City assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, The City of Texas City designates the Mayor as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

WHEREAS, The City of Texas City designates the Finance Director as the grantee's financial officer. The financial officer is given the power to submit financial and/or programmatic reports or alter a grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that The City of Texas City approves submission of the grant application for the State Homeland Security Program LETPA Projects to the Office of the Governor.

Signed by:

Passed and Approved this ____ (Day) of _____ (Month), ____ (Year)

Grant Number: 5917201

CITY COMMISSION REGULAR MTG

(8) (g)

Meeting Date: 10/07/2026

appointing Jose Boix to the Texas City Historical Preservation Corporation

Submitted By: Rhomari Leigh, City Secretary

Department: Mayor's Office

Information

ACTION REQUEST

Consider and take action on Resolution No. 2026-123, appointing Jose Boix to the Texas City Historical Preservation Corporation. (Administration)

BACKGROUND (Brief Summary)

RECOMMENDATION

Fiscal Impact

CITY COMMISSION REGULAR MTG**(9) (a)****Meeting Date:** 10/07/2026**Submitted By:** Rhomari Leigh, City Secretary**Department:** City Secretary

Information**ACTION REQUEST**

Discussion and possible action regarding a review of the City's current policies and ordinances related to bandit signs. (Commissioner DeAndre Knoxson and Commissioner Wade Johnson)

Request that the Neighborhood Improvement Services Department review existing regulations and enforcement mechanisms, identify any gaps or limitations, and provide recommendations for strengthening them, particularly as it relates to the increasing number of unvetted signs throughout the city, the negative image they can create for our community, and the potential risk that misleading or harmful solicitations may pose to our most vulnerable residents, particularly seniors.

BACKGROUND (Brief Summary)**RECOMMENDATION**

Fiscal Impact

CITY COMMISSION REGULAR MTG**(9) (b)****Meeting Date:** 10/07/2026

Casting the City of Texas City Ballot for TML region 14 Board Director. (Mayor's Office)

Submitted For: Joe Tumbleson, Administration**Submitted By:** Rhomari Leigh, City Secretary**Department:** Mayor's Office

Information**ACTION REQUEST**

Casting the City of Texas City Ballot for TML Region 14 Board Director

BACKGROUND (Brief Summary)

Previously, elections for regional directors were held at regional meetings. After changes to the TML Constitution were approved in 2023, these elections are now administered by TML centrally. TML has 15 regions, and each has a seat on the Board.

The officials listed in the ballot have been nominated to serve a two-year term on the TML Board of Directors that will begin on November 13, 2026, upon adjournment of the Annual Conference and Exhibition.

RECOMMENDATION

Fiscal Impact**Funds Available Y/N:** N/A**Amount Requested:****Source of Funds:****Account #:****Fiscal Impact:**

Attachments

Ballot

Resolution



OFFICIAL BALLOT

Texas Municipal League (TML) Region 14 Director Election

This is the official ballot for the election of the Region 14 director of the TML Board of Directors. You received this ballot because you are the city's primary contact person with TML. Each TML member city is entitled to one vote, which vote must be cast by a majority vote of the city's governing body. Please record your city's choice by placing an "X" in the square beside the candidate's name or writing in the name of an eligible person in the space provided. You can only vote for one candidate.

The officials listed on this ballot have been nominated to serve a two-year term on the TML Board of Directors. A brief biography for each candidate is included after the ballot.

Ballots must reach the TML office by 5:00 p.m. Central Time on November 5, 2026. Ballots received after this date cannot be counted. **The ballot must be properly signed and mailed to: Rachael Pitts, Texas Municipal League, 1821 Rutherford Lane, Suite 400, Austin, TX 78754, or scanned and emailed to rpitts@tml.org. If the ballot is not signed, it will not be counted.**

Region 14 Director (select one)

☐

Sally Branson, Councilmember, Friendswood (Incumbent)

☐

Jaquavous S. Doucette, Mayor Pro Tem, Prairie View

☐

Bert Miller, Councilmember, Navasota

Certificate

I certify that the vote cast above has been cast in accordance with the will of the majority of the governing body of the city named below.

Witness my hand, this _____ day of _____, 2026.

Signature of Authorized Official

Title

Printed Name of Authorized Official

Printed Name of City

Region 14 Director Candidate Biographies (printed on both sides)



Sally Branson, Councilmember, Friendswood (Incumbent)

Sally Branson is a lifelong Friendswood resident and dedicated community leader. A graduate of Friendswood High School, she earned a Bachelor of Business Administration from The University of Texas at Austin before returning home to Friendswood. She and her husband of more than 35 years, Jon, raised three children, all graduates of Friendswood High School, and are now the proud grandparents of three grandchildren attending Friendswood schools. Councilmember Branson began her career at NASA Johnson Space Center in the Chief Financial Officer's Directorate in 1989 before transitioning to the financial services industry in 2000. She chose downtown Friendswood as the home for her business, which she now owns and manages with her oldest son. She was first elected to the Friendswood City Council in 2017 after

serving three years on the Planning and Zoning Commission. She currently serves as liaison to the Community Economic Development Committee and the Houston-Galveston Area Council (H-GAC), where she served as chair of the 13-county region in 2023. She also serves as secretary of the Transportation Policy Council and as the small city representative for the eight-county region. Her regional and statewide leadership includes service on the board of the Bay Area Houston Transportation Partnership and the Texas Municipal League (TML) Board of Directors, where she represents Region 14. She previously served as the region's president. She also currently chairs the Galveston County Historical Commission, serves on the board of the Friendswood Historical Society, and is an active member of the Friendswood Rotary Club. She previously served on the Friendswood Education Foundation Board for more than 18 years and participated in establishing the Friends of Downtown Friendswood Association. Through her public service and community involvement, Councilmember Branson remains committed to giving back to the community she has called home throughout her life.



Jaquavous S. Doucette, Mayor Pro Tem, Prairie View

Jaquavous Doucette serves as the mayor pro tem of Prairie View. As one of the youngest elected officials serving in Texas municipal government, he recognizes that leadership is not defined by age, but by the willingness to listen, learn, serve, and leave communities stronger for future generations. As a proud graduate of Prairie View A&M University, his perspective is shaped by a community that represents an important part of Texas: a small municipality with a rich history, a major university, a growing population, and the unique opportunities and challenges facing rural and emerging communities across the state. His public service began as a student leader, serving as the Student Government Association president and later as a student regent of The Texas A&M University System, representing more than 160,000

students across Texas. His interest in serving on the TML Board of Directors reflects a commitment to ensuring that TML leadership represents the diversity of Texas municipalities, from rural communities and small towns to rapidly growing cities. His municipal priorities include growth, infrastructure, economic development, technology, transparency, workforce development, and meaningful resident engagement. Through service on the TML Board, he seeks to bring Prairie View's perspective to statewide discussions, learn from municipal leaders across Texas, and contribute to strengthening the collective voice of cities of all sizes.

Region 14 Director Candidate Biographies (printed on both sides)



Bert Miller, Councilmember, Navasota

Bert Miller has lived in Navasota all his life, where he graduated from Navasota High School and earned his Eagle Scout ranking in 1983. He continued his studies at Stephen F. Austin State University and later worked for Trinity Industries as a sales engineer. In 2007, he joined the family independent insurance agency after his grandfather became ill. He later sold the insurance agency in 2026 but continues to be the owner of Classic Rock Coffee Co & Kitchen, that opened in 2016. Miller has been a community volunteer for most all his life, volunteering with the chamber of commerce in his teenage years, and later in the Junior Chamber (Jaycee) local chapter and state organization for 10 years. Service to the City of Navasota began in 2000, where he served on the parks and recreation board. This eventually led to him running and winning a seat on city council in 2005, where he currently serves as a councilmember but previously served as mayor. He is a Certified Municipal Official (CMO) and a past member of the TML Board of Directors. Following in the footsteps of his grandfather and father, Miller enjoys economic development and is always looking for ways to improve the quality of life in Navasota. He serves on several boards, including Brazos Valley Council of Governments, Workforce Solutions Brazos Valley, Grimes Health Resource Commission, Brazos Transit District, Grimes Health Resource Commission, Navasota ISD Education Foundation, Grimes County Crimestoppers, and Navasota Economic Development Corporation. He also is a member of Navasota Kiwanis Club, Navasota Theatre Alliance, and Arts Council Brazos Valley. In his spare time, he enjoys picking and collecting, particularly Coca-Cola memorabilia, playing golf, spending time with family, and Mocha, his chocolate lab. He loves Navasota and local history.

RESOLUTION NO. 2026-116

A RESOLUTION APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN OFFICIAL BALLOT FOR THE TEXAS MUNICIPAL LEAGUE REGION 14 DIRECTOR ELECTION; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the Texas Municipal League (“TML”) is currently holding elections for the nominated officials to serve a two-year term on the TML Board of Directors to represent Region 14; and

WHEREAS, each member of the Pool is entitled to vote for Board of Trustee members and the City has received an official ballot for the election.

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

SECTION 1: That the Mayor is hereby authorized to execute the official ballot to vote for members of the TML Board of Directors to represent Region 14.

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

PASSED AND ADOPTED this 7th day of October 2026.

Abel Garza, Jr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Jeffrey A. Lubritz
City Attorney

CITY COMMISSION REGULAR MTG

(9) (c)

Meeting Date: 10/07/2026

Consider and take action on Ordinance No. 2026-37, amending the Code of Ordinances, City of Texas City, Texas, Title III "Administration", Chapter 32 "Law Enforcement and Fire Department", Section 32.010 "Police Department; Classes of Positions; Authorized Strength".

Submitted For: James Patterson, Police Department

Submitted By: Jennifer Hendershot, Administration

Department: Police Department

Information

ACTION REQUEST

Consider and take action on Ordinance No. 2026-37, amending the Code of Ordinances, City of Texas City, Texas, Title III "Administration", Chapter 32 "Law Enforcement and Fire Department", Section 32.010 "Police Department; Classes of Positions; Authorized Strength," by decreasing the number of positions within the classification of Sergeant by one (1) and increasing the number of positions within the classification of Lieutenant by one (1); prescribing the number of positions within each classification of the classified service of the Police Department.

BACKGROUND (Brief Summary)

Effective August 2, 2023, the following classes of positions, and numbers of positions within each classification were hereby established in the classified service of the City's Police Department:

Assistant Police Chief	1
Captain	3
Lieutenant	4
Sergeant	11
Police Officers	82
Total	101

Effective October 7, 2026, the following classes of positions, and numbers of positions within each classification are hereby established in the classified service of the City's Police Department:

Assistant Police Chief	1
Captain	3
Lieutenant	5
Sergeant	10
Police Officers	82

Total	101
-------	-----

RECOMMENDATION

Staff recommends decreasing the number of Sergeants by one (1) and increasing the number of Lieutenants by one (1).

Fiscal Impact

Funds Available Y/N: N/A

Amount Requested: N/A

Source of Funds: N/A

Account #: N/A

Fiscal Impact:

Attachments

Ordinance

ORDINANCE NO. 2026-37

AN ORDINANCE DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN THE CITY OF TEXAS CITY AS REINVESTMENT ZONE NUMBER TWO, CITY OF TEXAS CITY, TEXAS; CREATING A BOARD OF DIRECTORS FOR SUCH ZONE; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING A SEVERABILITY CLAUSE.

WHEREAS, the City Commission desires to designate a contiguous geographic area in the City of Texas City (the “City”) as a reinvestment zone under the provisions of Chapter 311 of the Texas Tax Code; and

WHEREAS, the City has prepared a preliminary reinvestment zone financing plan, which provides that a portion of the City’s ad valorem taxes are to be deposited into the tax increment fund, and that taxes of other taxing units may be utilized in the financing of the proposed zone; and

WHEREAS, following notice thereof, published on September 25, 2026, in *The Galveston Daily News*, a newspaper of general circulation in the City, a hearing was held on the creation of the proposed zone on October 7, 2026, such hearing being not less than 7 days following publication of such notice; and

WHEREAS, at the public hearing, all interested persons were allowed to speak for or against the creation of the proposed zone, its boundaries, or the concept of tax increment financing and evidence was received and presented at the public hearing in favor of the creation of the proposed zone under the provisions of Chapter 311, Texas Tax Code;

WHEREAS, no owner of real property in the proposed zone protested the inclusion of his property in the proposed zone; and

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

Section 1. Findings.

(a) That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are adopted as part of this Ordinance for all purposes.

(b) That the City Commission further finds and declares that the proposed improvements in the zone will significantly enhance the value of all the taxable real property in the proposed zone and will be of general benefit to the City.

(c) That the City Commission further finds and declares that the area proposed to be included in the proposed zone is unproductive, underdeveloped and blighted.

(d) That the City Commission further finds and declares that the proposed reinvestment zone meets the criteria of Section 311.005 of the Texas Tax Code because the proposed zone is an area that impairs and arrests the sound growth of the City; retards the provision of housing accommodations; constitutes an economic and social liability and is a menace to the public health, safety, morals and welfare in its present condition and use because of the presence of:

- (1) the predominance of defective or inadequate sidewalk and street layout;
- (2) faulty lot layout in relation to size, adequacy, accessibility or usefulness;
- (3) unsanitary or unsafe conditions;
- (4) the deterioration of site or other improvements; and

(5) existence of conditions that endanger life or property by fire or other cause; and is predominantly open and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs or arrests the sound growth of the City.

(e) That the City Commission, pursuant to the requirements of Chapter 311, Texas Tax Code, further finds and declares:

- (1) That the proposed zone is a contiguous geographic area located wholly within the corporate limits of the City of Texas City;
- (2) That the population of the City is under 100,000, and the total appraised value of taxable real property in the proposed zone, and in existing reinvestment zones, if any, does not exceed fifty percent (50%) of the total appraised value of taxable real property in the City and in industrial districts created by the City;
- (3) That less than thirty percent (30%) of the property in the proposed zone, excluding property that is publicly owned, is used for residential purposes as of the date of creation of the proposed zone;
- (4) That development or redevelopment within the boundaries of the proposed zone will not occur solely through private investment in the reasonably foreseeable future.

Section 2. Designation of the Zone

That the City, acting under the provisions of Chapter 311, Texas Tax Code (the “Act”) does hereby create and designate a reinvestment zone over the area described in Exhibit “A” and depicted in the map attached hereto as Exhibit “B.” The reinvestment zone shall hereafter be identified as Reinvestment Zone Number Two, City of Texas City, Texas (the “Zone”).

Section 3. Board of Directors

That there is hereby created a Board of Directors for the Zone, which shall consist of five members. The Mayor is hereby authorized to nominate and appoint the members of the Board, subject to the consent and approval of the City Commission.

The initial directors appointed to Positions _____, _____ and _____ shall be appointed for two-year terms, beginning January 1, 2027, while the directors appointed to Positions _____ and _____ shall be appointed to one-year terms, beginning January 1, 2027. All subsequent appointments shall be for two-year terms. The member of the Board of Directors appointed to Position One is hereby designated to serve as the chair of the Board of Directors for a term beginning January 1, 2027, and ending December 31, 2027. Thereafter, the Mayor shall annually nominate and appoint, subject to City Commission approval, a member to serve as chair for a term of one year beginning January 1 of the following year. The City Commission authorizes the Board of Directors to elect from its members a vice chairman and such other officers as the Board of Directors sees fit.

The Board of Directors shall prepare or cause to be prepared and adopt a project plan and a reinvestment zone financing plan for the Zone as described in Section 311.011, Texas Tax Code, and shall submit such plans to the City Commission for its approval. The City hereby delegates to the Board of Directors all powers necessary to administer, manage and operate the Zone and prepare and implement the project plan and reinvestment zone financing plan, subject to approval by the City Commission, including the power to employ any consultants that may be reasonably necessary to assist the Board of Directors in the

preparation and implementation of the project plan and reinvestment zone financing plan and the administration of the Zone.

Section 4. Duration of the Zone

That the Zone shall take effect on the date of the passage and approval of this Ordinance, and termination of the operation of the Zone shall occur on December 31, 2058, or at an earlier time designated by subsequent ordinance, or at such time, subsequent to the issuance of tax increment bonds, if any, that all project costs, tax increment bonds, and the interest on the bonds, have been paid in full.

Section 5. Tax Increment Base

That the Tax Increment Base for the Zone is the total appraised value of all real property taxable by the City and located in the Zone, determined as of January 1, 2026, the year in which the Zone was effective and designated as a reinvestment zone (the “Tax Increment Base”).

Section 6. Tax Increment Fund

That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into subaccounts as authorized by subsequent ordinances. All Tax Increments, as defined below, shall be deposited in the Tax Increment Fund. The Tax Increment Fund and any subaccounts shall be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for Texas cities. The annual Tax Increment shall equal the amount by which the then-current appraised value of all taxable real property located in the Zone exceeds the Tax Increment Base of the Zone, less any amounts that are to be allocated from the Tax Increment pursuant to the Act. All revenues from the sale of any tax increment bonds or other notes hereafter issued by the City, if any, revenues from the sale of property acquired as part of the tax increment financing plan, if any, and other revenues to be used in the Zone shall be deposited into the Tax Increment Fund. Money shall be disbursed from the Tax Increment Fund only to pay project costs for the Zone, as defined by the Texas Tax Code, to satisfy the claims of holders of tax increment bonds or notes issued for the Zone or pursuant to any agreement the Board of Directors considers necessary or convenient to implement the Zone's project plan and reinvestment zone financing plan and achieve their purposes.

Section 7. Severability

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 provisions of this Ordinance or their application to other persons or set of circumstances shall not be affected thereby, it being the intent of the City Commission in adopting this

Ordinance that no portion hereof or regulations contained herein shall become inoperative or fail by reason of any unconstitutionality voidness or invalidity of any portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

Section 8. Open Meetings

It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Commission at which this Ordinance was adopted was posted. at a place convenient and rapidly accessible at all times to the general public at the City Hall of the City for the Time required by law preceding this meeting, as required by the Open Meetings Law, Texas Gov't Code Ann., ch. 551, 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 has 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 9. Notices

The contents of the notice of the public hearing, which hearing was held before the City Commission on October 7, 2026, and the publication of said notice, is hereby ratified, approved and confirmed.

PASSED AND ADOPTED this 7th day of October 2026.

Abel Garza, Jr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Jeffrey A. Lubritz
City Attorney

CITY COMMISSION REGULAR MTG**(9) (d)****Meeting Date:** 10/07/2026

Additional Redesign Fees for Municipal Complex

Submitted For: Jack Haralson, Public Works**Submitted By:** Dj Hutchinson, Public Works**Department:** Public Works

Information**ACTION REQUEST**

The Public Works Department is seeking Commission approval of a Change Order to PGAL Architects in the amount of \$490,000.00 for the redesign to reduce the size and scope of the building and relocation and design changes for the Emergency Operations Center. This is in addition to the original agreement of \$2,993,150.00 between PGAL and the City of Texas City for architectural services. (See Exhibit B for the Original Agreement)

BACKGROUND (Brief Summary)

The original design and needs of the Municipal Complex and EOC have changed to reduce the size of the City Hall and Municipal Court and to move the Emergency Operations Center (EOC) to new location from where it was initially planned. The Additional Service includes modifications to the current Municipal Complex design to reduce the square footage of City Hall to 39,836 square feet and redesigning the building as a one-story structure and total new design of the EOC on its new planned location. The EOC building will be relocated to a 4.97 acre site on City-owned land located behind Fire Station 4 on Lago Mar Blvd. For the complete and detailed breakdown of scope and pricing (See Exhibit A)

RECOMMENDATION

It is the recommendation of the Public Works Department and City Management for the Commission to approve this additional cost for the redesign of the Municipal Complex and subsequent relocation of the EOC to a more favorable location. It is imperative that we continue moving this project forward and sending it out for bid because of the volatile price increases of building materials that are occurring daily.

Fiscal Impact**Funds Available Y/N:** Yes**Amount Requested:** \$490,000.00**Source of Funds:** Certificate of Obligation Bond Funds**Account #:** 412-100-55010-CO253**Fiscal Impact:**

Attachments

Exhibit A

Exhibit B

12 September 2026

Jack Haralson
Director of Public Works
City of Texas City
1801 9th Avenue North
Texas City, Texas 77590

ALEXANDRIA
ATLANTA
AUSTIN
BOCA RATON
CHICAGO
DALLAS
HOBOKEN
HOUSTON
LAS VEGAS
LOS ANGELES

Re: Revised Additional Services Fee Proposal for Final Design Services
Texas City Municipal Building and EOC

Dear Jack,

After careful review of your project criteria, PGAL is pleased to submit this Additional Services Fee Proposal to provide revised Architectural and Engineering Design Services for changes to the Municipal Complex building located at 1801 9th Avenue North in Texas City, Texas. The scope of services and fees required to perform these services are based on the information provided by the City and work prepared by PGAL.

PROJECT UNDERSTANDING

The previous City Hall building was no longer large enough to serve the City of Texas City. The City has been moving departments out of the previous City Hall building to accommodate this project. The City expects to centralize critical City services in the new City Hall building and to relocate the EOC to a new stand alone site located at 5721 Lago Mar Blvd. The City wishes to construct a new one story Municipal Hall that will hold the following City Departments:

- Municipal Court
- Commissioners Chambers
- Marshals
- Water Billing
- Community Development
- Administration
 - Finance
 - HR
 - IT
 - Communications
 - City Secretary

- Mayor
- Chief of Staff
- Municipal Services
- Purchasing
- Payroll
- Executive Assistant
- Facility Management

The City has decided to construct a new one story hardened EOC building that will include the following City Departments:

- Emergency Operations Center (EOC)
- Dispatch

The existing City Hall building is an approximately 15,000 square foot one story building and accommodates approximately 25 employees. The new complex is expected to be a two story building and an adjacent one story building large enough to accommodate approximately 113 employees based upon 2035 staffing projections.

The Additional Service includes modifications to the current Municipal Building design to reduce the square footage of City Hall to 39,836 square feet and redesign the building as a one story building as shown on the attached exhibit. The City Hall building finish floor elevation will continue to be elevated above existing grade as previously designed. The City Hall site will be redesigned to match the attached site plan exhibit. An add alternate for extra parking will be provided. The exterior elevations will be of similar architectural style as the previous design.

The EOC building will be relocated to a 4.97 acre site located at 5721 Lago Mar Blvd. The program and size of the EOC building is expected to be similar to the current design. The size of the EOC building is expected to be approximately 6,949 square feet as shown on the attached exhibit. The EOC building will use tiltwall concrete construction and become a slab on grade building. The building's exterior elevations will be simplified to be more like the adjacent Fire Station No. 4. Sitework will include surface parking spaces and other associated site design as shown on the attached site plan exhibit. We have assumed the City will provide a topographic survey for the new EOC site.

The City has chosen to utilize a Construction Manager at Risk (CMAR) approach for this project. We will assist the CMAR in bidding the project, selection of subcontractors and development of the Guaranteed Maximum Price (GMP). We will work along side the CMAR to accomplish the City's goals for this project.

The project is not expected to obtain a LEED certification as defined by the USGBC. However, this project is expected to be designed to LEED standards and systems. We will not be submitting the project to the USGBC under Basic Services. If the City wishes the project to receive a LEED certification, we will provide LEED design services through Additional Service. Demolition of the existing City Hall building has already been completed by the City.

The purpose of the redesign is to reduce the overall construction budget for this project below the previous budget of \$41,500,000.00.

We have assumed this will be an Additional Service to our existing agreement with the City and will be added onto the existing agreement.

REDESIGN SERVICES

During the redesign, we will confirm the previously prepared space program with City stakeholders to finalize the reduction of spaces. The revised site plans and concept floor plans developed by PGAL is expected to be the basis of the redesign and define the limits of the new project scope.

Design services will include updating Construction Documents, Bidding, Permitting and Construction Administration. We expect to present the project to the City staff and to the City Commission in a workshop(s) for approval. We have assumed up to 2 City Commission meetings and/or workshops.

The project is assumed to be designed in two packages and be bid and in a single phase. The completed construction documents will be submitted to the City Permitting office for purposes of obtaining a building permit. We will submit the project to the Texas Department of Licensing and Regulations (TDLR) for accessibility (ADA) review. We will assist the contractor and City in obtaining bids for the project.

We expect that the CMAR will provide cost estimates, constructability reviews, schedule management during design as well as management of and construction of the project. Construction Administration services include attendance at weekly progress meetings, answering RFI's, review of shop drawings, preparation of change orders, review of contractor's pay application and preparation of a punch list.

ADDITIONAL SERVICES COMPENSATION

Additional Services: We propose to perform the Additional Services for updating Construction Documents and to make the project bid ready for a Lump Sum of \$480,000.00. This fee is in addition to the fees currently included in our agreement. These fees assume that some credits from the original fees are helping offset some of the cost to implement this change. The proposed fee number already contemplates the offset of these costs. This fee includes additional management, architectural, interiors, MEPFP, structural, TDI inspection and certification, security, IT, geotechnical investigation, irrigation, civil, and landscape design services only.

The proposed Additional Services fees are in addition to the fees currently included in the June 23, 2025 original scope proposal and are broken down as follows:

Management (1):	\$ 15,000.00
Architecture (2):	\$ 158,365.00
Interiors (3):	\$ 55,000.00
Civil Engineering (4):	\$ 35,000.00
MEPFP Engineering (5):	\$ 76,535.00
IT/Security Engineering (6):	\$ 20,000.00
Structural Engineering (7):	\$ 100,000.00
Landscape Architecture (8):	\$ 12,000.00
Geotechnical Survey (9):	<u>\$ 8,100.00</u>
Total:	\$ 480,000.00

Specific Additional Scope of Work:

- (1) Management Additional Scope: Rescoping of the project and establishment of stand alone bid of the new EOC building site.
- (2) Architecture Additional Scope: Redesign of the City Hall floor plans to become single story building and elimination of spaces, reflected ceiling plans, exterior elevations, wall sections, schedules and details. Redesign of EOC building exterior elevations and details.
- (3) Interior Additional Scope: Redesign of City Hall interior enlarged plans and interior elevations, schedules, legends and details.
- (4) Civil Engineering Additional Scope: Design of new 4.97 acre site for EOC building.
- (5) MEPFP Engineering Additional Scope: Redesigning redundancy of emergency systems. Modifications to MEPFP drawings for City Hall to become single story building.
- (6) IT/Security Additional Scope: Modification to IT/Security drawings for City Hall to become single story building.
- (7) Structural Engineering Additional Scope: Redesign of EOC building foundations to be slab on grade system. Redesign of City Hall building structure including foundations to become a single story building.
- (8) Landscape Architecture Additional Scope: Design of new 4.97 acre site for EOC building.
- (9) Geotechnical Survey Additional Scope: New geotechnical survey for new 4.97 acre site for EOC building.

Reimbursable Costs: PGAL expects to be reimbursed for any out-of-pocket expenses we incur on behalf of the project such as cost of reproduction, plotting, special handling or delivery and mileage. Reimbursable expenses will be billed at our cost, plus a 10% service charge. We recommend an additional budget of \$10,000.00 be added to our agreement for reimbursable expenses.

Specified Additional Services: If services other than those described as Additional Services are requested by the City, they will be billed in addition to the above Additional Services compensation in accordance with the negotiated Lump Sum amounts listed below or in compliance with the attached rate schedule. The City may choose to authorize any of the Specified Additional Service tasks listed below throughout the course of the contract. No Specified Additional Service task will be performed without specific written authorization from the City. The following constitutes Specified Additional Services should they be requested by the City:

Alta Survey of 5721 Largo Mar Blvd. Lump Sum of \$20,000.00

Additional Services: If services other than those described as Basic Services and Specified Additional Services are requested by the City, they will be billed in addition to the above compensation in accordance with the attached rate schedule. Additional Services include but are not limited to the following:

- Professional renderings, models and computer animations
- Any design consultants other than those specifically included
- Environmental survey
- Platting services
- Design of FFE
- LEED certification
- Energy modeling
- LEED design fees
- Commissioning and enhanced commissioning fees
- USGBC fees
- Design of offsite improvements
- Design of traffic signals
- Detailed cost estimates
- Design of a detention pond

SCHEDULE

We are prepared to complete this project in compliance with attached revised schedule for completing the redesign services. We have staff available to begin immediately.

Thank you for the opportunity to serve the City of Texas City. Please do not hesitate to call should you have any questions regarding this proposal.

Sincerely,
PGAL

Jeffrey P. Gerber, AIA
Chief Executive Officer

Approved

Date

AIA[®] Document B103™ – 2017

Standard Form of Agreement Between Owner and Architect for a Complex Project

AGREEMENT made as of the second day of July in the year 2025

BETWEEN the Architect's client identified as the Owner:

City of Texas City
1801 9th Avenue North
Texas City, Texas 77590

*need P.O.
PGAL, Inc.
Municipal Complex
\$2,993,150.00*

and the Architect:

PGAL, Inc.
3131 Briarpark Drive
Suite 200
Houston, Texas 77042

for the following Project:

Texas City Municipal Building

The existing City Hall building is an approximately 15,000 square foot one story building and accommodates approximately 25 employees. The new complex is expected to be a two story building and an adjacent one story building large enough to accommodate approximately 113 employees based upon 2035 staffing projections.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

The Owner and Architect agree as follows.

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ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

(Paragraph deleted)

§ 1.1.1 The Owner's program for the Project:

(Paragraph deleted)

PGAL prepared preliminary Programming and a Concept Design for the new facility as part of another agreement. It was determined that the new municipal facility will have two separate but connected buildings totaling approximately 63,000 square feet. The new EOC will contain approximately 7,000 square feet and be a one story hardened building. The new City Hall is expected to contain approximately 56,000 square feet and be a two story hardened building. The buildings will be hardened to withstand a Cat 5 hurricane winds.

§ 1.1.2 The Project's physical characteristics:

(Paragraph deleted)

The existing City Hall building sits next to an existing park at the corner of 9th Avenue North and 21st Street North. The City wants the new Municipal Complex to be situated on the same site as the existing City Hall building and utilize as much existing parking as possible. It is expected that all required utilities are available at the edge of the site. No detention is expected to be required. There are approximately 45 existing parking spaces located along 9th Avenue and are expected to be retained in the final design. Some remediation may be required for these existing parking spaces. New surface parking spaces are expected to be provided by this project. The site has several large existing trees. As many of the existing trees will be retained as possible. The existing trails located adjacent to the existing City Hall are expected to be impacted by the new construction. This project will modify the impacted trails and relocate as required to blend with the new construction. The relocated and repaired trails adjacent to the new construction are expected to be returned to like kind condition of the existing trails. The site plan configuration is expected to be similar to the concept site plan prepared by PGAL during the Concept Design Phase. While the Concept Phase developed building and site concepts for budgeting purposes, this project will go through a complete design process and decisions previously made are likely to be revised under this agreement. The existing City Hall building will need to be demolished to accommodate the new Municipal Complex.

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§ 1.1.3 The Owner's budget for the Cost of the Work, as defined in Section 6.1:

The construction budget for this project is expected to be \$41,500,000.00. The construction cost does not include soft costs, FFE and contingencies.

§ 1.1.4 The Owner's anticipated design and construction milestone dates:

.1

(Paragraphs deleted)

Refer to the attached project schedule dated 06202025.

§ 1.1.5 The Owner intends the following procurement and delivery method for the Project:

(Paragraph deleted)

The City may choose to utilize a Construction Manager at Risk (CMAR) approach for this project or use the Competitive Sealed Proposal process.

§ 1.1.6 The Owner's requirements for accelerated or fast-track design and construction, multiple bid packages, or phased construction are set forth below:

(Paragraph deleted)

The project is expected to be designed as a single project and construction in one phase.

§ 1.1.7 The Owner's anticipated Sustainable Objective for the Project:

The project is not expected to obtain a LEED certification as defined by the USGBC. However, this project is expected to be designed to LEED standards and systems. We will not be submitting the project to the USGBC under Basic Services. If the City wishes the project to receive a LEED certification, we will provide LEED design services through a Specified Additional Service.

(Paragraph deleted)

§ 1.1.8 The Owner identifies the following representative in accordance with Section 5.4:

Jack Haralson
Director of Public Works
City of Texas City
1801 9th Avenue North
Texas City, Texas 77590

(Paragraphs deleted)

§ 1.1.11 The Architect identifies the following representative in accordance with Section 2.3:

Jeff Gerber, AIA LEED AP BD+C
PGAL
3131 Briarpark Drive
Suite 200
Houston, Texas 77042

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§ 1.1.12 The Architect shall retain the consultants identified in Sections 1.1.12.1 and 1.1.12.2:

(Paragraph deleted)

§ 1.1.12.1 Consultants retained under Basic Services:

.1 Structural

(Paragraphs deleted)

Engineer

(Paragraph deleted)

.2 Mechanical, Electrical, Plumbing, Fire Protection Engineer

.3 Civil Engineer

.4 IT Consultant

.5 Security Consultant

(Paragraphs deleted)

.6 Landscape Architect

(Paragraphs deleted)

§ 1.2 The Owner and Architect may rely on the Initial Information. Both parties, however, recognize that the Initial Information may materially change and, in that event, the Owner and the Architect shall appropriately adjust the Architect's services, schedule for the Architect's services, and the Architect's compensation. The Owner shall adjust the Owner's budget for the Cost of the Work and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 The parties shall agree upon written protocols governing the transmission and use of, and reliance on, Instruments of Service or any other information or documentation in digital form.

§ 1.3.1 Any use of, or reliance on, all or a portion of a building information model without agreement to written protocols governing the use of, and reliance on, the information contained in the model shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

ARTICLE 2 ARCHITECT'S RESPONSIBILITIES

§ 2.1 The Architect shall provide professional services as set forth in this Agreement. The Architect represents that it is properly licensed in the jurisdiction where the Project is located to provide the services required by this Agreement, or shall cause such services to be performed by appropriately licensed design professionals.

§ 2.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

§ 2.3 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project.

§ 2.4 Except with the Owner's knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect's professional judgment with respect to this Project.

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§ 2.5 The Architect shall maintain the following insurance until termination of this Agreement. If any of the requirements set forth below are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect as set forth in Section 11.9.

§ 2.5.1 Commercial General Liability with policy limits of not less than one million (\$1,000,000.00) for each occurrence and two million (\$2,000,000.00) in the aggregate for bodily injury and property damage.

§ 2.5.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Architect with policy limits of not less than one million (\$1,000,000.00) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 2.5.3 The Architect may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 2.5.1 and 2.5.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 2.5.4 Workers' Compensation at statutory limits.

§ 2.5.5 Employers' Liability with policy limits not less than one million (\$1,000,000.00) each accident, one million (\$1,000,000) each employee, and one million (\$1,000,000.00) policy limit.

§ 2.5.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limits of not less than five million (\$5,000,000.00) per claim and five million (\$5,000,000.00) in the aggregate.

§ 2.5.7 Additional Insured Obligations. To the fullest extent permitted by law, the Architect shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Architect's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

§ 2.5.8 The Architect shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 2.5.

ARTICLE 3 SCOPE OF ARCHITECT'S BASIC SERVICES

§ 3.1 The Architect's Basic Services consist of those described in this Article 3 and include usual and customary structural, mechanical, and electrical engineering services. Services not set forth in this Article 3 are Supplemental or Additional Services.

§ 3.1.1 The Architect shall manage the Architect's services, research applicable design criteria, attend Project meetings, communicate with members of the Project team, and report progress to the Owner.

§ 3.1.2 The Architect shall coordinate its services with those services provided by the Owner and the Owner's consultants. The Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of, services and information furnished by the Owner and the Owner's consultants. The Architect shall provide prompt written notice to the Owner if the Architect becomes aware of any error, omission, or inconsistency in such services or information.

§ 3.1.3 As soon as practicable after the date of this Agreement, the Architect shall submit, for the Owner and the Scheduling Consultant's approval, a schedule for the performance of the Architect's services. The schedule shall include design phase milestone dates, as well as the anticipated dates for the commencement of construction and for Substantial Completion of the Work as set forth in the Initial Information. The schedule shall include allowances for periods of time required for the Owner's review, for the performance of the Owner's consultants, and for approval of

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submissions by authorities having jurisdiction over the Project. Once approved by the Owner and Scheduling Consultant, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect or Owner. With the Owner's approval, the Architect shall adjust the schedule, if necessary, as the Project proceeds until the commencement of construction.

§ 3.1.4 Upon the Owner's reasonable request, the Architect shall submit information to the Scheduling Consultant and participate in developing and revising the Project schedule as it relates to the Architect's services.

§ 3.1.5 The Architect shall not be responsible for an Owner's directive or substitution, or for the Owner's acceptance of non-conforming Work, made or given without the Architect's written approval.

§ 3.1.6 The Architect shall contact governmental authorities required to approve the Construction Documents and entities providing utility services to the Project. The Architect shall respond to applicable design requirements imposed by those authorities and entities.

§ 3.1.7 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

§ 3.2 Schematic Design Phase Services

§ 3.2.1 The Architect shall review the program and other information furnished by the Owner, and shall review laws, codes, and regulations applicable to the Architect's services.

§ 3.2.2 The Architect shall prepare a preliminary evaluation of the Owner's program, schedule, budget for the Cost of the Work, Project site, the proposed procurement and delivery method, and other Initial Information, each in terms of the other, to ascertain the requirements of the Project. The Architect shall notify the Owner of (1) any inconsistencies discovered in the information, and (2) other information or consulting services that may be reasonably needed for the Project.

§ 3.2.3 The Architect shall present its preliminary evaluation to the Owner and shall discuss with the Owner alternative approaches to design and construction of the Project. The Architect shall reach an understanding with the Owner regarding the requirements of the Project.

§ 3.2.4 Based on the Project requirements agreed upon with the Owner, the Architect shall prepare and present, for the Owner's approval, a preliminary design illustrating the scale and relationship of the Project components.

§ 3.2.5 Based on the Owner's approval of the preliminary design, the Architect shall prepare Schematic Design Documents for the Owner's approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary building plans, sections and elevations; and may include some combination of study models, perspective sketches, or digital representations. Preliminary selections of major building systems and construction materials shall be noted on the drawings or described in writing.

§ 3.2.5.1 The Architect shall consider sustainable design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the Owner's program, schedule and budget for the Cost of the Work. The Owner may obtain more advanced sustainable design services as a Supplemental Service under Section 4.1.1.

§ 3.2.5.2 The Architect shall consider the value of alternative materials, building systems and equipment, together with other considerations based on program and aesthetics, in developing a design for the Project that is consistent with the Owner's program, schedule, and budget for the Cost of the Work.

§ 3.2.6 The Architect shall submit the Schematic Design Documents to the Owner and the Cost Consultant. The Architect shall meet with the Cost Consultant to review the Schematic Design Documents.

§ 3.2.7 Upon receipt of the Cost Consultant's estimate at the conclusion of the Schematic Design Phase, the Architect shall take action as required under Section 6.4, and request the Owner's approval of the Schematic Design Documents. If revisions to the Schematic Design Documents are required to comply with the Owner's budget for the Cost of the

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Work at the conclusion of the Schematic Design Phase, the Architect shall incorporate the required revisions in the Design Development Phase.

§ 3.3 Design Development Phase Services

§ 3.3.1 Based on the Owner's approval of the Schematic Design Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Owner's approval. The Design Development Documents shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and other appropriate elements. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish, in general, their quality levels.

§ 3.3.2 Prior to the conclusion of the Design Development Phase, the Architect shall submit the Design Development Documents to the Owner and the Cost Consultant. The Architect shall meet with the Cost Consultant to review the Design Development Documents.

§ 3.3.3 Upon receipt of the Cost Consultant's estimate at the conclusion of the Design Development Phase, the Architect shall take action as required under Sections 6.5 and 6.6 and request the Owner's approval of the Design Development Documents.

§ 3.4 Construction Documents Phase Services

§ 3.4.1 Based on the Owner's approval of the Design Development Documents, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Construction Documents for the Owner's approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels and performance criteria of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that, in order to perform the Work, the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

§ 3.4.2 The Architect shall incorporate the design requirements of governmental authorities having jurisdiction over the Project into the Construction Documents.

§ 3.4.3 During the development of the Construction Documents, the Architect shall assist the Owner in the development and preparation of (1) procurement information that describes the time, place, and conditions of bidding, including bidding or proposal forms; (2) the form of agreement between the Owner and Contractor; and (3) the Conditions of the Contract for Construction (General, Supplementary and other Conditions). The Architect shall also compile a project manual that includes the Conditions of the Contract for Construction and Specifications, and may include bidding requirements and sample forms.

§ 3.4.4 Prior to the conclusion of the Construction Documents Phase, the Architect shall submit the Construction Documents to the Owner.

§ 3.4.5 The Architect shall take action as required under Section 6.7, and request the Owner's approval of the Construction Documents.

§ 3.5 Procurement Phase Services

§ 3.5.1 General

The Architect shall assist the Owner in establishing a list of prospective contractors. Following the Owner's approval of the Construction Documents, the Architect shall assist the Owner in (1) obtaining either competitive bids or negotiated proposals; (2) confirming responsiveness of bids or proposals; (3) determining the successful bid or proposal, if any; and, (4) awarding and preparing contracts for construction.

§ 3.5.2 Competitive Bidding

§ 3.5.2.1 Bidding Documents shall consist of bidding requirements and proposed Contract Documents.

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§ 3.5.2.2 The Architect shall assist the Owner in bidding the Project by:

- 1 facilitating the distribution of Bidding Documents to prospective bidders;
- 2 organizing and conducting a pre-bid conference for prospective bidders;
- 3 preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to the prospective bidders in the form of addenda; and,
- 4 organizing and conducting the opening of the bids, and subsequently documenting and distributing the bidding results, as directed by the Owner.

§ 3.5.2.3 If the Bidding Documents permit substitutions, upon the Owner's written authorization, the Architect shall, as an Additional Service, consider requests for substitutions and prepare and distribute addenda identifying approved substitutions to all prospective bidders.

(Paragraphs deleted)

§ 3.5.3.3 If the Proposal Documents permit substitutions, upon the Owner's written authorization, the Architect shall, as an Additional Service, consider requests for substitutions and prepare and distribute addenda identifying approved substitutions to all prospective contractors.

§ 3.6 Construction Phase Services

§ 3.6.1 General

§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Contractor as set forth below and in AIA Document A201™-2017, General Conditions of the Contract for Construction. If the Owner and Contractor modify AIA Document A201-2017, those modifications shall not affect the Architect's services under this Agreement unless the Owner and the Architect amend this Agreement.

§ 3.6.1.2 The Architect shall advise and consult with the Owner during the Construction Phase Services. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Architect shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Architect be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the Contractor or of any other persons or entities performing portions of the Work.

§ 3.6.1.3 Subject to Section 4.2 and except as provided in Section 3.6.6.5, the Architect's responsibility to provide Construction Phase Services commences with the award of the Contract for Construction and terminates on the date the Architect issues the final Certificate for Payment.

§ 3.6.2 Evaluations of the Work

§ 3.6.2.1 The Architect shall visit the site at intervals appropriate to the stage of construction, or as otherwise required in Section 4.2.3, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of the site visits, the Architect shall keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and promptly report to the Owner (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Contractor, and (3) defects and deficiencies observed in the Work.

§ 3.6.2.2 The Architect has the authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect shall have the authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, suppliers, their agents or employees, or other persons or entities performing portions of the Work.

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§ 3.6.2.3 The Architect shall interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 3.6.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of, and reasonably inferable from, the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

§ 3.6.2.5 Unless the Owner and Contractor designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document A201-2017, the Architect shall render initial decisions on Claims between the Owner and Contractor as provided in the Contract Documents.

§ 3.6.3 Certificates for Payment to Contractor

§ 3.6.3.1 The Architect shall review and certify the amounts due the Contractor and shall issue certificates in such amounts. The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's evaluation of the Work as provided in Section 3.6.2 and on the data comprising the Contractor's Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment in the amount certified. The foregoing representations are subject to (1) an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) results of subsequent tests and inspections, (3) correction of minor deviations from the Contract Documents prior to completion, and (4) specific qualifications expressed by the Architect.

§ 3.6.3.2 The issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate the Contractor's right to payment, or (4) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 3.6.3.3 The Architect shall maintain a record of the Applications and Certificates for Payment.

§ 3.6.4 Submittals

§ 3.6.4.1 The Architect shall review the Contractor's submittal schedule and shall not unreasonably delay or withhold approval of the schedule. The Architect's action in reviewing submittals shall be taken in accordance with the approved submittal schedule or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time, in the Architect's professional judgment, to permit adequate review.

§ 3.6.4.2 The Architect shall review and approve, or take other appropriate action upon, the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Contractor's responsibility. The Architect's review shall not constitute approval of safety precautions or construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 3.6.4.3 If the Contract Documents specifically require the Contractor to provide professional design services or certifications by a design professional related to systems, materials, or equipment, the Architect shall specify the appropriate performance and design criteria that such services must satisfy. The Architect shall review and take appropriate action on Shop Drawings and other submittals related to the Work designed or certified by the Contractor's design professional, provided the submittals bear such professional's seal and signature when submitted to the Architect. The Architect's review shall be for the limited purpose of checking for conformance with information

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given and the design concept expressed in the Contract Documents. The Architect shall be entitled to rely upon, and shall not be responsible for, the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals.

§ 3.6.4.4 Subject to Section 4.2, the Architect shall review and respond to requests for information about the Contract Documents. The Architect shall set forth, in the Contract Documents, the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect's response to such requests shall be made in writing within any time limits agreed upon, or otherwise with reasonable promptness. If appropriate, the Architect shall prepare and issue supplemental Drawings and Specifications in response to the requests for information.

§ 3.6.4.5 The Architect shall maintain a record of submittals and copies of submittals supplied by the Contractor in accordance with the requirements of the Contract Documents.

§ 3.6.5 Changes in the Work

§ 3.6.5.1 The Architect may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. Subject to Section 4.2, the Architect shall prepare Change Orders and Construction Change Directives for the Owner's approval and execution in accordance with the Contract Documents.

§ 3.6.5.2 The Architect shall maintain records relative to changes in the Work.

§ 3.6.6 Project Completion

§ 3.6.6.1 The Architect shall:

1. conduct inspections to determine the date or dates of Substantial Completion and the date of final completion;
2. issue Certificates of Substantial Completion;
3. forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract Documents and received from the Contractor; and,
4. issue a final Certificate for Payment based upon a final inspection indicating that, to the best of the Architect's knowledge, information, and belief, the Work complies with the requirements of the Contract Documents.

§ 3.6.6.2 The Architect's inspections shall be conducted with the Owner to check conformance of the Work with the requirements of the Contract Documents and to verify the accuracy and completeness of the list submitted by the Contractor of Work to be completed or corrected.

§ 3.6.6.3 When Substantial Completion has been achieved, the Architect shall inform the Owner about the balance of the Contract Sum remaining to be paid the Contractor, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work.

§ 3.6.6.4 The Architect shall forward to the Owner the following information received from the Contractor: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens, or bonds indemnifying the Owner against liens; and (3) any other documentation required of the Contractor under the Contract Documents.

§ 3.6.6.5 Upon request of the Owner, and prior to the expiration of one year from the date of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner to review the facility operations and performance.

ARTICLE 4 SUPPLEMENTAL AND ADDITIONAL SERVICES

§ 4.1 Supplemental Services

§ 4.1.1 The services listed below are not included in Basic Services but may be required for the Project. The Architect shall provide the listed Supplemental Services only if specifically designated in the table below as the Architect's responsibility, and the Owner shall compensate the Architect as provided in Section 11.2. Unless otherwise

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(Paragraphs deleted)

§ 4.2 Architect's Additional Services

The Architect may provide Additional Services after execution of this Agreement without invalidating the Agreement. Except for services required due to the fault of the Architect, any Additional Services provided in accordance with this Section 4.2 shall entitle the Architect to compensation pursuant to Section 11.3 and an appropriate adjustment in the Architect's schedule.

§ 4.2.1 Upon recognizing the need to perform the following Additional Services, the Architect shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Architect shall not proceed to provide the following Additional Services until the Architect receives the Owner's written authorization:

- Professional renderings, models and computer animations
- Any design consultants other than those specifically included
- Environmental survey
- Topographic surveying
- Platting services
- Geotechnical investigation
- Design of FFE
- LEED certification
- Energy modeling
- LEED design fees
- Commissioning and enhanced commissioning fees
- USGBC fees
- Design of offsite improvements
- Design of traffic signals
- Detailed cost estimates
- Design of additional on-site parking lot beyond 190 spaces

(Paragraph deleted)

- Design and temporary relocation of City Hall staff and functions during construction
- Design of a detention pond
- Abatement design services
- Removal of contaminated materials and monitoring

(Paragraph deleted)

§ 4.2.2 To avoid delay in the Construction Phase, the Architect shall provide the following Additional Services, notify the Owner with reasonable promptness, and explain the facts and circumstances giving rise to the need. If, upon receipt of the Architect's notice, the Owner determines that all or parts of the services are not required, the Owner shall give prompt written notice to the Architect of the Owner's determination. The Owner shall compensate the Architect for the services provided prior to the Architect's receipt of the Owner's notice.

1. Reviewing a Contractor's submittal out of sequence from the submittal schedule approved by the Architect;
2. Responding to the Contractor's requests for information that are not prepared in accordance with the Contract Documents or where such information is available to the Contractor from a careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation;
3. Preparing Change Orders and Construction Change Directives that require evaluation of Contractor's proposals and supporting data, or the preparation or revision of Instruments of Service;
4. Evaluating an extensive number of Claims as the Initial Decision Maker; or,
5. Evaluating substitutions proposed by the Owner or Contractor and making subsequent revisions to Instruments of Service resulting therefrom.

§ 4.2.3 The Architect shall provide Construction Phase Services exceeding the limits set forth below as Additional Services. When the limits below are reached, the Architect shall notify the Owner:

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- 1 Two (2) reviews of each Shop Drawing, Product Data item, sample and similar submittals of the Contractor
- 2 Thirty (30) visits to the site by the Architect during construction
- 3 Two (2) inspections for any portion of the Work to determine whether such portion of the Work is substantially complete in accordance with the requirements of the Contract Documents
- 4 Two (2) inspections for any portion of the Work to determine final completion.

§ 4.2.4 Except for services required under Section 3.6.6.5 and those services that do not exceed the limits set forth in Section 4.2.3, Construction Phase Services provided more than 60 days after (1) the date of Substantial Completion of the Work or (2) the initial date of Substantial Completion identified in the agreement between the Owner and Contractor, whichever is earlier, shall be compensated as Additional Services to the extent the Architect incurs additional cost in providing those Construction Phase Services.

§ 4.2.5 If the services covered by this Agreement have not been completed within thirty (30) months of the date of this Agreement, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as Additional Services.

ARTICLE 5 OWNER'S RESPONSIBILITIES

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives; schedule; constraints and criteria, including space requirements and relationships; flexibility; expandability; special equipment; systems; and site requirements.

(Paragraph deleted)

§ 5.3 The Owner shall establish the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner's other costs; and, (3) reasonable contingencies related to all of these costs. The Owner shall update the Owner's budget for the Project as necessary throughout the duration of the Project until final completion. The Owner shall furnish the services of a Cost Consultant that shall be responsible for preparing all estimates of the Cost of the Work. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Architect. The Owner and the Architect shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 5.3.1 The Owner acknowledges that accelerated, phased or fast-track scheduling provides a benefit, but also carries with it associated risks. Such risks include the Owner incurring costs for the Architect to coordinate and redesign portions of the Project affected by procuring or installing elements of the Project prior to the completion of all relevant Construction Documents, and costs for the Contractor to remove and replace previously installed Work. If the Owner selects accelerated, phased or fast-track scheduling, the Owner agrees to include in the budget for the Project sufficient contingencies to cover such costs.

§ 5.4 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the Project. The Owner shall render decisions and approve the Architect's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services.

(Paragraphs deleted)

§ 5.9 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. Upon the Architect's request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner's consultants. The Owner shall furnish the services of consultants other than those designated as the responsibility of the Architect in this Agreement, or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants and contractors maintain insurance, including professional liability insurance, as appropriate to the services or work provided.

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§ 5.10 The Owner shall furnish tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 5.11 The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 5.12 The Owner shall provide prompt written notice to the Architect if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect's Instruments of Service.

§ 5.13 The Owner shall include the Architect in all communications with the Contractor that relate to or affect the Architect's services or professional responsibilities. The Owner shall promptly notify the Architect of the substance of any direct communications between the Owner and the Contractor otherwise relating to the Project. Communications by and with the Architect's consultants shall be through the Architect.

§ 5.14 Before executing the Contract for Construction, the Owner shall coordinate the Architect's duties and responsibilities set forth in the Contract for Construction with the Architect's services set forth in this Agreement. The Owner shall provide the Architect a copy of the executed agreement between the Owner and Contractor, including the General Conditions of the Contract for Construction.

§ 5.15 The Owner shall provide the Architect access to the Project site prior to commencement of the Work and shall obligate the Contractor to provide the Architect access to the Work wherever it is in preparation or progress.

§ 5.16 Within 15 days after receipt of a written request from the Architect, the Owner shall furnish the requested information as necessary and relevant for the Architect to evaluate, give notice of, or enforce lien rights.

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include contractors' general conditions costs, overhead and profit. The Cost of the Work also includes the reasonable value of labor, materials, and equipment, donated to, or otherwise furnished by, the Owner. The Cost of the Work does not include the compensation of the Architect; the costs of the land, rights-of-way, financing, or contingencies for changes in the Work; or other costs that are the responsibility of the Owner.

§ 6.2 The Owner's budget for the Cost of the Work is provided in Initial Information, and shall be adjusted throughout the Project as required under Sections 5.3 and 6.4. Evaluations of the Owner's budget for the Cost of the Work represent the Architect's judgment as a design professional.

§ 6.3 The Owner shall require the Cost Consultant to include appropriate contingencies for design, bidding or negotiating, price escalation, and market conditions in estimates of the Cost of the Work. The Architect shall be entitled to rely on the accuracy and completeness of estimates of the Cost of the Work the Cost Consultant prepares as the Architect progresses with its Basic Services. The Architect shall prepare, as an Additional Service, revisions to the Drawings, Specifications or other documents required due to the Cost Consultant's inaccuracies or incompleteness in preparing cost estimates, or due to market conditions the Architect could not reasonably anticipate. The Architect may review the Cost Consultant's estimates solely for the Architect's guidance in completion of its services, however, the Architect shall report to the Owner any material inaccuracies and inconsistencies noted during any such review.

§ 6.4 If, prior to the conclusion of the Design Development Phase, the estimate of the Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Architect, shall make appropriate recommendations to the Owner to adjust the Project's size, quality or budget for the Cost of the Work, and the Owner shall cooperate with the Architect in making such adjustments.

§ 6.5 If the estimate of the Cost of the Work at the conclusion of the Design Development Phase exceeds the Owner's budget for the Cost of the Work, the Owner shall

- .1 give written approval of an increase in the budget for the Cost of the Work;
- .2 terminate in accordance with Section 9.5;

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- 3 in consultation with the Architect, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or,
- 4 implement any other mutually acceptable alternative.

§ 6.6 If the Owner chooses to proceed under Section 6.5.3, the Architect, without additional compensation, shall incorporate the revisions in the Construction Documents Phase as necessary to comply with the Owner's budget for the Cost of the Work at the conclusion of the Design Development Phase Services, or the budget as adjusted under Section 6.5.1. The Architect's revisions in the Construction Documents Phase shall be the limit of the Architect's responsibility under this Article 6.

§ 6.7 After incorporation of modifications under Section 6.6, the Architect shall, as an Additional Service, make any required revisions to the Drawings, Specifications or other documents necessitated by subsequent cost estimates that exceed the Owner's budget for the Cost of the Work, except when the excess is due to changes initiated by the Architect in scope, basic systems, or the kinds and quality of materials, finishes or equipment.

ARTICLE 7 COPYRIGHTS AND LICENSES

§ 7.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

§ 7.2 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect's consultants.

§ 7.3 The Architect grants to the Owner a nonexclusive license to use the Architect's Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations under this Agreement, including prompt payment of all sums due pursuant to Article 9 and Article 11. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractor, Subcontractors, Sub-subcontractors, and suppliers, as well as the Owner's consultants and separate contractors, to reproduce applicable portions of the Instruments of Service, subject to any protocols established pursuant to Section 1.3, solely and exclusively for use in performing services or construction for the Project. If the Architect rightfully terminates this Agreement for cause as provided in Section 9.4, the license granted in this Section 7.3 shall terminate.

§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Architect and Architect's consultant(s) from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Architect and its consultants from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's use of the Instruments of Service under this Section 7.3.1. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.

§ 7.4 Except for the licenses granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

§ 7.5 Except as otherwise stated in Section 7.3, the provisions of this Article 7 shall survive the termination of this Agreement.

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ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 General

§ 8.1.1 The Owner and Architect shall commence all claims and causes of action against the other and arising out of or related to this Agreement, whether in contract, tort, or otherwise, in accordance with the requirements of the binding dispute resolution method selected in this Agreement and within the period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.2 To the extent damages are covered by property insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents, and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201-2017, General Conditions of the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents and employees of any of them, similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 The Architect shall indemnify and hold the Owner and the Owner's officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Architect, its employees and its consultants in the performance of professional services under this Agreement. The Architect's obligation to indemnify and hold the Owner and the Owner's officers and employees harmless does not include a duty to defend. The Architect's duty to indemnify the Owner under this Section 8.1.3 shall be limited to the available proceeds of the insurance coverage required by this Agreement.

§ 8.1.4 The Architect and Owner waive consequential damages for claims, disputes, or other matters in question, arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement, except as specifically provided in Section 9.7.

§ 8.2 Mediation

§ 8.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. If such matter relates to or is the subject of a lien arising out of the Architect's services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution.

§ 8.2.2 The Owner and Architect shall endeavor to resolve claims, disputes and other matters in question between them by mediation, which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of this Agreement. A request for mediation shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 8.2.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:

(Check the appropriate box.)

- ☐ Arbitration pursuant to Section 8.3 of this Agreement
- ☐ Litigation in a court of competent jurisdiction
- ☐ Other: *(Specify)*

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If the Owner and Architect do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.

(Paragraphs deleted)

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 If the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Owner shall pay the Architect all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days' written notice.

§ 9.4 Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 9.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Architect for the Owner's convenience and without cause.

§ 9.6 If the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or the Architect terminates this Agreement pursuant to Section 9.3, the Owner shall compensate the Architect for services performed prior to termination, Reimbursable Expenses incurred, and costs attributable to termination, including the costs attributable to the Architect's termination of consultant agreements.

(Paragraphs deleted)

§ 9.8 Except as otherwise expressly provided herein, this Agreement shall terminate one year from the date of Substantial Completion.

§ 9.9 The Owner's rights to use the Architect's Instruments of Service in the event of a termination of this Agreement are set forth in Article 7 and Section 9.7.

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the place where the Project is located, excluding that jurisdiction's choice of law rules. If the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 8.3.

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201-2017, General Conditions of the Contract for Construction.

§ 10.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns, and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement, including any payments due to the Architect by the Owner prior to the assignment.

§ 10.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. If the Owner requests the Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least 14 days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services, or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Owner or Architect.

§ 10.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.7 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner's promotional materials for the Project. This Section 10.7 shall survive the termination of this Agreement unless the Owner terminates this Agreement for cause pursuant to Section 9.4.

§ 10.8 If the Architect or Owner receives information specifically designated as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except as set forth in Section 10.8.1. This Section 10.8 shall survive the termination of this Agreement.

§ 10.8.1 The receiving party may disclose "confidential" or "business proprietary" information after 7 days' notice to the other party, when required by law, arbitrator's order, or court order, including a subpoena or other form of compulsory legal process issued by a court or governmental entity, or to the extent such information is reasonably necessary for the receiving party to defend itself in any dispute. The receiving party may also disclose such information to its employees, consultants, or contractors in order to perform services or work solely and exclusively for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of such information as set forth in this Section 10.8.

§ 10.9 The invalidity of any provision of the Agreement shall not invalidate the Agreement or its remaining provisions. If it is determined that any provision of the Agreement violates any law, or is otherwise invalid or unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case the Agreement shall be construed, to the fullest extent permitted by law, to give effect to the parties' intentions and purposes in executing the Agreement.

ARTICLE 11 COMPENSATION

§ 11.1 For the Architect's Basic Services described under Article 3, the Owner shall compensate the Architect as follows:

.1 Stipulated Sum

Basic Services: We propose to perform the Basic Services for Preliminary Design, Schematic Design, Design Development, Construction Documents, Bidding, Permitting, and Construction Administration design services for a Lump Sum of \$2,893,150.00. This fee includes management, architectural, interiors, MEPFP, structural, TDI inspection and certification, security, IT, irrigation, civil, and landscape design services only. The breakout of the fees

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are as follows:

Preliminary Design:	\$ 239,290.00
Schematic Design:	\$ 472,780.00
Design Development:	\$ 480,530.00
Construction Documents:	\$ 919,470.00
Bid:	\$ 42,625.00
Permit:	\$ 75,700.00
Construction Administration:	\$ 651,470.00
Close Out:	\$ 11,285.00
Total:	\$2,893,150.00

§ 11.2 For the Architect's Specified Additional Services, the Owner shall compensate the Architect as follows:
(Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)

Specified Additional Services: If services other than those described as Basic Services are requested by the City, they will be billed in addition to the above Basic Services compensation in accordance a negotiated Lump Sum amounts listed below or in compliance with the attached rate schedule. The City may choose to authorize any of the Specified Additional Service tasks listed below throughout the course of the contract. No Specified Additional Service task will be performed without specific written authorization from the City. The following constitutes Specified Additional Services should they be requested by the City:

Alta Survey	Lump Sum of \$40,000.00
Geotechnical Survey	Lump Sum of \$15,000.00
FFE Design	Lump Sum of \$250,000.00
IT Design	Lump Sum of \$50,000.00
Security Design	Lump Sum of \$30,000.00
AV Design	Lump Sum of \$20,000.00
Commissioning	Lump Sum of \$30,000.00
Enhanced Commissioning	Lump Sum of \$26,000.00
USGBC Fees	Lump Sum of \$18,000.00
Energy Modeling	Lump Sum of \$42,000.00
Design Fees for LEED Certified Level Assuming LEED V4.1	Lump Sum of \$40,000.00

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.2, the Owner shall compensate the Architect as follows:

Additional Services: If services other than those described as Basic Services and Specified Additional Services are requested by the City, they will be billed in addition to the above compensation in accordance with the attached rate schedule. Additional Services include but are not limited to the following:

Professional renderings, models and computer animations
Any design consultants other than those specifically included
Environmental survey
Topographic surveying
Platting services
Geotechnical investigation
Design of FFE
LEED certification
Energy modeling

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User Notes:

(1517902417)

- LEED design fees
- Commissioning and enhanced commissioning fees
- USGBC fees
- Design of offsite improvements including bringing new utilities to the site
- Design of traffic signals
- Value engineering services
- Detailed cost estimates
- Design of additional on-site parking lot beyond 190 spaces
- Design and temporary relocation of City Hall staff and functions during construction
- Design of a detention pond
- Abatement design services
- Removal of contaminated materials and monitoring

§ 11.4 Compensation for Supplemental and Additional Services of the Architect's consultants when not included in Section 11.2 or 11.3, shall be the amount invoiced to the Architect, or as follows:

On an hourly basis or an agreed upon Lump Sum amount.

The Owner acknowledges that with an accelerated Project delivery or multiple bid package process, the Architect may be providing its services in multiple Phases simultaneously. Therefore, the Architect shall be permitted to invoice monthly in proportion to services performed in each Phase of Services, as appropriate.

(Paragraph deleted)

(Table deleted)

(Paragraph deleted)

§ 11.5 When compensation identified in Section 11.1 is on a percentage basis, progress payments for each phase of Basic Services shall be calculated by multiplying the percentages identified in this Article by the Owner's most recent budget for the Cost of the Work. Compensation paid in previous progress payments shall not be adjusted based on subsequent updates to the Owner's budget for the Cost of the Work.

§ 11.6.1 When compensation is on a percentage basis and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

§ 11.7 The hourly billing rates for services of the Architect and the Architect's consultants are set forth below. The rates shall be adjusted in accordance with the Architect's and Architect's consultants' normal review practices.

See the attached rate schedule

§ 11.8 Compensation for Reimbursable Expenses

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic, Supplemental, and Additional Services and include expenses incurred by the Architect and the Architect's consultants directly related to the Project, as follows:

1. Transportation and authorized out-of-town travel and subsistence;
2. Long distance services, dedicated data and communication services, teleconferences, Project web sites, and extranets;
3. Permitting and other fees required by authorities having jurisdiction over the Project;
4. Printing, reproductions, plots, and standard form documents;
5. Postage, handling, and delivery;
6. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;

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- .7 Renderings, physical models, mock-ups, professional photography, and presentation materials requested by the Owner or required for the Project;
- .8 If required by the Owner, and with the Owner's prior written approval, the Architect's consultants' expenses of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits in excess of that normally maintained by the Architect's consultants;
- .9 All taxes levied on professional services and on reimbursable expenses;
- .10 Site office expenses;
- .11 Registration fees and any other fees charged by the Certifying Authority or by other entities as necessary to achieve the Sustainable Objective; and,
- .12 Other similar Project-related expenditures.

§ 11.8.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Architect and the Architect's consultants plus ten percent (10 %) of the expenses incurred. The reimbursable expenses budget is \$100,000.00.

(Paragraphs deleted)

§ 11.10 Payments to the Architect

(Paragraphs deleted)

§ 11.10.2 Progress Payments

§ 11.10.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect's invoice. Amounts unpaid thirty (30) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.

3 %

§ 11.10.2.2 The Owner shall not withhold amounts from the Architect's compensation to impose a penalty or liquidated damages on the Architect, or to offset sums requested by or paid to contractors for the cost of changes in the Work, unless the Architect agrees or has been found liable for the amounts in a binding dispute resolution proceeding.

§ 11.10.2.3 Records of Reimbursable Expenses, expenses pertaining to Supplemental and Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:

NA

ARTICLE 13 SCOPE OF THE AGREEMENT

§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Owner and Architect.

This Agreement entered into as of the day and year first written above.

OWNER (Signature)

Dedrick D. Johnson, Mayor

ARCHITECT (Signature)

Jeff Gerber, AIA LEED AP

(Table deleted)(Paragraphs deleted)

Init.

PGAL, INC.
HOURLY RATE SCHEDULE

DISCIPLINE	RATE
DIRECTOR	\$325.00
PRINCIPAL	\$300.00
PROJECT MANAGER VI	\$285.00
PROJECT MANAGER V	\$250.00
PROJECT MANAGER IV	\$225.00
PROJECT MANAGER III	\$205.00
PROJECT MANAGER II	\$190.00
PROJECT MANAGER I	\$185.00
SENIOR ARCHITECT VI/ DESIGNER VI/ INTERIOR DESIGNER VI/ ENGINEER VI	\$285.00
SENIOR ARCHITECT V/ DESIGNER V/ INTERIOR DESIGNER V/ ENGINEER V	\$250.00
SENIOR ARCHITECT IV/ DESIGNER IV/ INTERIOR DESIGNER IV/ ENGINEER IV	\$225.00
SENIOR ARCHITECT III/ DESIGNER III/ INTERIOR DESIGNER III/ ENGINEER III	\$200.00
SENIOR ARCHITECT II/ DESIGNER II/ INTERIOR DESIGNER II/ ENGINEER II	\$175.00
SENIOR ARCHITECT I/ DESIGNER I/ INTERIOR DESIGNER I/ ENGINEER I	\$165.00
ARCHITECT IV/ DESIGNER IV/ INTERIOR DESIGNER IV/ ENGINEER IV	\$150.00
ARCHITECT III/ DESIGNER III/ INTERIOR DESIGNER III/ ENGINEER III	\$135.00
ARCHITECT II/ DESIGNER II/ INTERIOR DESIGNER II/ ENGINEER II	\$110.00
ARCHITECT I/ DESIGNER I/ INTERIOR DESIGNER I/ ENGINEER I	\$90.00
BIM MANAGER V	\$250.00
BIM MANAGER IV	\$200.00
BIM MANAGER III	\$160.00
BIM MANAGER II	\$130.00
BIM MANAGER I	\$110.00
ENGINEER IN TRAINING V	\$175.00
ENGINEER IN TRAINING IV	\$150.00
ENGINEER IN TRAINING III	\$135.00
ENGINEER IN TRAINING II	\$115.00
ENGINEER IN TRAINING I	\$105.00
CONSTRUCTION ADMINISTRATOR V	\$285.00
CONSTRUCTION ADMINISTRATOR IV	\$250.00
CONSTRUCTION ADMINISTRATOR III	\$225.00
CONSTRUCTION ADMINISTRATOR II	\$200.00
CONSTRUCTION ADMINISTRATOR I	\$190.00
CONSTRUCTION INSPECTOR	\$170.00
PROJECT ADMINISTRATOR IV	\$140.00
PROJECT ADMINISTRATOR III	\$130.00
PROJECT ADMINISTRATOR II	\$110.00
PROJECT ADMINISTRATOR I	\$90.00
ADMINISTRATOR III	\$80.00
ADMINISTRATOR II	\$70.00
ADMINISTRATOR I	\$60.00

RATES INCLUDE ALL MARKUPS FOR OVERHEAD/ BURDEN/ FEES/ ETC./ AND WILL REMAIN IN
EFFECT UNTIL DECEMBER 2025.

The Texas Board of Architectural Examiners has jurisdiction over complaints regarding the professional practices of persons registered as [architects/landscape architects/registered interior designers] in Texas." Also required is the Board's mailing address and phone number, which are: 333 Guadalupe Street, Suite 2-350, Austin, Texas 78701 and 512-305-9000.

CITY COMMISSION REGULAR MTG**(9) (e)****Meeting Date:** 10/07/2026

First reading of the Ordinance designating Tax Increment Reinvestment Zone #2

Submitted For: Kristin Edwards, Economic Development**Submitted By:** Kristin Edwards, Economic Development**Department:** Economic Development

Information**ACTION REQUEST**

First reading of the Ordinance designating Tax Increment Reinvestment Zone #2.

BACKGROUND (Brief Summary)

This is the first three readings of Ordinance 2026-38, designating Tax Increment Reinvestment Zone #2. This Ordinance designates contiguous geographic area within Texas City as TIRZ #2 and allows for the creation of a Board of Directors for said zone.

RECOMMENDATION

Approve first reading of the Ordinance designating Tax Increment Reinvestment Zone #2 and create a Board of Directors for said zone.

Fiscal Impact**Funds Available Y/N:** Y**Amount Requested:** 0**Source of Funds:** N/A**Account #:** N/A**Fiscal Impact:**

AttachmentsTIRZ Creation Ordinance

ORDINANCE NO. 2026-XX

AN ORDINANCE DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN THE CITY OF TEXAS CITY AS REINVESTMENT ZONE NUMBER TWO, CITY OF TEXAS CITY, TEXAS; CREATING A BOARD OF DIRECTORS FOR SUCH ZONE; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING A SEVERABILITY CLAUSE.

* * * * *

WHEREAS, the City Commission desires to designate a contiguous geographic area in the City of Texas City (the “City”) as a reinvestment zone under the provisions of Chapter 311 of the Texas Tax Code; and

WHEREAS, the City has prepared a preliminary reinvestment zone financing plan, which provides that a portion of the City’s ad valorem taxes are to be deposited into the tax increment fund, and that taxes of other taxing units may be utilized in the financing of the proposed zone; and

WHEREAS, following notice thereof, published on _____, 2026, in *The Galveston Daily News*, a newspaper of general circulation in the City, a hearing was held on the creation of the proposed zone on October 7, 2026, such hearing being not less than 7 days following publication of such notice; and

WHEREAS, at the public hearing, all interested persons were allowed to speak for or against the creation of the proposed zone, its boundaries, or the concept of tax increment financing and evidence was received and presented at the public hearing in favor of the creation of the proposed zone under the provisions of Chapter 311, Texas Tax Code;

WHEREAS, no owner of real property in the proposed zone protested the inclusion of his property in the proposed zone; and

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

Section 1. Findings.

(a) That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are adopted as part of this Ordinance for all purposes.

(b) That the City Commission further finds and declares that the proposed improvements in the zone will significantly enhance the value of all the taxable real property in the proposed zone and will be of general benefit to the City.

(c) That the City Commission further finds and declares that the area proposed to be included in the proposed zone is unproductive, underdeveloped and blighted.

(d) That the City Commission further finds and declares that the proposed reinvestment zone meets the criteria of Section 311.005 of the Texas Tax Code because the proposed zone is an area that impairs and arrests the sound growth of the City; retards the provision of housing accommodations; constitutes an economic and social liability and is a menace to the public health, safety, morals and welfare in its present condition and use because of the presence of:

- (1) the predominance of defective or inadequate sidewalk and street layout;
- (2) faulty lot layout in relation to size, adequacy, accessibility or usefulness;
- (3) unsanitary or unsafe conditions;
- (4) the deterioration of site or other improvements; and
- (5) existence of conditions that endanger life or property by fire or other cause;

and is predominantly open and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs or arrests the sound growth of the City.

(e) That the City Commission, pursuant to the requirements of Chapter 311, Texas Tax Code, further finds and declares:

- (1) That the proposed zone is a contiguous geographic area located wholly within the corporate limits of the City of Texas City;
- (2) That the population of the City is under 100,000, and the total appraised value of taxable real property in the proposed zone, and in existing reinvestment zones, if any, does not exceed fifty percent (50%) of the total appraised value of taxable real property in the City and in industrial districts created by the City;
- (3) That less than thirty percent (30%) of the property in the proposed zone, excluding property that is publicly owned, is used for residential purposes as of the date of creation of the proposed zone;
- (4) That development or redevelopment within the boundaries of the proposed zone will not occur solely through private investment in the reasonably foreseeable future.

Section 2. Designation of the Zone

That the City, acting under the provisions of Chapter 311, Texas Tax Code (the "Act") does hereby create and designate a reinvestment zone over the area described in Exhibit "A" and depicted in the map attached hereto as Exhibit "B." The reinvestment zone shall hereafter be identified as Reinvestment Zone Number Two, City of Texas City, Texas (the "Zone").

Section 3. Board of Directors

That there is hereby created a Board of Directors for the Zone, which shall consist of five members. The Mayor is hereby authorized to nominate and appoint the members of the Board, subject to the consent and approval of the City Commission.

The initial directors appointed to Positions _____, _____ and _____ shall be appointed for two-year terms, beginning January 1, 2026, while the directors appointed to Positions _____ and _____ shall be appointed to one-year terms, beginning January 1, 2026. All subsequent appointments shall be for two-year

terms. The member of the Board of Directors appointed to Position One is hereby designated to serve as the chair of the Board of Directors for a term beginning January 1, 2026, and ending December 31, 2026. Thereafter, the Mayor shall annually nominate and appoint, subject to City Commission approval, a member to serve as chair for a term of one year beginning January 1 of the following year. The City Commission authorizes the Board of Directors to elect from its members a vice chairman and such other officers as the Board of Directors sees fit.

The Board of Directors shall prepare or cause to be prepared and adopt a project plan and a reinvestment zone financing plan for the Zone as described in Section 311.011, Texas Tax Code, and shall submit such plans to the City Commission for its approval. The City hereby delegates to the Board of Directors all powers necessary to administer, manage and operate the Zone and prepare and implement the project plan and reinvestment zone financing plan, subject to approval by the City Commission, including the power to employ any consultants that may be reasonably necessary to assist the Board of Directors in the preparation and implementation of the project plan and reinvestment zone financing plan and the administration of the Zone.

Section 4. Duration of the Zone

That the Zone shall take effect on the date of the passage and approval of this Ordinance, and termination of the operation of the Zone shall occur on December 31, 2058, or at an earlier time designated by subsequent ordinance, or at such time, subsequent to the issuance of tax increment bonds, if any, that all project costs, tax increment bonds, and the interest on the bonds, have been paid in full.

Section 5. Tax Increment Base

That the Tax Increment Base for the Zone is the total appraised value of all real property taxable by the City and located in the Zone, determined as of January 1, 2026, the year in which the Zone was effective and designated as a reinvestment zone (the "Tax Increment Base").

Section 6. Tax Increment Fund

That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into subaccounts as authorized by subsequent ordinances. All Tax Increments, as defined below, shall be deposited in the Tax Increment Fund. The Tax Increment Fund and any subaccounts shall be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for Texas cities. The annual Tax Increment shall equal the amount by which the then-current appraised value of all taxable real property located in the Zone exceeds the Tax Increment Base of the Zone, less any amounts that are to be allocated from the Tax Increment pursuant to the Act. All revenues from the sale of any tax increment bonds or other notes hereafter issued by the City, if any, revenues from the sale of property acquired as part of the tax increment financing plan, if any, and other revenues to be used in the Zone shall be deposited into the Tax Increment Fund. Money shall be disbursed from the Tax Increment Fund only to pay project costs for the Zone, as defined by the Texas Tax Code, to satisfy the claims of holders of tax increment bonds or notes issued for the Zone or pursuant to any agreement the Board of Directors considers necessary or convenient to implement the Zone's project plan and reinvestment zone financing plan and achieve their purposes.

Section 7. Severability

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 provisions of this Ordinance or their application to other persons or set of circumstances shall not be affected thereby, it being the intent of the City Commission in adopting this Ordinance that no portion hereof or regulations contained herein shall become inoperative or fail by reason of any unconstitutionality voidness or invalidity of any portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

Section 8. Open Meetings

It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Commission at which this Ordinance was adopted was posted. at a place convenient and rapidly accessible at all times to the general public at the City Hall of the City for the Time required by law preceding this meeting, as required by the Open Meetings Law, Texas Gov't Code Ann., ch. 551, 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 has 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 9. Notices

The contents of the notice of the public hearing, which hearing was held before the City Commission on October 7, 2026, and the publication of said notice, is hereby ratified, approved and confirmed.

PASSED AND APPROVED on this the ____ day of _____, 2026.

Mayor

ATTEST:

City Secretary

(SEAL)

APPROVED AS TO FORM:

City Attorney