NOTICE OF MEETING
CITY COUNCIL OF THE CITY OF GALVESTON
THURSDAY - SEPTEMBER 10, 2020 - 9:00 A.M.
VIRTUAL ZOOM MEETING

Notice is hereby given in accordance with Order of the Governor issued March 16, 2020, the City Council of the City of Galveston will conduct its Special Meeting by telephone/video conference in order to advance the public health goal of limiting face-to-face meetings (also called "social distancing") to slow the spread of the Corona Virus/COVID-19. There will be no public access to the location described above.

SPECIAL MEETING AGENDA

1. DECLARATION OF A QUORUM AND CALL MEETING TO ORDER

2. ROLL CALL

3. CONFLICTS OF INTEREST

4. DISCUSSION ITEMS

4.A. Clarification Of Consent And Regular City Council Agenda Items - This Is An Opportunity For City Council To Ask Questions Of Staff On Consent And Regular Agenda Items. (30 Minutes)

4.B. Hurricane Laura Wrap Up (B. Maxwell/D. Buckley - 15 Minutes)

4.C. Discussion Of Civilian Pension Board Actions (B. Maxwell/D. Buckley - 15 Minutes)

4.D. Discuss The Diversity And Inclusion Plan To Increase Female Representation Throughout The City Of Galveston Workforce Focusing On Recruitment And Retention Of Females In The Fire Department, Police Department, Public Works, And Municipal Utilities. (K. Etienne - 15 Minutes)

4.E. Discussion Of The Resolution Issued By The Galveston Wharves Board Regarding Trustee O'Rourke And Giving Direction To The City Attorney For Further Action Related To The Galveston Wharves Board. (Legal - 20 Minutes)

4.F. Discussion Of Upcoming Interviews For Planning Commission And Wharves Board, And Appointments To All City Boards, Commissions, And Committees (Brown - 10 Minutes)

4.G. Report Of City Council's Park Board Representative (Collins/Brown - 10 Minutes)

5. PUBLIC HEARINGS (10:00 AM)

5.A. Conduct A Public Hearing On September 10, 2020 On The FY 2021 Proposed Budget As Required By State Law.

Documents:

FY 2021 PROPOSED BUDGET PUBLIC HEARING STAFF REPORT.DOCX
BUDGET PH NEWSPAPER NOTICE.PDF

5.A.1. Consider For Approval An Ordinance Of The City Of Galveston, Texas, Adopting The Annual Governmental And Proprietary Funds Budget For The Fiscal Year Beginning October 1, 2020 And Ending September 30, 2021; Making Appropriations For City Operations And Capital Projects For Such Fiscal Year As Reflected In Such Budget; Authorizing Various Other Transfers; Approving And Adopting The FY 2021 Capital

Budget; Approving And Adopting The Budget Of The Industrial Development Corporation, Making Various Findings And Provisions Related To The Subject And Providing For An Effective Date. (M. Loftin)

Documents:

FY 2021 BUDGET ORDINANCE STAFF REPORT.DOCX
BUDGET ORDINANCE 2021.DOCX
EXHIBIT A-FY21 BUDGET DATA SHEET.PDF
EXHIBIT B -- FY 2021-2025 CAPITAL IMPROVEMENT PLAN PROJECTS AND FINANCING SOURCES.PDF
EXHIBIT C. -FY 2021-2025 CIP TOTALS BY FUNDING SOURCE.PDF
IDC FY21 PROPOSED BUDGET.PDF

5.A.2. Consider For Action A Motion Ratifying The Property Tax Increase Reflected In The FY 2021 Budget. (M. Loftin)

Documents:

FY 2021 TAX REVENUE INCREASE RATIFICATION STAFF REPORT2.DOCX

5.B. Conduct A Public Hearing To Consider The Proposed Property Tax Rate Of $0.56 Per $100 Of Taxable Value For 2020.

Documents:

FY 2021 PROPERTY TAX RATE PUBLIC HEARING STAFF REPORT.DOC
GALVESTON SEPTEMBER 10 2020 PUBLIC HEARING NOTICE.PDF
CITY OF GALVESTON FINAL 2020 TNT WORKSHEETS 7.28.2020 CERTIFIED.PDF

5.C. Resolution Sandpiper Cove - 3916 Winnie Street

Consider For Approval A Resolution Of The City Council Of The City Of Galveston, Texas, Expressing Its Support For The Application By Galveston 3916 Winnie Street, LP For Private Activity Bonds For Low-Income Housing Tax Credits At 3916 Winnie Street, In Galveston, Texas, 77550, Authorizing An Allocation Of Housing Tax Credits For The Approval Of The Rehabilitation Of The Development; Directing The City Secretary To Send A Certified And True Copy Of This Resolution To Representatives Of Galveston 3916 Winnie Street LP, For Inclusion In Its Application To The Texas Department Of Housing And Community Affairs For Private Activity Bonds For Low-Income Housing Tax Credits At 3916 Winnie Street, Galveston, Texas; Making Various Findings And Provisions Related To The Subject, And Providing For An Effective Date. (Legal)

Documents:

RESOLUTION FOR 3916 WINNIE REHABILITATION BONDS - 2020.DOCX

6. RECESS

The City Council reserves the right to take a 30-minute recess at this time during the meeting.

7. PUBLIC COMMENT

Members of the public may submit a public comment using the web link below. All comments submitted prior to the meeting will be provided to the City Council.

https://forms.galvestontx.gov/Forms/PublicComment

A. Agenda Items
B. Non-Agenda Items

8. ORDINANCES (NOT REQUIRING PUBLIC HEARINGS)

8.A. Consider For Approval An Ordinance Of The City Of Galveston, Texas, Approving And Adopting The Five-Year Capital Improvement Plan For Fy 2021-2025; And Making Certain Findings And Containing Certain Provisions Related To The Subject. (M. Loftin)

Documents:

FY 2021-2025 CIP STAFF REPORT.DOCX
CIP ORDINANCE 2021.DOC

8.B. Consider For Approval An Ordinance Ratifying And Confirming Ordinance No. 18-052, As Supplemented And Amended By Ordinance No. 18-67, Pertaining To The City Of Galveston, Texas, Tax And Revenue Emergency Anticipation Note; Ratifying And Confirming The Payment Of Principal And Interest Thereon And The Forward Delivery & Purchase Agreement, Paying Agent/Registrar Agreement, And Form Of Note Related Thereto. (M. Loftin)

Documents:

BRIDGE LOAN RATIFICATION AND CONFIRMATION ORDINANCE 9.10.2020.DOCX
BRIDGE LOAN RATIFICATION AND CONFIRMATION ORDINANCE 9.10.2020.DOCX

8.C. Consider For Approval An Ordinance Of The City Of Galveston, Texas, Amending Ordinance 20-048, Regarding The Designated Polling Places For The Election To Be Held In The City Of Galveston On The 3rd Day Of November, 2020, For The Purpose Of Electing A Mayor At-Large And Six (6) District Council Members, Each For A Two-Year Term; Making Other Provisions Of Fact And Providing For An Effective Date. (Legal)

Documents:

AMENDED GENERAL ELECTION - POLLING PLACES FOR NOVEMBER 2020.DOCX

9. CONSENT ITEMS

The following items shall be considered for action as a whole, unless one or more Council Members objects. The City Manager is authorized to execute all necessary documents upon final approval by the City Attorney.

9.A. Consider For Approval The Funding Of A Grant In The Amount Of $50,000 To The Galveston Economic Development Partnership (GEDP) For The Collection, Analysis, And Provision Of Local Business And Economic Loss And Recovery Data For The Detennination Of Economic Recovery Needs Due To COVID-19, And Authorize The City Manager To Complete The Grant Utilizing CARES ACT Funding. (T. Wrobleski)

Documents:

GEPD - CARES ACT FUNDING - GRANT.PDF

9.B. Consider For Approval Accepting The City Auditor's Report On Galveston Police Department LESO (1033) Equipment Inventory AUCITY2020-1 (G. Bulgherini).

Documents:

AUCITY2020-1 POLICE LESO (1033) EQUIPMENT INVENTORY.PDF

9.C. Consider For Approval A Resolution Of The City Council Of The City Of Galveston, Texas, Designating John Manlove As The President Of The Galveston Island Redevelopment Authority To Serve The Same Annual Term As The Other Officers Of The Authority, Providing For Findings Of Fact And For An Effective Date. (Legal)

Documents:

RESOLUTION APPROVING APPOINTMENT OF PRESIDENT.DOCX
STAFF REPORT.RESOLUTION APPROVING RDA PRESIDENT.DOCX

9.D. Consider For Approval The Purchase Of 16 Tasers And Related Equipment From Axon Enterprise, Inc. Through Buy Board (Contract #603-20) At A Total Cost Of $35,593. Funding Will Be The U.S. Department Of Justice's Byrne Justice Assistance Grant Account. (V. Hale)

Documents:

JAG TASERS AUG 2020.PDF
AXON TASER SEPT 2020.PDF

9.E. Consider For Approval, Authorizing The City Manager To Execute The 2021 Texas Department Of Transportation, Routine Airport Maintenance Program (RAMP) Grant, Which Allows The Airport To Be Reimbursed Up To $50,000.00 In Eligible Airport Maintenance Expenses Upon Final Approval Of The City Attorney (M. Shahan).

Documents:

STAFF REPORT - 2021 RAMP GRANT.PDF

9.F. Consider For The Approval Allowing Island Transit To Purchase A Set Of Four Heavy Duty Column Lifts And Associated Equipment For The Garage And Trolley Barn Operations From Reeder Distributors Through Buy Board For A Total Price Of $47,303.69. (D. Smith)

Documents:

REEDER TROLLEY BUS LIFTS PACKET.PDF

10. ACTION ITEMS

10.A. Consideration Of The Resolution Issued By The Galveston Wharves Board Regarding Trustee O'Rourke And Giving Direction To The City Attorney For Further Action Related To The Galveston Wharves Board. (Legal)

10.B. Discuss And Consider Appointments To The Following City Boards, Commission, And Committees:

1. Civil Service Commission (City Manager's Appointment) - appointment of Steve Marijevich

11. ADJOURNMENT

I certify that the above Notice of Meeting was posted in a place convenient to the public in

compliance with Chapter 551 of the Texas Government Code on 2020 at P.M.

Janelle Williams, City Secretary

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA), PERSONS IN NEED OF A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, WITHIN THREE (3) DAYS PRIOR TO ANY PROCEEDING, CONTACT THE CITY SECRETARY'S OFFICE, SUITE 201, 823 ROSENBERG, GALVESTON, TEXAS 77550 (409-797-3510).

City of Galveston

Finance Department
PO Box 779 | Galveston, TX 77553-0779
| 409-797-3562

September 10, 2020

To: Brian Maxwell, City Manager
Hon. Mayor and City Council

From: Michael W. Loftin, Assistant City Manager for Finance

RE: Conduct a public hearing on September 10, 2020 on the FY 2021 Proposed Budget as required by State law.

I. <u>Background</u>

A. Chapter 102 of the Local Government Code sets forth procedural and publication requirements for the city Budget including those listed here.

1. Section 102.001(b): The City Manager serves as the budget officer for the city.
2. Section 102.003(b): "The budget must contain a complete financial statement of the municipality that shows:
   a. The outstanding obligations of the municipality;
   b. the cash on hand to the credit of each fund;
   c. the funds received from all sources during the preceding year;
   d. the funds available from all sources during the ensuing year;
   e. the estimated revenue available to cover the proposed budget; and
   f. the estimated tax rate required to cover the proposed budget."
3. A public hearing on the budget must be called at least fifteen calendar days after the date the proposed budget is filed with the City Secretary (Section 102.006(b). This public hearing must be advertised between at least ten days, but not more than 30 days prior to the public hearing.
4. The adopted budget must be accessible on the city's web page.
5. A very specific statement must be placed in the advertisement and on the cover page of the budget document (not the cover itself) as outlined in the next section here.
6. Section 102.009(b) provides," After final approval of the budget, the governing body may spend municipal funds only in strict compliance with the budget, except in an emergency."
7. Section 102.010, the law states:" This chapter does not prevent the governing body of the municipality from making changes in the budget for municipal purposes."
8. Section 102.011 provides, "If a municipality has already adopted charter provisions that require the preparation of an annual budget covering all municipal expenditures and if the municipality conducts a public hearing on the budget as provided by Section 102.006 and otherwise complies with the provisions of this chapter relating to property tax increases, the charter provisions control."
9. Section 102.007 provides for the adoption of the budget as follows:
   a) "At the conclusion of the public hearing, the governing body of the municipality shall take action on the proposed budget. A vote to adopt the budget must be a record vote.
   (b) The governing body may make any changes in the budget that it considers warranted by the law or by the best interest of the municipal taxpayers.
   (c) Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget. A vote under this subsection is in addition to and

separate from the vote to adopt the budget or a vote to set the tax rate required by Chapter 26, Tax Code, or other law."

B. The City Charter includes provisions under Article VII for Finance that cover the budget as well.
   1. Section 5 - The city's fiscal year begins October 1 and ends September 30.
   2. Section 6 – "At least forty-five (45) days prior to the beginning of each fiscal year the City Manager shall submit to the Council a proposed budget, which shall include:
      (a) The anticipated revenues and the proposed expenditures for the year, in detail;
      (b) A statement of all capital projects proposed to be undertaken during the year, and the method of their financing;
      (c) A statement of the capital projects planned for the next succeeding five (5) fiscal years, with estimates of their costs. The budget shall be accompanied by a report from the City Manager, with supporting schedules and exhibits, setting forth a complete financial plan for operation of the City during the coming fiscal year, with suitable explanation of any major changes in the cost of operation or the financial policy."
   3. Section 8 - "After the public hearing thereon the Council shall approve and adopt the budget by the second regularly scheduled Council meeting in September, either in the same form as submitted by the City Manager or with such changes as the Council may find to be necessary or desirable. No budget shall be adopted or appropriation made unless the anticipated revenues for the fiscal year equal or exceed the authorized expenditures. The adoption of the budget shall require a favorable vote of at least a majority of all the members of the Council. In the event the budget has not been adopted by the beginning of the fiscal year, the latest budget proposed by the City Manager shall take and remain in effect until the budget is finally adopted by the Council."

II. **Current Situation**

A. The language that was included in the hearings advertisement and in the Proposed Budget itself in eighteen-font type as required by Section 102.005 State law is as follows:
"This budget will raise more total property taxes than last year's budget by $3,156,000 which is a 8.95 percent increase, and of that amount $626,000 is tax revenue to be raised from new property added to the tax roll this year."
The Proposed Budget went on to add:
"*The property tax revenue increase also includes $1,076,300 in tax revenue that was allocated last year to Tax Increment Reinvestment Zones and was not a part of the budget*."

B. The Budget provides for pay adjustments for all city employees including those agreed to for collective bargaining purposes for police and fire, no increase in water and sewer rates, continuation of the CIP with an emphasis on streets, drainage, water and sewer projects, and an overall reduction in the number city employees.

C. Two record votes will be required by City Council to adopt the Budget in September since the Budget includes an increase in property tax revenue. The first will be to adopt the budget itself. The second motion will be "to ratify the property tax increase reflected in the budget." (Section 102.007(c) of State law).

THIRD PAGE NO LETTERHEAD

MLB | BREAKING THE COLOR BARRIER

Baseball celebrates Jackie Robinson, calls for justice continue

By DAVID BRANDT
Associated Press

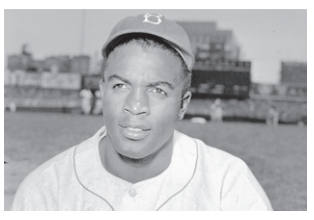
» PHOENIX

Andrew McCutchen has relished these past few days in the Philadelphia Phillies clubhouse, having difficult, important conversations with baseball teammates about racial injustice.

As a Black man in a sport that's filled with mostly white and Hispanic players, he doesn't feel it's a burden to lead in the discussions. He's just glad that on Jackie Robinson Day, they're conversations that everyone is willing to have, even if the answers aren't always clear.

"People want to know what's next, want to know the answers," McCutchen said. "It's OK to not have the answers, it's OK to not know what's next.

"What's not OK is not caring what's next."



AP/File photo
It's Jackie Robinson Day across the big leagues on Friday as baseball honors the man who broke the sport's color barrier in 1947.

Major League Baseball observed a Jackie Robinson Day like no other Friday, with teams celebrating a man who broke the sport's color barrier with the Brooklyn Dodgers in 1947. More than 70 years later, the racial reckoning continued.

Ten baseball games were postponed over two days as some teams joined other leagues like the NBA, WNBA and MLS in protesting social injustice.

For Twins manager Rocco Baldelli, it's a well-timed honor.

"I did find it almost crazy and kind of great, after everything that went down yesterday in baseball and in sports and with our organization as well, that we come right back here today and wear No. 42 and we go out there and celebrate Jackie Robinson and everything that he's done for our game, and really, for the nation," Baldelli said.

Jackie Robinson Day is usually on April 15, but the celebration was moved to Aug. 28 this season to accommodate the COVID-19-altered schedule, which started in late July. The date was chosen because it is the anniversary of the March on Washington in 1963 and also the day in 1945 when Dodgers GM Branch Rickey met with Robinson to discuss breaking the color barrier.

In Boston, players from both teams lined up along the baselines before the game and the Red Sox played a clip of Robinson speaking in St. Augustine, Florida, in 1964. During a recording of the national anthem by Ruth Pointer, outfielder Jackie Bradley Jr. — the only Black player on the Red Sox — knelt as did Alex Verdugo next to him.

"I think (Robinson) would want us to talk about change," said Rockies outfielder Matt Kemp, who is Black. "Coming up in the Dodgers organization and the name Jackie Robinson, it just meant so much more. I wore the jersey that Jackie Robinson wore back in the day. To be around guys like Don Newcombe and Maury Wills, some of the legends that were with the Dodgers, you get to hear stories about things that people have never heard."

According to a recently published study on diversity in baseball, only 7.5% of opening day rosters consisted of Black players, the lowest percentage in the game since the study began in 1991.

Yankees manager Aaron Boone broke down in tears during a media briefing and left the room when he was asked about his two Black adopted sons Friday. He returned a few minutes later, still shaken.

FROM THE SPORTS FRONT

NBA

Continued » B1

"We're going to be Black men forever. That's not going to ever change. So if it comes down to winning a championship or doing something better for our people, for our communities, we're going to pick that first."

Games were postponed the last two days, during which players met among themselves and with coaches and owners before an agreement to resume was reached.

"The key to this thing is that I think we all needed to take a breath," Clippers coach Doc Rivers said. "We needed a moment to breathe. It's not lost on me that George Floyd didn't get that moment. But we did and we took it. And the players took it, and they got to refocus on the things that they wanted to focus on outside of their jobs."

High on that list is voting, mentioned frequently in a joint statement by the league and the NBPA.

Many within the league of primarily Black players have focused on the importance of voting, and the need for places in inner cities where minorities can do so safely. With no NBA games to play be played in November, arenas are an ideal place for it.

Atlanta, Detroit, Charlotte and Sacramento were already on board, and Houston's Toyota Center was locked in this week. Madison Square Garden and the arenas for Dallas and Utah were added Friday, along with the Forum in Inglewood, California, owned by Clippers owner Steve Ballmer. Rivers also said Miami is working hard to make its facility available.

All team owners who also control their arena property will work with local officials to turn their buildings into a voting location for the 2020 general election to allow for safe, in-person voting.

Paul pointed out that practice facilities would be helpful if arenas can't be secured.

The players and the league will also immediately establish a social justice coalition, made up of players, coaches and owners, that will focus on issues such as voting access and advocating for meaningful police and criminal justice reform.

TENNIS | WESTERN & SOUTHERN OPEN

AP
Naomi Osaka, of Japan, returns a shot from Elise Mertens, of Belgium, during the semifinals at the Western & Southern Open tennis tournament Friday.

Naomi Osaka into W&S final

Associated Press

» NEW YORK

After two days of little sleep and unexpected stress, Naomi Osaka rose to the moment.

The two-time Grand Slam champion returned to the court after bringing the push for racial justice to the forefront on the tennis tour, and she advanced to the finals of the Western & Southern Open on Friday with a straight-set victory.

This one meant a lot.

"Of course I feel extra pressure now that there's more eyes watching me," she said.

After a one-day break in the tournament prompted by her decision to speak out, Osaka reached her first Western & Southern title match by gritting out a 6-2, 7-6 (5) victory over Elise Mertens.

The 22-year-old Osaka was hoping someone else in tennis would take the lead in speaking up for racial justice — she considers herself more of a follower — but realized she would have to make the first step. She acknowledged that it was "a bit frightening" to get so much attention the last two days, given how she prefers to stay in the background.

"I feel like it's been kind of hectic and I honestly haven't been able to get that much sleep yesterday, so I was glad to win today," she said.

Osaka tweeted after her semifinal victory that she was exhausted and "sick to my stomach" over the many Black people killed by police. She had decided to withdraw from the tournament as a statement in support of racial justice, joining athletes in other sports.

Other tennis players expressed support and the tournament was halted for one day, prompting Osaka to stay in the draw.

Back on court, how would she handle the emotions of the last few days?

"Preparing for this match was a bit stressful," she said.

Even though her first serve was inconsistent — she made only half of them — the fourth-seeded Osaka fought off 18 of 21 break points while gritting it out.

One alarming moment: Osaka grabbed her left hamstring after chasing a ball during the tiebreaker, but completed the match without pause. Osaka won the 2018 U.S. Open and will be coming off a successful week — in many ways — heading into this one.

Osaka will face resurgent Victoria Azarenka, who beat Johanna Konta 4-6, 6-4, 6-1 to reach the Western & Southern final for the first time since 2013, when she beat Serena Williams.

SOLUTIONS TO SUNDAY'S CROSSWORD PUZZLE

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CITY OF GALVESTON
NOTICE OF PUBLIC HEARING
ON FISCAL YEAR 2021 BUDGET

The City Council of the City of Galveston, Texas, will hold a public hearing during the City Council meeting on September 10, 2020, which begins at 10:00 a.m. to receive comments regarding the Fiscal Year 2021 Budget. Said hearing will be held at City Hall, located at 823 Rosenberg, Galveston, Texas 77553.

Persons wishing to make an in-person comment to the City Council may do so by attending the public hearing mentioned above. Persons wishing to submit an electronic public comment prior to the meeting may do so using the link http://digitalforms.galvestontx.gov/Forms/PublicComment.

The proposed budget is available for inspection online at www.galvestontx.gov.

"This budget will raise more total property taxes than last year's budget by $3,156,000 which is an 8.95 percent increase, and of that amount $626,000 is tax revenue to be raised from new property added to the tax roll this year."

The property tax revenue increase also includes $1,076,300 in tax revenue that was allocated last year to Tax Increment Reinvestment Zones and was not a part of the budget.

City of Galveston

Finance Department
PO Box 779 | Galveston, TX 77553-0779
| 409-797-3562

September 10, 2020

To: Brian Maxwell, City Manager
Hon. Mayor and City Council Members

From: Michael Loftin, Assistant City Manager for Finance

RE: Consider for action an ordinance of the City of Galveston, Texas, adopting the annual governmental and proprietary funds budget for the fiscal year beginning October 1, 2020 and ending September 30, 2021; Making appropriations for city operations and capital projects for such fiscal year as reflected in such budget; Authorizing various other transfer; Approving and adopting the FY 2021 Capital Budget; Approving and adopting the budget of the Industrial Development Corporation, making vaious findings and provisions related to the subject and providing for an effective date.

I. Background

A. The FY 2021 Proposed Budget includes $147.34 million for City operations, $1.1 million for general contingencies and one-time appropriations of fund balance as well as $69.6 million for capital improvement projects. The Budget also includes authorization for $22.5 million to be spent for internal services and billed back to the major operating funds included in the total above. Ending Fund Balances totaling $45.3million are also identified in the Ordinance and considered a part of the Budget.

B. Budget discussions with City Council began in April as the pandemic began to affect revenues at that time. The April 30th Council workshop included a presentation on the pandemic's expected effect on FY 2021 revenue, and the ability of the City to address committed expenditure increases, including public safety compensation an pension increases. The Proposed Budget was presented by the City Manager on July 17th which was well in advance o the forty-five days required prior to the start of the fiscal year as required by the City Charter. To comply with State law, a public hearing is being held on September 10 prior to consideration of the Budget Ordinance to afford the community an opportunity to comment and provide testimony on the Budget.

C. According to a provision added to the City Charter in 2016, the budget will take effect as proposed by the City Manager unless it is modified and/or adopted by the City Council prior to that time. Should the new rule take effect through an absence of City Council action for any reason, the City Council retains the right to consider amendments to the budget after the fiscal year starts on October 1, 2020.

D. State law also requires the Budget be adopted by a record vote. The separate motion on the question of whether to reserve funds for potential increases in the

city's contribution to the police and fire pension funds should be considered prior to the consideration of the Budget ordinance itself. A second record vote must also be taken as required by State law that ratifies any increase in property tax revenue as a "property tax increase." This second ratification vote has its own staff report, and is listed as a separate agenda item following the Budget ordinance itself.

A further requirement in the State law is that the budget must be adopted before the property tax rate can be approved. The ordinance adopting the property tax rate for Tax Year 2020 and FY 2021 will be on the September 17 agenda following the budget item.

II. **Current Situation** (excerpted from the City Manager's Transmittal letter in the Proposed Budget document itself)

"The Proposed Budget for FY2021, beginning October 1, 2020, and ending September 30, 2021 is presented so as to meet the needs of our property owners, residents and businesses and third-party users within the requirements set by City Charter and State Budget Law. The Proposed Budget, including maintenance and operating expenditures, one-time appropriations, and the capital budget is $218 million, 6.85 percent less than last year's combined total. The Proposed Budget includes reserves in major operating funds that exceed our ninety-day minimum and allocates additional available resources to meet the City's highest priorities.

FY 2021 PROPOSED BUDGET ($000's)

Major Category	FY 2020 Budget	FY 2021 Proposed Budget	Percent Difference
Maintenance and Operations	$144,530	$147,322	1.93%
One-Time Appropriations	$868	$1,095	26.15%
Total Operating Budget	$145,398	$148,417	2.08%
Capital Budget	$88,614	$69,556	-21.51%
Total Budget	**$234,012**	**$217,973**	-6.85%

This budget is presented before the certified property tax roll is available from the Galveston County Appraisal District. But we are estimating that the property tax rate will be reduced by one-half cent in order to maintain tax revenue that does not exceed the State's threshold that would lead to an election in November. Also, this budget requires no change in water and sewer rates as the result of strong performance by utility revenue and conservative budgeting practices. Revenue losses to the pandemic are less than was estimated in March, but still are significant enough to warrant an ongoing sense of vigilance and concern on our part. We continue to monitor monthly revenues, and particularly sales taxes, hotel occupancy taxes and fees for service that potentially been affected by the pandemic.

The FY 2021 Proposed Budget provides funding levels developed over the last six years to meet the city's highest priorities and mandates under state law and the City Charter. This multiyear effort required consistent budget discipline and management focus under the leadership of the Mayor and City Council.

1. This Budget funds 168 police officers including dedicated patrols for downtown and the Seawall.

2. The City, working in coordination with the police employee association and pension board secured state legislative approval of several major changes that are structured to fully fund the Police pension plan over 30 years. The City's contributions to the police pension plan have been increased from 12 to 18 percent of payroll, police officers' contribution was maintained at 12 percent, the police pension board was restructured and changes to the contribution levels will be modified as required by actuarial results and shared by the City and active members of the police plan.
3. The City also increased its contribution to the fire pension plan from 14 to 17 percent of payroll, and the firefighters' association agreed to increase their own contribution from 16 to 18 percent of payroll. This agreement brought the amortization period for the Fire plan's unfunded actuarial accrued liability down to 25 years.
4. Collective bargaining agreements were approved in 2016 and 2019 that increased base pay such that in FY 2021, police officers of similar rank are earning approximately 24 percent than in FY 2015 and firefighters are earning 21 percent more than five years ago.
5. Annual COLAs for non-civil service employees averaging two percent have kept the City's compensation plan from falling below market, and are allowing the city to retain highly skilled, professional and productive employees in all departments.
6. The Proposed Budget also includes $4.9 million for the annual set aside from the General Fund for Infrastructure and Debt Service. This set aside, equal to eight percent of the General Fund budget, was $1.38 million in FY 2015 when it was three percent of the General Fund Budget. The annual set aside provides the city with continual funding for infrastructure projects and/or debt service payments that would otherwise require a higher property tax rate.
7. Public Works positions grew by 15 percent (37 positions) to staff important infrastructure maintenance crews. The most notably addition was the in-house mill and overlay program that has produced over 20 miles of overlaid streets.

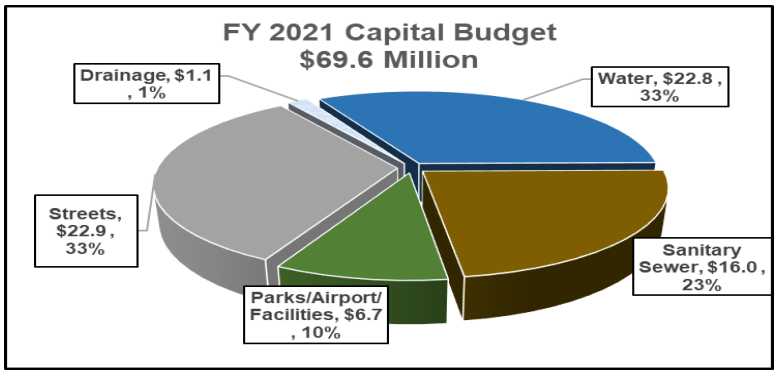
In spite of these continuing spending initiatives, we managed to pay cash for $16.46 million in settlements in FY 2019 using our cash reserves alone. The City's fiscal stability is recognized by the national bond rating agencies, largely because we are maintaining a budgeted fund balance that is greater than the 90 days of maintenance and operating cost in every major operating fund.

How did we accomplish all of this without major, sudden spending cuts?

1. We seized the opportunity caused by routine employee turnover to review and reassign responsibilities to other employees who remained with the City. In turn, they would often get a chance to promote or get an upgrade in salary.
2. We cancelled three Tax Increment Reinvestment Zones, numbers 11 (in FY 2016), 12 and 14 (this last fiscal year). Closing these Zones meant that approximately $2.5 million in existing property tax revenue is being made available in FY 2021 for the aforementioned the list of public safety and infrastructure needs.
3. We maintained generally flat budgets for all non-public safety departments, making strategic reductions every year in preparation and management of the budget. In FY

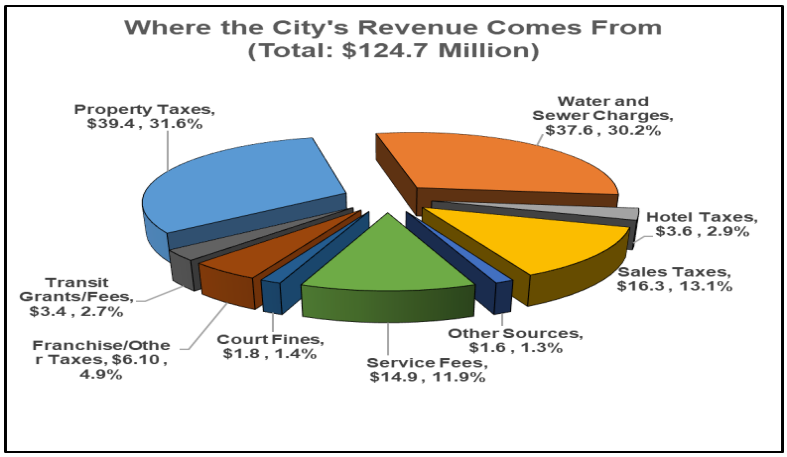
2021, we are reducing personnel overall by a net of six positions. Island Transit is getting 12.75 positions in anticipation of the rail trolley's return to operations. This means the rest of the City has given up 18.75 positions.

4. In FY 2019, the City reduced General Fund departments' spending by $1 million to add this amount to the CDM Smith settlement. Those cuts will remain in place through FY 2021.



This Budget is presented in a time of extreme challenges. City staff are our most valuable tool in meeting these challenges, and deserve some recognition for a job well done every day. The police and fire pay increases agreed to through Collective Bargaining are fully funded in this Budget. We have also reserved funds equivalent to a two percent COLA for rank and file employees in the hopes that by January, our situation has at least been clarified if not improved. If that is the case, we would like to implement a January 1 effective COLA for non-civil service employees.

The CIP includes plans for $260 million in projects, with $69.5 million or 27 percent of the total scheduled for FY 2021. First, we continue taking actions to complete the street and drainage programs approved by the voters in the May bond election by FY 2022. Many of these projects are complete and we continue to accelerate design and fund construction as soon as possible.



Our central administrative departments are budgeted at minimum levels so as to maintain their effectiveness and ability to carry out their City Charter responsibilities. Can we reduce budgets further? Further reductions can be achieved over time but all departments are operating at minimum budget levels now. The table below illustrates how low our administrative overhead cost is, including pure central administrative functions that include Mayor and Council, the City Manager, City Attorney, City Secretary, City Auditor, Human Resources, Public Information and Finance including property tax appraisal and collection by County offices.

Using the FY 2021 Proposed Budget as our basis, our overhead rate is 3.61 percent of the operating budget and 2.42 percent of the overall capital and operating budget combined. This is lower than in FY 2015 when the rates were 4.04 percent and 2.59 percent.

CITY OF GALVESTON ADMINISTRATIVE OVERHEAD
FY 2015-2021

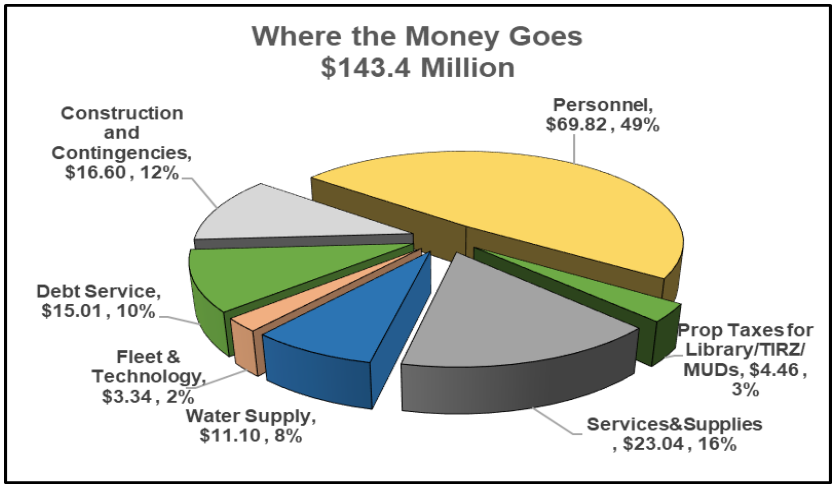
Budget Category	FY 2015 Budget	FY 2016 Budget	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	FY 2021 Proposed Budget
Administrative Offices							
City Secretary/Council	401,771	418,399	510,774	547,175	536,270	544,646	557,638
Elections	0	60,000	60,000	70,000	68,000	58,500	70,000
City Manager	707,706	748,821	831,001	762,019	682,997	696,989	716,654
City Attorney	769,746	900,442	884,180	919,554	928,227	833,109	822,731
City Auditor	277,238	312,289	278,291	278,563	274,851	278,551	285,555
Human Resources	285,570	326,647	443,025	557,574	555,375	560,117	536,631
Finance	1,674,239	1,888,378	1,948,581	1,807,399	1,863,446	1,620,769	1,552,593
Taxation	213,158	247,073	255,314	265,449	270,000	271,723	320,546
Community Outreach/Public Information Office	0	0	0	0	208,502	246,534	260,084
Subtotal Administration	**4,329,428**	**4,902,049**	**5,211,166**	**5,207,733**	**5,387,668**	**5,110,938**	**5,122,432**
Operating Budget							
General Fund	47,642,520	49,746,819	57,003,604	54,190,013	55,896,702	59,336,800	60,971,451
Less Administrative Depts	4,329,428	4,902,049	5,211,166	5,207,733	5,387,668	5,110,938	5,122,432
General Fund Operations	43,313,092	44,844,770	51,792,438	48,982,280	50,509,034	54,225,862	55,849,019
Special Funds	18,783,615	31,112,301	33,857,546	36,503,006	36,653,582	32,164,973	32,604,404
Enterprise Funds	44,072,594	48,632,005	43,552,270	45,608,695	46,845,944	48,465,713	48,566,266
Debt Service Fund	984,758	1,954,517	9,802,702	8,736,372	5,192,812	5,543,606	5,179,893
Total Operating Budget	**107,154,059**	**126,543,593**	**139,004,956**	**139,830,353**	**139,201,372**	**140,400,154**	**142,199,582**
Capital Budget							
Streets	23,391,331	20,899,424	14,827,920	25,077,860	22,631,633	17,354,682	22,938,867
Drainage	1,884,045	2,531,692	2,493,025	4,038,247	15,084,500	13,303,665	1,101,750
Water	4,605,553	2,933,400	30,535,877	12,689,680	29,191,384	44,184,055	22,775,415
Sewer	6,551,018	7,880,758	20,593,518	23,111,345	15,219,422	5,084,173	16,025,400
Parks	5,177,680	3,850,000	4,212,500	3,295,750	415,000	1,875,000	3,425,501
Other	18,349,453	5,350,000	6,446,039	7,304,303	3,933,880	6,812,729	3,288,884
Subtotal Capital Budget	**59,959,080**	**43,445,274**	**79,108,879**	**75,517,185**	**86,475,819**	**88,614,304**	**69,555,817**
Total Capital and Operating Budget	**167,113,139**	**169,988,867**	**218,113,835**	**215,347,538**	**225,677,191**	**229,014,458**	**211,755,399**
Admin as Pct of Op Budget	**4.04%**	**3.87%**	**3.75%**	**3.72%**	**3.87%**	**3.64%**	**3.60%**
Admin as Pct of Cap & Op Budget	**2.59%**	**2.88%**	**2.39%**	**2.42%**	**2.39%**	**2.23%**	**2.42%**

We also compare favorably to other cities whose budgets vary somewhat from ours, but have the same basic structure: Elected officials, the executive function (be it strong Mayor or City Manager), City Secretary, Finance, Internal Audit, Legal, Public Information, and Human Resources. Not all of the cities surveyed had easily identifiable capital budgets so that comparison has been left out of this presentation.

PEER CITIES ADMINISTRATIVE COST
AS PERCENT OF OPERATING BUDGET
BASED ON THEIR FY 2019 BUDGETS
(Source: City of Galveston Finance Department)

Categories	Pasadena	Texas City	League City	Pearland	Baytown	Beaumont	Friendswood
Administration	0	4,100,232			1,850,758		3,642,527
City Secretary/Council	705,665		599,020	524,849	771,198	420,100	857,272
Elections	67,150						
City Manager/Mayor	640,935		689,352	1,076,495		1,787,200	1,015,737
City Attorney	1,714,886	196,309	557,557	818,855	1,105,867	1,076,300	
City Auditor	0		123,863				
Human Resources	1,087,393		863,977	1,115,248	1,126,959	927,800	
Finance	3,401,983		2,442,864	2,201,814	2,532,773	1,822,100	
Taxation	512,520						
Public Information Office	1,793,496		567,073	568,378			
Subtotal Administration	**9,924,028**	**4,296,541**	**5,843,706**	**6,305,639**	**7,387,555**	**6,033,500**	**5,515,536**
Operating Budget							
General Fund	116,263,380	54,962,945	76,396,528	80,424,112	108,256,539	126,717,000	28,211,899
Less Administrative Depts	9,924,028	4,296,541	5,843,706	6,305,639	7,387,555	6,033,500	5,515,536
General Fund Operations	106,339,352	50,666,404	70,552,822	74,118,473	100,868,984	120,683,500	22,696,363
Special Funds	13,899,921	2,521,431	3,923,933	3,292,676	11,330,963	19,504,539	380,984
Enterprise Funds	42,448,243	16,498,658	35,924,801	53,416,720	62,780,405	63,432,500	11,811,262
Debt Service Fund	11,764,701	10,320,539	12,475,869	38,806,367	22,190,038	17,153,500	3,217,119
Total Operating Budget	**174,452,217**	**80,007,032**	**122,877,425**	**169,634,236**	**197,170,390**	**220,774,039**	**38,105,728**
Admin as Pct of Op Budget	***5.69%***	***5.37%***	***4.76%***	***3.72%***	***3.75%***	***2.73%***	***14.47%***

The City of Galveston's "overhead rate" calculated using Administrative costs as a percent of the FY 2021 Proposed Budget for operations is 3.6 percent. It is lower than all but Beaumont and much lower than other local public agencies can claim. The FY 2021 Budget represents the City Council's blueprint of programs and services that will be provided to the residents and businesses of our community. The budget process is not only an exercise of balancing revenues and expenditures but a plan for improvements in the years to come.



(Note: The difference in the expenditure total above and the revenue total on a prior page is the approximate amount budgeted from existing balances in the special revenue funds that carries over until it is spent as well as amounts budgeted for one time uses of fund balance for capital outlay in the Enterprise Funds.)

III. Issues

1. The Budget is in compliance with the Charter provision that mandates the budget to be limited to a seven percent increase over the prior year. (See page CW-4 in the Budget Summary section of the Proposed Budget document itself.)
2. The General Fund Budget includes a transfer to the Infrastructure and Debt Service equal to eight percent of the General Fund budget or $4.75 million as required by the City Charter.
3. Debt service requirements for all city-issued bonds are funded through this budget. This includes a $37 million sale that completes the issuance of the bonds authorized by the voters in May 2017.
4. The Budget includes all city operating and capital funds, with the exception of the City's major housing grants, as required by State law.
5. Compensation for city employees is competitive with other local employers, including surrounding cities and the private sector.
6. Beginning fund balances for FY 2020 are only estimates. The Budget Ordinance includes language that will incorporate actual ending fund balances from FY 2019 into the Budget as soon as the Comprehensive Annual Financial Report is completed.
7. Funds appropriated for capital projects will only be kept in reserve from one fiscal year to the next if they are allocated (encumbered) in a contract or purchase order awarded through regular established City procedures. In accordance with the Charter, unencumbered capital project appropriations will lapse at the end of the fiscal year as they do for operations. Such funds are available for reallocation by the City Council after the start of FY 2020.
8. The ordinance authorizes the City Manager to transfer funds from the Health Benefits contingency accounts set up in each fund to operating department budgets in each fund as required by changes in the City's health benefits financial contirbutions.
9. The ordinance also authorizes the Finance Department to close out old capital project funds with small remaining balances below $15,000 to pay outstanding contractor invoices.

IV. Recommendation

Adopt the FY 2021 Budget.

ORDINANCE NO. 20-

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, ADOPTING THE ANNUAL GOVERNMENTAL AND PROPRIETARY FUNDS BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; MAKING APPROPRATIONS FOR CITY OPERATIONS AND CAPITAL PROJECTS FOR SUCH FISCAL YEAR AS REFLECTED IN SUCH BUDGET; AUTHORIZING VARIOUS OTHER TRANSFERS; APPROVING AND ADOPTING THE FY 2021 CAPITAL BUDGET; APPROVING AND ADOPTING THE BUDGET OF THE INDUSTRIAL DEVELOPMENT CORPORATION, MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, The City Charter, Article VII, section 8, requires City Council of the City of Galveston, Texas, to approve and adopt the City budget no later than the second regularly scheduled September meeting of Council before the beginning of the fiscal year; and

WHEREAS, the City Manager has presented to the City Council a proposed budget of the expenditures of the City of Galveston for the fiscal year 2021; and

WHEREAS, pursuant to notice as required by Section 102.006 of the Local Government Code a public hearing on such budget was held in the Council Chambers, at which hearing all citizens and taxpayers of the City had the right to be present and to be heard, and those who requested to be heard were heard; and

WHEREAS, the City Council has considered the proposed budget and has made such changes therein as in the City Council's judgment were warranted by law and were in the best interest of the citizens and taxpayers of the City; and

WHEREAS, a copy of the budget has been filed with the City Secretary as required by Local Government Code Section 102.005 and 102.008, and the City Council desired to adopt the same.

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. In accordance with the provisions of Local Government Code Section 102.007, the City Council hereby approves and adopts the budget described above, the same as shown in Exhibit "A" being on file with the City Secretary. The City Secretary is hereby directed to place on such budget and sign an endorsement reading as follows:

"The Original Annual Government and Proprietary Funds Budget of the City of Galveston, Texas, for Fiscal Year 2021" and to keep such budget on file in her office as a public record. In addition, in accordance with Section 102.009 (d), Texas Local Government Code (Vernon's), the City Secretary is hereby directed to file a true copy of the approved Budget in the offices of the County Clerk of Galveston County.

SECTION 3. The FY 2021 Budget for operations shall be administered in accordance with Article VII, Section 9, 10, 19 and 20 of the City Charter and Section 102.010 of the Texas Local Government Code as follows:

a. The Council may transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another, at any time.

b. The City Manager shall have authority, without Council approval, to transfer appropriation, balances from one expenditure account to another within a single office, department, or agency of the City,

c. At any time in any fiscal year, the Council may, pursuant to this section, make emergency appropriations only in a case of grave public necessity to meet an unusual and unforeseen condition that could have not been included in the original budget through the use of reasonably diligent thought and attention. Such appropriations shall be by ordinance adopted by the favorable vote of five (5) members of the Council and shall be made only upon recommendation of the City Manager. The total amount of such emergency appropriations made in any fiscal year shall not exceed ten per centum of the tax levy for general purposes in the fiscal year. Should the unappropriated and unencumbered revenues, income and available funds of the City for such fiscal year be not sufficient to meet the expenditures under the appropriation authorized by this section, thereby creating a deficit, it shall be the duty of the Council to include the amount of such deficit in its budget and said deficit shall be paid off and discharged not later than thirty-six (36) months from the date the appropriation was made. If the Council amends the budget to meet an emergency, the Council shall file a copy of its ordinance in accordance with State law.

d. At any time in any fiscal year, where the City has experienced a natural or man-made disaster that results in the issuance of a Proclamation of Public Disaster by the President of the United States or Governor of the Great State of Texas, the Council may make emergency appropriations to alleviate the effects of the natural or man-made disaster, and the limitations on the total amount of emergency expenditures set out in the preceding section shall not apply.

e. As provided by Section 102.010 of the Texas Local Government Code, emergency appropriation provisions do not prevent the governing body of the municipality from making changes in the budget for municipal purposes.

f. The Council shall not approve a budget that exceeds more than seven (7) per cent of the budget of the prior fiscal years as to total expenditures for any and all purposes excluding expenditures related to bond funded projects, grant funded programs, trust and agency funds, internal fund expenditures, and any capital improvement funds appropriated in the previous fiscal year that have not been expended.

g. The City shall create a "Capital Improvement and/or Debt Service Account" allocating an equivalent of 1% of the General Fund Operating Budget ("annual allocation") to such an account beginning in fiscal year 2013 and an additional 1% in each successive fiscal year thereafter until the cumulative annual allocation to the account reaches a minimum of 8% of the total General Fund Operating Budget, for either Capital Improvements or Debt Service in every year, and each year thereafter allocate at least 8% of the total General Fund Operating Budget to such account, subordinate to any deficiency in the emergency 90 day minimum reserve. For purposes of this section "Capital Improvements' shall be defined as projects above $100,000.

h. Prior to allocation of the General Fund contingency, the City Council will hold a public hearing and invite comments from the public on the use of these funds.

SECTION 4. That the Beginning Fund Balance reflected in the budget for each operating and capital budget fund for which a Budget is adopted hereby automatically shall be adjusted to be the amount of the Ending Fund Balance for Fiscal Year 2020 as fully adjusted to reflect the final Comprehensive Annual Financial Report for Fiscal Year 2020 when released , and subsequently automatically shall be adjusted to be the amount of the Ending Fund Balance included in the final Comprehensive Annual Financial Report for Fiscal Year 2020 for each respective fund. The revised Beginning Fund Balance shall thereafter be used to calculate the Fiscal Year 2021 Ending Fund Balance.

SECTION 5. That the Waterworks and Sewer System funds previously reflected as separate funds is adopted in this ordinance and is hereby to be known as the Combined Utility System Fund as shown in Exhibit "A." This consolidation shall also be reflected as such in the final Comprehensive Annual Financial Report for Year 2020 when presented.

SECTION 6. The City Council hereby approves and adopts the FY 2021 Capital Budget as included in Exhibit "B". The Capital Budget will be implemented as follows:

a. The Capital Budget includes specific projects planned to begin in FY 2021.

b. Reports will be provided to City Council quarterly on the status of each project that is a part of the FY 2021 Capital Budget including financial, design, and construction status information.

c. City Council approval is required to add or delete projects from the Capital Budget as shown in Exhibit "B" through passage of an ordinance amending the FY 2021 Capital Budget.

d. Appropriation of capital projects funds shall be approved by Council as provided in Attachment "C".

e. Contracts and expenditures for individual projects shall be approved as provided by State law, the City Charter and the City's purchasing policies.

f. Expenditures of capital funds shall be for projects included in the approved and/or amended FY 2021 Capital Budget.

g. Funds shall be allocated based on the legal purpose of the capital funds and approval of the responsible party as required under 5 (e), provided that the Finance Department shall be authorized to charge expenditures of current projects to older capital funds in amounts not to exceed $15,000 and as allowed by the laws governing those capital funds in order to close them out.

SECTION 7. Appropriation of capital funds allocated, committed, encumbered and/or expended in accordance with the FY 2021 Capital Budget is hereby approved as follows:

a. The capital project funds balance as set forth in Exhibit "C" shall be adjusted automatically as described in and pursuant to Section 5.

b. By this action, Council hereby appropriates any additional income dedicated by City Council action or state law for capital projects that is received during FY 2021. This includes but is not limited to net proceeds from the sale of municipal bonds as approved and authorized by City Council, interest income, capital recovery fees and additional amounts transferred from City operating funds to be used for capital projects.

c. At the close of each fiscal year any unencumbered balance of an appropriation shall revert to the fund from which appropriated and may be re-appropriated by the Council.

SECTION 8. The City Council hereby approves and adopts the FY 2021 Operating Budget of the Galveston Industrial Development Corporation (IDC) approved by the Board of Directors of the IDC on August 17, 2020 and included in the budget as Exhibit D.

SECTION 9. Funds shall be allocated to individual projects as approved in the FY 2021 Capital Budget when individual contracts are awarded and/or projects are ready for implementation.

SECTION 10. Funds shall be allocated to individual projects through the normal procurement processes as provided by State Law and City policy.

SECTION 11. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance.

SECTION 12. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 13. In accordance with the provisions of Sections 12 and 13 of Article II of The City Charter this Ordinance has been publicly available in the office of the City Secretary for not less than 72 hours prior to its adoption; that this Ordinance may be read and published by descriptive caption only.

SECTION 14. The City Council officially finds, determines, and declares that sufficient notice of the date, hour, place, and subject of each meeting at which this Ordinance was discussed, considered, or acted upon was given in the manner required by Chapter 551 of the Texas Government Code and Chapter 102 of the Texas Local Government Code, and that each such meeting has been open to the public, as required by law, at all times during such discussion, consideration, and action. The City Council ratifies, approves, and confirms such notices in the contents and posting thereof.

SECTION 15. This Ordinance shall be and become effective from and after its adoption and publication in accordance with the provisions of The City Charter of the City of Galveston.

APPROVED AS TO FORM:

_____

DONALD S. GLYWASKY
CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City Council of the City of Galveston at a regular meeting held on the 10th day of September 2020, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this _____ day of _____, 2020.

_____
Secretary for the City Council
of the City of Galveston

FY2021 Proposed Budget Data Sheet
Exhibit "A"

Fund	FY2021 Proposed Budget	Fund Balance	Total
General Fund			
Police	23,610,111		
Fire	12,956,380		
Emergency Management	164,763		
Emergency Medical Service	730,882		
City Marshal	896,680		
Special Events	0		
Public Works - Streets	1,815,727		
Public Works - Traffic	2,266,759		
Park & Recreation Administration	933,836		
Parks & Parkways	1,833,184		
Building Inspection	632,429		
Developmental Services	863,978		
City Secretary	557,638		
Elections	70,000		
Municipal Court	776,693		
City Manager	716,654		
City Auditor	285,555		
City Attorney	822,731		
Human Resources	536,631		
Transportation	200,000		
Finance - Administration	344,636		
Finance - Accounting	766,134		
Finance - Purchasing	197,943		
Finance - Budget	243,880		
Taxation	320,546		
Facility Maintenance Services	1,233,252		
Benefit/Compensation Reserve	277,687		
Utilities	58,560		
Contractual Services	70,000		
Community Outreach/Public Information	260,084		
CARES Act Reimbursement	(100,000)		
Vehicle Purchases	1,000,000		
General Fund Subtotal	**55,343,355**		
Operating Transfers to Infrastructure Fund	4,877,683		
Operating Transfers to Separation Pay Fund	750,000		
General Fund Total	**60,971,038**	**15,033,954**	**76,004,992**
Debt Service Fund Total	**5,179,893**	**$1,716,984**	**$6,896,877**
Special Revenue Funds			
Rosenberg Library	3,438,900	0	3,438,900
Island Transit	4,406,660	29,570	4,436,230
Seawall Parking	1,676,531	0	1,676,531
Convention Center Surplus	4,438,563	0	4,438,563
HOT 1/8 Historical Buildings	1,654,864	0	1,654,864
Council Projects & Initiatives Program	402,551	0	402,551
Infrastructure Fund & Debt Service Fund	7,978,803	0	7,978,803
Separation Pay Fund	821,000	448,851	1,269,851
PEG Fund	918,957	0	918,957
Parking Management Fund	1,029,721	0	1,029,721
Lasker Pool Fund	844,684	0	844,684
Pension Reform Fund	1,076,035	0	1,076,035
Revenue Producing Parks	534,343	0	534,343
Asset Forfeiture Fund	395,925	0	395,925
Police Special Revenue Fund	185,467	0	185,467
Police Quartermaster Fund	148,133	0	148,133
Alarm Permit Fund	223,319	0	223,319
Fire Special Revenue Fund	167,222	0	167,222
Municipal Court Building Security Fund	37,836	0	37,836
Court Technology Fund	77,138	0	77,138
Local Truancy and Diversion Fund	202,285	0	202,285
Recovery and Capital Reserve Fund	404,905	0	404,905
Technology Improvement Fund	1,307,788	0	1,307,788
Hurricane Harvey Fund	232,775	9,016	241,791
Special Revenue Fund Total	**32,604,404**	**487,438**	**33,091,842**

FY2021 Proposed Budget Data Sheet
Exhibit "A"

Fund	FY2021 Proposed Budget	Fund Balance	Total
Combined Utility System Fund			
Management services	707,530		
Utility billing	1,934,454		
Supply	2,016,505		
Distribution	2,595,216		
Industrial Pretreatment	327,006		
Collection	3,449,110		
Wastewater treatment plant	4,048,052		
Cost of water	11,097,315		
Debt service	9,670,707		
Non-Departmental	3,247,647		
Combined Utility System Fund	**39,093,542**		
Appropriation of Fund Balance for One-Time Operating Items and FY2021 Capital Budget	300,000		
Combined Utility System Fund	**39,393,542**	**17,364,872**	**56,758,414**
Sanitation Fund			
Refuse collection	4,889,010		
Recycling	721,826		
Utility billing	210,408		
Non-Departmental	725,779		
Sanitation Fund Subtotal	**6,547,022**		
Appropriation of Fund Balance for One-Time Operating Items and FY2021 Capital Budget	420,000		
Sanitation Fund Total	**6,967,022**	**1,782,341**	**8,749,363**
Drainage Fund			
Municipal Drainage Utility	2,442,831		
Utility billing	150,426		
Non-Departmental	168,308		
Drainage Fund Subtotal	**2,761,565**		
Appropriation of Fund Balance for One-Time Operating Items and FY2021 Capital Budget	305,000		
Drainage Fund Total	**3,066,565**	**1,123,738**	**4,190,303**
Airport Fund			
Operating Expenses	911,476		
Non-Departmental	204,136		
Airport Fund Subtotal	**1,115,612**		
Appropriation of Fund Balance for One-Time Operating Items and FY2021 Capital Budget	30,000		
Airport Fund Total	**1,145,612**	**898,537**	**2,044,149**
Total Operating Budget	**149,328,076**	**38,407,864**	**187,735,940**
Internal Service Funds	22,497,913	5,353,025	27,850,938

Note: The Internal Service Funds are not included in the Citywide totals above to avoid duplication.

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
STREETS & TRAFFIC PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2021 - FY2025
(Page 1 of 7)

PROJECT NO.	PROJECT NAME	2021	2022	2023	2024	2025	TOTAL
ST1802	16th Street from Broadway to Ave N 1/2	0	0	0	0	0	0
IDC27	27th Street Corridor	1,212,772	0	0	0	0	1,212,772
IHST21	Streets Mill & Overlay Rehabilitation	1,505,000	1,505,000	1,505,000	1,505,000	1,505,000	7,525,000
IDCSCC	Sidewalk and Concrete Crew	369,000	369,000	369,000	369,000	369,000	1,845,000
ST1503	26th Street from Ave N to Broadway	490,000	0	0	0	0	490,000
ST2003	35th Street from Postoffice to Broadway	3,458,181	0	0	0	0	3,458,181
ST1701	25th Street from Broadway to Seawall	217,140	0	0	0	0	217,140
ST1702	73rd Street from Heards Lane to Ave N 1/2	173,275	0	0	0	0	173,275
ST1706	Intersection Improvements for 61st Street and Seawall Boulevard	35,000	243,000	0	0	0	278,000
ST1807	Avenue S - 53rd to Seawall Blvd. (County)	3,419,722	0	0	0	0	3,419,722
ST806	23RD - Broadway to Seawall Blvd. (County)	3,022,418	0	0	0	0	3,022,418
ST1901	37th Street from Broadway to Seawall	7,082,121	0	0	0	0	7,082,121
IDCDOW	Downtown Streetscape Improvements	500,000	2,100,000	0	0	0	2,600,000
ST2002	49th Street from Ave P to Ave S 1/2	454,239	0	0	0	0	454,239
STCONT	Street Project Contingency	1,000,000	0	0	0	0	1,000,000
	Total $'s by Year	**$ 22,938,868**	**$ 4,217,000**	**$ 1,874,000**	**$ 1,874,000**	**$ 1,874,000**	**$ 32,777,868**

FUND NO.	FUNDING SOURCE	2021	2022	2023	2024	2025	TOTAL
3199	Infrastructure & Debt Service	2,505,000	1,505,000	1,505,000	1,505,000	1,505,000	8,525,000
3217	2017 G.O. Bonds	3,435,887	0	0	0	0	3,435,887
3219	2019 G.O. Bonds	12,819,731	243,000	0	0	0	13,062,731
3193	IDC - Infrastructure	1,312,416	2,469,000	369,000	369,000	369,000	4,888,416
40119	2019 C.O. Water	1,513,416	0	0	0	0	1,513,416
42119	2019 C.O. Sewer	583,061	0	0	0	0	583,061
1445	CDBG	769,356	0	0	0	0	769,356
Future	Revenue Supported Bonds	0	0	0	0	0	0
Future	Tax Supported Bonds	0	0	0	0	0	0
	Total $'s by Year	**$ 22,938,867**	**$ 4,217,000**	**$ 1,874,000**	**$ 1,874,000**	**$ 1,874,000**	**$ 32,777,867**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
DRAINAGE PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2021 - FY2025

(Page 2 of 7)

PROJECT NO.	PROJECT NAME	2021	2022	2023	2024	2025	TOTAL
D1901	Pilot Storm Water Pump Station	800,000	33,723,410	0	0	0	34,523,410
D1701	Master Drainage Plan and Feasibility Study	1,750	346,500	0	0	0	348,250
D1801	Drainage System Improvements	0	0	250,000	0	0	250,000
DCONT	Drainage Program Contingency	300,000	0	0	0	0	300,000
D2401	Pilot Storm Water Pump Station	0	0	0	1,025,000	9,150,000	10,175,000
D2402	Galveston Outfall Improvements	0	0	0	8,075,000	15,850,000	23,925,000
							0
							0
	Total $'s by Year	**$ 1,101,750**	**$ 34,069,910**	**$ 250,000**	**$ 9,100,000**	**$ 25,000,000**	**$ 69,521,660**

FUND NO.	FUNDING SOURCE	2021	2022	2023	2024	2025	TOTAL
3199	Infrastructure & Debt Service	1,750	346,500	0	0	0	348,250
3219	2019 G.O. Bonds	1,100,000	8,430,853	0	0	0	9,530,853
3191	IDC - Economic Development						0
3193	IDC - Infrastructure	0	0	250,000	0	0	250,000
FEMA	FEMA Funding	0	25,292,558	0	0	0	25,292,558
Future	Tax Supported Bonds	0	0	0	9,100,000	25,000,000	34,100,000
	Total $'s by Year	**$ 1,101,750**	**$ 34,069,910**	**$ 250,000**	**$ 9,100,000**	**$ 25,000,000**	**$ 69,521,660**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
WATERWORKS PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2021 - FY2025

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PROJECT NO.	PROJECT NAME	2021	2022	2023	2024	2025	TOTAL
WRENEW	Renewal and Replacement Program	150,000	150,000	150,000	150,000	150,000	750,000
W1803	Teichman Road Waterline- 91st to 96th	509,750	0	0	0	0	509,750
WWELLS	Rehabilitation of Water Wells #9 and 11	0	0	0	0	985,000	985,000
W1610	Pirate's Beach - Lafitte's Cove Loop	41,846	0	0	0	0	41,846
W1702	20 Inch Water Line - TAMUG to Seawolf Parkway to Bradner Street	0	50,000	349,305	3,212,390	0	3,611,695
W1902	12 Inch Water Line - Seawall Boulveard, 81st Street to 97th Street	0	0	225,000	1,836,750	0	2,061,750
W2001	Water Meter Replacement	265,000	0	12,000,000	50,000	0	12,315,000
W1605	30 Inch Water Line Causeway	9,439,900	0	0	0	0	9,439,900
W1703	Airport Pump Station Pump and Control Upgrades	3,243,000	0	0	0	0	3,243,000
W1704	30 Inch Water Line - Railroad Bridge to Harborside Drive	0	0	0	0	2,369,356	2,369,356
W1705	Airport Pump Station Pump Tank Upgrades	4,758,000	0	5,282,000	0	0	10,040,000
W1707	24" Water Line - 59th St Pump Station to Airport Pump Station	867,919	0	0	0	0	867,919
W1801	30 Inch Water Line - 71st Street to 59th Street Pump Station	0	0	0	529,000	4,574,000	5,103,000
W1903	20" Waterline - 7 Mile to 10 Mile Road	0	0	1,341,305	9,922,700	0	11,264,005
W1618	Water System Improvements and Water Valve Replacement Program	1,500,000	1,500,000	1,500,000	1,000,000	1,000,000	6,500,000
W2101	23rd Street Waterline- Sealy - Ball	500,000	0	0	0	0	500,000
W1601	10 Mile Road Elevated Storage Tank Replacement	0	7,790,000	0	0	0	7,790,000
W1701	Well Disinfection and Flushing for Water Wells #2A, 6A, 10, 12, 13, 16, 17	0	0	0	0	570,000	570,000
FD-132	Fire Hydrant Replacement Program	1,000,000	300,000	300,000	300,000	300,000	2,200,000
W1904	12" WL Upgrade - I-45 Feeder Rd. - 65th to 77th	0	0	50,000	375,000	4,052,200	4,477,200
WCONT	Program Contingency for Water	500,000	0	0	0	0	500,000
	Total $'s by Year	**$ 22,775,415**	**$ 9,790,000**	**$ 21,197,610**	**$ 17,375,840**	**$ 14,000,556**	**$ 85,139,421**

FUND NO.	FUNDING SOURCE	2021	2022	2023	2024	2025	TOTAL
40102	Waterworks Improvement	150,000	150,000	150,000	150,000	150,000	750,000
40119	2019 CO's Water	3,588,179	0	0	0	0	3,588,179
42119	2019 CO'S Sewer	815,209	0	0	0	0	815,209
Future	Revenue Supported Bonds	18,222,027	9,640,000	21,047,610	17,225,840	13,850,556	79,986,033
	Total $'s by Year	**$ 22,775,415**	**$ 9,790,000**	**$ 21,197,610**	**$ 17,375,840**	**$ 14,000,556**	**$ 85,139,421**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
SEWER PROGRAM
BUDGET SUMMARY BY FISCAL YEAR
FY2021 - FY2025
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PROJECT NO.	PROJECT NAME	2021	2022	2023	2024	2025	TOTAL
S1610	Rehabilitation of Main WWTP Sludge Holding Tank	0	0	8,408,838	0	0	8,408,838
S1701	Lift Station Pump and Electrical Improvements	5,036,000	2,500,000	2,500,000	2,500,000	0	12,536,000
S1607	Reconstruction of Pirates' Beach Wastewater Treatment Plant	7,964,400	0	0	0	0	7,964,400
SSEAWO	Seawolf Park WWTP Reconstruction	0	1,141,907	0	0	0	1,141,907
S1903	Terramar Waste Water Treatement Plant Upgrade	350,000	1,328,750	12,338,300	0	0	14,017,050
S1902	Replace Pipe at Ferry & 1st	0	0	0	161,200	962,500	1,123,700
S1609	Sunny Beach - 8 Mile Road Sanitary Sewer Project	0	0	0	0	0	0
SLINEI	Sanitary Sewer Repair and Rehabilitation Program (Force Mains/Inflow/Infiltration)	825,000	825,000	825,000	825,000	825,000	4,125,000
S1901	Harborside - 25th to 29th	0	476,675	3,653,125	0	0	4,129,800
S2101	Belt Press / Solids Dewatering Building Main WWTP	0	233,000	1,567,000	0	0	1,800,000
S2102	Grit Dewatering System Main WWTP	0	75,000	432,000	0	0	507,000
SCONT	Program contingency	500,000	0	0	0	0	500,000
SRENEW	Renewal and Replacement Program	150,000	150,000	150,000	150,000	150,000	750,000
SCADA	SCADA	1,200,000	0	0	0	0	1,200,000
	Total $'s by Year	**$ 16,025,400**	**$ 6,730,332**	**$ 29,874,263**	**$ 3,636,200**	**$ 1,937,500**	**$ 58,203,695**

FUND NO.	FUNDING SOURCE	2021	2022	2023	2024	2025	TOTAL
42102	Sewer Improvement	150,000	150,000	150,000	150,000	150,000	750,000
42119	2019 CO's Sewer	10,839,400	0	0	0	0	10,839,400
Future	Revenue Supported Bonds	5,036,000	6,580,332	29,724,263	3,486,200	1,787,500	46,614,295
	Total $'s by Year	**$ 16,025,400**	**$ 6,730,332**	**$ 29,874,263**	**$ 3,636,200**	**$ 1,937,500**	**$ 58,203,695**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
PARKS & RECREATION PROGRAM
BUDGET SUMMARY
FY2021 - FY2025

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PROJECT NO.	PROJECT NAME	2021	2022	2023	2024	2025	TOTAL
IDCLLC	53rd Street Little League Complex & Park	107,835	0	0	0	0	107,835
IDCBBP	Babe's Beach Preservation	2,575,000	0	2,500,000	0	0	5,075,000
IDCJP	Jones Park	25,000	0	0	0	0	25,000
IDCSUP	Seawall Urban Park Renourishment	0	0	500,000	0	0	500,000
IDCPP3	Parks Package 3	418,666	0	0	0	0	418,666
IDCSHC	Sandhill Crane Soccer Complex & Park	299,000	1,000,000	0	2,000,000	0	3,299,000
IDCDELL	Dellanera Park Renourishment	0	422,000	0	0	0	422,000
	Total $'s by Year	**$ 3,425,501**	**$ 1,422,000**	**$ 3,000,000**	**$ 2,000,000**	**$ -**	**$ 9,847,501**

FUND NO.	FUNDING SOURCE	2021	2022	2023	2024	2025	TOTAL
3190	IDC - Beach Nourishment	2,575,000	422,000	3,000,000	0	0	5,997,000
3192	IDC - Parks	850,501	1,000,000	0	2,000,000	0	3,850,501
	Total $'s by Year	**$ 3,425,501**	**$ 1,422,000**	**$ 3,000,000**	**$ 2,000,000**	**$ -**	**$ 9,847,501**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
FACILITIES PROGRAM
BUDGET SUMMARY
FY2021 - FY2025

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PROJECT NO.	PROJECT NAME	2021	2022	2023	2024	2025	TOTAL
F1801	East Parking Lot - Garage	847,620	0	0	0	0	847,620
SA1701	Parking Lot Improvements at Sanitation (RE-102)	90,132	0	0	0	0	90,132
SW-171	Replacement of Recycling Building at Eco-Center	0	0	0	0	0	0
CH1702	Renovate City Hall & Windows	513,450	0	0	0	0	513,450
F2101	Garage Storage Tank Replacement	714,000	0	0	0	0	714,000
	Total $'s by Year	**$ 2,165,202**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,165,202**

FUND NO.	FUNDING SOURCE	2021	2022	2023	2024	2025	TOTAL
3199	Infrastructure & Debt Service	1,586,070	0	0	0	0	1,586,070
4320	Sanitation Operations	90,132	0	0	0	0	90,132
n/a	FEMA	239,000	0	0	0	0	239,000
n/a	Historic Commision Grant	250,000	0	0	0	0	250,000
	Total $'s by Year	**$ 2,165,202**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,165,202**

CITY OF GALVESTON
CAPITAL IMPROVEMENT PLAN
EXHIBIT B
AIRPORT PROGRAM
BUDGET SUMMARY
FY2021 - FY2025
(Page 7 of 7)

PROJECT NO.	PROJECT NAME	2021	2022	2023	2024	2025	TOTAL
A1701	Hangar Construction Project	726,413	0	0	0	0	726,413
H-AP1	Air Traffic Control Tower	185,459	0	0	0	0	185,459
A2001	Runway 14/32 Asphalt Repairs and North Apron Joint Seal Repairs	0	0	0	0	0	0
A1802	Airport Warehouse Building	0	150,996	1,100,000	0	0	1,250,996
A2021	Airfield Pavement Improvements Runway 18/36	211,810	0	0	0	0	211,810
A2022	Airfield Pavement Improvements South Apron & South Ramp	0	216,190	0	0	0	216,190
	Total $'s by Year	**$ 1,123,682**	**$ 367,186**	**$ 1,100,000**	**$ -**	**$ -**	**$ 2,590,868**

FUND NO.	FUNDING SOURCE	2021	2022	2023	2024	2025	TOTAL
43302	Airport Improvement	1,123,682	367,186	0	0	0	1,490,868
n/a	Future Cash: Property Sales	0	0	1,100,000	0	0	1,100,000
	Total $'s by Year	**$ 1,123,682**	**$ 367,186**	**$ 1,100,000**	**$ -**	**$ -**	**$ 2,590,868**

CITY OF GALVESTON
PROPOSED CAPITAL IMPROVEMENT PLAN
Exhibit C
FY 2021 - 2025
TOTALS BY FUNDING SOURCE
(Page 1 of 1)

FUNDING SOURCE	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2021-2025 TOTAL
CITY FUNDS						
INFRASTRUCTURE SET ASIDE	$ 4,092,820	$ 1,851,500	$ 1,505,000	$ 1,505,000	$ 1,505,000	$ 10,459,320
IDC - BEACH NOURISHMENT	$ 2,575,000	$ 422,000	$ 3,000,000	$ -	$ -	$ 5,997,000
IDC - PARKS	$ 850,501	$ 1,000,000	$ -	$ 2,000,000	$ -	$ 3,850,501
IDC - INFRASTRUCTURE	$ 1,312,416	$ 2,469,000	$ 619,000	$ 369,000	$ 369,000	$ 5,138,416
2017 G.O. BONDS	$ 4,535,887	$ -	$ -	$ -	$ -	$ 4,535,887
2019 G.O. BONDS	$ 12,819,731	$ 8,673,853	$ -	$ -	$ -	$ 21,493,584
2019 CO'S WATER	$ 5,101,595	$ -	$ -	$ -	$ -	$ 5,101,595
2019 CO'S SEWER	$ 12,237,670	$ -	$ -	$ -	$ -	$ 12,237,670
ENTERPRISE FUND - WATER IMPROVEMENT	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000
ENTERPRISE FUND - SEWER IMPROVEMENT	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000
ENTERPRISE FUND - SANITATION OPERATION	$ 90,132	$ -	$ -	$ -	$ -	$ 90,132
ENTERPRISE FUND - AIRPORT IMPROVEMENT	$ 1,123,682	$ 367,186	$ -	$ -	$ -	$ 1,490,868
SUBTOTAL CITY FUNDS	**$ 45,039,435**	**$ 15,083,539**	**$ 5,424,000**	**$ 4,174,000**	**$ 2,174,000**	**$ 71,894,974**
OTHER FUNDING SOURCES						
FEMA	$ 239,000	$ 25,292,558	$ -	$ -	$ -	$ 25,531,558
CDBG	$ 769,356	$ -	$ -	$ -	$ -	$ 769,356
GRANTS	$ 250,000	$ -	$ -	$ -	$ -	$ 250,000
SUBTOTAL OTHER FUNDING SOURCES	**$ 1,258,356**	**$ 25,292,558**	**$ -**	**$ -**	**$ -**	**$ 26,550,913**
FUTURE FUNDING SOURCES						
TAX SUPPORTED BONDS -Future	$ -	$ -	$ -	$ 9,100,000	$ 25,000,000	$ 34,100,000
REVENUE SUPPORTED BONDS -Future	$ 23,258,027	$ 16,220,332	$ 50,771,873	$ 20,712,040	$ 15,638,056	$ 126,600,328
OPERATING CASH - Future	$ -	$ -	$ 1,100,000	$ -	$ -	$ 1,100,000
SUBTOTAL FUTURE FUNDING	**$ 23,258,027**	**$ 16,220,332**	**$ 51,871,873**	**$ 29,812,040**	**$ 40,638,056**	**$ 161,800,328**
TOTAL	**$ 69,555,818**	**$ 56,596,428**	**$ 57,295,873**	**$ 33,986,040**	**$ 42,812,056**	**$ 260,246,215**

Exhibit "D"

Adopted IDC Budget FY 2021						
			3190 918100	3191 918400	3192 918500	3193 918600
	Total FY 20	**Total FY 21**	**Beach**	**ED**	**Parks**	**Infra.**
Operating Costs:						
Support Staff	50,000	50,000	12,500	12,500	12,500	12,500
Management	100,000	100,000	25,000	25,000	25,000	25,000
Legal	50,000	50,000	12,500	12,500	12,500	12,500
Coastal Resource Manager/Floodplain Admin.	75,672	75,672	75,672			
Asst. Coastal Resource Manager	59,399	59,399	59,399			
GIS Analyst/Specialist	73,328	73,328	18,332	18,332	18,332	18,332
Economic Dev. Coordinator	75,327	75,327		75,327		
In-House Legislative Liason	88,680	88,680	22,170	22,170	22,170	22,170
Lasker Pool	400,000	400,000			400,000	
Concrete Work Crew (Phases I & II)	369,000	369,000				369,000
Parks Work Crew (Phase III)	260,000	260,000			160,000	100,000
Total Operating Costs:	**1,601,406**	**1,601,406**	**225,573**	**165,829**	**650,502**	**559,502**
Contractural Services:						
Consultant Services (531004)						
Legislative and Technical Services*	20,000	0				
Beach Access Plan Consultant*	50,000	50,000	50,000			
Windstorm Consultant *	15,000	15,000		15,000		
Other Contracts (531125)						
Beach Profiles/Survey Contract *	103,149	103,149	103,149			
Park Board Reimbursement for Surveys	-55,230	-55,230	-55,230			
Post-Storm Survey *	103,149	103,149	103,149			
GEDP *	50,000	50,000		50,000		
Attorney's Fees (531006)	20,000	20,000	5,000	5,000	5,000	5,000
Total Contractual Services:	**306,068**	**286,068**	**206,068**	**70,000**	**5,000**	**5,000**
Promotional Expenses: (Capped at 10% of Total 4B Revenue approx. $500,000)						
Marketing (530014)						
GEDP Developer Conference *	10,000	10,000		10,000		
Target Marketing Initiatives *	75,000	75,000		75,000		
Advertising (Legal Notices)	2,000	2,000	500	500	500	500
Total Promotional Expenses:	**87,000**	**87,000**	**500**	**85,500**	**500**	**500**
Misc. Expenses:						
Meeting Expenditures (544032)	1,000	1,000	250	250	250	250
Economic Dev. Operating Expenses (1)	25,000	25,000	0	25,000	0	0
Election Expenses	60,000	60,000	15,000	15,000	15,000	15,000
Investment Expenses	2,000	2,000	500	500	500	500
Banking Service Fees	500	500	125	125	125	125
Total Misc. Expenses:	**88,500**	**88,500**	**15,875**	**40,875**	**15,875**	**15,875**
Total Fiscal Year IDC Budget	**2,082,974**	**2,062,974**	**448,016**	**362,204**	**671,877**	**580,877**

(1) Economic Dev. Operating Expenses to include: Expenses for conferences, prospect development meetings, and memberships.

* Requires Board approval before expenditure

City of Galveston

FINANCE DEPARTMENT

PO Box 779| Galveston, TX 77553-0779
mloftin@galvestontx.gov |409-797-3562

September 10, 2020

To: Brian Maxwell, City Manager
Hon. Mayor and City Council Members

From: Michael Loftin, Assistant City Manager for Finance

RE: Consider for action a motion ratifying the property tax increase reflected in the FY 2021 Budget.

I. <u>Background</u>

A. "The FY 2021 Budget includes property tax revenue that exceeds last year's total by $3,156,000 or 8.95 percent, and of that amount, $626,000 is tax revenue to be raised from new property added to the tax roll this year." The property tax increase also includes $1,075,300 in tax revenue that was allocated last year to Tax Increment Reinvestment Zones and was not a part of the budget.

B. The new revenue total is based on the following value changes by category from last year:

City of Galveston Tax Roll Explained
Tax Year 2020 vs 2019

C. According to Section 102.007(c) of the Local Government Code in State law, the increase in tax revenue requires a separate vote of City Council to ratify this increase. The language required by the Budget Law also requires that the entirety of the additional revenue raised be characterized as a property tax increase.

D. State law also requires that the Proposed Budget include a specific message on "a cover page" in "18-point or larger type." The message for the City of Galveston can be found in the FY 2021 Budget on the first page in the budget document. The material above in section A and in quotes provides the text for this compliance step.

E. This language was included in the public notice announcing the Budget Hearing that is also scheduled to have taken place on September 10th prior to the vote on the Proposed Budget itself.

II. <u>Current Situation</u>

The amounts used in the ad and in the Budget are calculated using total property taxes (i.e. General Fund, Debt Service and Library shares). They are calculated as the difference between the estimated property tax revenue in the FY 2020 Estimated column of the Budget and the FY 2021 Proposed column of the budget. (See page CW-10 of

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the Budget Summary section.) This approach parallels that used in the effective tax rate calculation that measures the growth from the prior year based on the most recent tax roll and resulting collections amount for that year. In this sense, the property tax revenue estimated to have been raised using the most recent tax roll is the amount raised from last year's budget.

Should this motion pass, the State Budget Law requires that the Adopted Budget include the following language on its cover page in 18-point or larger type:

"This budget will raise more property taxes than last year's budget by $3,156,000 which is a 8.95 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $626,000."

The State Budget Law also requires that the cover page include the "record vote of each member of the governing body by name voting on the adoption of the budget, as well as the following:

- The property tax rate - $0.56
- The No-New-Revenue tax rate - $0.535631
- The No-New-Revenue maintenance and operations tax rate - $0.483131
- The Voter-Approved tax rate - $0.563158
- The debt rate - $0.0525

The cover page has to identify the total amount of municipal debt obligations secured by property taxes as defined under Section 1201.002 of the Government Code. That amount for the City as of September 30, 2019 is $82,004,876 including principal and interest.

III. <u>Recommendation</u>

Make, second and approve a motion by a record vote ratifying the property tax increase reflected in the FY 2021 Budget.

City of Galveston

FINANCE DEPARTMENT

Michael W. Loftin, Assistant City Manager
MLoftin@GalvestonTx.gov | 409.797.3562 | www.galvestontx.gov

September 10, 2020

To: Brian Maxwell, City Manager
Hon. Mayor and City Council
From: Michael W. Loftin, Assistant City Manager Finance

RE: Conduct a public hearing to consider the proposed property tax rate of $0.56 per $100 of taxable value for 2020.

I. <u>Background</u>

A. In accordance with State law, the Galveston County Tax Assessor-Collector (TAC), acting as the City of Galveston's TAC received the City's 2020 tax roll as certified by the Chief Appraiser for Galveston County. The TAC provided the Effective Tax Rate (ETR) calculation for the 2020 tax roll (see attached) using the information from the Galveston County Appraisal District.

B. Several changes approved by the State legislature in 2019 take effect with this tax rate setting cycle. This includes the change in the name of the "Effective Tax Rate" now being called the "No New Tax Rate." This rate, if used by the taxing jurisdiction would result in new revenue only from new construction. Also, the old "Rollback Rate" is now called the "Voter Approved Rate." Voter approval is not a new step if the "rollback" or "Voter Approved Rate" is exceeded. That has always been the case. What is new is that allowable natural growth in the tax roll not counting new construction is now 3.5 percent and not eight percent. And November has been established as the election date for any finally adopted rate that is higher than the Voter Approved Rate. In such an election, if the tax rate is rejected by the voters, the rate drops all the way to the No New Revenue Tax rate.

C. The calculation of the two rates is still a complex exercise (see attachment) using information from the CAD (see Certified Roll from the CAD), the State Comptroller (sales tax revenue totals), the TAC's office (refunds, collection percentages and debt service collection results) and the City's records (debt to be retired with property taxes).

D. The City's choice, once the calculation is received, is to propose a rate that can be considered by taxpayers prior to final adoption by the City Council. The final adoption date is now planned to be September 17th. This public hearing on the proposed tax rate is being held seven days before the scheduled date for final adoption.

Michael W. Loftin, Assistant City Manager
MLoftin@GalvestonTx.gov | 409.797.3562 | www.galvestontx.gov

E. The applicable numbers from this year's ETR are as follows:

2020 Certified Assessed Value	$10,088,009,637
2020 Certified Taxable Value (TV)	$ 6,944,038,009
2020 Taxable Value Still Under ARB Review*	$ 468,486,703
2020 Estimated Final Taxable Value	$ 7,342,251,797
2020 Total Taxable Value Including ARB Review	$ 6,723,930,386
2020 New Property Taxable Value	$ 111,776,851
No New Revenue Tax Rate	$0.535631 per $100 TV
Voter Approved Rate	$0.563158 per $100 TV
Proposed Rate for Tax Year 2020	**$0.56 per $100 TV**

*Note: ARB is the Appraisal Review Board.

F. The initial roll, prior to taxpayer hearings and CAD adjustments resulting from those hearings was approximately $7.79 Billion. Of this amount, approximately $3.6 Billion went through the hearings process as a result of taxpayer appeals. The Proposed Budget was based on an estimated reduction of $600 million in preliminary value to the appeals process. The final result was approximately $453 million, resulting in a total roll ($7.34 billion) that is $664 million higher than was used in the Proposed Budget ($7.12 Billion).

G. The resulting change in the roll can be explained with the estimated table below.
City of Galveston Tax Roll Explained
Tax Year 2020 vs 2019

II. Current Situation

A. The proposed rate is $0.56. This rate is the highest tax rate the City can set before the taxpayers can start rollback procedures (petition for a rollback election).

B. The FY 2021 Proposed Budget as revised is based on a rate of $0.56. This will result in the revenue distribution in the Budget as follows:

PROPERTY TAX REVENUE GROWTH
FY 2021 BUDGET ESTIMATE

By Fund	FY 2020	FY 2021	Change
General Fund Operations	$29,031,300	$31,381,600	$2,350,300
General Fund TIRZ and MUD 30	$2,045,300	$1,019,400	($1,025,900)
General Fund Subtotal	**$31,076,600**	**$32,401,000**	**$1,324,400**
Rosenberg Library	$3,045,900	$3,438,900	$393,000
Debt Service Fund	$3,196,200	$3,608,900	$412,700
Total	**$37,318,700**	**$39,448,800**	**$2,130,100**
Total with TIRZ and MUDs Adjusted Out	**$35,273,400**	**$38,429,400**	**$3,156,000**

Michael W. Loftin, Assistant City Manager
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C. State Tax Code, Section 26.05, requires public hearings on the proposed tax rate if the proposed rate exceeds the lower of the Voter Approved tax rate or the No New Revenue tax rate. The proposed tax rate of $0.56 is less than the Voter Approved rate of $0.563158 and greater than the No New Revenue rate of $0.535631.
D. If the Council adopted the No New Revenue rate, the city would receive $1.5 million less than the Budget calls for. This is roughly equivalent to this year's increase in funding for public safety spending for police officers' and firefighters' compensation and an increase in Emergency Medical Services provided by the County Health Department.

III. **Issues**

A. The FY 2021 Proposed Budget must be approved in its original or amended form prior to the adoption of the 2020 property tax rate.
B. State law calls for the final tax rate for 2020 to be adopted by City Council prior to September 30. If it is not adopted, State law calls for the council to ratify the No New Revenue tax rate ($0.535631) or last year's rate ($0.579885), whichever is less. In this case, that would be the No New Revenue tax rate. This would reduce the property tax revenue in the budget by $1.5 million.
C. The City affirmed its existing property tax exemptions in June, 2020, abating a total of $4.5 million in property taxes this tax year including the tax freeze. (See chart on the next page.)
D. No homesteading owner occupant over 65 of a single-family home will see an increase in the taxes they pay if the proposed rate is adopted. The average over 65 home owner will pay $662 in property taxes this year. (Per GCAD, 4,766 over 65 home owner occupants will pay a total of $3,154,321 in city taxes this year.)
E. The Galveston County Appraisal District places the market value of an average home in 2020 at $249,767 as compared with last year's $234,599. At last year's tax rate ($0.579885), city taxes on the average home totaled $1,360. At this year's proposed tax rate ($0.56), city taxes would be $1,399, a 2.8 percent increase. Counting all exemptions, last year's taxable value was $175,487 and this year's taxable value is $184,788. The average home owner qualifying for homestead related exemptions paid $1,018 last year and would pay $1,035 this year, a 1.69 percent increase.

City of Galveston Property Tax Exemptions
2020 Tax Year Certified Roll

NOTICE OF PUBLIC HEARING ON TAX INCREASE

PROPOSED TAX RATE	$0.560000 per $100
NO-NEW-REVENUE TAX RATE	$0.535631per $100
VOTER-APPROVAL TAX RATE	$0.563158 per $100

The no-new-revenue tax rate is the tax rate for the 2020 tax year that will raise the same amount of property tax revenue for City of Galveston from the same properties in both the 2019 tax year and the 2020 tax year. The voter-approval tax rate is the highest tax rate that the City of Galveston may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that the City of Galveston is proposing to increase property taxes for the 2020 tax year.

A public hearing on the proposed tax rate will be held on September 10, 2020, at 10:00 am at 823 Rosenberg St., Galveston, Texas.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, the City of Galveston is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the City Council of the City of Galveston at their offices or by attending the public hearing mentioned above.

Your taxes owed under any of the tax rates mentioned above can be calculated as follows:

Property tax amount = tax rate x taxable value of your property/$100

The members of City Council voted on the proposed tax increase as follows:

FOR: Council Member David Collins, Council Member Jason Hardcastle, Council Member John Paul Listowski, Mayor Pro Tem Craig Brown, Council Member Amy Carmen Bly, Council Member Jackie Cole

AGAINST: None

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by the City of Galveston last year to the taxes proposed on the average residence homestead by the City of Galveston this year:

	2019	**2020**	**Change**
Total Tax Rate (per $100 of value)	$0.579885	$0.560000	Decrease of -$0.019885 OR -3.43 %
Average homestead taxable value	$173,689	$182,902	Increase of 5.30%
Tax on average homestead	$1007.2	$1051.15	Increase of $44 OR 4.36%
Total tax levy on all properties	34,504,012	$35,936,270	Increase of $1,432,258 OR 4.15%

* Total levy excludes properties with freeze ceilings of approximately $2.8 million each year.

For assistance with tax calculations, please contact the tax assessor for City of Galveston at 409-766-2260 or galcotax@co.galveston.tx.us, or visit www.galcotax.com for more information.

Date: 07/28/2020 01:51 PM

Taxing Units Other Than School Districts or Water Districts
2020 Tax Rate Calculation Worksheet

2020 City of Galveston	409-797-3562
Taxing Unit Name	Phone (area code and number
PO BOX 779, Galveston, TX, 77550	www.galvestontx.gov
Taxing Unit Address, City, State, ZIP Code	Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per $100 of taxable value calculated. The calculation process starts after the chief apprasier delivers to the taxing unit the certified appraisal roll and the estimated values of properites under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or emplyee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller For 50-859 *Tax Rate Calculation Worksheet for School Districts*.

Water districts as defined under Water Code Section 49.001(1) should use Comptroller Form 50-858 Water District Rollback Tax Rate Worksheet. All other taxing units should use Comptroller Form 50-856 Tax Rate Calculation, Taxing Units Other Than School Districts.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

STEP 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both year.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operation taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Rate Activity		Amount/Rate
1.	**2019 total taxable value.** Enter the amount of 2019 taxable value on the 2019 tax roll today. Include any adjustments since last year s certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 17).		$6,677,654,752
2.	**2019 tax ceilings.** Counties, cities and junior college districts. Enter 2019 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step		$736,016,463
3.	**Preliminary 2019 adopted taxable value.** Subtract Line 2 from Line 1.		$5,941,638,289
4.	**2019 total adopted tax rate**		$.579885
5.	**2019 taxable value lost because court appeals of ARB decisions reduced 2019 appraised value:**		
	A. **Original 2019 ARB values:**	$7,706,940	
	B. **2019 values resulting from final court decisions:**	$7,145,000	
	C. **2019 value loss.** Subtract B from A.[3]		$561,940
6.	**2019 taxable value subject to appear under Chapter 42, as of July 25.**		
	A. **2019 ARB certified value**		

1001 1 6

Line	No-New-Revenue Rate Activity		Amount/Rate
		0	
	B. 2019 disputed value	0	
	C. 2019 undisputed value Subtract B from A		0
7.	**2019 Chapter 42-related adjusted values.** Add Line 5 and 6		561,940
8.	**2019 taxable value, adjusted for court-ordered reductions.** Add Line 3 and Line 7		$5,942,200,229
9.	**2019 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2019.** Enter the 2019 value of property in deannexed territory.[4]		$0
10.	**2019 taxable value lost because property first qualified for an exemption in 2020.** If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goodsin-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2020 does not create a new exemption or reduce taxable value.		
	A. Absolute exemptions. Use 2019 market value:	$1,636,890	
	B. Partial exemptions. 2020 exemption amount or 2020 percentage exemption times 2019 value:	$28,787,163	
	C. Value loss. Add A and B.		$30,424,053
11.	**2019 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1),timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2020.** Use only properties that qualified in 2020 for the first time; do not use properties that qualified in 2019.		
	A. Use 2019 market value:	$0	
	B. 2020 productivity or special appraised value:	$0	
	C. Value loss. Subtract B from A.		$0
12.	**Total adjustments for lost value.** Add Lines 9, 10C and 11C.		$30,424,053
13.	**Adjusted 2019 taxable value.** Subtract Line 12 from Line 8		$5,911,776,176
14.	**Adjusted 2019 taxes.** Multiply Line 4 by Line 13 and divide by $100		$34,281,503
15.	**Taxes refunded for years preceding tax year 2019.** Enter the amount of taxes refunded by the district for tax years preceding tax year 2019. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019. [8]		$46,085
16.	**Taxes in tax increment financing (TIF) for tax year 2019** Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0.		$553,776
17.	**Adjusted 2019 levy with refunds and TIF adjustment.** Add Lines 14, and 15, subtract Line 16.		$33,773,812
18.	**Total 2020 taxable value on the 2020 certified appraisal roll today.** This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.		
	A.Certified values	$6,944,038,099	
	B. Counties Include railroad rolling stock values certified by the Comptroller's office	$0	
	C. Pollution control and energy storage system exemption Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property	$0	
	D. Tax increment financing Deduct the 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2020 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.	$106,242,607	

Line	No-New-Revenue Rate Activity		Amount/Rate
	E. Total 2020 value Add A and B, then subtract C and D		$6,837,795,492
19.	**Total value of properties under protest or not included on certified appraisal role. [13]**		
	A. 2020 taxable value of properties under protest The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district s value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest	$398,213,698	
	B. 2020 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll.	$0	
	C. Total value under protest or not certified. Add A and B.		$398,213,698
20.	**2020 tax ceilings.** Counties, cities and junior colleges enter 2020 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step.		$818,818,058
21.	**2020 total taxable value.** Add Lines 18E and 19C. Subtract Line 20C.		$6,417,191,132
22.	**Total 2020 taxable value of properties in territory annexed after Jan. 1, 2019.** Include both real and personal property. Enter the 2020 value of property in territory annexed.		$0
23.	**Total 2020 taxable value of new improvements and new personal property located in new improvements.** New means the item was not on the appraisal roll in 2019. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2019 and be located in a new improvement. New improvements **do** include property on which a tax abatement agreement has expired for 2020.		$111,776,851
24.	**Total adjustments to the 2020 taxable value.** Add Lines 22 and 23.		$111,776,851
25.	**Adjusted 2020 taxable value.** Subtract Line 24 from Line 21.		$6,305,414,281
26.	**2020 NNR tax rate.** Divide Line 17 by Line 25 and multiply by $100.		$.535632 /$100
27.	**COUNTIES ONLY.** Add together the NNR tax rates for each type of tax the county levies. The total is the 2020 county NNR tax rate		$.535631 /$100

[1]Tex. Tax Code Section

[2]Tex. Tax Code Section

[3]Tex. Tax Code Section

[4]Tex. Tax Code Section

[5]Tex. Tax Code Section

[6]Tex. Tax Code Section

[7]Tex. Tax Code Section

[8]Tex. Tax Code Section

[9]Tex. Tax Code Section

[10]Tex. Tax Code Section

[11]Tex. Tax Code Section

[12]Tex. Tax Code Section

[13]Tex. Tax Code Section

[14]Tex. Tax Code Section

[15]Tex. Tax Code Section

[16]Tex. Tax Code Section

[17]Tex. Tax Code Section

[18]Tex. Tax Code Section

[19]Tex. Tax Code Section

[20]Tex. Tax Code Section

[21]Tex. Tax Code Section

STEP 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. **Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.

2. **Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit s debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit s debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter Approval Tax Rate Activity		Amount/Rate
28.	**2019 M&O tax rate.** Enter the 2019 M&O tax rate.		$.527385
29.	**2019 taxable value, adjusted for actual and potential court-ordered adjustments.** Enter the amount in Line 8 of the No-New-Revenue Tax Rate Worksheet.		5,942,200,229
30.	**Total 2019 M&O levy.** Multiply Line 28 by Line 29 and divide by $100		31,338,272
31.	**Adjusted 2019 levy for calculating NNR M&O rate.**		36,397,704 cij 7/28/20
	A. 2019 sales tax specifically to reduce property taxes. For cities, counties and hospital districts, enter the amount of additional sales tax collected and spent on M&O expenses in 2019, if any. Other taxing units, enter 0. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent	5,571,920	
	B. M&O taxes refunded for years preceding tax year 2019. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019	41,288	
	C. 2019 taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0	553,776	
	D. 2019 transferred function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in E below. The taxing unit receiving the function will add this amount in E below. Other taxing units enter 0.	0	
	E. 2019 M&O levy adjustments. Add A and B, then subtract C. For taxing unit with D, subtract if discontinuing function and add if receiving function		5,059,432
32.	**Adjusted 2020 taxable value.** Enter the amount in Line 25 of the No-New-Revenue Tax Rate Worksheet.		6,305,414,281
33.	**2020 NNR M&O rate (unadjusted)** Divide Line 31 by Line 32 and multiply by $100.		0.577245
34.	**Rate adjustment for state criminal justice mandate.** Enter the rate calculated in C. If not applicable, enter 0.		0.000000
	A. 2020 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	0	
	B. 2019 state criminal justice mandate Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies	0	

Line	Voter Approval Tax Rate Activity		Amount/Rate
	C. Subtract B from A and divide by Line 32 and multiply by $100	0.000000	
35.	**Rate adjustment for indigent health care expenditures** Enter the rate calculated in C. If not applicable, enter 0		0.000000
	A. 2020 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose	0	
	B. 2019 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state assistance received for the same purpose	0	
	C. Subtract B from A and divide by Line 32 and multiply by $100	0.000000	
36.	**Rate adjustment for county indigent defense compensation** Enter the lessor of C and D. If not applicable, enter 0		0.000000
	A. 2020 indigent defense compensation expenditures Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose	0	
	B. 2019 indigent defense compensation expenditures Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state grants received by the county for the same purpose	0	
	C. Subtract B from A and divide by Line 32 and multiply by $100	0.000000	
	D. Multiply B by 0.05 and divide by Line 32 and multiply by $100	0.000000	
37.	**Rate adjustment for county hospital expenditures.** Enter the lessor of C and D, if applicable. If not applicable, enter 0.		0
	A. 2020 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2019 and ending on June 30, 2020	0	
	B. 2019 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2018 and ending on June 30, 2019	0	
	C. Subtract B from A and divide by Line 32 and multiply by $100	0.000000	
	D. Multiply B by 0.08 and divide by Line 32 and multiply by $100	0.000000	
38.	**Adjusted 2020 NNR M&O rate.** Add Lines 33, 34, 35, 36, and 37		0.577245
39.	**2020 voter-approval M&O rate.** Enter the rate as calculated by the appropriate scenario below. **Special Taxing Unit** If the taxing unit qualifies as a special taxing unit, multiply Line 38 by 1.08 **-or-** **Other Taxing Unit** If the taxing unit does not qualify as a special taxing unit, multiply Line 38 by 1.035. **-or-** **Taxing unit affected by disaster declaration** If the taxing unit is located in an area declared as disater area, the governing body may direct the person calculating the voter-approval rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval rate in this manner until the earlier of 1) the second year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, and 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 38 by 1.08. [27]		
40.	**Total 2020 debt to be paid with property taxes and additional sales tax revenue.** Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses.		

Line	Voter Approval Tax Rate Activity		Amount/Rate
	A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. Enter debt amount	5,173,343	
	B. Subtract **unencumbered fund amount** used to reduce total debt.	0	
	C. Subtract **certified amount spent from sales tax to reduce debt**(enter zero if none)	0	
	D. Subtract **amount paid** from other resource	1,188,950	
	E. Adjusted debt Subtract B, C and D from A		3,984,393
41.	**Certified 2019 excess debt collections** Enter the amount certified by the collector.		515,621
42.	**Adjusted 2020 debt** Subtract Line 41 from Line 40E		3,468,772
43.	**2020 anticipated collection rate.** . If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%		102.96
	A. Enter the 2020 anticipated collection rate certified by the collector	100.00	
	B. Enter the 2019 actual collection rate	102.96	
	C. Enter the 2018 actual collection rate	103.96	
	D. Enter the 2017 actual collection rate	105.41	
44.	**2020 debt adjusted for collections.** Divide Line 42 by Line 43.		3,369,048
45.	**2020 total taxable value.** Enter the amount on Line 21 of the No-New-Revenue Tax Rate Worksheet.		6,417,191,132
46.	**2020 debt rate** Divide Line 44 by Line 45 and multiply by $100.		0.052500
47.	**2020 voter-approval tax rate**		
48.	**COUNTIES ONLY**		

STEP 3 NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales tAx to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
49.	**Taxable sales.** For taxing units that adopted the sales tax in November 2019 or May 2020, enter the Comptroller's estimate of taxable sales for the previous four quarters. Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2019, skip this line.	0
50.	**Estimated sales tax revenue.** Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. **Taxing units that adopted the sales tax in November 2019 or in May 2020.** Multiply the amount on Line 49 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95[3] **-or-** **Taxing units that adopted the sales tax before November 2019.** Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	5,569,459
51.	**2020 total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet..*	6,417,191,132
52.	**Sales tax adjustment rate.** Divide Line 50 by Line 51 and multiply by $100.	0.086790
53.	**2020 NNR tax rate, unadjusted for sales tax.[35]** Enter the rate from Line 26 or 27, as applicable, on the *No-New-Revenue Tax Rate Worksheet.*	$.535631
54.	**2020 NNR tax rate, adjusted for sales tax.** **Taxing units that adopted the sales tax in November 2019 or in May 2020.** Subtract Line 52 from Line 53. Skip to Line 55 if you adopted the additional sales tax before November 2019.	$.535631

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
55.	**2020 voter-approval tax rate, unadjusted for sales tax.**[36] Enter the rate from Line 47 or Line 48 as applicable, of the *Voter-Approval Tax Rate Worksheet*	0.649948
56.	**2020 voter-approval tax rate, adjusted for sales tax.** **Taxing units that adopted the sales tax rate in November 2019 or in May 2020.** Subtract Line 53 from Line 54. Skip to Line 56 if you adopted the additional sales tax before November 2019.	0.563158

[37]Tex. Tax Code Section [38]Tex. Tax Code Section

STEP 4: Additional Rollback Protection for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit s expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only by completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Activity	Amount/Rate
57.	**Certified expenses from the Texas Commission on Environmental Quality (TCEQ).[6]** Enter the amount certified in the determination letter from TCEQ. The taxing unit shall provide its tax assessor collector with a copy of the letter.[7]	$0
58.	**2020 total taxable value.** Enter the amount from Line 21 of the *No-New-Revenue Tax Rate Worksheet*	$6,417,191,132
59.	**Additional rate for pollution control.** Divide Line 57 by Line 58 and multiply by $100.	0.000000
60.	**2020 voter-approval tax rate, adjusted for pollution control.** Add Line 59 to one of the following lines (as applicable): Line 47, Line 48 (counties) or Line 56 (taxing units with the additional sales tax).	0.563158

[37]Tex. Tax Code Section [38]Tex. Tax Code Section

STEP 5: Voter-Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years.[39] In a year where a special taxing unit adopts a rate above the voter-approval tax rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero. Consult with legal counsel to ensure appropriate calculation of the unused increment rate.

For each tax year before 2020, the differnece between the adopted tax rate and voter-approval rate is considered zero, therefore the unused increment rate for 2020 is zero.[40]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
61.	**2019 unused increment rate.** Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
62.	**2018 unused increment rate.** Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2028 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
63.	**2017 unused increment rate.** Subtract the 2017 actual tax rate and the 2017 unused increment rate from the 2017 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
64.	**2020 unused increment rate.** Add Lines 61, 62 and 63.	0.000000
65.	**2020 voter-approval tax rate, adjusted for unused increment rate.** Add Line 64 to one of the following lines (as applicable): Line 47, Line 48 (counties), Line 56 (taxing units with the additional sales tax) or Line 60 (taxing units with pollution control).	0.000000

STEP 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no=new-revenue maintenance and operations rate, the rate that will raise $500,000, and the current debt rate for a taxing unit.[42]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
66.	**Adjusted 2020 NNR M&O tax rate.** Enter the rate from Line 38 of the *Voter-Approval Tax Rate Worksheet*	0.000000
67.	**2020 total taxable value** Enter the amount on Line 21 of the *No-New-Revenue Tax Rate Worksheet*	0
68.	**Rate necessary to impose $500,000 in taxes.** Divide $500,000 by Line 67 and multiply by $100.	0.000000
69.	**2020 debt rate** Enter the rate from Line 46 of the *Voter- Approval Tax Rate Worksheet*	0.000000
70.	**De minimis rate** Add Lines 66, 68 and 69.	0.000000

STEP 7: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate	0.535631
Voter-Approval Tax Rate	0.563158
De minimis rate	0.000000

STEP 8: Taxing Unit Representative Name and Signature

print here Michael W. Loftin
Printed Name of Taxing Unit Representative

sign here Michael W. Loftin
Taxing Unit Representative

Date July 28, 2020

PREPARED BY Cheryl E. Johnson
Galveston County Tax Assessor Collector

RESOLUTION NO. 20- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GALVESTON, TEXAS, EXPRESSING ITS SUPPORT FOR THE APPLICATION BY GALVESTON 3916 WINNIE STREET, LP FOR PRIVATE ACTIVITY BONDS FOR LOW-INCOME HOUSING TAX CREDITS AT 3916 WINNIE STREET, IN GALVESTON, TEXAS, 77550, AUTHORIZING AN ALLOCATION OF HOUSING TAX CREDITS FOR THE APPROVAL OF THE REHABILITATION OF THE DEVELOPMENT; DIRECTING THE CITY SECRETARY TO SEND A CERTIFIED AND TRUE COPY OF THIS RESOLUTION TO REPRESENTATIVES OF GALVESTON 3916 WINNIE STREET LP, FOR INCLUSION IN ITS APPLICATION TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR PRIVATE ACTIVITY BONDS FOR LOW-INCOME HOUSING TAX CREDITS AT 3916 WINNIE STREET, GALVESTON, TEXAS; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Galveston 3916 Winnie Street, LP, the proposed owner of the multi-family housing project commonly known as Sandpiper Cove, and which is located at 3916 Winnie Street, Galveston, Texas, 77550, has proposed a rehabilitation development for affordable rental housing of 192 units that will be located at 3916 Winnie Street, in the City of Galveston, County of Galveston, Texas; and

WHEREAS, Galveston 3916 Winnie Street, LP has advised the City that it intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2021 Private Activity Bond funds for Low Income Housing Tax Credits at Sandpiper Cove and an Allocation of Housing Tax Credits for the Approval of Rehabilitation of Sandpiper Cove; and

WHEREAS, Galveston 3916 Winnie Street LP has requested a Resolution of support from the City Council expressing it support for such application to the TDHCA; and

WHEREAS, the City Council of the City of Galveston wishes to express its support for the application of Galveston 3916 Winnie Street, LP., to the TDHCA as further detailed below.

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

SECTION 1. The findings and recitations set out in the preamble to this Resolution are found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. The City Council of the City of Galveston and as provided for in 10 TAC §11.101(a)(3) of the Qualified Allocation Plan, it is hereby acknowledged that the multi-family housing project commonly known as Sandpiper Cove, and which is located at 3916 Winnie Street, Galveston, Texas, 77550 is located in a census tract that has a poverty rate above 40% for individuals.

SECTION 3. The City Council of the City of Galveston, in accordance with the requirements of Tex. Gov't Code §2306.67071 and §11.204(4) of the Qualified Allocation Plan, it is hereby found that:

1. Notice has been provided to the City Council as the Governing Body in accordance with Tex. Gov't Code, §2306.67071(a); and

2. The Governing Body has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; and

3. The Governing Body has held a hearing at which public comment may be made on the proposed Development in accordance with Tex. Gov't Code, §2306.67071(b); and

4. After due consideration of the information provided by the Applicant and public comment, the Governing Body does not object to the proposed Application.

SECTION 4. The City Council of the City of Galveston hereby expresses its support of the proposed application of Galveston 3916 Winnie Street LP, to the Texas Department of Housing and Community Affairs for 2021 Private Activity Bond funds.

SECTION 5. The City Council further directs the City Secretary to send a certified and true copy of this Resolution to representatives of Galveston 3916 Winnie Street LP, for inclusion in its Application to the Texas Department of Housing and Community Affairs.

SECTION 6. This Resolution shall be effective upon its passage and approval.

APPROVED AS TO FORM:

_____
DONALD S. GLYWASKY
CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the City Council of the City of Galveston as its Regular Meeting held on the 10th day of September, 2020, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this _____ day of _____, 2020.

_____
Secretary for the City Council
of the City of Galveston

City of Galveston

Finance Department
PO Box 779 | Galveston, TX 77553-0779
| 409-797-3562

September 10, 2020

To: Brian Maxwell, City Manager
Hon. Mayor and City Council Members

From: Michael Loftin, Director of Finance

RE: Consider for action an ordinance approving and adopting the FY 2021-2025 Capital Improvement Plan.

I. <u>Background</u>

The FY 2021-2025 Capital Improvement Plan (CIP) includes $260.2 million for City capital improvement projects. Approval of this document is intended to provide a basis for long term capital project planning and financing. Budget and Capital Improvement Plan workshops with the City Council began in April of 2020, and this CIP focuses on continuing the infrastructure improvements begun in FY 2016.

The CIP is a comprehensive document with planned projects phased over a five year period, utilizing a combination of local funds and grant funds. A separate section is provided for each of seven capital programs. Analyses are also provided for eighteen local funding sources, including $143.9 million in revenue bonds and $60.1 million in tax supported bonds needed during the five year planning period.

The CIP includes financing analyses that demonstrate the affordability of these bonds. In accordance with the City Charter and state law, the tax-supported bonds were approved by the voters in the May 2017 bond election. Under state law and City Charter, City Council can approve the issuance of the revenue supported bonds without an election. All of the proposed bonds will be sold on an as needed basis, and will likely require rate increases for water and sewer system customers. Any such rate increase will be reviewed and proposed annually based on the annual Budget.

II. <u>Current Situation</u> - CIP Highlights by program:

Streets and Traffic - The Street Program includes projects totaling $35.8 million for Street projects for the FY2021-2025 period, adding to the $32.6 million initiated in previous years. Streets identified for funding in the May 2017 bond election are underway to provide the results expected from the bond election.

The FY 2021-2025 street program is proposed to be funded with $19.2 million from the bonds, $3.3 million from the General Fund Infrastructure and Debt Service set aside, $4.5 million from sales tax revenue provided through the Industrial Development

Corporation, and $9.8 million from water and sewer revenue bonds for the associated utilities.

In addition to the City funded projects, we have entered into a partnership with Galveston County to provide pavement and drainage improvements for Avenue S from 53rd Street eastward to Seawall Boulevard and 23rd Street from Broadway to Seawall, utilizing the 2017 County bond election funds.

In 2017, the City of Galveston performed a Streets Assessment and prepared a priority list of streets in need of repairs or reconstructions. This effort followed on the first such assessment performed in 2012. These assessments provided a scoring of the city streets based on the following scale:

Rating	Assessment
86-100	Good
71-85	Satisfactory
56-70	Fair
41-55	Poor
26-40	Very Poor
11-25	Serious
0-10	Failed

This information has been used as the basis for the adopted CIP starting in FY2016, and continuing in the FY2020-2024 Streets CIP plan. The streets identified as most in need of repair or replacement made up the Street list used to support the public improvement bond proposition approved by the voters in in May 2017. A recent study was performed with more advanced technology to assess the condition of the streets. Physical observation, customer feedback, drive-ability, and both the 2017 and recent studies will be factors in future selection of roadway projects for reconstruction.

The objective of the Streets program is to correct all streets scoring below 70 (ranging from “Failed” to “Fair”). The initial effort was aimed at those streets without significant base failures or associated underground utility issues. Based on the 2017 assessment and repair records, City staff is continually evaluating and prioritizing projects requiring both surface reconstruction and utility replacement.

Street projects are being accomplished utilizing a combination of City crews and outside contractors. City crews have been performing work associated with milling and laying hot-mix asphaltic concrete (HMAC) utilizing existing equipment on existing HMAC surfaced streets. Crews have also been placing HMAC overlays as needed on existing concrete streets in order to extend the service life of these roadways. An annual mill and overlay program is expected to soon be in place to augment the efforts of the in-house construction crews.

Outside contractors are being utilized for total reconstruction projects since these projects include ADA improvements, landscaping, water, sewer, and drainage improvements, in addition to the street repaving. In FY 2020, these projects included:

1. Reconstruction of 45th Street from Broadway to Seawall-**in construction**,
2. 25th Street from Broadway to Seawall**-in construction**,
3. 73rd Street from Heards Lane to Avenue N ½**-in Construction,**
4. Continuing the 27th Street corridor project, **Phase II and Phase III in construction**
5. 16th Street from Broadway to Avenue N ½**-in design**
6. 30th Street from Avenue O to Seawall**-milled and overlaid in-house**,
7. 35th Street from Post Office to Broadway-**bids received**, **soon to be in construction**
8. 29th Street from Church to Harborside**-to be milled and overlaid in-house**
9. Downtown Streetscape Improvements -**design proposal in review**
10. 29th Street from Avenue O to Seawall**-milled and overlaid in-house**
11. 49th Street from Avenue P to Avenue S ½.**-in Construction**
12. 23rd Street Corridor Enhancements-**design proposal in review**
13. 37th Street design from Broadway to Seawall-**in design**
14. 23rd Street from Broadway to Seawall-**County Bond Project in Design**
15. Avenue S from 53rd Street o Seawall-**County Bond Project in Design**
16. Seawall Mill and Overlay from Ferry Rd to Boddekker Rd-**Construction Completed**
17. Downtown Livable Communities Pedestrian and Transit Improvements-**in Construction and design changes being made to streamline this project due to change in conditions**
18. Broadway Mill and Overlay-**in construction funded by TXDOT**

Drainage - The Drainage Program will involve constructing new facilities to increase capacity and repairing existing systems, with $69.5 million in projects scheduled for the FY 2021-2025 period. Drainage projects identified in the May 2017 bond election will be under construction by FY 2021 so they might be finished by the end of FY 2022. Drainage projects are being funded with $9.5 million of the $62 million in public improvement bond proceeds. Some of these planned projects are highlighted below:

City crews will continue to advance the ditch regrading program to improve the roadside ditches that span the more rural areas of the Galveston community situated at the West End. The City is coordinating with the Texas Department of Transportation (TxDOT) for improvements to the drainage along the area of 11 Mile Road south of FM 3005 which is scheduled to be completed in FY2022. In addition, TXDOT is planning to increase the capacity of the FM 3005 ditches into which many developments at the West End of Galveston drain into. This design has been completed and TXDOT construction coordination with the City is in progress. Drainage hot spot remediation in the more urban 59th Street area is also in progress.

In addition to the City and Grant Agency funded projects, we will be partnering to utilize the 2017 County bond election funds for drainage improvements along Avenue S, from 53rd Street eastward to Seawall Boulevard, and 23rd Street from Broadway to Seawall.

We will also be continuing a program to remove the sediment and debris from the existing below ground drainage infrastructure which includes open channels, pipes and box culverts. Future improvements to existing systems include:

1. Construction of the capacity improvements to the Broadway Bridge Block system that is currently undersized and in poor condition (Study funded by the City and Design and Construction funded by TXDOT). These upgrades will include intersections at 48th, 39th, 38th, 36th, 35th, 34th, 32nct, 31st, 30th, 29th, 2st11, 22nct, 21st, 20th, 18th, 17th and 16th Streets.
2. Replacing and upsizing the storm drain in Church Street from 33rd to 37th Street in conjunction with 35th Street drainage improvements from Post Office (Avenue E) to Broadway;
3. Improving the 15th Street Drainage Area from Ship Channel to Seawall in conjunction with Storm water Pump Stations to address high tidal events. The City has been awarded the first phase of the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) funding to provide for the design of the drainage pump station on 15th Street to rapidly remove storm water from rain events at high flow even during most tidal events.
4. Completion of drainage system constructions on 25th, 37th and 45th Streets.
5. Performing construction in the drainage area centered on 18th Street to include:
    a. replacing the failing storm main in 18th Street from Market Street to the Galveston Ship Channel,
    b. cross connecting the entire drainage area into a single large box culvert for storm water conveyance to the Galveston Bay along 18th Street, and
    c. performing storm water modeling to evaluate the feasibility of a mechanical pumping system to increase the drainage capacity during most high tidal events to provide a basis for advancement of this viable approach City-wide
6. Replacing inlets and undersized laterals in conjunction with street improvement projects.

In addition, the City is planning to conduct a Master Drainage Study (MDS) to research alternate technologies (Low Impact Developments or “LID”) and recommend cost effective drainage improvements to be implemented in the future. Due to funding constraints, this MDS has been limited to areas being designed in the CIP but is being expanded City-Wide through another potential TWDB Grant-Funding opportunity.

Additional CDBG-MIT program Grant funding applications are being pursued now to address the 59th and vicinity drainage area from Seawall to Ship Channel which will also incorporate a high capacity storm water pump station

Water - The Water Program includes projects totaling $85.1 million intended to improve the quality and quantity of drinking water provided to the citizens of Galveston. This

includes rehabilitating existing infrastructure and constructing new facilities to increase capacity and available pressure. A total of $23 million in projects have already been initiated in to improve the water system with the reconstruction of the Airport Water Pump Station and the addition of secondary water tank aimed increasing water storage as additional emergency supply. An additional $12.4 million will be utilized to develop a Smart City initiative and install a new dynamic metering network throughout the City of Galveston.

Rehabilitation and replacement projects for the FY2021–2025 period include:

1. Rehabilitating the groundwater supply wells located on the mainland,
2. Replacing the original 1894 waterline with a new supply main on the causeway,
3. Installation of a Supervisory Control and Data Acquisition system throughout all of the cities water pump stations and elevated storage tanks.
4. Replacing sections of the main supply line on the island to our pump stations,
5. Replacing the water lines and infrastructure in conjunction with the County bond projects for Avenue S and 23rd Street
6. Continued replacement of substandard fire hydrants throughout the city, and
7. GPS and exercising 100% of the remaining water valves throughout the city.
8. Upgrading the capacity and operations of the Airport Pump Station, to include the replacement of the existing ground storage tank (GST) and the construction of an additional GST.
9. Demolition and replacement of the old 10 Mile Road Elevated Storage Tank (EST) with a new, higher capacity EST.

Proposed new construction for the water system by FY 2024 includes:

1. Installation of a 12-inch waterline along a portion of Seawall Boulevard to provide increased pressure and better service.

Future projects may include constructing a new elevated storage tank (EST) on the east end, a 20 inch waterline from Holiday Drive to east beach, and a new 20 inch waterline from the 30th Street pump station to the east end. These projects will provide greater capacity and pressure to the east end and the area located along the route of the new line. Other future work will include new looped systems to improve pressure and reliability in the Laffite's Cove and Spanish Grant (bayside) subdivisions.

Sewer - The Sewer Program includes $58.2 million in projects that will improve existing system infrastructure and modernize wastewater treatment plants across the island.

This includes the rebuilding of the Pirates Beach water reclamation plant, the installation of Supervisory Control and Data Acquisition at all wastewater facilities, and an aggressive manhole rehabilitation project using trenchless technologies, aimed at reducing water inflow & infiltration, enhancing system resiliency, and ensuring regulation compliance is met.

Included in the CIP is the ongoing work of bringing the old infrastructure of the existing sanitary sewer system up to date. This includes:

1. Upgrading lift stations throughout the City to provide for resiliency,
2. Construction of Harborside 25th to 29th sanitary sewer.
3. Reconstructing and upgrading the Pirate's Beach WWTP,
4. Reconstructing and upgrading the Terramar WWTP
5. Rebuilding the Seawolf Park WWTP,
6. Reducing inflow and infiltration (I & I) through the use of trenchless technologies (cured in place pipe, slip lining, polyurethane and epoxy coatings, etc.) on sewer manholes and sewer mains.
7. Replacing the aged sewer lines and infrastructure in conjunction with the County bond projects for Avenue S and 23rd Street, and
8. Rehabilitating sanitary sewer force mains at various locations.

Future projects will include improving the City's ability to provide sanitary sewer to the east end, upgrading the Digester and Grit System at the Main WWTP, and strenghing engineering specifications that will be applied to all internal and external sanitary sewer construction

Other Programs –

- Facilities projects totaling $2.2 million, including improvements at the City garage, recycling center, and city hall.
- Park Improvements - $9.8 million from IDC Sales Tax funds including $5.1 million for preservation of Babe's Beach and $3.3 million for Sandhill Crane Soccer Complex and park.
- Airport Improvements - $2.6 million, with $2 million from existing city funds.

III. <u>Recommendation</u>

Adopt the FY 2021-2025 CIP as presented.

ORDINANCE NO. 20-

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, APPROVING AND ADOPTING THE FIVE-YEAR CAPITAL IMPROVEMENT PLAN FOR FY 2021-2025; AND MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATED TO THE SUBJECT.

WHEREAS, The City Charter, Article VII, section 6, requires the City Manager to submit to the City Council of the City of Galveston, Texas, a statement of capital projects planned for the next succeeding five (5) fiscal years, with estimates of their cost; and

WHEREAS, in July 2020, the City Manager presented to the City Council a proposed Capital Improvement Plan (CIP) for Fiscal Years 2021 through 2025: and

WHEREAS, on July 23, 2020, the City Council of the City of Galveston, Texas, met in open session to receive information concerning the Capital Improvement Plan for Fiscal Year 2021 as a part of its annual budget review;

WHEREAS, the City Council has considered the input of the public and the recommendations of its staff and hereby determines it to be in the public interest to adopt a five-year Capital Improvement Plan for Fiscal Years 2021 through 2025 to service the public health, safety and general welfare of the taxpayers of the City; and

WHEREAS, a copy of the Capital Improvement Plan for Fiscal Years 2021 through 2025 has been made available for public review and comment in the Office of the City Secretary and on the City's web-site, and the City Council desires to adopt the same; and

WHEREAS, the City Council is anticipated to adopt the FY 2021 projects included in the Capital Improvement Plan as part of the City Budget with the passage of Ordinance No. 2020-XXX on September 10, 2020; and

WHEREAS, the FY 2021-2025 Capital Improvement Plan provides a general framework to guide project planning and financing over a five-year period; and

WHEREAS, the FY 2021-2025 Capital Improvement Plan is based on general priorities and available financing as can be anticipated at the present time; and

WHEREAS, the FY 2021-2025 Capital Improvement Plan includes all of the street and drainage projects included in the program presented to the voters and approved in the May 2017 bond election; and

WHEREAS, it is the intention of the City Council that the Capital Improvement Plan will be updated annually and include five years of planned and affordable projects while considering projects that have been completed in the prior fiscal year.

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. The certain compilation identified as the Proposed Capital Improvement Program for Fiscal Years 2021 through 2025, a copy of which has been and is on file in the Office of the City Secretary for and examination by the public, is hereby incorporated in full by this reference and is hereby adopted as the five-year capital improvement plan for the City of Galveston, Texas.

SECTION 3. The Capital Improvement Plan will be updated each year to recognize changes in the Plan as the result of completed projects, changes in project cost current financing capability of the City and the completion of all of the street and drainage projects presented to the voters in the May 2017 bond election by the end of FY 2023.

SECTION 4. The first year of the Capital Improvement Plan will be adopted each year as the capital budget for the current fiscal year through the annual budget ordinance.

SECTION 5. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

APPROVED AS TO FORM:	APPROVED:
_____	_____
DONALD GLYWASTY CITY ATTORNEY	JAMES D. YARBOROUGH MAYOR

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City Council of the City of Galveston at a regular meeting held on the 10th day of September 2020, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this _____ day of _____, 2020.

_____
Secretary for the City Council
of the City of Galveston

City of Galveston

FINANCE DEPARTMENT

PO Box 779| Galveston, TX 77553-0779
mloftin@galvestontx.gov |409-797-3562

To: Brian Maxwell, City Manager
Mayor and City Council

Date: September 10, 2020

Subject: An ordinance ratifying and confirming Ordinance No. 18-052, as supplemented and amended by Ordinance No. 18-67, pertaining to the City of Galveston, Texas, Tax and Revenue Emergency Anticipation Note; Ratifying and confirming the payment of principal and interest thereon and the Forward Delivery & Purchase Agreement, paying agent/registrar agreement, and form of Note related thereto.

I. Background

A. On August 23, 2018, the City Council approved an agreement between the City and Regions Bank for a $50 million emergency loan to serve as financing in the event of a nationally declared emergency. The Finance and Fiscal Affairs Committee voted at its April 25th meeting in 2018 to support the recommended loan structure and proposal. This agreement extends through September 1, 2023, the first time the emergency loan agreement extended for more than a year.

B. This financial arrangement is based on legislation passed in 2007 covering Texas cities located within 70 miles of the coast. The legislation, found now in section 1431.015 of the Government Code, authorizes "anticipation note" proceeds to be used for costs necessary" in relation to preserving or protecting the public health and safety" in the aftermath of a formally declared disaster situation.

C. The Attorney General's Office subsequently added two conditions for the City to gain its approval of the emergency loan as herein described. First, the City Council needs to reaffirm each year the use of the emergency loan for the originally intended purposes. That is the purpose of the attached ordinance ratifying and confirming forward purchase agreement, and this staff report. Second, the AG's office also has requested that the City get a credit rating at such time as the Tax and Revenue Anticipation Note is used in response to a major storm.

D. Between 2007 and 2014, the City maintained a $20 million line of credit that provided emergency financing in the event of a major tropical storm or hurricane. This line of credit was used in the aftermath of Hurricane Ike and repaid during the same fiscal year.

E. In 2015, the City negotiated and established a $50 million line of credit through Frost Bank for emergency financing. This agreement was in effect through September 1, 2018. The current line of credit with Regions Bank, initiated in September 2018 expires in September 2023.

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F. Galveston's situation with respect to storm recovery changed since 2008 when Hurricane Ike hit the island. Debris removal is the typically the largest cost after a storm, and the $80 million cost after Ike was addressed without having to use any local funds. After Ike, the City received virtually all of its grant funds up front, and FEMA covered 100 percent of the cost of debris collection. In recent years, FEMA changed its rules for debris removal funding, lower funding levels coming from FEMA depending on the situation after a specific storm. And it is highly unlikely the City would receive all of its grant in the form of an advance, although some cash advance is likely. Faced with these two changes by FEMA, the City sought to establish the larger emergency loan as the best overall solution to fund debris collection. The emergency loan provides a means of ensuring that the City's debris contractors could be put to work immediately, paid timely, and incentivized to keep working to clear the city, regardless of the funding.

G. While we do not expect to have to exercise the provision of the law that allows long term financing, the agreement provides that the proposed anticipation notes must be paid within ten years of the date of issuance. The notes are to be repaid and/or secured with local revenue, proceeds of bonds issued by the city, and/or federal or state funds granted to the city in the disaster recovery process.

H. The law also provides a clause specifically addressing a conflict with a municipal charter, thereby enabling the anticipation notes to be issued on a five, seven, or ten-year repayment schedule to address the effects of a storm.

II. Current Situation

A. The emergency bridge loan agreement with Regions Bank is advantageous to the City in several respects.
   1. The security or collateral for the loan is based on the City's full faith and credit including but not limited to any FEMA funds it may receive.
   2. It is the City's option as to timing and amounts to draw with no limitation or direct connection to FEMA eligible costs or reimbursement of those costs.
   3. Since the loan is not being negotiated annually as it has before, we are saving on legal fees. The loan origination fee continues to be paid every year. Now, the rating required before any draw can actually be made will add upwards of $30-35,000 to the cost of the emergency loan.
   4. The city will pay low interest rates on the loan and will have the ability under the law to convert any outstanding loan amount to longer-term financing at any time if advantageous to the City.

B. The City's holds approximately $50 million in operating fund balances that, together with the $50 million bridge loan, would provide a pool of $100 million cash upon which to draw in an emergency. The City is prepared with its own cash reserves to keep city

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mloftin@galvestontx.gov |409-797-3562

operations going, address any emergency debris or circumstances that exist, and wait out the FEMA reimbursement processes.

III. Issues

C. Cost –The current agreement originally was to have cost approximately $497,500 over five years. This included a one-time payment of attorney's fees totaling $40,000, and annual payment of the origination fee and AG fee. The proposed agreement cost $99,500 in its first year and annual renewals of $50,000 for each subsequent year, a total of approximately $300,000 over five years. The rating will add $30,000 to $35,000 to the City's cost, but only if the loan option is exercised by the City.

IV. **Alternatives**

A. City accepts the recommended ratification ordinance.
B. The City identifies an alternative method of emergency financing.
C. The City relies upon its own cash reserves to respond to a storm.

V. **Recommendation**

Concur in alternative A and approve an ordinance ratifying and confirming Ordinance No. 18-052, as supplemented and amended by Ordinance No. 18-67, pertaining to the City of Galveston, Texas, Tax and Revenue Emergency Anticipation Note; Ratifying and confirming the payment of principal and interest thereon and the Forward Delivery & Purchase Agreement, paying agent/registrar agreement, and form of Note related thereto.

VI. **Funding**

The current year's loan origination fee ($50,000) for Regions Bank and if the loan is exercised the cost of a rating from Fitch (up to $35,000).
Source: Casualty & Liability Fund

CITY OF GALVESTON ORDINANCE NO. ____

ORDINANCE RATIFYING AND CONFIRMING ORDINANCE NO. 18-052, AS SUPPLEMENTED AND AMENDED BY ORDINANCE NO. 18-67, PERTAINING TO THE CITY OF GALVESTON, TEXAS, TAX AND REVENUE EMERGENCY ANTICIPATION NOTE; RATIFYING AND CONFIRMING THE PAYMENT OF PRINCIPAL AND INTEREST THEREON AND THE FORWARD DELIVERY & PURCHASE AGREEMENT, PAYING AGENT/REGISTRAR AGREEMENT, AND FORM OF NOTE RELATED THERETO; AND MAKING OTHER FINDINGS AND PROVISIONS RELATING TO SUCH NOTE AND MATTERS INCIDENT THERETO

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

WHEREAS, the City of Galveston (the "City") is located within 70 miles of the Gulf of Mexico and is authorized to issue notes payable from and secured by any revenue, including sales taxes, other taxes, a combination of non-tax and tax revenue, the proceeds of bonds to be issued, and reimbursements or other funds to be received from the Federal Emergency Management Agency or other state or federal agency pursuant to Section 1431.015, Texas Government Code; and

WHEREAS, in the event of an Emergency (as defined in the Note Ordinance), the City anticipates that expenditures necessary for the payment of certain expenses will exceed the funds and estimated revenue available for the payment thereof; and

WHEREAS, on August 23, 2018, the City Council (the "City Council") of the City of adopted Ordinance No. 18-052 (the "2018 Note Ordinance"), which authorized the issuance of City of Galveston, Texas Tax and Revenue Emergency Anticipation Note, Series 2018-E (the "Note") for the payment of such expenses, in the event of an Emergency, and supplemented and amended the 2018 Note Ordinance with Ordinance No. 18-67 (the "2018 Supplemental Ordinance," and with the 2018 Note Ordinance, the "2018 Ordinance"); and

WHEREAS, on September 1, 2018, the City and Regions Capital Advantage, Inc., a Tennessee corporation (the "Tax-Exempt Lender") and Regions Commercial Equipment Finance, LLC, an Alabama limited liability company (the "Taxable Lender," together, the "Lenders") entered into a Forward Delivery & Purchase Agreement (the "Forward Delivery & Purchase Agreement"), pursuant to which the City agreed to sell and deliver to the Lenders the City's Tax-Exempt or Taxable Notes in the aggregate maximum principal amount of $50,000,000 upon issuance thereof; and

WHEREAS, on September 1, 2018, the City and Regions Bank (the "Bank") entered into a Paying Agent/Registrar Agreement (the "Paying Agent/Registrar Agreement"), wherein the Bank agreed to act as Paying Agent to pay the principal, redemption premium (if any) and interest on the Note, in accordance with the terms thereof, and Bank further agreed to act as Registrar for the Note; and

WHEREAS, the City Council desires to further ratify and confirm the 2018 Bond Ordinance and the levy of ad valorem taxes therein, the Forward Delivery & Purchase Agreement, the Paying Agent/Registrar Agreement and such other collateral agreements, certificates and related documents (collectively, the "Note Documents"); and

WHEREAS, the meeting at which this Ordinance is being considered 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 by Chapter 551, Texas Government Code;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GALVESTON THAT:

Section 1. Findings; Ratification and Confirmation of Ordinance and Note Documents. The findings and determinations set forth in the recitals of this Ordinance are hereby determined to be true and correct. The 2018 Note Ordinance is hereby ratified and confirmed in all respects, including the levy of a continuing direct annual ad valorem tax, within the limits prescribed by law, upon all taxable property in the City and the pledge of Pledged Security described therein. The Note Documents are hereby ratified and confirmed for all purposes.

Section 2. Findings; Further Proceedings. The Mayor, City Manager, City Secretary, the City Attorney, the Director of Finance (or such person acting in such capacity) and all other officers, employees, agents and bond counsel, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the 2018 Note Ordinance.

Section 3. Repealer. All ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

Section 4. Open Meeting. It here hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily 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 Act, Chapter 551, Texas Government Code, as amended, 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 thereof has been discussed, considered and formally acted upon. Additionally, in accordance with the provisions of Sections 12 and 13 of Article II of the City Charter, this Ordinance has been publicly available in the Office of the City Secretary for not less than 72 hours prior to its adoption and may be read and published by descriptive caption only. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

[*Execution Page Follows*]

PASSED AND APPROVED THIS ____ day of _____, 2020 by a vote of Council with ____ votes in favor, _____ opposed and _____ not voting.

_____
Mayor
City of Galveston, Texas

ATTEST

_____
City Secretary
City of Galveston, Texas

(SEAL)

APPROVED AS TO FORM:

_____
City Attorney
City of Galveston, Texas

#6226169.3

ORDINANCE NO. 20-___

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, AMENDING ORDINANCE 20-048, REGARDING THE DESIGNATED POLLING PLACES FOR THE ELECTION TO BE HELD IN THE CITY OF GALVESTON ON THE 3rd DAY OF NOVEMBER, 2020, FOR THE PURPOSE OF ELECTING A MAYOR AT-LARGE AND SIX (6) DISTRICT COUNCIL MEMBERS, EACH FOR A TWO-YEAR TERM; MAKING OTHER PROVISIONS OF FACT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the terms of office of the Mayor and six (6) Council Members of the City of Galveston, Texas expire upon the election and qualification of their successors; and,

WHEREAS, on August 13, 2020 and pursuant to Article III of the Galveston City Charter and sections 3.005, 41.001(a), and 41.005 of the Texas Election Code, the Galveston City Council, adopted Ordinance No. 20-048 requiring an election to be held, ordered, and called for on Tuesday, November 3, 2020, and that being a uniform election date under the Texas Election Code, in order to fill the seats of the Mayor and six (6) Council Members; and,

WHEREAS, Galveston County has received the final list of voting polling locations and election day voting polling locations, for the General Election on November 3, 2020; as provided in Exhibit 1, attached herein; and,

WHEREAS, the City Council deems it in the public interest to amend Ordinance No. 20-048 ordering and calling for a general election to be held on November 3, 2020, by providing for final early and election day voting polling locations, as provided below; and,

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct, and they are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. That Ordinance No. 20-048 ordering the General Election is hereby amended to provide for additional early voting polling locations and election day voting polling locations, attached hereto for all intents and purposes, as **Exhibit 1.**

SECTION 3. In accordance with Chapter 43 and other applicable provisions of the Texas Election Code, this election shall be conducted utilizing countywide polling places as designated by the County of Galveston. The City Council hereby designates the locations listed in **Exhibit 1** as countywide polling places to be utilized for this election.

SECTION 4. The City Council reserves the right to amend or modify this Ordinance, including, but not limited to, the Early Voting and Election Day polling locations.

SECTION 5. In the event any provision of the Election Services Agreement with the County conflicts with any provision of this Ordinance, the provisions of this Ordinance shall control with respect to the City election.

SECTION 6. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance, because the same would have been enacted by the City Council without the incorporation in this Ordinance of any such invalid phrase, clause, sentence, paragraph or section.

SECTION 7. It is hereby officially found and determined that notice of the meeting at which this Ordinance is adopted was given as required by Chapter 551 of the Texas Government Code (the "Texas Open Meetings Act") and that such meeting has been open to the public at all times when this Ordinance was discussed and acted on.

SECTION 8. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 9. In accordance with the provisions of Sections 12 and 13 of Article II of the City Charter, this Ordinance has been publicly available in the Office of the City Secretary for not less than 72 hours prior to its adoption; and that this Ordinance may be read and published by descriptive caption only.

SECTION 10. This Ordinance shall be and become effective from and after its adoption and publication in accordance with the provisions of the Charter of the City of Galveston.

APPROVED AS TO FORM:

_____

DONALD S. GLYWASKY
CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City Council of the City of Galveston at its Regular meeting held on the 10th day of September, 2020, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston on this 10th day of September, 2020.

_____

JANELLE WILLIAMS
City Secretary for the City Council
of the City of Galveston, Texas

EXHIBIT 1

EARLY VOTING LOCATIONS

for

City of Galveston

MAIN EARLY VOTING POLLING PLACE

Galveston County Justice Center
600 – 59th Street
2nd Floor Conference Room
Galveston, Texas

Galveston County Courthouse
722 Moody Street
Galveston, TX

Seaside Baptist Church
16534 Termini-San Luis Pass Rd.
Jamaica Beach, TX

Carver Park Community Center
6415 Park Ave.
Texas City, TX 77590

Joe Faggard Building
1750 Hwy 87
Crystal Beach, TX

The Watershed
1751 East League City Pkwy
League City, TX

La Marque Community Room
1109-B Bayou
La Marque, TX

Old Friendswood Jr. High
402 Laurel
Friendswood, TX

West County Building
11730 Highway 6 Chambers Rm..
Santa Fe, TX

Moody Methodist Church
2803 53rd Street
Galveston, TX

Hitchcock City hall
7423 Highway 6
Hitchcock, TX

Nessler Center
2010 5th Ave. North Ballroom
Texas City, TX

IBC Bank
2301 FM 646
Dickinson, TX

MUD 12 Building
2929 Hwy 6 2nd Floor
Bayou Vista, TX

Clear Lake Shores
1006 South Shore Dr. Clubhouse
Clear Lake Shores, TX

Public Works Operation Center
1701 W. League City PWY
League City, TX

Dickinson Community Ctr.
2714 Highway 3
Dickinson, TX

Bacliff VFD
600 Grand
Bacliff, TX

North County Annex
174 Calder Drive Room 142
League City, TX

High Island ISD
2113 6th Street Gym
High Island, TX

GISD Admin Bldg.
3904 Ave T.
Galveston, TX

Creekside Int.
4320 West Main St.
League City, TX

COM North County
200 Parker Ct.
League City, TX

The Jacob White Building
2000 West Parkwood
Friendswood, TX

Kemah Community Ctr.
800 Harris
Kemah, TX

Friendswood First Baptist Church
202 Heritage Dr.
Friendswood, TX

Greater St Matthews
6333 Highway 6
Hitchcock, TX

COM Main Campus
1200 Amburn Rd.
Texas City, TX.

League City Rec. Room
450 West Walker
League City, TX

Santa Fe ISD Museum
13304 Highway 6
Santa Fe, TX

The Blue Building
144 Park Suite 200
League City, TX

ELECTION DAY VOTING LOCATIONS
Tuesday, November 3, 2020
7:00 a.m. to 7:00 p.m.

for

City of Galveston

Joe Faggard Community Center
1750 Highway 87
Crystal Beach, TX

MUD 12 Building
2929 Highway 6 2nd Floor
Bayou Vista, TX

West County Building
11730 Highway 6 Chambers Rm.
Santa Fe, TX

Dickinson Community Ctr.
2714 Highway 3
Dickinson, TX

Kemah Community Ctr.
800 Harris
Kemah, TX

Friendswood First Baptist Church
202 Heritage Dr.
Friendswood, TX

Moody Methodist
2803 53rd Street
Galveston, TX

High Island ISD
2113 6th Street Gym
High Island, TX

Texas A&M Campus
200 Seawolf Park
Galveston, TX

Galveston County Court House
722 Moody 2nd Floor
Galveston, TX

La Marque Comm. Room
1109 B Bayou Rd.
La Marque, TX

Nessler Community Center
2010 - 5th Ave. North Ballroom
Texas City, TX

Bacliff VFD
600 Grand
Bacliff, TX

North County Annex
174 Calder Drive Room 142
League City, TX

Justice Center
600 59th Street
Galveston, TX

Seaside Church
16534 Termini-San Luis Pass Rd
Jamaica Beach, TX

GISD Admin Bldg.
3904 Ave T.
Galveston, TX

Rebecca Sealy
404 8th Street
Galveston, TX

Greater St Matthews
6333 Highway 6
Hitchcock, TX

HISD Admin Building
7801 Neville
Hitchcock, TX

COM Main Campus
12 Amburn Rd.
Texas City, TX

Texas City Central Fire Sta
1721 25th Street
Texas City, TX

Daysprings Church
2215 FM 646
Santa Fe, TX

Ministry of Encouragement
3424 Highway 3
Dickinson, TX

IBC Bank
2301 FM 646
Dickinson, TX

Clear Lake Shores Clubhouse
1006 South Shore Dr.
Clear Lake Shores, TX

Hometown Heros
1011 East League City Parkway
League City, TX

Ferguson Elementary
1910 S. Compass Rose
League City, TX

League City Int.
2588 Webster St.
League City, TX

Dominion Church
6400 Calder Rd.
League City, TX

Santa Fe ISD Museum
13304 Highway 6
Santa Fe, TX

Carver Park
6415 Park Ave
Texas City, TX

Calvary Baptist
517 18th Ave North
Texas City, TX

Mid County Bldg.
9850 Emmett Lowery
Texas City, TX

Dickinson City Hall
4403 Highway 3
Dickinson, TX

McAdams Jr Hi
11415 Hughes Rd.
Dickinson, TX

San Leon FVD
337 12th Street
San Leon, TX

Hope Lutheran
1804 S. Friendswood Dr
Friendswood, TX

Creekside Int.
4320 West Main St.
League City, TX

League City Rec. Room
450 West Walker
League City, TX

Com North County
200 Parker CT
League City, TX

Old Friendswood Jr Hi
402 Laurel
Friendswood, TX

The Jacob White Building
2000 West Parkwood
Friendswood, TX

Public Works Operation Center
1701 W League City Pkwy.
League City, TX

The Blue Building
144 Park Ave. Suite 200
League City, TX

The Watershed
1751 E. League City Pkwy
League City, TX

City of Galveston

DEPARTMENT OF DISASTER RECOVERY

Tesa Wrobleski, FEMA Public Assistance Program Manager
twrobleski@galvestontx.gov | Office Number: (409) 797-3517 | www.galvestontx.gov

August 18, 2020

To: Brian Maxwell, City Manager
Hon. Mayor and City Council Members

From: Tesa Wrobleski, FEMA Public Assistance Program Manager

RE: Consider for approval the funding of a grant in the amount of $50,000 to the Galveston Economic Development Partnership (GEDP) for the collection, analysis, and provision of local business and economic loss and recovery data for the determination of economic recovery needs due to COVID-19, and authorize the City manager to complete the grant utilizing CARES ACT funding.

I. Background

A. The City of Galveston declared a local Disaster Declaration on March 16, 2020 due to the COVID-19 Pandemic. The City continues to be impacted by the ongoing events due to COIVD-19, including economic and financial impacts to local businesses.

B. The State of Texas Corona Relief Fund (CRF) was established under the CARES ACT, and authorized reimbursement of eligible expenses incurred during the incident period of March 1, 2020 through December 30, 2020 for COVID-19.

C. Economic recovery and support activities are an allowable use of the City's CARES Act funding, as confirmed by the Texas Division of Emergency Management.

D. There is currently no means for the City of Galveston to collect and analyze data related to local business and economic losses resulting from disasters and emergencies. This data point is often required to support requests for funding and programs to both the State of Texas and various federal disaster recovery funding agencies.

II. Current Situation

A. The City has evaluated several possibilities for ways to collect and analyze local business and economic loss data, and has determined the best methodology to be

Tesa Wrobleski, FEMA Public Assistance Program Manager
twrobleski@galvestontx.gov | Office Number: (409) 797-3517 | www.galvestontx.gov

through a partnership with the Galveston Economic Development Partnership (GEDP).

B. GEDP has existing relationships with local businesses and other providers of data that make it ideally situated to assume this task and to provide analyzed data and reports to the City upon request.

C. GEDP requires start-up funding of $50,000 in the form of a one-time grant from the City in order to undertake this task, but is prepared to fund the ongoing maintenance costs of this task in future year budgets.

III. Issues

A. CARES Act funding must be expended by December 30, 2020 in order to comply with the CARES ACT funding provisions.

IV. Alternatives in order of priority

A. Approve the issuance of this one-time grant of $50,000 to GEDP for the stated purpose, and authorize the City Manager to complete the purchase utilizing CARES ACT funding.

1. Cost – $50,000 CARES ACT Funding
2. Timing – Funds must be expended by December 30, 2020
3. Impact or Ramifications – The City will gain the ability to make requests for additional emergency or disaster funding or programs based on business and economic losses due to COVID-19 impacts.

B. Do not approve the issuance of this one-time grant of $50,000 to GEDP for the state purpose.

1. Cost – No additional cost at this time.
2. Timing – No timing issues
3. Impact or Ramifications – The City will continue to lack the ability to make requests for additional emergency or disaster funding or programs based on business and economic losses due to COVID-19.

Tesa Wrobleski, FEMA Public Assistance Program Manager
twrobleski@galvestontx.gov | Office Number: (409) 797-3517 | www.galvestontx.gov

V. **Recommendation**

Concur with Alternative A and approve issuance of a one-time grant of $50,000 to GEDP, and authorize the City manager to complete the grant utilizing CARES ACT funding.

Respectfully Submitted,

Tesa Wrobleski

Tesa Wrobleski
FEMA Public Assistance Program Manager

Grant Contract: Terms and Provisions

This grant contract ('the Agreement') is entered into between the City of Galveston, acting by and through the City Council, hereinafter referred to as 'City', and the Galveston Economic Development Partnership (GEDP), hereinafter referred to as 'Grantee'.

Grantee: Galveston Economic Development Partnership
PO Box 8029
Galveston, Texas 77553

Approved: August 27, 2020

Amount: $50,000

Period: Upon approval through December 15, 2020

Purpose: The purpose of the grant is to provide the GEDP with funding from the CARES ACT to coordinate a focused effort in the Galveston business community to develop a Comprehensive COVID-19 Business Impact Report (CCBIR) to quantify the impacts on the business community in the City of Galveston resulting from the COVID-19 pandemic to date.

Responsibilities of Grantee:

1. The Grantee will be responsible for the capturing, coordinating, and cataloging reported business losses to the City of Galveston businesses and developing a reporting capability to capture business economic impacts due to the COVID-19 Pandemic. The reporting capability will include, analyzing and reporting on data points related to the economic impact of COVID-19 on local businesses.

2. The Grantee will be responsible for coordinating business public outreach to encourage that businesses participate in the data gathering process and that data will be readily available to determine the economic viability of the business community.

Specific Conditions:

1. All funds must be used for the purposes defined in this document.

2. Grantee agrees to recognize the City as a partner in this project.

3. Grant will be paid in one (1) installment upon receipt of a written request for payment.

4. The period of funds availability for this grant cannot be extended unless the period of availability and use of CARES Act funding is extended by the US Department of Treasury and/or the Texas Division of Emergency Management.

5. Grantee agrees to comply with all general conditions of this agreement.

General Conditions:

1. COVID-19 Report to the City: The Grantee will provide the City with a CCBIR written report of the specific, quantified impacts of COVID-19 on local businesses, with recommendations, strategies, actions, or programs that could be created or implemented to aid economic recovery and stabilization. This CCBIR report will be provided to the City no later than December 15, 2020.

2. Other Reports to the City: The Grantee will provide monthly updates during the term of this agreement to the City related to the progress and status of data/information collected related to the Galveston business community.

3. Use of Grant Funds: All funds awarded by the City under this Agreement must be used for the purposes summarized previously. No changes or modifications may be made without the City's knowledge and approval. All grant funds must be returned to the City if the funds are not expended for the purposes of the grant within the stated period of time.

4. Payment: The City will make payment in a single installment upon request from the Grantee.

5. Public Announcements: The City may, at their discretion, release information regarding this grant to the media, including the City's social media platforms. Should the Grantee wish to release additional information after accepting the grant, they may do so without additional or prior clearance from the City. However, the City shall be furnished with copies of all news releases and any other published materials, pictures, etc. with may develop in connection with this grant award.

6. City Logo and Seal: The use of the City of Galveston Seal and any logos from and third party vendor is strictly prohibited without the written authorization from the City of Galveston Legal Department.

Oher Provisions:

1. This grant award has been approved by the City Council and is accepted by the Grantee with the understanding that the City is not obligated to provide additional support.

2. It is understood that this grant is limited to the use previously defined.

3. Except as otherwise provided herein, to the full extent possible,

    a. All representations, obligations, and undertakings of each of the parties to this Agreement shall be performable in Galveston, Texas; and

b. The proceeds of this Grant shall be funded in Galveston, Texas.

4. This contract is executed in Galveston County, Texas this _____ day of August, 2020.

Acceptance:

We accept this grant subject to the terms and provisions stated above.

8-18-20

_____ _____

Jeffrey Sjostrom, President Date
Galveston Economic Development Partnership

_____ _____

Brian Maxwell, City Manager Date
City of Galveston

Report Content and Outline

This information is provided to provide guidance in the development of the required reports. The information provided to the City will serve several important functions. It will provide the City with documentation of losses and damages to support requests for assistance to the State of Texas related to COVID-19. It will also provide the City with valuable data and information to determine possible ways to help local businesses – and by extension the community – related to COVID-19.

Please provide the following with each report:

1. A one-page summary of the contents of the report.
2. Details of the data collected and analyzed, including date ranges of data collected.
3. A description of the analysis or assessment methodology and any assumptions.
4. A description of the current impacts to businesses, and those projected to occur without assistance or support. Includes topics such as how many employees were laid off, how many businesses closed, how many have re-opened, how many may never re-open, and how many may have received business loans.
5. Specific recommendations or strategies for projects or programs to support or assist local businesses with their recovery.
6. Visual aids and references to illustrate the findings and/or recommendations of the report.
7. Visual aids can be provided upon request that are reflective of the City Council Districts or any specific area requested.

City of Galveston

City Auditor's Office

Audit Memo
August 2020
AU-CITY2020-1

Review of Texas Law Enforcement Support Office (LESO) Program (Formerly 1033 Program) Inventory Process at the Galveston Police Department

Why We Did This Memo

This audit is part of the City Auditor's Office Audit Plan year ending 2020 approved by City Council.

What We did

To complete this request, we:

- Interviewed the Sergeant designated by the Chief in charge of the LESO property, maintenance, yearly inventory, equipment issued, and ensure adequate safeguards to prevent loss, damage, or theft of the equipment.
- Read Texas LESO Program Quick Overview.
- Reviewed FEPMIS (Federal Excess Property Management information System) Texas Inventory worksheet including a picture of the equipment, U.S. inventory label, inventoried signature and date.
- Examined the FEPMIS inventory report spreadsheet.
- Evaluated the Statement of Physical Custody of LESO Program Property signature cards.
- Reviewed 2020 LESO Property Inventory with inventoried signature and location.
- Examined Galveston Police Department inventory system printouts.
- Reviewed current and draft policies for the Galveston Police Department on LESO program.

What We Found

In our opinion, internal controls are in place and operating effectively to provide reasonable assurance that the LESO equipment are managed appropriately. The Galveston Police Department has invested significant time and effort into improving the processes, procedures, and records related to the LESO equipment; and they have made substantial progress. Special procedures should be put in place to ensure that all inventory records are complete and accurate, and that obsolete/disposed of/transferred equipment are removed from the Galveston Police Department inventory program to reflect the LESO Program inventory report.

City of Galveston

City Auditor's Office

Audit Memo
August 2020
AU-CITY2020-1

Review of Texas Law Enforcement Support Office (LESO) Program (Formerly 1033 Program) Inventory Process at the Galveston Police Department

The Galveston Police Department inventory system shows equipment in inventory that the department no longer has. One example is a mobile field kitchen trailer acquired from LESO on October 2, 2013 shows to be in fleet inventory. The kitchen trailer was given to Lighthouse Charity Team upon arrival of the trailer. The Galveston Police Department submitted a staff report to City Council to transfer the kitchen trailer to Lighthouse Charity Team on January 9, 2014. After one year and a day, October 3, 2014, the kitchen trailer would solely belong to the Galveston Police Department. The Galveston Police Department requested to transfer ownership to Lighthouse Charity Team. The request was approved by City Council on January 23, 2014. Items like this should be removed from the RMA inventory system. (Attachment 1).

Background

The Texas LESO program allows Law Enforcement Agencies (LEA) to acquire excess Department of Defense (DOD) property, including small arms and ammunition. LEA's must be approved and currently authorized to use the LESO program on an annual basis. Once property is issued to a LEA an application packet must be submitted annually by August 1, to the Administration of LESO program. The Galveston Police Department is responsible for following LESO guidelines, policies, requirements for all property received.

Scope

The scope of this review was to evaluate equipment inventory for the LESO program comparing to best practices including key processes, key risks, key controls, documentation, monitoring and ensuring transparency and accountability.

Follow Up

The Galveston Police Department inventory system now shows the transfer of the kitchen trailer to Lighthouse Charity Team.

Review of Texas Law Enforcement Support Office (LESO) Program (Formerly 1033 Program) Inventory Process at the Galveston Police Department

Chief of Galveston Police Department Comment

The Police Department has worked diligently to implement the previous audit recommendations and ensure compliance. The Department will be directed to review Report's findings and conclusions. Ms. Sumrall and the City's auditors continues to provide guidance and make the department more accountable for its assets.

City Manager's Office Comment

The Manager has reviewed the report prepared by the City Auditor and is in agreement with its findings and conclusions. The GPD policy for LESO assets and materials has recently been revised and there are sufficient controls within the new policy to preclude the recurrence of the 2013 acquisition and immediate transfer of a program asset to a third party. The information contained in the staff report presented to council in support of transferring the asset did not delineate the purpose of the acquisition in sufficient detail for council to understand to proposed activity. The Manager is confident that the revised policy addresses the deficiencies which led to the questionable transfer which took place under prior City and GPD leadership.

14-Q
1/23/

CITY COUNCIL ITEM SIGNATURE PAGE
RECEIVED IN THE CITY MANAGER'S OFFICE_____

TITLE OF ITEM AS IT IS TO APPEAR ON CITY COUNCIL AGENDA:

Consider for action, approval of the transfer of ownership of the portable kitchen trailer from the Galveston Police Department to the Lighthouse Charity Team, a non-profit group.

AGENDA DATE REQUESTED: **January 9, 2014**

AGENDA ITEM REQUESTED:
____CONSENT _XXX__ ACTION __ ORDINANCE ___ MOTION __ OTHER___

STAFF REVIEW	DATE	APPROVED	SIGNATURE
DEPARTMENT HEAD REQUESTING ITEM	1/16/14	✓	[signature]

FINANCE DIRECTOR:

COMMENTS:

CITY ATTORNEY:

COMMENTS:

CITY MANAGER:

COMMENTS:

ANY OTHER DEPARTMENTS AFFECTED _____ YES XXX NO
IF YES, OBTAIN THEIR APPROVAL FIRST:

DEPARTMENT	DATE	APPROVED	SIGNATURE

FISCAL POLICY STATEMENT ATTACHED? XXX____ YES ____ NO

LOCAL BIDDER? ____ YES ____ NO XX_NOT A PURCHASING ITEM

HAS ALL APPROPRIATE ADVERTISING BEEN COMPLETED? ____YES ____NO XX_N/A

COUNCIL APPROVED
DATE 1/23/14
SIG [signature]

City of Galveston / Galveston Police Department

Staff Report

December 16, 2013

Michael W. Kovacs, City Manager

Subject: Approval of the transfer of ownership of the portable kitchen trailer from the Galveston Police Department to the Lighthouse Charity Team, a non-profit group.

I. Background

A. The Galveston Police Department received a portable kitchen trailer from the Texas 1033 Program. The Texas 1033 Program disperses used military equipment to police departments in Texas. The portable kitchen trailer was transferred to the Galveston Police Department on October 2, 2013, with no costs incurred.

B. The Lighthouse Charity Team is a non-profit group surrounding the southeast Gulf Coast region. The team provides the equipment and volunteers to allow numerous organizations to raise funds in order to provide other charitable resources to the citizens of Galveston and surrounding areas.

C. The portable kitchen trailer will allow the Lighthouse Charity Team to provide continued support. The Lighthouse Team will support the City of Galveston Police, Fire, and EMS for a period of three years in response to natural disasters or other large events requiring assistance.

D. The portable trailer will belong solely to the Galveston Police Department after one year. On October 3, 2014, one year and one day after taking possession of the trailer, it is the desire of the Galveston Police Department to transfer ownership to the Lighthouse Charity Team; to further their work in our community.

II. Current Situation

The City Manager will have to approve:

A. The transfer of ownership of the portable kitchen trailer to the Lighthouse Charity Team.

III. Issues

1. Cost – There is no cost for this action.

2. Timing – The approval of the transfer will allow the Lighthouse Charity Team to plan for future events.

3. Departmental Improvements-This donation will ensure the City of Galveston and its charitable organizations will be able to rely on the Lighthouse Charity Team to assist in fundraising opportunities.

IV. Alternatives in order of priority

A. Approve the donation to Lighthouse Charity Team.

B. Do not approve the donation.

V. Recommendation

Concur in Alternative A, and grant approval of the donation to Lighthouse Charity Team.

VI. Fiscal Impact Report

Requested by	Galveston Police Department
Funding Source	N/A
Cost	$0.00
Additional Information	N/A

Respectfully Submitted,

Henry Porter
Chief of Police

Approved,

Michael W. Kovacs
City Manager

A51SY50 EA00001 DXP 15267 S9DAA

2YTEGY32622055

7360015004644

SY5 EA 00001 A 0424600

V9WTB58

3

PROJ:

REC OCN:

JON:

SPI:

DMIL: A.

RCC:

CIIC: U

RCC MSG:

TY CARGO MSG:

PICKUP

SY5A033

MSDS

MPRDT

STOCK FUND

EXPDT

BIN:

DT3266/TI0725

D/C-PK: / /

DBG:

PCN: V9WTB58

DTID W9115V30920003 DELIVERY ORDER 0374336761

SHIPPING ADDRESS
GALVESTON POLICE DEPT
601 54TH STREET SUITE 200
GALVESTON TX 77552

Rec'd By:
Shp'd By:
Date: 10/2/13

EXCEPTION SHIPPING ADDRESS
DO NOT SHIP
CUSTOMER WILL ARRANGE FOR TRANSPORTATION

Entered ONJ

1033 Mobile Kitchen

116 $75 ✓

City of Galveston

Office of the Chief of Police

P.O. Box 17251 / Galveston, TX 77552-7251 / (409) 765-3790 / Fax (409) 765-3791

Dick Daugird
Lighthouse Charity Team
P.O. Box 16494
Galveston, Texas 77552

February 4, 2014

Dear Mr. Daugird,

On behalf of the Galveston Police Department I am please to be able to transfer possession of our Mobile Field Kitchen to the Lighthouse Charity Team. I have attached all the relevant documents that will prove ownership. After October 3, 2014, the Mobile Field Kitchen will belong solely to Lighthouse Charity Team.

The Mobile Field Kitchen is in the care, custody, and control of the Lighthouse Charity Team. All insurance, taxes, and licenses are the sole responsibility of the Lighthouse Charity Team.

I continue to look forward to our ongoing partnership and hope that we never need to use your services during a disaster or incident in our community.

Respectfully,

Henry S. Zorretto
Chief of Police
Galveston Police Department

RESOLUTION NO. 20-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GALVESTON, TEXAS, DESIGNATING JOHN MANLOVE AS THE PRESIDENT OF THE GALVESTON ISLAND REDEVELOPMENT AUTHORITY TO SERVE THE SAME ANNUAL TERM AS THE OTHER OFFICERS OF THE AUTHORITY, PROVIDING FOR FINDINGS OF FACT AND FOR AN EFFECTIVE DATE.

WHEREAS, at its meeting of May 28, 2020 the City Council named a number of individuals to the Galveston Island Redevelopment Authority (Authority)/Galveston Housing Finance Corporation/Galveston Property Finance Authority, including John Manlove; and

WHEREAS, the Galveston Island Redevelopment Authority (Authority) held its Regular Meeting on August 10, 2020; and

WHEREAS, at the August 10, 2020, meeting John Manlove was nominated and approved by a majority of the Board Members of the Authority to serve as its President; and

WHEREAS, the Authority's Certification of Formation and Bylaws provide that the Mayor and City Council shall designate the Authority's President and the term of office; and

WHEREAS, the City Council is of the opinion that John Manlove, having been nominated and approved by the Authority as its President should be designated as such and shall serve the same annual term as the other officers of the Authority.

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

SECTION 1. The findings and recitations set out in the preamble to this Resolution are found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes.

SECTION 2. The City Council of the City of Galveston, Texas hereby designates John Manlove as the President of the Galveston Island Redevelopment Authority to serve the same annual term as the other officers of the Authority.

SECTION 3. This Resolution shall be and become effective from and after its adoption.

APPROVED AS TO FORM:

_____
BEVERLY WEST
ASSISTANT CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the City Council of the City of Galveston at its Regular Meeting held on the _____, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this _____ day of _____, 2020.

_____
Secretary for the City Council
of the City of Galveston

City of Galveston

City Attorney's Office

P.O. Box 779 / Galveston, Texas 77553-0779 / (409) 797-3530 / Fax (409) 797-3531

DATE: September 10, 2020

TO: Honorable Mayor and City Council

FROM: Beverly West, Assistant City Attorney

RE: Consider for Approval a Resolution Designating John Manlove as the President of the Galveston Island Redevelopment Authority to serve the same annual term as the other officers of the Authority

I. BACKGROUND

A. On August 10, 2020, the Galveston Island Redevelopment Authority nominated and approved its officers.

B. The Authority nominated and approved John Manlove as the President of the Authority.

II. CURRENT SITUATION

The Authority's governing documents, i.e., its Certification of Formation and Bylaws, require the Mayor and City Council to designate the President of the Authority and to designate the term to be served. The terms of the other officers of the Authority are annual, or more specifically as set forth in its Bylaws, the term shall: "commence on the date of such officer's election and terminate on the earlier of: one year; the date that the officer is replaced by the board; or, if the officer is a member of the Board, the date that the officer is no longer a member of the Board." At the Authority's August 10, 2020, Regular Meeting a majority of the board members nominated and approved John Manlove to serve as its President, subject to the designation by the City Council. The Authority did not propose a term to be served by Mr. Manlove.

III. ISSUES

Whether to approve a Resolution that designates John Manlove as the Authority's President to serve the same annual term as the other officers of the Authority.

IV. ALTERNATIVES IN ORDER OF PRIORITY

A. Alternative #1: Approve the Resolution.

B. Alternative #2: Take no action. This option would likely result in the Authority nominating another individual as its President for consideration by the City Council.

C. Alternative #3: Designate another board member of the Authority to serve as the President and designate the term of office.

V. RECOMMENDATION

Concur with Alternative #1: Approve the Resolution designating John Manlove as the Authority's President to serve the same annual term as the other officers of the Authority.

VI. FISCAL NOTE

There are no costs to the City.

Galveston Police Department

OFFICE OF THE CHIEF
STAFF REPORT

To: Brian Maxwell, City Manager
Hon. Mayor and City Council Members

From: Vernon L. Hale, III, Chief of Police

RE: **Consider for approval the purchase of 16 Tasers and related equipment from Axon Enterprise, Inc. through Buy Board (Contract #603-20) at a total cost of $35,593. Funding will be the U.S. Department of Justice's Byrne Justice Assistance Grant account.**

I. Background

A. The Police Department requires the replacement of Tasers to replenish those that are no longer functional due to age and wear and tear. The current Taser warranties are expired making necessary repairs costly.

B. The use of the Taser has been proven to result in fewer physical altercations between officers and offenders, improving the safety of both. The use of the less-than-lethal Taser option has been used with success over the years. It is an effective tool that should be maintained as a use of force option for our officers.

C. The City was awarded and accepted JAG funding for the 2017, 2018 and 2019 fiscal years in the amount of $35,593.00. Of these funds, $10,080.00 has already been spent, leaving a remaining balance of $25,513.00. These remaining funds will allow for the purchase of sixteen (16) additional Tasers and associated hardware.

II. Current Situation

Whether to approve the purchase of the sixteen (16) Tasers and related items.

III. Issues

1. Cost – The total cost for the Tasers and related items is $35,593.00.
2 Timing – This purchase is necessary immediately to replace outdated Tasers.

3. Departmental Improvements – The department will be able to continue the use of less than lethal Tasers as an effective tool.

IV. Alternatives in order of priority

A. Approval of the purchase of Tasers and related equipment.

B. Do not approve the purchase of Tasers and related equipment.

V. Recommendation

Concur in *Alternative A* and grant approval to purchase the Tasers and related equipment.

VI. Fiscal Impact Report

Requested by:	Vernon L. Hale, III Chief of Police
Funding Source:	01116-211453-522056-421000 Dept. of Justice JAG Grant - Minor Equipment
Cost:	$35,593.00

Respectfully Submitted,

Vernon L. Hale
Chief of Police

Q-256488-44076.701EK

Issued: 09/02/2020

Quote Expiration: 11/30/2020

Account Number: 108408

Payment Terms: Net 30

Delivery Method: Fedex - Ground

Axon Enterprise, Inc.
17800 N 85th St.
Scottsdale, Arizona 85255
United States
Phone: (800) 978-2737

SHIP TO
Jonathan Coward
Galveston Police Dept. - TX
601 - 54TH ST
GALVESTON, TX 77551
US

BILL TO
Galveston Police Dept. - TX
PO BOX 77552-17251
GALVESTON, TX 77551
US

SALES REPRESENTATIVE
Elliott Kelly
Phone: +1 5127123580
Email: ekelly@taser.com
Fax: +1 4809910791

PRIMARY CONTACT
Jonathan Coward
Phone: 409-797-3806
Email: jcoward@galvestontx.gov

TASER Products

Item	Description	Term (Months)	Quantity	List Unit Price	Net Unit Price	Total (USD)
Hardware						
11003	YELLOW X26P CEW, HANDLE		16	1,065.00	1,065.00	17,040.00
11004	WARRANTY, 4 YEAR, X26P		16	331.00	331.00	5,296.00
11010	XPPM, SPARE CARTRIDGE BATTERY PACK, X26P		16	76.00	76.00	1,216.00
11501	RIGHT-HAND HOLSTER, X26P, BLACKHAWK		15	64.00	64.00	960.00
11504	LEFT-HAND HOLSTER, X26P, BLACKHAWK		1	64.00	64.00	64.00
					Subtotal	24,576.00
					Estimated Shipping	0.00
					Estimated Tax	0.00
					Total	24,576.00

Grand Total	**24,576.00**

Notes
BuyBoard 603-20 used for pricing and purchasing justification.

Tax is subject to change at order processing with valid exemption.

Axon's Sales Terms and Conditions

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at www.axon.com/legal/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature: _____ **Date:** _____

Name (Print): _____ **Title:** _____

PO# (Or write N/A): _____

Please sign and email to Elliott Kelly at ekelly@taser.com or fax to +1 4809910791

Thank you for being a valued Axon customer. For your convenience on your next order, please check out our online store buy.axon.com

The trademarks referenced above are the property of their respective owners.

Axon Internal Use Only		
		SFDC Contract #: Order Type: RMA #: Address Used: SO #:
Review 1	Review 2	
Comments:		

SCHOLES INTERNATIONAL AIRPORT GALVESTON

Scholes International Airport

AIRPORT ADMINISTRATION
2115 Terminal Dr | Galveston, TX 77554
www.galvestonairport.com | airport@galvestontx.gov | 409-797-3590

August 28, 2020

Honorable Mayor and Members of Council
Galveston, Texas

Dear Honorable Mayor and Members of Council,

Subject: Consider for approval, authorizing the City Manager to execute the 2021 Texas Department of Transportation, Routine Airport Maintenance Program (RAMP) Grant, which allows the Airport to be reimbursed up to $50,000.00 in eligible airport maintenance expenses upon final approval of the City Attorney.

I. Background:

A. Annually, TxDOT presents the airport with an opportunity to obtain a RAMP Grant for routine airport maintenance items, in which the Airport is reimbursed for 50% of eligible airport maintenance expenses. The reimbursed amount does not exceed $50,000.00 annually.

II. Current Situation:

A. TxDOT has requested the 2021 RAMP Grant be executed and returned as soon as possible.

B. The current proposed Airport budget for FY 2021 has money available to maximize the RAMP Grant and recover the full 50% reimbursement of $50,000.00 from TxDOT.

III. Issues:

A. To maximize the eligible refund from the Grant, we must submit payment receipts equal to or exceeding $100,000.00.

IV. Alternatives:

B. City Council authorizes the City Manager to execute the 2021 Texas Department of Transportation, Routine Airport Maintenance Program (RAMP) Grant, which allows the Airport to be reimbursed up to $50,000.00 in eligible airport maintenance expenses.

C. City Council does not approve the request.

V. Recommendation:

A. Staff recommends that City Council authorize the City Manager to execute the 2021 Texas Department of Transportation, Routine Airport Maintenance Program (RAMP) Grant, which allows the Airport to be reimbursed up to $50,000.00 in eligible airport maintenance expenses upon final approval of the City Attorney.

VI. Fiscal Impact Report

Requested by:	Mike Shahan, Airport Director
Funding Source:	Funds allocated in FY 2021 Proposed Budget
Cost of Implementation	$100,000
Estimated annual M&O costs:	N/A
Estimated cumulative M&O costs:	N/A
Additional information:	Texas Department of Transportation Grant for Routine Airport Maintenance Program

Respectfully submitted:

Mike Shahan

Mike Shahan
Airport Director

TEXAS DEPARTMENT OF TRANSPORTATION
GRANT FOR ROUTINE AIRPORT MAINTENANCE PROGRAM

(State Assisted Airport Routine Maintenance)

TxDOT Project ID: M2112GLVS

Part I - Identification of the Project

TO: The City of Galveston, Texas

FROM: The State of Texas, acting through the Texas Department of Transportation

This Grant is made between the Texas Department of Transportation, (hereinafter referred to as the "State"), on behalf of the State of Texas, and the City of Galveston, Texas, (hereinafter referred to as the "Sponsor").

This Grant Agreement is entered into between the State and the Sponsor shown above, under the authority granted and in compliance with the provisions of the Transportation Code Chapter 21.

The project is for **airport maintenance** at the GALVESTON - SCHOLES INTL AT GALVESTON Airport.

Part II - Offer of Financial Assistance

1. For the purposes of this Grant, the annual routine maintenance project cost, Amount A, is estimated as found on Attachment A, Scope of Services, attached hereto and made a part of this grant agreement.

   State financial assistance granted will be used solely and exclusively for airport maintenance and other incidental items as approved by the State. Actual work to be performed under this agreement is found on Attachment A, Scope of Services. State financial assistance, Amount B, will be for fifty percent (50%) of the eligible project costs for this project or $50,000.00, whichever is less, per fiscal year and subject to availability of state appropriations.

   Scope of Services, Attachment A, of this Grant, may be amended, subject to availability of state funds, to include additional approved airport maintenance work. Scope amendments require submittal of an Amended Scope of Services, Attachment A.

   Services will not be accomplished by the State until receipt of Sponsor's share of project costs.

Only work items as described in Attachment A, Scope of Services of this Grant are reimbursable under this grant.

Work shall be accomplished by August 31, 2021, unless otherwise approved by the State.

2. The State shall determine fair and eligible project costs for work scope. Sponsor's share of estimated project costs, Amount C, shall be as found on Attachment A and any amendments.

   It is mutually understood and agreed that if, during the term of this agreement, the State determines that there is an overrun in the estimated annual routine maintenance costs, the State may increase the grant to cover the amount of the overrun within the above stated percentages and subject to the maximum amount of state funding.

   The State will not authorize expenditures in excess of the dollar amounts identified in this Agreement and any amendments, without the consent of the Sponsor.

3. Sponsor, by accepting this Grant certifies and, upon request, shall furnish proof to the State that it has sufficient funds to meet its share of the costs. The Sponsor grants to the State the right to audit any books and records of the Sponsor to verify expended funds.

   Upon execution of this Agreement and written demand by the State, the Sponsor's financial obligation (Amount C) shall be due in cash and payable in full to the State. State may request the Sponsor's financial obligation in partial payments. Should the Sponsor fail to pay their obligation, either in whole or in part, within 30 days of written demand, the State may exercise its rights under Paragraph V-3. Likewise, should the State be unwilling or unable to pay its obligation in a timely manner, the failure to pay shall be considered a breach and the Sponsor may exercise any rights and remedies it has at law or equity.

   The State shall reimburse or credit the Sponsor, at the financial closure of the project, any excess funds provided by the Sponsor which exceed Sponsor's share (Amount C).

4. The Sponsor specifically agrees that it shall pay any project costs which exceed the amount of financial participation agreed to by the State. It is further agreed that the Sponsor will reimburse the State for any payment or payments made by the State which are in excess of the percentage of financial assistance (Amount B) as stated in Paragraph II-1.

5. Scope of Services may be accomplished by State contracts or through local contracts of the Sponsor as determined appropriate by the State. All locally contracted work must be approved by the State for scope and reasonable cost. Reimbursement requests for locally contracted work shall be submitted on forms provided by the State and shall include copies of the invoices for materials or services. Payment shall be made for no more than 50% of allowable charges.

   The State will not participate in funding for force account work conducted by the Sponsor.

6. This Grant shall terminate upon completion of the scope of services.

Part III - Sponsor Responsibilities

1. In accepting this Grant, if applicable, the Sponsor guarantees that:

   a. it will, in the operation of the facility, comply with all applicable state and federal laws, rules, regulations, procedures, covenants and assurances required by the State in connection with this Grant; and

   b. the Airport or navigational facility which is the subject of this Grant shall be controlled by the Sponsor for a period of at least 20 years; and

   c. consistent with safety and security requirements, it shall make the airport or air navigational facility available to all types, kinds and classes of aeronautical use without discrimination between such types, kinds and classes and shall provide adequate public access during the period of this Grant; and

   d. it shall not grant or permit anyone to exercise an exclusive right for the conduct of aeronautical activity on or about an airport landing area. Aeronautical activities include, but are not limited to scheduled airline flights, charter flights, flight instruction, aircraft sales, rental and repair, sale of aviation petroleum products and aerial applications. The landing area consists of runways or landing strips, taxiways, parking aprons, roads, airport lighting and navigational aids; and

   e. through the fence access shall be reviewed and approved by the State; and

   f. it shall not permit non-aeronautical use of airport facilities without prior approval of the State; and

g. the Sponsor shall submit to the State annual statements of airport revenues and expenses when requested; and

h. all fees collected for the use of the airport shall be reasonable and nondiscriminatory. The proceeds from such fees shall be used solely for the development, operation and maintenance of the airport or navigational facility; and

i. an Airport Fund shall be established by resolution, order or ordinance in the treasury of the Sponsor, or evidence of the prior creation of an existing airport fund or properly executed copy of the resolution, order, or ordinance creating such a fund, shall be submitted to the State. The fund may be an account as part of another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole. All fees, charges, rents, and money from any source derived from airport operations must be deposited in the Airport Fund and shall not be diverted to the general revenue fund or another revenue fund of the Sponsor. All expenditures from the Airport Fund shall be solely for airport purposes. Sponsor shall be ineligible for a subsequent grant or loan by the State unless, prior to such subsequent grant or loan, Sponsor has complied with the requirements of this subparagraph; and

j. the Sponsor shall operate runway lighting at least at low intensity from sunset to sunrise; and

k. insofar as it is reasonable and within its power, Sponsor shall adopt and enforce zoning regulations to restrict the height of structures and use of land adjacent to or in the immediate vicinity of the airport to heights and activities compatible with normal airport operations as provided in Tex. Loc. Govt. Code Ann. Sections 241.001 et seq. (Vernon and Vernon Supp.). Sponsor shall also acquire and retain aviation easements or other property interests in or rights to use of land or airspace, unless sponsor can show that acquisition and retention of such interest will be impractical or will result in undue hardship to Sponsor. Sponsor shall be ineligible for a subsequent grant or loan by the State unless Sponsor has, prior to subsequent approval of a grant or loan, adopted and passed an airport hazard zoning ordinance or order approved by the State.

l. mowing services will not be eligible for state financial assistance. Sponsor will be responsible for 100% of any mowing services.

2. The Sponsor, to the extent of its legal authority to do so, shall save harmless the State, the State's agents, employees or contractors from all claims and liability due to activities of the Sponsor, the Sponsor's agents or employees performed under this agreement. The Sponsor, to the extent of its legal authority to do so, shall also save harmless the State, the State's agents, employees or contractors from any and all expenses, including attorney fees which might be incurred by the State in litigation or otherwise resisting claim or liabilities which might be imposed on the State as the result of those activities by the Sponsor, the Sponsor's agents or employees.

3. The Sponsor's acceptance of this Offer and ratification and adoption of this Grant shall be evidenced by execution of this Grant by the Sponsor. The Grant shall comprise a contract, constituting the obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the project and the operation and maintenance of the airport.

   If it becomes unreasonable or impractical to complete the project, the State may void this agreement and release the Sponsor from any further obligation of project costs.

4. Upon entering into this Grant, Sponsor agrees to name an individual, as the Sponsor's Authorized Representative, who shall be the State's contact with regard to this project. The Representative shall receive all correspondence and documents associated with this grant and shall make or shall acquire approvals and disapprovals for this grant as required on behalf of the Sponsor, and coordinate schedule for work items as required.

5. By the acceptance of grant funds for the maintenance of eligible airport buildings, the Sponsor certifies that the buildings are owned by the Sponsor. The buildings may be leased but if the lease agreement specifies that the lessee is responsible for the upkeep and repairs of the building no state funds shall be used for that purpose.

6. Sponsor shall request reimbursement of eligible project costs on forms provided by the State. All reimbursement requests are required to include a copy of the invoices for the materials or services. The reimbursement request will be submitted no more than once a month.

7. The Sponsor's acceptance of this Agreement shall comprise a Grant Agreement, as provided by the Transportation Code, Chapter 21, constituting the contractual obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the airport maintenance and compliance with the assurances and conditions as provided. Such Grant Agreement shall become effective upon the State's written Notice to Proceed issued following execution of this agreement.

Part IV - Nomination of the Agent

1. The Sponsor designates the State as the party to receive and disburse all funds used, or to be used, in payment of the costs of the project, or in reimbursement to either of the parties for costs incurred.

2. The State shall, for all purposes in connection with the project identified above, be the Agent of the Sponsor. The Sponsor grants the State a power of attorney to act as its agent to perform the following services:

   a. accept, receive, and deposit with the State any and all project funds granted, allowed, and paid or made available by the Sponsor, the State of Texas, or any other entity;

   b. enter into contracts as necessary for execution of scope of services;

   c. if State enters into a contract as Agent: exercise supervision and direction of the project work as the State reasonably finds appropriate. Where there is an irreconcilable conflict or difference of opinion, judgment, order or direction between the State and the Sponsor or any service provider, the State shall issue a written order which shall prevail and be controlling;

   d. receive, review, approve and pay invoices and payment requests for services and materials supplied in accordance with the State approved contracts;

   e. obtain an audit as may be required by state regulations; the State Auditor may conduct an audit or investigation of any entity receiving funds from TxDOT directly under this contract or indirectly through a subcontract under this contract. Acceptance of funds directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

   f. reimburse sponsor for approved contract maintenance costs no more than once a month.

Part V - Recitals

1. This Grant is executed for the sole benefit of the contracting parties and is not intended or executed for the direct or incidental benefit of any third party.

2. It is the intent of this grant to not supplant local funds normally utilized for airport maintenance, and that any state financial assistance offered under this grant be in addition to those local funds normally dedicated for airport maintenance.

3. This Grant is subject to the applicable provisions of the Transportation Code, Chapters 21 and 22, and the Airport Zoning Act, Tex. Loc. Govt. Code Ann. Sections 241.001 et seq. (Vernon and Vernon Supp.). Failure to comply with the terms of this Grant or with the rules and statutes shall be considered a breach of this contract and will allow the State to pursue the remedies for breach as stated below.

   a. Of primary importance to the State is compliance with the terms and conditions of this Grant. If, however, after all reasonable attempts to require compliance have failed, the State finds that the Sponsor is unwilling and/or unable to comply with any of the terms of this Grant, the State, may pursue any of the following remedies: (1) require a refund of any financial assistance money expended pursuant to this Grant, (2) deny Sponsor's future requests for aid, (3) request the Attorney General to bring suit seeking reimbursement of any financial assistance money expended on the project pursuant to this Grant, provided however, these remedies shall not limit the State's authority to enforce its rules, regulations or orders as otherwise provided by law, (4) declare this Grant null and void, or (5) any other remedy available at law or in equity.

   b. Venue for resolution by a court of competent jurisdiction of any dispute arising under the terms of this Grant, or for enforcement of any of the provisions of this Grant, is specifically set by Grant of the parties in Travis County, Texas.

4. The State reserves the right to amend or withdraw this Grant at any time prior to acceptance by the Sponsor. The acceptance period cannot be greater than 30 days after issuance unless extended by the State.

5. This Grant constitutes the full and total understanding of the parties concerning their rights and responsibilities in regard to this project and shall not be modified, amended, rescinded or revoked unless such modification, amendment, rescission or revocation is agreed to by both parties in writing and executed by both parties.

6. All commitments by the Sponsor and the State are subject to constitutional and statutory limitations and restrictions binding upon the Sponsor and the State (including Sections 5 and 7 of Article 11 of the Texas Constitution, if applicable) and to the availability of funds which lawfully may be applied.

Part VI - Acceptances

Sponsor

The City of Galveston, Texas, does ratify and adopt all statements, representations, warranties, covenants, agreements, and all terms and conditions of this Grant.

The City of Galveston, Texas

Sponsor

Sponsor Signature

Deputy City Manager

Sponsor Title

Date

Acceptance of the State

Executed by and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs and grants heretofore approved and authorized by the Texas Transportation Commission.

STATE OF TEXAS

TEXAS DEPARTMENT OF TRANSPORTATION

_____

Signature

_____

Title

_____

Date

Attachment A

Scope of Services
TxDOT Project ID: M2112GLVS

Eligible Scope Item	Estimated Costs Amount A	State Share Amount B	Sponsor Share Amount C
GENERAL MAINTENANCE	$100,000.00	$50,000.00	$50,000.00
TOTAL	$100,000.00	$50,000.00	$50,000.00

_____
Sponsor Signature

Deputy City Manager
_____
Sponsor Title

_____
Date

GENERAL MAINTENANCE: As needed, Sponsor may contract for services / purchase materials for routine maintenance / improvement of airport pavements, signage, drainage, AWOS systems, approach aids, lighting systems, utility infrastructure, fencing, herbicide / application, sponsor owned and operated fuel systems, hangars, terminal buildings and security systems; professional services for environmental compliance, approved project design. Special projects to be determined and added by amendment.

Only work items as described in Attachment A, Scope of Services of this Grant are reimbursable under this grant.

CERTIFICATION OF AIRPORT FUND

TxDOT Project ID: M2112GLVS

The City of Galveston, Texas, does certify that an Airport Fund has been established for the Sponsor, and that all fees, charges, rents, and money from any source derived from airport operations will be deposited for the benefit of the Airport Fund and will not be diverted for other general revenue fund expenditures or any other special fund of the Sponsor and that all expenditures from the Fund will be solely for airport purposes. The fund may be an account as part of another fund, but must be accounted for in such a manner that all revenues, expenses, retained earnings, and balances in the account are discernible from other types of moneys identified in the fund as a whole.

_____

Sponsor Signature

Deputy City Manager

Sponsor Title

_____

Date

Certification of State Single Audit Requirements

I, Mike Loftin, do certify that the City of Galveston, Texas, will comply with all requirements of the State of Texas Single Audit Act if the City of Galveston, Texas, spends or receives more than the threshold amount in any grant funding sources during the most recently audited fiscal year. And in following those requirements, the City of Galveston, Texas, will submit the report to the audit division of the Texas Department of Transportation. If your entity did not meet the threshold in grant receivables or expenditures, please submit a letter indicating that your entity is not required to have a State Single Audit performed for the most recent audited fiscal year.

_____

Sponsor Signature

Assistant City Manager

Sponsor Title

_____

Date

DESIGNATION OF SPONSOR'S AUTHORIZED REPRESENTATIVE

TxDOT Project ID: M2112GLVS

The City of Galveston, Texas, designates,
, Mike Shahan, Airport Director as the Sponsor's authorized
(Name, Title)
representative, who shall receive all correspondence and documents associated with this grant and who shall make or shall acquire approvals and disapprovals for this grant as required on behalf of the Sponsor.

_____
Sponsor Signature

Deputy City Manager
Sponsor Title

_____
Date

DESIGNATED REPRESENTATIVE

Mike Shahan
First Name, Last Name

Airport Director
Title

2115 Terminal Drive
Galveston, Texas 77554
Address

409-797-3593
Phone Number

mshahan@galvestontx.gov
Email Address

September 3, 2020

Brian Maxwell, City Manager
Honorable Mayor and City Council Members

Subject: Consider for the approval allowing Island Transit to purchase a set of four heavy duty column lifts and associated equipment for the garage and trolley barn from Reeder Distributors through Buy Board for a total price of $47,303.69.

I. Background

A. Cares Act funding is available for transit operations for new equipment and this purchase request falls within the allowable guidelines.

B. Buy Board, HGAC Buy and TPASS are cooperative purchasing organizations that the city is a member of that performs bidding packages for local governments. The Fleet Facility has performed competitive bidding packages on current equipment purchases to assure that these purchases are the better option a majority of the time. A review of the Buy Board bidding process illustrates that the required federal clauses were utilized during their bidding process.

Even though we are requesting to purchase through Buy Board, we did reach out for competitive quotes.

1. Reeder - $47,303.69
2. Auto Plus - $54,718.59
3. O'Reilly - $55,400

C. The requested lifts will be utilized in the Island Transit garage and trolley barn. These lifts are capable of lifting the larger buses and the trolley cars for servicing, required cleaning as well as for elevating the trolleys during storm threats.

D. The extended purchase price for this package is $47,303.69.

E. Reeder Distributors is located in Fort Worth, Texas.

F. Delivery will be as soon as possible from the date of the purchase order issue.

G. Additional equipment will be installed by the dealer which was noted in the specification.

II. Current Situation

The City Council will have to approve allowing Island Transit to purchase a set of four heavy duty column lifts and associated equipment for the garage and trolley barn from Reeder Distributors through Buy Board for a total price of $47,303.69.

III. Alternatives in order of priority

A. City Council approves the purchase.

1. Cost - $47,303.69
2. Timing - As soon as possible
3. Divisional Improvements - Will provide the city with needed equipment to perform duties.

B. City Council does not approve the purchase.

1. Cost - No additional cost at this time.
2. Timing - N/A
3. Divisional Improvements - City staff will not be able to function without needed equipment and will utilize current floor jacks.

IV. Recommendation

Concur in Alternative A and approve allowing Island Transit to purchase a set of four heavy duty column lifts and associated equipment for the garage and trolley barn from Reeder Distributors through Buy Board for a total price of $47,303.69.

V. Fiscal Impact Report

Requested by David Smith
Executive Director

Cost	$47,303.69
Funding Source	Cares Act Funds - Transit
Savings Estimation	N/A

VI. Environmental Impact

All listed equipment is produced under current EPA standards.

Respectfully Submitted

David Smith
Executive Director

QUOTE

Sales, Service, Maintenance, Inspections, Installations, & Warranty Work

Equipment Division
5450 Wilbarger St.
Fort Worth, TX 76119
817-429-5957
www.ReederDistributors.com

Prepared For:

Island Transit
Cleto Yanes
3115 Market Street
Galveston, TX 77550
409-797-3913

Quote Valid for 30 days

L/F	Customer Number	Reeder Sales Representative	Mobile Phone	Email	Date
		Scott Clinch	682-429-1075	sclinch@rdinc.us	7/30/20

QTY	PART #	DESCRIPTION	EACH	LINE TOTAL
1	ST-1085-2FSA	ONE SET OF (4): STERTIL-KONI HEAVY DUTY MOBILE COLUMN LIFTS:	$ 32,020.31	$ 32,020.31
		18,500 LBS. CAPACITY PER COLUMN = 74,000 LBS. TOTAL LIFTING CAPACITY,		
		3PHASE-220V, WITH EMBEDED WIRED COMUNNICATIONS, NEW "EBRIGHT"		
		CONTROL SYSTEM, CONTROL BOX ON EACH COLUMN,		
		ADJUSTABLE FORKS. MADE IN USA!		
2	38000920	MULTI-PURPOSE ADAPTER ST1075/1085/1100, CAPACITY TO MATCH COLUMN,	$ 4,509.31	$ 9,018.63
		(2 PIECES), INCLUDES TWO FLAT SLIDING ADAPTERS WITH ANTI SLIP PLATES.		
2	38010950	WHEELED ADAPTER CART FOR STORING TWO MULTIPURPOSE ADAPTERS.	$ 2,707.38	$ 5,414.75
		LOCAL SUPPORT AND SERVICE PROVIDED BY:		
		REEDER DISTRIBUTORS, INC. - SCOTT CLINCH		
		REEDER DISTRIBUTORS, INC. - BUY BOARD NATIONAL CO-OP QUOTE:		
		AUTOMOTIVE PARTS, FLUIDS, MAINTENANCE AND EQUIPMENT		
		PROPOSAL # 551-17		

$ 960.20	5 years	***Financing available***. $1 Buyout Lease to Own. Zero down, 1st and last payments in advance. Payments based on subtotal, and do not include sales tax or freight. WAC. Other financing options are available.
$ 1,161.34	4 years	
$ 1,495.81	3 years	

SUBTOTAL	$ 46,453.69
FREIGHT	$ 850.00
8.25% SALES TAX	NOT INCLUDED
TOTAL INVESTMENT	**$ 47,303.69**

Accepted By: _____ PO#_____ Date:_____

THANK YOU FOR YOUR BUSINESS!

MOBILE COLUMN LIFT

ST 1085 - ST 1100

Capacity 18,500 lbs.
or 22,000 lbs.

ebright
SMART CONTROL SYSTEM

TOP QUALITY HYDRAULIC VEHICLE LIFTS

STERTIL
SUPERIOR SOLUTIONS BY
QUALITY PEOPLE

Superior solutions by quality people

The Stertil Group provides customized and technically advanced lifting solutions for heavy-duty customers worldwide, as well as the best possible after-sales service from factory trained local partners. These superior solutions are conceived, developed and implemented by a team of specialized professionals with unique experience. Thanks to its quality people, its total in-house production process and its international organization, Stertil-Koni is the world leader in the field of heavy-duty vehicle lifting systems.

Wireless…

Our wireless mobile column lifts with the ebright Smart Control System represent the latest in mobile column lifting technology. Using the innovative ID key, you can connect up to 32 columns in a single lift set. In most cases, the special deep cycle batteries only need to be recharged every two weeks. No time is wasted connecting up cables and the mechanic has maximum access to the vehicle, without any tripping hazards.

… or cabled, it's up to you

If you predominantly work in a fixed location the cabled mobile column lifts could be the best solution for you. This setup offers the possibility to connect up to 28 columns in a single lift set. All interconnection cables are equipped with heavy-duty plugs at both ends. Optional extra strong drive-over interconnection cables are available to provide protection against damage.

stertil KONI

Wireless mobile column lifts

with **ebright Smart Control System**

TOUCH SCREEN

WIRELESS

ebright
SMART CONTROL SYSTEM

Superior control for cabled version

Both the wireless and the cabled column lifts are equipped with a control panel on each individual column. Columns can be operated individually, in pairs or simultaneously as a complete set with the touch of a button. Each column can therefore be used at any given location.

Full color touch screen control

The revolutionary **ebright Smart Control System** combines intuitive **ease of use** with maximum visual information about the lifting process. The main advantages:

- 7 " full color touch screen, even when wearing gloves
- User-configured options, such as choice of language, safety warnings and scheduled maintenance notifications
- All relevant information available at a glance
- Customizable ID-Key to prevent unauthorized operation
- Wireless Mesh network for optimal connectivity

Reliable hydraulic technology

- Long usable life of the column with minimal repair and maintenance, thanks to reduced friction
- Stringent testing before leaving the factory
- Manual lowering in case of a power outage
- Maximum protection of the cylinder and seal against damage

Adjustable pick-up forks

ST 1085 mobile column lifts have a fork length of 14", ideal for picking up a variety of vehicles, including vehicles with super single tires in a safe and secure manner. The fork length for the ST 1100 mobile column lift is 12". Both models can handle wheels with rim diameters from R12 to R22.5 with an adjustable fork that is easy to move manually and includes a mechanical lock.

Retractable wheels

Both the wireless and the cabled mobile column lifts are available with retractable wheels. This unique Stertil-Koni design is the best available on the market. This prevents high point loading on the floor and reduces the floor surface pressure by a factor of 10. The system is fast, efficient, very stable and extremely reliable.

Adjustable lowering speed

If you need to lower the vehicle more slowly for precision placement of under carriage components, this is easily done with a single touch.

Power supply

The Stertil-Koni wireless mobile column lifts operate on 24 VDC and are easily recharged by means of a 110 VAC wall receptacle. The Stertil-Koni cabled mobile lifting columns operate on three phase at 208/230, 460/480 and 575 VAC, as well as single phase at 220 VAC.

Fast lifting and lowering

The ST 1085 and ST 1100 reach their maximum lifting height of 73" in just 94 seconds, making them one of the fastest mobile column lifts in the world.

Well thought out in all aspects

32 MAX

MAX 32 LINKED COLUMNS

ADJUSTABLE LOWERING SPEED

KG

OVERLOAD PROTECTION

UNIQUE SYNCHRONIZATION SYSTEM

Easy to move

Stertil-Koni mobile column lifts are indeed mobile, thanks to the synthetic roller wheels and hydraulic pallet jack mechanism with patented overload protection.

Safe working space

As an extra safety feature, we have also designed ample working space between the column and the vehicle. This ensures that the vehicle should not come into contact with the column.

Unique synchronization

The synchronization system is activated at a height difference of just 9/16". This ensures a safe and smooth lifting and lowering cycle, even in cases where the distribution of the vehicle weight is extremely uneven.

Lifetime guarantee

The innovative synthetic runner wheel within the column is self-lubricating, and comes with a lifetime parts guarantee.

ebright
SMART CONTROL SYSTEM

ebright Features

SMART CONTROL SYSTEM

- High resolution 7” touch screen
- Owner/User configurable system with user ID key
  - Individual user settings for language and units of measure
  - Protection against unauthorized use, thanks to personalized ID key
- Maintenance notifications
- Visual display of maximum programmable lifting height
- Warning and failure information
- Operation manual available on-screen
- Tracking of specific operations and information codes
- Intuitive controls with actual data about the lift:
  - Indication for Single, All or Pair operation mode
  - Information about how many columns are in the set (up to 32 columns)
  - Actual lifting height displayed
  - Lowering speed can be manually adjusted on the touch screen
  - Battery status information
  - Customizable ID-Key to prevent unauthorized operation
- Wireless Mesh network with continuous active channel search offering optimal connectivity

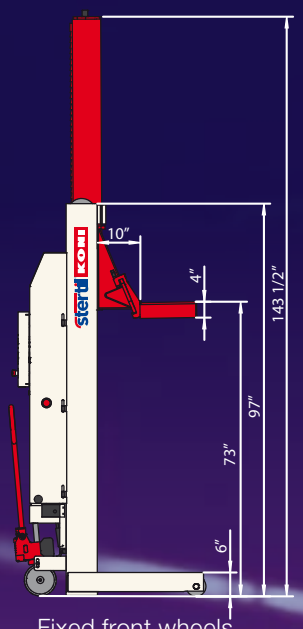
Everything under control

Superior control for cabled version

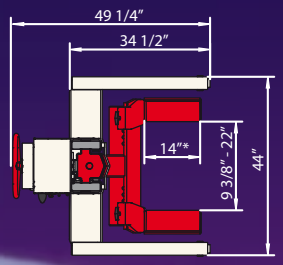
Overview of ST 1085 – ST 1100 types and controls	ebright wireless ST 1085-FWA ST 1100-FWA	ebright wireless ST 1085-RWA ST 1100-RWA	superior cabled ST 1085-FSA ST 1100-FSA	superior cabled ST 1085-RSA ST 1100-RSA
ebright Smart Control System with a control box on each individual mobile column	●	●		
Touch screen with important information about the system e.g. lifting height, battery status	●	●		
Superior Control with a control box on each individual mobile column			●	●
Adjustable lowering speed for slow or normal lowering speed	●	●	●	●
Hydraulic pallet truck mechanism with patented overload protection	●	●	●	●
14"-long adjustable fork, suitable for super single tires	ST 1085	ST 1085	ST 1085	ST 1085
12"-long adjustable fork	ST 1100	ST 1100	ST 1100	ST 1100
Fixed synthetic wheels that reduce the floor surface pressure	●		●	
Retractable synthetic wheels integrated into the base frame, for 10x less floor pressure		●		●

Technical specifications

Lifting capacity:	18,500 lbs. or 22,000 lbs.
Lift system:	hydraulic lifting system with microprocessor-controlled synchronization
Lifting height:	maximum 73", automatic stop at the highest position
Lifting time:	94 seconds
Motor rating:	3 hp / 4 hp per column (Superior / Wireless)
Weight:	1,350 lbs per column (Wireless)
Column lift height:	97"



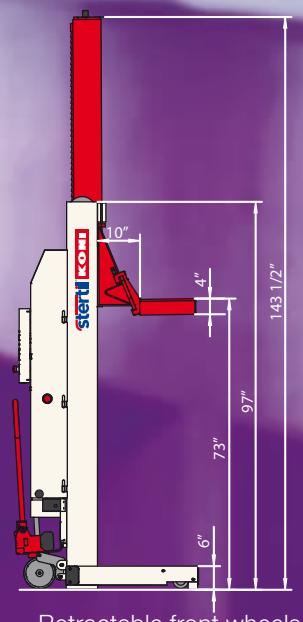
Fixed front wheels



Adjustable forks

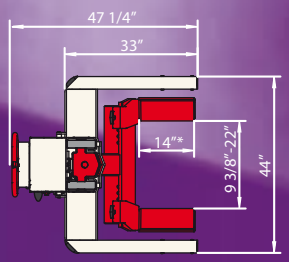
Highest safety requirements

- ANSI/ALI-ALCTV certified (USA), CSA certified (Canada), CE certified (Europe)
- Independent mechanical locking system engages at 5" above finished floor. Locking pawl engaged by gravity. The locking system is always active, even when the column is turned off
- Locking profile with locking increments of just 1 3/8"
- Synchronization between the mobile lifting columns starts at a height difference of 9/16"
- Automatic overload protection
- Low voltage control panel
- Each column is equipped with dead man's switches
- Each individual mobile lifting column is tested prior to leaving the factory
- Splash-proof electrical system (NEMA4).



Retractable front wheels

* For the ST 1100: 12"



Adjustable forks

Accessories & options

Stertil-Koni offers an extensive package of accessories & options tailored to fit your specific needs.

More information?

For more information about the ST 1085, ST 1100, or any of Stertil-Koni's other top products, please do not hesitate to contact us. We will be pleased to assist you.

* Technical specifications are available at: www.stertil-koni.com

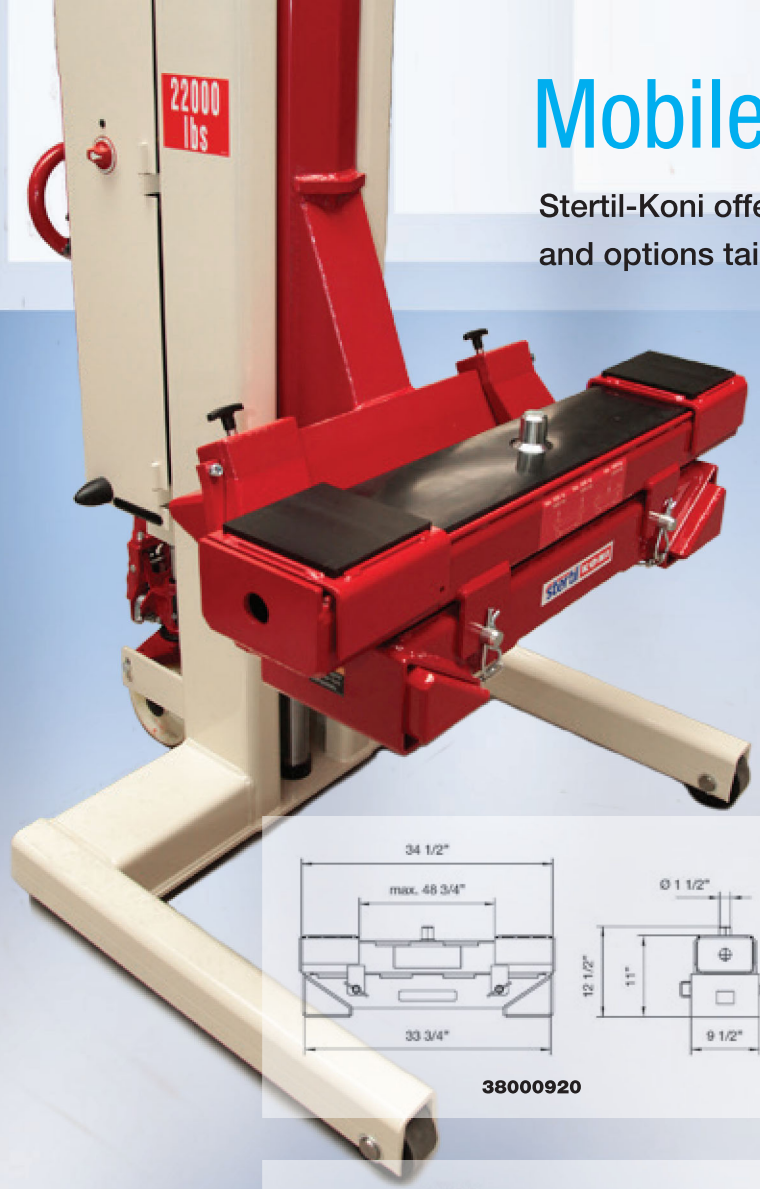
Stertil-Koni U.S.A. Inc.
200 Log Canoe Circle
Stevensville, Maryland 21666
Tel. 410-643-9001
Toll free 800-336-6637
Fax 410-643-8901
www.stertil-koni.com
E-mail: lifts@stertil-koni.com

A member of the Stertil Group

95003902 ST1085 - ST1100 USA 02-2015 / Stertil is a registered trademark of Stertil B.V. We reserve the right to make changes in specifications without notice and without making changes retroactive.

Mobile Column Lift Accessories

Stertil-Koni offers an extensive range of Mobile Column Lift accessories and options tailored to fit your specific needs.

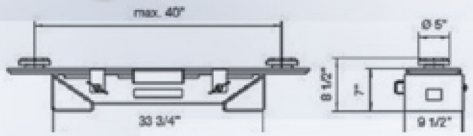


Multipurpose Adapters

Wheels-free lifting has never been easier. The frame-engaging design of Stertil-Koni's Multipurpose Adapters adds safety and versatility to Mobile Column Lifts by permitting front/rear vehicle lifting with just two Mobile Columns Lifts.

- Modular design, easy to adapt to various applications
- Individual components can be used to create requirement-specific solutions
- A wide range of vertical height adjusters and contact adapters for various applications are available

38000920



38000970

Standard Adapter | 38000920

- For ST1064, ST1075, ST1085, ST1100
- Capacity: Depends on lift selected
- Adapter weight: 210 lbs.
- Includes:
  - One adapter pin 1.57 inches diameter
  - Two flat slideable adapters with anti-slip plate

Low Profile Adapter | 38000970

- For ST1064, ST1075, ST1085, ST1100
- Capacity: 5,500 lbs.
- Adapter weight: 176 lbs.
- Includes:
  - Two rubber contact adapters

Adapter Cart | 38010950

Stertil-Koni offers an easy-to-maneuver wheeled Adapter Cart for storing two Multipurpose Adapters.

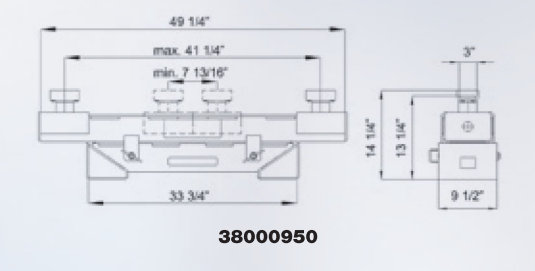
38010950

Tailored to fit

Agricultural equipment is easily lifted and serviced with a Multipurpose Adapter

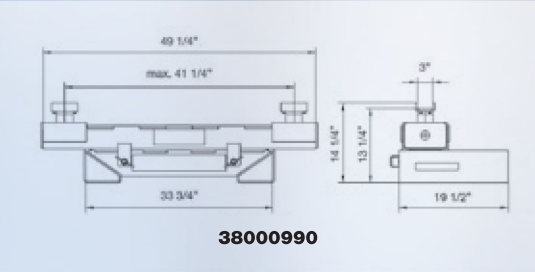
Adapter Accessories

Stertil-Koni offers a wide range of pickup adapters for various purposes.



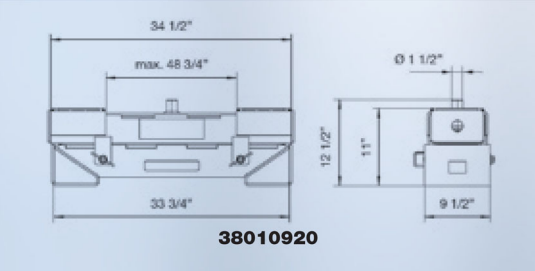
Extra Wide Adapter | 38000950

- For ST1064, ST1075, ST1085, ST1100
- Capacity: Depends on lift selected
- Adapter weight: 243 lbs.
- Includes:
  - + Two flat sliding adapter receivers
  - + Two U-shaped pickup adapters



Extended Reach Adapter | 38000990

- For ST1064, ST1075, ST1085, ST1100
- Capacity: 14,500 lbs.
- Adapter weight: 353 lbs.
- Includes:
  - + Two flat sliding adapter receivers
  - + Two U-shaped pickup adapters



Agricultural Adapter | 38010920

- For ST1065
- Capacity: Depends on lift selected
- Adapter weight: 254 lbs.
- Includes:
  - + One adapter pin 1.57"
  - + Two flat slideable adapter with anti-slip top plates

1 Flat sliding adapter receiver | **38000945**

2 U-shaped steel pickup pad | **4310.09.06.00**

3 Flat steel pickup pad | **4310.09.04.00**

4 U-shaped pickup adapter | **59001091**

5 Standard support adapter | **39225988**

6 Tooth steel square pickup pad | **39225983**

7 Adapter pin 1.57" | **38000921**

8 Flat slideable adapter with anti-slip top plate | **32591051**

9 Vertically adjustable riser with height adjust | **32591020**

10 V-shaped steel pickup pad | **4310.09.05.00**

11 Support extension 1.5" | **35000306**

12 Support extension 3.5" | **37003909**

13 Support extension 6.3" | **37003916**

14 Support extension 10" | **37003925**

your needs

World class Mobile Column Lift accessories are available from Stertil-Koni. Contact us today at 800.336.6637, lifts@stertil-koni.com or find your local Stertil-Koni distributor at www.Stertil-Koni.com/Distributors.

WARRANTY POLICY

All Stertil-KONI lifting systems are warranted for a period of **two (2) years for parts** and **one (1) year for labor** commencing from the effective date of acceptance by the Customer. A warranty registration form or registration card must be sent to Stertil-KONI within 30 days of receipt of equipment to establish such date; otherwise the invoice date will become the effective date of acceptance by the customer. During the warranty period, parts that are found to be defective will be repaired or replaced (at the option of Stertil-KONI) without charge. The repaired or replaced part will be returned with freight charges prepaid by Stertil-KONI.

The defective part must be returned to Stertil-KONI with the acceptance date listed on the part **within 45 days of part failure.** Contact the Stertil-KONI Parts Manager for a Return Goods Authorization (RGA) and a return shipping label. Failure to return parts, or submit a completed Warranty Request Form, within 45 days will **VOID** that individual warranty claim. You will be invoiced for any repaired or replaced part that had initially been supplied on a voided warranty claim after the 45 day period.

In addition to the above stated warranty terms;

- ✓ There is a **parts-only** warranty for Mobile Lift hydraulic cylinders for the period year two (2) through year five (5).
- ✓ There is a lifetime **parts-only** warranty on nylon guide rollers used in Stertil-KONI lifting products that utilize such rollers.
- ✓ Warranty is non-transferrable.

This warranty does not apply where equipment has been damaged due to abnormal wear, misuse, overloading, accident (including shipping), improper maintenance, alteration, improper fluid maintenance, or other causes not the result of defective materials or workmanship. Drive over cables for mobile lifts are warranted, however, only for vehicles with pneumatic tires.

Repair or replacement is the exclusive remedy for allegedly defective equipment under this warranty, and Stertil-KONI will not be liable for any consequential or incidental damages for breach of any express or implied warranty on this equipment. Stertil-KONI is not responsible for claims made by persons other than Stertil-KONI authorized service or sales representatives.

P.O. Box 400
Austin, TX 78767-0400
800.695.2919 | 512.467.0222 | Fax: 800.211.5454
buyboard.com

November 1, 2019

Sent via Email to:chris@rdinc.us

Chris Bussey
Reeder Distributors, Inc.
5450 Wilbarger St.
Fort Worth TX 76119

Re: Automotive Parts, Fluids, Maintenance Equipment, Car & Bus Wash Systems
BuyBoard Contract 551-17

The Local Government Purchasing Cooperative d/b/a BuyBoard® (Cooperative) awarded your company a contract under Automotive Parts, Fluids, Maintenance Equipment, Car & Bus Wash Systems, Contract 551-17, for which the current term is set to expire November 30, 2019. At this time, we are renewing your contract through November 30, 2020. This will be the final renewal of this contract.

All discounts, terms, and conditions of your contract will remain the same. If you agree with the renewal, there is nothing you need to do. However, if you do not agree to this renewal, you must notify me immediately via email at connie.burkett@tasb.org.

Reminder: All purchase orders must be processed through the BuyBoard. Except as expressly authorized in writing by the Cooperative's administrator, you are not authorized to process a purchase order received directly from a Cooperative member. Accepting orders directly from a member entity without Cooperative authorization is a violation of the terms of your contract. We request your assistance in immediately forwarding any orders received directly from member entities. Purchase orders may be sent to us either by fax (800-211-5454) or by email (info@buyboard.com). If by chance an order sent directly to you has been unintentionally processed, please forward it to the Cooperative and note it as **RECORD ONLY** to prevent duplication.

If you have questions or comments concerning this renewal, please contact me as soon as possible at connie.burkett@tasb.org. We appreciate your interest and participation in The Local Government Purchasing Cooperative.

Sincerely,

Connie W. Burkett

Connie W Burkett, *CTSBO*
Contract Administrator

P.O. Box 400
Austin, TX 78767-0400
800.695.2919 | 512.467.0222 | Fax: 800.211.5454
buyboard.com

October 25, 2017

Welcome to BuyBoard!

Re: *Notice of The Local Government Purchasing Cooperative Award*
Proposal Name and Number: Automotive Parts, Fluids, Maintenance and Equipment, Proposal No. 551-17

Congratulations, The Local Government Purchasing Cooperative (Cooperative) has awarded your company a BuyBoard® contract based on the above-referenced Proposal. The contract is effective 12/1/2017 through 11/30/2018, with two possible one-year renewals. The contract documents are those identified in Section 3 of the General Terms and Conditions of the specifications.

To view the items your company has been awarded, please review the proposal tabulation No. 551-17 on the following web-site: www.buyboard.com/vendor. Only items marked as awarded to your company can be sold through the BuyBoard contract. In addition, on this website you will find the membership list which will provide you with the names of all entities with membership in our purchasing cooperative.

Enclosed with this letter you will find the following documents:

1. Vendor Quick Reference Sheet
2. Vendor Billing Procedures

You are advised that receipt of a purchase order directly from a Cooperative member is not within the guidelines of the Cooperative. Accepting purchase orders directly from Cooperative members may result in a violation of the State of Texas competitive bid statute and termination of this Cooperative BuyBoard contract. **Therefore, all purchase orders must be processed through the BuyBoard in order to comply**. Please forward by fax (1-800-211-5454) any order received directly from a Cooperative member. If you inadvertently process a purchase order sent directly to you by a Cooperative member, please fax the order to the above number and note it as **RECORD ONLY** to prevent duplication.

On behalf of the Texas Association of School Boards, we appreciate your interest in the Cooperative and we are looking forward to your participation in the program. If you have any questions, please contact **Cooperative Procurement Staff** at 800-695-2919.

Sincerely,

Arturo Salinas
Department Director. Cooperative Procurement
v.6.5

BuyBoard® National Purchasing Cooperative

Endorsed by NSBA National School Boards Association

October 25, 2017

Welcome to BuyBoard!

Re: *Notice of National Purchasing Cooperative Piggy-Back Award*
Proposal Name and Number: Automotive Parts, Fluids, Maintenance and Equipment, Proposal No. 551-17

Congratulations, The National Purchasing Cooperative (National Cooperative) has awarded your company a BuyBoard® contract based on the above-referenced Proposal. As provided for in the Proposal and your National Purchasing Cooperative Vendor Award Agreement, you are authorized to sell the goods and services awarded under the Proposal to National Cooperative members in states other than Texas through the BuyBoard. The contract is effective 12/1/2017 through 11/30/2018, with two possible one-year renewals.

The National Cooperative membership list is available at our website www.buyboard.com/vendor. The list identifies the current members that may purchase awarded goods and services under your National Cooperative BuyBoard contract.

You are advised that receipt of a purchase order directly from a National Cooperative member is not within BuyBoard guidelines. Accepting purchase orders directly from Cooperative members may result in a violation of applicable competitive procurement law and termination of this National Cooperative BuyBoard contract. **Therefore, all purchase orders from National Cooperative members must be processed through the BuyBoard**. Please forward by fax (1-800-211-5454) any order received directly from a National Cooperative member. If you inadvertently process a purchase order sent directly to you by a National Cooperative member, please fax the order to the above number and note it as **RECORD ONLY** to prevent duplication.

On behalf of the National Cooperative, we are looking forward to your participation in the program. If you have any questions, please contact **Cooperative Procurement Staff at 800-695-2919**.

Sincerely,

Department Director, Cooperative Procurement
v.6.5

P.O. Box 400, Austin, Texas 78767-0400
800.695.2919 • buyboard.com

12007 Research Boulevard • Austin, Texas 78759-2439 · PH: 800-695-2919 • FAX: 800-211-5454 • www.buyboard.com

PROPOSER'S AGREEMENT AND SIGNATURE

Proposal Name: Automotive Parts, Fluids, Maintenance and Equipment

Proposal Number: 551-17

Contract Time Period: December 1, 2017 through November 30, 2018 with two (2) possible one-year renewals.

Proposal Due Date/Opening Date and Time:
July 6, 2017 at 4:00 PM

Location of Proposal Opening:
Texas Association of School Boards, Inc.
BuyBoard Department
12007 Research Blvd.
Austin, TX 78759

Anticipated Cooperative Board Meeting Date:
October 2017

Reeder Distributors, Inc.	06-28-17
Name of Proposing Company	Date
5450 Wilbarger St.	
Street Address	Signature of Authorized Company Official
Fort. Worth, TX 76119	Jason Reeder
City, State, Zip	Printed Name of Authorized Company Official
817-429-5957	VP of Equipment Division
Telephone Number of Authorized Company Official	Position or Title of Authorized Company Official
817-457-3348	75-1457057
Fax Number of Authorized Company Official	Federal ID Number

The proposing company ("you" or "your") hereby acknowledges and agrees as follows:

1. You have carefully examined and understand all Cooperative information and documentation associated with this Proposal Invitation, including the Instructions to Proposers, General Terms and Conditions, attachments/forms, item specifications, and line items (collectively "Requirements");

2. By your response ("Proposal") to this Proposal Invitation, you propose to supply the products or services submitted at the prices quoted in your Proposal and in strict compliance with the Requirements, unless specific deviations or exceptions are noted in the Proposal;

3. Any and all deviations and exceptions to the Requirements have been noted in your Proposal and no others will be claimed;

4. If the Cooperative accepts any part of your Proposal and awards you a contract, you will furnish all awarded products or services at the prices quoted and in strict compliance with the Requirements (unless specific exceptions are noted in the Proposal and accepted by the Cooperative), including without limitation the Requirements related to:
   a. conducting business with Cooperative members, including offering pricing to members that is the best you offer compared to similar customers;
   b. payment of a service fee in the amount specified and as provided for in this Proposal Invitation;
   c. the **possible** award of a piggy-back contract by another governmental entity or nonprofit entity, in which event you will offer the awarded goods and services in accordance with the Requirements; and
   d. submitting price sheets or catalogs in the proper format as required by the Cooperative as a prerequisite to activation of your contract;

5. You have clearly identified on the included form any information in your Proposal that you believe to be confidential or proprietary or that you do not consider to be public information subject to public disclosure under a Texas Public Information Act request or similar public information law;

6. The individual signing this Agreement is duly authorized to enter into the contractual relationship represented by this Proposal Invitation on your behalf and bind you to the Requirements, and such individual (and any individual signing a form) is authorized and has the requisite knowledge to provide the information and make the representations and certifications required in the Requirements;

7. You have carefully reviewed your Proposal, and certify that all information provided is true, complete and accurate, and you authorize the Cooperative to take such action as it deems appropriate to verify such information; and

8. Any misstatement, falsification, or omission in your Proposal, whenever or however discovered, may disqualify you from consideration for a contract award under this Proposal Invitation or result in termination of an award or any other remedy or action provided for in the General Terms and Conditions or by law.

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VENDOR CONTACT INFORMATION

Company: Reeder Distributors, Inc.

Vendor Contact Name and Mailing Address for Notices: Jason Reeder 5450 Wilbarger St. Fort Worth, TX 76119

Company Website: www.reederdistributors.com

Purchase Orders: Purchase orders from Cooperative members will be available through the Internet or by facsimile.

Option 1: **Internet**. Vendors need Internet access and at least one e-mail address so that notification of new orders can be sent to the Internet contact when a new purchase order arrives. An information guide will be provided to vendors that choose this option to assist them with retrieving their orders.

Option 2: **Fax**. Vendors need a designated fax line available at all times to receive purchase orders.

Please choose only one (1) of the following options for receipt of purchase orders and provide the requested information:

[x] I will use the **INTERNET** to receive purchase orders.

E-mail Address: jr@rdinc.us

Internet Contact: Jason Reeder Phone: 817-429-5957

Alternate E-mail Address: chris@rdinc.us

Alternate Internet Contact: Chris Bussey Phone: 817-682-4958

[ ] I will receive purchase orders via **FAX**.

Fax Number: _____

Fax Contact: _____ Phone: _____

Request for Quotes ("RFQ"): Cooperative members will send RFQs to you by e-mail. Please provide e-mail addresses for the receipt of RFQs:

E-mail Address: jr@rdinc.us

Alternate E-mail Address: chris@rdinc.us

Invoices: Your company will be billed monthly for the service fee due under a contract awarded under this Proposal Invitation. **All invoices are available on the BuyBoard website and e-mail notifications will be sent when they are ready to be retrieved**. Please provide the following address, contact and e-mail information for receipt of service fee invoices and related communications:

Mailing address: 5450 Wilbarger St. **Department:** Equipment

City: Fort Worth **State:** TX **Zip Code:** 76119

Contact Name: Jason Reeder **Phone:** 817-429-5957

Fax: 817-457-3348 **E-mail Address:** jr@rdinc.us

Alternative E-mail Address: chris@rdinc.us

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FELONY CONVICTION DISCLOSURE AND DEBARMENT CERTIFICATION

FELONY CONVICTION DISCLOSURE

Subsection (a) of Section 44.034 of the Texas Education Code (Notification of Criminal History of Contractor) states: "A person or business entity that enters into a contract with a school district must give advance notice to the district if the person or an owner or operator has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony."

Section 44.034 further states in Subsection (b): "A school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract."

Please check (√) one of the following:

- [x] My company is a publicly-held corporation. (Advance notice requirement does not apply to publicly-held corporation.)
- [x] My company is not owned or operated by anyone who has been convicted of a felony.
- [ ] My company is owned/operated by the following individual(s) who has/have been convicted of a felony:

Name of Felon(s): _____

Details of Conviction(s): _____

_____

By signature below, I certify that the above information is true, complete and accurate and that I am authorized by my company to make this certification.

Reeder Distributors, Inc.
Company Name

Jason Reeder Digitally signed by Jason Reeder Date: 2017.06.28 23:04:05 -05'00'
Signature of Authorized Company Official

Jason Reeder
Printed Name

DEBARMENT CERTIFICATION

Neither my company nor an owner or principal of my company has been debarred, suspended or otherwise made ineligible for participation in Federal Assistance programs under Executive Order 12549, "Debarment and Suspension," as described in the Federal Register and Rules and Regulations. Neither my company nor an owner or principal of my company is currently listed on the government-wide exclusions in SAM, debarred, suspended, or otherwise excluded by agencies or declared ineligible under any statutory or regulatory authority. My company agrees to immediately notify the Cooperative and all Cooperative members with pending purchases or seeking to purchase from my company if my company or an owner or principal is later listed on the government-wide exclusions in SAM, or is debarred, suspended, or otherwise excluded by agencies or declared ineligible under any statutory or regulatory authority.

By signature below, I certify that the above is true, complete and accurate and that I am authorized by my company to make this certification.

Reeder Distributors, Inc.
Company Name

Jason Reeder Digitally signed by Jason Reeder Date: 2017.06.28 23:03:31 -05'00'
Signature of Authorized Company Official

Jason Reeder
Printed Name

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RESIDENT/NONRESIDENT CERTIFICATION

Chapter 2252, Subchapter A, of the Texas Government Code establishes certain requirements applicable to proposers who are not Texas residents. Under the statute, a "resident" proposer is a person whose principal place of business is in Texas, including a contractor whose ultimate parent company or majority owner has its principal place of business in Texas. A "nonresident" proposer is a person who is not a Texas resident. Please indicate the status of your company as a "resident" proposer or a "nonresident" proposer under these definitions.

Please check (√) one of the following:

☒ I certify that my company is a **Resident Proposer.**

☐ I certify that my company is a **Nonresident Proposer.**

If your company is a Nonresident Proposer, you must provide the following information for your resident state (the state in which your company's principal place of business is located):

Company Name _____ Address _____

City _____ State _____ Zip Code _____

A. Does your resident state require a proposer whose principal place of business is in Texas to under-price proposers whose resident state is the same as yours by a prescribed amount or percentage to receive a comparable contract?
☐ Yes ☐ No

B. What is the prescribed amount or percentage? $_____ or _____%

VENDOR EMPLOYMENT CERTIFICATION

Section 44.031(b) of the Texas Education Code establishes certain criteria that a school district must consider when determining to whom to award a contract. Among the criteria for certain contracts is whether the vendor or the vendor's ultimate parent or majority owner (i) has its principal place of business in Texas; or (ii) employs at least 500 people in Texas.

If neither your company nor the ultimate parent company or majority owner has its principal place of business in Texas, does your company, ultimate parent company, or majority owner employ at least 500 people in Texas?

Please check (√) one of the following:

☒ Yes ☐ No

By signature below, I certify that the information in Sections 1 (*Resident/Nonresident Certification)* and 2 *(Vendor Employment Certification)* above is true, complete and accurate and that I am authorized by my company to make this certification.

Reeder Distributors. Inc.
Company Name

Signature of Authorized Company Official

Jason Reeder
Printed Name

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HISTORICALLY UNDERUTILIZED BUSINESS CERTIFICATION

A proposer that has been certified as a Historically Underutilized Business (also known as a Minority/Women Business Enterprise or "MWBE" and all referred to in this form as a "HUB") is encouraged to indicate its HUB certification status when responding to this Proposal Invitation. The electronic catalogs will indicate HUB certifications for vendors that properly indicate and document their HUB certification on this form.

Please check (√) all that apply:

☐ I certify that my company has been certified as a HUB in the following categories:

☐ **Minority Owned Business**

☐ **Women Owned Business**

☐ **Service-Disabled Veteran Owned Business (veteran defined by 38 U.S.C. §101(2), who has a service-connected disability as defined by 38 U.S.C. § 101(16), and who has a disability rating of 20% or more as determined by the U. S. Department of Veterans Affairs or Department of Defense)**

Certification Number:

_____

Name of Certifying Agency:

_____

☒ My company has **NOT** been certified as a HUB.

By signature below, I certify that the above is true, complete and accurate and that I am authorized by my company to make this certification.

Reeder Distributors, Inc.
Company Name

Jason Reeder
Printed Name

Signature of Authorized Company Official

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CONSTRUCTION-RELATED GOODS AND SERVICES AFFIRMATION

A contract awarded under this Proposal Invitation covers only the specific goods and services awarded by the BuyBoard. As explained in the BuyBoard Procurement and Construction Related Goods and Services Advisory for Texas Members ("Advisory"), **Texas law prohibits the procurement of architecture or engineering services through a purchasing cooperative. This BuyBoard contract does not include such services. Architecture or engineering services must be procured by a Cooperative member separately, in accordance with the Professional Services Procurement Act (Chapter 2254 of the Texas Government Code) and other applicable law and local policy.**

The Advisory, available at https://www.buyboard.com/Vendor/Resources.aspx, provides an overview of certain legal requirements that are potentially relevant to a Cooperative member's procurement of construction or construction-related goods and services, including those for projects that may involve or require architecture, engineering or independent testing services. A copy of the Advisory can also be provided upon request.

By signature below, the undersigned affirms that Proposer has obtained a copy of the Advisory, has read and understands the Advisory, and is authorized by Proposer to make this affirmation. If Proposer sells construction-related goods or services to a Cooperative member under a BuyBoard contract awarded under this Proposal Invitation, Proposer will comply with the Advisory and applicable legal requirements, make a good faith effort to make its Cooperative member customers or potential Cooperative member customers aware of such requirements, and provide a Cooperative member with a copy of the Advisory before executing a Member Construction Contract with the member or accepting the member's purchase order for construction-related goods or services, whichever comes first.

Reeder Distributors, Inc.
Company Name

Signature of Authorized Company Official

Jason Reeder
Printed Name

06-28-17
Date

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DEVIATION AND COMPLIANCE

If your company intends to deviate from the General Terms and Conditions, Proposal Specifications or other requirements associated with this Proposal Invitation, you MUST list all such deviations on this form, and provide complete and detailed information regarding the deviations on this form or an attachment to this form. The Cooperative will consider any deviations in its contract award decision, and reserves the right to accept or reject a proposal based upon any submitted deviation.

In the absence of any deviation identified and described in accordance with the above, your company must fully comply with the General Terms and Conditions, Proposal Specifications and all other requirements associated with this Proposal Invitation if awarded a contract under this Proposal Invitation. A deviation will not be effective unless accepted by the Cooperative. The Cooperative may, in its sole discretion, seek clarification from and/or communicate with Proposer(s) regarding any submitted deviation, consistent with general procurement principles of fair competition. The Cooperative reserves the right to accept or reject a proposal based upon any submitted deviation.

Please check (√) one of the following:

☒ **No**; Deviations
☐ **Yes**; Deviations

List and fully explain any deviations you are submitting:

_____

_____

PLEASE PROVIDE THE FOLLOWING INFORMATION:

1. Shipping Via: ☒ Common Carrier ☒ Company Truck ☐ Prepaid and Add to Invoice ☐ Other:

_____

2. Payment Terms: ☒ Net 30 days ☐ 1% in 10/Net 30 days ☐ Other:

_____

3. Number of Days for Delivery: 45 ARO

4. Vendor Reference/Quote Number: _____

5. State your return policy: _____

_____

6. Are electronic payments acceptable? ☒ Yes ☐ No

7. Are credit card payments acceptable? ☐ Yes ☐ No

Reeder Distributors, Inc
Company Name

Signature of Authorized Company Official

Jason Reeder
Printed Name

DEALERSHIP LISTINGS

If you have more than one location that will service a contract awarded under this Proposal Invitation, please list each location below. If additional sheets are required, please duplicate this form as necessary. NOTE: Awarded Vendors shall remain responsible for the Contract and the performance of all dealers under and in accordance with the Contract.

Company Name

Address

City State Zip

Phone Number Fax Number

Contact Person

Company Name

Address

City State Zip

Phone Number Fax Number

Contact Person

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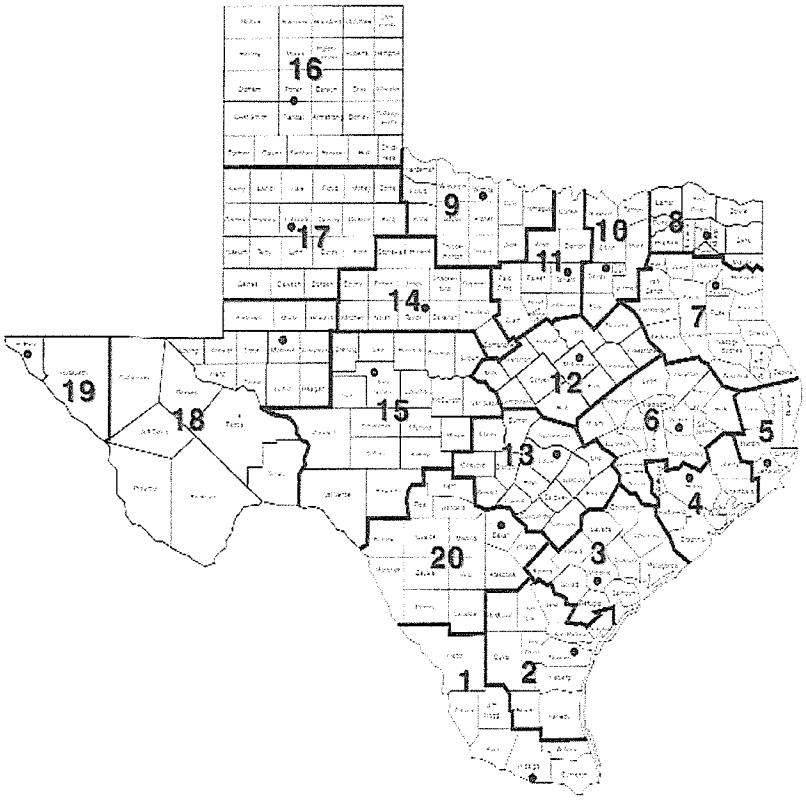
TEXAS REGIONAL SERVICE DESIGNATION

The Cooperative (referred to as "Texas Cooperative" in this form and in the State Service Designation form) offers vendors the opportunity to service its members throughout the entire State of Texas. If you do not plan to service all Texas Cooperative members statewide, you **must** indicate the specific regions you will service on this form. ***If you propose to serve different regions for different products or services included in your proposal, you must complete and submit a separate Texas Regional Service Designation form for each group of products and clearly indicate the products or services to which the designation applies in the space provided at the end of this form. By designating a region or regions, you are certifying that you are authorized and willing to provide the proposed products and services in those regions. Designating regions in which you are either unable or unwilling to provide the specified products and services shall be grounds for either rejection of your proposal or, if awarded, termination of your Contract.*** Additionally, if you do not plan to service Texas Cooperative members (i.e., if you will service only states other than Texas), you must so indicate on this form.

Regional Education Service Centers



☒ **I will service Texas Cooperative members statewide.**

☐ **I will not service Texas Cooperative members statewide. I will only service members in the regions checked below:**

	Region	Headquarters
☐	1	Edinburg
☐	2	Corpus Christi
☐	3	Victoria
☐	4	Houston
☐	5	Beaumont
☐	6	Huntsville
☐	7	Kilgore
☐	8	Mount Pleasant
☐	9	Wichita Falls
☐	10	Richardson
☐	11	Fort Worth
☐	12	Waco
☐	13	Austin
☐	14	Abilene
☐	15	San Angelo
☐	16	Amarillo
☐	17	Lubbock
☐	18	Midland
☐	19	El Paso
☐	20	San Antonio

☐ I will not service members of the Texas Cooperative.

Reeder Distributors, Inc
Company Name

Signature of Authorized Company Official

Jason Reeder
Printed Name

If this Texas Regional Service Designation form applies to only one or some of the products and services proposed by Vendor, list the products and services to which this form applies here:

_____

_____

_____

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STATE SERVICE DESIGNATION

The Cooperative offers vendors the opportunity to service other governmental entities in the United States, including intergovernmental purchasing cooperatives such as the National Purchasing Cooperative BuyBoard. You must complete this form if you plan to service the entire United States, or will service only the specific states indicated. *(Note: If you plan to service Texas Cooperative members, be sure that you complete the Texas Regional Service Designation form.)*

If you serve different states for different products or services included in your proposal, you must complete and submit a separate State Service Designation form for each group of products and clearly indicate the products or services to which the designation applies in the space provided at the end of this form. By designating a state or states, you are certifying that you are authorized and willing to provide the proposed products and services in those states. Designating states in which you are either unable or unwilling to provide the specified products and services shall be grounds for either rejection of your proposal or, if awarded, termination of your Contract.

Please check (√) all that apply:

☐ I will service all states in the United States.

☒ I will not service all states in the United States. I will service only the states checked below:

- ☐ Alabama
- ☐ Alaska
- ☐ Arizona
- ☒ Arkansas
- ☐ California (Public Contract Code 20118 & 20652)
- ☐ Colorado
- ☐ Connecticut
- ☐ Delaware
- ☐ District of Columbia
- ☐ Florida
- ☐ Georgia
- ☐ Hawaii
- ☐ Idaho
- ☐ Illinois
- ☐ Indiana
- ☐ Iowa
- ☐ Kansas
- ☐ Kentucky
- ☒ Louisiana
- ☐ Maine
- ☐ Maryland
- ☐ Massachusetts
- ☐ Michigan
- ☐ Minnesota
- ☐ Mississippi
- ☐ Missouri
- ☐ Montana
- ☐ Nebraska
- ☐ Nevada
- ☐ New Hampshire
- ☐ New Jersey
- ☒ New Mexico
- ☐ New York
- ☐ North Carolina
- ☐ North Dakota
- ☐ Ohio
- ☒ Oklahoma
- ☐ Oregon
- ☐ Pennsylvania
- ☐ Rhode Island
- ☐ South Carolina
- ☐ South Dakota
- ☐ Tennessee
- ☒ Texas
- ☐ Utah
- ☐ Vermont
- ☐ Virginia
- ☐ Washington
- ☐ West Virginia
- ☐ Wisconsin
- ☐ Wyoming

This form will be used to ensure that you can service other governmental entities throughout the United States as indicated. Your signature below confirms that you understand your service commitments during the term of a contract awarded under this proposal.

Reeder Distributors, Inc.
Company Name

Signature of Authorized Company Official

Jason Reeder
Printed Name

If this State Service Designation form applies to only one or some of the products and services proposed by Vendor, list the products and services to which this form applies here:

_____

_____

_____

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NATIONAL PURCHASING COOPERATIVE VENDOR AWARD AGREEMENT

In accordance with the Terms and Conditions associated with this Proposal Invitation, a contract awarded under this Proposal Invitation may be "piggy-backed" by another governmental entity. The National Purchasing Cooperative is an intergovernmental purchasing cooperative formed by certain school districts outside of Texas to serve its members throughout the United States. If you agree to be considered for a piggy-back award by the National Purchasing Cooperative, you agree to the following terms and agree to serve National Purchasing Cooperative members in the states you have indicated on the State Service Designation form, in your Proposal.

By signing this form, Proposer (referred to in this Agreement as "Vendor") agrees as follows:

1. Vendor acknowledges that if The Local Government Purchasing Cooperative ("Texas Cooperative") awards Vendor a contract under this Proposal Invitation ("Underlying Award"), the National Purchasing Cooperative ("National Cooperative") may - but is not required to - "piggy-back" on or re-award all or a portion of that Underlying Award ("Piggy-Back Award"). By signing this National Cooperative Vendor Award Agreement ("Agreement"), Vendor accepts and agrees to be bound by any such Piggy-Back Award as provided for herein.

2. In the event National Cooperative awards Vendor a Piggy-Back Award, the National Cooperative Administrator ("BuyBoard Administrator") will notify Vendor in writing of such Piggy-Back Award, which award shall commence on the effective date stated in the Notice and end on the expiration date of the Underlying Award, subject to annual renewals as authorized in writing by the BuyBoard Administrator. Vendor agrees that no further signature or other action is required of Vendor in order for the Piggy-Back Award and this Agreement to be binding upon Vendor. Vendor further agrees that no interlineations or changes to this Agreement by Vendor will be binding on National Cooperative, unless such changes are agreed to by its BuyBoard Administrator in writing.

3. Vendor agrees that it shall offer its goods and services to National Cooperative members at the same unit pricing and same general terms and conditions, subject to applicable state laws in the state of purchase, as required by the Underlying Award. However, nothing in this Agreement prevents Vendor from offering National Cooperative members better (i.e., lower) competitive pricing and more favorable terms and conditions than those in the Underlying Award.

4. Vendor hereby agrees and confirms that it will serve those states it has designated on the State Service Designation Form of this Proposal Invitation. Any changes to the states designated on the State Service Designation Form must be approved in writing by the BuyBoard Administrator.

5. Vendor agrees to pay National Cooperative the service fee provided for in the Underlying Award based on the amount of purchases generated from National Cooperative members through the Piggy-Back Award. Vendor shall remit payment to National Cooperative on such schedule as it specifies (which shall not be more often than monthly). Further, upon request, Vendor shall provide National Cooperative with copies of all purchase orders generated from National Cooperative members for purposes of reviewing and verifying purchase activity. Vendor further agrees that National Cooperative shall have the right, upon reasonable written notice, to review Vendor's records pertaining to purchases made by National Cooperative members in order to verify the accuracy of service fees.

6. Vendor agrees that the Underlying Award, including its General Terms and Conditions, are adopted by reference to the fullest extent such provisions can reasonably apply to the post-proposal/contract award phase. The rights and responsibilities that would ordinarily inure to the Texas Cooperative pursuant to the Underlying Award shall inure to National Cooperative; and, conversely, the rights and responsibilities that would ordinarily inure to Vendor in the Underlying Award shall inure to Vendor in this Agreement. Vendor recognizes and agrees that Vendor and National Cooperative are the only parties to this Agreement, and that nothing in this Agreement has application to other third parties, including the Texas Cooperative. In the event of conflict between this Agreement and the terms of the Underlying Award, the terms of this Agreement shall control, and then only to the extent necessary to reconcile the conflict.

7. This Agreement shall be governed and construed in accordance with the laws of the State of Rhode Island and venue for any dispute shall lie in the federal district court of Alexandria, Virginia.

8. Vendor acknowledges and agrees that the award of a Piggy-Back Award is within the sole discretion of National Cooperative, and that this Agreement does not take effect unless and until National Cooperative awards Vendor a Piggy-Back Award and the BuyBoard Administrator notifies Vendor in writing of such Piggy-Back Award as provided for herein.

WHEREFORE, by signing below Vendor agrees to the foregoing and warrants that it has the authority to enter into this Agreement.

Reeder Distributors, Inc.
Name of Vendor

551-17
Proposal Invitation Number

Signature of Authorized Company Official

Jason Reeder
Printed Name of Authorized Company Official

06-28-17
Date

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FEDERAL AND STATE/PURCHASING COOPERATIVE EXPERIENCE

The Cooperative strives to provide its members with the best services and products at the best prices available from vendors with the technical resources and ability to serve Cooperative members. Please respond to the following questions.

1. Provide the dollar value of sales to or through purchasing cooperatives at or based on an established catalog or market price during the previous 12-month period or the last fiscal year: $ 0.00 _____. (The period of the 12 month period is 07-01-16 / 06/31/17). In the event that a dollar value is not an appropriate measure of the sales, provide and describe your own measure of the sales of the item(s).

2. By submitting a proposal, you agree that, based on your written discounting policies, the discounts you offer the Cooperative are equal to or better than the best price you offer other purchasing cooperatives for the same items under equivalent circumstances.

3. Provide the information requested below for other purchasing cooperatives for which Proposer currently serves, or in the past has served, as an awarded vendor. Rows should be added to accommodate as many purchasing cooperatives as required.

PURCHASING GROUP	CURRENT VENDOR? (Y/N)	FORMER VENDOR (Y/N)? – IF YES, LIST YEARS AS VENDOR	AWARDED COMMODITY CATEGORY(IES)
1. Federal General Services Administration	N		
2. T-PASS (State of Texas)	N		
3. U.S. Communities Purchasing Alliance	N		
4. National IPA/TCPN	N		
5. Houston-Galveston Area Council (HGAC)	N		
6. National Joint Powers Alliance (NJPA)	N		
7. E&I Cooperative	N		
8. The Interlocal Purchasing System (TIPS)	N		
9. Other			

☒ **MY COMPANY DOES NOT CURRENTLY HAVE ANY OF THE ABOVE OR SIMILAR TYPE CONTRACTS.**

CURRENT BUYBOARD VENDORS

If you are a current BuyBoard vendor in the same contract category as proposed in this Proposal Invitation, indicate the discount for your current BuyBoard contract and the proposed discount in this Proposal. Explain any difference between your current and proposed discounts.

Current Discount (%):_____ **Proposed Discount (%):**_____

Explanation: _____

_____

By signature below, I certify that the above is true, complete and accurate and that I am authorized by my company to make this certification.

Reeder Distributors, Inc.
Company Name

Signature of Authorized Company Official

Jason Reeder
Printed Name

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GOVERNMENTAL REFERENCES

For your Proposal to be considered, you must supply a minimum of five (5) individual governmental entity references. The Cooperative may contact any and all references provided as part of the Proposal evaluation. Provide the information requested below, including the existing price/discounts you offer each customer. The Cooperative may determine whether prices/discounts are fair and reasonable by comparing prices/discounts stated in your Proposal with the prices/discounts you offer other governmental customers. Attach additional pages if necessary.

Entity Name	Contact	Phone#	Email Address	Discount	Quantity/ Volume
1. Allen ISD	Carl Cater	972-727-0546	carl_cater@allenisd.org	27%	
2. Mansfield ISD	James Arnold	972-299-6060	jamesarnold@misdmail.org	27%	
3. City of Frisco	David McBurnett	972-292-5849	dmcburnett@friscotexas.gov	27%	
4. Aldine ISD	Nathan Bauman	281-777-0835	nrbauman@aldineisd.org	27%	
5. HEB ISD	Joseph Chavez	817-399-2436	josephchavez@hebisd.edu	27%	

Do you ever modify your written policies or standard governmental sales practices as identified in the above chart to give better discounts (lower prices) than indicated? **YES** ☒ **NO** ☐ If YES, please explain:

Quantity of equipment being purchased at the time of sale

By signature below, I certify that the above is true and correct and that I am authorized by my company to make this certification.

Reeder Distributors, Inc.
Company Name

Signature of Authorized Company Official

Jason Reeder
Printed Name

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MARKETING STRATEGY

For your Proposal to be considered, you must submit the Marketing Strategy you will use if the Cooperative accepts all or part of your Proposal. *(Example: Explain how your company will initially inform Cooperative members of your BuyBoard contract, and how you will continue to support the BuyBoard for the duration of the contract period.)*

Attach additional pages if necessary.

We will have a strong sales and service force. We will create an advertisement brochure that shows product and services provided. It will also state that we are an approved buyboard vendor. we will email this brochure out to all of our current customer base that we know has the ability or desire to purchase through buyboard, as well as we will go out and make site visit with our current customer base to verbally advise them that we are now a buyboard approved vendor. Furthermore, our sales team is constantly out in the market place working to earn new business and will advise new customers as well that we are a buyboard vendor to encourage purchases through the contract.

Reeder Distributors, Inc.
Company Name

Signature of Authorized Company Official

Jason Reeder
Printed Name

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CONFIDENTIAL/PROPRIETARY INFORMATION

A. Public Disclosure Laws

All Proposals, forms, documentation, or other materials submitted by Vendor to the Cooperative in response to this Proposal Invitation, including catalogs and pricelists, may be subject to the disclosure requirements of the Texas Public Information Act (Texas Government Code chapter 552.001, *et. seq.*) or similar disclosure law. Proposer must clearly identify on this form any information in its Proposal (including forms, documentation, or other materials submitted with the Proposal) that Proposer considers proprietary or confidential. If Proposer fails to properly identify the information, the Cooperative shall have no obligation to notify Vendor or seek protection of such information from public disclosure should a member of the public or other third party request access to the information under the Texas Public Information Act or similar disclosure law. Proposer will be notified of any third party request for information in a Proposal that Proposer has identified in this form as proprietary or confidential.

Does your Proposal (including forms, documentation, or other materials submitted with the Proposal) contain information which Vendor considers proprietary or confidential?

Please check (√) one of the following:

☒ **NO**, I certify that none of the information included with this Proposal is considered confidential or proprietary.

☐ **YES**, I certify that this Proposal contains information considered confidential or proprietary and all such information is specifically identified on this form.

If you responded "YES", you must identify below the specific information you consider confidential or proprietary. List each page number, form number, or other information sufficient to make the information readily identifiable. The Cooperative and its Administrator will not be responsible for a Proposer's failure to clearly identify information considered confidential or proprietary. Further, by submitting a Proposal, Proposer acknowledges that the Cooperative and its Administrator will disclose information when required by law, even if such information has been identified herein as information the vendor considers confidential or proprietary.

Confidential / Proprietary Information:

_____

_____

_____

_____

_____

(Attach additional sheets if needed.)

B. Copyright Information

Does your Proposal (including forms, documentation, or other materials submitted with the Proposal) contain copyright information?

Please check (√) one of the following:

☒ **NO,** Proposal (including forms, documentation, or other materials submitted with the Proposal) does not contain copyright information.

☐ **YES,** Proposal (including forms, documentation, or other materials submitted with the Proposal) does contain copyright information.

If you responded "YES", identify below the specific documents or pages containing copyright information.

Copyright Information: _____

_____

_____

(Attach additional sheets if needed.)

C. Consent to Release Confidential/Proprietary/Copyright Information to BuyBoard Members

BuyBoard members (Cooperative and nonprofit members) seeking to make purchases through the BuyBoard may wish to view information included in the Proposals of awarded Vendors. If you identified information on this form as confidential, proprietary, or subject to copyright, and you are awarded a BuyBoard contract, your acceptance of the BuyBoard contract award constitutes your consent to the disclosure of such information to BuyBoard members, including posting of such information on the secure BuyBoard website for members. Note: Neither the Cooperative nor its Administrator will be responsible for the use or distribution of information by BuyBoard members or any other party.

D. Consent to Release Proposal Tabulation

Notwithstanding anything in this Confidential/Proprietary Information form to the contrary, by submitting a Proposal, Vendor consents and agrees that, upon Contract award, the Cooperative may publically release, including posting on the public BuyBoard website, a copy of the proposal tabulation for the Contract including Vendor name; proposed catalog/pricelist name(s); proposed percentage discount(s), hourly labor rate(s), or other specified pricing; and Vendor award or non-award information.

By signature below, I certify that the information in this form is true, complete, and accurate and that I am authorized by my company to make this certification and all consents and agreements contained herein.

Reeder Distributors,Inc.

Company Name

Signature of Authorized Company Official

Jason Reeder

Printed Name

06-28-17

Date

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VENDOR BUSINESS NAME

By submitting a Proposal, Proposer is seeking to enter into a legal contract with the Cooperative. As such, a Proposer must be an individual or legal business entity capable of entering into a binding contract. Proposers, must completely and accurately provide the information requested below or your Proposal may be deemed non-responsive.

Name of Proposing Company: Reeder Distributors, Inc.

(List the legal name of the company seeking to contract with the Cooperative. Do NOT list an assumed name, dba, aka, etc. here. Such information may be provided below. If you are submitting a joint proposal with another entity to provide the same proposed goods or services, each submitting entity should complete a separate vendor information form. Separately operating legal business entities, even if affiliated entities, which propose to provide goods or services separately must submit their own Proposals.)

Please check (√) one of the following:

Type of Business:

Individual/Sole Proprietor	____
Corporation	x
Limited Liability Company	____
Partnership	____
Other	____

If other, identify _____

State of Incorporation (if applicable): Texas

Federal Employer Identification Number: 751457057

(Vendor must include a completed IRS W-9 form with their proposal)

List the Name(s) by which Vendor, if awarded, wishes to be identified on the BuyBoard: *(Note: If different than the Name of Proposing Company listed above, only valid trade names (dba, aka, etc.) of the Proposing Company may be used and a copy of your Assumed Name Certificate(s), if applicable, must be attached.)*

_____

_____

_____

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Reeder Distributors, Inc.

2 Business name/disregarded entity name, if different from above
Reeder Distributors, Inc.

3 Check appropriate box for federal tax classification; check only one of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☑ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶
Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.
☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any)
Exemption from FATCA reporting code (if any)
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)
5450 Wilbarger Street

Requester's name and address (optional)

6 City, state, and ZIP code
Fort Worth, TX 76119

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number
☐☐☐ - ☐☐ - ☐☐☐☐

or

Employer identification number
7 5 - 1 4 5 7 0 5 7

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here Signature of U.S. person ▶ [signature] Date ▶ 1/10/17

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

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EDGAR VENDOR CERTIFICATION

(2 CFR Part 200 and Appendix II)

When a Cooperative member seeks to procure goods and services using funds under a federal grant or contract, specific federal laws, regulations, and requirements may apply in addition to those under state law. This includes, but is not limited to, the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR 200 (sometimes referred to as the "Uniform Guidance" or new "EDGAR"). All Vendors submitting proposals must complete this EDGAR Certification Form regarding Vendor's willingness and ability to comply with certain requirements which ***may*** be applicable to specific Cooperative member purchases using federal grant funds. This completed form will be made available to Cooperative members for their use while considering their purchasing options when using federal grant funds. Cooperative members may also require Vendors to enter into ancillary agreements, in addition to the BuyBoard contract's general terms and conditions, to address the member's specific contractual needs, including contract requirements for a procurement using federal grants or contracts.

For each of the items below, Vendor should certify Vendor's agreement and ability to comply, where applicable, by having Vendor's authorized representative complete and initial the applicable boxes and sign the acknowledgment at the end of this form. If you fail to complete any item in this form, the Cooperative will consider and may list the Vendor's response on the BuyBoard as "NO," the Vendor is unable or unwilling to comply. A "NO" response to any of the items may, if applicable, impact the ability of a Cooperative member to purchase from the Vendor using federal funds.

1. Vendor Violation or Breach of Contract Terms:

Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 USC 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Provisions regarding Vendor default are included in the BuyBoard General Terms and Conditions, including Section E.18, Remedies for Default and Termination of Contract. Any Contract award will be subject to such BuyBoard General Terms and Conditions, as well as any additional terms and conditions in any Purchase Order, Cooperative member ancillary contract, or Member Construction Contract agreed upon by Vendor and the Cooperative member which must be consistent with and protect the Cooperative member at least to the same extent as the BuyBoard Terms and Conditions.

The remedies under the Contract are in addition to any other remedies that may be available under law or in equity. By submitting a Proposal, you agree to these Vendor violation and breach of contract terms.

2. Termination for Cause or Convenience:

For any Cooperative member purchase or contract in excess of $10,000 made using federal funds, you agree that the following term and condition shall apply:

The Cooperative member may terminate or cancel any purchase order under this Contract at any time, with or without cause, by providing seven (7) business days advance written notice to the Vendor. If this Agreement is terminated in accordance with this Paragraph, the Cooperative member shall only be required to pay Vendor for goods or services delivered to the Cooperative member prior to the termination and not otherwise returned in accordance with Vendor's return policy. If the Cooperative member has paid Vendor for goods or services not yet provided as of the date of termination, Vendor shall immediately refund such payment(s).

If an alternate provision for termination of a Cooperative member purchase for cause and convenience, including the manner by which it will be effected and the basis for settlement, is included in the Cooperative member's purchase order, ancillary agreement, or Member Construction Contract agreed to by the Vendor, the Cooperative member's provision shall control.

3. Equal Employment Opportunity:

Except as otherwise provided under 41 CFR Part 60, all Cooperative member purchases or contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 shall be deemed to include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

The equal opportunity clause provided under 41 CFR 60-1.4(b) is hereby incorporated by reference. Vendor agrees that such provision applies to any Cooperative member purchase or contract that meets the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 and Vendor agrees that it shall comply with such provision.

---

4. Davis-Bacon Act:

When required by Federal program legislation, Vendor agrees that, for all Cooperative member prime construction contracts/purchases in excess of $2,000, Vendor shall comply with the Davis-Bacon Act (40 USC 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, Vendor is required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determinate made by the Secretary of Labor. In addition, Vendor shall pay wages not less than once a week.

Current prevailing wage determinations issued by the Department of Labor are available at www.wdol.gov. Vendor agrees that, for any purchase to which this requirement applies, the award of the purchase to the Vendor is conditioned upon Vendor's acceptance of the wage determination.

Vendor further agrees that it shall also comply with the Copeland "Anti-Kickback" Act (40 USC 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

---

5. Contract Work Hours and Safety Standards Act:

Where applicable, for all Cooperative member contracts or purchases in excess of $100,000 that involve the employment of mechanics or laborers, Vendor agrees to comply with 40 USC 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 USC 3702 of the Act, Vendor is required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 USC 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

---

6. Right to Inventions Made Under a Contract or Agreement:

If the Cooperative member's Federal award meets the definition of "funding agreement" under 37 CFR 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance or experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Vendor agrees to comply with the above requirements when applicable.

7. Clean Air Act and Federal Water Pollution Control Act:
Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act (33 USC 1251-1387), as amended – Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act, as amended (33 USC 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

When required, Vendor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act.

---

8. Debarment and Suspension:
Debarment and Suspension (Executive Orders 12549 and 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1966 Comp. p. 189) and 12689 (3 CFR Part 1989 Comp. p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Vendor certifies that Vendor is not currently listed on the government-wide exclusions in SAM, is not debarred, suspended, or otherwise excluded by agencies or declared ineligible under statutory or regulatory authority other than Executive Order 12549. Vendor further agrees to immediately notify the Cooperative and all Cooperative members with pending purchases or seeking to purchase from Vendor if Vendor is later listed on the government-wide exclusions in SAM, or is debarred, suspended, or otherwise excluded by agencies or declared ineligible under statutory or regulatory authority other than Executive Order 12549.

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9. Byrd Anti-Lobbying Amendment:
Byrd Anti-Lobbying Amendment (31 USC 1352) -- Vendors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. As applicable, Vendor agrees to file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 USC 1352).

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10. Procurement of Recovered Materials:
For Cooperative member purchases utilizing Federal funds, Vendor agrees to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act where applicable and provide such information and certifications as a Cooperative member may require to confirm estimates and otherwise comply. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery, and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

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11. Profit as a Separate Element of Price:
For purchases using federal funds in excess of $150,000, a Cooperative member may be required to negotiate profit as a separate element of the price. See, 2 CFR 200.323(b). When required by a Cooperative member, Vendor agrees to provide information and negotiate with the Cooperative member regarding profit as a separate element of the price for a particular purchase. However, Vendor agrees that the total price, including profit, charged by Vendor to the Cooperative member shall not exceed the awarded pricing, including any applicable discount, under Vendor's Cooperative Contract.

12. General Compliance and Cooperation with Cooperative Members:
In addition to the foregoing specific requirements, Vendor agrees, in accepting any Purchase Order from a Cooperative member, it shall make a good faith effort to work with Cooperative members to provide such information and to satisfy such requirements as may apply to a particular Cooperative member purchase or purchases including, but not limited to, applicable recordkeeping and record retention requirements.

Vendor Certification Item No.	Vendor Certification: **YES**, I agree or **NO**, I do NOT agree	Initial
1. Vendor Violation or Breach of Contract Terms	Yes	JR
2. Termination for Cause or Convenience	Yes	JR
3. Equal Employment Opportunity	Yes	JR
4. Davis-Bacon Act	Yes	JR
5. Contract Work Hours and Safety Standards Act	Yes	JR
6. Right to Inventions Made Under a Contract or Agreement	Yes	JR
7. Clean Air Act and Federal Water Pollution Control Act	Yes	JR
8. Debarment and Suspension	Yes	JR
9. Byrd Anti-Lobbying Amendment	Yes	JR
10. Procurement of Recovered Materials	Yes	JR
11. Profit as a Separate Element of Price	Yes	JR
12. General Compliance and Cooperation with Cooperative Members	Yes	JR

By signature below, I certify that the information in this form is true, complete, and accurate and that I am authorized by my company to make this certification and all consents and agreements contained herein.

Reeder Distributors Inc.
Company Name

Signature of Authorized Company Official

Jason Reeder
Printed Name

BuyBoard®
Cooperative Purchasing
12007 Research Boulevard • Austin, Texas 78759-2439 · PH: 800-695-2919 • FAX: 800-211-5454 • www.buyboard.com

PROPOSAL INVITATION QUESTIONNAIRE

The Cooperative will use your responses to the questions below in evaluating your Proposal and technical and financial resources to provide the goods and perform the services ("Work") under the BuyBoard contract contemplated by this Proposal Invitation ("Contract"). Proposers must fully answer each question, numbering your responses to correspond to the questions/numbers below. Proposers must complete below or attach your responses to this questionnaire, sign where indicated below, and submit the signed questionnaire and your responses to all questions in one document with your Proposal. **You must submit the signed questionnaire and responses with your Proposal or the Proposal will not be considered.**

1. List the number of years Proposer has been in business and former business names (if applicable). Note whether your company is currently for sale or involved in any transaction that would significantly alter its business or result in acquisition by another entity.

43 years

2. Describe the resources Proposer has to manage staff and successfully perform the Work contemplated under this Contract. State the number and summarize the experience of company personnel who may be utilized for the Work, including those who will be available to Cooperative members for assistance with project development, technical issues, and product selection for Work associated with this Contract.

Reeder Distributors, Inc. has been operating in Texas for over 43 years. We have approximately 110 total employees. We have a complete fuel, lubrication, and equipment department which staffed to supply and manage all needs of our customer base which included a well developed management team, sales staff, customer service department, and accounting department. All departs will work to take care of our customer in the highest regard.

3. Describe Proposer's financial capability to perform the Contract. State or describe the firm's financial strength and rating, bonding capacity, and insurance coverage limits. State whether the firm, or any of the firm's past or present owners, principal shareholders or stockholders, or officers, have been a debtor party to a bankruptcy, receivership, or insolvency proceeding in the last 7 years, and identify any such debtor party by name and relationship to or position with your firm.

Reeder carries a $2MM general liability policy with an additional $4MM umbrella liability policy and $3MM excess commercial general liability coverage. In addition Reeder carries workers comp, auto liability, pollution and environmental liability coverages. Reeder is capable of bonding projects up to at least $2MM. No stakeholder, shareholder, or officer have been party to bankruptcy, receivership or insolvency.

4. Does your company have any outstanding financial judgments and/or is it currently in default on any loan or financing agreement? If so, provide detailed information on the nature of such items and prospects for resolution.

No

5. List all contracts, if any, in the last 10 years on which Proposer has defaulted, failed to complete or deliver the work, or that have been terminated for any reason. For each such contract, provide the project name, scope, value and date and the name of the procuring entity. Fully explain the circumstances of the default, failure to complete or deliver the work, or termination.

N/A

6. List all litigation or other legal proceedings (including arbitration proceedings), if any, in the last 10 years brought against your firm, or any of the firm's past or present owners, principal shareholders or stockholders, officers, agents or employees, that relates to or arises from a contract similar to this Contract or the work contemplated under this Contract. Provide the style of the lawsuit or proceeding (name of parties and court or tribunal in which filed), nature of the claim, and resolution or current status.

N/A

By signature below, I certify that the information contained in and/or attached to this Proposal Invitation Questionnaire in response to the above questions is true and correct and that I am authorized by my company to make this certification.

Reeder Distributors Inc.
Company Name

Signature of Authorized Company Official

12007 Research Boulevard • Austin, Texas 78759-2439 · PH: 800-695-2919 • FAX: 800-211-5454 • www.buyboard.com

REQUIRED FORMS CHECKLIST

(Please check (√) the following)

- [x] Completed: **Proposer's Agreement and Signature**
- [x] Completed: **Vendor Contact Information**
- [x] Completed: **Felony Conviction Disclosure and Debarment Certification**
- [x] Completed: **Resident/Nonresident Certification**
- [x] Completed: **Historically Underutilized Business (HUB) Certification**)
- [x] Completed: **Construction Related Goods and Services Affirmation**
- [x] Completed: **Deviation/Compliance**
- [x] Completed: **Dealership Listings**
- [x] Completed: **Texas Regional Service Designation**
- [x] Completed: **State Service Designation**
- [x] Completed: **National Purchasing Cooperative Vendor Award Agreement**
- [x] Completed: **Federal and State/Purchasing Cooperative Experience**
- [x] Completed: **Governmental References**
- [x] Completed: **Marketing Strategy**
- [x] Completed: **Confidential/Proprietary Information**
- [x] Completed: **Vendor Business Name with IRS Form W-9**
- [x] Completed: **EDGAR Vendor Certification**
- [x] Completed: **Proposal Invitation Questionnaire**
- [x] Completed: **Required Forms Checklist**
- [x] Completed: **Proposal Specification Form with Catalogs/Pricelists**

**Catalogs/Pricelists must be submitted with proposal response or response will not be considered.*

BuyBoard Cooperative Purchasing

Proposal Invitation No. 551-17-Automotive Parts, Fluids, Maintenance and Equipment

(Catalogs/Pricelists must be submitted with Proposal or Proposal will not be considered[1].)

NOTE: Vendors proposing various manufacturer product lines per line item on the Proposal Specification Form must submit the information as follows or proposal may not be considered:
☐Manufacturers shall be listed in alphabetical order
☐Vendor's must list one specific percentage discount for each Manufacturer listed.
If a vendor's response to Proposal Specification Form states "please see attachment sheet," all manufacturers listed on the attachment sheet must indicate per manufacturer the line item that correlates to Proposal Specification Form or Vendor's proposal may not be considered.

Item No.	Short Description	Full Description	State Percent (%) of Discount off Catalog/Pricelist[1]	State Name of Catalog/Pricelist[1]	Exceptions to Discount
Section I: Automotive Equipment, Parts, and Supplies					
1	Discount (%) Off Catalog/Pricelist for Automotive Original Equipment Manufacturer (OEM) Parts	Please state the discount (%) off catalog/pricelist for **Automotive Original Equipment Manufacturer (OEM) Parts.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
2	Discount (%) Off Catalog/Pricelist for Automotive Non-Original Equipment Manufacturer (OEM) Parts	Please state the discount (%) off catalog/pricelist for **Automotive Non-Original Equipment Manufacturer (Non-OEM) Parts.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
3	Discount (%) Off Catalog/Pricelist for for Batteries	Please state the discount (%) off catalog/pricelist for **Batteries (All Types of Automotive and Marine).** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
4	Discount (%) Off Catalog/Pricelist for Mobile Lift Systems, Support Stands, and Jacks	Please state the discount (%) off catalog/pricelist for **Mobile Lift Systems, Support Stands, and Jacks.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	29%	Stertil-Koni Price List	

PROPOSAL NOTE
1. Catalogs/Pricelists are required to be submitted with Proposal

BuyBoard Cooperative Purchasing

Proposal Invitation No. 551-17-Automotive Parts, Fluids, Maintenance and Equipment

(Catalogs/Pricelists must be submitted with Proposal or Proposal will not be considered[1].)

Item No.	Short Description	Full Description	State Percent (%) of Discount off Catalog/Pricelist[1]	State Name of Catalog/Pricelist[1]	Exceptions to Discount
5	Discount (%) Off Catalog/Pricelist for Automotive Hand Tools	Please state the discount (%) off catalog/pricelist for **Automotive Hand Tools.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
6	Discount (%) Off Catalog/Pricelist for All Other Automotive Related Parts	Please state the discount (%) off catalog/pricelist for **All Other Automotive Related Parts.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	See Attached _____%	See Attached	
Section II: Installation and Repair Service			**Not to Exceed Hourly Labor Rate**	**Detailed Information on Hourly Labor Rate**	**Exceptions to Hourly Labor Rate**
7	Not to Exceed Hourly Labor Rate for Installation/Repair Service and of Automotive Equipment and Products	**Hourly Labor Rate for Installation/Repair Service of Automotive Equipment and Products** -- State the **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products.	$ $125 /Hour		
8	Not to Exceed Hourly Labor Rate for Automotive Paint and Body Repair	**Hourly Labor Rate for Automotive Paint and Body Repair** -- State the **Not to Exceed** hourly labor rate for Installation/Repair Service of Paint and Body Repair.	$ _____/Hour		

PROPOSAL NOTE

1. Catalogs/Pricelists are required to be submitted with Proposal

BuyBoard

Proposal Invitation No. 551-17-Automotive Parts, Fluids, Maintenance and Equipment

(Catalogs/Pricelists must be submitted with Proposal or Proposal will not be considered[1].)

Item No.	Short Description	Full Description	State Percent (%) of Discount off Catalog/Pricelist[1]	State Name of Catalog/Pricelist[1]	Exceptions to Discount
Section III: Automotive Grease, Oils, Lubricants, and Transmission Fluids					
9	Discount (%) Off Catalog/Pricelist for All Automotive Oils	Please state the discount (%) off catalog/pricelist for **All Automotive Oils.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
10	Discount (%) Off Catalog/Pricelist for All Transmission Fluids	Please state the discount (%) off catalog/pricelist for **All Transmission Fluids.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
11	Discount (%) Off Catalog/Pricelist for All Grease Products	Please state the discount (%) off catalog/pricelist for **All Grease Products.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
12	Discount (%) Off Catalog/Pricelist for All Additive and Lubricant Products	Please state the discount (%) off catalog/pricelist for **All Additive and Lubricant Products.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
13	Discount (%) Off Catalog/Pricelist for Oil Collection, Refining, Recycling, and Cleaning Services	Please state the discount (%) off catalog/pricelist for **Oil Collection, Refining, Recycling, and Cleaning Services.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
14	Discount (%) Off Catalog/Pricelist for Automotive Maintenance and Services	Please state the discount (%) off catalog/pricelist for **Automotive Maintenance and Services (oil change, battery replacement, radiator flush, and related services).** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
15	Discount (%) Off Catalog/Pricelist for All Other Automotive Fluids	Please state the discount (%) off catalog/pricelist for **All Other Automotive Fluids.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		

PROPOSAL NOTE

1. Catalogs/Pricelists are required to be submitted with Proposal

BuyBoard Cooperative Purchasing

Proposal Invitation No. 551-17-Automotive Parts, Fluids, Maintenance and Equipment

(Catalogs/Pricelists must be submitted with Proposal or Proposal will not be considered[1].)

Item No.	Short Description	Full Description	State Percent (%) of Discount off Catalog/Pricelist[1]	State Name of Catalog/Pricelist[1]	Exceptions to Discount
Section IV: Bus and Car Wash Equipment and Supplies					
16	Discount (%) Off Catalog/Pricelist for All Supplies for Bus and Car Washes	Please state the discount (%) off catalog/pricelist for **All Supplies for Bus and Car Washes.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
17	Discount (%) Off Catalog/Pricelist for Car Wash Equipment and Related Products	Please state the discount (%) off catalog/pricelist for **Car Wash Equipment and Related Products (equipment and products necessary for a properly functioning Car Wash system).** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
18	Discount (%) Off Catalog/Pricelist for Bus Wash Equipment and Related Products	Please state the discount (%) off catalog/pricelist for **Bus Wash Equipment and Related Products (equipment and products necessary for a properly functioning Bus Wash system).** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
19	Discount (%) Off Catalog/Pricelist for Bus and Car Wash Equipment Parts	Please state the discount (%) off catalog/pricelist for **Bus and Car Wash Equipment Parts.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
20	Discount (%) Off Catalog/Pricelist for All Other Bus/Car Wash Equipment and Related Products	Please state the discount (%) off catalog/pricelist for **All Other Bus and Car Wash Equipment and Related Products.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		
21	Discount (%) Off Catalog/Pricelist for Bus and Car Wash Maintenance/Warranty Agreements	Please state the discount (%) off catalog/pricelist for **Bus and Car Wash Maintenance/Warranty Agreements.** **Catalog/Pricelist MUST be included or proposal will not be considered.**	_____%		

PROPOSAL NOTE

1. Catalogs/Pricelists are required to be submitted with Proposal

Proposal Invitation No. 551-17-Automotive Parts, Fluids, Maintenance and Equipment

(Catalogs/Pricelists must be submitted with Proposal or Proposal will not be considered[1].)

Item No.	Short Description	Full Description	Not to Exceed Hourly Labor Rate	Detailed Information on Hourly Labor Rate	Exceptions to Hourly Labor Rate
Section V: Bus and Car Wash Installation and Repair Service					
22	Not to Exceed Hourly Labor Rate for Installation/Repair Service of Bus and Car Wash Equipment and Products	**Hourly Labor Rate for Installation/Repair of Bus and Car Wash Equipment and Products** -- State the **Not to Exceed** hourly labor rate for Installation/Repair Service of Equipment and Products.	$ _____/Hour		

PROPOSAL NOTE

1. Catalogs/Pricelists are required to be submitted with Proposal

All items listed below pertain to Item #6 for Buy Board Bid # 551-17

RDI – Bennett Pumps Price List	10% off List Price
RDI – Burroughs Price List	15% off List Price
RDI – Fuel Master Price List	13% off List Price
RDI – Graco Price List	15% off List Price
RDI – Industrial Gold Price List	15% off List Price
RDI – PeeDee Tanks Price List	15% off List Price
RDI – Rotary Price List	20% off List Price

All catalog/price list have been submitted with this bid

Chris Bussey

Reeder Distributors, Inc.

5450 Wilbarger St.

Fort Worth, TX 76119

817-682-4958

chris@rdinc.us