

CITY OF HUNTSVILLE, TEXAS

Andy Brauninger, Mayor

Bert Lyle, Position 1 At-Large
Dee Howard Mullins, Position 2 At-Large
Vicki McKenzie, Position 3 At-Large
Pat Graham, Position 4 At-Large



Daiquiri Beebe, Ward 1
Russell Humphrey, Mayor Pro Tem, Ward 2
Deloris Massey, Ward 3
Jon Strong, Ward 4

HUNTSVILLE CITY COUNCIL AGENDA

TUESDAY, JUNE 7, 2022

WORKSHOP 4:30 P.M. – Large Conference Room

REGULAR SESSION 6:00 P.M. - City Council Chambers

Huntsville City Hall, 1212 Avenue M, Huntsville, Texas, 77340

Persons with disabilities who plan to attend this meeting and may need auxiliary aids or services are requested to contact the City Secretary's office (936.291.5413) two working days prior to the meeting for appropriate arrangements.

WORKSHOP (4:30 p.m.)

DISCUSSION

- a. MLK Community Center Discussion
Aron Kulhavy, City Manager
- b. 5:30p.m. - Reception for Class of 2022 Scholarship Recipients
Employee Scholarship Committee

MAIN SESSION (6:00 p.m.)

CALL TO ORDER

INVOCATION AND PLEDGES - U.S. Flag and Texas Flag: *Honor the Texas Flag. I pledge allegiance to thee, Texas, one state, under God, one, and indivisible.*

PRESENTATIONS

- a. Presentation to the Class of 2022 Scholarship Recipients

PUBLIC HEARING

1. CONSENT AGENDA

The presiding officer will call for public comments before action is taken on these items. *(Approval of Consent Agenda authorizes the City Manager to implement each item in accordance with staff recommendations. An item may be removed from the Consent Agenda and added to the Statutory Agenda for full discussion by request of a member of Council.)*

- a. Consider approving the Minutes from May 17, 2022, Regular City Council Meeting.
Kristy Doll, City Secretary
- b. Consider authorizing the City Manager to award the purchase of Hauling Services for Recyclable Materials to Stella Environmental Services, LLC.
Brent Sherrod, Public Works Director

- c. Consider authorizing the City Manager to enter into an agreement with Raftelis Financial Consultants, Inc. for Water and Wastewater rate study services.
Steve Ritter, Finance Director
- d. Consider adoption of Ordinance 2022-19 to amend the budget for FY 21-22 and/or CIP Project budgets
Steve Ritter, Finance Director

2. STATUTORY AGENDA

- a. **FIRST READING:** Consider authorizing the City Manager to award and enter into a contract with Care Corporation for the Animal Control Facility Maintenance and Operations.
Rick Rudometkin, Deputy City Manager
Darryle Slaven, Assistant Police Chief
- b. **SECOND READING:** Consider Ordinance No. 2022-18 for the proposed annexation of approximately 263 acres located south of the current City limits, south of Veterans Memorial Blvd and east of Montgomery Rd.
Armon Irones, City Planner
- c. Consider authorizing the City Manager to enter into a contract with DTA, a public finance consulting firm, to provide Public Improvement District (PID) administration services to manage the public improvement districts created in the City of Huntsville.
Kevin Byal, Director of Development Services

3. CITY COUNCIL/MAYOR/CITY MANAGER

- a. Consider the appointments to City of Huntsville Boards, Commissions, and Committee for expired terms or vacant board positions.
Andy Brauninger, Mayor
- b. Consider adoption of Resolution No. 2022-20 concerning the demolition of the Texas Department of Criminal Justice warehouse, home to the Mexican Free-Tailed bat colony.
Daiquiri Beebe, Councilmember Ward 1
- c. Consider membership in the Transportation Excellence for the 21st Century (TEX-21) organization.
Andy Brauninger, Mayor

4. REQUESTS FOR CITIZEN PARTICIPATION

(An opportunity for citizens to be heard on any topic and for the City Council to participate in the discussion. **No action will be taken.**)

5. MEDIA INQUIRIES RELATED TO MATTERS ON THE AGENDA

6. ITEMS OF COMMUNITY INTEREST

7. EXECUTIVE SESSION

- a. City Council will convene in closed session as authorized by Texas Government Code, Chapter 551, Section 551.071 – consultation with legal counsel on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with chapter 551 relating to and for the purpose of attorney-client communications concerning City of Huntsville New Police Headquarters and Fire Station #2/Fire Administration Building Project.
Leonard Schneider, City Attorney

8. RECONVENE

Take action on item discussed in executive session, if needed.

ADJOURNMENT

*If during the course of the meeting and discussion of any items covered by this notice, City Council determines that a Closed or Executive session of the Council is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Section 551.071 – consultation with counsel on legal matters; 551.072 – deliberation regarding purchase, exchange, lease or value of real property; 551.073 – deliberation regarding a prospective gift; 551.074 – personnel matters regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; 551.076 – implementation of security personnel or devices; 551.087 – deliberation regarding economic development negotiation; Sec. 551.089 - deliberation regarding security devices or security audits; and/or other matters as authorized under the Texas Government Code. If a Closed or Executive session is held in accordance with the Texas Government Code as set out above, the City Council will reconvene in Open Session to take action, if necessary, on the items addressed during Executive Session.

CERTIFICATE

I, Kristy Doll, City Secretary, do hereby certify that the above notice was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.HuntsvilleTX.gov, in compliance with Chapter 551, Texas Government Code.

DATE OF POSTING: 6/3/2022



TIME OF POSTING: 9:00 a.m.

Kristy Doll, City Secretary

TAKEN DOWN:



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: a.

Agenda Item: MLK Community Center Discussion

Initiating Department/Presenter: City Manager

Presenter:

Aron Kulhavy, City Manager

Recommended Motion: Not applicable

Strategic Initiative:

Discussion:

Previous Council Action:

Financial Implications:

Approvals:

Kristy Doll

Associated Information:



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: b.

Agenda Item: 5:30p.m. - Reception for Class of 2022 Scholarship Recipients

Initiating Department/Presenter: Human Resources

Presenter:
Employee Scholarship Committee

Recommended Motion: Not applicable

Strategic Initiative:

Discussion:

Previous Council Action:

Financial Implications:

Approvals:
Kristy Doll

Associated Information:



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: a.

Agenda Item: Presentation to the Class of 2022 Scholarship Recipients

Initiating Department/Presenter: City Secretary

Presenter:

Recommended Motion: Not applicable

Strategic Initiative:

Discussion:

Previous Council Action:

Financial Implications:

Approvals:

Kristy Doll

Associated Information:



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 1.a.

Agenda Item: Consider approving the Minutes from May 17, 2022, Regular City Council Meeting.

Initiating Department/Presenter: City Secretary

Presenter:

Kristy Doll, City Secretary

Recommended Motion: Move to approve the Minutes of the Regular City Council meeting held on May 17, 2022.

Strategic Initiative:

Discussion: None

Previous Council Action: Not applicable

Financial Implications: None

Approvals:

Kristy Doll

Associated Information:

1. May 17, 2022 City Council Minutes

MINUTES FROM THE HUNTSVILLE CITY COUNCIL REGULAR MEETING HELD ON THE 17th DAY OF MAY 2022, IN THE CITY HALL, LOCATED AT 1212 AVENUE M, IN THE CITY OF HUNTSVILLE, COUNTY OF WALKER, TEXAS, AT 6:00 P.M.

The Council met in a workshop and regular session with the following:

COUNCILMEMBERS PRESENT: Mayor Brauninger, Mayor Pro Tem Humphrey, Councilmember Ward 1 Beebe, Councilmember At-Large Position 3 McKenzie, Councilmember At-Large Position 2 Mullins, Councilmember Ward 3 Massey, Councilmember Ward 4 Strong, Councilmember At-Large Position 4 Graham, Councilmember At-Large Position 1 Lyle

COUNCILMEMBERS ABSENT:

OFFICERS PRESENT: Aron Kulhavy, City Manager; Kristy Doll, City Secretary; Leonard Schneider, City Attorney

WORKSHOP (5:00 p.m.)

- a. Presentation from TEX-21 Corridor Coalition**

MAIN SESSION (6:00 p.m.)

CALL TO ORDER

Mayor Brauninger called the meeting to order at 6:00 p.m.

INVOCATION AND PLEDGES - U.S. Flag and Texas Flag: Honor the Texas Flag. I pledge allegiance to thee, Texas, one state, under God, one, and indivisible.

Councilmember Humphrey gave the invocation, and Mayor Brauninger led the pledges.

PROCLAMATION

- a. Proclamation No. 2022-15 for National Public Works Week**

PRESENTATIONS

None

PUBLIC HEARING

- a. Public Hearing to receive comments from all interested persons on the proposed annexation of approximately 263 acres in MUD No. 1, south of the current city limits and south of Veterans Memorial Blvd and east of Montgomery Rd.**

Mayor Brauninger opened the Public Hearing at 6:06 p.m.

City Planner, Armon Irones, presented information on the proposed annexation. The applicant made a petition to voluntarily annex into the City limits.

Citizen comments in support of the proposed annexation: none

Citizens Comments in opposition of the proposed annexation: none

The Mayor closed the Public Hearing at 6:10 p.m.

1. CONSENT AGENDA

Public Comments will be called for by the presiding officer before action is taken on these items. (Approval of Consent Agenda authorizes the City Manager to implement each item in

accordance with staff recommendations. An item may be removed from the Consent Agenda and added to the Statutory Agenda for full discussion by request of a member of Council.)

- a. **Consider approving the Minutes from the May 3, 2022, Regular City Council Meeting.**
- b. **Consider adoption of Ordinance 2022-17 to amend the budget for FY 21-22 and/or CIP Project budgets**
- c. **Consider authorizing the City Manager to execute Amendment No. 1 to the Development Agreement with East Loop Investments, LLC., for the development of the 350 +/- acre development for a single-family master planned community.**
- d. **Consider authorizing the City Manager to enter into an agreement with Aurora Technical Services, LLC for professional engineering services for the FY21/22 Waterline Replacement Project.**
- e. **Consider authorizing the City Manager to enter into a contract with T Construction LLC for the rehabilitation of sanitary sewer lines.**

Councilmember Beebe made a motion to approve the consent agenda items a, b, c, d, and e. The motion was seconded by Councilmember Graham. The motion passed 9-0. Yes: Andy Brauning, Russell Humphrey, Daiquiri Beebe, Vicki McKenzie, Deandra (Dee) Mullins, Deloris Massey, Jon Strong, Pat Graham, Bert Lyle. No: None

2. STATUTORY AGENDA

- a. **FIRST READING: Consider authorizing the City Manager to award the purchase of Street Milling/Overlay Services. Brent Sherrod, Public Works Director**

Councilmember Beebe made a motion to temporarily suspend the rules of procedure by waving the two-reading requirement and to authorize the City Manager to award the purchase of Street Milling/Overlay/Rehab Services to Larry Young Paving in the amount of \$2,133,468.03. The motion was seconded by Councilmember McKenzie. The motion passed 9-0. Yes: Andy Brauning, Russell Humphrey, Daiquiri Beebe, Vicki McKenzie, Deandra (Dee) Mullins, Deloris Massey, Jon Strong, Pat Graham, Bert Lyle. No: None

- b. **FIRST READING: Consider Ordinance 2022-18 for the proposed annexation of approximately 263 acres located south of the current City limits, south of Veterans Memorial Blvd and east of Montgomery Rd.**

First Reading, no action taken.

- c. **FIRST READING: Consider authorizing the City Manager to award and enter into a contract with Christensen Building Group for Construction Manager-at-Risk (CMAR) services for the City Hall Building Project.**

Councilmember Humphrey made a motion to temporarily suspend the rules of procedure by waving the two-reading requirement and move to authorize the City Manager to award and enter into a contract with Christensen Building Group for Construction Manager-at-Risk (CMAR) services for the City Hall Building Project in the amounts of \$10,000.00

for Pre-Construction Fees, 2% of the Construction budget for the Construction Phase Services Fee and \$797,907 for General Conditions Costs. The motion was seconded by Councilmember Lyle. The motion passed 9-0. Yes: Andy Brauning, Russell Humphrey, Daiquiri Beebe, Vicki McKenzie, Deandra (Dee) Mullins, Deloris Massey, Jon Strong, Pat Graham, Bert Lyle. No: None

- d. FIRST READING: Consider authorizing the City Manager to enter into an agreement with Halff Associates, Inc. for professional engineering services for FY 21-22 Wastewater Lines Replacement Projects.**

Councilmember Beebe made a motion to temporarily suspend the rules of procedure by waving the two-reading requirement and to authorize the City Manager to enter into an agreement with Halff Associates, Inc. for professional engineering services, FY 21-22 Wastewater Lines Replacement Projects, in the estimated amount of \$507,591.83. The motion was seconded by Councilmember McKenzie. The motion passed 9-0. Yes: Andy Brauning, Russell Humphrey, Daiquiri Beebe, Vicki McKenzie, Deandra (Dee) Mullins, Deloris Massey, Jon Strong, Pat Graham, Bert Lyle. No: None

- e. Presentation, discussion, and possible action to approve Resolution No. 2022-18 to initiate condemnation under Chapter 21 of the Texas Property Code for two temporary construction easements, each twenty (20) feet in width, lying on both sides and adjacent to the permanent easement property, Segment One and Segment Two previously authorized to be condemned on March 1, 2022 , to lay a sanitary sewer line generally located approximately 3.5 miles north northeast of City Hall along the east side of Parker Creek, across a property more particularly described as: 1) an easement property being a strip of land, forty (40) feet in width, containing 3.523 acres of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No. 36 and the WILEY PARKER LEAGUE, Abstract No. 37, Walker County, Texas, and being out of and upon a called 488.63 acre tract described in a Deed from Dorothy Thomason Family Partnership, LTD. to Edwin E. Thomason and wife, Sandy S. Thomason, dated June 2, 2006, recorded in Volume 753, page 201, Official Public Records of Walker County, Texas. 2) an easement property being a strip of land, twenty (20) feet in width, containing 0.778 acre of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No. 36 and the WILEY PARKER LEAGUE, Abstract No. 37, Walker County, Texas, and being out of and upon a called 488.63 acre tract described in a Deed from Dorothy Thomason Family Partnership, LTD. to Edwin E. Thomason and wife, Sandy S. Thomason, dated June 2, 2006, recorded in Volume 753, page 201, Official Public Records of Walker County, Texas.**

Councilmember Humphrey made a motion to move that the City of Huntsville, Texas authorize the use of the power of eminent domain to acquire two temporary construction easements, each twenty (20) feet in width, lying on both sides and adjacent to the permanent easement property called Segment One and Segment Two previously authorized to be condemned on March 1, 2022 by Resolution 2022-10, said permanent easements Segment One and Segment Two being a strip of land, forty (40) feet in width, containing 3.523 acres of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No.36 and the WILEY PARKER LEAGUE, Abstract No.37, Walker County, Texas, and being out of and upon a called 488.63 acre tract described in a Deed from

Dorothy Thomason Family Partnership, LTD. to Edwin E. Thomason and wife, Sandy S. Thomason, dated June 2, 2006, recorded in Volume 753, page 201, Official Public Records of Walker County, Texas. 2) being a strip of land, twenty (20) feet in width, containing 0.778 acre of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No. 36 and the WILEY PARKER LEAGUE, Abstract No. 37, Walker County, Texas, and being out of and upon a called 488.63 acre tract described in a Deed from Dorothy Thomason Family Partnership, LTD. to Edwin E. Thomason and wife, Sandy S. Thomason, dated June 2, 2006, recorded in Volume 753, page 201, Official Public Records of Walker County, Texas for the replacement of an old sanitary sewer line in poor condition with a new sanitary sewer to provide service to current customers and to provide for future development. The motion was seconded by Councilmember McKenzie. The motion passed 9-0. Yes: Andy Brauninger, Russell Humphrey, Daiquiri Beebe, Vicki McKenzie, Deandra (Dee) Mullins, Deloris Massey, Jon Strong, Pat Graham, Bert Lyle. No: None

- f. Presentation, discussion, and possible action to approve Resolution No. 2022-19 to initiate condemnation under Chapter 21 of the Texas Property Code for two temporary construction easements, each twenty (20) feet in width, lying on both sides and adjacent to the permanent easement property previously authorized to be condemned on March 1, 2022 to lay a sanitary sewer line generally located approximately 4 miles northeast of City Hall along the south side of Parker Creek, across a property more particularly described as: 1) an easement property being a strip of land, forty (40) feet in width, containing 1.881 acres of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No. 36, Walker County, Texas, and being out of and upon TR.-1 92.96 AC. according to a Plat of Calvin M. Ellisor Property Tracts 1 & 2 recorded in Volume 4, page 4, Plat Records of Walker County, Texas, said Tract 1 (92.96 acres) conveyed in a Deed from Calvin M. Ellisor and wife, Irene Ellisor to Jerry Ellisor and Byron Ellisor, dated February 15, 2007, recorded in Volume 794, page 462, Official Public Records of Walker County, Texas.**

Councilmember McKenzie made a motion to move that the City of Huntsville, Texas authorize the use of the power of eminent domain to acquire two temporary construction easements, each twenty (20) feet in width, lying on both sides and adjacent to the permanent easement property previously authorized to be condemned on March 1, 2022 by Resolution 2022-12, said permanent easement property being a strip of land being a strip of land, forty (40) feet in width, containing 1.881 acres of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No. 36, Walker County, Texas, and being out of and upon TR.-1 92.96 AC. according to a Plat of Calvin M. Ellisor Property Tracts 1 & 2 recorded in Volume 4, page 4, Plat Records of Walker County, Texas, said Tract 1 (92.96 acres) conveyed in a Deed from Calvin M. Ellisor and wife, Irene Ellisor to Jerry Ellisor and Byron Ellisor, dated February 15, 2007, recorded in Volume 794, page 462, Official Public Records of Walker County, Texas for the replacement of an old sanitary sewer line in poor condition with a new sanitary sewer to provide service to current customers and to provide for future development. The motion was seconded by Councilmember Strong. The motion passed 9-0. Yes: Andy Brauninger, Russell Humphrey, Daiquiri Beebe, Vicki McKenzie, Deandra (Dee) Mullins, Deloris Massey, Jon Strong, Pat Graham, Bert Lyle. No: None

3. CITY COUNCIL/MAYOR/CITY MANAGER

None

4. REQUESTS FOR CITIZEN PARTICIPATION

(An opportunity for citizens to be heard on any topic and for the City Council to participate in the discussion. No action will be taken.)

- a. Jeanie Boyle and Christa Patten provided information regarding the Isaiah 117 House, Walker County.

5. MEDIA INQUIRIES RELATED TO MATTERS ON THE AGENDA

None

6. ITEMS OF COMMUNITY INTEREST

Hear announcements concerning items of community interest from the Mayor, Councilmembers, and City staff, for which no action will be discussed or taken.

Brian Goldgar, Director of Business Development and Therapy Services for Huntsville Memorial Hospital introduced the new orthopedic surgeon.

Mayor and Council announced items of community interest.

7. EXECUTIVE SESSION

- a. **City Council convened in closed session as authorized by Texas Government Code, Chapter 551, Section 551.072 for deliberation regarding the purchase of real property in the J W Adams survey (A-62).**
- b. **City Council convened in closed session as authorized by Texas Government Code, Chapter 551, Section 551.074 – Personnel Matters: regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: City Secretary Kristy Doll.**

Council convened into Executive Session 6:56 p.m.

8. RECONVENE

Take action on item discussed in executive session, if needed.

Reconvened from Executive session into open session at 7:01 p.m. to take a roll call vote on Statutory Agenda Items 2e and 2f. City Attorney Leonard Schneider asked that the Mayor and Council return to Statutory Agenda Items 2e and 2f for a roll call vote on those two agenda items before convening into Executive Session.

- 2e. Presentation, discussion, and possible action to approve Resolution No. 2022-18 to initiate condemnation under Chapter 21 of the Texas Property Code for two temporary construction easements, each twenty (20) feet in width, lying on both sides and adjacent to the permanent easement property, Segment One and Segment Two previously authorized to be condemned on March 1, 2022 , to lay a sanitary**

sewer line generally located approximately 3.5 miles north northeast of City Hall along the east side of Parker Creek, across a property more particularly described as: 1) an easement property being a strip of land, forty (40) feet in width, containing 3.523 acres of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No. 36 and the WILEY PARKER LEAGUE, Abstract No. 37, Walker County, Texas, and being out of and upon a called 488.63 acre tract described in a Deed from Dorothy Thomason Family Partnership, LTD. to Edwin E. Thomason and wife, Sandy S. Thomason, dated June 2, 2006, recorded in Volume 753, page 201, Official Public Records of Walker County, Texas. 2) an easement property being a strip of land, twenty (20) feet in width, containing 0.778 acre of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No. 36 and the WILEY PARKER LEAGUE, Abstract No. 37, Walker County, Texas, and being out of and upon a called 488.63 acre tract described in a Deed from Dorothy Thomason Family Partnership, LTD. to Edwin E. Thomason and wife, Sandy S. Thomason, dated June 2, 2006, recorded in Volume 753, page 201, Official Public Records of Walker County, Texas.

Councilmember Humphrey made a motion to move that the City of Huntsville, Texas authorize the use of the power of eminent domain to acquire two temporary construction easements, each twenty (20) feet in width, lying on both sides and adjacent to the permanent easement property called Segment One and Segment Two previously authorized to be condemned on March 1, 2022 by Resolution 2022-10, said permanent easements Segment One and Segment Two being a strip of land, forty (40) feet in width, containing 3.523 acres of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No.36 and the WILEY PARKER LEAGUE, Abstract No.37, Walker County, Texas, and being out of and upon a called 488.63 acre tract described in a Deed from Dorothy Thomason Family Partnership, LTD. to Edwin E. Thomason and wife, Sandy S. Thomason, dated June 2, 2006, recorded in Volume 753, page 201, Official Public Records of Walker County, Texas. 2) being a strip of land, twenty (20) feet in width, containing 0.778 acre of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No. 36 and the WILEY PARKER LEAGUE, Abstract No. 37, Walker County, Texas, and being out of and upon a called 488.63 acre tract described in a Deed from Dorothy Thomason Family Partnership, LTD. to Edwin E. Thomason and wife, Sandy S. Thomason, dated June 2, 2006, recorded in Volume 753, page 201, Official Public Records of Walker County, Texas for the replacement of an old sanitary sewer line in poor condition with a new sanitary sewer to provide service to current customers and to provide for future development. The motion was seconded by Councilmember McKenzie.

Mayor Brauning called for a roll call vote on Statutory Agenda Item 2e.

Roll Call: Yes - Andy Brauning, Russell Humphrey, Daiquiri Beebe, Vicki McKenzie, Deandra (Dee) Mullins, Deloris Massey, Jon Strong, Pat Graham, Bert Lyle; No - None
The motion passed 9-0

- 2f. Presentation, discussion, and possible action to approve Resolution No. 2022-19 to initiate condemnation under Chapter 21 of the Texas Property Code for two temporary construction easements, each twenty (20) feet in width, lying on both sides and adjacent to the permanent easement property previously authorized to be**

condemned on March 1, 2022 to lay a sanitary sewer line generally located approximately 4 miles northeast of City Hall along the south side of Parker Creek, across a property more particularly described as: 1) an easement property being a strip of land, forty (40) feet in width, containing 1.881 acres of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No. 36, Walker County, Texas, and being out of and upon TR.-1 92.96 AC. according to a Plat of Calvin M. Ellisor Property Tracts 1 & 2 recorded in Volume 4, page 4, Plat Records of Walker County, Texas, said Tract 1 (92.96 acres) conveyed in a Deed from Calvin M. Ellisor and wife, Irene Ellisor to Jerry Ellisor and Byron Ellisor, dated February 15, 2007, recorded in Volume 794, page 462, Official Public Records of Walker County, Texas.

Councilmember McKenzie made a motion to move that the City of Huntsville, Texas authorize the use of the power of eminent domain to acquire two temporary construction easements, each twenty (20) feet in width, lying on both sides and adjacent to the permanent easement property previously authorized to be condemned on March 1, 2022 by Resolution 2022-12, said permanent easement property being a strip of land being a strip of land, forty (40) feet in width, containing 1.881 acres of land, more or less, situated in the JESSE PARKER LEAGUE, Abstract No. 36, Walker County, Texas, and being out of and upon TR.-1 92.96 AC. according to a Plat of Calvin M. Ellisor Property Tracts 1 & 2 recorded in Volume 4, page 4, Plat Records of Walker County, Texas, said Tract 1 (92.96 acres) conveyed in a Deed from Calvin M. Ellisor and wife, Irene Ellisor to Jerry Ellisor and Byron Ellisor, dated February 15, 2007, recorded in Volume 794, page 462, Official Public Records of Walker County, Texas for the replacement of an old sanitary sewer line in poor condition with a new sanitary sewer to provide service to current customers and to provide for future development. The motion was seconded by Councilmember Strong.

Mayor Brauninger called for a roll call vote on Statutory Agenda Item 2f.

Roll Call: Yes - Andy Brauninger, Russell Humphrey, Daiquiri Beebe, Vicki McKenzie, Deandra (Dee) Mullins, Deloris Massey, Jon Strong, Pat Graham, Bert Lyle; No -None. The motion passed 9-0.

7. EXECUTIVE SESSION

- a. City Council convened in closed session as authorized by Texas Government Code, Chapter 551, Section 551.072 for deliberation regarding the purchase of real property in the J W Adams survey (A-62).**
- b. City Council convened in closed session as authorized by Texas Government Code, Chapter 551, Section 551.074 – Personnel Matters: regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: City Secretary Kristy Doll.**

Council convened into Executive Session 7:04 p.m.

8. RECONVENE

Take action on item discussed in executive session, if needed.

Reconvened from Executive session into Open Session at 8:01 p.m.

Councilmember Beebe made a motion to renew the contract with Kristy Doll for another year with a 5% increase in pay. The motion was seconded by Councilmember Graham. The motion passed 9-0. Yes: Andy Brauning, Russell Humphrey, Daiquiri Beebe, Vicki McKenzie, Deandra (Dee) Mullins, Deloris Massey, Jon Strong, Pat Graham, Bert Lyle. No: None

ADJOURNMENT

Mayor Brauning adjourned the meeting without objection at 8:01 p.m.



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 1.b.

Agenda Item: Consider authorizing the City Manager to award the purchase of Hauling Services for Recyclable Materials to Stella Environmental Services, LLC.

Initiating Department/Presenter: Public Works

Presenter:

Brent Sherrod, Public Works Director

Recommended Motion: Move to authorize the City Manager to award the purchase of Hauling Services for Recyclable Materials to Stella Environmental Services, LLC in the amount of \$625 per load plus fuel surcharge with an estimated annual expenditure of \$78,000.

Strategic Initiative: Goal #4, Infrastructure - Ensure the quality of the City utilities, transportation and physical structures so that the City's core services can be provided in an effective and efficient manner.

Discussion: Recyclable materials consist of single-stream recyclables (curbside collection) and those materials received at the City Recycling facility. Services included in this bid are twice-weekly (Thursday and Friday) Contractor-provided personnel for collection of recyclable materials from the City's Transfer Station and hauling services of those materials in Contractor-provided truck and trailer to an appropriate recycling sorting facility as designated by the city (currently FCC Environmental Services in Houston).

City staff utilized sealed bid proposals for Hauling Services of Recycle Materials to achieve optimal results at a competitive price. Multiple vendors were invited to bid, along with the invitation to bid being advertised as required. Three (3) bids were received and opened on May 11, 2022 in response to the invitation, as reflected in the attached bid tabulation. Based on Best Value, staff recommends approving Stella Environmental Services, LLC to provide the necessary services, as outlined within the bid, for \$625 per load plus fuel surcharge fee. Stella Environmental Services, LLC is the current contractor performing the Hauling Services and has proven to be a reliable contracting partner for the City.

The term of the initial agreement will be for one (1) year from date of award, with the option to renew for two (2) additional one-year terms upon the mutual agreement of the parties.

Previous Council Action: The previous Hauling Services for Recyclable Materials contract was approved by City Council on June 18, 2019.

Financial Implications: Item is budgeted: 224-337-55070 In the amount of: \$78,000

Approvals:

Brent Sherrod

Leonard Schneider
Rick Rudometkin
Aron Kulhavy
Kristy Doll

Associated Information:

1. Bid Tab - Bid NO. 22-13 Hauling Services for Recyclable Materials

Bid Tabulation

Project Name: Bid NO. 22-13 Hauling Services for Recyclable Materials

Location: 1212 Avenue M Huntsville, TX 77340

Date: Wednesday, May 11, 2022 Time: 3:00 P.M. Central Time



Description	Trash Skooters	Stella Environmental Services LLC	Aurum Coast Distribuion	
Unit Price Per Ton	N/B	N/B	N/B	
Unit Price Per Load	\$3,120.00	\$625 + Fuel Service Charge	\$1,795.00	



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 1.c.

Agenda Item: Consider authorizing the City Manager to enter into an agreement with Raftelis Financial Consultants, Inc. for Water and Wastewater rate study services.

Initiating Department/Presenter: Finance

Presenter:

Steve Ritter, Finance Director

Recommended Motion: Move to authorize the City Manager to enter into an agreement with Raftelis Financial Consultants, Inc. for Water and Wastewater rate study services.

Strategic Initiative: Goal #6 - Finance - Provide a sustainable , efficient, and fiscally sound government through conservative fiscal practices and resource management.

Discussion: Services for a rate study for Water and Wastewater rates was budgeted for in the FY 21-22 Budget. The most recent rate study for water and wastewater rates was completed in August 2011. City staff issued a Request for Proposals (RFP) for the rate study services on April 4, 2022 with proposals due by May 12, 2022. The City received proposals from three firms/companies. A team/committee of 4 city staff (2 from Public Works and 2 from Finance) scored the proposals based on the Evaluation Criteria provided in the RFP which were a) Project Approach and Quality Assurance/Control (35 points), b) Demonstrated Applicable Experience of the Company (20 points), c) Personnel Qualifications and Experience (20 points), and d) Cost Proposal (25 points). The firm/company scoring the highest on their proposal was Raftelis Financial Consulting, Inc.. The cost proposal provided by Raftelis was \$65,674. Cost proposal components by the other two firms/companies were \$67,500 and \$65,450.

Previous Council Action: None.

Financial Implications: Item is budgeted: In the amount of: \$75,000 was budgeted for this service in the FY 21-22 Budget

Approvals:

Kathlie Jeng-Bulloch

Leonard Schneider

Rick Rudometkin

Aron Kulhavy

Kristy Doll

Associated Information:

1. Huntsville TX Contract-Raftelis - w revisions 5-31-22

PROFESSIONAL SERVICES AGREEMENT BETWEEN
CITY OF HUNTSVILLE, TEXAS
AND
RAFTELIS FINANCIAL CONSULTANTS, INC.

This Consulting Agreement (“Agreement”) is entered into this ____ day of _____, 2022 (hereinafter referred to as the effective date of the agreement) by and between, the City of Huntsville (the “Client”) and Raftelis Financial Consultants, Inc., 227 W. Trade Street, Suite 1400, Charlotte, NC 28202 (“Raftelis”).

Witnesseth

WHEREAS, Raftelis has substantial skill and experience in public finance, management, and pricing, and service delivery, and

WHEREAS, The Client desires to hire Raftelis and Raftelis desires to provide services to the Client,

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the terms and conditions set forth herein.

Article 1. Statement of Work

Raftelis shall provide professional consulting services to prepare a water and wastewater rate study for the Client. Raftelis will perform these services as set forth in its proposal sent to the Client dated May 12, 2022 and included herein as Attachment A.

Article 2. Time for Completion

This agreement will commence upon approval by the Client and remain in effect for a period of one year. Further renewals of this Agreement are at the option of the Parties and shall be in writing.

Article 3. Compensation

Client shall pay to Raftelis the sum not to exceed \$65,674.00, which includes professional fees and direct expenses incurred in performing the scope of services, as well as an hourly technology expense reimbursement, outlined in Attachment B. The parties understand that this sum is based upon the scope of work contained herein at Raftelis’ current standard hourly rate schedule included in Attachment B. Any expansion of the scope of work by the Client shall involve the discussion of additional fees by both parties.

Raftelis shall submit invoices to the Client on a monthly basis for services rendered to the date thereof. Such invoices shall be supported by appropriate documentation; at a minimum, the task performed, the individuals working on such task, the level of each such individual, and expenses incurred. Each invoice will contain all hours and expenses from the Raftelis for the month. Upon receipt of monthly invoice, the Client will remit payment of same amount to the Raftelis within 30 days.

Article 4. Additional Services

At the Client's request, Raftelis may submit proposals for additional professional services. Each proposal submitted shall detail: (1) scope of work for the additional services, (2) period of services to be performed, and (3) method and amount of compensation. The Client shall provide written acceptance and authorization to Raftelis prior to the commencement of work on any proposed additional services. Each proposal for additional services accepted and approved by the Client shall become part of this Agreement and shall be governed by the terms and conditions contained herein.

Article 5. Place of Performance

Raftelis shall be responsible for maintaining its own office facilities and will not be provided with either office facilities or support by the Client.

Article 6. Indemnification

Raftelis hereby agrees to indemnify the Client and to hold the Client harmless against any and all claims, action, or demands against the Client and against any and all damages for injury to or death of any person and for loss of or damage to any and all property arising out of the negligent acts, errors or omissions of Raftelis under this Agreement. Raftelis shall not be held responsible for any claims caused by the negligence of the Client.

Article 7. Insurance

Raftelis shall maintain the types and levels of insurance during the life of this Agreement as specified below. The Client will be named as additional insured on Raftelis' Certificates of Insurance and Raftelis will provide the Client with these Certificates of Insurance.

Commercial general liability insurance - \$1,000,000 for each occurrence and \$2,000,000 in the aggregate

Comprehensive automobile liability insurance - \$1,000,000 combined single limit each occurrence-hired and non-owned only

Workers Compensation insurance – Statutory limits

Professional liability insurance - \$5,000,000 occurrence and \$5,000,000 in the aggregate

Excess or Umbrella Liability - \$5,000,000 occurrence and \$5,000,000 in the aggregate

Article 8. Confidential Information

Raftelis acknowledges and agrees that in the course of the performance of the services pursuant to this Agreement, Raftelis may be given access to, or come into possession of, confidential information from the Client, of which information may contain privileged material or other confidential information. Raftelis acknowledges and agrees, except if required by judicial or administrative order, trial, or other governmental proceeding pertaining to this matter, that it will not use, duplicate, or

divulge to others any such information belonging to or disclosed to Raftelis by the Client without first obtaining written permission from the Client. All tangible embodiments of such information shall be delivered to the Client by Raftelis upon termination hereof, or upon request by the Client, whichever occurs first. The Client acknowledges Raftelis has the right to maintain its own set of work papers which may contain confidential information.

Article 9. Independent Contractor Status

It is understood and agreed that Raftelis will provide the services under this Agreement on a professional basis as an independent contractor and that during the performance of the services under this Agreement, Raftelis' employees will not be considered employees of the Client within the meaning or the applications of any federal, state, or local laws or regulations including, but not limited to, laws or regulations covering unemployment insurance, old age benefits, worker's compensation, industrial accident, labor, or taxes of any kind. Raftelis' employees shall not be entitled to benefits that may be afforded from time to time to Client employees, including without limitation, vacation, holidays, sick leave, worker's compensation, and unemployment insurance. Further, the Client shall not be responsible for withholding or paying any taxes or social security on behalf of Raftelis' employees. Raftelis shall be fully responsible for any such withholding or paying of taxes or social security.

Article 10. Reliance on Data

In performance of the services, it is understood that the Client and/or others may supply Raftelis with certain information and/or data, and that Raftelis will rely on such information. It is agreed that the accuracy of such information is not within Raftelis' control and Raftelis shall not be liable for its accuracy, nor for its verification, except to the extent that such verification is expressly a part of Raftelis' scope of services.

Article 11. Opinions and Estimates

Raftelis' opinions, estimates, projections, and forecasts of current and future costs, revenues, other levels of any sort, and events shall be made on the basis of available information and Raftelis' expertise and qualifications as a professional. Raftelis does not warrant or guarantee that its opinions, estimates, projections or forecasts of current and future levels and events will not vary from the Clients's estimates or forecasts or from actual outcomes. Raftelis identifies costs, allocates costs to customer classes and provides rate models. It does not establish rates, which is the legislative responsibility of the Client.

Article 12. No Consequential Damages

To the fullest extent permitted by law, neither party shall be liable to the other for any special, indirect, consequential, punitive or exemplary damages resulting from the performance or non-performance of this Agreement notwithstanding the fault, tort (including negligence), strict liability or other basis of legal liability of the party so released or whose liability is so limited and shall extend to the officers, directors, employees, licensors, agents, subcontractors, vendors and related entities of such party.

Article 13. Termination of Work

This Agreement may be terminated as follows:

1. **By Client** (a) for its convenience on 30 days' notice to Raftelis, or (b) for cause, if Raftelis materially breaches this Agreement through no fault of Client and Raftelis neither cures such material breach nor makes reasonable progress toward cure within 15 days after Client has given written notice of the alleged breach to Raftelis.
2. **By Raftelis** (a) for cause, if Client materially breaches this Agreement through no fault of Raftelis and Client neither cures such material breach nor makes reasonable progress toward cure within 15 days after Raftelis has given written notice of the alleged breach to Client, or (b) upon five days' notice if Work under this Agreement has been suspended by either Client or Raftelis in the aggregate for more than 30 days.
3. **Payment upon Termination.** In the event of termination, Raftelis shall be compensated for all work performed prior to the effective date of termination. Neither Party will be liable to the other for any consequential damages, including but not limited to lost profits, anticipated or lost future profits.

Article 14. Notices

All notices required or permitted under this Agreement shall be in writing and shall be deemed deliverable when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

If for the Client:

Name

Title

Address

If for Raftelis:

Raftelis Financial Consultants, Inc.
227 W. Trade Street
Suite 1400
Charlotte, NC 28202

Article 15. Compliance with Applicable Laws

Raftelis agrees not to discriminate in its employment practices, and will render services under this Agreement without regard to race, color, religion, sex, national origin, veteran status, political affiliation or disabilities.

Any act of discrimination committed by Raftelis, or failure to comply with these statutory obligations when applicable, shall be grounds for termination of this Agreement.

Article 16. General Provisions

- A. Entire Agreement: This Agreement and the Bid Terms and Specifications in the bid package represents the entire and sole agreements between the Parties with respect to the subject matter hereof. In case of conflict the Bid Terms and Specifications control.
- B. Waiver: The failure of either Party to require performance by the other of any provision hereof shall in no way affect the right to require performance at any time thereafter, nor shall the waiver of a breach of any provision hereof be taken to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself. All remedies afforded in this Agreement shall be taken and construed as cumulative; that is, in addition to every other remedy available at law or in equity.
- C. Relationship: Nothing herein contained shall be construed to imply a joint venture, partnership, or principal-agent relationship between Raftelis and the Client; and neither Party shall have the right, power, or authority to obligate or bind the other in any manner whatsoever, except as otherwise agreed to in writing.
- D. Assignment and Delegation: Neither Party shall assign or delegate this Agreement or any rights, duties, or obligations hereunder without the express written consent of the other. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the successors, legal representatives, and assignees of the Parties hereto.
- E. Severability: If any provision of this Agreement is declared invalid or unenforceable, such provision shall be deemed modified to the extent necessary and possible to render it valid and enforceable. In any event, the unenforceability or invalidity of any provision shall not affect any other provision of this Agreement, and this Agreement shall continue in force and effect, and be construed and enforced, as if such provision had not been included, or had been modified as above provided, as the case may be.
- F. Governing Law and Dispute Resolution: This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas. The parties agree that all disputes shall go to pre-suit mediation if request by the other party, said mediation to be held within 45 days of written request by either party. Both parties waive the right to request Arbitration. If mediation fails to resolve the dispute, the Parties may file suit in the appropriate state district or federal district court in Texas.

- G. Paragraph Headings: The paragraph headings set forth in this Agreement are for the convenience of the Parties, and in no way define, limit, or describe the scope or intent of this Agreement and are to be given no legal effect.
- H. Third Party Rights Nothing in this Agreement shall be construed to create or confer any rights or interest to any third party or third party beneficiary. It is the intent of the parties that no other outside, non-party claimant shall have any legal right to enforce the terms of this Agreement.

Article 17. Disclosures

As a registered Municipal Advisor under the Dodd-Frank Act, Raftelis is required to inform our clients of any existing or potential conflicts of interest that may be relevant to any proposed scope of services that may include providing “advice” as that term is defined in the Dodd-Frank Act. As of the date of this engagement letter, no conflicts of interest are known to exist.

Under the Dodd-Frank Act the definition of “advice” includes providing any opinion, information or assumptions related to the size, timing and terms of possible future debt issues or borrowing. This type of information may be integrated into the capital and financial planning components of a rate study. This definition is applicable regardless of whether this information is developed and used solely for planning and decision making purposes. For the services addressed in the scope of work identified for this engagement, any information that is developed by Raftelis that falls under this definition of municipal advice is not intended to represent a recommendation that the Client should issue debt based on the terms and assumptions used to develop the financial plan or forecast, or that the Client will, in fact, be able to issue debt under the exact terms and conditions assumed and used to develop the financial plan or forecast. The information developed as part of this rate study, including any related municipal advice, is intended only to provide information useful in evaluating the potential impact on the utility and future rate adjustments of one potential course of action for the Client. If the Client decides at some future date to issue debt, then at that time the Client will need to engage an independent, registered Financial Advisor to assist in evaluating the availability of different types of debt, and the specific terms and conditions for issuing debt, which will be affected by market conditions and the Client’s credit rating at the time of issuance. At that time, as a registered Municipal Advisor, Raftelis can also provide additional assistance related to a specific bond or debt issue, such as preparing a bond feasibility report or financial forecast for inclusion in bond documents, without requiring additional oversight or supervision by the Financial Advisor.

The Municipal Securities Rulemaking Board (MSRB) provides significant protections for municipal entities and obligated persons that are clients of a municipal advisor. To understand the protections provided and how to file a complaint with an appropriate regulatory authority, visit the MSRB web site at www.msrb.org

Raftelis does not have any legal events or disciplinary history on Raftelis’ Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations, and civil litigation. Raftelis’ most recent form MA and each most recent Form MA-I filed with the SEC may be assessed electronically at the following website:

www.sec.gov/edgar/searchedgar/companysearch.html

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory actions is brought against Raftelis, Raftelis will provide complete disclosure to the Client in detail.

By signing this contract indicating its approval and acceptance of the of the proposed scope of work and fees, the Client is also explicitly acknowledging that Raftelis has provided the necessary disclosures addressing conflicts of interest and any limitations on the scope of Municipal Advisory services to be provided by Raftelis' part of this engagement.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives.

City of Huntsville

By: _____
Signature

Title

Date

Witness

Raftelis Financial Consultants, Inc.

By: _____
Signature

Title

Date

Witness

This is to certify that an appropriation in the amount of this contract is available therefore and that _____ has been authorized to execute the contract and approve all requisitions and change orders.

By _____

Title

Seal

Attachment A – Statement of Work/Engagement Letter

Attachment B – RAFTELIS’ 2022 Standard Hourly Billing Rates

<u>Position</u>	<u>Hourly Billing Rate **</u>
Chair/Chair Emeritus	\$475
Chief Executive Officer/President	\$400
Executive Vice President	\$350
Vice President/Principal Consultant	\$325
Senior Manager	\$285
Manager	\$250
Senior Consultant	\$220
Consultant	\$190
Creative Director	\$190
Associate	\$160
Graphic Designer	\$135
Analyst	\$115
Administration	\$85
Technology/Communications Charge*	\$10

* Technology/Communications Charge – this is an hourly fee charged monthly for each hour worked on the project to recover telephone, facsimile, computer, postage/overnight delivery, conference calls, electronic/computer webinars, photocopies, etc.

** For services related to the preparation for and participation in deposition and trial/hearing, the standard billing rates listed above will be increased by an amount up to 50%.



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 1.d.

Agenda Item: Consider adoption of Ordinance 2022-19 to amend the budget for FY 21-22 and/or CIP Project budgets

Initiating Department/Presenter: Finance

Presenter:

Steve Ritter, Finance Director

Recommended Motion: Move to adopt Ordinance No. 2022-19 to amend the budget for FY 21-22 and/or CIP Project budgets.

Strategic Initiative: Goal #6 - Finance - Provide a sustainable, efficient and fiscally sound government through conservative fiscal practices and resource management.

Discussion: Detailed explanations for the Budget Amendments are provided in the attachment, Exhibit A, to the Ordinance. The Budget Amendment was discussed with the Finance Committee at their June 7, 2022 meeting.

Previous Council Action: None

Financial Implications: See the attached Ordinance and related Budget Amendment (Exhibit A)

Approvals:

Steve Ritter

Rick Rudometkin

Aron Kulhavy

Kristy Doll

Associated Information:

1. ORDINANCE 2022-19 - Budget Amendments 6.7.22 council meeting
2. Exhibit A 6-7-22 BAs Council

ORDINANCE NO. 2022-19

AN ORDINANCE OF THE CITY OF HUNTSVILLE, TEXAS, AMENDING THE 2021-2022 ANNUAL BUDGET AND CAPITAL IMPROVEMENTS PROJECTS (CIP) BUDGETS, ORDINANCE NO. 2021-27 TO AMEND ADOPTED EXPENDITURES OF THE BUDGET; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the 2021-2022 Annual Budget and CIP Budgets were adopted by Ordinance 2021-27 on September 21, 2021;

WHEREAS, various unforeseen circumstances affecting the City have presented themselves during the course of the fiscal year;

WHEREAS, the City Council considered the circumstances independently, deliberating appropriately on the associated revenues and expenditures and the overall impact on the general financial status of the City;

WHEREAS, pursuant to the laws of the State of Texas and the City Charter of the City of Huntsville, Texas, the City Council has determined that it will be beneficial and advantageous to the citizens of the City of Huntsville to amend the annual budget for fiscal year 2021 – 2022 and the Capital Improvements Projects (CIP) budget as set forth herein; and

WHEREAS, this ordinance combines the independent Council actions into one budget amendment document;

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

Section 1. The findings set forth above are incorporated into the body of this ordinance.

Section 2. The annual budget for fiscal year 2021 – 2022 is hereby amended to include the expenditures and revenues in Exhibit “A” and the Capital Improvements Projects budget is hereby amended to include the expenditures described in Exhibit “A” attached hereto and made a part of this ordinance as if set out verbatim herein.

Section 3. All ordinances of the City in conflict with the provisions of this ordinance are hereby repealed, and all other ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

Section 4. Should any section, portion, sentence, clause or phrase of this ordinance be declared unconstitutional or invalid for any reason, it shall not invalidate or impair the force or effect of any other section or portion of this ordinance.

Section 5. The necessity for amending the budget for the fiscal year 2021 – 2022 and Capital Improvements Projects, as required by the laws of the State of Texas, requires that this ordinance shall take effect immediately from and after its passage, as the law in such cases provides.

Section 6. This ordinance shall take effect immediately after its passage.

PASSED AND APPROVED on this the 7th day of June 2022.

THE CITY OF HUNTSVILLE, TEXAS

Andy Brauning, Mayor

ATTEST:

APPROVED AS TO FORM:

Kristy Doll, City Secretary

Leonard Schneider, City Attorney

Budget Amendments FY 21-22

Council - June 7, 2022

Exhibit A

Increase: General Fund - NonDepartmental - Land Acquisition		\$	25,000
General Fund - Unallocated Reserves		\$	(25,000)
Explanation:	As the City continues to grow, traffic flow in the City is an important planning component. The Transportation Master Plan - Updated 2019 indicated a desired improvement for traffic flow for the City would be an extension to 25th Street from the Avenue S/I-45 intersection to provide for additional east-west traffic opportunity. This budget amendment provides funds for the purchase of property in the 1700 block of 25th Street and this property would provide needed land to construct a section of street connecting 25th Street and Avenue S.		



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 2.a.

Agenda Item: FIRST READING: Consider authorizing the City Manager to award and enter into a contract with Care Corporation for the Animal Control Facility Maintenance and Operations.

Initiating Department/Presenter: City Manager

Presenter:

Rick Rudometkin, Deputy City Manager

Darryle Slaven, Assistant Police Chief

Recommended Motion: No motion required - First Reading

Strategic Initiative: Goal #7, Public Safety - Provide safety and security for all citizens.

Discussion: Care Corp was the only bidder for the purpose of operating the new Huntsville Animal Control Facility as provided herein. Care shall be responsible for the personnel and operation of the Huntsville facility. Care Corp operates the animal control facility in Conroe where the Huntsville animals are currently being taken. Having an experienced organization operating our facility will only enhance the service for our citizens.

The initial term of this Agreement shall commence when the Facility is ready and open for business/operation and shall be effective for two (2) years with a firm fixed price for the two (2) year term of the agreement, in accordance with Article VIII, subject to earlier termination as provided herein.

Upon mutual agreement of both parties and contingent upon City Council budget approval, the Agreement may be extended for two (2) additional two (2) year terms at the same firm fixed price.

Care will operate the facility and equipment, as well as facility services, as necessary to properly receive, maintain, care for and provide for the appropriate disposition of all domestic animals. Care shall receive and evaluate animals. They will feed, water, provide emergency medical attention, health, and condition evaluation, administer preventative medicines, clean kennels/cages, clean and disinfect animal spaces, provide shelter for animals, provide necessary grooming, flea/tick control, provide animal euthanasia when deemed necessary, animal body storage and removal, as well as animal exercise.

Previous Council Action: No previous Council action. The council was briefed on this professional service and the current project in two (2) prior workshops.

Financial Implications: Item is budgeted. In the amount of \$200,000 - During the upcoming budget process, this budget will increase to \$300,000 to bring this service in-house for the citizens of Huntsville.

Approvals:

Leonard Schneider

Rick Rudometkin
Aron Kulhavy
Kristy Doll

Associated Information:

1. ACF MO Services FINAL Contract LVS-RR, 5-20-22

CITY OF HUNTSVILLE

ANIMAL CONTROL FACILITY MANAGEMENT & OPERATION SERVICES AGREEMENT

This Agreement is made and entered into this ____ day of _____, 2022 by and between Care Corporation (“Care”), a Texas corporation, and the City of Huntsville (“City”), a municipality under the laws of the State of Texas.

WHEREAS; it is unlawful for the owner of a dog to permit the animal to run at large within the corporate limits of the City; and

WHEREAS; it is the duty of Animal Control Officers of the City’s Animal Control Division to seize and impound a dog found to be running at large within the CITY; and

WHEREAS; the City is constructing and equipping an animal control facility, hereinafter referred to as the “Facility”, for the purposes of providing humane care, custody and disposition of impounded domestic animals that come within the legal animal control authority and responsibility of the City; and

WHEREAS; the City and Care desire to contract for the operation of the Facility by Care:

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and benefits to both Parties, it is agreed as follows:

I. Terms

The initial term of this Agreement shall commence when the Facility is ready and open for business/operation and shall be effective for two (2) years with a firm fixed price for the two (2) year term of the agreement, in accordance with Article VIII, subject to earlier termination as provided herein. Upon mutual agreement of both parties and contingent upon City Council budget approval, the Agreement may be extended for two (2) additional two (2) year terms at the same firm fixed price. A renewal contract should be signed by the City prior to expiration of the initial term and any subsequent terms.

II. Animal Control Facility

- A. Subject to the provisions herein, the City grants unto Care the right to occupy and use the Facility owned by the City and located at **590 IH 45 N, Huntsville, TX 77320**.
- B. The City may enter the Facility at any time to inspect same, to determine whether Care is complying with all provisions of this Agreement, inspect any and all reports, to make repairs or provide maintenance, and/or for any reason that the City may, in its sole discretion deem necessary. Care shall not, in whole or part, sublet any portion of the Facility for any purposes without the prior express written consent of the City.
- C. Payment for all electrical, gas, water and sewage services at the Facility shall be the responsibility of the City. The maintenance of the Facility structure and surrounding area, pest/rodent control, network infrastructure and its underlying property shall be the responsibility of the City, except that Care shall repair and/or replace any items customarily included in and considered as part of the City’s responsibility that are damaged as the result of Care’s misuse or negligence, as determined solely by the City.

III. Facility Operations

- A. The Facility shall be used by Care solely for the purpose of operating an animal control facility as provided herein. Care shall be responsible for the personnel and operation of the Facility, subject to the conditions set forth herein.
- B. Care shall designate a contact person to handle all inquiries and concerns that the City may have. Care's employees shall have training or experience appropriate to their positions. Customer service is a priority. Care shall keep all training current and will meet minimum State and City requirements. Care's employees shall agree to a background investigation conducted by the Huntsville Police Department. If Care chooses to use Volunteers, Volunteers shall gain prior written approval of the City of Huntsville and shall complete the City of Huntsville Employee Application Process. The City reserves the right to immediately remove the approval of any person due to illegal activity alleged or otherwise.
- C. The Facility will be maintained in a clean and sanitary condition, including all interior, exterior, public areas, and grounds keeping, and may be inspected at any time by the City. Care shall be responsible for and receive calls and complaints, lost and found services, adoption services, public reception and assistance, collection and sales, humane education program, account for all animals handled by the Animal Control Officer(s), maintain records of euthanasia materials and other drugs or medicines, maintain DEA licenses, maintain financial records on revenues and expenditures, building security, ensure building compliance with all applicable laws and regulations to handling medicines and hazardous materials relating to Facility operations.
- D. Care will operate the Facility and equipment, as well as Facility services, as necessary to properly receive, maintain care for and provide for the appropriate disposition of all domestic animals. Care shall receive and evaluate animals, feed, provide water, emergency medical attention, health, and condition evaluation, administer preventative medicines, clean kennels, and cages, clean and disinfect animal spaces, provide shelter for animals, provide necessary grooming, flea/tick control, provide animal euthanasia when deemed necessary, animal body storage and removal, as well as animal exercise.
- E. Notwithstanding anything to the contrary, Care agrees to abide and understand the Standards of Care as defined in the Texas Health and Safety Code, the Texas Administrative Code, Chapter 169, and the City of Huntsville Code of Ordinances, Chapter 8. See IV A.
- F. Care agrees that the Facility shall be open to the public a minimum of five (5) days per week for at least thirty (30) hours or more per week to include one day on the weekend. Phones must be answered during the hours of operation. Care is to notify the Chief of Police of any unscheduled closure, and this must be pre-approved by the Chief of Police. Care may be closed on City observed holidays. Care will allow those Animal Control Offices designated by the City to access the Facility twenty-four (24) hours a day, seven (7) days a week.
- G. Care Shall:
 - 1. Provide to the City at no charge: operating personnel, cleaning of the facility, veterinarian services - including spay and neuter as needed - all medicines and vaccines;
 - 2. Post a daily cleaning schedule at the Facility and ensure that said schedule is carried out daily by Facility staff;
 - 3. Conduct training for all staff covering aspects of animal care at the Facility, including but not limited to feeding and watering requirements, cleaning and record keeping.
 - 4. Ensure that each animal at the Facility has accurate and matching documentation, including but not limited to, photograph, age, breed, color, license and/or tag information

- if known, known medical history, gender, and admittance date, in a format that is attached to the animal or animals kennel/cage at all times;
- 5. Lawfully store and dispose of animal carcasses;
- 6. Ensure that all animals at the Facility receive full water bowls in a size adequate for each animal prior to “lights out” each night, unless advised otherwise by a treating veterinarian;
- 7. Ensure that all floor grates at the Facility remain in place while floors in the Facility are hosed down, and all trench drains/floor traps at the Facility shall be cleaned daily.
- H. Care shall accept all animals that are apprehended and seized within the City of Huntsville by City agents, employees, and those officers as authorized by the City and shall impound said animals under Care’s exclusive control and custody for the period of time prescribed herein. Care shall accept animals delivered to the facility by citizens, provided that Care shall only accept animals from the City of Huntsville delivered to the Shelter by City employees or citizens. Notwithstanding anything to the contrary herein, Care shall accept those animals pursuant to Article VIII (A) in accordance with this agreement.
- I. The city, or its authorized officers, may also from time to time, deliver to the Facility animals involved in an investigation or charges involving dangerous dog, vicious animal, or dangerous wild animal. Animals impounded under these circumstances may only be released by Care as authorized by the appropriate court.
- J. Care shall not be required to apprehend or seize any animal within Walker County. Should Care receive a report from any citizen regarding stray animals or an animal bite, that citizen shall be referred to the Animal Control Authority for the City of Huntsville.
- K. Care shall act as an agent of the City for purposes of obtaining license/permits, renewing Licenses/Permits, and operating under licenses/permits related to the operation of the Facility. All fees and costs pertaining to required licenses/permits for the operation of the Facility will be paid for by the city.
- L. Care shall act as an agent of the City for the purposes of collecting any fee pursuant to provisions of the Texas Health and Safety Code and the City of Huntsville Code of Ordinances adopted fee schedule. All fees collected pursuant to this section shall be kept by Care.
- M. Care agrees to have a cooperative working relationship with the City, including its Animal Control Authority, as well as those officers authorized by the City. Furthermore, Care agrees to cooperate, when possible, with local animal associations, rescue groups, and other associations, agencies, and groups who have a common animal welfare interest.
- N. Care will ensure animals receive appropriate exercise, interaction, and socializations daily. To help achieve this goal, upon receiving prior written notice from the City as well as written approval of all potential construction plans, Care may, upon approval by the Chief of Police and at no cost to the City, construct a Cat play area in the Cat Adoption Room.

IV. Disposal of Animals

- A. To the extent allowed by law or city ordinances, and except for animals quarantined for rabies observation or as provided elsewhere in this Agreement, every animal not claimed or redeemed by the owner before the expiration of ninety-six (96) hours from the time of impoundment shall become the sole and exclusive property of Care, so that neither the City, nor any agent or agency of the City, or any agent or agency authorized by the City, shall have any claim or right to any animal not claimed and redeemed as provided. Upon request of the City, Care shall hold

impounded animals beyond the ninety-six (96) hour stray period or the Rabies quarantine period. Care may have an adoption program or animals may be sent to rescue. Animals may be euthanized as a last resort.

- B. Care shall have the right, consistent with state law, local ordinances, and this Agreement, to process every animal in its custody by the following methods:
 - a. To return an animal to its owner, if possible;
 - b. To place an animal in the home of a new owner via adoption, foster, or transfer to a rescue group; or
 - c. To humanely euthanize and dispose of the animals.
- C. Care shall have the sole and exclusive right to determine the responsibility of persons offering to become the owners of unclaimed animals and the suitability of the home offered and shall have the sole and exclusive right to accept or reject such applicants for unclaimed animals.
- D. Care shall have the sole and exclusive right to determine if and when animals are to be placed in a new home or euthanized but agrees to make a good faith attempt to place all animals prior to euthanizing animals. Care shall have the right to humanely euthanize any impounded animal that is found to be physically suffering, injured, or carrying a communicable disease prior to the end of the redemption period.
- E. When Care determines to place an animal in a new home, Care shall comply with all State laws relating to the sterilization of animals as a “releasing agency,” and shall have the right to charge an adoption fee for the animal to offset the cost of sterilization if allowed by law and may delay release of said animal until the new owner pays all fees associated with the animal.
- F. Care shall make every available effort to identify and promptly attempt to notify the owner of any animal taken into custody, working in conjunction with the City’s Animal Control Officer(s) when needed. Care will use its universal scanners in order to check for the presence of a microchip, to facilitate return of animal to owners.
- G. Care shall provide for the humane treatment of all animals while in the Facility, provide for the basic first aid services, including licensed veterinary care, for all sick and injured animals at their expense.
- H. Care shall be responsible for making every reasonable effort to prepare and present animals for adoption by the public and facilitate the same. Subject to the determination of the licensed veterinarian, Care and its staff veterinarian will provide treatments, exams, vaccinations, and sterilizations of all adopted and adoptable animals.

V. Euthanasia of Animals

The cost for euthanasia of animals will be the responsibility of Care. Care agrees to partner with organizations with a desire to reduce euthanasia. Care agrees to allow un-adopted animals to be gifted to bona fide animal care or rescue organizations that accept unadoptable animals. Care will make every effort to place every animal and to only euthanize those animals severely injured/ill or aggressive.

VI. Dangerous Wild Animals

Care shall be available on a twenty-four (24) hour basis to receive and shall accept all dangerous wild animals apprehended by the City, or those authorized by the City to utilize its Facility. These animals may only be disposed of as authorized by law. Where the owner seeks to reclaim such animals, Care shall require payment of the transport fee, plus any boarding fee. Care shall be entitled to a “wild animal sheltering fee”, payable by the owner or proceeds from the sale of said animal.

VII. Rabies Control

- A. In the operation of the Facility, priority shall be given to holding animals for rabies quarantine over stray animals. Care shall receive and accept animals for rabies observation. When an animal is delivered for rabies observation, Care shall isolate and quarantine said animal, allow the Rabies Investigator access to the isolation area to check the animal for any signs of disease or death. Should Care observe any signs of the disease or death, Care shall immediately notify the Rabies Investigator. Care shall consult with the Rabies Investigator to determine when to release said animal. Before releasing the animal to the owner, Care shall collect all appropriate fees for said quarantine and ensure that said animal be vaccinated, as required by State Law.

VIII. Fees, Billing, Payment and Financial Records

- A. The City shall pay to Care all fees for services herein. The City shall pay Care the firm fixed sum of twenty-five thousand dollars and no/100 (\$25,000.00) per month for the services outlined in this agreement. Care shall invoice the City for services on a monthly basis, with Net thirty (30) due terms.
- B. Care may charge fees as listed in "Appendix A" attached hereto and incorporated by reference herein. Further, in accordance with the City of Huntsville Code of Ordinances adopted fee schedule, redemption fees listed in "Appendix A" may be charged at any time as determined solely by the Chief of Police based upon the actual costs of such services.
- C. Care shall maintain reports as outlined below. Said reports shall be kept by Care for a minimum of two (2) years, unless such requirement is extended by law.
- D. Care shall maintain a monthly report showing all animals received for rabies observation and strays. Upon request by the City, at any time at its sole discretion, Care shall allow and permit the City to inspect, review, audit or copy any and all records, files, or reports maintained and held by Care. The monthly report maintained by Care shall include the following information regarding strays and animals received for rabies observation:
 - A. Date delivered to the Facility;
 - B. Source of delivery (*citizen or Animal Control Officer*);
 - C. Address or location of found animal;
 - D. A unique animal identification number;
 - E. Species designation (*dog, cat, or other*);
 - F. Description of animal;
 - G. Disposition of animal (*reclaim, foster, adopted, euthanized, etc.*);
 - H. Date of disposition;
 - I. City fees collected for animal (*if applicable*);
 - J. Average length of stay for animals; and
 - K. Other data as requested.
- E. Care shall maintain full, complete records and accounting of the fees collected by Care on behalf of the City, including electronic receipts. Said records and accounting shall be available for inspection by the City at all reasonable times. Monthly financial reports shall be maintained by Care and completed for possible inspection by the City, at its sole discretion, on or before the tenth (10th) calendar day of each month. Care shall utilize an independent entity for annual audit verifications and submit this annually to the City's Director of Finance.

IX. Termination of Contract

- A. The City and Care shall both have the right to cancel at any time, for any reason on sixty (60) day written notice.
- B. The City of Huntsville reserves the right to terminate this agreement if, in the opinion of the City of Huntsville, if though any cause, the service provider fails to fulfill its obligations under this agreement, or if the service provider violates any form of the agreement, the City has the right to terminate this contract by giving the service provider thirty (30) calendar days-written notice. The service provider will be compensated for the satisfactorily deliveries performed before the termination date. The city may terminate this agreement immediately should there be any illegal or unprofessional activities, alleged or otherwise, occurring or suspected of occurring.
- C. Upon the expiration or termination of this agreement, for whatever cause, Care shall immediately, quietly, and peacefully, surrender to the City possession of the Facility in "broom clean" and good order, condition, and repair, except only ordinary wear and tear, including all equipment furnished by the City if applicable. Care shall not permit any mechanic's lien or any other type of lien to be placed upon the Facility or upon improvements to the Facility.
- D. Neither party will be liable to the other for any punitive or special damages, any consequential damages, including but not limited to, lost profits or future lost profits.

X. Independent Contractor, Indemnification and Release of Liability

- A. Subject to Section III (J) and Section III (K) herein, it is expressly understood and agreed that Care shall operate hereunder as an independent contractor as to all rights and privileges granted herein, and not as an agent, representative or employee of the City. Care shall have the exclusive right to control the details of its operations and activities at the Facility and shall be solely responsible for the acts and omissions of its officers, agents, servants, employees, contractors, subcontractors, licensees, and invitees. The doctrine of *respondent superior* shall not apply as between the City and Care, its officers, employees, contractors and subcontractors, and nothing herein shall be construed as creating a partnership or joint enterprise between the City and Care.
- B. **CARE HEREBY AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY, ITS EMPLOYEES, AGENTS AND SERVANTS, OF AND FROM ALL CLAIMS, DEMANDS, AND CAUSES OF ACTIONS OF EVERY KIND AND CHARACTER, FOR ANY INJURY TO, INCLUDING DEATH OF PERSONS AND ANY LOSSES FOR DAMAGES TO PROPERTY CAUSED BY OR ALLEGED TO BE CAUSED, ARISING OUT OF, OR ALLEGED TO ARISE OUT OF, EITHER DIRECTLY OR INDIRECTLY OR IN CONNECTION WITH, THE ACTIVITIES AND PERFORMANCE RENDERED HEREUNDER.**
- C. **CARE WAIVES AND RELEASES ANY CAUSE OF ACTION OR RIGHT OF RECOVERY WHICH CARE MAY HAVE AGAINST THE CITY FOR ANY LOSS OR DAMAGE TO CARE'S PERSONAL PROPERTY LOCATED AT OR NEAR THE FACILITY.**
- D. **TO THE FULLEST EXTENT ALLOWED BY LAW, THE CITY HEREBY AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS CARE, ITS EMPLOYEES, AGENTS AND SERVANTS, OF AND FROM ALL CLAIMS, DEMANDS AND CAUSES OF ACTIONS OF EVERY KIND AND CHARACTER, FOR ANY INJURY TO, INCLUDING DEATH OF, PERSONS AND BY LOSSES FOR DAMAGES TO PROPERTY CAUSED BY OR ALLEGED TO BE CAUSED, ARISING OUT OF, OR ALLEGED TO ARISE OUT OF THE NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS OF THE CITY, ITS EMPLOYEES, AGENTS AND/OR SERVICES.**

XI. Notice Addresses/Venue/Law

- A. All notices, demands or requests related hereto may be personally delivered or deposited with the United States Postal Service for mailing, certified or registered mail, postage prepaid, and shall be deemed to have been given at the time of personal delivery or at the time of deposit for mailing when addressed as follows;

To the City:

**Kevin Lunsford, Chief of Police
City of Huntsville
560 FM 2821 W
Huntsville, Texas 77320**

To Care:

**Sharon Hopkins
Care Corporation
3091 College Park Dr., Suite 240
Conroe, Texas 77384**

Each party shall have the right to designate a different notice address by notice given in conformity with this section.

- B. The parties agree that the laws of the State of Texas apply to this agreement and jurisdiction for any claims or actions arising out of this agreement shall be in the districts courts in Walker County, Texas.

XII. Insurance

- A. During the term of the Agreement, Care shall maintain in full force and effect, at its own cost and expense, the following minimal insurance coverage:
1. Workers Compensation/Employers Liability Insurance: The Contractor shall take out and maintain during the life of this contract, Employers' Liability and Worker's Compensation Insurance for all of their employees employed at the site of the work, and in case any work is sublet, the Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees are covered by the protection afforded by the Contractor. The City of Huntsville requires a waiver of subrogation against the city.
 2. Commercial General Liability at minimum combined single limits of (\$1,000,000 per occurrence and \$2,000,000 general aggregate) for bodily injury and for property damages, which coverage shall include products/completed operations at \$1,000,000 per occurrence.
 3. Commercial Automobile Liability at minimum combined single limits of \$300,000 per occurrence for Bodily Injury and Property Damage, including owned, non-owned, and hired vehicle coverage.
 4. Prior to Care commencing any of its obligations under this Agreement, Care shall furnish the City a Certificate of Insurance listing the City of Huntsville as an "**Additional Insured**" via endorsement. In the Description of Operations will need wording similar to: "Blanket additional insurance is added in favor of the certificate holder with respect to the general liability coverage as required by contract." Blanket Waiver of Subrogation is added in favor the certificate holder will respect to workers compensation coverage as required by written contract. Receipt of evidence of insurance that does not comply with the above requirements shall not constitute a waiver of the insurance requirements set forth herein.
 5. All insurance must be written on forms filed with and approved by the Texas Board of Insurance. Certificates of Insurance shall be prepared and executed by the insurance

company or its authorized agent.

6. Cancellation of Insurance – The above stated insurance coverage shall be maintained until the completion of Care’s obligations hereunder, and shall not be reduced, modified, or cancelled without thirty (30) day written notice to the City. Care shall immediately obtain replacement coverage for any insurance policy that is terminated, canceled, non-renewed, or whose policy limits have been exhausted or upon insolvency of the insurer that issued the policy.
7. Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve Care from any liability whether within, outside or in excess of such coverage, and regardless of solvency or insolvency of the insurer that is issuing the coverage, nor shall it preclude the City from pursuing other available remedies available at law or equity.
8. Failure by Care to maintain insurance in effect at all times as required by this Agreement shall be a material breach of this Agreement by Care and grounds for immediate termination by the City.

XIII. Entire Agreement

- A. This Agreement, along with Request for Proposal (RFP) No. 22-11, Animal Control Facility Management & Operation Services and Care’s response to this RFP constitutes the entire Agreement between the parties and supersedes all prior written or oral understandings.
- B. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument, except as provided for otherwise herein.

Signed this the ____ day of _____ 2022.

Care Corporation:

City of Huntsville:

By: _____

By: _____

Sharon Hopkins, Care Corporation

Aron Kulhavy, City Manager

CITY OF HUNTSVILLE

ANIMAL CONTROL FACILITY MANAGEMENT & OPERATION SERVICES AGREEMENT

APPENDIX A

Care may charge an Adoption Fee of eighty-five dollars and no/100 (\$85.00) per animal unless there is a monthly special that will not exceed the eighty-five dollars and no/100 (\$85.00) unless it is a two for one special.

Care may charge a "RETURN TO OWNER FEE" or "IMPOUND FEE" of thirty-five dollars and no/100 (\$35.00) per night that said animal was held at the Facility. Additionally, Care may charge a fee of fifteen dollars and no/100 (\$15.00) per night that the animal is in quarantine (rabies observation). Additionally, Care may charge a fee of ten dollars and no/100 (\$10.00) if a rabies shot is needed, unless said fees are waived.

FEE SCHEDULE:

Adoption Fee	\$85.00	FIV/FELV Test	\$25.00
Owner Surrender	\$50.00	Quarantine Fee	
Microchip	\$25.00	Boarding Fee (Per Night)	\$15.00
Vaccines (Dog)		Return to Owner Fees	
DappyV	\$10.00	Impound Fee	\$35.00
Bordetella	\$10.00	Boarding Fee (Per Night)	\$10.00
Rabies	\$10.00	Vaccines (Each)	\$10.00
Vaccines (Cat)		Heartworm Prevention	\$7.00
FVRCP	\$10.00	Deworming	\$10.00
Rabies	\$10.00	Flea Prevention	\$15.00
Deworming (Dog/Cat)		Sterilization	
Under 50 lbs.	\$10.00	Dog Spay	\$100.00
Over 50 lbs.	\$15.00	Dog Spay (Qualifying Discount)	\$80.00
Flea Prevention (Activyl)		Dog Neuter (Under 50 lbs.)	\$60.00
0-50 lbs.	\$15.00	Dog Neuter (Over 50 lbs.)	\$80.00
50-100 lbs.	\$20.00	Cat Spay	\$60.00
Over 100 lbs.	\$25.00	Cat Neuter	\$40.00
Bravecto (3 month)	\$50.00	In Heat Fee	\$40.00
Heartworm Prevention (Iverhart)		Term Spay Fee	\$50.00
Heartworm Test (Mandatory)	\$25.00	Cryptorchidism (Determined by Vet)	\$8.00
6-12 lbs.	\$7.00	CapStar	\$8.00
6-12 lbs. (box of 6 doses)	\$25.00	Pain Medicine	\$5.00
12-25 lbs.	\$7.00		
12-25 lbs. (box of 6 doses)	\$30.00		
25-50 lbs.	\$7.00		
25-50 lbs. (box of 6 doses)	\$35.00		
Over 50 lbs.	\$7.00		
Over 50 lbs. (box of 6 doses)	\$40.00		



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 2.b.

Agenda Item: SECOND READING: Consider Ordinance No. 2022-18 for the proposed annexation of approximately 263 acres located south of the current City limits, south of Veterans Memorial Blvd and east of Montgomery Rd.

Initiating Department/Presenter: Development Services

Presenter:

Armon Irones, City Planner

Recommended Motion: Move to approve Ordinance No. 2022-18 for the proposed annexation of approximately 263 acres located south of the current City limits, south of Veterans Memorial Blvd and east of Montgomery Rd.

Strategic Initiative: Goal #3 - Economic Development - Promote and enhance a strong and diverse economy

Discussion: East Loop Investments, LLC. is the owner of approximately 350 acres of land, roughly 87 acres of which is located within the City's corporate boundaries, and the remaining 263 acres of which is located in the City's Extra-Territorial Jurisdiction (ETJ). This property is in the boundaries of the recently created Huntsville Municipal Utility District MUD No. 1 of Walker County and is proposed to be developed as The Ridge subdivision. This is the 2nd of two readings of the ordinance.

Previous Council Action:

- January 19, 2021, the Council received a presentation concerning the creation of a special district for the subject property but took no action.
- February 2, 2021, the Council approved a letter of support for legislation to create Huntsville Municipal Utility District No. 1.
- March 1, 2022, the Council authorized the City Manager to enter into a Development Agreement with East Loop Investments, LLC., for the development of an approximately 350-acre development for a single-family master planned community.
- March 15, 2022, Council considered the first reading of Resolution 2022-11 to accept the petition for the creation of Huntsville Municipal Utility District No. 1 of Walker County.
- April 19, 2022, Council considered the acceptance of a petition and Resolution 2022-14, setting the date, time, and place for a public hearing on the proposed annexation of approximately 263 acres of certain property by the City of Huntsville, Texas, and authorized the City Secretary to publish notice of such hearing.
- May 17, 2022, a Public Hearing was held during the Council meeting and the first reading of Ordinance 2022-18 took place in regards to the proposed annexation of the approximately 263 acres.

Financial Implications: No financial impact associated with this item

Approvals:

Rick Rudometkin

Aron Kulhavy

Kristy Doll

Associated Information:

1. Exhibit A - ETJ Metes & Bounds 262.3 Acres - TAC 22
2. Exhibit B - Annexation Map
3. Annexation Ord. 2022-18
4. Service Plan

STATE OF TEXAS §

COUNTY OF WALKER §

A **METES & BOUNDS** description of a certain 262.3 acre (11,424,369 square feet) tract of land situated in the W.N. Mock Survey, Abstract No. 401, in Walker County, Texas, being out of a called 710.308 acre tract conveyed to East Loop Investments, L.L.C. by deed recorded in Clerk's File No. 201700028487, Walker County Official Records; said 262.3 acre (11,424,369 square feet) tract of land being more particularly described as follows with all bearings referenced to the Texas Coordinate System, Central Zone, NAD 83:

COMMENCING at a point for the northeast corner of a called 710.338 acres as conveyed to Alexander 263, Ltd-Baker, LP, a Texas Limited Partnership and recorded under Volume 956, Page 33 Walker County Deed Records and being the southeast corner of Lot 3B of Amending Replat of Lot 3 Stephen H. Dawson Subdivision as recorded under Volume 6, Page 35 of the Walker County Plat Records, Texas, and being in the west line of a called 254.36 acre tract of land conveyed to Samuella W. Palmer, Trustee of the Samuella W. Palmer Trust as recorded under Document No. 200700007382 of the Walker County Deed Records;

THENCE, South 02°44'23" East, 4171.62 feet along the east line of the called 710.338 acre tract and the west line of the called 254.36 acre tract to the **POINT OF BEGINNING**, being in the north line of the W.N. Mock Survey, Abstract No. 401;

THENCE, South 04°00'26" East, 193.30 feet to a point for corner;

THENCE, North 87°01'45" East, 410.40 feet to a point for corner in the east line of the called 710.338 acre tract;

THENCE, South 67°56'27" East, 153.25 feet continuing along the east line of the called 710.338 acre tract to a point for corner in the west line of a called 557 acre tract described as Tract No. J12q conveyed to United States of America and recorded under Volume 82, Page 131 of the Walker County Deed Records;

THENCE, South 22°25'58" West, 3625.79 feet continuing along the east line of the called 710.338 acre tract and the west line of the called 557 acres tract to a point for corner;

THENCE, North 67°41'58" West, 3767.59 feet to a point for corner in the west line of the called 710.338 acre tract and the east line of a remainder called 200 acre tract as conveyed to Heath Branch Fishing Club Incorporated as recorded under Volume 59, Page 348 of the Walker County Deed Records;

THENCE, North 21°40'17" East, 493.49 feet along the west line of the called 710.338 acre tract and the east line of the called remainder 200 acre tract to a point for the southwest corner of a called 50 acre tract of land conveyed to Heath Branch Fishing Club Incorporated as recorded under Volume 59, Page 348 of the Walker County Deed Records and corner of the called 710.338 acre tract and hereof;

THENCE, South 66°36'33" East, 682.37 feet along the west line of the called 710.338 acre tract and the south line of the called 50 acre tract to a point for the southeast corner of the called 50 acre tract and corner of the called 710.338 acre tract and hereof;

THENCE, North 23°07'10" East, 3136.07 feet along the west line of the called 710.338 acre tract and the east line of the called 50 acre tract to a point in the south line of a called 28.161 acre tract conveyed to MBV Ventured, Ltd., a Texas limited partnership as recorded under Document No. 201300005357 of the Walker County Deed Records, the northeast corner of said called 50 acre tract and a corner of the called 710.338 acre tract and hereof;

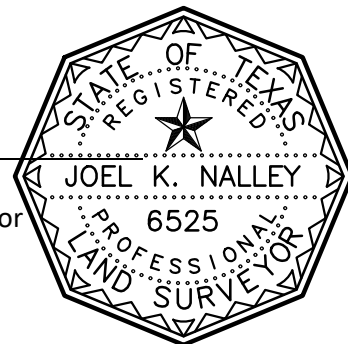
THENCE, South 67°41'58" East, 624.76 feet along the south line of the called 28.161 acre tract and the west line of the called 710.338 acre tract to a point for the southeast corner of the called 28.161 acre tract and a corner for the 710.338 acre tract and hereof;

THENCE, South 67°55'10" East, 1819.53 feet to the **POINT OF BEGINNING, CONTAINING** 262.3 acres (11,424,369 square feet) of land in Walker County, Texas, filed in the office of Elevation Land Solutions in The Woodlands, Texas.

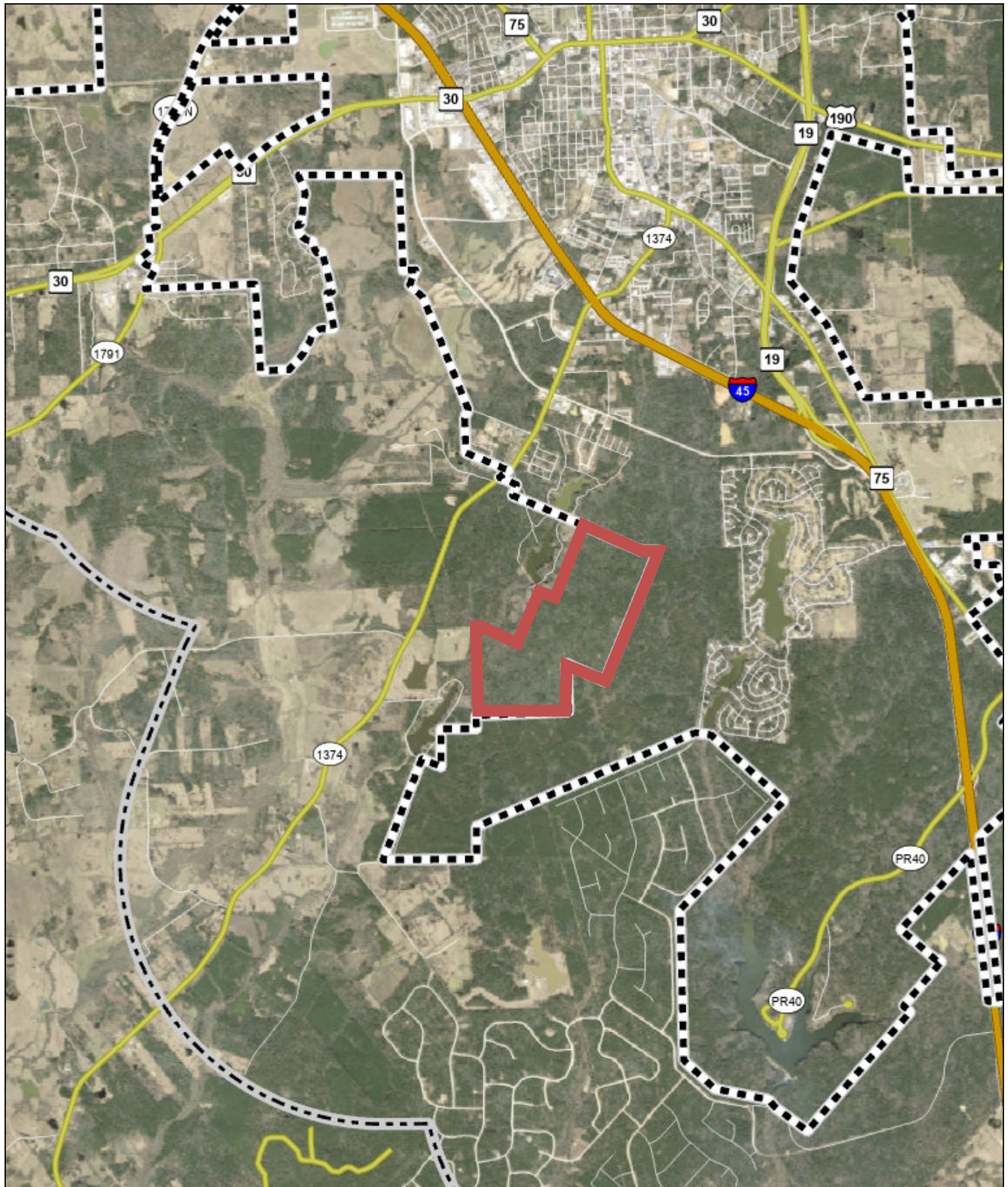
THIS DOCUMENT WAS PREPARED UNDER 22 TEXAS ADMINISTRATIVE CODE §138.95, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

Elevation Land Solutions
2445 Technology Forest Blvd, Suite #200
The Woodlands, Texas 77381
(832) 823-2200
*Texas Board of Professional Engineers &
Land Surveyors Firm Reg. No. 10194692*


Acting By/Through Joel K. Nalley
Registered Professional Land Surveyor
No. 6525
jnalley@elevationlandsolutions.com



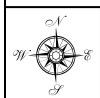
06 April 2022



The City of Huntsville, Texas or its employees gives NO warranty, expressed or implied, as to the accuracy, reliability, or completeness of these data. See full GIS Data Disclaimer at: www.huntsvilletx.gov/gis

1 in = 5,000 ft

On 8.5 x 11 inch Print



0 0.5 1 2 mi

On Any Print Size

CREATED DATE: 3/25/2022

Service Layer Credits: City of Huntsville GIS Division

CITY OF HUNTSVILLE, TX
ENGINEERING DEPARTMENT / GIS DIVISION

EXHIBIT B - Annexation Area

Huntsville GIS Division



ORDINANCE NO. 2022-18

ORDINANCE ANNEXING TERRITORY

AN ORDINANCE ANNEXING THE HEREINAFTER DESCRIBED TERRITORY TO THE CITY OF HUNTSVILLE, WALKER COUNTY, TEXAS, AND EXTENDING THE BOUNDARY LIMITS OF SAID CITY SO AS TO INCLUDE SAID HEREINAFTER DESCRIBED PROPERTY WITHIN SAID CITY LIMITS, AND GRANTING TO ALL THE INHABITANTS OF SAID PROPERTY ALL THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF SAID CITY; AND ADOPTING A SERVICE PLAN.

- WHEREAS** Chapter 43 of the Texas Local Government Code (the “Code”) and Article II of the Charter of the City of Huntsville, Texas, an incorporated, home rule city (the “City”), authorizes the annexation of certain territory into the corporate boundaries of the City; and
- WHEREAS** the area described in Section 1 herein (the “Area”), which is further described and depicted in the attached “Exhibit A” and “Exhibit B”, respectively, is determined by the City Council of the City (the “City Council”) to be considered for annexation; and
- WHEREAS** pursuant to the City Council’s Resolution 2022-14, dated April 19, 2022, the City staff has prepared a service plan for the Area in accordance with the Code, and said service plan was made available and explained to the public at the scheduled public hearings described therein, and is attached to this Ordinance as “Exhibit C”; and
- WHEREAS** all required notices have been made and sent in accordance with the Code, including written notice of intent to annex the Area to each property owner, each public entity, and each public school district with the Area; and
- WHEREAS** as required by the Code, the City Council passed Resolution 2022-14 ordering a public hearing giving persons interested in the annexation of the Area the opportunity to be heard; and
- WHEREAS** notice of such public hearings was published in the Huntsville Item, a paper having general circulation in the City and Walker County, Texas, on Saturday, April 30, 2022, and was posted on the City’s website and remained continuously posted on the website through the day of the public hearing, which dates were not more than twenty (20) days nor less than ten (10) days prior to the date of the opening of such public hearings; and
- WHEREAS** the public hearing was held at six o’clock (6:00 p.m.) on Tuesday, May 17, 2022 in the City Council Chambers of the City Council at City Hall, 1212 Avenue M, Huntsville, Texas, which dates are not more than forty (40) days nor less than twenty (20) days prior to the consideration of this ordinance; and
- WHEREAS** the City Council deems it to be in the best interest of the citizens of the City to annex the Area into the City;

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

SECTION 1. THAT the Area, which is further described and depicted in the attached “Exhibit A” and “Exhibit B”, respectively, and incorporated herein for all intents and purposes, which abuts and is adjacent to the existing corporate limits of the City, is hereby annexed into, and included within, the corporate limits of the City, and summarized as follows;

Property Owner
East Loop Investments LLC

WCAD Property Id. Number
19196

SECTION 2. THAT the service plan, attached as “Exhibit C” and incorporated herein by reference for all purposes, was submitted in accordance with the Code and is hereby approved as a part of this Ordinance.

SECTION 3. THAT the City Council hereby declares it to be its purpose to annex into the City of Huntsville every part of the Area described in Section 1 of this Ordinance. Should this Ordinance for any reason be ineffective as to any part or parts of The Area hereby annexed into the City for full purposes, the ineffectiveness of this Ordinance as to any such part or parts shall not affect the effectiveness of this Ordinance as to the remainder of the Area.

SECTION 4. THAT the City Manager, or his designee, is hereby authorized and directed to correct the map of the City by adding thereto the Area annexed by this Ordinance, indicating on the map the date of annexation and the number of this Ordinance. The City Secretary and the City Engineer shall each keep in their respective offices an official map of the City showing the boundaries of the municipal corporation, including this annexation.

SECTION 5. THAT this Ordinance shall become effective when signed by the Mayor after its Approval by the City Council on Second Reading.

SECTION 6. THAT should any paragraph, section, sentence, phrase, clause, or word of this Ordinance be declared unconstitutional or invalid for any reason, the remainder of this Ordinance shall not be affected thereby.

SECTION 7. THAT the City Secretary is hereby authorized and directed to cause publication of the descriptive caption of this Ordinance as an alternative method of publication provided by law.

AND IT IS SO ORDERED.

Passed by the City Council on first reading on _____.

Passed by the City Council on second reading on _____.

[SIGNATURES ON NEXT PAGE]

APPROVED:

Mayor, Andy Brauning

ATTEST:

City Secretary, Kristy Doll

APPROVED:

City Attorney, Leonard Schneider

MUNICIPAL SERVICE PLAN

FIRE

Existing Services: City of Huntsville Fire Department currently provides first response for site.

Services to be Provided: The annexed area shall continue to be served by fire protection personnel and equipment from the City Fire Department. Adequate fire suppression activities can be afforded to the annexed area within current budget appropriation. Fire prevention activities will be provided by the Fire Marshall's office as needed.

POLICE

Existing Services: City of Huntsville Police Department does not currently provide first response for the site.

Services to be Provided: City police department will perform regular and routine patrols to the area and respond to calls for service. This area averages 70 calls for service per year. Areas A-F combined average 200 calls for service per year. While this does not necessarily justify additional police personnel, calls for service plus additional land mass should be taken into consideration when additional personnel are requested in the future.

BUILDING INSPECTION & CODE ENFORCEMENT

Existing Services: None

Services to be Provided: The Building Inspection Division will provide building inspection services upon annexation. This includes issuing building, electrical, mechanical and plumbing permits for any new construction and/or remodeling; and enforcing all other applicable codes which regulate building construction within the City of Huntsville. Code enforcement services will provide upon annexation for the purpose of ensuring the public health, safety and welfare insofar as they are affected by the continued occupancy and maintenance of structures and premises. Such services can be provided with current Division Personnel and within the current budget appropriation.

PLANNING

Existing Services: The City has subdivision regulatory authority in the Extraterritorial Jurisdiction (ETJ).

Services to be Provided: The Planning Division's responsibility for regulating development and land use through the administration of the City of Huntsville Development Code will extend to this area on the effective date of the annexation. The

subdivision of property will also continue to be regulated under the requirements of the City of Huntsville Development Code. These services can be provided within the department's current budget.

LIBRARY

Existing Services: City library facilities are presently available at no fee.

Services to be Provided: Upon the effective date of annexation, all of the city library facilities shall be available to anyone residing in this area. These privileges can be provided within the current budget appropriation.

HEALTH DIVISION - HEALTH CODE ENFORCEMENT SERVICE

Existing Services: None

Services to be Provided: The City of Huntsville Health Division will implement the enforcement of the City's health ordinances and regulations on the effective date of the annexation. Such services can be provided with current Health Division Personnel and within the current budget appropriation.

STREET MAINTENANCE

Existing Services: No Street Maintenance is currently provided.

Services to be Provided: Wire Road (1400') provided with street and drainage maintenance , mowing, litter control, signage, etc. Hwy 75 North (1000') possibly provide litter control and mowing.

STREET LIGHTING

Existing Services: None

Services to be Provided: The City of Huntsville will consider requests for improved street lighting in accordance with the City's policy through the local electric provider.

SOLID WASTE SERVICES

Existing Services: Solid Waste Collection is currently being provided by the City of Huntsville to certain developed properties in the area to be annexed.

Services to be Provided: Solid Waste Collection shall continue to be provided to the area of annexation that is currently served. Solid Waste Collection shall be provided to the existing unserved properties located in the area of annexation upon development of

the property. Properties currently receiving Solid Waste services from entities other than the City of Huntsville may continue to do so for a period of two years.

**STORM WATER MANAGEMENT, TRAFFIC ENGINEERING, WATER SERVICE,
SANITARY SEWER SERVICE**

Existing Services: None

Services to be Provided: The City currently has the capacity to supply water and sewer services to the proposed annexation area where not served by another utility district. Upon annexation, any new development will be responsible for designing and installing new water, sanitary sewer, storm water management facilities and new roads at their own expense, in accordance with City's Development Code and Engineering Standards, Specifications and Design Criteria.

MISCELLANEOUS

All other applicable municipal services will be provided to the area in accordance with the City of Huntsville's established policies governing extension of municipal services to newly annexed areas.

EXECUTED as of the date first set forth above.

CITY OF HUNTSVILLE, TEXAS

By: _____
Aron Kulhavy, City Manager

ATTEST:

By: _____
Kristy Doll, City Secretary

APPROVED AS TO FORM:

By: _____
Leonard Schneider, City Attorney

EAST LOOP INVESTMENTS, LLC,
a Texas limited liability company

By: , a Texas
limited liability company, its Manager

By: Jesse M. Valeriano
Title: President

Exhibit A - Annexation Tract



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 2.c.

Agenda Item: Consider authorizing the City Manager to enter into a contract with DTA, a public finance consulting firm, to provide Public Improvement District (PID) administration services to manage the public improvement districts created in the City of Huntsville.

Initiating Department/Presenter: Development Services

Presenter:

Kevin Byal, Director of Development Services

Recommended Motion: Move to authorize the City Manager to enter into a contract with DTA, a public finance consulting firm, to provide Public Improvement District (PID) administration services to manage the public improvement districts created in the City of Huntsville.

Strategic Initiative: Goal #6, Finance - Provide a sustainable, efficient and fiscally sound government through conservative fiscal practices and resource management.

Discussion: With the recent developer requests to create Public Improvement Districts (PID's) for the purpose of funding the infrastructure in new developments, there will be an ongoing administrative obligation that will start with the creation of the PID followed by management and maintenance of the PID until it is retired in 20 to 30 years.

Texas Local Government Code Chapter 372 authorizes the creation of PID's as well as details for qualifying elements that can be funded out of the PID assessment, including payment of expenses incurred in the establishment, administration, and operation of the district. The fees associated with this contract will be funded by the PID assessments collected from the property owners within the PID.

In early April, an RFQ soliciting proposals for PID Administration services was issued by the City and on April 21, 2022, we opened the 4 solicitations that we received. Staff evaluated the proposals, interviewed the 2 top candidate firms and found that the financial firm ATD was best suited for the services that would meet the city's needs.

This agenda item will authorize the City Manager to enter into a contract with ATD to perform the necessary services to manage the 2 PID's that the city is working to create now as well as any future PID's.

Previous Council Action: February 1, 2022 – Council approved resolution 2022-5, setting the date for a public hearing for the creation of PID # 1
March 1, 2022 – Council held a public hearing concerning the creation of PID # 1

Financial Implications: The item is not budgeted. The PID administrator cost will be paid out of the assessments on the Public Improvement District. A future budget amendment for the expense of the administrator with the offsetting revenue from the PID will be needed.

Approvals:

Kevin Byal
Leonard Schneider
Rick Rudometkin
Aron Kulhavy
Kristy Doll

Associated Information:

1. Bid Tabulation - Bid NO. 22-19 Public Improvement District (PID) Administrative Consulting Services
2. DRAFT City of Huntsville PID Admin Agmt 5-27-22

Bid Tabulation
Project Name: Public Improvement District (PID) Administrative Consulting Services
Request for Qualifications NO. 22-19
Date: Thursday, April 21, 2022 Time: 2:00 PM Central Time



Respondent No. 1	DTA
Respondent No. 2	Willdan
Respondent No. 3	P3Works
Respondent No. 4	MuniCap, Inc.
Respondent No. 5	
Respondent No. 6	
Respondent No. 7	
Respondent No. 8	

DRAFT



www.FinanceDTA.com

DRAFT AGREEMENT FOR CONSULTING SERVICES

CITY OF HUNTSVILLE, TX

PUBLIC IMPROVEMENT DISTRICT ADMINISTRATION
CONSULTING SERVICES

May 27, 2022

Public Finance
Public-Private Partnerships
Development Economics
Clean Energy Bonds

*Newport Beach | San Jose | San Francisco | Riverside
Dallas | Houston | Raleigh | Tampa*

AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT is ____ day of May of 2022, by Huntsville at 1212 Avenue M, called "Client," and DTA at Newport Beach, CA 92660, "Consultant." The Client and consideration of the mutual herein contained agree as

[Grab your reader's attention with a great quote from the document or use this space to emphasize a key point. To place this text box anywhere on the page, just drag it.]

made and entered into this and between the City of Huntsville, TX 77340, herein 5000 Birch Street, Suite 3000, herein after called the Consultant in promises and conditions follows.

ARTICLE I **DISCLOSURES AND TERM OF CONTRACT**

Section 1.1 As of the date of this Agreement, there are no actual or potential conflicts of interest that DTA is aware of that might impair its ability to render unbiased and competent advice or to fulfill its fiduciary duty. If DTA becomes aware of any potential conflict of interest that arise after this disclosure, DTA will disclose the detailed information in writing to the Client in a timely manner.

Section 1.2 DTA, a Securities and Exchange Commission ("SEC") and MSRB registered firm, does not have any legal events and disciplinary history on its Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The Client may electronically access DTA's most recent Form MA and each most recent Form MA-I filed with the Commission at the following website:

<https://www.sec.gov/edgar/searchedgar/companysearch.html>

Section 1.3 This agreement shall become effective on the date stated above and will continue in effect until the earlier of (i) that day when the services provided for herein have been performed or (ii) until terminated as provided in Article 6 below.

ARTICLE II **SERVICES TO BE PERFORMED BY CONSULTANT**

Section 2.1 Consultant agrees to perform Public Improvement District ("PID") administration consulting services for the Client, herein after called "Project" in accordance with the applicable professional standard of care and to deliver the work products to the Client as described in the Scope of Work statement attached as Exhibit "A" hereto. Such professional services and work products, as from time to time modified in accordance with Section 2.3 hereof, are collectively referred to as the "Consulting Services."

Section 2.2 Instruments of Service. All computer software (including without limitation financial models, compilations of formulas and spreadsheet models), inventions, designs, programs, improvements, processes and methods (collectively, the “Proprietary Models”), reports, drawings, specifications, computer files, field data, notes and other documents and instruments prepared by Consultant are Instruments of Service of Consultant and shall remain the property of Consultant. Consultant shall likewise retain all common law, statutory and other reserved rights, including the copyright thereto. Client acknowledges and agrees that the consideration paid by Client herein only entitles Client to a license to use the hard copy or electronically transmitted reports generated pursuant to the Consulting Services and that any Proprietary Model that Consultant uses to generate such reports is owned by, or is duly licensed from a third party to Consultant and is not being provided to Client hereunder. The reports and models used to generate such reports are for use on this Project only. The Client shall not reuse or make any modification to the hard copy or electronically transmitted reports generated pursuant to the Consulting Services without the prior written authorization of the Consultant. The Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Consultant, its shareholders, officers, directors, employees and subconsultants (collectively, Consultant's) against any damages, liabilities or costs, including reasonable attorneys' par fees and defense costs, arising from or allegedly arising from or in any way connected with the unauthorized use, reuse or modification of the hard copy or electronically transmitted reports generated pursuant to the Consulting Services or any of Consultant's Instruments of Service, including models, by the Client or any person or entity that acquires or obtains the reports from or through the Client without the written authorization of the Consultant. Client acknowledges that Consultant may have used reports and analyses that Consultant authored for other clients as base works or templates for the reports and analyses prepared for Client pursuant to this Agreement, and Client acknowledges and agrees that Consultant has the right to use the reports and analyses that it authors pursuant to this Agreement as base works or templates for reports and analyses that Consultant authors for Consultant's other clients, provided, however that Consultant shall not use any confidential information provided by Client in such future reports and analyses. Client further acknowledges and agrees that Consultant has spent substantial time and effort in collection and compiling data and information (the “Data Compilations”) in connection with the Consulting Services and that such Data Compilations may be used by Consultant for its own purposes, including, without limitation, sale or distribution to third parties; provided, however, that Consultant will not sell or distribute any of Client's confidential information that may be contained in such Data Compilations, unless such confidential information is used only on an aggregated and anonymous basis.

Section 2.3 Any proposed changes in the Consulting Services hereunder shall be submitted to the other party hereto, and any such changes agreed to by the parties shall be reflected in an amendment to Exhibit "A" in accordance with Section 7.2 hereto.

Section 2.4 Nothing in this Agreement shall give the Consultant possession of authority with respect to any Client decision beyond the rendition of information, advice, recommendation, or counsel.

ARTICLE III

COMPENSATION

Section 3.1 Client agrees to pay Consultant for its Consulting Services in accordance with this Agreement, a professional fee computed according to the Professional Fee Schedule attached as Exhibit "B" hereto and incorporated herein by reference (the "**Fee Schedule**").

Section 3.2 The Client shall reimburse the Consultant for out-of-pocket and administrative expenses by paying a charge equal to 3% of DTA's monthly billings. Expenses shall include all actual expenditures made by Consultant in the performance of any Consulting Services undertaken pursuant to the Agreement, including, without limitation, the following expenditures:

- (a) Cost of clerical assistance, including typing, collation, printing and copying, plus copier and photography costs, including photographic reproduction of drawings and documents.
- (b) Transportation costs, including mileage for the use of personal automobiles at the prevailing IRS standard rate, rental vehicles, lodging and regularly scheduled commercial airline ticket costs.
- (c) Courier services, facsimile, and telephone expenses.

Section 3.3 On or about the first two weeks of each month during which Consulting Services are rendered hereunder, Consultant shall present to Client an invoice covering the current Consulting Services performed and the reimbursable expenses incurred pursuant to this Agreement and exhibits thereto. Such invoices shall be paid by Client within thirty (30) days of the date of each invoice. A 1.2% charge may be imposed against accounts which are not paid within 30 days of the date of each invoice.

Section 3.4 The maximum total fee amount set forth in Exhibit "B" may be increased as a result of any expansion of the Consulting Services to be rendered hereunder pursuant to Section 2.3 or as provided in Exhibit "A" hereto.

Section 3.5 Records of the Consultant's costs relating to (i) Consulting Services performed under this Agreement and (ii) reimbursable expenses shall be kept and be available to the Client or to Client's authorized representative at reasonable intervals during normal business hours.

ARTICLE IV
OTHER OBLIGATIONS OF CONSULTANT

Section 4.1 Consultant agrees to perform the Consulting Services in accordance with Exhibit "A" and the applicable standard of care. Should any errors caused by Consultant's negligence be found in such services or products, Consultant will correct them at no additional charge by revising the work products called for in Exhibit "A" to eliminate the errors.

Section 4.2 Consultant will supply all tools and instrumentalities required to perform the Consulting Services under the Agreement.

Section 4.3 Neither this Agreement nor any duties or obligations under this Agreement may be assigned by Consultant without the prior written consent of Client.

Section 4.4 In the performance of its Consulting Service hereunder, Consultant is, and shall be deemed to be for all purposes, an independent contractor (and not an agent, officer, employee or representative of Client) under any and all laws, whether existing or future. Consultant is not authorized to make any representation, contract, or commitment on behalf of Client.

ARTICLE V
OTHER OBLIGATIONS OF CLIENT

Section 5.1 The Client shall provide full information in a timely manner regarding requirements for and limitations on the Project. Client agrees to comply with all reasonable requests of Consultant and provide access to all documents reasonably necessary to the performance of Consultant's duties under this Agreement with the exception of those documents which Exhibit "A" calls upon the Consultant to prepare.

Section 5.2 Neither this Agreement nor any duties or obligations under this Agreement may be assigned by Client without the prior written consent of Consultant.

Section 5.3 The Client shall provide prompt written notice to the Consultant if the Client becomes aware of any fault or defect in the Project, including any errors, omissions, or inconsistencies in the Consultant's Instruments of Service.

Section 5.4 Client, public agencies, landowners, consultants and other parties dealing with Client or involved in the subject development project referred to in Exhibit "A" will be furnishing to Consultant various data, reports, studies, computer printouts and other information and representations as to the facts involved in the project which Client understands Consultant will be using and relying upon in preparing the reports, studies, computer printouts and other work products called for by Exhibit "A." Consultant shall not be obligated to establish or verify the accuracy of the information furnished by or on behalf of Client, nor shall Consultant be responsible for the impact or effect on its work products of the

information furnished by or on behalf of Client, in the event that such information is in error and therefore introduces error into Consultant's work products.

Section 5.5 In the event that court appearances, testimony or depositions are required of Consultant by Client in connection with the services rendered hereunder, Client shall compensate Consultant at a rate of \$250 per hour and shall reimburse Consultant for out-of-pocket expenses on a cost basis.

ARTICLE VI

TERMINATION OF AGREEMENT

Section 6.1 Either party may terminate or suspend this Agreement upon thirty (30) days written notice. Unless terminated as provided herein, this Agreement shall continue in force until the Consulting Services set forth in Exhibit "A" have been fully and completely performed and all proper invoices have been rendered and paid.

Section 6.2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party at its option may terminate this Agreement by giving written notification to the defaulting party. Such termination shall be effective upon receipt by the defaulting party, provided that the defaulting party shall be allowed ten (10) days in which to cure any default following receipt of notice of same.

Section 6.3 In the event of any termination that is not the fault of the Consultant, the Client shall pay the Consultant, in addition to payment for services rendered and reimbursable costs incurred, for all expenses reasonably incurred by the Consultant in connection with the orderly termination of this Agreement, including but not limited to demobilization, reassignment of personnel, associated overhead costs and all other expenses directly resulting from the termination, plus an amount for the Consultant's anticipated profit on the value of the services not performed by the Consultant.

Section 6.4 Suspension and Termination for Non-Payment. (i) In addition to any other provisions in this Agreement regarding breach of the Agreement, if the Client fails to make payments when due, the Consultant may suspend performance of services upon ten (10) calendar days' notice to the Client. The Consultant shall have no liability whatsoever to the Client for any costs or damages as a result of such suspension caused by any breach of this Agreement by the Client. Upon payment in full by the Client, the Consultant shall resume services under this Agreement, and the time schedule and compensation shall be equitably adjusted to compensate for the period of suspension plus any other reasonable time and expense necessary for the Consultant to resume performance. (ii) If the Client fails to make payment to the Consultant in accordance with the payment terms herein, and/or Client has failed to cure its breach or default following a suspension of services as set forth above, this shall constitute a material breach of this Agreement and shall be cause for termination of this Agreement by the Consultant upon seven (7) days written notice to the Client. (iii) Payment of invoices shall not be subject to any discounts or set-offs by the Client, unless agreed to in writing by the Consultant. Payment to the

Consultant for services rendered and expenses incurred shall be due and payable regardless of any subsequent suspension or termination of this Agreement by either party.

Section 6.5 The covenants contained in Sections 3.1, 3.2, 4.4, 5.3, 5.4 and all of Article VII shall survive the termination of this Agreement.

ARTICLE VII

GENERAL PROVISIONS

Section 7.1 Any notices to be given hereunder by either party to the other may be affected either by personal delivery in writing or by mail. Mailed notices shall be addressed to the parties at the addresses appearing in the introductory paragraph of this Agreement, but each party may change the address by written notice in accordance with the first sentence of this Section 7.1. Notices delivered personally will be deemed communicated as of actual receipt. Mailed notices will be deemed communicated as of two (2) days after mailing.

Section 7.2 This Agreement and exhibits hereto supersede any and all agreements, either oral or written, between the parties hereto with respect to the rendering of service by Consultant for Client and contains all of the covenants and agreements between the parties with respect to the rendering of such services. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement (including any exhibit hereto) will be effective if it is in writing and signed by the party against whom it is sought to be enforced.

Section 7.3 If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

Section 7.4 Disputes. The parties agree to first try in good faith to settle the dispute by mediation pursuant to the Mediation Rules of the American Arbitration Association. If the claim or controversy is not settled by mediation, the claim or controversy may be resolved by final and binding arbitration. On the written request of one party served on the other, the dispute shall be submitted to binding arbitration in accordance with the commercial rules and regulations of the American Arbitration Association. The arbitration shall take place at the location in which the principal office of the Respondent is situated, or such other location as may be mutually agreed to by the parties.

The arbitrator(s) shall be selected as follows: In the event that Consultant and Client agree on one arbitrator, the arbitration shall be conducted by such arbitrator. In the event Consultant and Client do not so agree, Consultant and Client shall each select an arbitrator and the two arbitrators so selected shall select the third arbitrator. If there is more than one arbitrator, the arbitrators shall act by majority vote. The parties may propose arbitrators from JAMS, ADR, ARC or any independent arbitrator/neutral for

dispute resolution. The parties are not required to hire a AAA arbitrator for resolution of a dispute hereunder.

No arbitration shall include by way of consolidation or joinder any parties or entities not a party to this Agreement without the express written consent of the Client, the Consultant and any party or entity sought to be joined with an express reference to this provision. Any party or entity joined in the arbitration, after mutual consent, shall be bound by this provision.

The decree or judgment of an award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

Section 7.5 The prevailing party in any arbitration or legal action brought by one party against the other and arising out of this Agreement shall be entitled, in addition to any other rights and remedies it may have, to reimbursement for its expenses, including court costs and reasonable attorneys' fees. The non-prevailing party shall be liable, to the extent allowable under law, for all fees and expenses of the arbitrator(s) and all costs of the arbitration.

Section 7.6 This Agreement will be governed by and construed in accordance with the laws of the State of Texas.

Section 7.7 Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Client or the Consultant. The Consultant's services under this Agreement are being performed solely for the Client's benefit, and no other party or entity shall have any claim against the Consultant because of this Agreement or the performance or nonperformance of services hereunder.

Section 7.8 Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the Consultant nor the Client, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other for, or shall make, any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the Project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty.

Section 7.9 It is intended by the parties to this Agreement that the Consultant's services in connection with the Project shall not subject the Consultant's individual shareholders, officers, directors, members, managers or employees to any personal legal exposure for the risks associated with this Project. Therefore, and notwithstanding anything to the contrary contained herein, Client agrees that as Client's sole and exclusive remedy, any claim, demand or suit shall be directed and/or asserted only against Consultant and not against any of the individual shareholders, officers, directors, members, managers or employees.

Section 7.10 Limitation of Liability – for available insurance: In recognition of the relative risks and benefits of the Project to both the Client and the Consultant, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of the Consultant to the Client for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys’ fees and costs and expert-witness fees and costs, so that the total aggregate liability of the Consultant to the Client shall not exceed the sum of insurance coverage available at the time of settlement or judgment. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, except for Consultant’s willful misconduct or unless otherwise prohibited by law.

IN WITNESS WHEREOF, this Agreement has been executed on the date and year first above written.

CONSULTANT:
David Taussig and Associates, Inc.
d/b/a DTA

CLIENT:
City of Huntsville

By: _____
David Taussig, President

By: _____

Date: _____

Date: _____

SCOPE OF WORK

It is our understanding the City of Huntsville (the “City”) is seeking a qualified consultant to provide all necessary management and administrative services related to Public Improvement Districts (“PIDs”). The City is beginning the process of creating its first PID and seeks an experienced firm to assist in the creation, management, and administration of this and future PIDs. As the City requests, there may be options in future PIDs to have debt financing (bonds) or a reimbursement obligation PID, which allows the City to avoid debt financing. As part of this effort, DTA shall provide professional PID formation, administration, and consulting services to the City.

A PID Feasibility Review and Analysis

The PID feasibility analysis consists of a review of an initial PID Financing Plan, the presentation of the PID Financing Plan to the City, City staff, and other parties, as appropriate, and efforts to obtain an initial consensus on how to proceed. A review of a PID Financing Plan may include the following tasks:

Task A.1 – Background Research

DTA will coordinate with City staff and obtain from the City the information necessary to complete the initial PID Financing Plan. The City, its engineer, and/or its consultants shall provide to DTA and DTA will review, as necessary, the following:

- Annexation, Development, and Reimbursement Agreements;
- Proposed Land Use Plan(s) and zoning; residential product types, anticipated pricing, densities, and counts; floor area ratios and developable land area for non-residential property; and sale/absorption projections;
- Preliminary plat(s) of subdivision;
- Preliminary Title Report and property tax bills; and
- Estimated cost, construction schedule, and description of public improvements, as well as Master Plan(s) for infrastructure and/or maps showing the locations of improvements.

Task A.2 – PID Financial Analysis

DTA shall review the City PID petition(s) and request(s) and test any financial model to estimate PID bonding capacity and assessment levels. The financial model may include the following:

- A preliminary improvement cost allocation consistent with the requirements of the PID Assessment Act.
- A preliminary estimate of bonded indebtedness, including the number and timing of bond issues.
- Preliminary estimates of assessments and annual assessment installments.
- Projected annual assessment obligations of the PID resulting from the issuance of bonds. The City’s annual assessment obligations through build-out will be estimated assuming that the developer provides the necessary sale/absorption data.

- Sample property tax bills for completed residential dwelling units, office, retail, and entertainment uses, including an estimate of the total effective property tax rate inclusive of the PID assessment.

PID bonding capacity, assessment, and reimbursement assessment levels may be a function of the following:

- Improvements to be funded;
- Reimbursement liens or bond assumptions, including estimated interest rates, term and amortization, capitalized interest period, and Reserve Funds;
- Proposed land uses, including dwelling unit counts and non-residential and entertainment acreage/square footage; and
- PID appraised value. Note, this Scope of Work does not include the preparation of a PID appraisal.

Task A.3 – Schedule

As requested, DTA will prepare a schedule of events and actions associated with the formation of a PID and the issuance of bonds or a reimbursement PID (no bonds).

B PID Formation

Task B.1 – PID Analysis

DTA shall review and modify any financial model to estimate PID assessments and bonded indebtedness. The model will assess and comply with the City's financing strategy and otherwise be a function of PID bond and development assumptions. Bond assumptions include bond interest rates, term and amortization, costs of issuance, capitalized interest, and bond reserves. Development assumptions may include but are not limited to estimated absorption, the number of residential dwelling units, commercial, retail, office, and industrial acreage, and lot and/or completed home values, as appropriate.

Model components and/or output may include the following:

- A preliminary estimate of bonded indebtedness, including the number and timing of bond issues;
- Initial estimates of assessments and annual assessment installments;
- A preliminary improvement cost allocation consistent with the requirements of the PID Assessment Act; and
- Sample property tax bills for completed residential dwelling units, including an estimate of the total effective property tax rate inclusive of the PID assessment.

Note, this Scope of Work does not include the preparation of a PID appraisal or market and/or absorption study. DTA will review a build-out analysis in the absence of a market and/or absorption study.

Task B.2 – PID Service and Assessment Plan ("SAP")

As the City's PID Administrator, DTA will prepare and manage the SAP. Costs for the management of the SAP will come from the PID assessments. Therefore, the City will not pay for the preparation, reporting, and management of any PID or SAP. Pursuant to the PID Act, the SAP will be comprised of the following:

- Annual indebtedness;
- Projected improvement costs; and

- Assessment apportionment methodology.

The SAP will contain a written explanation as to how assessments are allocated to parcels within the PID, assessments are reduced if actual improvement costs are less than projected, assessments are reapportioned as parcels are subdivided, the annual assessment installments collected to pay debt service on the bonds and administrative expenses are calculated, and assessment prepayments are calculated. DTA will also prepare the assessment roll stating the assessment against each parcel of land.

C Tax Increment Reinvestment Zone (“TIRZ”) Formation (Optional)

Task C.1 – TIRZ Analysis¹

DTA shall prepare a financial model to estimate, as applicable, property tax, sales tax, and hotel tax increment revenues. Again, the model will comply with the City's public financing strategy and otherwise be a function of development assumptions.

Model components and/or output may include the following:

- Cumulative and annual estimated incremental gross and taxable property value;
- Cumulative and annual estimated incremental gross and taxable sales;
- Cumulative and annual estimated tax increment; and
- Breakdown of tax increment by type of increment, land use, or other criteria specified in the project public financing strategy.

The tax increment analysis will include annual forecasts for a horizon of not less than 30 years to assist the City and other participating governmental entities with evaluating the financial benefits of the development and prospective sources of cash to finance public improvements or bonded indebtedness. However, this Scope of Work does not include the preparation of a project fiscal analysis to confirm that the project, net of revenues passed through to Tax Increment Financing (“TIF”), will have no negative impact on the participating taxing entities' General Funds. In addition, this Scope of Work does not include the preparation of a market and/or absorption study. DTA will prepare a build-out analysis in the absence of a market and/or absorption study.

Task C.2 – TIRZ Project and Financing Plans²

DTA will prepare a Preliminary Financing Plan for review by the City and subsequent circulation to and review by other governmental jurisdictions. Pursuant to the TIF Act, the project and Financing Plans will be comprised of the following:

- Project Plan
 - Description and map showing existing uses and conditions of the real property within the TIRZ;

¹ If necessary, per a PID petition to the City.

² If necessary, per a PID petition to the City.

- Proposed changes of zoning ordinances, the Master Plan of the City, building codes, other municipal ordinances, and subdivision rules and regulations;
- Estimated non-project costs; and
- A statement of a method of relocating persons to be displaced, if any.

■ **Financing Plan**

- Detailed list describing estimated project costs;
- An economic feasibility study demonstrating the capacity of the Tax Increment Fund to pay TIF project costs;
- Estimated bonded indebtedness;
- Estimated time when related costs or monetary obligations will be incurred;
- A description of the financing methods for all project costs and expected sources of revenue to finance or pay such project costs;
- Current total appraised value of taxable real property;
- Estimated captured appraised value of taxable real property; and
- Duration of the TIRZ.

D PID Administration

Task D.1 – Setup

The setup for a new assignment generally involves three steps. DTA organizes a virtual kickoff meeting or call with City staff, City Finance Team members (e.g., Financial Advisor, bond counsel, underwriter), and/or property owners/developers to review the scope of the assignment, determine objectives, and establish responsibilities and protocols. DTA will then prepare a schedule and create a flowchart illustrating the key processes. DTA will contact and, as needed, meet with the Walker County (“County”) Tax Assessor-Collector and County Central Appraisal District to initiate the setup for billing and the collection of the assessment installments and establish data capture procedures. In the event that the County is unwilling to include the PID assessment installments on the regular property tax bill, DTA will coordinate with the City to determine direct assessment billing procedures, schedule, and bill format. DTA will prepare and mail assessments to the owner of record, as indicated by the County.

Task D.2 – Project Coordination and Schedule

■ **City**

DTA will manage and assist the City with the setup and implementation of its first PIDs. Our strategy has been to create flowchart(s) illustrating the key processes and prepare a task-based schedule with deadlines and responsibilities to assist with both planning and implementation. We are also available to attend City Council meetings and staff meetings, prepare presentations, and answer any questions regarding PID and SAP updates.

■ **County**

As mentioned above, our strategy is to meet with the offices of the County Tax Assessor-Collector and County Central Appraisal District to establish a schedule and procedures for implementation.

- **Public**

DTA takes a threefold approach to public information and property owner disclosure. **First, DTA recommends that the City proactively prepare responses to the typical questions asked by property owners. This may take the form of a brochure or series of Frequently Asked Questions (“FAQs”).** The City may also want to consider posting specific information regarding the PID on its website. This information might include the brochure, a fact sheet, the current SAP update, and/or the PID Administrator’s contact information. Second, DTA recommends that the City periodically check the disclosure materials provided by builders’ sales offices to prospective home buyers by having staff visit the sales offices and pose as prospective buyers. Third, DTA provides contact information, including an e-mail address and toll-free number, by which property owners and prospective buyers may direct general and specific questions concerning the PID, its procedures and processes, and assessment obligations.

Task D.3 – Updated SAP Management

Pursuant to Sections 372.013 and 372.014 of the PID Act, DTA will prepare an update of the Service Plan and Assessment Plan.

- **Service Plan Update**

The Service Plan update shall cover a period of 5 years and include a cash flow projection comparing PID revenues (i.e., assessment revenues, TIRZ credits, capitalized interest, etc.) to PID expenditures (i.e., debt service, prepayment reserve, delinquency reserve, administrative expenses, etc.). The amount and timing of bonds issued, or anticipated to be issued, or reimbursement obligations, as well as a description and construction status for the improvements to be funded from each such bond issue, will also be included.

- **Assessment Plan Update**

The Assessment Plan update shall include a discussion of the assessment allocation methodology, the calculation of the annual assessment installments, and an updated County assessment roll with all current County Tax Parcel Numbers (“TPNs”).

- **Year-End Reconciliation:** DTA will perform a detailed year-end reconciliation of the prior year's budgeted and actual revenues and expenditures to determine the unencumbered funds, if any, that may be applied as a credit against the assessment installment payments. We will reconcile assessment installments billed, collected, and deposited with the trustee, partial or full lump sum payments of the assessments, paid and pending payments of interest and principal on the bonds, collection costs incurred and paid, and accrued, anticipated, and deposited investment earnings. Typically, the annual assessment installments are adjusted for Reserve Fund earnings, budgeted but unrealized collection expenses, and revenues attributable to interest and penalties received from the payment of delinquent assessment installments.

- **TIRZ Credit Calculation (Optional):** DTA will annually confirm the tax increment transferred or to be transferred to the pledged revenue account of the bond fund, or such other account as specified in the trust indenture, and allocate such tax increment to each assessed parcel as a credit in accordance with the SAP.

Task D.4 – Assessment Installment Billing

- **Coordinate Assessment Billing with the County**

This task involves coordinating with the County on the billing of the annual assessment installments along with regular property taxes. DTA will transmit the annual assessment installments to the County in hard copy and/or electronic format as specified and follow up to ensure the assessment installment amounts are properly enrolled and billed.

- **District Assessment Billing Without the County's Assistance**

In the event that the County is unwilling to include the PID assessment installments on the regular property tax bill, DTA will coordinate with the City to determine direct assessment billing procedures, schedule, and bill format. DTA will prepare and mail assessments to the owner of record, as indicated by the County.

- **Administrative Review of Assessment Installments**

DTA will promptly review any written notice submitted by an owner of a TPN claiming that a calculation error has been made in the amount of the assessment installment and, if necessary, meet with the property owner, consider written and oral evidence regarding the alleged error, and decide whether, in fact, such an error occurred. If it is determined that an error did occur and that an adjustment to the assessment installment should be made, DTA will determine the method and means for making the appropriate adjustment.

Task D.5 – Collection of Delinquent Assessment Installments

DTA will monitor delinquencies and assist with collection efforts. The following tasks are included:

- **Assessment Installment Payment Monitoring**

DTA will prepare a report of the paid and unpaid assessment installments, along with penalties and interest due, for distribution to the appropriate parties based upon the collection data/reports provided by the County. The initial report will be prepared following February 1st and then updated monthly or quarterly, as needed.

- **Delinquent Assessment Installment Follow-Up**

As required pursuant to the trust indenture or as otherwise directed by the City and/or its Financial Advisor, DTA will implement collection procedures to supplement the County's collection efforts. These procedures may include the mailing of demand/reminder letters to property owners who are delinquent in the payment of their assessment installments and/or assistance with the foreclosure of the assessment installments that remain delinquent after such a follow-up process. DTA assumes that at this stage in the collection process, the City will have retained legal counsel to pursue foreclosure. Therefore, DTA's services will consist of the preparation of materials detailing the delinquent

assessment installments, penalties, and interest. DTA will apprise the trustee and City of special circumstances regarding the collection of delinquent assessment installments, such as bankruptcy filings by property owners who are delinquent in the payment of assessment installments.

Task D.6 – PID Tax Parcel Database

DTA will establish and maintain a database of all County TPNs within the PID. The TPN database will include the original lien amount, outstanding balance, installment payment status, and record owner information for each TPN to the extent readily available from the County.

- **Plats of Subdivision and Assessment Apportionments**

DTA will calculate the assessment amount to be apportioned to each lot within all approved preliminary plats, prepare an amended assessment roll, determine assessment payoff amounts for the TPN to be subdivided and lots to be created by the filing of the plat with the County, and prepare assessment amortization schedules for the new lots. DTA will distribute these calculations to the City and developer for review and use in any notices recorded in connection with the recordation of the final plat. DTA will coordinate with the City and/or developer to obtain the preliminary plat following its approval and final plat after its recordation.

- **Tax Parcel Research**

DTA will coordinate with the County to determine TPNs assigned to and obtain new TPN maps for any parcels created by the filing of a final plat with the City. DTA will obtain the appraisal roll following its certification to determine which TPNs will be valid for the coming tax year.

- **Record Owner Research**

DTA will import record owner information from the County appraisal roll into the TPN database.

Task D.7 – Trust Account Analysis and Reconciliation

DTA maintains its own database of trust account activity, which allows us to produce our own Consolidated Account Activity Reports. This facilitates the indenture compliance review and reconciliation of actual and budgeted revenues and expenditures. In DTA's experience, trust account statements are cumbersome for management purposes or analyses of any period greater than one month in length. There is simply too much paper with a 5 to 10-page statement produced for each account monthly. DTA rekeys the statement data into a database and can run consolidated reports for any time period that show all accounts on a single page. Findings of non-compliance and/or inconsistencies with the trust indenture are communicated to the trustee.

Task D.8 – Property Owner Inquiries (1-800-969-4DTA)

This task involves responding to telephone calls from prospective or current property owners or other interested parties who have questions regarding the PID and assessment installments. This task includes the preparation of brief written responses to property owners, as necessary. DTA may be reached by property owners or other interested parties by using its toll-free number.

Task D.9 – Lump Sum Payment of Assessments ("Prepayments")

This task entails the calculation of assessment payoff amounts, coordination with the trustee, and the associated recordkeeping in the event any assessment is paid off in lump sum. The following subtasks are included:

- **Payment in Lump Sum**

Upon request, DTA will calculate the amount needed to pay off the assessment pursuant to the formula set forth in the SAP. The assessment payoff amount, including payoff instructions, will be mailed to the appropriate party.

- **Bond Redemption**

DTA will prepare a letter to the trustee indicating the principal amount and maturity date of the bonds to be redeemed, as well as the sources and application of funds for the bond redemption. DTA will indicate the portion of the assessment payoff amount to be applied to the redemption of bond principal, segment of the assessment payoff amount to be applied to interest on the bonds, total of the Reserve Fund credit, if any, to be applied to the redemption of bond principal, and amount of prepayment account funds to be applied to pay for interest from the date of the payoff to the bond redemption date.

- **Release of Lien**

DTA will coordinate with the City in the preparation and recordation of the release of lien with respect to each TPN for which a lump sum payment, in full, has been made.

Task D.10 – Disclosure and Dissemination Agent Services for Bonded PIDs

Disclosure and dissemination agent services will include the tasks listed below.

- **Annual “Issuer” Report**

DTA will compile, assemble, and file an Annual Report containing the financial information specified in the Continuing Disclosure Agreement for the bonds with the MSRB’s Electronic Municipal Market Access (“EMMA”) website.

- **Significant Event Notices**

As DTA is made aware, we will also file notice of the occurrence of “Significant Events” as described in the Continuing Disclosure Agreement with the MSRB’s EMMA website.

Task D.11 – Annual TIRZ Reports (Optional)

DTA will prepare the Annual Report on the status of the zone on or before the 150th day following the end of the fiscal year of the City. The Annual Report will include the following:

- The amount and source of revenue in the Tax Increment Fund established for the zone;
- The amount and purpose of expenditures from the fund;
- The amount of principal and interest due on outstanding bonded indebtedness;
- The tax increment base and current captured appraised value retained by the zone; and

- The captured appraised value shared, if applicable, by the City or County and other taxing units, the total amount of tax increments received, and any additional information necessary to demonstrate compliance with the Financing Plan.

Task D.12 – Review of Draw Requests for Reimbursement of Authorized Improvement Costs

DTA will review the draw requests submitted for the reimbursement of authorized improvement costs. DTA will communicate the findings of its review in writing and submit it to the City. The review shall be comprised of the following tasks:

- **Finalize Authorized Improvement Draw Standards and Procedures**
DTA will coordinate with the City to prepare Authorized Improvement Draw Standards and Procedures.
- **Review of Project Engineer Funding Certification**
DTA will review the Project Engineer’s certification that PID improvement account funds are sufficient to fund the full cost of the design and construction of the authorized improvements as described more fully in the PID Financing Agreement (the “Financing Agreement”). The review will be limited to compliance as to form.
- **Establishment of Contingency Fund**
As applicable, DTA will obtain a copy of the evidence indicating the establishment of a contingency fund for the authorized improvements by the developer pursuant to the Financing Agreement and monitor the contingency account fund to ensure that the required balance stays at the levels agreed to in the Financing Agreement.
- **Review of Construction Draw Request Package Contents**
As requested, DTA will review construction draw request packages to confirm that the items required pursuant to the Financing Agreement are included in the construction draw request. This review will be limited to compliance as to form, but it will assist in providing an analysis and recommendation of whether any of the requested items are duplicative or have been erroneously requested. The City shall ultimately be responsible for the review and approval of the content included in the construction draw request package.
- **Update of PID Construction Budget and Construction Draw Request Worksheet**
DTA will review the monthly update of the PID construction budget and Construction Draw Request Worksheet, which is to be prepared and submitted by the Construction Manager, based on information contained in the construction draw requests and, if provided to DTA, the Construction Manager’s monthly reconciliation required pursuant to the Financing Agreement.

FEE SCHEDULE

DTA's proposed budget per the Scope of Work identified in this agreement is detailed below.

A PID Feasibility Review and Analysis

DTA's proposed professional fees for the proposed PID are described below. Prior to the establishment of the PID and levy of assessments, DTA proposes to be remunerated for consulting services on a time and materials basis, not to exceed **\$12,500**, as approved by the City. Such consulting services fees shall be computed using the hourly rates shown in Table 1 below.

Table 1: DTA's Fee Schedule

Labor Category	Labor Rate
President/Managing Director	\$250/Hour
Senior Vice President	\$235/Hour
Vice President	\$215/Hour
Senior Manager	\$205/Hour
Manager	\$195/Hour
Senior Associate	\$185/Hour
Associate II	\$165/Hour
Associate I	\$150/Hour

B PID Formation

DTA will be remunerated for Tasks B.1-B.2 of the proposed services for PID formation on a time and materials basis, not to exceed **\$12,500**, plus expenses. Unless otherwise agreed to by the City, travel related expenses shall not exceed \$450 per year and will be subject to prior approval of the City. Expenses for clerical assistance shall not exceed \$450 per year. Consulting services fees shall be computed using the hourly rates shown in Table 1.

C PID Administration

DTA shall charge **\$30,000** per PID for PID administration (including SEC continuing disclosure reporting). The annual fee for PID administration and consultant services will be billed in four \$7,500 installments, with invoices submitted by DTA to the City on or about the first two weeks of each quarter (a "Quarterly Invoice"). Quarterly Invoices shall be paid by the City within 30 days of the date of each invoice solely from monies on deposit in the administrative expense fund created under the indenture. A 1.2% charge may be imposed against accounts that are not paid within 30 days of the date of each invoice. **The PID administration costs will be paid directly by the PID assessments and will be no cost to the City.**

Should the City request that DTA coordinate and distribute personalized handbills for the collection of assessments, fees for such services would be charged on a time and materials basis at the hourly rates listed above, not to exceed **\$30,000 per PID** for PID administration, excluding mailing expenses.

PID administration services include **database development** (for the calculation of assessments and active parcel tracking), **SAP updates**, **assessment enrollment**, **property owner support** (via e-mail and a toll-free telephone number), and **continuing disclosure reporting**. Further work at that point would require additional fees.

D General Terms and Conditions

At the City's request, services in addition to those identified in the Scope of Work may be provided, such as TIRZ consulting services. Unless otherwise agreed to by the City and DTA, any additional tasks assigned by the City shall be charged at the hourly rates listed in Table 1. Our hourly rates are subject to a cost-of-living and/or other appropriate increase every 12 months thereafter. DTA generally reviews its professional fees and hourly rates annually and, if appropriate, adjusts them to reflect increases in seniority, experience, cost-of-living, and other relevant factors. DTA shall notify the City in advance of any such increase.

E Limitations

D.1 PID Feasibility Analysis

The labor costs include attendance at a total of six (6) formal meetings with City staff, stakeholders, and the City Council. Attendance at more than six (6) meetings or the preparation of detailed written responses to resolve disputes will be classified as additional work and may require further billing at the hourly rates identified in the table above if the maximum fee levels have been exceeded.

Other examples of additional work shall include:

- Additional analyses based on revised assumptions, including changes in the public improvements list, improvement costs, and absorption data once the financial analysis has been completed and/or negotiations with City staff concerning such analyses;
- Time expended related to obtaining the necessary data to complete the feasibility analysis as described in **Exhibit A**; and
- Development of the preliminary SAP for the proposed PID.

D.2 PID Formation

The budget assumes each PID will be created within a 6-month time frame. Additional budget may be required if PID formation is not completed within the proposed time period. In-person meetings or tax spread computer runs (more than 20) may also require additional fees if the total maximum amount listed above has been exceeded. Such additional fees shall be added to the total fee amounts listed above.

Additional consulting services may include, but are not limited to, the following:

- Research performed by DTA to obtain data that was the responsibility of the City or City's consultants, as listed in Scope of Work;
- Work associated with the analysis of alternative capital costs, alternative absorption scenarios, or significant changes in the PID program once Task B.2 is underway;

- Analysis of more than six (6) sets of land use projections or sales prices; and
- Additional work due to the inclusion of improvement areas or taxing zones.

D.3 PID Administration

In the event of multiple PID petitions and requests to the City, DTA will work with City staff to assist in the prioritization of PIDs.

DRAFT



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PHONE: (936) 714-2014

Public Finance
Public-Private Partnerships
Development Economics
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CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 3.a.

Agenda Item: Consider the appointments to City of Huntsville Boards, Commissions, and Committee for expired terms or vacant board positions.

Initiating Department/Presenter: City Council

Presenter:

Andy Brauninger, Mayor

Recommended Motion: Move to appoint the Board and Commission members as presented.

Strategic Initiative: Goal #5, Resource Development - Enhance the quality of life for citizens, businesses and visitors by leveraging the human and fiscal resources available to the community.

Discussion: The Library Board currently has two vacant seats that need to be filled.
Appoint Amanda Smithson to seat #2 and Diane Myers to Seat #3 of the Library Board

Previous Council Action:

Financial Implications: There is no financial impact associated with this item.

Approvals:

Kristy Doll

Associated Information:

1. 6-2022 Board Appointments

BOARDS/COMMISSIONS/COMMITTEES	SEATS	BOARD MEMBER
Airport Advisory Board		
	#8	Appoint - Bill Daugette
	#9	Appoint - Christopher Russo
Library Board		
3-year terms	#2	Appoint - Amanda Smithson
	#3	Appoint - Dianne Myers
Veterans Affairs Advisory Board		
3-year terms		
	#2	Appoint - Jack Durish
	#9	Appoint - Dorothy Fulton
	#15	Appoint - Robert H. Kane
	Chairman	Shane Loosier
	Vice-Chairman	Jack Durish
	Secretary	Liesa Hackett

TERM EXPIRES
8/31/2023
8/31/2023
8/31/2023
8/31/2024
8/31/2024



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 3.b.

Agenda Item: Consider adoption of Resolution No. 2022-20 concerning the demolition of the Texas Department of Criminal Justice warehouse, home to the Mexican Free-Tailed bat colony.

Initiating Department/Presenter: City Council

Presenter:

Daiquiri Beebe, Councilmember Ward 1

Recommended Motion: Move to adopt Resolution 2022-20 concerning the demolition of the Texas Department of Criminal Justice warehouse, home to the Mexican Free-Tailed bat colony.

Strategic Initiative: Goal #5, Resource Development - Enhance the quality of life for citizens, businesses and visitors by leveraging the human and fiscal resources available to the community.

Discussion: The Texas Department of Criminal Justice (TDCJ) owns an abandoned warehouse located at the intersection of 14th Street and Avenue I. The structure is home to about one-million Mexican Free-Tailed bats during the spring and summer months before migrating south for the winter. In December of 2021, TDCJ hired a company to exclude the few remaining bats and remove guano from the north half of the structure. In February of 2022, TDCJ demolished the northern half of the structure as part of phase 1 of their project to remediate and demolish the abandoned building.

TDCJ is now in phase 2 of their project, the preparation of the demolition of the southern portion of the building. As part of this phase, TDCJ has enlisted the assistance of Texas Parks and Wildlife, Austin Bat Refuge, and RD wildlife management to aid in the exclusion process. The plans for this phase include retrofitting the existing bat houses, moving some power lines in the vicinity, and monitoring the colony population for the fall migration. TDCJ hopes to initiate phase 3, the demolition of the south portion of the warehouse, this winter.

The attached resolution urges the state to prevent TDCJ from removing the current structure and to find a way to stabilize the building as a long-term habitat for the bat colony.

Previous Council Action: The Council has taken no action on this item.

Financial Implications: None

Approvals:

Leonard Schneider

Aron Kulhavy

Kristy Doll

Associated Information:

1. Bat Resolution
2. petition
3. bat society
4. Press Release-Huntsville Bats-3
5. Article-Bats

RESOLUTION NUMBER 2022-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTSVILLE TEXAS TO REQUEST THE GOVERNOR AND THE LEGISLATURE OF THE STATE TO PROHIBIT THE REMOVAL OF AN ABANDONED WAREHOUSE HOME TO A COLONY OF MEXICAN FREE-TAILED BATS AND PROTECT THE HIGH QUALITY OF LIFE FOR THE CITIZENS OF HUNTSVILLE.

Whereas approximately one million Mexican Free-Tailed bats currently reside in an abandoned warehouse owned by the Texas Department of Criminal Justice located at 14th Street and Avenue I, Huntsville, Texas and Texas Parks and Wildlife Code, Section 63.101, provides protection of bats; and

Whereas ensuring the safety and financial security of the nearby residents of Huntsville and Walker County, preventing the bats from becoming a nuisance and promoting tourism in Huntsville, inviting visitors to see the bats will be financially beneficial to the city, county and state in sales tax dollars and to local businesses; and

Whereas, despite the creation of the bat houses on 14th Street, the bats have not moved locations, and if another solution is not created to house the bats, the destruction of the warehouse will cause the bats to become a hazard to the citizens of Huntsville and Walker County, Texas, due to the fact that the bats will invade homes, businesses and public/government buildings, which will be very costly to the owners; and

Whereas, property rights are a top priority in Texas, the economic, ecological and quality of life ramifications of removing the warehouse without a viable solution will be disastrous; therefore

NOWHEREFORE BE IT RESOLVED that the City of Huntsville urges the Texas Governor and the Texas Legislature to prohibit the Texas Department of Criminal Justice from removing the current habitat, the warehouse, and to find a way to stabilize the warehouse in order for it to be a long-term habitat for the bats in Huntsville, Texas. This will in effect allow for bat tourism to be highly promoted and for the protection of the high quality of life in Huntsville, Texas..

PASSED AND APPROVED this _____th day of _____, 2022.

CITY OF HUNTSVILLE, TEXAS

Andy Brauning, Mayor

ATTEST:

APPROVED AS TO FORM:

Kristy Doll, City Secretary

Leonard V. Schneider, City Attorney

[Petition details](#)[Comments](#)[Updates](#)

Protect One-Million Bats in Huntsville, Texas

194 have signed. Let's get to 200!

10:32

5G% 



Huntsville Bat Society >

 Public group · 502 members



Manage



Invite

May 13, 2022

Huntsville Bat Society Raises Awareness about the Over 1 Million Bat Population and the Plan to Demolish their Roost

The Texas Department of Criminal Justice and Texas Parks & Wildlife have a plan to demolish the warehouse acting as a perfect roost for the “Official Flying Mammal” of Texas

Huntsville, TX, For Immediate Release - Huntsville has a very large colony of over one million Mexican Free-Tail bats. It is also one of the largest maternity colonies of bats which houses 60% female and 40% male reproducing bats. The current location is a perfect man-made roost which has allowed the bat population to multiply faster than usual. It has also attracted adult males to use the warehouse as a summer roost.

Huntsville's bat population is larger than many other places. Austin's Congress Avenue Bridge has 1.5 million bats. If Huntsville chooses to promote bat watching, we can be known as the predominant East Texas destination.

Texas Parks & Wildlife Code Title 5, Subtitle B, Chapter 63, Subchapter B 63.101 states that the bats are protected. This is where the problem in Huntsville lies. As of right now, TDCJ has a plan to wait until the bats leave for the winter in 2022 and tear down the warehouse that currently houses them in the spring of 2023. When this occurs, the bats will become a problem for citizens of Huntsville, Texas.

People who have lived in areas prevalent with bats have experienced bats entering their homes and choosing to roost in their attics. Mexican free-tailed bats live in colonies of thousands. When they choose to invade a home it will be very problematic for the homeowner. This has been experienced by residents of nearby Conroe who were forced to spend thousands of dollars to have bats removed from their homes.

As of today, the Texas Department of Criminal Justice and the Texas Parks and Wildlife Department have allowed a large portion of the warehouse where the bats reside to be removed. There are already cases of bats being found in local buildings.

Anyone who is interested in learning more and becoming involved can join the Huntsville Bat Society Facebook group at <https://www.facebook.com/groups/1193243801419814/>.

Huntsville Bat Society

“Guano Happens.” Ilan Shamir

Contact:

Daiquiri Beebe
Huntsville Bat Society
1212 12th St
Huntsville, TX 77340
Direct: (936) 870-5276
bb@huntsvillexrealtor.com

The Huntsville Item-Bats, Bats, Bats Oh My! 5/13/22

Do you know that in Huntsville, TX we have a very large colony of over one million Mexican Free-Tail bats? It is also one of the largest maternity colonies of bats which houses 60% female and 40% male reproducing bats. The current location is a perfect man-made roost which has allowed the bat population to multiply faster than usual. It has also attracted adult males to use the warehouse as a summer roost. While the idea may be creepy or disgusting to some, many people enjoy watching bats fly out of their dark habitats all around the world.

Some places known for bats are Carlsbad Caverns in New Mexico and the Congress Avenue Bridge in Austin on Lake Travis. Houston even has a population of bats located at the Waugh Drive Bridge in Downtown Houston. If Huntsville chooses to promote bat watching, we can be known as the only East Texas destination.

What most people don't know is that Huntsville's bat population is larger than many of those other places. Austin's Congress Avenue Bridge has 1.5 million bats.

Texas Parks & Wildlife Code Title 5, Subtitle B, Chapter 63, Subchapter B 63.101 states that the bats are protected. This is where the problem in Huntsville lies. As of right now, TDCJ has a plan to wait until the bats leave for the winter in 2022 and tear down the warehouse that currently houses them in the spring of 2023. Where will the bats return to when they migrate back to Huntsville? Some say, the bat houses. The bat houses located on 14th St between Avenue J and Avenue I have been in existence for a couple of years now and it has been determined that they were not built to meet the needs of the bats and they are too hot for the bats to live in. The bats have not chosen to roost in them since they have been built. The material that these houses are made of is not designed to withstand the wear and tear of bat guano and will only last a couple of years if the bats do decide to move into them, which has not happened yet.

According to the conservationist at batcon.org, the bats in Huntsville will not relocate to the bat houses and this attempt to relocate bats has failed in other places on many occasions. In the past few years, the warehouse was boarded up by TDCJ and the bats ended up roosting on campus at SHSU causing problems until the warehouse was opened back up for them to return.

People who have lived in areas prevalent with bats have experienced bats entering their homes and choosing to roost in their attics. Mexican free-tailed bats live in colonies of thousands. When they choose to invade a home it will be very problematic for the homeowner. This has been experienced by residents of nearby Conroe who were forced to spend thousands of dollars to have bats removed from their homes.

There are benefits to having the bats located in Huntsville. They feast on pests including mosquitoes. They have the ability to eat almost half of their body weight in insects each day and many people who come from Houston notice that Huntsville has less mosquitoes. Bats act as

pollinators for agave plants which is what Tequila is made from and they help scatter seeds for new plant growth.

The City of Huntsville and Walker County will benefit financially from sales tax dollars brought in by tourism by people who want to visit Huntsville and watch the bats.

As of today, the Texas Department of Criminal Justice and the Texas Parks and Wildlife Department have allowed a large portion of the warehouse where the bats reside to be removed. As mentioned earlier, the Texas Parks and Wildlife Department is supposed to be protecting the bat population. This does not seem to be the case with the information that is currently available.

The Mexican Free-Tail, *Tadarida Brasiliensis* was declared the “Official Flying Mammal” of the State of Texas by the 74th Legislature. If you are interested in preventing problems in Huntsville and promoting our fascinating bat population, please join the Facebook group, “Huntsville Bat Society” and reach out to your local government officials with your concern for the bats. There will be a Huntsville Bat Society Happy Hour at Rodeo restaurant on Monday, May 23rd from 5-7pm with Batritas, Bat shots, T-shirts, Decals, bat information and more. Join us and bring your friends to help save the bats.



CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 3.c.

Agenda Item: Consider membership in the Transportation Excellence for the 21st Century (TEX-21) organization.

Initiating Department/Presenter: City Council

Presenter:

Andy Brauningner, Mayor

Recommended Motion: Move to authorize the City Manager to apply for membership in the Transportation Excellence for the 21st Century (TEX-21) organization.

Strategic Initiative: Goal #4, Infrastructure - Ensure the quality of the City utilities, transportation and physical structures so that the City's core services can be provided in an effective and efficient manner.

Discussion: Transportation Excellence for the 21st Century (TEX-21) is an organization whose purpose is to join together cities, counties, private businesses, ports, and transportation entities in a collective, informed voice to the State and Federal Executive and Legislative Policymakers to improve transportation in Texas. This effort includes strategies to increase investment in multi-modal transportation infrastructure, improve the planning and management of our transportation facilities, and increase the awareness of the importance of transportation to all areas of Texas. One of the major projects the organization is working on is the Interstate 14 project, also known as the forts to ports initiative. I-14 is a proposed east-west highway that stretches from the Georgia coast to Midland/Odessa in west Texas. The proposed corridor runs through Huntsville and roughly follows US 190 east from Livingston and SH 30 west to Bryan College Station.

According to TEX-21, the benefits of membership include the following:

- Opportunities to create relationships with transportation advocates from across affected states
- High-level access to transportation decision makers at the Federal and State levels
- Opportunities to raise awareness of transportation needs in the region
- Focused attention on key transportation corridors to include I-14
- Up-to-date information and analysis of key transportation policy issues
- Annual membership for Huntsville is \$5,000 and the membership fees would be pro-rated for the remainder of the year.

Previous Council Action: Council received a presentation from members of the coalition at the May 17th, 2022 Council meeting.

Financial Implications: Item is not budgeted. The membership fee for the remainder of 2022 is \$2,500 and funds are available in the Administration budget. Membership fees in subsequent years will be \$5,000 annually.

Approvals:

Rick Rudometkin

Aron Kulhavy

Kristy Doll

Associated Information:

1. Tex 21 summary



HISTORY & ACHIEVEMENTS

Transportation EXcellence for the 21st Century (TEX-21) was founded over twenty years ago as a result of the Transportation Summit hosted by the City of Irving. Summit attendees repeatedly lamented “transportation is such a critical issue; we need to meet more than once a year.” This concept gave rise to TEX-21. We are a non-profit organization made up of cities, counties, economic development corporations and private business that meet on a monthly basis in various locations around the state in order to educate ourselves on diverse infrastructure needs, at the same time educating others on policy issues that needed attention. In 1999, when TEX-21 began, we had five successful legislative points.

The first issue that TEX-21 undertook was transportation funding. In the past, each individual community would fight to get funding for their specific project. The problem was that funding was incredibly limited, so they were fighting over a “sliver from a very small pie.”

TEX-21 adopted the theory that, “a rising tide raises all ships.” The communities that banded together under TEX-21 worked to increase the size of the “pie” itself. At that time, the transportation budget in Texas was only \$4 billion per biennium. Through various efforts, TEX-21 achieved its goal of raising awareness of the importance of mobility to communities throughout the state. They also educated them on how much tax revenue was raised, where it came from, and where the funds were being spent. In 2001, TEX-21 promoted the Mobility Fund Initiative, which passed. In 2003, the legislature passed ten TEX-21 Initiatives.

Of course, transportation funding continued to be a major imperative for TEX-21. We developed numerous tools adopted by the legislature that added additional dollars to the TxDOT budget. On the federal level, Texas has always been a donor state. We send more gas tax dollars to Washington, so TEX-21 worked with Senator Kay Bailey Hutchison to get a guaranteed percentage return to all states, allowing the remaining percentage to be used by states that do not generate enough gas tax dollars to maintain the interstate system. We also supported exemption from gas taxes for transit entities. This was a common sense initiative, since essentially one taxing governing entity was paying another taxing entity.

Through this process, several other initiatives were adopted. From the inception of TEX-21, one of the top priorities was ending diversions from Fund VI, the transportation funding account. The major diversion, besides the constitutional education funding portion (25% of the gas tax), was Department of Public Safety funding. We realized the need to end that diversion, deciding instead to fund DPS through the general fund. We protected taxpayers by leading an initiative requiring all diversions from the transportation fund to be ended before any type of tax increase was passed by the Legislature. And so since the creation of TEX-21, there has not been a single tax increase. Our initiative may not be the sole cause, but it has certainly played a large role.

Another initiative, brought forward by municipal members and adopted by the full membership early on, was reducing the municipal responsibility for utility relocation costs. This initiative was successful, and was renewed in later years.

TEX-21 has worked to streamline legislative processes, and over the years TEX-21 has generated several ideas for streamlined processes that have been adopted. For example, it was TEX-21’s initiative to simplify vehicle registrations, which has now been successfully implemented.



TEX-21 has long advocated a multi-year reauthorization of the Federal Transportation Bill and the Airport Bill (among others), so that states can have long term funding continuity instead of needing continuing resolution fixes. This is critical, since most projects take many years to plan, design, and build. It is impossible to authorize a project if an entity is unsure that funding will be available the following year to complete construction. We also accomplished modifications in each reauthorization bill that eliminated many of the “silos” that had formed, creating unnecessarily specific federal requirements for use.

TEX-21 began coalitions along various corridors in Texas. The coalition dedicated to I-30 directly led to an official TxDOT Corridor Study, which ultimately led to the successful accomplishment of our goal of that highway’s improvement and expansion. We currently maintain several Corridor Coalitions concerning US-287, US-377, I-14, and US-175.

We have also urged the State to use its bonding capacity to the full extent possible, which was also accepted by TXDOT.

Each toll road authority in Texas operates under different rules. TEX-21 worked toward equality across all toll entities, so all Texans would be treated fairly. While not every toll authority operates completely the same, several of these differences have been adjusted and smoothed out. We also supported a universal toll system that allowed drivers to go from one area of the state to another using only one toll tag.

We supported a successful initiative mandating that all toll road revenue should remain in the area they were originally generated, never used to build projects in other areas of the state. We fought unrealistic regulations that would not allow alternative routes to compete with toll roads. We also successfully achieved a temporary moratorium on toll roads construction.

TEX-21 has supported additional security and efficiency at the border, in order to decrease illicit drug and human trafficking.

We have always supported commuter rail systems in Texas. We worked hard to ensure that DART members finally received the commuter rail infrastructure they were promised, including, Irving, Carrollton and Rowlett.

TEX-21 was the first group to discuss high speed rail, with a goal to bring such a system to Texas. We collaborated with Japanese, French, and German rail companies and engineers, bringing them to Texas to aid in designs. At least one of those entities is currently planning to build high speed rail in Texas currently.

We began our research on the expansion of the Panama Canal long before we began making the annual TEX-21 Mission to Panama in 2009. TEX-21 realized that the expansion of the Panama Canal could jeopardize the usefulness of Texas gulf ports, since major shipping companies would be using ships with wider bodies and deeper draft depths. At the time, Texas ports could not accommodate the vast sizes of these new vessels.



We brought research to the Texas Legislature, which was given a subcommittee hearing. Lieutenant Governor Dan Patrick realized through TEX-21's efforts that Texas is a Maritime State, with billions of dollars in trade passing through our ports annually. He understood that no one along the Gulf Coast had prepared for these new ships, and that Texas had the opportunity to be the first. Texas has a huge advantage over West Coast ports, since it is a Right to Work state, eliminating many of the numerous labor problems that West Coast ports have been plagued with.

The Lieutenant Governor created the Senate Select Committee on Ports to study the sea and inland ports in Texas to determine what would need to be done to keep them competitive.

Join TEX-21 today, and be on the front lines of "better mobility through better policy"!

Five-State Expansion of the Congressionally Designated Interstate 14 Corridor

Midland-Odessa, Texas to Augusta, Georgia





CITY COUNCIL AGENDA

6/7/2022

Agenda Item Number: 7.a.

Agenda Item: City Council will convene in closed session as authorized by Texas Government Code, Chapter 551, Section 551.071 – consultation with legal counsel on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with chapter 551 relating to and for the purpose of attorney-client communications concerning City of Huntsville New Police Headquarters and Fire Station #2/Fire Administration Building Project.

Initiating Department/Presenter: City Attorney

Presenter:

Leonard Schneider, City Attorney

Recommended Motion: Not applicable

Strategic Initiative:

Discussion:

Previous Council Action:

Financial Implications:

Approvals:

Leonard Schneider

Kristy Doll

Associated Information: