



CITY COUNCIL REGULAR MEETING CITY OF BAY CITY

Tuesday, April 28, 2026 at 6:00 PM
COUNCIL CHAMBERS | 1901 5th Street

COUNCIL MEMBERS

Mayor: Robert K. Nelson

Mayor Pro Tem: Jim Folse

Council Members: Benjamin Flores, Jim Folse, Bradley Westmoreland, Susan Reardon, Blayne Finlay

Vision Statement

We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.

AGENDA

THE FOLLOWING ITEM WILL BE ADDRESSED AT THIS OR ANY OTHER MEETING OF THE CITY COUNCIL UPON THE REQUEST OF THE MAYOR, ANY MEMBER(S) OF COUNCIL AND/OR THE CITY ATTORNEY:

ANNOUNCEMENT BY THE MAYOR THAT COUNCIL WILL RETIRE INTO CLOSED SESSION FOR CONSULTATION WITH CITY ATTORNEY ON MATTERS IN WHICH THE DUTY OF THE ATTORNEY TO THE CITY COUNCIL UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE OPEN MEETINGS ACT (TITLE 5, CHAPTER 551, SECTION 551.071(2) OF THE TEXAS GOVERNMENT CODE).

CALL TO ORDER AND CERTIFICATION OF QUORUM

INVOCATION & PLEDGE

Texas State Flag Pledge: "Honor The Texas Flag; I Pledge Allegiance To Thee, Texas, One State Under God, One And Indivisible."

Council Member Susan Reardon

MISSION STATEMENT

The City of Bay City promotes economic growth and invests in quality-of-life initiatives through collaboration. We respond promptly and professionally to residents' concerns and strive to deliver superior municipal services.

Council Member Susan Reardon

APPROVAL OF AGENDA

PUBLIC COMMENTS

State Law prohibits any deliberation of or decisions regarding items presented in public comments. City Council may only make a statement of specific factual information given in response to the inquiry; recite an existing policy; or request staff place the item on an agenda for a subsequent meeting.

CEREMONIAL

1. **Introduction of Melanie Townsend as the newly appointed Director of Bay City Community Development Corporation.** Jim Folse, Mayor Pro Tem and BCCDC Board

President

AWARDS AND PROCLAMATIONS

2. **Presentation of 2026 Municipal Traffic Safety Initiatives Award to Municipal Court.** Katy Plunkett, Court Administrator
3. **Presentation ~ Employee promotions for the 2nd Quarter of FY26.** Rhonda Clegg, Human Resources Director
4. **57th Annual Municipal Clerks Week Proclamation.**

ACKNOWLEDGEMENT FROM CITY MANAGER

ITEMS / COMMENTS FROM THE MAYOR & COUNCIL MEMBERS

CONSENT AGENDA ITEMS FOR CONSIDERATION AND/OR APPROVAL

5. **Special Called Meeting minutes of March 18, 2026.**
6. **Council Workshop meeting minutes of March 24, 2026.**
7. **Regular Council Meeting minutes of March 24, 2026.**
8. **Special Called Meeting Minutes of April 14, 2026.**
9. **Declare unusable equipment, supplies, and materials as surplus and authorize staff to sell said surplus equipment, supplies, and materials through the use of an online auction or other means.**
10. **Accounts Payables, Direct Payables, and Utility Refunds for January, February, and March 2026.**
11. **Resolution accepting donation of a 0.702 acre tract of land, authorize the payment of all closing costs associated therewith and authorizing mayor to sign all documents for closing.**

DEPARTMENT REPORTS

12. **Public Works Department Report.** Krystal Mason, Assistant Director of Public Works

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

13. **Finance ~ Discuss, Consider, and/or Approve the Annual Comprehensive Finance Report (ACFR) for the Fiscal Year ending September 30, 2025.** Jennifer Davis, Finance Manager
14. **Finance ~ Discuss, Consider, and/or Approve the City's Quarterly Financial and Investment Report for the Quarter Ending March 31, 2026.** Jennifer Davis, Finance Manager
15. **Resolution ~ A Resolution of the City of Bay City, Texas, authorizing the submission**

of a Catalytic Converter Theft Prevention Grant Program application. Christella Rodriguez, Police Chief

16. **Resolution ~ Discuss, consider, and/or approve a Resolution authorizing the execution of a Grant Agreement with the Texas Water Development Board (TWDB) for funding of the North Water Treatment Plant and Transmission Line project, approving an Escrow Agreement, and authorizing the Mayor to execute all necessary documents related thereto.** Gabriel Lopez, Engineering Tech
17. **Ordinance – Discuss, consider, and/or approve an Ordinance of the City Council of the City of Bay City, Texas amending Chapter 22 “Buildings and Building Regulations” of the Code of Ordinance by adopting revisions to Article XI “Vacant Buildings and Property” to the City of Bay City’s Code of Ordinances to provide for the regulation of vacant buildings and property; repealing all related ordinances or parts of ordinances in conflict therewith; providing for a severability clause; providing for publication and prescribing an effective date.** Krystal Mason, Assistant Public Works Director

CLOSED / EXECUTIVE SESSION

18. **Executive Session ~ Executive Session ~ Executive Session pursuant to Texas Government Code Section 551.072 (Deliberation regarding Real Property).**
19. **Executive Session ~ Executive Session pursuant to Section 551.071(2) of the Texas Government Code (Consultation with Counsel on Legal Matters)**
20. **Executive Session ~ Executive Session pursuant to Texas Government Code Section 551.087 (Deliberation regarding Economic Development).**

RECONVENE AND ACTION

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

21. **Contract/Agreement ~ Discuss YMCA Contract and take any action deemed necessary.**

ITEMS / COMMENTS FROM THE MAYOR, COUNCIL MEMBERS AND CITY MANAGER

ADJOURNMENT

AGENDA NOTICES:

Attendance By Other Elected or Appointed Officials: It is anticipated that members of other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or

committee subject to the Texas Open Meetings Act.

CERTIFICATION OF POSTING

This is to certify that the above notice of a Regular Called Council Meeting was posted on the front window of the City Hall of the City of Bay City, Texas on **April 22, 2026 before 6:00 p.m.** Any questions concerning the above items, please contact the Mayor and City Manager's office at (979) 245-2137.



**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	4/28/2026	Date Submitted:	4/9/2026
Prepared By:	Katy Plunkett	Presented By <i>(if different)</i>	
Department:	Municipal Court	Type of Agenda Item:	Award/Proclamation

ITEM TITLE: MTSI Award Presentation

AGENDA LANGUAGE:

Presentation of 2026 Municipal Traffic Safety Initiatives Award to Municipal Court

EXECUTIVE SUMMARY/BACKGROUND

Bay City Municipal Court was awarded for their tremendous efforts in traffic safety for the 5th consecutive year at the annual TMCEC MTSI Awards Ceremony on April 2, 2026. Juvenile Case Manager, Ginger Iovanna and Court Clerk, Lillie Norris lead our annual Traffic Safety presentations at area schools this year. Children from Pre-K to Second Grade were presented with a child safety seat demonstration, information on proper safety seat use, a traffic safety book reading and were able to participate in a bicycle obstacle course complete with child-size traffic signs. While these ladies headed to schools, Debbi Lopez-Abbott graciously stayed behind to assist customers at Municipal Court and Court Administrator, Katy Plunkett completed the application process for the award. Due to the efforts of our incredible team we were once again awarded along with 28 other Municipal Courts across the state Texas.

STRATEGIC PLAN GOALS ADDRESSED:

	☐		☒		☐		☐		☐		☒
Safety & Community Appearance		Community & Civic Engagement		Infrastructure		Planning & Development		Culture & recreation		Operational Excellence	

FINANCIAL NOTES

- N/A

RECOMMENDATION: N/A

ATTACHMENTS: N/A



**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	4/28/2026	Date Submitted:	4/21/2026
Prepared By:	Rhonda Clegg	Presented By <i>(if different)</i>	
Department:	Human Resources	Type of Agenda Item:	Award/Proclamation

ITEM TITLE: 2nd Quarter Promotions

AGENDA LANGUAGE:

Employee promotions for the 2nd Quarter of FY26.

EXECUTIVE SUMMARY/BACKGROUND

STRATEGIC PLAN GOALS ADDRESSED:

	☐		☐		☐		☐		☐		☒
Safety & Community Appearance		Community & Civic Engagement		Infrastructure		Planning & Development		Culture & recreation		Operational Excellence	

FINANCIAL NOTES

- N/A

RECOMMENDATION:

ATTACHMENTS: See attached.



Human Resources Department PROMOTION(S) for 2nd Quarter

Below is the breakdown of recent promotions for the second quarter of FY26.

Quarter 2 - FY26

- **Police**
 - Johnny Cagle
 - Police Officer to Detective
 - Dillan Wakefield
 - Police Officer to Corporal
 - James Philp
 - Sergeant to Lieutenant
- **Utility Billing**
 - Kerstine Savage
 - Utility Customer Service Specialist I to Utility Customer Service Specialist II
- **Public Works**
 - Abeni Woods
 - Street & Bridge Maintenance Tech I to Street & Bridge Maintenance Tech II
 - Marlon Swist
 - Electrician Helper to Facilities Maintenance Supervisor



CITY COUNCIL SPECIAL CALLED MEETING CITY OF BAY CITY

Wednesday, March 18, 2026 at 4:00 PM
COUNCIL CHAMBERS | 1901 5th Street

COUNCIL MEMBERS

Mayor: Robert K. Nelson

Mayor Pro Tem: Jim Folse

Council Members: Benjamin Flores, Jim Folse, Bradley Westmoreland, Susan Reardon, Blayne Finlay

Vision Statement

We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.

MINUTES

CALL TO ORDER AND CERTIFICATION OF QUORUM

The meeting was called to order by Mayor Robert K. Nelson at 4:02 PM.

PRESENT:

Mayor Robert K. Nelson

Mayor Pro Tem Jim Folse

Council Member Susan Reardon

Council Member Blayne Finlay

ABSENT:

Council Member Benjamin Flores

Council Member Bradley Westmoreland

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Motion made by Council Member Reardon to approve the agenda. Seconded by Council Member Finlay. Voting Yea: Mayor Nelson, Mayor Pro Tem Folse, Council Member Reardon, Council Member Finlay. Motion carried.

PUBLIC COMMENTS

Patrick Garcia, resident of 3505 Monroe Street, made a public comment voicing his concerns about the PID in the Russell Ranch Subdivision. He feels like the residents were placed in a financial situation that was voted on in 2024, before the residents made their home purchases. He asked council to come up with a solution. City Manager, Scotty Jones, explained the PID, stated she would gather information, and asked residents to sign up to be contacted individually.

There were no other public comments.

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

1. **Resolution ~ Discuss, consider, and/or approve the award of administration/project delivery services to complete application preparation/project implementation for the Texas Community Development Block Grant (TxCDBG) Downtown Revitalization/Main Street Program administered and funded by the Texas Department of Agriculture.**

Engineering Tech, Gabriel Lopez, presented and discussed awarding administration/ project delivery services to complete application preparation/ project implementation. There was one submittal; GrantWorks was awarded.

Motion made by Council Member Reardon to approve the awarding GrantWorks for administration/ project delivery services to complete application preparation/ project implementation for the Texas Community Development Block Grant (TxDBG) Downtown Revitalization/ Main Street Program administered and funded by the Texas Department of Agriculture. Seconded by Mayor Pro Tem Folse. Voting Yea: Mayor Nelson, Mayor Pro Tem Folse, Council Member Reardon, Council Member Finlay. Motion carried.

2. **Resolution ~ Discuss, consider, and/or approve the award of engineering/architectural/surveying services to complete project implementation for Bay City's Texas Community Development Block Grant (TxCDBG) Downtown Revitalization/Main Street Program funding administered by the Texas Department of Agriculture.**

Engineering Tech, Gabriel Lopez, discussed and presented awarding engineering/ architectural/ surveying services to complete project implementation. There were five submittals; CivilCorp engineering scored the highest.

Motion made by Mayor Pro Tem Folse to approve the awarding CivilCorp for engineering/ architectural/ surveying to complete project implementation for Bay City's Texas Community Development Block Grant (TxCDBG) Downtown Revitalization/ Main Street Program funding administered by the Texas Department of Agriculture. Seconded by Council Member Reardon. Voting Yea: Mayor Nelson, Mayor Pro Tem Folse, Council Member Reardon, Council Member Finlay. Motion carried.

3. **Resolution ~ Discuss, consider, and/or approve the award of administration/project delivery services to complete application preparation and project implementation activities associated with potential Community Development Block Grant Disaster Recovery (CDBG-DR) funding administered by the Texas General Land Office.**

Gabriel Lopez, Engineering Tech, discussed awarding administration/ project delivery services to complete application preparation and project implementation. There were three submittals; GrantWorks scored the highest.

Motion made by Mayor Pro Tem Folse to approve awarding GrantWorks for grant administration/ project delivery services to complete application preparation and project implementation activities associated with potential Community Development Block Grant Disaster Recovery (CDBG-DR) funding administered by the Texas General Land Office. Seconded by Council Member Finlay. Voting Yea: Mayor Nelson, Mayor Pro Tem Folse, Council Member Reardon, Council Member Finlay. Motion carried.

4. **Resolution ~ Discuss, consider, and/or approve the award of engineering/architectural services to support application development and potential project implementation associated with Community Development Block Grant Disaster Recovery (CDBG-DR) funding administered by the Texas General Land Office.**

Engineering Tech, Gabriel Lopez, discussed awarding engineering/ architectural services to support application development and potential project implementation. There were three submittals; Huitt-Zollars scored the highest.

Motion made by Council Member Reardon to approve awarding Huitt-Zollars for engineering/ architectural services to support application development and potential project implementation associated with Community Development Block Grant Disaster Recovery (CDBG-DR) funding administered by the Texas General Land Office. Seconded by Mayor Nelson. Voting Yea: Mayor Nelson, Mayor Pro Tem Folse, Council Member Reardon, Council Member Finlay. Motion carried.

ADJOURNMENT

City Manager, Scotty Jones, stated she would be reaching out to all who signed up to be contacted. She wants the best outcome for all. Council Member, Blayne Finlay, asked the City Manager to please keep council posted so they have appropriate responses for the public, if and when approached regarding the PID topic. Council Member Finlay also asked for a spot on future Special Called agendas for council comments. City Secretary, Jeanna Thompson, stated she will adjust the template for future Special Called meeting agendas to accommodate council comments. Mayor Pro Tem Folse, commented Bay City Little League had a great turnout for their opening ceremonies this past Saturday. The league made a lot of money. He also announced the Great steak Cook-off is coming up this weekend and to please attend. Engineering Tech, Gabriel Lopez, introduced Grantworks staff, who thanked Council for working with them. Mayor Nelson thanked GrantWorks for their continued relationship with the City. Council Member Susan Reardon mirrored Council Member Finlay's comment and stated the City Manager is working diligently to address the concerns. We hear you and hope to get to a good solution for all. Mayor thanked James Mason. He met with the director of the air ambulance, who spoke very highly of James.

The meeting adjourned at 4:29 PM.

PASSED AND APPROVED, this ____ day of _____.

ROBERT K. NELSON, MAYOR
CITY OF BAY CITY, TEXAS

JEANNA THOMPSON
CITY SECRETARY



CITY COUNCIL WORKSHOP CITY OF BAY CITY

Tuesday, March 24, 2026 at 4:30 PM
COUNCIL CHAMBERS | 1901 5th Street

COUNCIL MEMBERS

Mayor: Robert K. Nelson

Mayor Pro Tem: Jim Folse

Council Members: Benjamin Flores, Jim Folse, Bradley Westmoreland, Susan Reardon, Blayne Finlay

Vision Statement

We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.

MINUTES

CALL TO ORDER AND CERTIFICATION OF QUORUM

The meeting was called to order by Mayor Robert K. Nelson at 4:32 PM.

PRESENT:

Mayor Robert K. Nelson

Council Member Benjamin Flores

Mayor Pro Tem Jim Folse

Council Member Bradley Westmoreland

Council Member Susan Reardon

Council Member Blayne Finlay

PUBLIC COMMENTS

There were no public comments.

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

1. **Review and discuss Chapter 22 "Buildings and Building Regulations" Article XI "Vacant Buildings and Property" of the Code of Ordinance and take any action deemed necessary.** Krystal Mason, Assistant Public Works Director

Assistant Public Works Director, Krystal Mason, presented and discussed Article XI "Vacant Buildings and Property" of the Code of Ordinances.

Mayor Robert K. Nelson suggested some language changes to the Code of Ordinances. Under section 22-520 (a), change wording to remove "preservation." On page 2 under section Residential (d) (2), change "in side" to "inside". On page 4 section (f) he voiced a concern about a vacant building placard. Krystal Mason explained the placard simply states the building is registered by the City, it does not mention vacancy.

2. **Review ordinances related to Planning Commission and Variance Committee functions.**

City Secretary, Jeanna Thompson, provided background information and stated that the duties of the Variance Committee are in conflict with various chapters of the Code of Ordinance that specify those are duties of the Planning Commission.

ITEMS / COMMENTS FROM THE MAYOR, COUNCIL MEMBERS AND CITY MANAGER

There were no comments.

ADJOURNMENT

The meeting adjourned at 5:09 PM.

PASSED AND APPROVED, this ____ day of _____.

ROBERT K. NELSON, MAYOR
CITY OF BAY CITY, TEXAS

JEANNA THOMPSON
CITY SECRETARY



CITY COUNCIL REGULAR MEETING CITY OF BAY CITY

Tuesday, March 24, 2026 at 6:00 PM
COUNCIL CHAMBERS | 1901 5th Street

COUNCIL MEMBERS

Mayor: Robert K. Nelson

Mayor Pro Tem: Jim Folse

Council Members: Benjamin Flores, Jim Folse, Bradley Westmoreland, Susan Reardon, Blayne Finlay

Vision Statement

We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.

MINUTES

CALL TO ORDER AND CERTIFICATION OF QUORUM

The meeting was called to order by Mayor Robert K. Nelson at 6:00 PM.

PRESENT:

Mayor Robert K. Nelson

Council Member Benjamin Flores

Mayor Pro Tem Jim Folse

Council Member Bradley Westmoreland

Council Member Susan Reardon

Council Member Blayne Finlay

INVOCATION & PLEDGE

Texas State Flag Pledge: "Honor The Texas Flag; I Pledge Allegiance To Thee, Texas, One State Under God, One And Indivisible."

Mayor Pro Tem Jim Folse

MISSION STATEMENT

The City of Bay City promotes economic growth and invests in quality-of-life initiatives through collaboration. We respond promptly and professionally to residents' concerns and strive to deliver superior municipal services.

Councilman Bradley Westmoreland

APPROVAL OF AGENDA

Motion made by Council Member Westmoreland to approve the agenda with item number eight being tabled. Seconded by Mayor Pro Tem Folse. Voting Yea: Mayor Nelson, Council Member Flores, Mayor Pro Tem Folse, Council Member Westmoreland, Council Member Reardon, Council Member Finlay. Motion carried.

PUBLIC COMMENTS

There were no Public Comments.

AWARDS AND PROCLAMATIONS

1. **Proclamation declaring Month of April 2026 as "Sexual Assault and Child Abuse Awareness Month."**

The Proclamation was read and presented by Mayor Robert K. Nelson to the Matagorda County Crisis Center.

2. **Presentation of 2025 TMLDA Achievement of Excellence in Libraries Award.**

Communications & Cultural Arts Director, Samantha Denbow, presented Library staff with the 2025 TLDA Achievement of Excellence in Libraries Award. Bay City Public Library is 1 out of 101 libraries in the state that received this award, putting Bay City Public Library in the top 20% of public libraries in the state of Texas.

ACKNOWLEDGEMENT FROM CITY MANAGER

City Manager, Scotty Jones, acknowledged and presented awards to Parks & Recreation staff members Martina Paniagua, Eric Cortinas, and Brian Trevino, for their quick response and efforts to save a co-worker during a medical emergency. Ms. Jones then gave attaboys to the Public Works staff that worked on the striping upgrades on 6th Street, and also on Nichols from 16th Street to Speedy Stop. She also gave brief TXDOT updates. She stated there is striping being done on Highway 60 and Highway 35. Downtown area restriping is coming soon. There will be a 2nd public meeting on May 21st regarding the relief route. Lastly, she spoke of past and upcoming City events and updates on the Animal Ordinance.

ITEMS / COMMENTS FROM THE MAYOR & COUNCIL MEMBERS

Mayor Pro Tem, Jim Folse, announced the Lion's Pancake Supper this Thursday at the KC Hall, and the EAC Senior Prom on April 16th. He also stated the Great Steak Cook-Off this past Saturday was a nice and well-attended event. Mayor Nelson asked Public Works Director, Herb Blomquist, about the timing of the traffic lights.

CONSENT AGENDA ITEMS FOR CONSIDERATION AND/OR APPROVAL

Motion made by Council Member Reardon to approve all consent agenda items. Seconded by Mayor Pro Tem Folse. Voting Yea: Mayor Nelson, Council Member Flores, Mayor Pro Tem Folse, Council Member Westmoreland, Council Member Reardon, Council Member Finlay. Motion carried.

3. **Ratify the Intergovernmental Agreement between the City of Bay City and Calhoun County regarding housing of Bay City inmates in the Calhoun County jail.**
4. **Agreement between the City of Bay City and the YMCA of the Golden Crescent for the operation of the Hilliard Pool from May 1, 2026 to September 30, 2026.**
5. **Declaration of unusable vehicles, equipment, supplies, and/ or materials as surplus and authorize staff to sell said surplus vehicles, equipment, supplies, and/ or materials through the use of an online auction or other means.**

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

- 6. Budget ~ Discuss the FY 27 Budget Calendar and Budget Process and take any action deemed necessary.**

Finance Manager, Jennifer Davis, presented the FY 27 budget calendar and budget process. She pointed out changes to a few topics and stated there was a shift to the capital planning input sessions to May instead of June. This is taking what was adopted in FY 2026 and rolling it forward, which is the key reason for the change in the packet. June 9th is an open space holder for a potential Special Called meeting. August 18th is the presentation of the budget. The budget can be adopted on September 22nd.

- 7. Resolution ~A Resolution of the City of Bay City, Texas authorizing a Downtown Façade Improvement and Resiliency Program to support code compliance and revitalization efforts with funds from the Tax Increment Reinvestment Zone (TIRZ) No. 1.**

City Manager, Scotty Jones, addressed the focuses and what improvements the program will allow. This program will also assist in offsetting the costs for the state required upgrades and repairs. The City will be able to assist by putting more money into compliance and historic projects.

Motion made by Mayor Pro Tem Folse to approve a Resolution authorizing a Downtown Facade Improvement and Resiliency Program to support code compliance and revitalization efforts with funds from the Tax Increment Reinvestment Zone (TIRZ) No. 1. Seconded by Council Member Westmoreland. Voting Yea: Mayor Nelson, Council Member Flores, Mayor Pro Tem Folse, Council Member Westmoreland, Council Member Reardon, Council Member Finlay. Motion carried.

- 8. Agreement ~ Discuss, consider, and/or approve a Chapter 380 Economic Development Agreement between the City of Bay City and Bay City Community Development Corporation for an Aquatic Center Project.**

This item was tabled.

- 9. Resolution ~ Discuss, consider and/or approve a resolution authorizing the submission of a Texas Community Development Block Grant (TxCDBG) application to the Texas Department of Agriculture for the 2026 Downtown Revitalization Program.**

Engineering Tech, Gabriel Lopez, discussed the TxCDBG Mainstreet Program application development process. Authorization from Council is needed to submit the application and also to commit to a 5% match. The full award is 1 million dollars, putting it up to \$50,000.

Motion made by Council Member Westmoreland to approve the resolution authorizing the submission of a Texas Community Block Grant (TxCDBG) application to the Texas Department of Agriculture for the 2026 Downtown Revitalization Program. Seconded by Council Member Flores. Voting Yea: Mayor Nelson, Council Member Flores, Mayor Pro Tem Folse, Council Member Westmoreland, Council Member Reardon, Council Member Finlay. Motion carried.

10. Bids ~ Discuss, consider and/or approve authorizing the advertisement for bids for the Area 14 Drainage Improvements Project under GLO Contract No. 24-065-149-F008.

Engineering Tech, Gabriel Lopez, discussed the 3.18 million dollar grant from GLO related to drainage improvements. The City received authorization to use grant funds. The project is split into 2 areas; Area 14 - Whitson/ Duncan area. Mr. Lopez stated he is comfortable moving forward with bids. Area 19 is still under design and will be brought forth to Council at a later date. Area 14 will be brought back to Council so the lowest bidder can be granted.

Motion made by Council Member Flores to approve authorizing the advertisement for bids for the Area 14 Drainage Improvements Project under GLO Contract No. 24-065-149-F008. Seconded by Council Member Finlay. Voting Yea: Mayor Nelson, Council Member Flores, Mayor Pro Tem Folse, Council Member Westmoreland, Council Member Reardon, Council Member Finlay. Motion carried.

11. Financials ~ Discuss 2026-2027 TWIA and AmRisk Windstorm Policy Renewals and take any action deemed necessary.

Accounting Specialist, Ashley Girlinghouse presented and discussed the 2026-2027 TWIA and AmRisk Windstorm Policy Renewals. The City is projected to save \$21,000 from the projected year.

Motion made by Council Member Finlay to approve 2026-2027 TWIA and AmRisk Windstorm Policy Renewals. Seconded by Council Member Westmoreland. Voting Yea: Mayor Nelson, Council Member Flores, Mayor Pro Tem Folse, Council Member Westmoreland, Council Member Reardon, Council Member Finlay. Motion carried.

CLOSED / EXECUTIVE SESSION

Council went into Executive Session at 6:43 PM.

12. Executive Session ~ Executive Session pursuant to Texas Government Code Section 551.087 (Deliberation regarding Economic Development).

13. Executive Session ~ Executive Session pursuant to Section 551.071(2) of the Texas Government Code (Consultation with Counsel on Legal Matters)

RECONVENE AND ACTION

Council reconvened at 7:19 PM. No action was taken.

ITEMS / COMMENTS FROM THE MAYOR, COUNCIL MEMBERS AND CITY MANAGER

Council Member Flores asked for an electronic copy of the budget calendar.

Council Member Westmoreland asked for updates on his previous request on increasing the hours of the Recycling Center. City Manager, Scotty Jones, stated they are exploring some options, but she would get updates.

ADJOURNMENT

The meeting was adjourned 7:21 PM.

PASSED AND APPROVED, this ____ day of _____.

ROBERT K. NELSON, MAYOR
CITY OF BAY CITY, TEXAS

JEANNA THOMPSON
CITY SECRETARY



CITY COUNCIL SPECIAL CALLED MEETING CITY OF BAY CITY

Tuesday, April 14, 2026 at 4:30 PM
COUNCIL CHAMBERS | 1901 5th Street

COUNCIL MEMBERS

Mayor: Robert K. Nelson

Mayor Pro Tem: Jim Folse

Council Members: Benjamin Flores, Jim Folse, Bradley Westmoreland, Susan Reardon, Blayne Finlay

Vision Statement

We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.

MINUTES

CALL TO ORDER AND CERTIFICATION OF QUORUM

The meeting was called to order by Mayor Robert K. Nelson at 4:30 PM.

PRESENT:

Mayor Robert Nelson

Mayor Pro Tem Jim Folse

Council Member Bradley Westmoreland

Council Member Susan Reardon

Council Member Blayne Finlay

ABSENT:

Council Member Benjamin Flores

INVOCATION & PLEDGE

Texas State Flag Pledge: "Honor The Texas Flag; I Pledge Allegiance To Thee, Texas, One State Under God, One And Indivisible."

Councilwoman Susan Reardon

MISSION STATEMENT

The City of Bay City promotes economic growth and invests in quality-of-life initiatives through collaboration. We respond promptly and professionally to residents' concerns and strive to deliver superior municipal services.

Councilwoman Susan Reardon

APPROVAL OF AGENDA

Motion made by Council Member Westmoreland to approve the agenda. Seconded by Council Member Finlay. Voting Yea: Mayor Nelson, Mayor Pro Tem Folse, Council Member Westmoreland, Council Member Reardon, Council Member Finlay. Motion carried.

PUBLIC COMMENTS

There were no public comments.

CONSENT AGENDA ITEMS FOR CONSIDERATION AND/OR APPROVAL

1. Regular Council Meeting Minutes of February 24, 2026.
2. Council Workshop meeting minutes of February 25, 2026.

Motion made by Mayor Pro Tem Folse to approve all Consent Agenda items. Seconded by Council Member Finlay. Voting Yea: Mayor Nelson, Mayor Pro Tem Folse, Council Member Westmoreland, Council Member Reardon, Council Member Finlay. Motion carried.

ACKNOWLEDGEMENT FROM CITY MANAGER

ITEMS / COMMENTS FROM THE MAYOR & COUNCIL MEMBERS

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

3. **Presentation: Receive and discuss Change Order #1 for the 6th Street and I Avenue and Mockingbird Water Treatment Plants and take any action deemed appropriate.**

Public Works Director, Herb Blomquist, gave a brief explanation and updates, then introduced Alec Macmanus with Garver, who presented the plan for change order #1. He also discussed the three options available, which council unanimously agreed that option three made the most sense for the City. City Manager, Scotty Jones, confirmed that the City is good to move forward with that option as it is staff's decision to make.

Motion made by Council Member Finlay to approve change order #1, option three. Seconded by Council Member Westmoreland. Voting Yea: Mayor Nelson, Mayor Pro Tem Folse, Council Member Westmoreland, Council Member Reardon, Council Member Finlay. Motion carried.

4. **Discuss, consider and/or approve authorizing the advertisement for bids for the Diversion Channel Drainage Improvements Project under FEMA DR-4332-0330.**

Engineering Tech, Gabriel Lopez, gave a brief overview of the plan for upcoming bids and a brief history of the need for these improvements.

Motion made by Council Member Westmoreland to approve authorizing bids for the Diversion Channel Drainage Improvements Project under FEMA DR-4332-0330. Seconded by Council Member Reardon. Voting Yea: Mayor Nelson, Mayor Pro Tem Folse, Council Member Westmoreland, Council Member Reardon, Council Member Finlay. Motion carried.

CLOSED / EXECUTIVE SESSION

There was no Executive Session.

RECONVENE AND ACTION

ITEMS / COMMENTS FROM THE MAYOR, COUNCIL MEMBERS AND CITY MANAGER

City Manager, Scotty Jones, made a comment that she drove by Cypress where road work was done, and it looked good. Council Member Finlay and Mayor Pro Tem Folse asked that any pictures be posted to the public.

ADJOURNMENT

The meeting adjourned at 5:04 PM.

PASSED AND APPROVED, this ____ day of _____.

ROBERT K. NELSON, MAYOR
CITY OF BAY CITY, TEXAS

JEANNA THOMPSON
CITY SECRETARY



**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	04/28/2026	Date Submitted:	3/19/26
Prepared By:	Chris Boudreaux	Presented By <i>(if different)</i>	
Department:	IT	Type of Agenda Item:	Consent

ITEM TITLE: IT Surplus – AV Equipment

AGENDA LANGUAGE:

Declare unusable equipment, supplies, and materials as surplus and authorize staff to sell said surplus equipment, supplies, and materials through the use of an online auction or other means.

EXECUTIVE SUMMARY/BACKGROUND

I am formally requesting approval to surplus the audio/video equipment that has been retired/removed from the Council Chambers which we have determined to be insufficient for any other usage around the various City offices.

The Audio/Video equipment consists of the following:

- Radio Shack 20-Watt PA Amplifier
- Realistic 100-Watt Amplifier
- 2 x old Realistic stand-up speakers
- Biamp Tesira TEC-1S Volume Control Module
- Biamp Tesira HD-1 VOIP Control Module
- Creston 5-port POE Switch
- Biamp Tesira Forte Dan VT4 – Audio Mixer Module
- Biamp Tesira CI – Control Interface Module
- Biamp AMP-A460H – Amplifier Module
- Altona AT-UHD-CLSO-824 – Video Mixer Module
- Small Audio/Video Cabinet
- Various Audio/Video wiring
- Various Audio/Video microphones

The above listed equipment holds no technological or financial value within the City of Bay City.

STRATEGIC PLAN GOALS ADDRESSED:											
											
Safety & Community Appearance	☐	Community & Civic Engagement	☐	Infrastructure	☐	Planning & Development	☐	Culture & recreation	☐	Operational Excellence	☒

FINANCIAL NOTES											
n/a											

RECOMMENDATION: Declare as surplus

ATTACHMENTS: None



**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	4/28/2026	Date Submitted:	4/20/2026
Prepared By:	Jennifer Davis	Presented By <i>(if different)</i>	
Department:	Finance	Type of Agenda Item:	Consent

ITEM TITLE: Quarterly AP

AGENDA LANGUAGE:

Accounts Payables, Direct Payables, and Utility Refunds for January, February, and March 2026.

EXECUTIVE SUMMARY/BACKGROUND

BACKGROUND: Per City Charter Section 4.10 (C)- At least once a quarter, Council shall vote to approve the City expenditures made since the last quarter. These expenditures include Accounts Payable and Utility Billing Refunds. Expenditure details can be found on the City's website.

STRATEGIC PLAN GOALS ADDRESSED:

	☐		☐		☐		☐		☐		☒
Safety & Community Appearance		Community & Civic Engagement		Infrastructure		Planning & Development		Culture & recreation		Operational Excellence	

FINANCIAL NOTES

Financial Implications: None

RECOMMENDATION: Staff recommends City Council approve the Listing of Accounts Payable and Utility Refunds for January through March 2026.

ATTACHMENTS: January through March 2026 Listing of Accounts Payable and Utility Refunds.

AGENDA ITEM REQUEST FOR CITY COUNCIL APPROVAL

PER CHARTER SECTION 4.10 (C) - AT LEAST ONCE A QUARTER, COUNCIL SHALL VOTE TO APPROVE THE CITY EXPENDITURES MADE SINCE THE LAST QUARTER. EXPENDITURE DETAIL CAN BE FOUND ON THE CITY'S WEB. <https://cityofbaycity.mygovcenter.com>

ACCOUNTS PAYABLE	01/09/26
ACCOUNTS PAYABLE	01/15/26
ACCOUNTS PAYABLE	01/23/26
ACCOUNTS PAYABLE	02/06/26
ACCOUNTS PAYABLE	02/13/26
ACCOUNTS PAYABLE	02/20/26
ACCOUNTS PAYABLE	02/27/26
ACCOUNTS PAYABLE	03/06/26

ACCOUNTS PAYABLE	03/13/26
ACCOUNTS PAYABLE	03/20/26
ACCOUNTS PAYABLE	03/27/26

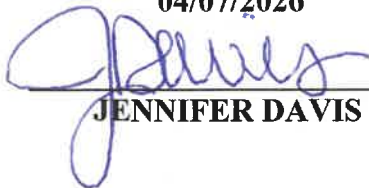
DIRECT PAYABLES	01/13/26
DIRECT PAYABLES	01/30/26
DIRECT PAYABLES	02/10/26
DIRECT PAYABLES	02/11/26
DIRECT PAYABLES	02/24/26
DIRECT PAYABLES	03/27/26

UTILITY REFUNDS	01/09/26
UTILITY REFUNDS	01/30/26
UTILITY REFUNDS	03/16/26

RESPECTFULLY SUBMITTED

FINANCE MANAGER

04/07/2026


JENNIFER DAVIS



AGENDA REQUEST BUSINESS OF THE CITY COUNCIL CITY OF BAY CITY, TEXAS

Meeting Date:	04/28/2026	Date Submitted:	4/20/26
Prepared By:	J Thompson	Presented By <i>(if different)</i>	
Department:	Administration	Type of Agenda Item:	Consent

ITEM TITLE: Resolution ~ Public Safety Center

AGENDA LANGUAGE:

A Resolution of the City of Bay City authorizing the purchase of a 0.702-acre tract contiguous to the Public Safety Center, Bay City, Texas and authorizing Mayor to approve and sign all documents to effectuate closing on behalf of the City of Bay City, Texas.

EXECUTIVE SUMMARY/BACKGROUND

Donation of .702 acres from E Ward Properties contiguous to the Public Safety Center. City to provide a taxable deduction to Seller for the donation. City to provide \$1000 earnest money payable to Escrow Agent.

STRATEGIC PLAN GOALS ADDRESSED:

	☒		☐		☐		☒		☐		☐
Safety & Community Appearance		Community & Civic Engagement		Infrastructure		Planning & Development		Culture & recreation		Operational Excellence	

FINANCIAL NOTES

- \$1000 earnest money

RECOMMENDATION: approve

ATTACHMENTS: Resolution

RESOLUTION NO. R-2026- _____

A RESOLUTION OF THE CITY OF BAY CITY AUTHORIZING THE PURCHASE OF A 0.702 ACRE TRACT CONTIGUOUS TO THE PUBLIC SAFETY CENTER, BAY CITY, TEXAS AND AUTHORIZING MAYOR TO APPROVE AND SIGN ALL DOCUMENTS TO EFFECTUATE CLOSING ON BEHALF OF THE CITY OF BAY CITY, TEXAS

WHEREAS, on April 28, 2026, during a regular City Council meeting, the City Council of Bay City, Texas considered and approved an Unimproved Property Contract dated March 24, 2026 for the purchase of property from E. Ward Properties #1 LTD LLP, a Texas limited partnership described in Exhibit "A" attached hereto; and

WHEREAS, the Seller has conveyed their wishes to donate the above described property to City at the appraised value of \$150,000.00; and

WHEREAS, it is the desire of the City to authorize closing on said contract, to pay all closing costs and for Mayor Robert K. Nelson to sign all necessary documents in connection with the closing.

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

SECTION 1. The Mayor of the City of Bay City, Texas is hereby authorized to execute all documents necessary to facilitate the closing of the real property described in Exhibit "A" attached hereto by the City of Bay City, Texas from E. Ward Properties #1 LTD LLP, a Texas limited partnership,

PASSED AND APPROVED this 28th day of April, 2026.

CITY OF BAY CITY, TEXAS

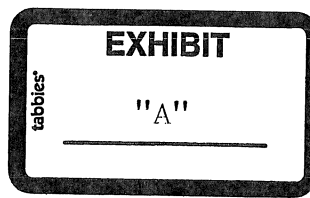
By: Robert K. Nelson, Mayor

ATTEST:

Approved By:

Jeanna Thompson, City Secretary

Anne Marie Odefey, City Attorney



Doyle & Wachtstetter, Inc
Surveying and Mapping • GPS/GIS

**CITY OF BAY CITY 0.702 ACRE TRACT
ELISHA HALL LEAGUE, ABSTRACT 45
MATAGORDA COUNTY, TEXAS
PAGE 1 OF 2**

ALL THAT CERTAIN 0.702 ACRE TRACT of land lying and situated in the Elisha Hall League, Abstract 45, Matagorda County, Texas, being a portion of all that certain called 3.6910 acre Reserve 'B', Block 1, of the SH 60 Retail Center Subdivision, as recorded in Plat File No. 620B of the Matagorda County Plat Records (M.C.P.R.), said SH 60 Retail Center Subdivision being composed of all that certain called 5.0596 acre tract of land conveyed by warranty deed on June 28, 1997, effective January 31, 1997, from E. Ward Properties No. 1, LTD, LLP, to Erwin E. Ward, Trustee, as recorded in Volume 473, Page 708 of the Matagorda County Official Records (M.C.O.R.), the herein described 0.702 acre tract of land hereby conveyed being more particularly described by metes and bounds using survey terminology which refers to the Texas State Plane Coordinate System, South Central Zone (NAD83), in which the directions are Lambert grid bearings and the distances are surface level horizontal lengths (S.F.= 0.99988601345) as follows:

BEGINNING at a $\frac{5}{8}$ " iron rod with survey cap marked "TTW RPLS 6577" found marking the southeast corner of said Reserve 'B' and said Erwin E. Ward, Trustee, called 5.0596 acre tract, being the most easterly northeast corner of all that certain called 3.874 acre tract of land conveyed by general warranty deed on May 23, 2024 from Kortland Investments, LLC to the City of Bay City, as recorded in Clerk's File No. 2024-2601 of the M.C.O.R., same being a point on the western boundary line of Lot 4, Block 1, of Baywood Addition, as recorded in Volume 3, Page 42 of the M.C.P.R., for the southeast corner and **POINT OF BEGINNING** of the herein described 0.702 acre tract, located at Texas State Plane coordinate position X=2937943.17 and Y=13547438.24;

THENCE South $86^{\circ}47'24''$ West, coincident with the most southerly boundary line of said Reserve 'B', being the most easterly northern boundary line of said City of Bay City called 3.874 acre tract, a distance of 233.01 feet to a $1\frac{1}{2}$ " iron pipe found marking the most southerly southwest corner of said Reserve 'B', being an interior corner of said City of Bay City called 3.874 acre tract, for the most southerly southwest corner of the herein described 0.702 acre tract;

THENCE North $3^{\circ}14'31''$ West, coincident with the most southerly western boundary line of said Reserve 'B', being the most northerly eastern boundary line of said City of Bay City called 3.874 acre tract, a distance of 98.01 feet to a $1\frac{1}{2}$ " iron pipe found marking an interior corner of said Reserve 'B', being the most northerly northeast corner of said City of Bay City called 3.874 acre tract, for an interior corner of the herein described 0.702 acre tract;

THENCE South $86^{\circ}47'57''$ West, coincident with a southern boundary line of said Reserve 'B', being the most northern boundary line of said City of Bay City called 3.874 acre tract, a distance of 16.78 feet to a $\frac{5}{8}$ " iron rod with survey cap found marking a southwest corner of said Reserve 'B', being a point on the most northern boundary line of said City of Bay City called 3.874 acre tract, same being the southeast corner of all that certain called 1.3631 acre Reserve 'A', Block 1, of said SH 60 Retail Center Subdivision, being the same 1.3631 acre tract of land conveyed by special warranty deed on December 10, 2019 from Erwin Ward, Trustee, to Bay City G2K Development, LLC, as recorded in Clerk's File No. 2019-7248 of the M.C.O.R., for the most westerly southwest corner of the herein described 0.702 acre tract;

**CITY OF BAY CITY 0.702 ACRE TRACT
ELISHA HALL LEAGUE, ABSTRACT 45
MATAGORDA COUNTY, TEXAS
PAGE 2 OF 2**

THENCE North 3°11'52" West, coincident with a western boundary line of said Reserve 'B', being the eastern boundary line of said Reserve 'A', a distance of 29.69 feet to a $\frac{5}{8}$ " iron rod with survey cap marked "TTW RPLS 6577" set marking a point on a western boundary line of said Reserve 'B', being a point on the eastern boundary line of said Reserve 'A', same being the most southerly southwest corner of all that certain 2.993 acre tract of land described by this author on this even date, for the northwest corner of the herein described 0.702 acre tract;

THENCE North 86°13'32" East, crossing said Reserve 'B', coincident with the northern boundary line of the herein described 0.702 acre tract, being the most southerly boundary line of said 2.993 acre tract, generally along an existing chainlink fence line, a distance of 249.98 feet to a $\frac{5}{8}$ " iron rod with survey cap marked "TTW RPLS 6577" set marking a point on the eastern boundary line of said Reserve 'B', being a point on the western boundary line of Lot 6, Block 1, of said Baywood Addition, for the northeast corner of the herein described 0.702 acre tract;

THENCE South 3°09'19" East, coincident with the eastern boundary line of said Reserve 'B', being the western boundary line of Lots 4, 5 and 6, Block 1, of said Baywood Addition, a distance of 130.17 feet to the **POINT OF BEGINNING**, and containing 0.702 acre of land, more or less.

Travis T. Wachtstetter

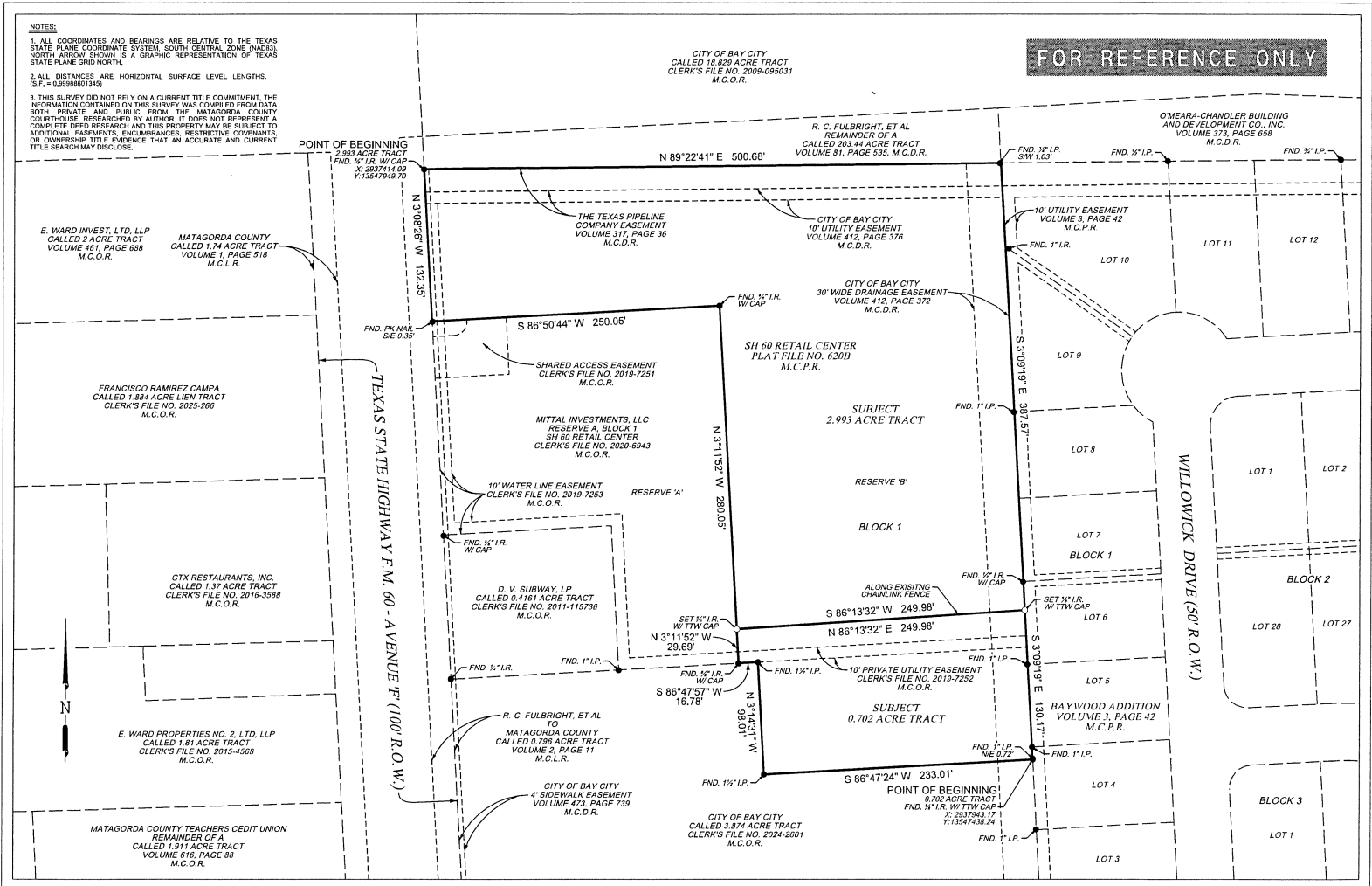
Travis T. Wachtstetter
Registered Professional Land Surveyor
Texas Registration Number 6577
November 11, 2025



NOTES:

1. ALL COORDINATES AND BEARINGS ARE RELATIVE TO THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD83). NORTH ARROW SHOWN IS A GRAPHIC REPRESENTATION OF TEXAS STATE PLANE GRID NORTH.
2. ALL DISTANCES ARE HORIZONTAL SURFACE LEVEL LENGTHS. (S.F. = 0.0000001345)
3. THIS SURVEY DID NOT RELY ON A CURRENT TITLE COMMITMENT. THE INFORMATION CONTAINED ON THIS SURVEY WAS COMPILED FROM DATA BOTH PRIVATE AND PUBLIC FROM THE MATAGORDA COUNTY COURTHOUSE. RESEARCHED BY AUTHOR. IT DOES NOT REPRESENT A COMPLETE DEED RESEARCH AND THIS PROPERTY MAY BE SUBJECT TO ADDITIONAL EASEMENTS, ENCUMBRANCES, RESTRICTIVE COVENANTS, OR OWNERSHIP TITLE EVIDENCE THAT AN ACCURATE AND CURRENT TITLE SEARCH MAY DISCLOSE.

FOR REFERENCE ONLY





AGENDA REQUEST BUSINESS OF THE CITY COUNCIL CITY OF BAY CITY, TEXAS

Meeting Date:	4/28/2026	Date Submitted:	4/20/2026
Prepared By:	Jennifer Davis	Presented By <i>(if different)</i>	
Department:	Finance	Type of Agenda Item:	Regular

ITEM TITLE: Annual Comprehensive Financial Report

AGENDA LANGUAGE:

Discuss, Consider, and/or Approve the Annual Comprehensive Finance Report (ACFR) for the Fiscal Year ending September 30, 2025.

EXECUTIVE SUMMARY/BACKGROUND

The Investment/Audit Committee meets with Harrison, Waldrop, and Uherek, L.L.P. prior to this Council meeting to review the audit. This in-depth review is a recommended practice by the Government Finance Officer's Association. The City received a clean opinion in all areas of the audit. The City applies each year for the Government Finance Officers Association ACFR award.

STRATEGIC PLAN GOALS ADDRESSED:

	☐		☐		☐		☐		☐		☒
Safety & Community Appearance		Community & Civic Engagement		Infrastructure		Planning & Development		Culture & recreation		Operational Excellence	

FINANCIAL NOTES

Financial Implications: It provides financial information to the public and other interested 3rd parties. Audits portray a City's financial strength or weakness and determine whether a City's financial statements are free of any material misstatements to the reader.

RECOMMENDATION: Staff recommends City Council approve the ACFR for fiscal year ended September 30, 2025.

ATTACHMENTS: Hard copy of audit report will be made available at the meeting. A soft copy will be available online on the City's website after approval. Audit will be emailed out prior to meeting.



**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	4/28/2026	Date Submitted:	4/20/2026
Prepared By:	Jennifer Davis	Presented By <i>(if different)</i>	
Department:	Finance	Type of Agenda Item:	Regular

ITEM TITLE: Quarterly Financial and Investment Report for the Quarter Ending March 31, 2026

AGENDA LANGUAGE:

Discuss, Consider, and/or Approve the City's Quarterly Financial and Investment Report for the Quarter Ending March 31, 2026.

EXECUTIVE SUMMARY/BACKGROUND

BACKGROUND: Quarterly financial reports provide the most accurate reflection of the quarter activity for each major fund. Reports are provided to City Council via email with a formal presentation at the next available Council meeting. In addition, the Finance Committee meets quarterly to review the Investment Report in detail. This time also serves as an opportunity to discuss the City's finances. In the event that financial decisions or budgetary amendments need attention prior to this date-the Finance Director shall request a Special Called Meeting. All reports are posted to the City's website along with other financial information.

STRATEGIC PLAN GOALS ADDRESSED:

	☐		☐		☐		☐		☐		☒
Safety & Community Appearance		Community & Civic Engagement		Infrastructure		Planning & Development		Culture & recreation		Operational Excellence	

FINANCIAL NOTES

Financial Implications: Timely financial data provides City Council time to make informed decisions to prevent any negative financial implications.

RECOMMENDATION: Staff recommends City Council approve the Quarterly Financial & Investment Report.

ATTACHMENTS: Quarterly Financial Report for Quarter Ending March 31, 2026.



CITY OF BAY CITY

FY 2026 2nd Quarter Financial Report

As of March 31, 2026

The City of Bay City Finance Department is dedicated to excellence in local government, comprehensive fiscal management, compliance, and reporting. The Quarterly Report is used to provide our internal and external customers financial reporting with easy-to-read narratives regarding the City's financial position.

This report represents a general overview of financial operations through **March 2026**, the sixth month, and **50.00%** of FY 2026.

1. The **Financial Summaries** provide comparative data for revenues and expenditures by fund. Data shows current monthly and year-to-date information as it relates to budget. Beginning fund balances are estimates until the final audit is complete.
 - The **General Fund** is the general operating fund of the City. It is used to account for all financial resources except those accounted for in other specific funds. This fund includes all general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund. General operating expenditures, fixed charges and capital improvement costs not paid through other funds are paid from this fund.
 - The **Public Utility Fund** accounts for the operations costs to provide water and sewer services to the citizens of Bay City.
 - The **Airport Fund** is used to account for the operations of the Airport, and to account for the rent generated from its T-hangers and fuel sold.
 - The **Hotel/Motel Occupancy Tax Fund** was established to directly enhance and promote tourism and the convention and hotel industry, or other expenses as approved by State Law.
2. The **Investment Report** provides a description of investment activity during the quarter.

This report does not include all funds related to the City of Bay City's Operations—please refer to the City's Comprehensive Annual Financial Report & the City's Annual Budget available on the City's website (www.baycitytx.gov).

Go to the Finance Department's Web Page for all financial transparency information. This includes audits, budgets, quarterly reports, and check registers.

General Fund Overview

Revenue Highlights

Revenues total \$12,172,980 or 60.7% of the budget.

- Property Tax. The certified value totaled \$1.2 billion. Through March, the City received \$5,330,431 or (90%) of the 5.9-million-dollar property tax maintenance and operation budget. Most property taxes are received by January to avoid penalties.
- Sales tax. Second Quarter Sales Tax Allocation to the City is **down 3.12%** (\$60,853) as compared to the second quarter in prior year.
- Franchise fees are slightly over budget target due to timing of franchise tax payments.
- Licenses & Permit fees are slightly under budget target due to timing of housing activity.
- Fines and penalties (Court Fines)- \$ 123,316 (63.9% of budget).
- Charges for services represent sanitation fees - \$1,851,273 (51.2% of budget).
- Miscellaneous Revenue represents interest income, grant payments, interlocal agreements (i.e. County), and various park rental income- \$453,522

General Fund Expenditure Highlights

Expenditures total \$9,226,577 or 45% of budget.

Most departments are under the 50% budget target. Budgets that are above the budget target are primarily due to timing of payments and will most likely require amendments.

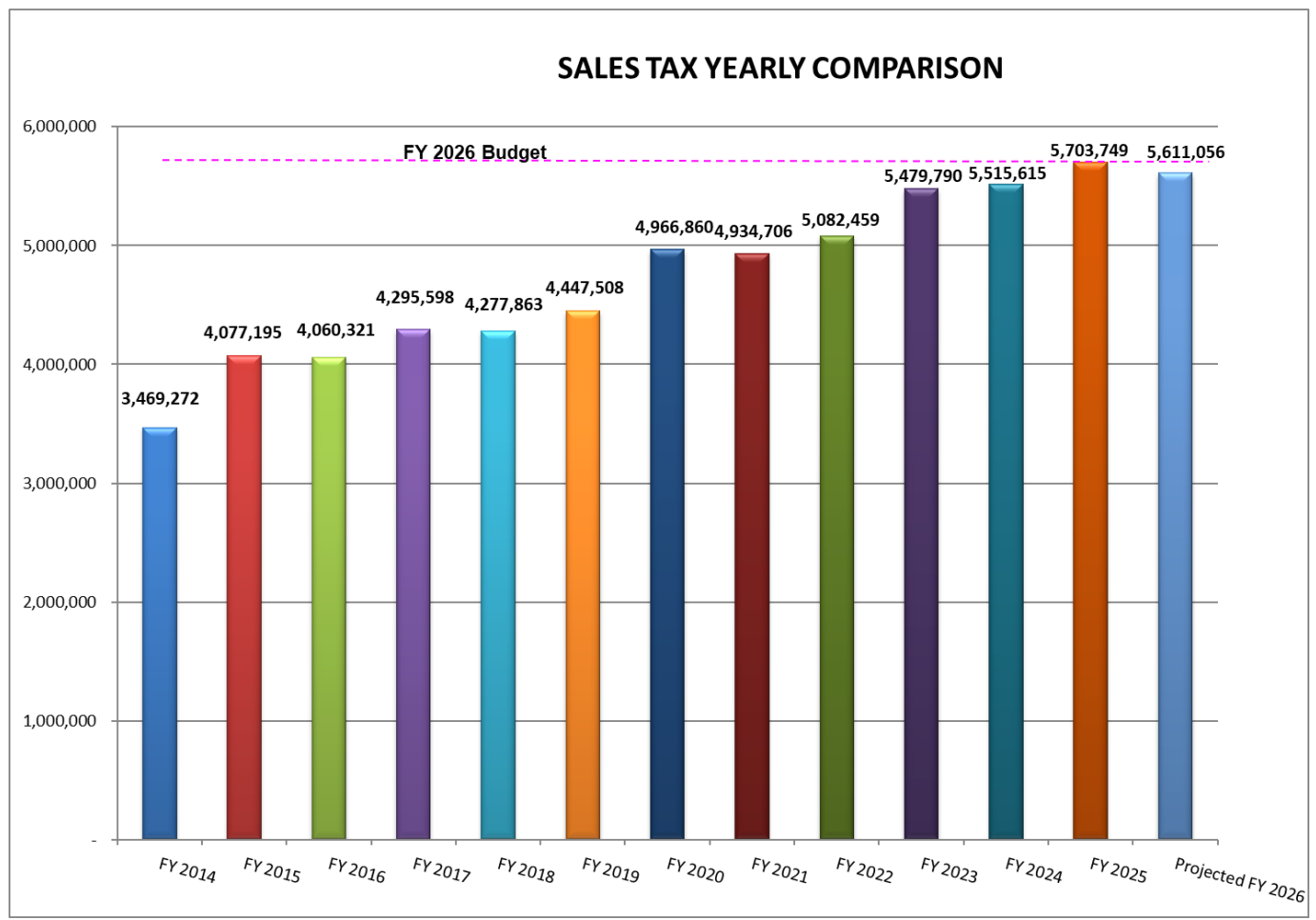
- Administration
- Main Street
- Municipal Court
- Finance
- Police
- Recreational Programs

Fund Balance

The General Fund's fund balance is budgeted to remain flat. **The City's reserve level currently is above the minimum policy of 25%.** See bottom of page 3 for more clarification. The audited beginning cash position (October 1, 2025) was 6.1 million which represents approximately 29% of operating expenditures including transfers. Transfers include funding for departments/funds such as Information Technology, Facilities/Equipment Maintenance, and the Bay City Regional Airport. The City plans to maintain reserves between 90 days (policy) and 120 days (goal) or 25% and 32% of operating expenditures. Reserves above 25% may be used to fund non-reoccurring expenditures (i.e. capital projects).

GENERAL FUND FINANCIAL SUMMARY

City of Bay City					
Financial Statement					
As of March 31, 2026					
General Fund (Fund 11)					
Percent of Fiscal Year Complete	50%				
	Total Budget	YTD Actual*	(Over)Under Budget to Date	% FY 2026 Budget	
Beginning Fund Balance	\$ 6,133,353	\$ 6,133,353	Audited		
REVENUES					
Property Taxes	5,924,000	5,330,431	(593,569)		90.0%
Sales Tax	5,812,500	2,840,540	(2,971,960)		48.9%
Other Local Taxes (Franchise)	1,505,000	753,851	(751,149)		50.1%
Charges for Services (Sanitation)	3,613,000	1,851,273	(1,761,727)		51.2%
Fines & Penalties	193,000	123,316	(69,684)		63.9%
Licenses & Permits	399,500	157,548	(241,952)		39.4%
Miscellaneous	1,213,000	453,522	(759,478)		37.4%
Transfers (Hotel/Motel & Utility)	1,390,000	662,500	(727,500)		47.7%
Total Revenues	\$ 20,050,000	\$ 12,172,980	\$ (7,877,020)		60.7%
EXPENDITURES					
Administrative Council	363,003	201,509	161,494		55.5%
City General Services	3,386,348	1,327,726	2,058,622		39.2%
City Secretary	228,097	99,975	128,122		43.8%
Main Street	156,481	86,201	70,280		55.1%
Human Resources	264,076	131,514	132,562		49.8%
Municipal Court	533,596	281,099	252,497		52.7%
Finance	345,934	188,522	157,412		54.5%
Planning & Development	1,122,045	550,896	571,149		49.1%
Police	5,966,506	3,087,750	2,878,756		51.8%
Animal Impoundment	260,000	112,361	147,639		43.2%
Fire Department	544,508	130,733	413,775		24.0%
Recycling Center	269,428	120,637	148,791		44.8%
Street and Bridge	4,438,898	1,692,506	2,746,392		38.1%
Parks	1,257,777	591,837	665,940		47.1%
Riverside Park	273,431	115,537	157,894		42.3%
Recreational Programs	95,844	56,561	39,283		59.0%
Pool Operations	69,300	24,368	44,932		35.2%
Library	668,067	311,807	356,260		46.7%
Communications	256,661	115,039	141,622		44.8%
Total Expenditures	\$ 20,500,000	\$ 9,226,577	\$ 11,273,423		45.0%
*YTD does not includes encumbrances					
Net Revenue (Expenditures)	\$ (450,000)	\$ 2,946,403			
Ending Fund Balance	\$ 5,683,353	\$ 9,079,756			
% of Operating Reserves	29%	54%			
Fund Balance Target 90 days (25%)	\$ 4,852,816				
Over/(Under) min Policy Level (25%)	\$ 830,537				



	2nd Quarter		% Change from	
	Fiscal Year 2025	Fiscal Year 2026	Prior Year	
January	589,494.96	621,884.20	5.49%	32,389.24
February	787,203.36	710,381.31	-9.76%	(76,822.05)
March	571,704.67	555,284.28	-2.87%	(16,420.39)
Total	1,948,402.99	1,887,549.79	-3.12%	(60,853.20)
City General Fund (75%)	1,461,302.24	1,415,662.34		(45,639.90)
BCCDC (25%)	487,100.75	471,887.45		(15,213.30)
	1,948,402.99	1,887,549.79		(60,853.20)

Budget FY 2026	Projected Sales Tax	Variance
5,812,500	5,611,056	(201,444)

This considers future months are same as last year. (Conservative)

Public Utility Fund Overview

Revenue Highlights

- As a percentage of budget, total Water & Sewer Revenue is 49% slightly below budget expectations.
- Charges for Services (water & sewer taps) is 49% slightly below the budget mark.
- Miscellaneous Income is above the budget mark due to interest income.

Expenditure Highlights

Total expenditures for the Utility Fund are 39% of budget.

Budget target is 50%. Each departmental budget is within the budget parameters.

The Utility reserve is budgeted to be approximately 75% of operating expenditures by year-end due to various projects crossing fiscal years. Reserves may be used to take care of any emergency repairs and/or needed capital projects.

PUBLIC UTILITY FUND FINANCIAL SUMMARY

City of Bay City Financial Statement As of March 31, 2026				
Utility Fund (Fund 61)				
Percent of Fiscal Year Complete	50%			
	Total Budget	YTD Actual*	(Over)Under Budget to Date	% FY 2026 Budget
Beginning Fund Balance	8,763,587	\$ 8,763,587	Audited	
REVENUES				
Charges for Services	14,645,000	7,147,600	(7,497,400)	49%
Fines & Penalties	170,000	86,163	(83,837)	51%
Miscellaneous	135,000	72,266	(62,734)	54%
Total Revenues	14,950,000	7,306,029	(7,643,971)	49%
EXPENDITURES				
Utility Billing	761,953	340,007	421,946	45%
Utility Maintenance	3,964,950	855,523	3,109,427	22%
Water & WWTP Division	2,614,804	995,883	1,618,921	38%
Utility Operations	9,258,293	4,274,118	4,984,175	46%
Total Expenditures	\$ 16,600,000	\$ 6,465,531	\$ 10,134,469	39%
*YTD does not include encumbrances				
Net Revenue (Expenditures)	\$ (1,650,000)	\$ 840,499		
Ending Fund Balance	\$ 7,113,587	\$ 9,604,086		
% of Operating Reserves	75%	101%		
Target 90 days (25%)	\$ 2,542,636			
Over/(Under) Target	\$ 4,570,951			
Designated for capital projects				
Some encumbered from Prior Year				

Airport Fund Overview

Revenue Highlights

- As a percentage of budget, overall Airport revenues is 56%, above budget target
- T-Hanger rentals over budget mark (66.79%).
- Other revenue is 44% slightly under budget mark primarily due to fuel sales.
- General Fund (Transfers In) subsidizes the Airport by \$225,000-\$250,000 each year.

Expenditure Highlights

- As a percentage of budget, total expenditures are 72%.

AIRPORT FUND FINANCIAL SUMMARY

City of Bay City					
Financial Statement					
As of March 31, 2026					
Municipal Airport Fund (Fund 64)					
Percent of Fiscal Year Complete	50%				
	Total Budget	YTD Actual*	(Over)Under Budget to Date	% FY 2026 Budget	
Beginning Fund Balance	\$ 178,452	\$ 178,452	Audited		
REVENUES					
Charges for Services	1,000	3,225	2,225	323%	
Miscellaneous (Rentals, Grants)	248,000	185,710	(62,290)	75%	
Transfers (General Fund & BCCDC)	270,000	135,000	(135,000)	50%	
Other Revenue (Fuel Sales)	276,000	121,609	(154,391)	44%	
Total Revenues	\$ 795,000	\$ 445,544	\$ (349,456)	56%	
EXPENDITURES					
Personnel	306,075	141,228	164,847	46%	
Supplies & Materials	218,875	78,636	140,239	36%	
Other Charges & Services	105,500	53,256	52,244	50%	
Repairs & Maintenance	158,000	126,802	31,198	80%	
Capital Expenditures	11,550	179,634	(168,084)	1555%	
Total Expenditures	\$ 800,000	\$ 579,556	\$ 220,444	72%	
*YTD does not include encumbrances					
Net Revenue (Expenditures)	\$ (5,000)	\$ (134,011)			
Ending Fund Balance	\$ 173,452	\$ 44,441			
No minimum Fund Balance Policy					
General Fund subsidizes approx.					
\$225,000-250,000 each year					
FY 26 GF- \$270,000					

Civic & Cultural Arts Fund (Hotel /Motel Fund) Overview

Revenue Highlights

- As a percentage of budget, total Hotel/Motel Fund is under budget target (39%).
- Hotel revenues are under the budget target by 23%. Most hotels remit tax on a monthly or quarterly basis. Second quarter (Jan-Mar.) receipts will not be remitted until April.
- Interest income is \$5,851 over budget expectations.
- Other Income- Special events relate to the Day of the Dead Festival and Camofest.
- Miscellaneous Income: Civic Center rentals are over the budget target and will continue to pick up during Spring and Summer.

Expenditure Highlights

- As a percentage of budget, total expenditures are at 49%.

HOTEL/MOTEL FUND FINANCIAL SUMMARY

City of Bay City Financial Statement As of March 31, 2026				
Civic & Cultural Arts Fund (Fund 25)				
Percent of Fiscal Year Complete	50%			
	Total Budget	YTD Actual*	(Over)Under Budget to Date	% FY 2026 Budget
Beginning Fund Balance	\$ 1,388,640	\$ 1,388,640	Audited	
Revenues				
Hotel Occupancy Tax	785,000	214,160	\$ 570,840	27%
Interest Income	17,000	14,351	\$ 2,649	84%
Rental Fees- Civic Center	90,000	48,240	\$ 41,760	54%
Other Income- Special Events	25,000	16,690	\$ 8,310	67%
Other Income- Camofest	50,000	82,787	\$ (32,787)	166%
Other Income	5,000	5,840	\$ (840)	117%
Total Revenues	\$ 972,000	\$ 382,067	\$ 589,933	39%
Expenditures				
Hotel General	151,500	75,000	76,500	50%
Tourism Department	368,800	198,763	170,037	54%
Civic Center	386,700	124,518	262,182	32%
Bay City Theatre	-	25,646	(25,646)	0%
Camofest	75,000	60,386	14,614	81%
Total Expenditures	\$ 982,000	\$ 484,314	\$ 497,686	49%
*YTD does not include encumbrances				
Net Revenue (Expenditures)	\$ (10,000)	\$ (102,246)		
Ending Fund Balance	\$ 1,378,640	\$ 1,286,394		
Proposed to maintain \$50,000				

OTHER FINANCIAL NOTES

Governmental Funds

[General Fund](#)

Reserve – maintaining minimum levels required by policy

CPI up 3.3% (March – Year % Change)

Municipal Cost Index (MCI)- up 3.86% (Mar– Year % Change)- This index was developed by American City & County and is designed to show the effects of inflation on the cost of providing municipal services.

Proprietary Funds

[Public Utility Fund](#)

Emergency water and sewer infrastructure repairs are ongoing.

[Airport](#)

Monitoring:

Sales Tax

Hotel Tax Revenue

Investment Report 2nd Quarter Fiscal Year 2026

The City has a weighted average portfolio of 100.08 days with an average book yield of 3.84%. The City is liquid with 89% of the portfolio in a 0-1-year maturity. Average interest rates have remained relatively flat since prior quarter except for fixed term investments. Investment earnings are \$304,621 for the quarter and up \$12,429 as compared to the same quarter last year. The investment strategy currently is to diversify & structure a somewhat laddered portfolio (Checking, Investment Pools, and Securities less than 5 years to maturity) to minimize interest rate risk in the future.

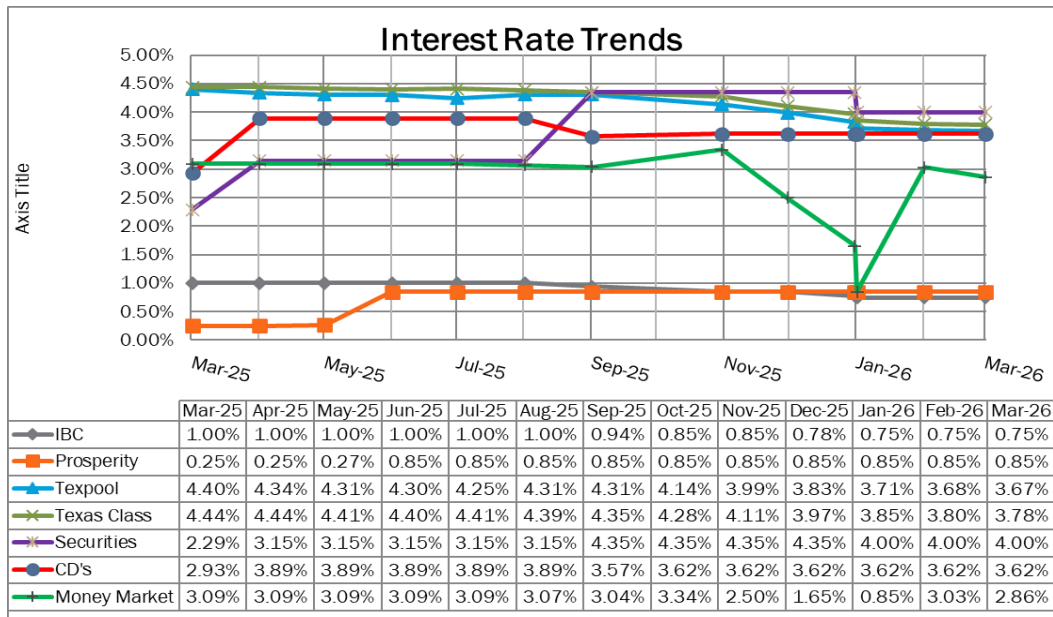
March 31, 2026 Balances

	Total Bal by Type	% of Portfolio
IBC	\$ 505,648.87	2%
Prosperity Bank	\$ 1,112,332.42	4%
Prosperity Bank- Money Market	\$ 113,852.44	0%
Petty Cash/Cash Drawers	\$ 4,322.00	0%
Texpool	\$ 4,962,347.05	17%
Texas Class	\$ 17,608,466.48	61%
CD's	\$ 4,192,507.81	14%
Securities	\$ 498,856.00	2%
	\$ 28,998,333.07	100 %

Interest Earnings

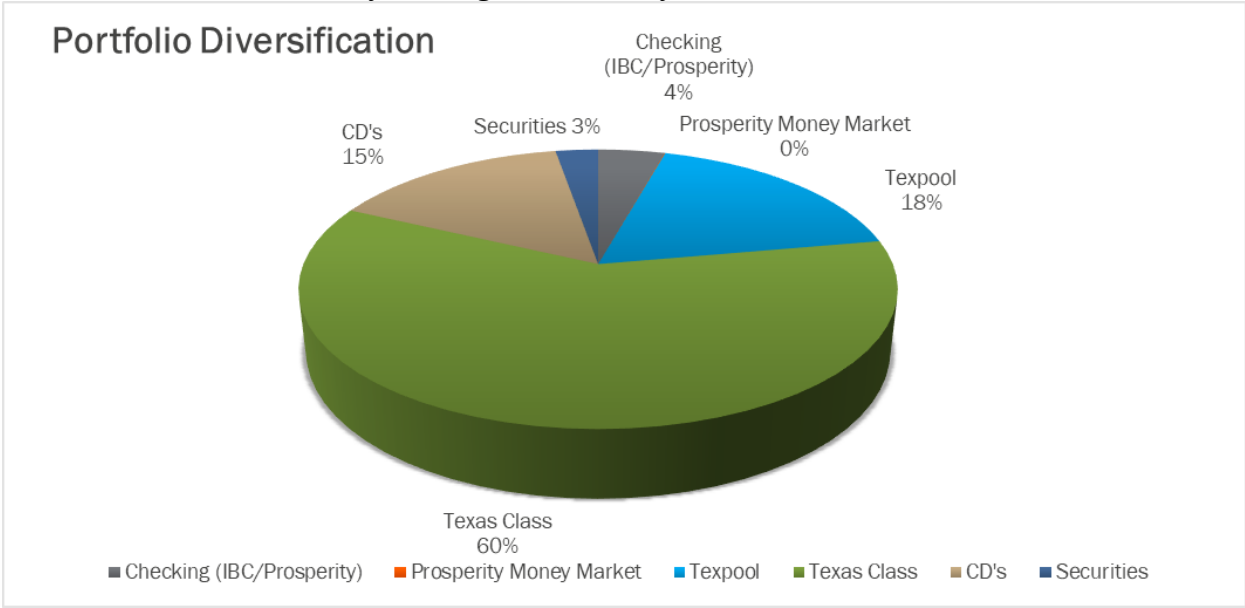
Interest received during the 2nd quarter totaled \$304,621 and represents interest paid on checking accounts and investments.

Portfolio	Qtr 3-31-25	Qtr 3-31-26	Over Prior Year
Interest Received	\$292,191.56	\$304,620.97	\$12,429.41



Portfolio Diversification

Portfolio Diversification is used to create a structure to reduce investment risks and a portfolio that will experience minimal volatility during economic cycles.



Portfolio Maturity Schedule

The goal is to ladder the City’s portfolio. Due to some economic uncertainty and low interest rates, staying short for investment purposes is the strategy for any investments.

Years to Maturity	Face Value	% Total
0-1	\$ 26,032,969	90%
1-2	\$ 0	0%
2-3	\$ 1,485,000	5%
3-4	\$ 1,480,364	5%
4-5	\$ 0	0%
Total	\$ 28,998,333	100%

	City of BAY CITY vs. Benchmarks					
	for Quarter Ending March 31, 2026					
	BOOK VALUE	MARKET VALUE	Unrealized Gain/<Loss>	Average Book Yield	Benchmark Pools	Benchmark 90 Day T-Bill
	\$ 28,999,477	\$ 28,998,333	(1,144.19)	3.84%	4.06%	3.67%
Weighted Average						
Maturity	100.08 Day(s)		3.84%	Yield		



**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	4/28/2026	Date Submitted:	04-16-26
Prepared By:	Lt. C. Ryman	Presented By <i>(if different)</i>	
Department:	Police	Type of Agenda Item:	Regular

ITEM TITLE: Resolution supporting a grant application to The Motor Vehicle Crime Prevention Authority (MVCPA) for a law enforcement drone

AGENDA LANGUAGE:

Discuss, consider, and/or approve a Resolution of the City of Bay City, Texas, authorizing the submission of a Catalytic Converter Theft Prevention Grant Program application.

EXECUTIVE SUMMARY/BACKGROUND

I am requesting approval to submit a grant application to the MVCPA for a police drone. The City of Bay City must agree to return the funds in the event of misuse; designate Chief Christella Rodriguez as the authorized official, authorize Sgt. Joe Bruno as the grant writer and project director, and authorize Jennifer Davis as the financial officer. This grant is an 80/20 match and the city will be reimbursed 80 percent after funding 100 percent of the project.

STRATEGIC PLAN GOALS ADDRESSED:

	☒		☐		☐		☐		☐		☐
Safety & Community Appearance		Community & Civic Engagement		Infrastructure		Planning & Development		Culture & recreation		Operational Excellence	

FINANCIAL NOTES

- Financial notes to be discussed at Council meeting.

RECOMMENDATION: Approve resolution

ATTACHMENTS: Resolution

Resolution R-2026-_____

A RESOLUTION OF THE CITY OF BAY CITY, TEXAS, AUTHORIZING THE SUBMISSION OF A CATALYTIC CONVERTER THEFT PREVENTION GRANT PROGRAM APPLICATION

WHEREAS, under the provisions of the Texas Transportation Code Chapter 1006 and Texas Administrative Code Title 43; Part 3; Chapter 57, entities are eligible to receive grants from the Motor Vehicle Crime Prevention Authority to provide financial support to law enforcement taskforces and agencies for economic motor vehicle theft, including catalytic converter theft; and

WHEREAS, this grant program will assist this jurisdiction to combat catalytic converter theft; and

WHEREAS, the City of Bay City has agreed that in the event of loss or misuse of the grant funds, the City of Bay City agrees and assures that the grant funds will be returned in full to the Motor Vehicle Crime Prevention Authority.

NOW THEREFORE, BE IT RESOLVED and ordered that Christella Rodriguez, is designated as the Authorized Official to apply for, accept, decline, modify, or cancel the grant application for the Motor Vehicle Crime Prevention Authority Grant Program and all other necessary documents to accept said grant; and

BE IT FURTHER RESOLVED that Detective Johnny Cagle is designated as the Program Director and Jennifer Davis is designated as the Financial Officer for this grant; and

BE IT FURTHER RESOLVED that The City of Bay City approves the submission of the “Catalytic Converter Theft Program” grant application under the Office of the Governor Public Safety Office.

Passed and approved on this _____ day of _____, 2026 by the Bay City Council.

Robert K. Nelson, Mayor
City of Bay City, Texas

ATTEST:

APPROVED AS TO FORM:

Jeanna Thompson, City Secretary

Anne Marie Odefey, City Attorney



**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	4/28/2026	Date Submitted:	4/21/2026
Prepared By:	Gabriel Lopez	Presented By <i>(if different)</i>	
Department:	Public Works	Type of Agenda Item:	Regular

ITEM TITLE: Approval of Resolution Authorizing TWDB Grant Agreement, Escrow Agreement, and Related Documents — North Water Treatment Plant and Transmission Line Project

AGENDA LANGUAGE:

Discuss, consider, and/or approve a Resolution authorizing the execution of a Grant Agreement with the Texas Water Development Board (TWDB) for funding of the North Water Treatment Plant and Transmission Line project, approving an Escrow Agreement, and authorizing the Mayor to execute all necessary documents related thereto.

EXECUTIVE SUMMARY/BACKGROUND

The City of Bay City has been awarded \$15,000,000 in grant funding through the Texas Water Development Board (TWDB) for the design and construction of a new North Water Treatment Plant (WTP) and a 4.5-mile 12-inch water transmission line. This funding was appropriated through House Bill 500 / Senate Bill 1 during the 89th Texas Legislative Regular Session (Article IX, Section 17.18(15)) and designated specifically for Bay City water infrastructure.

The North WTP Project

The North WTP, to be located near SH-60, is designed to include: one (1) 2,000 gpm water well, two (2) 500,000-gallon ground storage tanks (GSTs), four (4) 1,000 gpm booster pumps, and a diesel-fueled generator sized for 48 hours of continuous operation. This facility will strengthen the City's water supply capacity and provide critical redundancy for system resilience.

The 12-Inch Transmission Line Project

The 4.5-mile new 12-inch water transmission line will loop the City's distribution system, reducing the likelihood of service outages and providing backup water sources to areas of the City that are currently served by only one well. This infrastructure improvement will also support long-term growth and economic development in Bay City and the surrounding area.

Council Authorization

The following documents are presented for Council consideration and approval at this meeting.

- The Resolution authorizes the City to accept the grant and directs the Mayor to execute the Grant Agreement with the TWDB on behalf of the City of Bay City.
- The Escrow Agreement establishes a dedicated account for receipt and disbursement of the \$15,000,000 in grant proceeds, ensuring funds are held and drawn in compliance with TWDB requirements.

Approval of both documents is required to complete grant closing, scheduled for June 2, 2026.

STRATEGIC PLAN GOALS ADDRESSED:

	☐		☐		☒		☐		☐		☐
Safety & Community Appearance	☐	Community & Civic Engagement	☐	Infrastructure	☒	Planning & Development	☐	Culture & recreation	☐	Operational Excellence	☐

FINANCIAL NOTES

The grant award totals \$15,000,000 with no local match required. Funding is split between the North Water Treatment Plant (\$12,990,000) and the 12-inch Transmission Line (\$2,010,000).

Funds are restricted to TWDB Project No. 21915 and must be applied in accordance with the terms of the Grant Agreement.

RECOMMENDATION: City Staff recommends approval of the Resolution authorizing the Mayor to execute a Grant Agreement with the Texas Water Development Board in the amount of \$15,000,000 for the North Water Treatment Plant and 12-Inch Transmission Line project, approving the Escrow Agreement with Zions Bancorporation, National Association, and authorizing the Mayor to execute all necessary documents related thereto.

ATTACHMENTS:

- Resolution Approving the TWDB Grant Agreement
- Escrow Agreement — Zions Bancorporation, National Association
- Certificate for Resolution Approving TWDB Grant Agreement

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF MATAGORDA §
CITY OF BAY CITY §

I, the undersigned officer of the City Council of the City of Bay City, Texas (the “City”), hereby certify as follows:

1. The City Council of the City of Bay City, Texas convened in regular session on the 28th day of April, 2026, at the regular meeting place thereof, and the roll was called of the duly constituted officers and members of such City Council, to-wit:

Robert K. Nelson	Mayor
James Folse	Mayor Pro Tem and Council Member, Position No. 2
Benjamin Flores	Council Member, Position No. 1
Brad Westmoreland	Council Member, Position No. 3
Susan Reardon	Council Member, Position No. 4
Blayne Finlay	Council Member, Position No. 5

and all of said persons were present, except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BAY CITY,
TEXAS APPROVING A GRANT AGREEMENT WITH THE TEXAS WATER
DEVELOPMENT BOARD AND AUTHORIZING THE AUTHORIZED
REPRESENTATIVE OF THE CITY OF BAY CITY, TEXAS TO EXECUTE
THE GRANT AGREEMENT; APPROVING AN ESCROW AGREEMENT;
AND APPROVING OTHER MATTERS RELATED THERETO

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote:

_____ Member(s) of City Council shown present voted “Aye.”

_____ Member(s) of City Council shown present voted “No.”

_____ Member(s) of City Council shown present abstained from voting.

2. A true, full and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said resolution has been duly recorded in said City Council’s minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council’s minutes of said

meeting pertaining to the adoption of said resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED this 28th day of April, 2026.

[SEAL]

City Secretary
City of Bay City, Texas

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Agreement"), which is dated [June 1], 2026, is made by and between the CITY OF BAY CITY, TEXAS (the "City"), a political subdivision of the State of Texas in Matagorda County, Texas, and ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Escrow Agent (the "Escrow Agent"), together with any successor in such capacity;

WITNESSETH:

WHEREAS, pursuant to a resolution of the City, dated April 28, 2026, the City authorized a Grant Agreement with the Texas Water Development Board, dated [____], 2026 (the "Grant Agreement") to obtain financial assistance from the Texas Water Development Board (the "TWDB") in the amount of \$15,000,000 (the "Grant") pursuant to Senate Bill No. 1, 89th Legislative Regular Session, Article IX, Section 17.18(15), for the purpose of financing improvements to the Bay City North Water Treatment Plant and Transmission Line, as identified by the TWDB as Project No. 21915 (the "Project"); and

WHEREAS, the Escrow Agent is a state or national bank designated by the Texas Comptroller as a state depository institution in accordance with Texas Government Code, Chapter 404, Subchapter C, or is a designated custodian of collateral in accordance with Texas Government Code, Chapter 404, Subchapter D, and is otherwise qualified and empowered to enter into this Agreement, and hereby acknowledges its acceptance of the terms and provisions hereof; and

WHEREAS, a condition of the Grant Agreement is the deposit of the proceeds of the Grant (the "Proceeds") in escrow subject to being withdrawn only with the approval of the Executive Administrator or another designated representative; provided, however, the Proceeds can be transferred to different investments so long as all parties hereto consent to such transfer.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and in consideration of the amount of fees to be paid by the City to the Escrow Agent, as set forth on **EXHIBIT A**, the receipt of which is hereby acknowledged, and in order to secure the delivery of the Grant Agreement, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives and successors, as follows:

SECTION 1: ESCROW ACCOUNT. In accordance with the closing memo signed by the Executive Administrator or an authorized representative and upon the delivery of the Grant Agreement described above, the Proceeds identified under TWDB Commitment Number G1002360 shall be released to pay closing costs or deposited to the credit of a special escrow account (the "Escrow Account") maintained at the Escrow Agent on behalf of the City and the TWDB and shall not be commingled with any other accounts or with any other proceeds or funds. The Proceeds received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the City, and the Escrow Agent shall have no right to title with respect thereto except as Escrow Agent under the terms of this Agreement.

The Escrow Account shall be entitled "TWDB G1002260 Grant Esc Act" and shall not be subject to warrants, drafts or checks drawn by the City but shall be disbursed or withdrawn to pay the costs of the Project for which the Grant Agreement was entered into or other purposes in accordance with the Grant Agreement and solely upon written authorization from the Executive Administrator or his/her designated representative. The Escrow Agent shall provide to the City and to the TWDB the Escrow Account bank statements upon request.

SECTION 2: COLLATERAL. All cash deposited to the credit of such Escrow Account and any accrued interest in excess of the amounts insured by the FDIC and remaining uninvested under the terms of this Agreement shall be continuously secured by a valid pledge of direct obligations of the United States of America or other collateral meeting the requirements of the Public Funds Collateral Act, Texas Government Code, Chapter 2257.

SECTION 3: INVESTMENTS. While the Proceeds are held in escrow, the Escrow Agent shall only invest escrowed Proceeds in investments that are authorized by the Public Funds Investment Act, Texas Government Code, Chapter 2256 (the "PFIA"). The City is responsible for directing the Escrow Agent to invest all public funds in a manner that is consistent with both the PFIA and its own written investment policy, and absent such written direction to invest, the funds in the Escrow Account shall remain uninvested.

SECTION 4: DISBURSEMENTS. The Escrow Agent shall not honor any disbursement from the Escrow Account, or any portion thereof, unless and until it has been supplied with written approval and consent by the Executive Administrator or his/her designated representative. No written approval and consent by the Executive Administrator shall be required if the disbursement involves transferring Proceeds from one investment to another within the Escrow Account provided that all such investments are consistent with the PFIA requirements.

SECTION 5: UNEXPENDED FUNDS. Any Proceeds remaining unexpended in the Escrow Account after completion of the Project and after the final accounting has been submitted to and approved by the TWDB shall be disposed of pursuant to the provisions of the Grant Agreement. The City shall deliver a copy of such TWDB approval of the final accounting to the Escrow Agent together with instructions concerning the disbursement of unexpended Proceeds hereunder. The Escrow Agent shall have no obligation to ensure that such unexpended Proceeds are used as required by the provisions of the Grant Agreement, that being the sole obligation of the City.

SECTION 6: CERTIFICATIONS. The Escrow Agent shall be authorized to accept and rely upon the certifications and documents furnished to the Escrow Agent by the City and shall not be liable for the payment of any funds made in reliance in good faith upon such certifications or other documents or approvals, as herein recited.

SECTION 7: LIABILITY OF ESCROW AGENT. To the extent permitted by law, the Escrow Agent shall not be liable for any act done or step taken or omitted by it or any mistake of fact or law, except for its negligence or default or failure in the performance of any obligation imposed upon it hereunder. The Escrow Agent shall not be responsible in any manner for any

proceedings in connection with the Grant Agreement or any recitation contained in the Grant Agreement.

SECTION 8: RECORDS. The Escrow Agent will keep complete and correct books of record and account relating to the receipts, disbursements, allocations and application of the money deposited to the Escrow Account, and investments of the Escrow Account and all proceeds thereof. The records shall be available for inspection and copying at reasonable hours and under reasonable conditions by the City and the TWDB.

SECTION 9: MERGER/CONSOLIDATION. In the event that the Escrow Agent merges or consolidates with another bank or sells or transfers substantially all of its assets or corporate trust business, then the successor bank shall be the successor Escrow Agent without the necessity of further action as long as the successor bank is a state or national bank designated by the Texas Comptroller as a state depository institution in accordance with Texas Government Code, Chapter 404, Subchapter C, or is a designated custodian of collateral in accordance with Texas Government Code, Chapter 404, Subchapter D. The Escrow Agent must provide the TWDB with written notification within 30 days of acceptance of the merger, consolidation, or transfer. If the merger, consolidation or other transfer has occurred between state banks, the newly-created entity shall forward the certificate of merger or exchange issued by the Texas Department of Banking as well as the statement filed with the pertinent chartering authority, if applicable, to the TWDB within five business days following such merger, consolidation or exchange.

SECTION 10: AMENDMENTS. This Agreement may be amended from time to time as necessary with the written consent of the City and the TWDB, but no such amendments shall increase the liabilities or responsibilities or diminish the rights of the Escrow Agent without its consent.

SECTION 11: TERMINATION. In the event that this Agreement is terminated by either the City or by the Escrow Agent, the Escrow Agent must report said termination in writing to the TWDB within five business days of such termination. The City is responsible for ensuring that the following criteria are satisfied in selecting the successor escrow agent and notifying the TWDB of the change in escrow agents: (a) the successor escrow agent must be an FDIC-insured state or national bank designated by the Texas Comptroller as a state depository; (b) the successor escrow agent must be retained prior to or at the time of the termination; (c) an escrow agreement must be executed by and between the City and the successor escrow agent and must contain the same or substantially similar terms and conditions as are present in this Agreement; and (d) the City must forward a copy of the executed escrow agreement with the successor escrow agent within five business days of said termination. No funds shall be released by the TWDB until it has received, reviewed and approved the escrow agreement with the successor escrow agent. If the City has not appointed a successor escrow agent within thirty (30) days of the notice of termination, the Escrow Agent may petition any court of competent jurisdiction in Texas for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon the City. Whether appointed by the City or a court, the successor escrow agent and escrow agreement must be approved by the TWDB for the appointment to be effective. The Escrow Agent is responsible for

performance under this Agreement until a successor has been approved by the TWDB and has signed an acceptable escrow agreement.

SECTION 12: EXPIRATION. This Agreement shall expire upon final transfer of the funds in the Escrow Account to the City.

SECTION 13: POINT OF CONTACT. The points of contact for the Escrow Agent and the TWDB are as follows:

Zions Bancorporation, National Association
1801 Main Street, Suite 460
Houston, Texas 77002
Attention: Ashley Hunt Reed
Ph: 713-232-1909
Fax: 713-844-527-2686
E-Mail: Ashley.Reed@amegybank.com

Executive Administrator
Texas Water Development Board
1700 North Congress Avenue
Austin, Texas 78701

SECTION 14: INDEMNIFICATION. To the extent permitted by law, the City agrees to indemnify the Escrow Agent, its directors, officers and employees for and hold them harmless against, any loss, liability, or expense incurred without negligence, bad faith or willful misconduct on their part arising out of or in connection with its acceptance or administration of the Escrow Agent's duties hereunder, including the cost and expense of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

SECTION 15: CHOICE OF LAW. This Agreement shall be governed exclusively by the applicable laws of the State of Texas. Venue for disputes shall be in the District Court of Travis County, Texas.

SECTION 16: ASSIGNABILITY. This Agreement shall not be assignable by the parties hereto, in whole or in part, and any attempted assignment shall be void and of no force and effect.

SECTION 17: ENTIRE AGREEMENT. This Agreement evidences the entire Escrow Agreement between the Escrow Agent and the City and supersedes any other agreements, whether oral or written, between the parties regarding the Proceeds or the Escrow Account. No modification or amendment of this Agreement shall be valid unless the same is in writing and is signed by the City and consented to by the Escrow Agent and the TWDB.

SECTION 18: VALIDITY OF PROVISIONS. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

SECTION 19: COMPENSATION FOR ESCROW SERVICES. The Escrow Agent shall be entitled to compensation for its services as stated in **EXHIBIT A**, which compensation shall be paid by the City but may not be paid directly from the Escrow Account.

SECTION 20: VERIFICATION OF STATUTORY REPRESENTATIONS AND COVENANTS. The Escrow Agent makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the “Government Code”), in entering into this Agreement. As used in such verifications, “affiliate” means an entity that controls, is controlled by, or is under common control with the Escrow Agent within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of this Escrow Agreement, notwithstanding anything in this Escrow Agreement to the contrary.

A. NOT A SANCTIONED COMPANY. The Escrow Agent represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Escrow Agent and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

B. NO BOYCOTT OF ISRAEL. The Escrow Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code, as amended.

C. NO DISCRIMINATION AGAINST FIREARM ENTITIES. The Escrow Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

D. NO BOYCOTT OF ENERGY COMPANIES. The Escrow Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

SECTION 21: FORM 1295 EXEMPTION. The Escrow Agent represents that it is a wholly owned subsidiary of Zions Bancorporation, National Association, a publicly traded business entity, and therefore this Agreement is exempt from Section 2252.908, Texas Government Code, as amended.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective upon signature of both parties.

[Signature Page Follows]

By: _____
Mayor, Robert K. Nelson

CITY OF BAY CITY, TEXAS
Address: 1901 Fifth Street
Bay City, Texas 77414

ZIONS BANCORPORATION, NATIONAL ASSOCIATION
as Escrow Agent

By: _____

Title: _____

Date: _____

Amegy Bank Division

Address: Zions Bancorporation, National Association
1801 Main Street, Suite 460
Houston, Texas 77002

EXHIBIT A
Fee Schedule

RESOLUTION R-2026-____

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BAY CITY, TEXAS APPROVING A GRANT AGREEMENT WITH THE TEXAS WATER DEVELOPMENT BOARD AND AUTHORIZING THE AUTHORIZED REPRESENTATIVE OF THE CITY OF BAY CITY, TEXAS TO EXECUTE THE GRANT AGREEMENT; APPROVING AN ESCROW AGREEMENT; AND APPROVING OTHER MATTERS RELATED THERETO

WHEREAS, the Texas Water Development Board (the “TWDB”) has made a commitment to provide financial assistance to the City of Bay City, Texas (the “City”) in the form of a grant in the amount of \$15,000,000 (the “Grant”) pursuant to Senate Bill No. 1, 89th Legislative Regular Session, Article IX, Section 17.18(15), for the purpose of financing improvements to the Bay City North Water Treatment Plant and Transmission Line, as identified by the TWDB as Project No. 21915; and

WHEREAS, the City Council of the City of Bay City, Texas (the “City Council”) desires to appoint Robert K. Nelson, the Mayor of the City, or any successor as Mayor of the City, as the representative of the City (the “Authorized Representative”) who is authorized to enter into a Grant Agreement (the “Grant Agreement”) with the TWDB on behalf of the City in connection with the Grant; and

WHEREAS, the meeting at which this Resolution is being considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code;

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

1. Authorized Representative. Robert K. Nelson, the Mayor of the City, or any successor as Mayor of the City, or the individual acting in the capacity of Mayor Pro Tem if the Mayor is unavailable, is hereby appointed as the Authorized Representative of the City.
2. Approval of Grant Agreement. The Grant Agreement between the TWDB and the City in substantially the form presented to the City Council is approved, and the Authorized Representative is authorized to execute the Grant Agreement on behalf of the City.
3. Approval of Escrow Agreement. To facilitate the management of funds in accordance with the Grant Agreement, the City Council hereby authorizes an Escrow Agreement to be entered into by and between the City and Zions Bancorporation, National Association, as escrow agent (the “Escrow Agent”), the terms and conditions of which are hereby approved, subject to such insertions, additions, and modifications as shall be necessary to comply with all applicable laws, regulations, and procedures and to carry out the intent and purposes of this Resolution and the Grant Agreement. The Mayor or Mayor Pro Tem and the City Secretary are authorized to execute and deliver such Escrow Agreement in multiple counterparts on behalf of the City.

4. Creation of a Project Fund. The Authorized Representative or their designee is authorized to create and establish a special fund of the City, to be known as the “TWDB G1002360 Grant Project Fund,” which shall be established at an official depository of the City for purposes of receiving disbursements from the escrow account established under the Escrow Agreement in accordance with the Grant Agreement.

5. Effective Date. This Resolution shall become effective immediately after its adoption.

[Execution Page Follows]

PASSED, APPROVED and EFFECTIVE on this the 28th day of April, 2026.

Mayor, Robert K .Nelson

ATTEST:

City Secretary, Jeanna Thompson

(SEAL)



**AGENDA REQUEST
BUSINESS OF THE CITY COUNCIL
CITY OF BAY CITY, TEXAS**

Meeting Date:	4/28/2026	Date Submitted:	4/22/2026
Prepared By:	Jeanna Thompson	Presented By <i>(if different)</i>	Krystal Mason
Department:	Public Works	Type of Agenda Item:	Regular

ITEM TITLE: Ordinance ~ Vacant Buildings & Property

AGENDA LANGUAGE:

Ordinance – Discuss, consider, and/or approve an Ordinance of the City Council of the City of Bay City, Texas amending Chapter 22 “Buildings and Building Regulations” of the Code of Ordinance by adopting revisions to Article XI “Vacant Buildings and Property” to the City of Bay City’s Code of Ordinances to provide for the regulation of vacant buildings and property; repealing all related ordinances or parts of ordinances in conflict therewith; providing for a severability clause; providing for publication and prescribing an effective date.

EXECUTIVE SUMMARY/BACKGROUND

Incorporating changes discussed at the March 24, 2026 Council Workshop. The Vacant Buildings and Property ordinance change to only apply to downtown core sub-district, requires property owners or agents to register buildings classified as a vacant building.

STRATEGIC PLAN GOALS ADDRESSED:

	☒		☐		☐		☐		☐		☐
Safety & Community Appearance		Community & Civic Engagement		Infrastructure		Planning & Development		Culture & recreation		Operational Excellence	

FINANCIAL NOTES

RECOMMENDATION: Approval of ordinance revisions.

ATTACHMENTS: Ordinance and Exhibit A

EXHIBIT A

ARTICLE XI. VACANT BUILDINGS AND PROPERTY

Sec. 22-520. Purpose, applicability, and scope.

Purpose. The City of Bay City focuses on the revitalization of the city through marketing, promotions, events and historic preservation. As such, the city council finds that:

- (a) Buildings that are vacant and unsecured and/or not properly maintained are a blight and cause deterioration and preservation and financial instability in the city.
- (b) Buildings that are vacant and unsecured and/or not properly maintained are declared to be public nuisances and pose serious threats to the public's health and safety.
- (c) Buildings that are vacant and unsecured and/or not properly maintained are vulnerable to being set on fire.
- (d) Buildings that are vacant and unsecured and/or not properly maintained attract vagrants, gang members and criminals as prime locations to conduct illegal criminal activities.
- (e) Abatement and/or rehabilitation of buildings that are vacant and unsecured and/or not properly maintained is necessary.

Applicability. This article shall apply to all vacant buildings within the [Downtown Core sub-district of the Regulating Plan in Sec. 99-3 city limits](#) which are now in existence, or which may hereafter be constructed or converted from other uses.

Scope. This article shall not apply to a vacant building that has a valid open building permit for construction, remodeling or repair; is being actively marketed for sale or lease for a period of less than six consecutive months following the date the building became a vacant building by a licensed real estate broker or an owner is regularly advertising the property for sale; is under contract for sale or lease for a period of less than six months following the date that the building became a vacant building.

(Ord. No. 1740, § 2 (Exh. A), 11-12-2024; Ord. No. 1748, § 2 (Exh. A), 3-25-2025)

Sec. 22-521. Definitions.

Unless otherwise expressly stated, the following words, terms, and phrases, when used in this article, have the meanings ascribed to them in this section, unless the context of their usage clearly indicates a different meaning: The word "shall" is mandatory; the word "may" is permissive. All public officials, bodies, and agencies to which reference is made are those of the city, unless otherwise indicated.

Administrator means the city's city manager or his/her designee.

Board, when used as a verb, means to cover an opening with lumber, wood panels or other material.

Boarded building means a building on which any opening to the outside is covered with lumber, wood panels, or other materials.

Building means any structure used or intended for supporting or sheltering any use or occupancy to which this article applies, and includes an enclosed building, open building, and partially open building.

Commercial means any privately owned place of business operated for a profit to which the public is invited, including, but not limited to any place of amusement or entertainment and includes all adjacent parking areas under the control of the owner of the establishment.

Historical means any prehistoric or historic district, site, building, structure, or object included in, or eligible for inclusion in, the National Register of Historic Places maintained by the Secretary of the Interior. This term includes artifacts, records, and remains that are related to and located within such properties. The standards and guidelines can be applied to historic properties of all types, materials, construction, sizes, and use. They include both the exterior and the interior and extend to a property's landscape features, site, environment, as well as related new construction. To promote and protect the preservation of historic buildings and homes the City of Bay City requires a certificate of appropriateness to all historic structures prior to all work. This certificate approves work done on buildings within the historic district. Everything that can be seen from outside the house, including windows, doors, paint colors, materials, rooflines, gutters, fences, and yards must receive a COA confirming that it is appropriate and acceptable.

Owner means the owner of record in the county where the real property is situated; anyone identified as the owner on a registration form; the holder of an unrecorded contract for deed; a mortgagee or vendee in possession; a mortgagor or vendor in possession; and an assignee of rents, receiver, executor, trustee, lessee, or other person in possession or with the right to control of the premises or a portion of the premises. Any person who is included in this definition as an owner has joint and several obligations for compliance with the provisions of this article. A tenant who does not have the right of possession or control of a portion of the building that is unoccupied is not an owner for the purposes of this article.

Properly maintained means taking measures to:

- (a) Prevent the physical deterioration of the building;
- (b) Prevent a decline in the appearance of the building, including keeping painted surfaces with a secure and intact coating and preserving signage without physical deterioration;
- (c) Keep a building in a clean, safe, secure, and sanitary condition, compliant with all applicable codes; and
- (d) Prevent the building from becoming an attractive nuisance.

Residential use means the primary use of property is limited to one of the following:

- (a) Apartment means a room or a group of related rooms, among similar sets in one building, designed for use as a dwelling; or a multi-family building type that is comprised of three or more dwelling units, each having an entrance to a hallway, stairway, or balcony in common with at least one other dwelling unit. Apartments may be leased, rented, or owned in a condominium style of ownership;
- (b) Attached single-family dwelling;
- (c) Detached single-family dwelling; or
- (d) Duplex means a single-family attached building which contains two dwelling units, each of which is totally separated from the other by:
 - (1) An unpierced wall extending from foundation to roof ("side-by-side" duplex); or
 - (2) A ceiling/floor that extends from exterior wall to exterior wall, pierced only by a stairway that is not in side of either dwelling unit ("over-under" duplex).

Secure means to take measures to ensure that the building is weatherproof and water-tight and that the interior of the building cannot be accessed by:

- (a) Unauthorized persons; or
- (b) Birds, rodents or other animals through broken windows or other openings in the structure.

Secured by normal measures means the use of structural components of a building, including fixtures, such as doors, unbroken windows, locks, latches, electronic security systems, storm shutters, and security shutters

which were installed while the building was constructed or added to the building while the building was occupied and being used for lawful purposes.

Secured by other than normal measures means a building secured by means other than those used in the design of a building or that are normally installed and utilized while a building is occupied and being used for lawful purposes. The term includes boarding any window or door opening.

Unoccupied means not being used for a lawful occupancy.

Vacant building means a building that is any of the following:

- (a) Occupied by an unauthorized person[s] and unsecured;
- (b) Unoccupied and unsecured;
- (c) Unoccupied;
- (d) Unoccupied and utilities have not been provided to the building space for a continuous period of time over six months; or
- (e) Unoccupied and has had two or more violations of property maintenance ordinances within the previous 12-month period.

(Ord. No. 1740, § 2 (Exh. A), 11-12-2024)

Sec. 22-522. Notice of vacant building; procedures.

- (a) Upon reasonable observation or upon receipt of a complaint about a building that may be a vacant building, the administrator may cause an inspection of the property in order to determine if the building should be classified as a vacant building.
- (b) If the administrator determines that a building or a portion of a building is classified as a vacant building under this article, the administrator shall make a diligent effort to contact the owner or an agent of the owner, identified by any sign posted on the property or as identified in Matagorda real property or appraisal district records, or by City of Bay City tax or utility records by telephone or electronic written communication and advise the owner or agent that the building has been identified as a vacant building and that the following measures need to be taken:
 - (1) File a completed vacant building registration, pursuant to section 22-523 of this article within 14 days from the date of notification;
 - (2) Pay the registration fee, required by section 22-524 within 14 days from the date of notification;
 - (3) If the building is not secure and would allow for unauthorized persons to enter, take immediate measures to secure the building.
- (c) If the administrator determines that a building or a portion of a building is classified as a vacant building under this article, the administrator shall mail a notice by certified mail, return receipt requested, to the owner or agent identified in subsection (b) which advises that the following measures need to be taken by the owner:
 - (1) If not yet filed, file a completed vacant building registration, pursuant to section 22-523 of this article within 14 days from the date of the notice;
 - (2) If not yet paid, pay the registration fee required by section 22-524 within 14 days from the date of the notice;
 - (3) File a written plan to remediate maintenance items, if identified, and advise on lease or sale proceedings with the administrator within 30 days from the date of the notice;

-
- (4) Secure the building temporarily by normal or other than normal measures within 14 days from the date of the notice given pursuant to section 22-522 and, for areas visible from the roadway, by normal measures within 90 days from date of the notice given, in accordance with the design standards set forth in section 22-527(b)(1).
 - (d) If code violations were identified, the administrator shall include a statement in the notice advising the owner or agent of the code violations and to expect an additional notice and requirements specific to the code violations.
 - (e) Contents of the notice. The administrator shall include information on any known financial grant opportunities with the notice.
 - (f) The administrator shall post a vacant building placard on the building nearest to the entrance.
 - (g) The notice under section 22-522 must comply with the applicable requirements of the V.T.C.A., Local Government Code 54.005.
 - (h) The administrator may issue a citation or file a complaint in municipal court for any violations of this article.
 - (i) If the owner disputes the administrator's determination that the building should be classified as a vacant building under this article, the owner shall file a written notice of appeal with the administrator within 15 days from the date of the notice provided in this section. The administrator shall schedule a hearing before the city council to determine whether the building should be classified as a vacant building. The appeal shall be placed on the city council's first available agenda. The city council shall hear the appeal in open session and shall render a decision at the conclusion of the hearing. Said decision shall be final.

Exceptions:

Upon an owner's written request to the administrator for an exception to the registration fee requirement, and a finding by the administrator that a vacant structure qualifies as described below, the following shall be exceptions from the registration fee requirements of this chapter:

1. A vacant structure that has a city building permit issued for remodel/repair, which complies with the City of Bay City, as follows:
 - a. If the work described in any building permit has not begun within 90 days from the date of issuance, the building permit shall expire and be canceled by the building official. Written notice shall be given to the persons affected.
 - b. If the work described in any building permit has not been substantially completed within one year of the date of issuance, the building permit shall expire and be canceled by the building official. Written notice shall be given to the persons affected, together with notice that further work as described in the canceled permit shall not proceed unless and until a special building permit has been obtained.
2. A vacant structure that is being actively marketed for sale or lease for less than 12 months by a licensed real estate broker or an owner who is regularly advertising the property; or
3. A vacant structure that is under a contract for sale or lease for less than 12 months.
4. An owner of a vacant structure that has voluntarily registered the structure prior to the issuance of any notice, consistently provides updated information and has no more than one (1) non-complied property maintenance violations within a 12-month period.

(Ord. No. 1740, § 2 (Exh. A), 11-12-2024; Ord. No. 1748, § 2 (Exh. A), 3-25-2025)

Sec. 22-523. Registration.

The owner of a vacant building, or a vacant portion of the building, shall register with the administrator, in accordance with this subsection, no later than 14 days after the owner receives written notice under section 22-522. The registration must be verified under a notary public, shall be on a form prescribed by the administrator, and shall at a minimum contain the following information:

- (a) A description of the premises, including its address and legal description;
- (b) The names, addresses, and telephone numbers of all owners with a right of control over the property;
- (c) If the owner does not reside within Matagorda County, the owner shall designate an agent who resides within Matagorda County;
- (d) If owner designates an agent with the authority to independently act on the owner's behalf to repair or maintain the property, the contract, notarized affidavit or power of attorney reflecting such authority and the ability for the agent to receive and accept notices from the city on behalf of the owner shall be submitted;
- (e) The name, address, and telephone number of the owner's property manager or agent, and whether the property manager or agent has the authority to independently act on the owner's behalf to repair or maintain the property;
- (f) The name, address, and telephone number of the owner's property manager or agent authorized to respond to any emergency or alleged violation relating to the vacant building;
- (g) Identify a time frame the building will remain vacant and a plan for maintenance of the building during the period of vacancy with certification from the administrator that the building is compliant with all applicable codes;
- (h) Measures the owner will employ to secure the building, which may include one or more of the methods as required pursuant to the design guidelines, under subsections 22-527(b)(1), (2), (3);
- (i) Administrator's action on registration. The registration submitted by the owner must be approved by the administrator as being complete and sufficient to secure the vacant building;
- (j) Term. A registration is valid for one year from (12 months) from the month of registration, which will also apply if the ownership of the vacant building changes; new registration required;
- (k) Annual registrations. The owner of a vacant building shall be required to annually register until such time as the building is returned to an authorized occupancy. The annual registration must be verified under a notary public, shall be on a form prescribed by the administrator and contain a certification from the owner that the information on file with the administrator is true and correct.
- (l) Change in ownership. The owner of a registered vacant building shall be required to disclose to any buyer that the property is under registration with the city as a vacant building. The owner shall also disclose the requirement for the buyer to advise the administrator of a proposed development plan within 90 days of closing.
- (m) Updates. If a change other than described in subsection (e) of this section occurs during the period that a registration is otherwise valid, the owner shall be required to update the information with the city secretary in writing within 14 days of the change.

(Ord. No. 1740, § 2 (Exh. A), 11-12-2024; Ord. No. 1748, § 2 (Exh. A), 3-25-2025)

Sec. 22-524. Fees.

The owner of each vacant building shall pay to the administrator a vacant building registration fee in accordance with the below referenced chart:

- (a) *Annual registration fee.* \$250.00 for commercial, \$100.00 for historical, and \$50.00 for residential To be paid on the date of registration of the vacant building and shall extend for one year from the month of registration. The registration fee shall be paid annually each year thereafter for as long as the registration remains valid.
- (b) *Annual inspection fee.* The administrator shall assess an inspection fee of \$50.00 for inspections of a vacant building against the owner of the vacant building. This fee will be charged annually for inspections associated with registration and thereafter as inspections are warranted in accordance with this article.
- (c) *Late payment charge.* Any fee required by subsections (a) or (b) of this section, which is not timely received by the administrator, shall be assessed an additional fee of:
 - (1) Late registration fee if the annual registration fee is not paid on the date of registration of the vacant building or by 15th of the month of registration each year thereafter during such time as said registration is valid: \$50.00.
 - (2) Late inspection fee if inspection fee is not paid on the date of registration of the vacant building or by 15th of the month of registration each year thereafter during such time as said registration is valid: \$50.00.

(Ord. No. 1740, § 2 (Exh. A), 11-12-2024; Ord. No. 1748, § 2 (Exh. A), 3-25-2025)

Sec. 22-525. Inspections.

- (a) The administrator shall provide for the building inspection and coordinate a fire marshal, code enforcement, and building inspector's inspection of each registered vacant building at the time of registration and in accordance with the schedule set forth below. The number of years a building has been vacant shall be measured starting on the effective date of the ordinance codified in this section.

Vacant Building Inspections	
Years Vacant	Frequency
1—3	Annually
4—6	Bi-Annually
7 +	Quarterly

- (b) In addition to the inspection referenced in subsection (a) of this section, if there is probable cause to believe that a code violation may be present in the vacant building or on the premises where the vacant building is located, the administrator shall provide for an additional fire marshal, code enforcement officer, and/or building inspector's inspection of the vacant building and/or premises.
- (c) All inspections shall be conducted to determine compliance with this article and all applicable codes.
- (d) The results of the inspection shall be provided to the owner of the vacant building and the person designated by the owner to facilitate a response to any emergency or alleged violation related to the vacant building.

(Ord. No. 1740, § 2 (Exh. A), 11-12-2024; Ord. No. 1748, § 2 (Exh. A), 3-25-2025)

Sec. 22-526. Standards.

Maintenance of vacant building and premises:

- (a) *Compliance with applicable laws.* Any repairs, improvements, or alterations to the vacant building or on the property must comply with all applicable laws, codes, and regulations, and as further defined under section 22-521, property maintenance ordinances.

(b) *Duty to clean.*

- (1) The owner of a vacant building shall remove any garbage and/or rubbish from the interior of the building.
- (2) The owner of a vacant building shall remove any garbage, rubbish, high weeds and/or brush from the premises on which the vacant building is located.
- (3) The owner shall keep the premises on which the vacant building is located properly maintained until the building is returned to an authorized occupancy or demolished.

(c) *Duty to secure.*

- (1) The owner of a vacant building shall lock or secure all doors, windows, and other openings to the vacant building.
- (2) The owner shall keep a vacant building secured, safe, and properly maintained.
- (3) If securing a vacant building by normal measures fails to keep the vacant building secure, the owner must use other than normal measures to secure the building, including boarding the vacant building in accordance with the design guidelines, under section 22-527 (b)(1), (2), (3).
- (4) Failure of the owner to maintain a vacant building in a secured condition, which failure results in abatement by the city, is subject to lien placement and/or any applicable penalties.

(d) *Duty to remove or repair.* The owner of a vacant building shall promptly remove or repair any element of the building or on the premises that is in a condition of decay or partial ruin by reason of neglect, misuse, or deterioration.

(Ord. No. 1740, § 2 (Exh. A), 11-12-2024; Ord. No. 1748, § 2 (Exh. A), 3-25-2025)

Sec. 22-527. Standards for boarding a vacant building.

(a) The owner shall take measures to secure the building temporarily by normal or other than normal measures within 14 days from receipt of the notice given pursuant to section 22-522 of this section, in accordance with the following:

- (1) All unsecured doorways, windows, or other exterior openings must be covered by exterior grade wooden structural panels or other means as approved in writing by the administrator in order to ensure that such doorways, windows and other exterior openings are secured and not easily penetrated.

(2) The materials used to secure the building shall be:

- a. Flat, square, and level; and
- b. In a manner accepted as good workmanship.

The administrator has the sole discretion to determine if the work was performed in a manner that meets the requirements and intent of this Code.

- (3) All exterior materials used to board a vacant building must be painted or coated the same color that is the predominant color of the building.
- (4) All broken glass and any other loose material must be removed from the opening before the covering systems are installed.
- (5) Exterior access to floor areas above the first floor, such as fire escapes and ladders, must also be secured.
- (6) Fascia signs, overhanging signs, roof signs, and all other appurtenances, such as sun visors or awnings must be removed if they are in a dangerous condition or could create such a condition.

-
- (7) All loose or defective materials, trim, or structural elements on the exterior of the building must be removed.
 - (8) Any condition which may become a hazard or danger to the public must be corrected.
 - (b) The owner shall secure the building by normal measures for areas visible from the street within 90 days from receipt of the notice as described, in part, below:
 - (1) Historical: existing doors, windows, and awnings as prescribed in the certificate of appropriateness.
 - (2) Commercial: normal commercial doors, windows, and awnings.
 - (3) Residential: normal residential doors, windows, and awnings.
- (Ord. No. 1740, § 2 (Exh. A), 11-12-2024; Ord. No. 1748, § 2 (Exh. A), 3-25-2025)

Sec. 22-528. Abatement notice and order to abate.

- (a) Upon finding a violation of this article, the administrator shall serve, in person or by certified mail, return receipt requested, a written notice and order to abate upon the owner.
 - (b) The notice must advise the owner of the violation and comply with the requirements of V.T.C.A., Local Government Code § 54.005.
 - (c) If the owner fails to abate the violation within the period stated in the notice or within any additional time as the administrator may grant, the administrator may, without further notice, enter upon the property and abate the violation. The owner is liable for the costs incurred by the city to secure the premises and to abate the violation, including any administrative expenses, materials, and labor.
- (Ord. No. 1740, § 2 (Exh. A), 11-12-2024 Ord. No. 1748, § 2 (Exh. A), 3-25-2025)

Sec. 22-529. Notice of costs incurred by city; lien.

- (a) The administrator shall mail a notice to the owner and lienholder of the property upon which the nuisance has been abated of the costs incurred or expended by the city to abate the nuisance.
 - (b) The notice must advise the owner and lienholder that the city proposes to assess its costs against the property and place a lien on the property to collect the costs incurred by the city.
 - (c) The administrator shall file a lien against the property for the city's costs.
 - (d) Any lien filed pursuant to this section shall be security for the expenditures made.
- (Ord. No. 1740, § 2 (Exh. A), 11-12-2024 Ord. No. 1748, § 2 (Exh. A), 3-25-2025)

Sec. 22-530. Enforcement authority.

The administrator is authorized to enforce the provisions of this chapter and to make all necessary inspections, to issue citations, to give notice, to file applicable charges and to otherwise cooperate in the enforcement of this article, pursuant to section 1-16 or the City of Bay City Code of Ordinances.

(Ord. No. 1740, § 2 (Exh. A), 11-12-2024 Ord. No. 1748, § 2 (Exh. A), 3-25-2025)

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BAY CITY, TEXAS AMENDING CHAPTER 22 “BUILDINGS AND BUILDING REGULATIONS” OF THE CODE OF ORDINANCES IS AMENDED BY ADOPTING REVISIONS TO ARTICLE XI “VACANT BUILDINGS AND PROPERTIES” TO THE CITY OF BAY CITY’S CODE OF ORDINANCES TO PROVIDE FOR THE REGULATION OF VACANT BUILDINGS AND PROPERTY; REPEALING ALL RELATED ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT THEREWITH; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION AND PRESCRIBING AN EFFECTIVE DATE.

WHEREAS, Section 2.02 of the City’s Charter permits the City to pass and enforce ordinances, not inconsistent with the Charter and State law, upon any subject expedient for the life; general welfare; health; morals; comfort; safety; amusement; quiet; prosperity; and convenience of the City, its inhabitants, and property; and may provide suitable penalties for the violations of any ordinance;

WHEREAS, the City Council of the City of Bay City finds that buildings that are vacant and unsecured and/or not properly maintained are a blight and cause deterioration, preservation and financial instability in the City; and

WHEREAS, buildings that are vacant and unsecured and/or not properly maintained are declared to be public nuisances and pose serious threats to the public’s health and safety; and

WHEREAS, abatement and rehabilitation of buildings that are vacant and unsecured and/or not properly maintained is necessary; and

WHEREAS, after careful consideration by the City Council, it is of the opinion that vacant buildings and property in the City are in need of regulation; and

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

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes and findings of fact.

Section 2. Amendments to the Municipal Code of Ordinances. The City of Bay City’s Municipal Code of Ordinances, Chapter 22 Article XI (entitled “Vacant Buildings and Property”), are amended by adding language that is underlined (underlined) and deleting language that is stricken (~~stricken~~) as shown on the attached Exhibit A:

Section 3. Payment of Fees. All persons, firms, or corporations applying for licenses or permits or receiving other City services described herein that require the payment of a fee incident to such application or service shall pay the fees as prescribed herein. It shall be a

violation of this Ordinance to conduct any activity or commence any use or receive any service for which payment of a fee described herein is required until such fee has been paid (if required to be paid in advance) or to fail to pay such fee when properly billed.

Section 4. Cumulative. This Ordinance shall be cumulative of all fee provisions of the Code of Ordinances of the City of Bay City, Texas as to the fees set forth herein on the effective date of this Ordinance, except where the provisions of this Ordinance are in direct conflict with the provisions of such ordinances and such Code, in which event the conflicting provisions of such ordinances and such Code are hereby repealed.

Section 5. Amending Fees. The City Council may, from time to time, by adopting new ordinances, add to the fees set forth herein. and the fees now or hereafter set forth may be modified from time to time by order of the City Council.

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

Section 7. Remedies. All rights and remedies of the City are expressly saved as to any and all violations of the provisions of the Code of Ordinances in effect on the effective date of this Ordinance and modified by this Ordinance or any other ordinances in effect on the effective date of this Ordinance and modified by this Ordinance and requiring the payment of fees for licenses, permits, and other services provided by the City which have accrued on the effective date of this Ordinance; and any and all accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, shall not be affected by this Ordinance but may be prosecuted until disposition by the courts.

Section 8. Effective Date. This Ordinance shall be in full force and effect on _____,

PASSED AND APPROVED ON this _____ day of _____, 2026

ATTEST:

Jeanna Thompson, City Secretary

Robert K. Nelson, Mayor
APPROVED AT TO FORM:

Anne Marie Odefey, City Attorney

<u>Council Member:</u>	<u>Voted Aye</u>	<u>Voted No</u>	<u>Absent</u>
Robert K. Nelson Mayor	_____	_____	_____
Jim Folse Mayor Pro Tem	_____	_____	_____
Benjamin Flores	_____	_____	_____
Brad Westmoreland	_____	_____	_____
Susan Reardon	_____	_____	_____
Blayne Finlay	_____	_____	_____

Robert K. Nelson, Mayor

ATTEST:

Jeanna Thompson, City Secretary