CITY OF BAY CITY

MINUTES • APRIL 26, 2018

Train Depot	Regular Meeting – City Council	7:00 PM

2620 AVENUE G
BAY CITY, TX 77414

1. CALL TO ORDER

Mayor Bricker called the meeting to order at 7:02PM at the Bay City Train Depot.

2. INVOCATION & PLEDGE OF ALLEGIANCE - MAYOR PRO TEM BILL CORNMAN

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

Mayor Pro-Tem, Bill Cornman gave the invocation and lead attendees in the pledges to the flags.

Attendee Name	Title	Status	Arrived
Mark A. Bricker	Mayor	Present	
William Cornman	Mayor Pro-Tem	Present	
Becca Sitz	Councilwoman	Present	
Chrystal Folse	Councilwoman	Late	
Jason Childers	Councilman	Present	
Julie Estlinbaum	Councilwoman	Present	

3. CERTIFICATION OF QUORUM

Mayor Bricker certified a quorum was present.

4. APPROVAL OF AGENDA

The agenda was unanimously approved as written by motion. The motion was made by Councilwoman, Julie Estlinbaum and seconded by Councilman, Jason Childers.

5. 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 places the item on an agenda for a subsequent meeting.

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1. John Garr addressed Council and Mayor regarding the Bay City Regional Airport. He praised the operation and appearance of the Airport and praised the manager, James Mason.

2. Dr. Jeb James addressed Council and Mayor regarding the annexation of property he owns on Highway 35. The erection of a billboard on the property will trigger a new use

clause, requiring the annexation of the property by the City. He is asking this annexation not happen.

6. CONSENT AGENDA ITEMS FOR CONSIDERATION AND/OR APPROVAL

The following items may be acted upon in a single motion. No separate discussion or action on any of these items will be held unless requested by a member of the City Council. Public comment on consent agenda items may be heard without removing the item from the consent agenda. Each person providing public comment will be limited to 3 minutes.

None

7. REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:

1. Agreement

   ~ DISCUSS, CONSIDER AND/OR APPROVE HARRISON, WALDROP, AND UHEREK, L.L.P. TO PROVIDE AUDIT SERVICES FOR THE CITY OF BAY CITY FOR THE YEAR ENDING SEPTEMBER 30, 2018.

   Finance Director, Scotty Jones
   Finance Director, Scotty Jones presented this agenda item. The audit firm was unanimously approved by motion. The motion was made by Councilwoman Julie Estlinbaum and seconded by Councilman Jason Childers.

2. Report

   ~ DISCUSS, CONSIDER, AND/OR APPROVE THE CITY'S QUARTERLY FINANCIAL AND INVESTMENT REPORT FOR THE QUARTER ENDING MARCH 31, 2018.

   Scotty Jones, Director of Finance
   Finance Director, Scotty Jones presented this agenda item. The quarterly financial report was unanimously approved by motion. The motion was made by Councilman, Bill Cornman and seconded by Councilwoman, Julie Estlinbaum.

3. Presentation

   ~ RECEIVE AND DISCUSS UPDATES ON THE ONGOING PROJECTS OF THE BAY CITY TOURISM COMMITTEE.

   Tourism Manager, Heidi Martinez
   Tourism Manager, Heidi Martinez presented this agenda item. Discussed events and plans for the Tourism Department.

4. Presentation

   ~ RECEIVE AND DISCUSS A PRESENTATION ON THE PROCESS USED BY THE BAY CITY CODE ENFORCEMENT DEPARTMENT WHEN ENFORCING THE MOWING OF ABANDONED OR NEGLECTED PROPERTIES WITHIN THE CITY LIMITS.

   Police Chief, Robert Lister
   Police Chief Robert Lister presented this agenda item with the help of Code Enforcement Officers Cheryl Smith and Marty Godley. The process followed was outlined for Council members.

5. Resolution

~ DISCUSS, CONSIDER AND/OR ADOPT A RESOLUTION TO DESIGNATE AN ADMINISTRATION SERVICE PROVIDER AND AN ENGINEERING SERVICE PROVIDER FOR A 2018 ECONOMIC DEVELOPMENT ADMINISTRATION GRANT.

Marla Jasek, Assistant Director of Public Works
Assistant Public Works Director, Marla Jasek presented this agenda item. The resolution awarded work to GrantWorks and Jones and Carter Engineering.

6. Presentation

~ DISCUSS A COMPLAINT IN REFERENCE TO THE BAY CITY REGIONAL AIRPORT.

Mayor Pro Tem, Bill Cornman
Councilman, Bill Cornman sponsored this agenda item. Airport customer, Steve Pourteaux addresses Council with issues he is having at the Bay City Regional Airport.

7. Appointment

~ DISCUSS, CONSIDER, AND/OR APPROVE LEGAL SERVICES FOR THE CITY OF BAY CITY.

Mayor, Mark A. Bricker
Mayor Bricker gave Council members an update on the Legal Services Committee's progress in selecting a legal team to present to Council. Interview session will be held on May 1, 2018 and the final vote on May 10th.

8. Policy

~ RECEIVE AND DISCUSS AN UPDATE ON THE INTERNAL CHARTER INVESTIGATION REQUESTED BY COUNCIL.

City Secretary, David Holubec
City Secretary, David Holubec addressed Council regarding the internal Charter investigation progress. City attorneys will have the correction ordinance ready to present at the May 10th Meeting. Discussion was made regarding the length of time the investigation has taken. Councilman Childers felt it has taken too long and Councilwoman Estlinbaum stated it is taking as long as it has to so the corrections can be made.

8. ITEMS / COMMENTS & MAYOR AND COUNCIL MEMBERS

Holy Cross School Bazaar

Spring Clean-Up Day

9. ADJOURNMENT

AGENDA NOTICES:

Action by Council Authorized:
The City Council may vote and/or act upon any item within this Agenda. The Council reserves the right to retire into executive session concerning any of the items listed on this Agenda, pursuant to and in accordance with Texas Government Code Section 551.071, to seek the advice of its attorney about pending or contemplated litigation, settlement offer or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflict with the Open Meetings Act and may invoke this right where the City Attorney, the Mayor or a majority of the Governing Body deems an executive session is necessary to allow privileged consultation between the City Attorney and the governing body, if considered necessary and legally justified under the Open Meetings Act. The City Attorney may appear in person, or appear in

executive session by conference call in accordance with applicable state law.

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.

Executive Sessions Authorized:
This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

Facility Accessibility:
This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made forty-eight (48) hours prior to the meeting. Please contact the City Secretary office at (979) 245-5311 or Fax (979) 323-1681 for further information.

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 Monday, April 23, 2018 before 7:00 p.m. Any questions concerning the above items, please contact Mayor Mark A. Bricker at (979) 245-2137.

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David Holubec
City Secretary

City Council
1901 5Th Street
Bay City, TX 77414

SCHEDULED

AGENDA ITEM (ID # 3079)

Meeting: 04/26/18 07:00 PM
Department: City Secretary
Category: Agreement
Prepared By: David Holubec
Initiator: David Holubec
Sponsors:
DOC ID: 3079

~ DISCUSS, CONSIDER AND/OR APPROVE HARRISON, WALDROP, AND UHEREK, L.L.P. TO PROVIDE AUDIT SERVICES FOR THE CITY OF BAY CITY FOR THE YEAR ENDING SEPTEMBER 30, 2018.

BACKGROUND:

An engagement letter is signed between the City and the Audit firm each year prior to the close of the fiscal year to be audited. This is a standard document that details the responsibility of management, the audit objectives, and the associated fees. The audit fee can change from year to year. The fee presented of $36,000 is the same as prior year audit period.

IMPACT ON COMMUNITY SUSTAINABILITY:

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 engagement letter with Harrison, Waldrop, and Uherek (HWU). HWU has strong municipal audit experience and has the ability to rotate audit staff.

ATTACHMENTS:

Audit agreement.

COMMENTS - Current Meeting:

Finance Director, Scotty Jones presented this agenda item. The audit firm was unanimously approved by motion. The motion was made by Councilwoman Julie Estlinbaum and seconded by Councilman Jason Childers.

HARRISON, WALDROP & UHEREK, L.L.P.

HWU

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March 30, 2018

The Honorable Mayor and
Members of the City Council
City of Bay City
Bay City, Texas 77414

We are pleased to confirm our understanding of the services we are to provide the City of Bay City, Texas (the "City") for the year ended September 30, 2018. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City as of and for the year ended September 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Pension Information

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditors' report on the financial statements:

1. Combining and Individual Fund Statements and Schedules
2. Schedule of Expenditures of Federal Awards

The following other information accompanying the financial statements will not be subject to the auditing procedures applied in our audit of the financial statements, and our auditors' report will not provide an opinion or any assurance on that other information.

1. Introductory Section
2. Statistical Data

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements taken as a whole. The objective also includes reporting on –

- Internal control related to the financial statements and compliance with the laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements*, *Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of the accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Mayor and members of the City Council. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements, and other responsibilities required by generally accepted auditing standards.

Audit Procedures - Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on the internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and/or state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of test of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on the City's major programs. The purpose of those procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on the information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (a) establishing and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (b) following laws and regulations; (c) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (d) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants.

Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances on noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on the first day of audit fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to using the auditors' report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents.

Also, with regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will maintain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Harrison, Waldrop & Uherek, L.L.P. and constitutes confidential information. However, subject to applicable laws or regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency for audit or its designee, a federal agency providing direct or indirect funding, or the U.S. General Accounting Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Harrison, Waldrop & Uherek, L.L.P. personnel. Furthermore, upon request, we may provide photocopies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the cognizant agency, oversight agency or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit during the month of September 2018 and to issue our reports no later than March 31, 2019. Mr. Stephen W. Van Manen, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, typing, postage, travel, copies, telephone, etc.). Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Based on our preliminary estimates, the fee for the audit should not exceed $36,000. This estimate is based on anticipated cooperation from your personnel, the completion of various analysis schedules that will be provided prior to the start of fieldwork, the availability of requested information, and the assumption that unexpected circumstances will not be encountered during the audit. Fees for any additional services provided outside the scope of the audit of the City's financial statements will be billed based upon our standard hourly rates which range from $85 to $120 per hour. Furthermore, we estimate that our fee will be approximately $4,000 (in addition to the amount previously quoted) to comply with the financial audit requirements of the Uniform Guidance should the City be subject to those requirements for the year ending September 30, 2018. Any additional fees that may be requested must be approved by the City Council before any additional amounts will be billed.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2014 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City of Bay City, Texas and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Harrison, Waldrop & Uherek, LLP

HARRISON, WALDROP & UHEREK, L.L.P.
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of the City of Bay City, Texas.

Mayor

By:√____________________ Title:√______________ Date:√________

FARRIS & FARRIS, CPA'S

CERTIFIED PUBLIC ACCOUNTANTS

PAUL W. FARRIS, CPA
DEBRA E. FARRIS, CPA

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System Review Report

December 4, 2014

To the Partners
Harrison, Waldrop and Uherek LLP
and the Peer Review Committee of the Texas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Harrison, Waldrop and Uherek LLP (the firm) in effect for the year ended June 30, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included audits of employee benefit plans and engagements performed under the Government Auditing Standards.

In our opinion, the system of quality control for the accounting and auditing practice of Harrison, Waldrop and Uherek LLP in effect for the year ended June 30, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies), or fail. Harrison, Waldrop and Uherek LLP received a peer review rating of pass.

Farris & Farris

Farris & Farris, CPA's

City Council
1901 5Th Street
Bay City, TX 77414

SCHEDULED

AGENDA ITEM (ID # 3083)

Meeting: 04/26/18 07:00 PM
Department: Finance
Category: Report
Prepared By: Scotty Jones
Initiator: Scotty Jones
Sponsors:
DOC ID: 3083 A

~ DISCUSS, CONSIDER, AND/OR APPROVE THE CITY'S QUARTERLY FINANCIAL AND INVESTMENT REPORT FOR THE QUARTER ENDING MARCH 31, 2018.

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.

FINANCIAL IMPLICATIONS:

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

IMPACT ON COMMUNITY SUSTAINABILITY:

The report provides financial information to the public. (i.e., costs of services, revenue sources)

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

ATTACHMENTS: Presentation at Meeting (Quarter Ending March 31, 2018)

COMMENTS - Current Meeting:

Finance Director, Scotty Jones presented this agenda item. The quarterly financial report was unanimously approved by motion. The motion was made by Councilman, Bill Cornman and seconded by Councilwoman, Julie Estlinbaum.

CITY OF BAY CITY

FY 2018 2nd Quarter Financial Report

As of March 31, 2018

The City of Bay City Finance Department is dedicated to excellence in local government, comprehensive fiscal management, compliance and reporting. The Monthly 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 2018**, the sixth month, and **50.00%** of FY 2018.*

1. *The **Financial Summaries** provide comparative data for revenues and expenditures by fund. Data shows current monthly and year to date information as is 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.cityofbaycity.org).

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 $8,608,354 or 59.3% of the budget.

- Property Tax. The certified value totaled $811 million. Through March, the City received $3,942,362 or (92.4%) of the 4.2-million-dollar property tax maintenance and operation budget. Most property taxes were received by Jan 2018.
- Sales tax. Second Quarter Sales Tax Allocation to the City is down .7% ($9,825) as compared to second quarter in prior year. However, collections are up YTD by $13,101. Sales tax is anticipated to exceed budget expectations.
- Franchise fees are in line with budget. Licenses & Permits appear to far exceed the budget target, however this additional revenue will be offset by a third-party inspection contracted by the City.
- Fines and penalties (Court Fines, Arrest Fees) are below budget expectations by $37,000.
- Charges for services represents sanitation fees - $1,171,041 (51% of budget).
- Other Revenue holds a budget of 540,000. The City will issue a tax note to fund capital improvements in the General Fund (Police Roof and Library Roof).

General Fund Expenditure Highlights

Expenditures total 5,998,215 or 41.3% of budget.

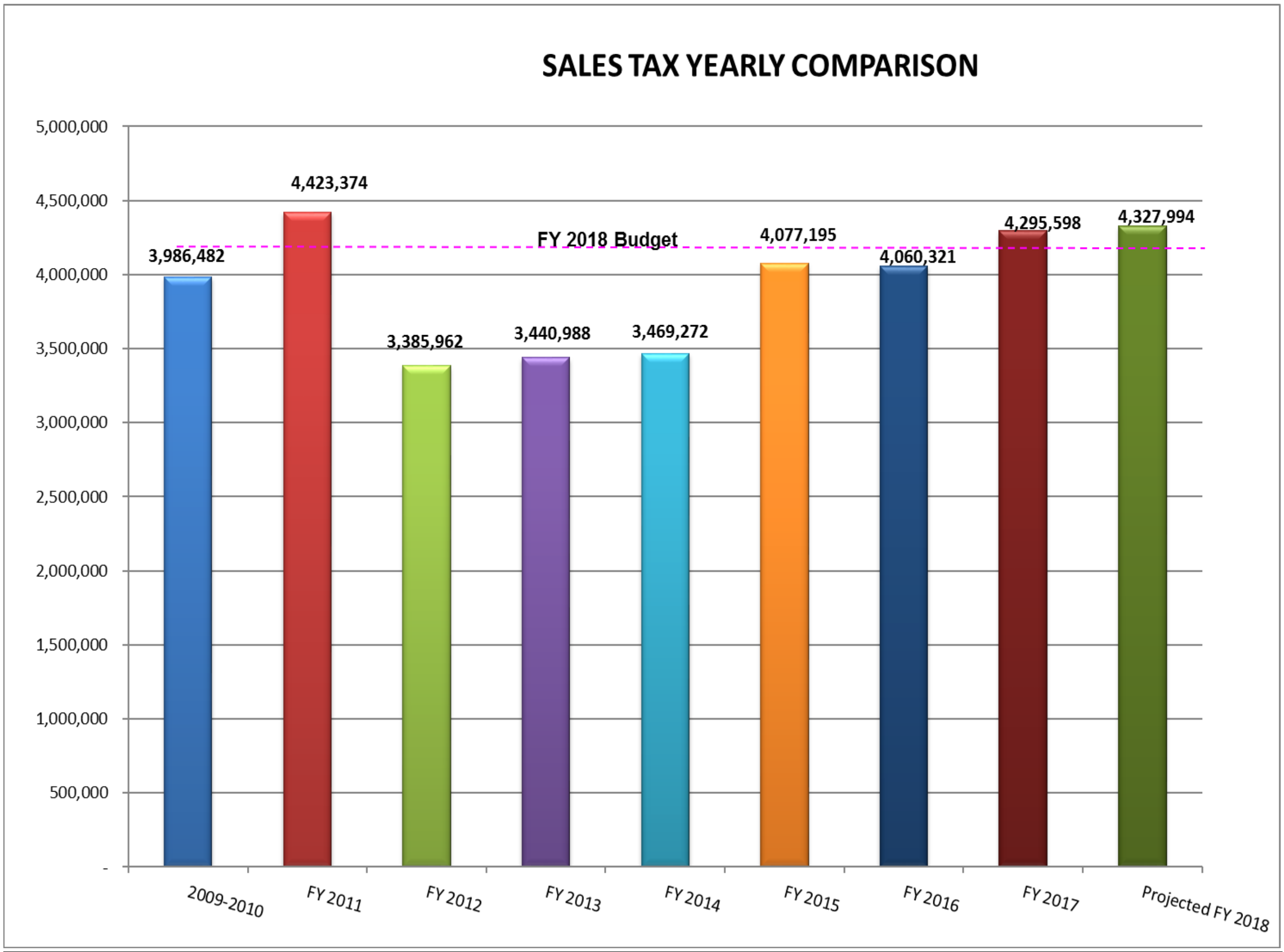
- Most departments are under the 50% budget target. Budgets that are over the budget target are primarily due to timing of payments.
  - City Secretary exceeding budget target due to timing of expenditures.
  - Main Street budget is exceeding budget target due to unanticipated payment for downtown lighting (Amendment needed)
  - Fire Department exceeding budget target due to timing of support payment to the Volunteer Fire Department.

The General Fund's fund balance is budgeted to remain flat. T**he city reserve level currently is below the minimum policy of 25%.** See bottom of page 3 for more clarification. The beginning cash position (October 1, 2017) 1.3 million represents less than 10% operating reserve. The City plans to build reserve over the next 3-4 years. Sales tax and departmental savings should aide in the building of the reserve by fiscal year end.

GENERAL FUND FINANCIAL SUMMARY

General Fund (Fund 11)				
Percent of Fiscal Year Complete	50%			
	Total Budget	**YTD Actual***	**Over(Under) Budget to Date**	**% FY 2018 Budget**
Beginning Fund Balance	$ 1,363,153	$ 1,363,153		
REVENUES				
Property Taxes	4,267,949	3,942,362	325,587	92.4%
Sales Tax	4,117,500	2,105,054	2,012,446	51.1%
Other Local Taxes (Franchise)	1,300,000	641,267	658,733	49.3%
Charges for Services (Sanitation)	2,316,000	1,171,041	1,144,959	50.6%
Fines & Penalties	283,500	104,714	178,786	36.9%
Licenses & Permits	181,500	206,686	(25,186)	113.9%
Miscellaneous	997,751	180,331	817,420	18.1%
Transfers	513,800	256,900	256,900	50.0%
Other Revenue	540,000	-	540,000	0.0%
Total Revenues	$ 14,518,000	$ 8,608,354	$ 5,909,646	**59.3%**
EXPENDITURES				
City Secretary	141,451	81,466	59,985	57.6%
City General Services	2,665,540	1,172,343	1,493,197	44.0%
Administrative Council	206,205	95,534	110,671	46.3%
Main Street	50,800	37,151	13,649	73.1%
Personnel Resources	238,202	115,385	122,817	48.4%
Municipal Court	308,019	122,514	185,505	39.8%
Finance	318,745	141,996	176,749	44.5%
Police	4,666,840	2,050,878	2,615,962	43.9%
Animal Impoundment	163,830	73,855	89,975	45.1%
Fire Department	185,198	120,634	64,564	65.1%
Public Works	3,177,046	1,133,239	2,043,807	35.7%
Recycling Center	160,029	66,325	93,704	41.4%
Parks	929,937	411,237	518,700	44.2%
Riverside Park	223,300	57,081	166,219	25.6%
Recreation	100,012	39,538	60,474	39.5%
Aquatics	296,096	89,396	206,700	30.2%
Library	686,750	189,643	497,107	27.6%
Total Expenditures	$ 14,518,000	$ 5,998,215	$ 8,519,785	**41.3%**
*YTD does not includes encumbrances				
Net Revenue (Expenditures)	$ -	$ 2,610,138		
Ending Fund Balance	$ 1,363,153	$ 3,973,291		
% of Operating Reserves	9.82%	27.37%		
Fund Balance Target 90 days (25%)	$ 3,469,194			
Over/(Under) min Policy Level (25%)	$ (2,106,041)			

Attachment: 03312018Qtrly (3083 : Quarterly Financial Report)



	2nd Quarter		% Change from	
	Fiscal Year 2017	**Fiscal Year 2018**	**Prior Year**	**Variance**
January	476,731.86	439,783.22	**-7.75%**	**(36,948.64)**
February	509,732.72	549,838.49	**7.87%**	**40,105.77**
March	426,596.22	413,614.28	**-3.04%**	**(12,981.94)**
Total	**1,413,060.80**	**1,403,235.99**	**-0.70%**	**(9,824.81)**
City General Fund (75%)	1,059,795.60	1,052,426.99		(7,368.61)
BCCDC (25%)	353,265.20	350,809.00		(2,456.20)
	1,413,060.80	**1,403,235.99**		**(9,824.81)**

Public Utility Fund Overview

Revenue Highlights

- As a percentage of budget, total Water & Sewer Revenue is 49% being on target with budget expectations.

Expenditure Highlights

- Total expenditures for the Utility Fund sit nicely at 39% of budget.
- All departments are within budget expectations.

PUBLIC UTILITY FUND FINANCIAL SUMMARY

Utility Fund (Fund 61)				
Percent of Fiscal Year Complete	50%			
	Total Budget	**YTD Actual***	**Over(Under) Budget to Date**	**% FY 2018 Budget**
Beginning Fund Balance	$ 3,166,423	$ 3,166,423		
REVENUES				
Charges for Services	7,522,000	3,623,746	3,898,254	48%
Fines & Penalities	190,000	105,354	84,646	55%
Miscellaneous	9,000	19,794	(10,794)	0%
Total Revenues	7,721,000	3,748,893	3,972,107	**49%**
EXPENDITURES				
General Operation	3,853,885	1,857,208	1,996,677	48%
Water	2,139,829	492,555	1,647,274	23%
Sewer	1,640,786	606,995	1,033,791	37%
Warehouse Operations	86,500	40,208	46,292	46%
Total Expenditures	$ 7,721,000	$ 2,996,966	$ 4,724,034	**39%**
*YTD includes encumbrances				
Net Revenue (Expenditures)	$ -	$ 751,927		
Ending Fund Balance	$ 3,166,423	$ 3,918,350		
% of Operating Reserves	43.28%	53.56%		
Target 90 days (25%)	1,829,060			
Over/(Under) Target	$ 1,337,364			

Airport Fund Overview

Revenue Highlights

- As a percentage of budget, core Airport revenues meet budget expectations. Timing of TXDOT RAMP Grant causes “Miscellaneous” revenue to appear below the budget target.
- General Fund (Transfers In) subsidizes the Airport by $150,000.

Expenditure Highlights

- As a percentage of budget, total expenditures are 35%. Capital Expenditures represent 81% of budget—this is due to the timing of the TXDOT airport project.

AIRPORT FUND FINANCIAL SUMMARY

Municipal Airport Fund (Fund 64)							
Percent of Fiscal Year Complete		50%					
	Total Budget		YTD Actual*		Over(Under) Budget to Date		% FY 2018 Budget
Beginning Fund Balance	$	109,256	$	109,256			
REVENUES							
Charges for Services		-		350		(350)	0%
Miscellaneous		158,000		49,243		108,757	31%
Transfers		150,000		75,000		75,000	50%
Other Revenue (Fuel Sales)		160,500		79,860		80,640	50%
Total Revenues	$	468,500	$	204,453	$	264,047	**44%**
EXPENDITURES							
Personnel		133,046		48,044		85,002	36%
Supplies & Materials		119,500		35,268		84,232	30%
Other Charges & Services		82,104		36,924		45,180	45%
Repairs & Maintenance		138,829		29,219		109,610	21%
Capital Expenditures		32,021		25,864		6,157	81%
Total Expenditures	$	505,500	$	175,318	$	330,182	**35%**
*YTD includes encumbrances							
Net Revenue (Expenditures)	$	(37,000)	$	29,135			
Ending Fund Balance	$	72,256	$	138,391			
No minimum Fund Balance Policy							
General Fund subsidizes $150,000							

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

Revenue Highlights

- As a percentage of budget, total Hotel/Motel Fund is below budget target of 50%, this is due the timing of hotel payments. Most hotels remit tax on a monthly or quarterly basis. March receipts will not be remitted until April.
- The City also budgeted to receive outside financing sources $585,000 (tax note) to replace the civic center roof. This is budgeted as part of Miscellaneous Income in the report.

Expenditure Highlights

- As a percentage of budget, total expenditures are below the budget target, however this is due to the timing various budgets within the Hotel / Motel Fund.
- The City budgeted to use $184,350 of Fund Balance to support the Bay City Theatre renovations.

HOTEL/MOTEL FUND FINANCIAL SUMMARY

Civic & Cultural Arts Fund (Fund 25)				
Percent of Fiscal Year Complete	50%			
	Total Budget	**YTD Actual***	**Over(Under) Budget to Date**	**% FY 2018 Budget**
Beginning Fund Balance	$ 449,295	$ 449,295		
Revenues				
Hotel Occupancy Tax	$ 725,000	$ 246,248	$ 478,752	34%
Miscellaneous	657,650	54,116	$ 603,534	8%
Total Revenues	$ 1,382,650	300,364	$ 1,082,286	**22%**
Expenditures				
Council Discretionary	$ 173,545	87,355	86,190	50%
Tourism Department	219,955	91,137	128,818	41%
Civic Center	843,500	135,202	708,298	16%
Bay City Theatre	330,000	1,557	328,443	0%
Total Expenditures	$ 1,567,000	$ 315,251	$ 1,251,749	**20%**
*YTD includes encumbrances				
Net Revenue (Expenditures)	$ (184,350)	$ (14,887)		
Ending Fund Balance	$ 264,945	$ 434,408		
Proposed to maintain $50,000				

Departmental Highlights - Quarter Activity

Building Department

New Homes

7

Value Added: $1,346,164 Total Taxes= $8,817

(Note: 14 Homes YTD; 2.4 million value; 16K taxes)

Commercial

BUSINESS **1**

Value Added: $2,700,000 Total Taxes= $17,685

(Note: 6 Commercial YTD; 9 million value; 59K taxes)

	Jan-March 2017	Jan-March 2018
Building Inspections	**642**	**463**

Street and Bridge

Description	Total (work orders)
Concrete Pavement Repair	11
Ditch Cleaning	27
Asphalt Pavement Repair	72
Utility Asphalt/Concrete Repair	27
Signs	22
Traffic Control Devices	9

Utility

Description	Total (work orders)
Water leaks	69
Meter leaks	74
Sewer repairs	368
Low pressure reads	8
Meter swaps	170

Police Statistics

	Jan-March 2017	Jan-March 2018
Calls for service	7775	7133
Arrests	343	300
Cases assigned to CID	568	597
Cases cleared by CID	387	405

Civic Center

	Fiscal YTD 2017	Fiscal YTD 2018
Total Revenue	$35,598	$51,985
Total Expenditures	$119,268	$135,202

FINANCIAL CHALLENGES OF THE CITY

Governmental Funds

General Fund
Reserve Levels-The City needs to build reserves up to policy level over the next 3-4 fiscal years. The City has proactively provided amendments to offset Riverside Park Income due to park closure. (Hurricane Harvey)

Proprietary Funds

Public Utility Fund
None

Airport
None

Monitoring:

Sales Tax
Court Fines- Below Budget Target- 36%

Investment Report 2nd Quarter Fiscal Year 2018

The City has a weighted average portfolio of 1 day with an average book yield of 1.16%. The City is liquid with 100% of the portfolio in a 0-1-year maturity. Average interest rates have slightly increased since prior quarter. All short-term investments average less than 2%. Investment earnings are $35,957 for the quarter and up $23,288 as compared to the same quarter last year. The investment strategy currently is to stay short with diversification (Checking & Investment Pools) to minimize interest rate risk in the future. However, the City will begin to build a laddered portfolio with some investment moving into 2-3 year maturities. The Investment Officer will begin to investing in short term securities.

March 31, 2018 Balances

		Total Bal by Type	% of Portfolio
IBC/Prosperity	$	3,319,003.78	25%
Petty Cash/Cash Drawers	$	3,577.00	0%
Texstar	$	7,174,401.24	53%
Texas Class	$	3,019,444.82	22%
CD's	$	-	0%
Securities	$	-	0%
		$13,516,426.84	100 %

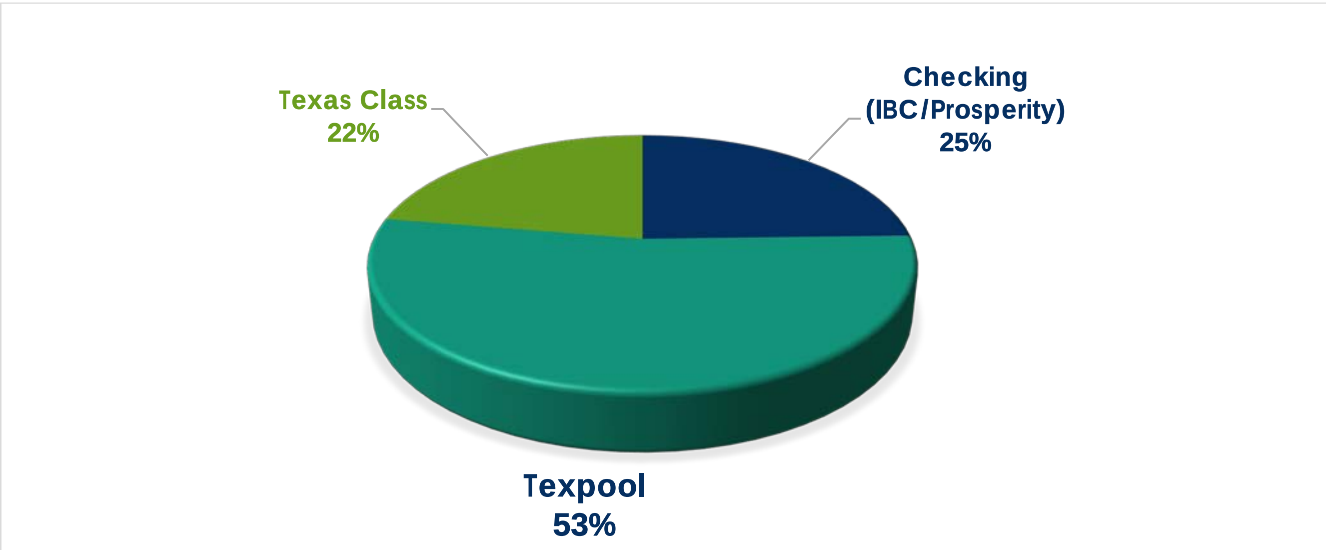
Interest Earnings

Interest received during the 2nd quarter totaled $ 35,957 and represents interest paid on checking accounts and investments.

Portfolio	Qtr 03-31-17	Qtr 03-31-18	Over Prior Year
Interest Received	$12,669	$35,957	$23,288

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	$13,516,427	100%
1-2	$ 0	0%
2-3	$ 0	0%
Total	**$13,516,427**	**100%**

	City of BAY CITY vs. Benchmarks						
	for Quarter Ending MARCH 31, 2018						
	BOOK VALUE	**MARKET VALUE**	**Unrealized Gain/<Loss>**	**Average Book Yield**		**Benchmark Pools**	**Benchmark 90 Day T-Bill**
	$ 13,516,427	$ 13,516,427	-	1.16%		**1.36%**	**1.59%**
		Weighted Average					
	Maturity	1.00	Day(s)	1.16%	Yield		

City Council
1901 5Th Street
Bay City, TX 77414

SCHEDULED

Meeting: 04/26/18 07:00 PM
Department: City Secretary
Category: Presentation
Prepared By: David Holubec
Initiator: David Holubec
Sponsors:
DOC ID: 3078

DISCUSSION ITEM (ID # 3078)

~ RECEIVE AND DISCUSS UPDATES ON THE ONGOING PROJECTS OF THE BAY CITY TOURISM COMMITTEE.

COMMENTS - Current Meeting:

Tourism Manager, Heidi Martinez presented this agenda item. Discussed events and plans for the Tourism Department.

Visit Bay City

January 2018 – April 2018

Quarterly Report

CURRENT PROJECTS

Flower Moon Concert & Chalk Walk Event – Downtown Bay City, partnership between Visit Bay City and Bay City Mainstreet. The System Band performing Texas Country, Rock and Cumbia. Light show provided by band. Food and beverage vendors. Artists to design chalk art in Downtown Bay City for public viewing. Tables available for rent. Facebook event created, four Facebook sponsored ads.

Application of the Arts – Building owner agreement signed to begin painting Birding Capitol mural and Welcome to Bay City mural. Art League of Bay City commissioned to begin artwork May 7th, 2018 located at 2002 7th Street. Page 52 & 53 of Vision 2040.

New VisitBayCityTX.com Website – Word press website back by Google analytics. Help to pinpoint our exact customers. Events pulled directly from Facebook to website. Brand new articles. Business owners able to change information within the website. Bay City Parks & Recreation & Bay City Mainstreet tabs added on homepage. Launch date to coincide with *National Travel & Tourism Week, May 7th – 11th*.

COMPLETED PROJECTS

Wolf Moon Concert – Event logo design, contract photo booth, book entertainment, create Facebook event, promote event through three sponsored Facebook ads. Recruit food and beverage vendors to sell at concert. Attend and manage concert. Part of our Full Moon Concert Series to create large quarterly events as part of our goals on page 55 of Vision 2040.

Bay City Tourism Council – Created advisory committee for Visit Bay City including nine tourism stakeholders from Bay City and Matagorda County.

Bay City Tourism Council Bylaws – Created bylaws to govern and guide the Bay City Tourism Council.

Matagorda County Visitors Guide 2018 – New magazine design, hired writers for new articles on birding, fishing and hunting. Professional photo shoot to update pictures.

Strategic Planning Session – Needs assessment and goal setting with Bay City Tourism Council on April 4th. Six major goals including; Create marketing plan, create city and county cleanup and improve overall attractiveness, Bu ild case for proposed positions for social media/tech staff person, Brand development, Develop budget based on goals of strategic plan Vision 2040, Develop positivity campaign #lovewhereyoulive

Advertising – Twelve print ads submitted in total for first quarter. Texas Fish & Game (3), Texas Highways Magazine (4), 2018 Houston Visitors Guide (1), Houston Chronicle Spring Events Calendar (1), 2018 Guide to Brazoria County (1), Bay City Sentinel (1), Birdwatching Magazine (1). Four Facebook sponsored ads. Two Facebook event promotions for Wolf Moon Concert & Flower Moon Concert.

Renovation of 24 Hour Kiosk – Wooden shelves were removed. Kiosk was deep cleaned and the air conditioner was repaired. New clear acrylic magazine and brochure racks hung on the walls. Along with a timed air freshener. Page 35 Vision 2040

Before:  **After:** 

Future Planning

Strategic Plan Subcommittee – Create Mission & Vision Statement

Action Plan Committee – SWOT Analysis to Create Plan of Action for goals assessed in Strategic Planning Session

Brand Development – Create new logo design and branding for Visit Bay City

Strawberry Moon Concert – Full Moon Concert Series, next major event planning begins

Upcoming Events

May 5th, 2018 – Flower Moon Concert & Chalk Walk, Partnership Visit Bay City & Bay City Mainstreet

May 7th – 11th, 2018 – National Travel & Tourism Week; this years' theme: Travel Then & Now

May 11th, 2018 – Tourism Celebration Night *(Special Invite to Tourism Stakeholders)*

June 1st, 2018 – Birding Capitol & Bay City Welcome Murals Complete

June 1st & 2nd, 2018 – June 7th, 8th & 9th – CAST presents Shakespeare in Hollywood, Sponsored by Visit Bay City

June 15th, 2018 – Strawberry Moon Concert, Partnership Visit Bay City & Parks & Recreation

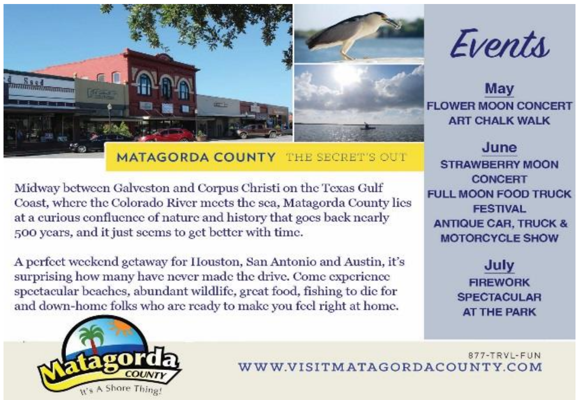
June 16th, 2018 – Full Moon Food Truck Festival, Sponsored in part by Visit Bay City

September 22nd, 2018 – Heritage Festivals of the Americas, Partnership Bay City Mainstreet & Visit Bay City

November 3rd, 2018 – Harvest Moon Concert at Le Tulle Park, Partnership Visit Bay City & Parks & Recreation

December 7th & 8th, 2018 – Pioneer Christmas Historic Homes Tour at the Train Depot, Partnership Bay City Mainstreet, Visit Bay City and Bay City Parks & Recreation

2018 Houston Visitors Guide & April Texas Highways



2018 May Texas Highways

2018 March Texas Fish & Game

2018 April Texas Highways

2018 June Texas Highways

Facebook Sponsored Ad


Visit Bay City, Texas
And Discover a New Adventure
Ranked Number 1 in the National Audubon Society
Christmas Bird Count with over 220 different species of birds spotted.
Pictured here Painted bunting (Passerina ciris)
Bay City is just 79 miles away from Houston,
20 miles from The Texas Gulf Coast.
Making it the best destination for your weekend getaway.
Not just birds, we have 300 acres of developed and undeveloped open space,
24 parks including Le Tulle and Riverside Parks, located on the Colorado River;
2 pools; 4 recreation facilities including the USO Building; and more.
Come visit us year-round and enjoy our wonderful
accommodations. We also have Art and shops that will knock your socks off.
Bring your family during any Season and we guarantee
you will fall in love with Bay City.
1901 5th Street Bay City, TX 77414
www.visitmatagordacounty.com

City Council
1901 5Th Street
Bay City, TX 77414

SCHEDULED

Meeting: 04/26/18 07:00 PM
Department: City Secretary
Category: Presentation
Prepared By: David Holubec
Initiator: David Holubec
Sponsors:
DOC ID: 3080

DISCUSSION ITEM (ID # 3080)

~ RECEIVE AND DISCUSS A PRESENTATION ON THE PROCESS USED BY THE BAY CITY CODE ENFORCEMENT DEPARTMENT WHEN ENFORCING THE MOWING OF ABANDONED OR NEGLECTED PROPERTIES WITHIN THE CITY LIMITS.

This agenda item is the result of Councilwoman, Becca Sitz's agenda item from the April 12, 2018 Council meeting, regarding the mowing of abandoned or neglected properties within the city limits of Bay City. Further information was requested.

COMMENTS - Current Meeting:

Police Chief Robert Lister presented this agenda item with the help of Code Enforcement Officers Cheryl Smith and Marty Godley. The process followed was outlined for Council members.

City Council
1901 5Th Street
Bay City, TX 77414

SCHEDULED

Meeting: 04/26/18 07:00 PM
Department: Public Works
Category: Grant
Prepared By: Barry Calhoun
Initiator: Barry Calhoun
Sponsors:
DOC ID: 3076

RESOLUTION (ID # 3076)

~ DISCUSS, CONSIDER AND/OR ADOPT A RESOLUTION TO DESIGNATE AN ADMINISTRATION SERVICE PROVIDER AND AN ENGINEERING SERVICE PROVIDER FOR A 2018 ECONOMIC DEVELOPMENT ADMINISTRATION GRANT.

The City of Bay City plans to apply a 2018 Economic Development Administration (EDA) Grant Program to support public infrastructure improvements in the City of Bay City. The grant will potentially help fund extending City water and sewer services to the east of town for existing and future development to better sustain these services during natural disasters.

EDA announces general policies and application procedures for the Disaster Supplemental NOFO. Subject to the availability of funds, this investment assistance will help communities and regions devise and implement long-term economic recovery strategies through a variety of non-construction and construction projects, as appropriate, to address economic challenges in areas where a Presidential declaration of a major disaster was issued under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5121 et seq.) (Stafford Act) as a result of Hurricanes Harvey, Irma, and Maria, and of wildfires and other natural disasters occurring in calendar year 2017. To be competitive, applications must clearly incorporate principles for enhancing the resilience of the relevant community/region or demonstrate the integration of resilience principles into the investment project itself. Resilience is an essential component of any strategy for mitigating the potential for future disaster-related losses and adverse economic impacts for communities. Therefore, inclusion of resilience principles in the project is a necessary step to improve the capacity of the region to recover more quickly from future disaster events. Applicants must include a narrative attachment as a part of their application materials, describing in detail the nexus between their proposed project scope of work and disaster recovery and resilience efforts. The strength of the nexus to the disaster is drawn from the consequences of the relevant disaster(s) and the intended project outcomes that fulfill the community's specific post-disaster needs.

This agenda item is a requirement of the grant program to select an administration service provider and an engineering service provider to aide in the application submission and implementation of the grant project if awarded.

COMMENTS - Current Meeting:

Assistant Public Works Director, Marla Jasek presented this agenda item. The resolution awarded work to GrantWorks and Jones and Carter Engineering.

RESOLUTION

A RESOLUTION OF THE CITY OF BAY CITY, TEXAS, AUTHORIZING THE AWARD OF PROFESSIONAL SERVICE PROVIDERS FOR A 2018 ECONOMIC DEVELOPMENT ADMINSTRATION GRANT.

WHEREAS, the 2018 Economic Development Administration (EDA) contract requires implementation by professionals experienced in the administration and implementation of federally-funded community development projects;

WHEREAS, in order to identify qualified and responsive providers for these services a Request for Proposals (RFP) process for administration services and a Request for Qualifications (RFQ) for engineering services for application preparation and professional services has been completed in accordance with EDA requirements;

WHEREAS, the procurement process entailed advertisement in the local newspaper and directly contacting firms with prior experience in the region, firms recommended by neighboring communities, and/or firms requesting the submission requirements;

WHEREAS, the proposals received by the due date have been reviewed to determine the most qualified and responsive providers for each professional service.

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

Section 1A. That____________________ be selected to provide project-related **application preparation** and **administration services** for a 2018 Economic Development Administration project contingent on award.

Section 1B. That____________________be selected to provide project-related **application preparation** and **professional engineering services** for a 2018 Economic Development Administration project contingent on award.

Section 2. That any and all contracts or commitments made with the above-named services providers are dependent on the successful negotiation of a contract with the service provider.

PASSED AND APPROVED on first and final reading this ______day of April 2018.

CITY OF BAY CITY, TEXAS

____
Mark Bricker, Mayor

ATTEST:

____
David Holubec, City Secretary

APPROVED as to FORM:

____
Habib H. Erkan, Jr., Assistant City Attorney
DENTON, NAVARRO, ROCHA,
BERNAL & ZECH, P.C.

City Council
1901 5Th Street
Bay City, TX 77414

SCHEDULED

Meeting: 04/26/18 07:00 PM
Department: City Secretary
Category: Presentation
Prepared By: David Holubec
Initiator: David Holubec
Sponsors:
DOC ID: 3077

DISCUSSION ITEM (ID # 3077)

~ DISCUSS A COMPLAINT IN REFERENCE TO THE BAY CITY REGIONAL AIRPORT.

This item is being sponsored by Mayor Pro Tem Cornman. Airport patron, Steve Pourteau is requesting to address Council members and Mayor Bricker regarding his concerns.

From Mr. Pourteau:

My issues I would like to discuss are the following:

1. The Bay City Regional Airport is dying. There is no flight instructor, nor aircraft rentals at the airport anymore. 25% vacancy in the tee-hangars and 100% vacancy in the main hangar.
2. Lack of customer service attitude of the airport management.
3. Condition of the hangars.
4. Setup a committee made of the tenants to address issues relating to the airport.
5. Audio recording in the pilot lounge at the airport.

Regards,

Steve Pourteau

COMMENTS - Current Meeting:

Councilman, Bill Cornman sponsored this agenda item. Airport customer, Steve Pourteaux addresses Council with issues he is having at the Bay City Regional Airport.

City Council
1901 5Th Street
Bay City, TX 77414

SCHEDULED

AGENDA ITEM (ID # 3081)

Meeting: 04/26/18 07:00 PM
Department: City Secretary
Category: Appointment
Prepared By: David Holubec
Initiator: David Holubec
Sponsors:
DOC ID: 3081

~ DISCUSS, CONSIDER, AND/OR APPROVE LEGAL SERVICES FOR THE CITY OF BAY CITY.

COMMENTS - Current Meeting:

Mayor Bricker gave Council members an update on the Legal Services Committee's progress in selecting a legal team to present to Council. Interview session will be held on May 1, 2018 and the final vote on May 10th.

City Council
1901 5Th Street
Bay City, TX 77414

SCHEDULED

Meeting: 04/26/18 07:00 PM
Department: City Secretary
Category: Policy
Prepared By: David Holubec
Initiator: David Holubec
Sponsors:
DOC ID: 3082

DISCUSSION ITEM (ID # 3082)

~ RECEIVE AND DISCUSS AN UPDATE ON THE INTERNAL CHARTER INVESTIGATION REQUESTED BY COUNCIL.

COMMENTS - Current Meeting:

City Secretary, David Holubec addressed Council regarding the internal Charter investigation progress. City attorneys will have the correction ordinance ready to present at the May 10th Meeting. Discussion was made regarding the length of time the investigation has taken. Councilman Childers felt it has taken too long and Councilwoman Estlinbaum stated it is taking as long as it has to so the corrections can be made.