



# CITY COUNCIL SPECIAL CALLED MEETING CITY OF BAY CITY

Tuesday, November 30, 2021 at 6:00 PM  
COUNCIL CHAMBERS | 1901 5th Street

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## COUNCIL MEMBERS

**Mayor:** Robert K Nelson

**Mayor Pro Tem:** Jason W. Childers

**Council Members:** Becca Sitz, Bradley Westmoreland, Floyce Brown, Jim Folse

*Bay City is committed to developing and enhancing the long-term prosperity, sustainability, and health of the community.*

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## AGENDA

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**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

### CERTIFICATION OF QUORUM

### 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.

### REGULAR ITEM FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL

- 1. Agreement ~ Discuss, consider, and/or approve an Economic Development Professional Services Agreement with David Pettit Economic Development, LLC., relating to the creation of a public improvement district (PID) in the City of Bay City, Texas.**
- 2. Discuss, consider, and/or approve the appointment of Shea Krauskopf to the Public Housing Authority**

3. **Discuss, consider, and/or approve the appointment of Donna Shook to the Public Housing Authority**

#### **CLOSED / EXECUTIVE SESSION**

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

#### **OPEN SESSION**

Discuss, consider and/or take action on item(s) listed in Executive/Closed Session, (if any).

#### **ITEMS / COMMENTS & MAYOR AND COUNCIL MEMBERS**

#### **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.

### **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 **November 24, 2021 before 6:00 pm**. Any questions concerning the above items, please contact Mayor Robert K. Nelson at (979) 245-2137.



November 19, 2021

Shawna Burkhart  
City Manager  
City of Bay City  
1901 Fifth Street  
Bay City, TX 77414

**RE: Professional Services Proposal**

Dear Ms. Burkhart,

David Pettit Economic Development, LLC ("DPED") is pleased to provide this proposal for economic development professional services relating to the creation of a public improvement district ("PID") in the City of Bay City, Texas ("City").

### **The Project**

It is our understanding that the City of Bay City, Texas is interested in establishing a PID for the purpose of facilitating development.

### **The Assignment**

Our work under this proposal would be to provide professional economic development services. DPED's primary role will be to provide professional economic development services relating the advisability of a PID.

### **The Team**

We propose working in a team organized as follows:

- You will be our point of contact and will provide overall direction to our team. You may also include other members of City staff with which we will meet regularly to review our progress and to get input and direction on our work.
- At this time we do not anticipate the need for any additional consultants to accomplish the work described in this proposal.

### **Statutory Requirements**

Cities and counties often need to make certain improvements to their infrastructure to facilitate economic growth within an area. New businesses may choose not to locate where there are inadequate streets, substandard utility services, or other public facilities or services that are inferior. It is also difficult for existing businesses to prosper in areas that have poor public infrastructure. Texas law provides a number of ways to finance needed public improvements, including the use of special assessments. Public Improvement Districts (PIDs) offer cities and counties a means for undertaking such projects.

The Public Improvement District Assessment Act allows any city to levy and collect special assessments on property that is within the city or within the city's extraterritorial jurisdiction (ETJ). Further, counties may levy and collect special assessments on property located within the county unless, within 30 days of a county's action to approve the public improvement district, a home rule city objects to its establishment within the home rule city's corporate limits or ETJ. The statute authorizing the creation of PIDs is found in Chapter 372 of the Local Government Code.

### **Scope of Services**

Based on our previous conversations, and our experience with past projects, we propose the following scope of services broken down into project elements.

- **Data Assembly**  
DPED would work directly with the Client and the Project representatives to identify and acquire the needed data to complete a thorough analysis of the proposed financing structure for the planned Projects. We will coordinate documentation between the various parties and develop an achievable timeline with key dates and implementation steps to ensure the project moves forward in a timely manner.
- **PID's Advisability Analysis**  
Following the completion of the Data Assembly Task, our team will begin the process of reviewing the PID's Advisability. This will include the Project's public improvements, estimated costs for the improvements as provided by Client, the boundaries of the PID, the preferred method of assessment, an overview of the apportionment of costs between the PID and the City, and all other exhibits required for local government review per the state legislative requirements.
- **Facilitate Review and Consideration of the Proposed PID**  
DPED would facilitate meetings and presentations with the City, Client and all other parties involved in the process. This will include supporting meetings, work sessions, briefings, commission meetings, and hearings.
- **Assist with Public/Private Development Agreements and Resolution Documents**  
DPED will develop the draft documents required for the implementation of a PID as described in Chapter 372 of the Texas Local Government Code, for review by legal representatives of the City and the Client.

#### **Fee for Services**

Our fee for services relating to the scope of services will be billed on an hourly basis, per the rates provided in this proposal with a not to exceed amount of \$20,000. Not work is authorized above \$20,000 unless expressly written approval is given by Client.

Fees would be charged on a monthly basis, subject to on-going progress on the work effort. Reimbursable expenses would be charged to include out-of-pocket expenses incurred in the interest of the project at actual costs.

#### **Changes of Scope and Additional Services**

Minor additions to our scope will be treated as Additional Services. Work on Additional Services will not begin until authorized in writing by the Client.

#### **Additional Services and Rates for Hourly Services**

Additional Services shall be billed on an hourly not to exceed basis unless a fixed fee or other method of compensation is mutually agreed upon. Our current hourly rates are:

| <u>Classification</u> | <u>Hourly Billing Rate</u> |
|-----------------------|----------------------------|
| David Pettit          | \$325.00                   |
| Project Manager       | \$250.00                   |
| Project Specialist    | \$120.00                   |
| Planning Intern       | \$100.00                   |
| Administrative        | \$80.00                    |

These rates apply for the current calendar year and are subject to revision on January 1, when they may be revised to reflect changes in staff salaries over the preceding year.

### **Term of Agreement**

It is anticipated that the services covered in the proposal will be completed within twelve (12) months of the date services begin. This Agreement will terminate upon the earlier of completion of services or twelve (12) months from the date of this Agreement. Additionally, Client may terminate this Agreement for any reason upon thirty (30) days written notice to DPED and DPED will cease any and all work upon receipt of such notice, unless otherwise directed in the notice. In the event of a termination as described above, Client shall be responsible for the payment of the fees and expenses incurred by DPED pursuant to this agreement through the date of such termination.

### **Reimbursables**

We propose to be reimbursed for out-of-pocket expenses incurred in the interest of the project at DPED actual cost. Reimbursable expenses include: our direct consultants and their expenses (to be reimbursed, all consultants and their bids must be approved in writing, in advance by the client); reproduction; long distance communication; document printing and delivery; document graphics and binding; delivery, postage and handling; travel time; special materials; photography; etc. (Reasonable backup will be available upon request.)

### **Invoices and Payments**

Payment for services rendered is due within thirty (30) days of Client's next monthly billing cycle following receipt of invoice. In the event any invoices remain unpaid 45 days after the invoice date, we suspend work until we have been paid in full all amounts due for services and expenses. Amounts unpaid for more than 30 days after the due date may accrue interest at 10% per annum. In the event we are forced to commence a collection proceeding, you agree to pay reasonable attorney's fees and court costs, in addition to our fees billed under this proposal.

### **Suspension and Termination**

If the project is suspended or abandoned, DPED will be compensated for all services billed prior to receipt of written notice by the Client. Services that are not billed or completed between billing periods and receipt of written notice will be reimbursed at DPED's standard hourly rates.

If the scope or schedule of the project should change beyond that to be reasonably expected due to the program changes, schedule or other reason, at their option, DPED may re-negotiate the aforementioned fees and scope of work. Any renegotiation of scope or fee will be in writing and subject to the signing of both parties.

### **Certifications**

Guarantees and Warranties: We will not be required to execute any document that would result in our certifying, guaranteeing or warranting the existence of conditions whose existence we cannot ascertain.

### **Authorization to Proceed**

Thank you again for this opportunity to work with you. Your signature below and the return of one copy to us for our file will confirm your approval and authorize us to proceed.

### **Insurance**

DPED will provide proof of professional liability insurance (including errors and omissions) with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in the aggregate and excess/umbrella liability of \$1,000,000 per occurrence and \$2,000,000 in the aggregate to client. Additionally, DPED shall carry the following insurance coverages:

(a) Worker's compensation insurance at the statutory limits and employer's liability insurance, with minimum limits of \$1,000,000.00/\$1,000,000.00/\$1,000,000.00; and

(b) Comprehensive general liability insurance, with minimum limits of \$2,000,000.00 each occurrence and \$4,000,000.00 in aggregate; and

(c) Comprehensive automobile liability insurance, with minimum limits of \$1,000,000.00 combined single limit each occurrence; and

DPED has previously provided, or concurrently with the execution of this agreement is providing, to Client a certificate of insurance issued to Client evidencing the foregoing insurance coverages and evidencing that Client and Client's lender, if any, are additional insured parties with respect to the insurance policies referred to in the foregoing subparagraphs (b) and (c).

#### Notices

Any notice required or permitted to be given to either party shall be deemed to be received by such party (a) three (3) days after deposit in the United States Registered or Certified Mail, Return Receipt Requested, or (b) one (1) business day after deposit with a nationally recognized overnight delivery service for next day delivery, or (c) upon personal delivery to the party to whom addressed provided that a receipt of such delivery is obtained, or (d) on the next business day after transmission by telecopy provided that a confirmation copy is concurrently deposited in United States Certified or Registered Mail, Return Receipt Requested, in any case addressed to the parties at the following addresses:

If to Client:

City of Bay City  
1901 Fifth Street  
Bay City, TX 77414  
Attention: Scotty Crow Jones C.P.M., Finance Director  
Email: [sjones@cityofbaycity.org](mailto:sjones@cityofbaycity.org)

If to DPED:

David Pettit Economic Development, LLC.  
306 West Seventh Street, Suite 602  
Ft. Worth, TX 76102  
Attention: David Pettit  
Email: [dpettit@dpedllc.com](mailto:dpettit@dpedllc.com)

or to the parties at such other addresses or telecopy numbers as they may designate by notice to the other party as herein provided.

#### SUMMARY

I hope this accurately outlines the professional services you anticipated. If you have any questions or concerns please do not hesitate to contact me at 817.439.9421.

Thank you for considering David Pettit Economic Development, LLC.

Sincerely,



David Pettit  
Managing Member

If this agreement meets with your approval, please sign and return one executed copy to our office as notice to proceed.

**AGREED TO AND ACCEPTED BY:**

City of Bay City, Texas

By: \_\_\_\_\_

Date: \_\_\_\_\_