December 17, 2024

Notice is hereby given of a Regular Meeting of Nacogdoches City Council to be held on the above date in the City Council Chambers of City Hall, 202 E. Pilar Street, Nacogdoches, Texas, beginning at 5:30 p.m. for the purpose of considering the following agenda items.

Some City Council Members may attend via videoconference but a quorum of the City Council and the Presiding Officer will be present at the above-stated physical location. The meeting will be streamed live at: https://www.nactx.us/21. There will be an opportunity for the public to comment on agenda items in person in Council Chambers.

PLEASE LIMIT PRESENTATIONS TO THREE MINUTES
(UNLESS PRIOR APPROVAL IS OBTAINED)

1. CALL TO ORDER.

2. PLEDGE OF ALLEGIANCE.

3. OPEN FORUM. Open Forum is an opportunity for citizens to address the City Council about items listed on the agenda, as well as on matters that are not specifically listed on the agenda. Alternatively, a citizen may address the City Council about an agenda item when the item comes up for consideration during the meeting. In order to address the City Council, please complete the Public Comment Form and submit it to the City Secretary prior to the start of the meeting. In accordance with the Texas Open Meetings Act, the City Council will not discuss, deliberate, or make any decisions on items not listed on the agenda. Comments are limited to 3 minutes per person.

4. AWARDS AND RECOGNITIONS:

   A. Presentation of a Proclamation recognizing Nacogdoches as a Tourism-Friendly Community. (CVB Director)

   B. Presentation of a Proclamation to Mr. Gary Woods, for 44 years of honorable service with the Nacogdoches Central Appraisal District. (Mayor)

5. ITEMS TO BE REMOVED FROM CONSENT AGENDA.

6. CONSENT AGENDA: Items included under Consent Agenda require little or no deliberation by Council. Approval of Consent Agenda authorizes the City Manager or his designee to proceed with conclusion of each in accordance with staff recommendations as reflected in the minutes of this meeting.

   A. Consider approval for the City Manager to participate in the new Opioid Settlement with Kroger, on behalf of the City of Nacogdoches. (City Secretary)

   B. Amending the Nacogdoches Industrial Development Authority By-Laws to change the annual meeting date from the 2nd Thursday in February to "each year during the

month of February." (Economic Development Manager)

C. Consider approval of an amendment to the Airport runway rehabilitation project participation agreement (2411NACOG) with the Texas Department of Transportation Aviation Division that will reduce the City's design fee cost share from 10% to 5% of the total design fee. (Airport Manager)

D. Consider approval of the renewal of the Lexis Subscription Agreement between the City of Nacogdoches and LexisNexis for legal research and related services. (City Attorney)

E. Consider approval of the purchase of two (2) Ford F-350 Trucks from Tipton Ford, utilizing TIPS Cooperative Purchasing Contract 230204, for a not-to-exceed amount of $116,792.00 (Utility Construction Manager).

F. Consider approval of minutes for the November 19, 2024, Regular City Council Meeting and the December 3, 2024, Regular City Council Meeting. (City Secretary)

7. REGULAR AGENDA: City Council will receive staff recommendations and public input on the following items, and may deliberate and take formal action on the item.

A. Receive a presentation and give a report on the Nacogdoches City Council and Staff Retreat held on October 15, 2024. (Ron Cox, Ron Cox Consulting)

B. Receive a presentation and hold a discussion regarding the Low Income Housing Tax Credit Program. (Executive Director of Economic Development)

C. Discuss and consider authorizing the City Manager to negotiate an agreement with The Goodman Corporation to provide professional consulting services as described in solicitation RFQ 25-10-106 for developing planning and implementation strategies for Downtown Nacogdoches. (Executive Director of Development and Infrastructure)

D. Consider approval of a resolution of the City Council of the City of Nacogdoches, Texas adopting the 2025 Legislative Priorities for the 89th State Legislative Session. (City Manager)

E. Consider approval of a resolution of the City Council of the City of Nacogdoches, Texas urging the Texas Legislature to enact legislation to amend portions of Chapter 1069 of the Texas Special District Local Laws Code related to the Nacogdoches County Hospital District. (City Manager)

8. ADJOURN.

Rhonda Lewis
City Secretary

This agenda is posted as required under G. C. Section 551.041. For more information or a copy of the Open Meetings Act, please contact Attorney General of Texas at 1-800-252-8011; City Secretary at (936) 559-2506 or visit City of Nacogdoches web site at www.nactx.us.

CERTIFICATION

This meeting will be conducted pursuant to Chapter 551 of the Texas Government Code. The Council reserves the right to adjourn into Executive Session at any time during the meeting to discuss any of the above posted agenda, as authorized by Texas Local Government Code Sections 551.071 [litigation and certain consultation with attorney], 551.072 [acquisition of interest in real property], 551.073 [prospective gift to city], 551.074 [certain personnel deliberations], 551.076 [deployment/implementation of security personnel or devices], or 551.087 [deliberations regarding economic development negotiations]. The City of Nacogdoches is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications may be provided upon request. Please contact the City Secretary at (936) 559-2506 for information. I certify the notice of meeting was posted in the directory outside of City Hall, 202 E. Pilar Street, Nacogdoches, Texas 75961, on December 13, 2024, by 5:00 p.m., pursuant to Chapter 551 of the Texas Government Code.

_____

Rhonda Lewis, City Secretary

City Council Meeting

Date: December 17, 2024

Agenda Item: 4.A.

PRESENTER: Randy Johnson

ITEM/SUBJECT: Presentation of a Proclamation recognizing Nacogdoches as a Tourism-Friendly Community. (CVB Director)

SUMMARY/BACKGROUND:

FINANCIAL:

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

CITY CONTACT: Ashley Morgan, CVB Director
Ashley@visitnacogdoches.org
(936) 564-7351

ATTACHMENTS: 1. Tourism Friendly Proclamation (1)

WHEREAS, the City of Nacogdoches recognizes the economic benefit of the tourism industry; and

WHEREAS, visitors enjoy Nacogdoches attractions including but not limited to Downtown Nacogdoches, historic sites such as the Sterne-Hoya Museum and Zion Hill Baptist Church, Stephen F. Austin State University, The Fredonia Hotel, Millard's Crossing Historic Village, Banita Creek Hall, hiking trails and parks; and

WHEREAS, Nacogdoches welcomes 1.5 million visitors annually, resulting in $77.8 million in direct traveler spending and resulting in $7.1 million in tax revenue; and

WHEREAS, the City of Nacogdoches has been recognized as a Film Friendly and Music Friendly community; and

WHEREAS, Nacogdoches has been recognized as a top tourist destination in Texas; and

WHEREAS, the City of Nacogdoches faithfully preserves its historic roots and honors it through multiple museums, statues and signage across the city.

NOW THEREFORE BE IT PROCLAIMED, I, Randy Johnson, Mayor of the City of Nacogdoches and on behalf of the City Council, recognize that **Nacogdoches is a Tourism Friendly Community.**

WHEREAS, Gary Woods was born in Nacogdoches' Memorial Hospital and was delivered by the esteemed Dr. James G. Taylor; and

WHEREAS, upon graduation in 1971 from Nacogdoches High School, Gary Woods entered Texas A&M University and became a member of the Texas Aggie Corps of Cadets, graduating with a Bachelors of Business Arts in Finance, and to this day continues to fit in his Aggie uniform; and

WHEREAS, Gary Woods went to work for Nacogdoches Central Appraisal District for 44 years, most of which he served as Administrator of the Central Appraisal District; giving not only his financial expertise, but his compassionate heart and thoughtful concern for the well-being of all citizens; and

WHEREAS, Gary Woods' decision to leave the Appraisal District was a difficult and emotional decision to make, be it known that it was not just a job, but a home where he made lifelong friends that were family to him.

NOW THEREFORE BE IT PROCLAIMED, that I, Randy Johnson, Mayor of the City of Nacogdoches and on behalf of City Council extend our heartfelt gratitude and forever admiration to Gary Woods for a job well done and

Gary Woods

for 44 years of honorable service to the
Central Appraisal District of Nacogdoches, Texas.

City Council Meeting

Date: December 17, 2024

Agenda Item: 6.A.

PRESENTER: Rhonda Lewis, City Secretary

ITEM/SUBJECT: Consider approval for the City Manager to participate in the new Opioid Settlement with Kroger, on behalf of the City of Nacogdoches. (City Secretary)

SUMMARY/BACKGROUND: The State of Texas joined numerous other states in suing various manufacturers and distributors of opioid drugs for deceptive trade and marketing violations, primarily misrepresenting the risk of addiction to opioid drugs. The Texas Attorney General's office, in partnership with outside law firms and the Attorneys General of other states, has negotiated settlement of claims with manufacturers and distributors of Opioid drugs.

On October 19, 2021, your Council approved a resolution (1281-10-21) adopting the settlement and allocation schedule, the Subdivision Settlement Participation Form, and the Texas Term Sheet, to participate in the initial settlement agreements. The Attorney General estimated, at that time, that the City of Nacogdoches would receive $251,000 to be used in any program that addresses the Opioid epidemic. For the Kroger settlement, the City of Nacogdoches is estimated to receive $15,514.41.

No new resolution needs to be adopted. However, for the City to 'opt-in' to this recent settlement with Kroger, all documentation must be submitted by December 29, 2024.

FINANCIAL:

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

CITY CONTACT: Rhonda Lewis, City Secretary
lewisr@nactx.us
(936) 559-2506

ATTACHMENTS:

1. 1281-10-21 Opioid Settlement
2. City of Nacogdoches-NOTICE_ KROGER OPIOID SETTLEMENT
3. Kroger-Subdivision-Participation-Form (1)

CITY OF NACOGDOCHES, TEXAS
RESOLUTION NO. 1281-10-21

A RESOLUTION JOINING THE STATE OF TEXAS AND TEXAS POLITICAL SUBDIVISIONS' OPIOD ABATEMENT FUND COUNCIL AND SETTLEMENT ALLOCATION TERM SHEET.

WHEREAS, the State of Texas, and various the Political Subdivisions of the State intiated litigation that was combined in the Texas Opioid MDL, *In Re: Texas Opioid Litigation*, MDL No. 2018-63587, in the 152d District Court of Harris County, Texas seeking to hold opiod manufacturers and opiod distributors accountable for their respective roles in the Opiod epidemic; and

WHEREAS, the City of Nacogdcoches obtained information indicating that certain drug companies and their corporate affiliates, parents, subsidiaries, and such other defendants as may be added to the litigation (collectively, "Defendants") have engaged in fraudulent and/or reckless marketing and/or distribution of opioids that have resulted in addictions and overdoses; and

WHEREAS, these actions, conduct and misconduct have resulted in significant financial costs to the City; and

WHEREAS, on May 13, 2020, the State of Texas, through the Office of the Attorney General, and a negotiation group for Texas political subdivisions entered into an Agreement entitled Texas Opioid Abatement Fund Council and Settlement Allocation Term Sheet (hereafter, the Texas Term Sheet) approving the allocation of any and all opioid settlement funds within the State of Texas. The Texas Term Sheet is attached hereto as Exhibit "A"; and

WHEREAS, Special Counsel and the State of Texas have recommended that the City of Nacogdoches City Council support the adoption and approval the Texas Term Sheet in its entirety.

NOW,THEREFORE, be it resolved by the City Council of the City of Nacogdoches, Texas that:

1. Adopts and approves the Texas Term Sheet in its entirety, and

2. Finds as follows:

   a. There is a substantial need for repayment of opioid-related expenditures and payment to abate opioid-related harms in and about the City of Nacogdoches; and

   b. The City Council supports in its entirety and hereby adopts the allocation method for opioid settlement proceeds as set forth in the STATE OF TEXAS AND TEXAS POLITICAL SUBDIVISIONS' OPIOID ABATEMENT FUND COUNCIL AND SETTLEMENT ALLOCATION TERM SHEET, attached hereto as Exhibit A. The City Council understandsthat the purpose of this Texas Term Sheet is to permit collaboration between the State of Texas and Political Subdivisions to explore and potentially effectuate resolution of the Opioid Litigation against Pharmaceutical Supply Chain Participants as defined therein. We also understand that an additional purpose is to create an effective means of distributing any potential settlement funds obtained under this Texas Term Sheet between the State of Texas and Political Subdivisions in a manner and means that would promote an effective and meaningful use of the funds in abating the opioid epidemic in this County and throughout Texas.

PASSED AND APPROVED, this the 19 day of October, 2021,by a vote of 5 (ayes) to 0 (nays) of the City Council of the City of Nacogdoches, Texas.

CITY OF NACOGDOCHES

By: _____
JIMMY MIZE, Mayor

ATTEST:

_____
Jan Vinson, City Secretary

APRROVED AS TO FORM:

_____
Steven Kirkland, City Attorney

TEXAS OPIOID ABATEMENT FUND COUNCIL AND SETTLEMENT ALLOCATION TERM SHEET

WHEREAS, the people of the State of Texas and its communities have been harmed through the National and Statewide epidemic caused by licit and illicit opioid use and distribution within the State of Texas; and now,

WHEREAS, the State of Texas, though its elected representatives and counsel, including the Honorable Ken Paxton, Attorney General of the State of Texas, and certain Political Subdivisions, through their elected representatives and counsel, are separately engaged in litigation seeking to hold those entities in the supply chain accountable for the damage caused; and now,

WHEREAS, the State of Texas, through its Attorney General and its Political Subdivisions, share a common desire to abate and alleviate the impacts of the epidemic throughout the State of Texas; and now,

THEREFORE, the State of Texas and its Political Subdivisions, subject to completing formal documents effectuating the Parties' agreements, enter into this State of Texas and Texas Political Subdivisions' Opioid Abatement Fund Council and Settlement Allocation Term Sheet (Texas Term Sheet) relating to the allocation and use of the proceeds of any Settlements as described.

A. Definitions

As used in this Texas Term Sheet:

1. "The State" shall mean the State of Texas acting through its Attorney General.
2. "Political Subdivision(s)" shall mean any Texas municipality and county.
3. "The Parties" shall mean the State of Texas, the Political Subdivisions, and the Plaintiffs' Steering Committee and Liaison Counsel (PSC) in the Texas Opioid MDL, *In Re: Texas Opioid Litigation*, MDL No. 2018-63587, in the 152d District Court of Harris County, Texas.
4. "Litigating Political Subdivision" means a Political Subdivision that filed suit in the state courts of the State of Texas prior to the Execution Date of this Agreement, whether or not such case was transferred to Texas Opioid MDL, or removed to federal court.
5. "National Fund" shall mean any national fund established for the benefit of the Texas Political Subdivisions. In no event shall any National Fund be used to create federal jurisdiction, equitable or otherwise, over the Texas Political Subdivisions or those similarly situated state-court litigants who are included in the state coalition, nor shall the National Fund require participating in a class action or signing a participation agreement as part of the criteria for participating in the National Fund.
6. "Negotiating Committee" shall mean a three-member group comprising four representatives for each of (1) the State; (2) the PSC; and (3) Texas'

Political Subdivisions (collectively, "Members"). The State shall be represented by the Texas Attorney General or his designees. The PSC shall be represented by attorneys Mikal Watts, Jeffrey Simon, Dara Hegar, Dan Downey, or their designees. Texas' Political Subdivisions shall be represented by Clay Jenkins (Dallas County Judge), Terrence O'Rourke (Special Assistant County Attorney, Harris County), Nelson Wolff (Bexar County Judge), and Nathaniel Moran (Smith County Judge) or their designees.

7. "Settlement" shall mean the negotiated resolution of legal or equitable claims against a Pharmaceutical Supply Chain Participant that includes the State and Political Subdivisions.
8. "Opioid Funds" shall mean monetary amounts obtained through a Settlement as defined in this Texas Term Sheet.
8. "Approved Purpose(s)" shall mean those uses identified in Exhibit A hereto.
9. "Pharmaceutical Supply Chain" shall mean the process and channels through which opioids or opioids products are manufactured, marketed, promoted, distributed, or dispensed.

10. "Pharmaceutical Supply Chain Participant" shall mean any entity that engages in or has engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic.

11. "Texas Opioid Council" shall mean the Council described in Exhibit A hereto, which has the purpose of ensuring the funds recovered by Texas (through the joint actions of the Attorney General and the Texas Political Subdivisions) are allocated fairly and spent to remediate the opioid crisis in Texas, using efficient and cost-effective methods that are directed to the hardest hit regions in Texas while also ensuring that all Texans benefit from prevention and recovery efforts.

B. Allocation of Settlement Proceeds

1. All Opioid Funds distributed in Texas shall be divided with 15% going to Political Subdivisions ("Subdivision Share"), 70% to the Texas Opioid Abatement Fund through the Texas Opioid Council (Texas Abatement Fund Share) identified and described on Exhibits A and C hereto, and 15% to the Office of the Texas Attorney General as Counsel for the State of Texas ("State Share"). Out of the Texas Opioid Abatement Fund, reasonable expenses up to 1% shall be paid to the Texas Comptroller for the administration of the Texas Opioid Council pursuant to the Opioid

Abatement Fund (Texas Settlement) Opioid Council Agreement, Exhibit A hereto.

2. The Subdivisions Share shall be allocated in accordance with the division of proceeds on Exhibit B hereto.
3. The Texas Abatement Fund Share shall be allocated to the Opioid Council to be apportioned in accordance with the guidelines of Exhibit A, and Exhibit C hereto.
4. In the event a Subdivision merges, dissolves, or ceases to exist, the allocation percentage for that Subdivision shall be redistributed as directed by the settlement document, and if not specified, equitably based on the composition of the successor Subdivision. If a Subdivision for any reason is excluded from a specific settlement, the allocation percentage for that Subdivision shall be redistributed as directed by the settlement document, and if not specified, equitably among the participating Subdivisions.
5. Funds obtained from parties unrelated to the Litigation, via grant, bequest, gift or the like, separate and distinct from the Litigation, may be directed to the Texas Opioid Council and disbursed as set forth below.
6. The Subdivision share shall be initially deposited and paid in cash directly to the Subdivision under the authority and guidance of the Texas MDL Court, who shall direct any Settlement funds to be held in trust in a

segregated account to benefit the Subdivisions and to be promptly distributed as set forth herein and in accordance with Exhibit B.

7. Nothing in this Texas Term Sheet should alter or change any Subdivision's rights to pursue its own claim. Rather, the intent of this Texas Term Sheet is to join all parties to disburse settlement proceeds from one or more defendants to all parties participating in that settlement within Texas.
8. Opioid Funds from the Texas Abatement Fund Share shall be directed to the Texas Opioid Council and used in accordance with the guidelines as set out on Exhibit A hereto, and the Texas Abatement Fund Share shall be distributed to the Texas Opioid Council under the authority and guidance of the Texas MDL Court, consistent with Exhibits A and C, and the by-laws of the Texas Opioid Council documents and disbursed as set forth therein, including without limitation all abatement funds and the 1% holdback for expenses.
9. The State of Texas and the Political Subdivisions understand and acknowledge that additional steps may need to be undertaken to assist the Texas Opioid Council in its mission, at a predictable level of funding, regardless of external factors.

C. Payment of Counsel and Litigation Expenses

1. Any Master Settlement Agreement settlement will govern the payment of fees and litigation expenses to the Parties. The Parties agree to direct control of any Texas Political Subdivision fees and expenses to the "Texas Opioid Fee and Expense Fund," which shall be allocated and distributed by the Texas MDL Court, *In re: Texas Opioid Litigation*, MDL No. 2018-63587, in the 152nd District Court of Harris County, Texas, and with the intent to compensate all counsel for Texas Political Subdivisions who have not chosen to otherwise seek compensation for fees and expenses from any federal MDL common benefit fund.
2. The Parties agree that no portion of the State of Texas 15% allocation share from any settlement shall be administered through the National Fund, the Texas MDL Court, or Texas Opioid Fee and Expense Fund, but shall be directed for payment to the State of Texas by the State of Texas.
3. The State of Texas and the Texas Political Subdivisions, and their respective attorneys, agree that all fees – whether contingent, hourly, fixed or otherwise – owed by the Texas Political Subdivisions shall be paid out of the National Fund or as otherwise provided for herein to the Texas Opioid Fee and Expense Fund to be distributed by the 152nd

District Court of Harris County, Texas pursuant to its past and future orders.

4. From any opioid-related settlements with McKesson, Cardinal Health, ABDC, and Johnson & Johnson, and for any future opioid-related settlements negotiated, in whole or in part, by the Negotiating Committee with any other Pharmaceutical Supply Chain Participant, the funds to be deposited in the Texas Opioid Fee and Expense Fund shall be 9.3925% of the combined Texas Political Subdivision and Texas Abatement Fund portions of each payment (annual or otherwise) to the State of Texas for that settlement, plus expenses from the National Fund, and shall be sought by Texas Political Subdivision Counsel initially through the National Fund. The Texas Political Subdivisions' percentage share of fees and expenses from the National Fund shall be directed to the Texas Opioid Fee and Expense Fund in the Texas MDL, as soon as is practical, for allocation and distribution in accordance with the guidelines herein.

5. If the National Fund share to the Texas Political Subdivisions is insufficient to cover the guaranteed 9.3925%, plus expenses from the National Fund, per subsection 4, immediately *supra*, or if payment from the National Fund is not received within 12 months after the date the

first payment is made by the Defendants pursuant to the settlement, then the Texas Political Subdivisions shall recover up to 12.5% of the Texas Political Subdivision Share to make up any difference.

6. If the National Fund and the Texas Political Subdivision share are insufficient to cover the guaranteed 9.3925%, plus expenses from the National Fund, or if payment from the National Fund is not received within 12 months after the date the first payment is made by the Defendants pursuant to the settlement, then the Texas Political Subdivisions shall recover up to 8.75% of the Abatement Fund Share to make up any difference. In no event shall the Texas Political Subdivision share exceed 9.3925% of the combined Texas Political Subdivision and Texas Abatement Fund portions of any settlement, plus expenses from the National Fund. In the event that any payment is received from the National Fund such that the total amount in fees and expenses exceeds 9.3925%, the Texas Political Subdivisions shall return any amounts received greater than 9.3925% of the combined Texas Political Subdivision and Texas Abatement Fund portions to those respective Funds.

7. For each settlement utilizing a National Fund, the Texas Political Subdivisions need only make one attempt at seeking fees and expenses there.
8. The total amount of the Texas Opioid Fee and Expense Fund shall be reduced proportionally, according to the agreed upon allocation of the Texas Subdivision Fund, for any Texas litigating Political Subdivision that (1) fails to enter the settlement; and (2) was filed in Texas state court, and was transferred to the Texas MDL (or removed before or during transfer to the Texas MDL) as of the execution date of this Agreement.

D. The Texas Opioid Council and Texas Abatement Fund

The Texas Opioid Council and Texas Abatement Fund is described in detail at Exhibit A, incorporated herein by reference.

E. Settlement Negotiations

1. The State and Negotiating Committee agree to inform each other in advance of any negotiations relating to a Texas-only settlement with a Pharmaceutical Supply Chain Participant that includes both the State and its Political Subdivisions and shall provide each other the opportunity to participate in all such negotiations. Any Texas-only Settlement agreed to with the State and Negotiating Committee shall be subject to the approval

of a majority of litigating Political Subdivisions. The Parties further agree to keep each other reasonably informed of all other global settlement negotiations with Pharmaceutical Supply Chain Participants and to include the Negotiating Committee or designees. Neither this provision, nor any other, shall be construed to state or imply that either the State or the Negotiating Committee is unauthorized to engage in settlement negotiations with Pharmaceutical Supply Chain Participants without prior consent or contemporaneous participation of the other, or that either party is entitled to participate as an active or direct participant in settlement negotiations with the other. Rather, while the State's and Negotiation Committee's efforts to achieve worthwhile settlements are to be collaborative, incremental stages need not be so.

2. Any Master Settlement Agreement (MSA) shall be subject to the approval and jurisdiction of the Texas MDL Court.
3. As this is a Texas-specific effort, the Committee shall be Chaired by the Attorney General. However, the Attorney General, or his designees, shall endeavor to coordinate any publicity or other efforts to speak publicly with the other Committee Members.
4. The State of Texas, the Texas MDL Plaintiff's Steering Committee representatives, or the Political Subdivision representatives may withdraw

from coordinated Settlement discussions detailed in this Section upon 10 business days' written notice to the remaining Committee Members and counsel for any affected Pharmaceutical Supply Chain Participant. The withdrawal of any Member releases the remaining Committee Members from the restrictions and obligations in this Section.

5. The obligations in this Section shall not affect any Party's right to proceed with trial or, within 30 days of the date upon which a trial involving that Party's claims against a specific Pharmaceutical Supply Chain Participant is scheduled to begin, reach a case specific resolution with that particular Pharmaceutical Supply Chain Participant.

F. Amendments

The Parties agree to make such amendments as necessary to implement the intent of this agreement.

Acknowledgment of Agreement

We, the undersigned, have participated in the drafting of the above Texas Term Sheet, including consideration based on comments solicited from Political Subdivisions. This document has been collaboratively drafted to maintain all individual claims while allowing the State and its Political Subdivisions to cooperate in exploring all possible means of resolution. Nothing in this agreement binds any party to any specific outcome. Any resolution under this document will require

acceptance by the State of Texas and a majority of the Litigating Political Subdivisions.

We, the undersigned, hereby accept the STATE OF TEXAS AND TEXAS POLITICAL SUBDIVISIONS' OPIOID ABATEMENT FUND COUNCIL AND SETTLEMENT ALLOCATION TERM SHEET. We understand that the purpose of this Texas Term Sheet is to permit collaboration between the State of Texas and Political Subdivisions to explore and potentially effectuate earlier resolution of the Opioid Litigation against Pharmaceutical Supply Chain Participants. We also understand that an additional purpose is to create an effective means of distributing any potential settlement funds obtained under this Texas Term Sheet between the State of Texas and Political Subdivisions in a manner and means that would promote an effective and meaningful use of the funds in abating the opioid epidemic throughout Texas.

Executed this 13 day of May, 2020.

FOR THE STATE OF TEXAS:

KENNETH PAXTON, JR.
ATTORNEY GENERAL

FOR THE SUBDIVISIONS
AND TEXAS MDL PSC:

MIKAL WATTS
WATTS GUERRA LLP

JEFFREY SIMON
SIMON GREENSTONE PANATIER, PC

DARA HEGAR
LANIER LAW FIRM, PC

DAN DOWNEY
DAN DOWNEY, PC

:sas

EXHIBIT A

Opioid Abatement Fund (Texas) Settlement

Opioid Council

As part of the settlement agreement and upon its execution, the parties will form the Texas Opioid Council (Council) to establish the framework that ensures the funds recovered by Texas (through the joint actions of the Attorney General and the state's political subdivisions) are allocated fairly and spent to remediate the opioid crisis in Texas, using efficient and cost-effective methods that are directed to the hardest hit regions in Texas while also ensuring that all Texans benefit from prevention and recovery efforts.

I. Structure

The Council will be responsible for the processes and procedures governing the spending of the funds held in the Texas Abatement Fund, which will be approximately 70% of all funds obtained through settlement and/or litigation of the claims asserted by the State and its subdivisions in the investigations and litigation related to the manufacturing, marketing, distribution, and sale of opioids and related pharmaceuticals.

Money paid into the abatement fund will be held by an independent administrator, who shall be responsible for the ministerial task of releasing funds solely as authorized below by the Council, and accounting for all payments to and from the fund.

The Council will be formed when a court of competent jurisdiction enters an order settling the matter, including any order of a bankruptcy court. The Council's members must be appointed within sixty (60) days of the date the order is entered.

A. Membership

The Council shall be comprised of the following thirteen (13) members:

1. *Statewide Members.*

Six members appointed by the Governor and Attorney General to represent the State's interest in opioid abatement. The statewide members are appointed as follows:

a. The Governor shall appoint three (3) members who are licensed health professionals with significant experience in opioid interventions;
b. The Attorney General shall appoint three (3) members who are licensed professionals with significant experience in opioid incidences; and
c. The Governor will appoint the Chair of the Council as a non-voting member. The Chair may only cast a vote in the event there is a tie of the membership.

2. *Regional Members.*

Six (6) members appointed by the State's political subdivisions to represent their designated Texas Health and Human Services Commission "HHSC" Regional Healthcare

Partnership (Regions) to ensure dedicated regional, urban, and rural representation on the Council. The regional appointees must be from either academia or the medical profession with significant experience in opioid interventions. The regional members are appointed as follows:

a. One member representing Regions 9 and 10 (Dallas Ft-Worth);
b. One member representing Region 3 (Houston);
c. One member representing Regions 11, 12, 13, 14, 15, 19 (West Texas);
d. One member representing Regions 6, 7, 8, 16 (Austin-San Antonio);
e. One member representing Regions 1, 2, 17, 18 (East Texas); and
f. One member representing Regions 4, 5, 20 (South Texas).

B. Terms

All members of the Council are appointed to serve staggered two-year terms, with the terms of members expiring February 1 of each year. A member may serve no more than two consecutive terms, for a total of four consecutive years. For the first term, four (4) members (two (2) statewide and two (2) for the subdivisions) will serve a three-year term. A vacancy on the Council shall be filled for the unexpired term in the same manner as the original appointment. The Governor will appoint the Chair of the Council who will not vote on Council business unless there is a tie vote, and the subdivisions will appoint a Vice-Chair voting member from one of the regional members.

C. Governance

1. Administration

The Council is attached administratively to the Comptroller. The Council is an independent, quasi-governmental agency because it is responsible for the statewide distribution of the abatement settlement funds. The Council is exempt from the following statutes:

a. Chapter 316 of the Government Code (Appropriations);
b. Chapter 322 of the Government Code (Legislative Budget Board);
c. Chapter 325 of the Government Code (Sunset);
d. Chapter 783 of the Government Code (Uniform Grants and Contract Management);
e. Chapter 2001 of the Government Code (Administrative Procedure);
f. Chapter 2052 of the Government Code (State Agency Reports and Publications);
g. Chapter 2261 of the Government Code (State Contracting Standards and Oversight);
h. Chapter 2262 of the Government Code (Statewide Contract Management);

i. Chapter 262 of the Local Government Code (Purchasing and Contracting Authority of Counties); and
j. Chapter 271 of the Local Government Code (Purchasing and Contracting Authority of Municipalities, Counties, and Certain Other Local Governments).

2. Transparency

The Council will abide by state laws relating to open meetings and public information, including Chapters 551 and 552 of the Texas Government Code.

i. The Council shall hold at least four regular meetings each year. The Council may hold additional meetings on the request of the Chair or on the written request of three members of the council. All meetings shall be open to the public, and public notice of meetings shall be given as required by state law.
ii. The Council may convene in a closed, non-public meeting:
    a. If the Commission must discuss:
        1. Negotiation of contract awards; and
        2. Matters specifically exempted from disclosure by federal and state statutes.
    b. All minutes and documents of a closed meeting shall remain under seal, subject to release only order of a court of competent jurisdiction.

3. Authority

The Council does not have rulemaking authority. The terms of each Judgment, Master Settlement Agreement, or any Bankruptcy Settlement for Texas control the authority of the Council and the Council may not stray outside the bounds of the authority and power vested by such settlements. Should the Council require legal assistance in determining their authority, the Council may direct the executive director to seek legal advice from the Attorney General to clarify the issue.

D. Operation and Expenses

The independent administrator will set aside up to one (1) percent of the settlement funds for the administration of the Council for reasonable costs and expenses of operating the foregoing duties, including educational activities.

1. Executive Director

The Comptroller will employ the executive director of the Council and other personnel as necessary to administer the duties of the Council and carry out the functions of the Council. The executive director must have at least 10 years of experience in government or public administration and is classified as a Director V/B30 under the State Auditor's State Classification. The Comptroller will pay the salaries of the Council employees from the

one (1) percent of the settlement funds set aside for the administration of the Council. The Comptroller will request funds from the Texas Abatement Fund Point of Contact.

2. *Travel Reimbursement*

A person appointed to the Council is entitled to reimbursement for the travel expenses incurred in attending Council duties. A member of the Council may be reimbursed for actual expenses for meals, lodging, transportation, and incidental expenses in accordance with travel rates set by the federal General Services Administration.

II. Duties/Roles

It is the duty of the Council to determine and approve the opioid abatement strategies and funding awards.

A. Approved Abatement Strategies

The Council will develop the approved Texas list of abatement strategies based on but not limited to the existing national list of opioid abatement strategies (see attached Appendix A) for implementing the Texas Abatement Fund.

1. The Council shall only approve strategies which are evidence-informed strategies.
2. The Texas list of abatement strategies must be approved by majority vote. The majority vote must include a majority from both sides of the statewide members and regional members in order to be approved, e.g., at least four (4) of six (6) members on each side.

B. Texas Abatement Fund Point of Contact

The Council will determine a single point of contact called the Abatement Fund Point of Contact (POC) to be established as the sole entity authorized to receive requests for funds and approve expenditures in Texas and order the release of funds from the Texas Abatement Fund by the independent administrator. The POC may be an independent third party selected by the Council with expertise in banking or financial management. The POC will manage the Opioid Council Bank Account (Account). Upon a vote, the Council will direct the POC to contact the independent administrator to release funds to the Account. The Account is outside the State Treasury and not managed by any state or local officials. The POC is responsible for payments to the qualified entities selected by the Council for abatement fund awards. The POC will submit a monthly financial statement on the Account to the Council.

C. Auditor

An independent auditor appointed by the Council will perform an audit on the Account on an annual basis and report its findings, if any, to the Council.

D. Funding Allocation

The Council is the sole decision-maker on the funding allocation process of the abatement funds. The Council will develop the application and award process based on the parameters outlined below. An entity seeking funds from the Council must apply for funds; no funds will be awarded without an application. The executive director and personnel may assist the Council in gathering and compiling the applications for consideration; however, the Council members are the sole decision-makers of awards and funding determination. The Council will use the following processes to award funds:

1. *Statewide Funds.* The Council will consider, adopt and approve the allocation methodology attached as Exhibit C, based upon population health data and prevalence of opioid incidences, at the Council's initial meeting. Adoption of such methodology will allow each Region to customize the approved abatement strategies to fit its communities' needs. The statewide regional funds will account for seventy-five (75) percent of the total overall funds, less the one (1) percent administrative expense described herein.

2. *Targeted Funds.* Each Region shall reserve twenty-five (25) percent of the overall funds, for targeted interventions in the specific Region as identified by opioid incidence data. The Council must approve on an annual basis the uses for the targeted abatement strategies and applications available to every Region, including education and outreach programs. Each Region without approved uses for the targeted funds from the Council, based upon a greater percentage of opioid incidents compared to its population, is subject to transfer of all or a portion of the targeted funds for that Region for uses based upon all Regions' targeted funding needs as approved by the Council on an annual basis.

3. *Annual Allocation.* Statewide regional funds and targeted funds will be allocated on an annual basis. If a Region lapses its funds, the funds will be reallocated based on all Regions' funding needs.

E. Appeal Process

The Council will establish an appeal process to permit the applicants for funding (state or subdivisions) to challenge decisions by the Council-designated point of contact on requests for funds or expenditures.

1. To challenge a decision by the designated point of contact, the State or a subdivision must file an appeal with the Council within thirty (30) days of the decision. The Council then has thirty (30) days to consider and rule on the appeal.
2. If the Council denies the appeal, the party may file an appeal with the state district court of record where the final opioid judgment or Master Settlement Agreement is filed. The Texas Rules of Civil Procedure and Rules of Evidence will govern these proceedings. The Council may request representation from the Attorney General in these proceedings.

In making its determination, the state district court shall apply the same clear error standards contained herein that the Council must follow when rendering its decision.

3. The state district court will make the final decision and the decision is not appealable.
4. Challenges will be limited and subject to penalty if abused.
5. Attorneys' fees and costs are not recoverable in these appeals.

F. Education

The Council may determine that a percentage of the funds in the Abatement Fund from the targeted funds be used to develop an education and outreach program to provide materials on the consequences of opioid drug use, prevention and interventions. Any material developed will include online resources and toolkits for communities.

EXHIBIT B

Exhibit B: Municipal Area Allocations: 15% of Total ($150 million)

(County numbers refer to distribution to the county governments after payment to cities within county borders has been made. Minimum distribution to each county is $1000.)

Municipal Area	Allocation	Municipal Area	Allocation
Abbott	$688	Lakeport	$463
Abernathy	$110	Lakeside	$4,474
Abilene	$563,818	Lakeside City	$222
Ackerly	$21	Lakeview	$427
Addison	$58,094	Lakeway	$31,657
Adrian	$181	Lakewood Village	$557
Agua Dulce	$43	Lamar County	$141,598
Alamo	$22,121	Lamb County	$50,681
Alamo Heights	$28,198	Lamesa	$29,656
Alba	$3,196	Lampasas	$28,211
Albany	$180	Lampasas County	$42,818
Aledo	$331	Lancaster	$90,653
Alice	$71,291	Laredo	$763,174
Allen	$315,081	Latexo	$124
Alma	$1,107	Lavaca County	$45,973
Alpine	$29,686	Lavon	$7,435
Alto	$3,767	Lawn	$58
Alton	$11,540	League City	$302,418
Alvarado	$29,029	Leakey	$256
Alvin	$113,962	Leander	$88,641
Alvord	$358	Leary	$797
Amarillo	$987,661	Lee County	$30,457
Ames	$5,571	Lefors	$159
Amherst	$22	Leon County	$67,393
Anahuac	$542	Leon Valley	$23,258
Anderson	$19	Leona	$883
Anderson County	$268,763	Leonard	$8,505
Andrews	$18,983	Leroy	$176
Andrews County	$37,606	Levelland	$46,848
Angelina County	$229,956	Lewisville	$382,094
Angleton	$62,791	Lexington	$2,318
Angus	$331	Liberty	$72,343
Anna	$9,075	Liberty County	$531,212
Annetta	$5,956	Liberty Hill	$2,780
Annetta North	$34	Limestone County	$135,684

(Table continues on multiple pages below)

Annetta South	$602
Annona	$738
Anson	$5,134
Anthony	$4,514
Anton	$444
Appleby	$1,551
Aquilla	$208
Aransas County	$266,512
Aransas Pass	$57,813
Archer City	$10,554
Archer County	$45,534
Arcola	$7,290
Argyle	$11,406
Arlington	$735,803
Armstrong County	$974
Arp	$2,009
Asherton	$112
Aspermont	$9
Atascosa County	$176,903
Athens	$105,942
Atlanta	$30,995
Aubrey	$15,141
Aurora	$1,849
Austin County	$76,030
Austin	$4,877,716
Austwell	$109
Avery	$138
Avinger	$1,115
Azle	$32,213
Bailey	$950
Bailey County	$15,377
Bailey's Prairie	$5,604
Baird	$2,802
Balch Springs	$27,358
Balcones Heights	$23,811
Ballinger	$9,172
Balmorhea	$63
Bandera	$2,893
Bandera County	$86,815
Bangs	$3,050

Lincoln Park	$677
Lindale	$24,202
Linden	$3,661
Lindsay	$1,228
Lipan	$44
Lipscomb County	$10,132
Little Elm	$69,326
Little River-Academy	$798
Littlefield	$7,678
Live Oak	$32,740
Live Oak County	$39,716
Liverpool	$1,435
Livingston	$73,165
Llano	$23,121
Llano County	$115,647
Lockhart	$49,050
Lockney	$3,301
Log Cabin	$1,960
Lometa	$1,176
Lone Oak	$1,705
Lone Star	$8,283
Longview	$482,254
Loraine	$188
Lorena	$3,390
Lorenzo	$11,358
Los Fresnos	$11,185
Los Indios	$159
Los Ybanez	$0
Lott	$1,516
Lovelady	$249
Loving County	$1,000
Lowry Crossing	$783
Lubbock	$319,867
Lubbock County	$1,379,719
Lucas	$5,266
Lueders	$508
Lufkin	$281,592
Luling	$29,421
Lumberton	$36,609
Lyford	$3,071

Bardwell	$362
Barry	$200
Barstow	$61
Bartlett	$3,374
Bartonville	$8,887
Bastrop	$46,320
Bastrop County	$343,960
Bay City	$57,912
Baylor County	$29,832
Bayou Vista	$6,240
Bayside	$242
Baytown	$216,066
Bayview	$41
Beach City	$12,505
Bear Creek	$906
Beasley	$130
Beaumont	$683,010
Beckville	$1,247
Bedford	$94,314
Bedias	$3,475
Bee Cave	$12,863
Bee County	$97,844
Beeville	$24,027
Bell County	$650,748
Bellaire	$41,264
Bellevue	$56
Bellmead	$14,487
Bells	$1,891
Bellville	$7,488
Belton	$72,680
Benavides	$152
Benbrook	$43,919
Benjamin	$951
Berryville	$14,379
Bertram	$182
Beverly Hills	$4,336
Bevil Oaks	$549
Bexar County	$7,007,152
Big Lake	$547
Big Sandy	$4,579
Lynn County	$6,275
Lytle	$7,223
Mabank	$19,443
Madison County	$49,492
Madisonville	$11,458
Magnolia	$26,031
Malakoff	$12,614
Malone	$439
Manor	$12,499
Mansfield	$150,788
Manvel	$12,305
Marble Falls	$37,039
Marfa	$65
Marietta	$338
Marion	$275
Marion County	$54,728
Marlin	$21,634
Marquez	$1,322
Marshall	$108,371
Mart	$928
Martin County	$10,862
Martindale	$2,437
Mason	$777
Mason County	$3,134
Matador	$1,203
Matagorda County	$135,239
Mathis	$15,720
Maud	$423
Maverick County	$115,919
Maypearl	$986
McAllen	$364,424
McCamey	$542
McGregor	$9,155
McKinney	$450,383
McLean	$14
McLendon-Chisholm	$411
Mcculloch County	$20,021
Mcleman County	$529,641
Mcmullen County	$1,000
Meadow	$1,121

Big Spring	$189,928
Big Wells	$236
Bishop	$8,213
Bishop Hills	$323
Blackwell	$31
Blanco	$6,191
Blanco County	$49,223
Blanket	$147
Bloomburg	$1,010
Blooming Grove	$352
Blossom	$198
Blue Mound	$2,888
Blue Ridge	$1,345
Blum	$1,622
Boerne	$45,576
Bogata	$3,649
Bonham	$100,909
Bonney	$2,510
Booker	$1,036
Borden County	$1,000
Borger	$69,680
Bosque County	$71,073
Bovina	$173
Bowie	$83,620
Bowie County	$233,190
Boyd	$6,953
Brackettville	$8
Brady	$27,480
Brazoria	$11,537
Brazoria County	$1,021,090
Brazos Bend	$462
Brazos Country	$902
Brazos County	$342,087
Breckenridge	$23,976
Bremond	$5,554
Brenham	$54,750
Brewster County	$60,087
Briarcliff	$572
Briaroaks	$57
Bridge City	$80,756

Meadowlakes	$905
Meadows Place	$18,148
Medina County	$48,355
Megargel	$611
Melissa	$15,381
Melvin	$345
Memphis	$7,203
Menard	$991
Menard County	$14,717
Mercedes	$21,441
Meridian	$3,546
Merkel	$10,117
Mertens	$239
Mertzon	$29
Mesquite	$310,709
Mexia	$21,096
Miami	$455
Midland County	$279,927
Midland	$521,849
Midlothian	$95,799
Midway	$78
Milam County	$97,386
Milano	$904
Mildred	$286
Miles	$93
Milford	$6,177
Miller's Cove	$97
Millican	$417
Mills County	$19,931
Millsap	$34
Mineola	$48,719
Mineral Wells	$92,061
Mingus	$189
Mission	$124,768
Missouri City	$209,633
Mitchell County	$20,850
Mobeetie	$52
Mobile City	$2,034
Monahans	$5,849
Mont Belvieu	$19,669

Bridgeport	$33,301
Briscoe County	$977
Broaddus	$31
Bronte	$99
Brooks County	$20,710
Brookshire	$6,406
Brookside Village	$1,110
Brown County	$193,417
Browndell	$152
Brownfield	$14,452
Brownsboro	$3,176
Brownsville	$425,057
Brownwood	$166,572
Bruceville-Eddy	$1,692
Bryan	$246,897
Bryson	$1,228
Buckholts	$1,113
Buda	$10,784
Buffalo	$11,866
Buffalo Gap	$88
Buffalo Springs	$188
Bullard	$7,487
Bulverde	$14,436
Bunker Hill Village	$472
Burkburnett	$37,844
Burke	$1,114
Burleson County	$70,244
Burleson	$151,779
Burnet	$33,345
Burnet County	$189,829
Burton	$937
Byers	$77
Bynum	$380
Cactus	$4,779
Caddo Mills	$43
Caldwell	$18,245
Caldwell County	$86,413
Calhoun County	$127,926
Callahan County	$12,894
Callisburg	$101

Montague County	$94,796
Montgomery	$1,884
Montgomery County	$2,700,911
Moody	$828
Moore County	$40,627
Moore Station	$772
Moran	$50
Morgan	$605
Morgan's Point	$3,105
Morgan's Point Resort	$8,024
Morris County	$53,328
Morton	$167
Motley County	$3,344
Moulton	$999
Mount Calm	$605
Mount Enterprise	$1,832
Mount Pleasant	$65,684
Mount Vernon	$6,049
Mountain City	$1,548
Muenster	$4,656
Muleshoe	$4,910
Mullin	$384
Munday	$2,047
Murchison	$2,302
Murphy	$51,893
Mustang	$7
Mustang Ridge	$2,462
Nacogdoches	$205,992
Nacogdoches County	$198,583
Naples	$4,224
Nash	$7,999
Nassau Bay	$11,247
Natalia	$625
Navarro	$334
Navarro County	$103,513
Navasota	$37,676
Nazareth	$124
Nederland	$44,585
Needville	$10,341
Nevada	$237

Calvert	$772	New Berlin	$4
Cameron	$11,091	New Boston	$6,953
Cameron County	$537,026	New Braunfels	$307,313
Camp County	$28,851	New Chapel Hill	$288
Camp Wood	$422	New Deal	$338
Campbell	$1,116	New Fairview	$2,334
Canadian	$1,090	New Home	$9
Caney City	$2,005	New Hope	$1,024
Canton	$56,734	New London	$4,129
Canyon	$26,251	New Summerfield	$442
Carbon	$620	New Waverly	$2,562
Carl's Corner	$48	Newark	$520
Carmine	$385	Newcastle	$914
Carrizo Springs	$1,671	Newton	$6,102
Carrollton	$310,255	Newton County	$158,006
Carson County	$29,493	Neylandville	$163
Carthage	$18,927	Niederwald	$16
Cashion Community	$322	Nixon	$2,283
Cass County	$93,155	Nocona	$16,536
Castle Hills	$12,780	Nolan County	$50,262
Castro County	$4,420	Nolanville	$4,247
Castroville	$4,525	Nome	$391
Cedar Hill	$70,127	Noonday	$226
Cedar Park	$185,567	Nordheim	$697
Celeste	$1,280	Normangee	$6,192
Celina	$18,283	North Cleveland	$105
Center	$58,838	North Richland Hills	$146,419
Centerville	$385	Northlake	$8,905
Chambers County	$153,188	Novice	$76
Chandler	$17,364	Nueces County	$1,367,932
Channing	$2	O'Brien	$76
Charlotte	$4,257	O'Donnell	$27
Cherokee County	$156,612	Oak Grove	$2,769
Chester	$1,174	Oak Leaf	$612
Chico	$2,928	Oak Point	$9,011
Childress	$37,916	Oak Ridge	$358
Childress County	$50,582	Oak Ridge North	$33,512
Chillicothe	$172	Oak Valley	$7
China	$522	Oakwood	$148
China Grove	$598	Ochiltree County	$15,476

Chireno	$1,568
Christine	$354
Cibolo	$13,690
Cisco	$7,218
Clarendon	$114
Clarksville	$20,891
Clarksville City	$54
Claude	$26
Clay County	$72,050
Clear Lake Shores	$6,682
Cleburne	$228,184
Cleveland	$96,897
Clifton	$9,939
Clint	$375
Clute	$51,350
Clyde	$17,287
Coahoma	$2,291
Cochran County	$3,389
Cockrell Hill	$512
Coffee City	$1,087
Coke County	$5,522
Coldspring	$447
Coleman	$5,442
Coleman County	$4,164
College Station	$258,147
Colleyville	$46,049
Collin County	$1,266,721
Collingsworth County	$19,234
Collinsville	$1,831
Colmesneil	$2,211
Colorado City	$8,405
Colorado County	$49,084
Columbus	$6,867
Comal County	$396,142
Comanche	$16,503
Comanche County	$50,964
Combes	$1,710
Combine	$1,892
Commerce	$33,869
Como	$415
Odem	$7,420
Odessa	$559,163
Oglesby	$29
Old River-Winfree	$21,653
Oldham County	$10,318
Olmos Park	$9,801
Olney	$6,088
Olton	$1,197
Omaha	$4,185
Onalaska	$31,654
Opdyke West	$479
Orange	$311,339
Orange County	$689,818
Orange Grove	$1,677
Orchard	$867
Ore City	$6,806
Overton	$7,900
Ovilla	$13,391
Oyster Creek	$9,633
Paducah	$125
Paint Rock	$141
Palacios	$14,036
Palestine	$178,009
Palisades	$240
Palm Valley	$1,918
Palmer	$12,666
Palmhurst	$4,660
Palmview	$7,577
Palo Pinto County	$124,621
Pampa	$67,227
Panhandle	$9,536
Panola County	$80,699
Panorama Village	$1,292
Pantego	$12,898
Paradise	$52
Paris	$201,180
Parker	$10,307
Parker County	$476,254
Parmer County	$15,866
Pasadena	$356,536

Concho County	$3,859
Conroe	$466,671
Converse	$27,693
Cooke County	$200,451
Cool	$731
Coolidge	$243
Cooper	$362
Coppell	$86,593
Copper Canyon	$489
Copperas Cove	$133,492
Corinth	$75,298
Corpus Christi	$1,812,707
Corral City	$143
Corrigan	$21,318
Corsicana	$87,310
Coryell County	$123,659
Cottle County	$875
Cottonwood	$289
Cottonwood Shores	$1,203
Cotulla	$1,251
Coupland	$266
Cove	$387
Covington	$519
Coyote Flats	$1,472
Crandall	$12,094
Crane	$10,599
Crane County	$26,146
Cranfills Gap	$128
Crawford	$383
Creedmoor	$16
Cresson	$1,086
Crockett	$23,403
Crockett County	$18,210
Crosby County	$18,388
Crosbyton	$1,498
Cross Plains	$4,877
Cross Roads	$244
Cross Timber	$542
Crowell	$6,335
Crowley	$22,345
Pattison	$1,148
Patton Village	$9,268
Payne Springs	$1,770
Pearland	$333,752
Pearsall	$11,570
Pecan Gap	$719
Pecan Hill	$229
Pecos	$7,622
Pecos County	$46,997
Pelican Bay	$1,199
Penelope	$415
Penitas	$312
Perryton	$23,364
Petersburg	$1,691
Petrolia	$17
Petronila	$5
Pflugerville	$86,408
Pharr	$144,721
Pilot Point	$11,613
Pine Forest	$3,894
Pine Island	$3,141
Pinehurst	$32,671
Pineland	$4,138
Piney Point Village	$15,738
Pittsburg	$20,526
Plains	$129
Plainview	$60,298
Plano	$1,151,608
Pleak	$270
Pleasant Valley	$308
Pleasanton	$29,011
Plum Grove	$258
Point	$1,519
Point Blank	$355
Point Comfort	$447
Point Venture	$588
Polk County	$370,831
Ponder	$1,282
Port Aransas	$31,022
Port Arthur	$367,945

Crystal City	$19,412	Port Isabel	$9,802
Cuero	$24,689	Port Lavaca	$11,752
Culberson County	$789	Port Neches	$38,849
Cumby	$5,320	Portland	$76,517
Cuney	$606	Post	$2,332
Cushing	$1,120	Post Oak Bend City	$1,034
Cut and Shoot	$2,141	Poteet	$6,767
DISH	$19	Poth	$3,974
Daingerfield	$12,476	Potter County	$371,701
Daisetta	$5,370	Pottsboro	$12,302
Dalhart	$11,609	Powell	$110
Dallam County	$21,686	Poynor	$1,180
Dallas County	$8,538,291	Prairie View	$7,600
Dallas	$2,999,902	Premont	$3,321
Dalworthington Gardens	$6,060	Presidio	$148
Danbury	$4,231	Presidio County	$787
Darrouzett	$101	Primera	$2,958
Dawson	$600	Princeton	$19,245
Dawson County	$46,911	Progreso	$8,072
Dayton	$47,122	Progreso Lakes	$39
Dayton Lakes	$38	Prosper	$22,770
De Kalb	$1,035	Providence Village	$508
De Leon	$8,218	Putnam	$14
De Witt County	$68,895	Pyote	$22
DeCordova	$13,778	Quanah	$207
DeSoto	$72,400	Queen City	$4,837
Deaf Smith County	$34,532	Quinlan	$7,304
Dean	$141	Quintana	$492
Decatur	$56,669	Quitaque	$8
Deer Park	$49,388	Quitman	$15,619
Del Rio	$59,056	Rains County	$53,190
Dell City	$15	Ralls	$3,967
Delta County	$30,584	Rancho Viejo	$3,836
Denison	$210,426	Randall County	$278,126
Denton	$458,334	Ranger	$12,186
Denton County	$1,132,298	Rankin	$1,613
Denver City	$2,104	Ransom Canyon	$930
Deport	$42	Ravenna	$685
Detroit	$965	Raymondville	$7,466
Devers	$191	Reagan County	$25,215

Devine	$4,354
Diboll	$25,533
Dickens	$71
Dickens County	$1,873
Dickinson	$83,683
Dilley	$2,633
Dimmit County	$33,294
Dimmitt	$1,012
Dodd City	$1,211
Dodson	$447
Domino	$196
Donley County	$22,370
Donna	$13,798
Dorchester	$231
Double Oak	$4,765
Douglassville	$574
Dripping Springs	$811
Driscoll	$39
Dublin	$14,478
Dumas	$26,229
Duncanville	$58,328
Duval County	$49,109
Eagle Lake	$4,882
Eagle Pass	$56,005
Early	$14,838
Earth	$242
East Bernard	$5,554
East Mountain	$2,494
East Tawakoni	$2,723
Eastland	$15,896
Eastland County	$52,275
Easton	$329
Ector	$1,108
Ector County	$480,000
Edcouch	$4,101
Eden	$497
Edgecliff Village	$2,232
Edgewood	$13,154
Edinburg	$120,884
Edmonson	$136

Real County	$5,073
Red Lick	$23
Red Oak	$26,843
Red River County	$29,306
Redwater	$1,058
Reeves County	$103,350
Refugio	$8,839
Refugio County	$46,216
Reklaw	$1,136
Reno	$3,791
Reno	$11,164
Retreat	$52
Rhome	$12,285
Rice	$1,972
Richardson	$260,315
Richland	$210
Richland Hills	$24,438
Richland Springs	$2,234
Richmond	$77,606
Richwood	$12,112
Riesel	$1,118
Rio Bravo	$8,548
Rio Grande City	$25,947
Rio Hondo	$3,550
Rio Vista	$4,419
Rising Star	$1,933
River Oaks	$11,917
Riverside	$858
Roanoke	$275
Roaring Springs	$461
Robert Lee	$85
Roberts County	$547
Robertson County	$44,642
Robinson	$18,002
Robstown	$40,154
Roby	$428
Rochester	$674
Rockdale	$20,973
Rockport	$54,253
Rocksprings	$25

Edna	$18,194
Edom	$2,149
Edwards County	$975
El Campo	$31,700
El Cenizo	$621
El Lago	$5,604
El Paso	$1,224,371
El Paso County	$2,592,121
Eldorado	$50
Electra	$15,716
Elgin	$26,284
Elkhart	$301
Ellis County	$315,372
Elmendorf	$746
Elsa	$7,720
Emhouse	$83
Emory	$3,878
Enchanted Oaks	$1,299
Encinal	$1,515
Ennis	$81,839
Erath County	$102,616
Escobares	$40
Estelline	$909
Euless	$92,824
Eureka	$334
Eustace	$2,089
Evant	$2,068
Everman	$7,692
Fair Oaks Ranch	$8,077
Fairchilds	$81
Fairfield	$1,245
Fairview	$32,245
Falfurrias	$2,221
Falls City	$41
Falls County	$34,522
Fannin County	$131,653
Farmers Branch	$94,532
Farmersville	$10,532
Farwell	$343
Fate	$3,473

Rockwall	$114,308
Rockwall County	$168,820
Rocky Mound	$280
Rogers	$3,818
Rollingwood	$4,754
Roma	$16,629
Roman Forest	$8,610
Ropesville	$2,122
Roscoe	$778
Rose City	$4,012
Rose Hill Acres	$2,311
Rosebud	$1,489
Rosenberg	$126,593
Ross	$147
Rosser	$549
Rotan	$1,493
Round Mountain	$454
Round Rock	$475,992
Round Top	$140
Rowlett	$99,963
Roxton	$47
Royse City	$23,494
Rule	$800
Runaway Bay	$6,931
Runge	$255
Runnels County	$33,831
Rusk	$17,991
Rusk County	$151,390
Sabinal	$1,811
Sabine County	$46,479
Sachse	$23,400
Sadler	$925
Saginaw	$31,973
Salado	$3,210
San Angelo	$536,509
San Antonio	$4,365,416
San Augustine	$25,182
San Augustine County	$37,854
San Benito	$40,015
San Diego	$11,771

Fayette County	$92,440
Fayetteville	$391
Ferris	$13,873
Fisher County	$5,518
Flatonia	$5,661
Florence	$3,949
Floresville	$21,699
Flower Mound	$215,256
Floyd County	$9,049
Floydada	$6,357
Foard County	$5,764
Follett	$212
Forest Hill	$26,132
Forney	$80,112
Forsan	$576
Fort Bend County	$1,506,719
Fort Stockton	$4,411
Fort Worth	$2,120,790
Franklin	$3,931
Franklin County	$25,783
Frankston	$274
Fredericksburg	$56,486
Freeport	$72,973
Freer	$3,271
Freestone County	$50,495
Friendswood	$140,330
Frio County	$19,954
Friona	$2,848
Frisco	$405,309
Fritch	$4,548
Frost	$321
Fruitvale	$2,344
Fulshear	$5,272
Fulton	$1,602
Gaines County	$54,347
Gainesville	$153,980
Galena Park	$13,093
Gallatin	$1,253
Galveston	$488,187
Galveston County	$1,124,093

San Elizario	$7,831
San Felipe	$1,498
San Jacinto County	$197,398
San Juan	$28,845
San Leanna	$36
San Marcos	$325,688
San Patricio	$4,213
San Patricio County	$271,916
San Perlita	$2,219
San Saba	$10,057
San Saba County	$17,562
Sanctuary	$17
Sandy Oaks	$9,863
Sandy Point	$1,637
Sanford	$308
Sanger	$22,237
Sansom Park	$223
Santa Anna	$329
Santa Clara	$87
Santa Fe	$33,272
Santa Rosa	$2,138
Savoy	$2,349
Schertz	$60,110
Schleicher County	$5,695
Schulenburg	$2,560
Scotland	$148
Scottsville	$708
Scurry	$1,110
Scurry County	$73,116
Seabrook	$30,270
Seadrift	$991
Seagoville	$17,106
Seagraves	$7,531
Sealy	$20,637
Seguin	$376,538
Selma	$22,429
Seminole	$16,092
Seven Oaks	$3,917
Seven Points	$7,452
Seymour	$14,218

Ganado	$5,510
Garden Ridge	$11,351
Garland	$420,244
Garrett	$2,510
Garrison	$3,555
Gary City	$450
Garza County	$8,944
Gatesville	$26,994
George West	$6,207
Georgetown	$225,896
Gholson	$1,505
Giddings	$12,674
Gillespie County	$63,191
Gilmer	$33,951
Gladewater	$24,638
Glasscock County	$1,000
Glen Rose	$540
Glenn Heights	$16,593
Godley	$3,115
Goldsmith	$677
Goldthwaite	$1,225
Goliad	$3,563
Goliad County	$34,660
Golinda	$100
Gonzales	$14,882
Gonzales County	$33,230
Goodlow	$221
Goodrich	$9,643
Gordon	$365
Goree	$749
Gorman	$3,107
Graford	$23
Graham	$235,428
Granbury	$71,735
Grand Prairie	$445,439
Grand Saline	$36,413
Grandfalls	$65
Grandview	$6,600
Granger	$2,741
Granite Shoals	$11,834
Shackelford County	$1,288
Shady Shores	$594
Shallowater	$1,907
Shamrock	$4,328
Shavano Park	$3,178
Shelby County	$109,925
Shenandoah	$47,122
Shepherd	$147
Sherman	$330,585
Sherman County	$7,930
Shiner	$4,042
Shoreacres	$958
Silsbee	$66,442
Silverton	$14
Simonton	$1,906
Sinton	$23,658
Skellytown	$400
Slaton	$154
Smiley	$655
Smith County	$758,961
Smithville	$17,009
Smyer	$300
Snook	$1,422
Snyder	$9,018
Socorro	$11,125
Somerset	$1,527
Somervell County	$57,076
Somerville	$3,806
Sonora	$7,337
Sour Lake	$17,856
South Houston	$25,620
South Mountain	$154
South Padre Island	$30,629
Southlake	$70,846
Southmayd	$7,096
Southside Place	$885
Spearman	$14,000
Splendora	$7,756
Spofford	$7
Spring Valley Village	$16,404

Granjeno	$43
Grapeland	$7,287
Grapevine	$129,195
Gray County	$65,884
Grays Prairie	$17
Grayson County	$539,083
Greenville	$203,112
Gregg County	$243,744
Gregory	$4,697
Grey Forest	$474
Grimes County	$94,878
Groesbeck	$5,745
Groom	$965
Groves	$40,752
Groveton	$8,827
Gruver	$1,166
Guadalupe County	$146,824
Gun Barrel City	$36,302
Gunter	$4,609
Gustine	$34
Hackberry	$94
Hale Center	$6,042
Hale County	$79,150
Hall County	$8,933
Hallettsville	$6,895
Hallsburg	$272
Hallsville	$10,239
Haltom City	$71,800
Hamilton	$3,581
Hamilton County	$66,357
Hamlin	$4,656
Hansford County	$16,416
Happy	$327
Hardeman County	$15,219
Hardin	$100
Hardin County	$379,800
Harker Heights	$113,681
Harlingen	$165,429
Harris County	$14,966,202
Harrison County	$185,910
Springlake	$3
Springtown	$14,244
Spur	$427
St. Hedwig	$111
St. Jo	$7,360
St. Paul	$21
Stafford	$75,145
Stagecoach	$3,036
Stamford	$398
Stanton	$3,838
Staples	$19
Star Harbor	$151
Starr County	$99,896
Stephens County	$35,244
Stephenville	$83,472
Sterling City	$62
Sterling County	$939
Stinnett	$4,097
Stockdale	$741
Stonewall County	$1,822
Stratford	$8,378
Strawn	$987
Streetman	$5
Sudan	$32
Sugar Land	$321,561
Sullivan City	$6,121
Sulphur Springs	$124,603
Sun Valley	$4
Sundown	$2,592
Sunnyvale	$3,248
Sunray	$2,571
Sunrise Beach Village	$2,083
Sunset Valley	$9,425
Surfside Beach	$6,530
Sutton County	$6,541
Sweeny	$4,503
Sweetwater	$68,248
Swisher County	$7,251
Taft	$5,861
Tahoka	$430

Hart	$86
Hartley County	$786
Haskell	$10,829
Haskell County	$22,011
Haslet	$1,908
Hawk Cove	$674
Hawkins	$7,932
Hawley	$931
Hays	$506
Hays County	$529,489
Hearne	$16,824
Heath	$28,751
Hebron	$687
Hedley	$70
Hedwig Village	$13,067
Helotes	$15,790
Hemphill	$8,035
Hemphill County	$14,394
Hempstead	$21,240
Henderson	$59,966
Henderson County	$327,965
Henrietta	$2,720
Hereford	$20,423
Hewitt	$19,776
Hickory Creek	$16,510
Hico	$5,534
Hidalgo	$26,621
Hidalgo County	$1,253,103
Hideaway	$922
Higgins	$43
Highland Haven	$320
Highland Park	$43,383
Highland Village	$50,315
Hill Country Village	$6,485
Hill County	$127,477
Hillcrest	$5,345
Hillsboro	$46,609
Hilshire Village	$859
Hitchcock	$28,796
Hockley County	$46,407
Talco	$372
Talty	$9,124
Tarrant County	$6,171,159
Tatum	$972
Taylor	$57,945
Taylor County	$351,078
Taylor Lake Village	$412
Taylor Landing	$153
Teague	$1,714
Tehuacana	$12
Temple	$280,747
Tenaha	$4,718
Terrell	$148,706
Terrell County	$5,737
Terrell Hills	$9,858
Terry County	$25,423
Texarkana	$192,094
Texas City	$298,702
Texhoma	$156
Texline	$865
The Colony	$114,297
The Hills	$1,004
Thompsons	$1,897
Thorndale	$1,595
Thornton	$270
Thorntonville	$87
Thrall	$825
Three Rivers	$4,669
Throckmorton	$29
Throckmorton County	$5,695
Tiki Island	$2,178
Timbercreek Canyon	$369
Timpson	$12,642
Tioga	$2,390
Tira	$185
Titus County	$70,611
Toco	$4
Todd Mission	$1,680
Tolar	$2,369
Tom Bean	$2,293

Holiday Lakes	$1,795
Holland	$77
Holliday	$5,910
Hollywood Park	$9,424
Hondo	$115,288
Honey Grove	$7,196
Hood County	$292,105
Hooks	$2,702
Hopkins County	$149,518
Horizon City	$7,520
Horseshoe Bay	$48,173
Houston County	$78,648
Houston	$7,021,793
Howard County	$89,330
Howardwick	$84
Howe	$9,177
Hubbard	$3,635
Hudson	$6,840
Hudson Oaks	$15,637
Hudspeth County	$985
Hughes Springs	$4,442
Humble	$73,952
Hunt County	$309,851
Hunters Creek Village	$14,708
Huntington	$8,792
Huntsville	$80,373
Hurst	$99,187
Hutchins	$9,551
Hutchinson County	$74,630
Hutto	$38,346
Huxley	$738
Idalou	$1,999
Impact	$8
Indian Lake	$473
Industry	$604
Ingleside on the Bay	$142
Ingleside	$40,487
Ingram	$5,243
Iola	$3,164
Iowa Colony	$4,090
Tom Green County	$282,427
Tomball	$34,620
Tool	$14,787
Toyah	$40
Travis County	$4,703,473
Trent	$63
Trenton	$3,089
Trinidad	$5,859
Trinity	$23,652
Trinity County	$105,766
Trophy Club	$29,370
Troup	$7,918
Troy	$5,320
Tulia	$8,911
Turkey	$737
Tuscola	$138
Tye	$1,766
Tyler	$723,829
Tyler County	$131,743
Uhland	$1,545
Uncertain	$185
Union Grove	$994
Union Valley	$666
Universal City	$28,428
University Park	$50,833
Upshur County	$128,300
Upton County	$8,499
Uvalde	$18,439
Uvalde County	$36,244
Val Verde County	$117,815
Valentine	$207
Valley Mills	$2,228
Valley View	$1,824
Van	$6,206
Van Alstyne	$43,749
Van Horn	$211
Van Zandt County	$248,747
Vega	$974
Venus	$9,792
Vernon	$81,337

Iowa Park	$23,487
Iraan	$56
Iredell	$216
Irion County	$9,105
Irving	$427,818
Italy	$5,349
Itasca	$8,694
Ivanhoe	$26
Jacinto City	$14,141
Jack County	$14,799
Jacksboro	$23,254
Jackson County	$37,984
Jacksonville	$80,179
Jamaica Beach	$4,913
Jarrell	$2,423
Jasper	$78,422
Jasper County	$248,855
Jayton	$63
Jeff Davis County	$8,500
Jefferson	$11,194
Jefferson County	$756,614
Jersey Village	$36,347
Jewett	$9,338
Jim Hogg County	$12,718
Jim Wells County	$166,539
Joaquin	$810
Johnson City	$3,581
Johnson County	$408,692
Jolly	$26
Jones County	$22,001
Jones Creek	$5,078
Jonestown	$6,419
Josephine	$881
Joshua	$20,619
Jourdanton	$9,600
Junction	$4,825
Justin	$8,575
Karnes City	$11,632
Karnes County	$35,249
Katy	$52,467
Victoria	$84,598
Victoria County	$520,886
Vidor	$95,620
Vinton	$622
Volente	$333
Von Ormy	$513
Waco	$512,007
Waelder	$3,427
Wake Village	$174
Walker County	$184,624
Waller County	$126,206
Waller	$11,295
Wallis	$2,698
Walnut Springs	$183
Ward County	$67,920
Warren City	$66
Washington County	$83,727
Waskom	$5,346
Watauga	$33,216
Waxahachie	$152,094
Weatherford	$207,872
Webb County	$505,304
Webberville	$1,280
Webster	$53,202
Weimar	$5,830
Weinert	$234
Weir	$443
Wellington	$9,111
Wellman	$383
Wells	$1,357
Weslaco	$73,949
West	$3,522
West Columbia	$17,958
West Lake Hills	$17,056
West Orange	$42,452
West Tawakoni	$6,995
West University Place	$34,672
Westbrook	$43
Westlake	$41,540
Weston	$266

Kaufman	$27,607	Weston Lakes	$189
Kaufman County	$353,047	Westover Hills	$4,509
Keene	$38,296	Westworth Village	$7,842
Keller	$79,189	Wharton	$31,700
Kemah	$28,325	Wharton County	$72,887
Kemp	$6,419	Wheeler	$447
Kempner	$330	Wheeler County	$26,273
Kendall County	$100,643	White Deer	$1,273
Kendleton	$13	White Oak	$15,305
Kenedy	$676	White Settlement	$23,304
Kenedy County	$1,000	Whiteface	$155
Kenefick	$416	Whitehouse	$29,017
Kennard	$132	Whitesboro	$18,932
Kennedale	$21,024	Whitewright	$7,098
Kent County	$939	Whitney	$73
Kerens	$1,924	Wichita County	$552,371
Kermit	$5,652	Wichita Falls	$832,574
Kerr County	$218,452	Wickett	$87
Kerrville	$190,357	Wilbarger County	$55,124
Kilgore	$105,583	Willacy County	$24,581
Killeen	$535,650	Williamson County	$1,195,987
Kimble County	$20,480	Willis	$24,384
King County	$1,000	Willow Park	$26,737
Kingsville	$20,083	Wills Point	$43,765
Kinney County	$2,142	Wilmer	$426
Kirby	$8,752	Wilson	$12
Kirbyville	$10,690	Wilson County	$121,034
Kirvin	$2	Wimberley	$724
Kleberg County	$124,109	Windcrest	$12,908
Knollwood	$1,160	Windom	$1,087
Knox City	$1,962	Windthorst	$3,385
Knox County	$11,730	Winfield	$290
Kosse	$2,468	Wink	$120
Kountze	$19,716	Winkler County	$61,163
Kress	$186	Winnsboro	$28,791
Krugerville	$1,508	Winona	$319
Krum	$9,661	Winters	$6,229
Kurten	$686	Wise County	$289,074
Kyle	$51,835	Wixon Valley	$441
La Feria	$10,381	Wolfe City	$5,466

La Grange	$9,623	Wolfforth	$4,022
La Grulla	$1,708	Wood County	$267,048
La Joya	$8,457	Woodbranch	$9,617
La Marque	$98,930	Woodcreek	$358
La Porte	$91,532	Woodloch	$1,012
La Salle County	$14,975	Woodsboro	$1,130
La Vernia	$3,217	Woodson	$122
La Villa	$572	Woodville	$20,340
La Ward	$321	Woodway	$25,713
LaCoste	$159	Wortham	$376
Lacy-Lakeview	$11,599	Wylie	$114,708
Ladonia	$2,011	Yantis	$2,072
Lago Vista	$13,768	Yoakum County	$34,924
Laguna Vista	$3,689	Yoakum	$20,210
Lake Bridgeport	$232	Yorktown	$5,447
Lake City	$2,918	Young County	$44,120
Lake Dallas	$25,314	Zapata County	$56,480
Lake Jackson	$75,781	Zavala County	$38,147
Lake Tanglewood	$613	Zavalla	$1,088
Lake Worth	$20,051		

EXHIBIT C

Exhibit C: TX Opioid Council & Health Care Region Allocations plus Administrative Costs
70% of Total ($700 million)

Health Care Region Allocation*: $693 million; Administrative Costs: $7 million

Region	Counties in Health Care Region	Allocation
1	Anderson, Bowie, Camp, Cass, Cherokee, Delta, Fannin, Franklin, Freestone, Gregg, Harrison, Henderson, Hopkins, Houston, Hunt, Lamar, Marion, Morris, Panola, Rains, Red, River, Rusk, Smith, Titus, Trinity, Upshur, Van, Zandt, Wood	$38,223,336
2	Angelina, Brazoria, Galveston, Hardin, Jasper, Jefferson, Liberty, Nacogdoches, Newton, Orange, Polk, Sabine, San Augustine, San Jacinto, Shelby, Tyler	$54,149,215
3	Austin, Calhoun, Chambers, Colorado, Fort Bend, Harris, Matagorda, Waller, Wharton	$120,965,680
4	Aransas, Bee, Brooks, De Witt, Duval, Goliad, Gonzales, Jackson, Jim Wells, Karnes, Kenedy, Kleberg, Lavaca, Live Oak, Nueces, Refugio, San Patricio, Victoria	$27,047,477
5	Cameron, Hidalgo, Starr, Willacy	$17,619,875
6	Atascosa, Bandera, Bexar, Comal, Dimmit, Edwards, Frio, Gillespie, Guadalupe, Kendall, Kerr, Kinney, La Salle, McMullen, Medina, Real, Uvalde, Val Verde, Wilson, Zavala	$68,228,047
7	Bastrop, Caldwell, Fayette, Hays, Lee, Travis	$50,489,691
8	Bell, Blanco, Burnet, Lampasas, Llano, Milam, Mills, San Saba, Williamson	$24,220,521
9	Dallas, Kaufman	$66,492,094
10	Ellis, Erath, Hood, Johnson, Navarro, Parker, Somervell, Tarrant, Wise	$65,538,414
11	Brown, Callahan, Comanche, Eastland, Fisher, Haskell, Jones, Knox, Mitchell, Nolan, Palo Pinto, Shackelford, Stephens, Stonewall, Taylor	$9,509,818
12	Armstrong, Bailey, Borden, Briscoe, Carson, Castro, Childress, Cochran, Collingsworth, Cottle, Crosby, Dallam, Dawson, Deaf Smith, Dickens, Donley, Floyd, Gaines, Garza, Gray, Hale, Hall, Hansford, Hartley, Hemphill, Hockley, Hutchinson, Kent, King, Lamb, Lipscomb, Lubbock, Lynn, Moore, Motley, Ochiltree, Oldham, Parmer, Potter, Randall, Roberts, Scurry, Sherman, Swisher, Terry, Wheeler, Yoakum	$23,498,027
13	Coke, Coleman, Concho, Crockett, Irion, Kimble, Mason, McCulloch, Menard, Pecos, Reagan, Runnels, Schleicher, Sterling, Sutton, Terrell, Tom Green	$5,195,605
14	Andrews, Brewster, Crane, Culberson, Ector, Glasscock, Howard, Jeff Davis, Loving, Martin, Midland, Presidio, Reeves, Upton, Ward, Winkler	$12,124,354
15	El Paso, Hudspeth	$17,994,285
16	Bosque, Coryell, Falls, Hamilton, Hill, Limestone, McLennan	$9,452,018
17	Brazos, Burleson, Grimes, Leon, Madison, Montgomery, Robertson, Walker, Washington	$23,042,947
18	Collin, Denton, Grayson, Rockwall	$39,787,684
19	Archer, Baylor, Clay, Cooke, Foard, Hardeman, Jack, Montague, Throckmorton, Wichita, Wilbarger, Young	$12,665,268
20	Jim Hogg, Maverick, Webb, Zapata	$6,755,656
	Administrative Costs	$7,000,000

* Each Region shall reserve 25% of its allocation for Targeted Funds under the guidelines of Exhibit A.

EXHIBIT K

Subdivision Settlement Participation Form

Governmental Entity: City of Nacogdoches	State: Texas
Authorized Official: Mario Canizares, City Manager	
Address 1: 202 East Pilar Street	
Address 2: P.O. Box 635030	
City, State, Zip: Nacogdoches, Texas 75961	
Phone: 936-559-2501	
Email: canizaresm@nactx.us	

The governmental entity identified above ("*Governmental Entity*"), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated July 21, 2021 ("*Distributor Settlement*"), and acting through the undersigned authorized official, hereby elects to participate in the Distributor Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Distributor Settlement, understands that all terms in this Participation Form have the meanings defined therein, and agrees that by signing this Participation Form, the Governmental Entity elects to participate in the Distributor Settlement and become a Participating Subdivision as provided therein.

2. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, secure the dismissal with prejudice of any Released Claims that it has filed.

3. The Governmental Entity agrees to the terms of the Distributor Settlement pertaining to Subdivisions as defined therein.

4. By agreeing to the terms of the Distributor Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.

5. The Governmental Entity agrees to use any monies it receives through the Distributor Settlement solely for the purposes provided therein.

6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Distributor Settlement. The Governmental Entity likewise agrees to arbitrate before the National Arbitration Panel as provided in, and for resolving disputes to the extent otherwise provided in, the Distributor Settlement.

7. The Governmental Entity has the right to enforce the Distributor Settlement as provided therein.

8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Distributor Settlement, including, but not limited to, all provisions of Part XI, and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Distributor Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Distributor Settlement shall be a complete bar to any Released Claim.

9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Distributor Settlement.

10. In connection with the releases provided for in the Distributor Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

    > **General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or released party.

    A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Distributor Settlement.

11. Nothing herein is intended to modify in any way the terms of the Distributor Settlement, to which Governmental Entity hereby agrees. To the extent this Participation Form is interpreted differently from the Distributor Settlement in any respect, the Distributor Settlement controls.

I have all necessary power and authorization to execute this Participation Form on behalf of the Governmental Entity.

Signature: _____

Name: MARIO CANIZARES

Title: City Manager

Date: 10-19-21

EXHIBIT K

Settlement Participation Form

Governmental Entity: City of Nacogdoches	State: Texas
Authorized Official: Mario Canizares, City Manager	
Address 1: 202 East Pilar Street	
Address 2: P.O. Box 635030	
City, State, Zip: Nacogdoches, Texas 75961	
Phone: 936-559-2501	
Email: canizaresm@nactx.us	

The governmental entity identified above ("Governmental Entity"), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated July 21, 2021 ("Janssen Settlement"), and acting through the undersigned authorized official, hereby elects to participate in the Janssen Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Janssen Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Janssen Settlement and become a Participating Subdivision as provided therein.

2. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed.

3. The Governmental Entity agrees to the terms of the Janssen Settlement pertaining to Subdivisions as defined therein.

4. By agreeing to the terms of the Janssen Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.

5. The Governmental Entity agrees to use any monies it receives through the Janssen Settlement solely for the purposes provided therein.

6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Janssen Settlement.

7. The Governmental Entity has the right to enforce the Janssen Settlement as provided therein.

8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Janssen Settlement, including but not limited to all provisions of

Section IV (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Janssen Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Janssen Settlement shall be a complete bar to any Released Claim.

9. In connection with the releases provided for in the Janssen Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

   > **General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

   A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Janssen Settlement.

10. Nothing herein is intended to modify in any way the terms of the Janssen Settlement, to which Governmental Entity hereby agrees. To the extent this Election and Release is interpreted differently from the Janssen Settlement in any respect, the Janssen Settlement controls.

I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: _____

Name: Mario Canizares

Title: City Manager

Date: 10-19-21

Nacogdoches
the oldest town in Texas

Lewis, Rhonda <lewisr@nactx.us>

NOTICE: KROGER OPIOID SETTLEMENT

Opioids <opioids@oag.texas.gov> Thu, Nov 14, 2024 at 4:05 PM
To: Opioids <opioids@oag.texas.gov>

TO LOCAL POLITICAL SUBDIVISIONS:
IMPORTANT INFORMATION ABOUT NEW OPIOID SETTLEMENT WITH KROGER.
SUBDIVISIONS MUST SUBMIT SIGNED DOCUMENTATION TO PARTICIPATE.
THE DEADLINE FOR PARTICIPATION IS DECEMBER 29, 2024.

This letter is part of the formal notice required by the Settlement.

If your subdivision is represented by an attorney with respect to opioid claims, please immediately contact them.

Please note that this settlement is a NEW opioid settlement; your subdivision may have previously submitted documents for the Distributors, Janssen/J&J, Endo, Teva, Allergan, Walmart, Walgreens, CVS, and Mallinckrodt settlements.

To participate in the Kroger settlement, you will need to submit new documentation.

WHY IS YOUR SUBDIVISION RECEIVING THIS NOTICE?

You are receiving this letter because Texas settled with Kroger, and your subdivision may participate in this Settlement. This notice is being sent directly to subdivisions who are not litigating against Kroger. If you are represented by an attorney with respect to opioid claims, please immediately contact them. Please note that there is no need for subdivisions to be represented by an attorney or to have filed a lawsuit to participate in the Settlement.

Your subdivision may have already signed on to other opioid settlements and adopted the Texas Term Sheet. **If so, do not disregard this notice. This is a new settlement with Kroger.** If you have already signed on to the Kroger Settlement, you may disregard this notice.

HOW DO YOU PARTICIPATE IN THE SETTLEMENTS?

All required documentation must be executed and submitted to the email address: opioids@oag.texas.gov. Your subdivision will need to submit the **Subdivision Participation Form** for the Kroger settlement to opioids@oag.texas.gov. Please also be sure to include in the Form the identity and email address of the individual who is authorized to sign formal and binding documents on behalf of your subdivision.

SETTLEMENT OVERVIEW

The proposed Settlement requires Kroger to pay $83 million (the "Settlement Amount") to Texas and its political subdivisions. Of the Settlement Amount, the vast majority is earmarked for use by Texas and its subdivisions to remediate and abate the impacts of the opioid crisis. The Settlement also contains injunctive relief provisions governing the opioid marketing as well as the sale and dispensing practices at the heart of the opioid claims in the lawsuits.

The subdivisions within Texas are entitled to decide whether they wish to participate in the settlement. Any subdivision that does not participate cannot directly share in any of the settlement funds.

WHERE CAN YOU FIND MORE INFORMATION?

This email is intended to provide a brief overview of the Settlement. Detailed information about the Settlement may be found at the website set up by Office of the Attorney General of Texas: https://www.texasattorneygeneral.gov/globalopioidsettlement.

WHY YOU SHOULD PARTICIPATE

Texas and the Litigating Political Subdivisions in Texas support of this settlement.

Subdivision participation is strongly encouraged, for the following reasons:

First, the amounts to be paid under the Settlement, while insufficient to abate the epidemic fully, will contribute to allowing Texas and its local governments to commence with meaningful change designed to curb opioid addiction, overdose, and death, following on the Distributors and Johnson & Johnson/Janssen settlements from 2021, the Teva and Endo settlements from 2022, the Mallinckrodt bankruptcy settlement in 2023, and the Allergan, CVS, Walmart, and Walgreens settlements from 2023;

Second, time is of the essence. The opioid epidemic continues to devastate communities around the country, and it is critical that the funds begin to flow to allow governments to address the epidemic in their communities ***as soon as possible***; and

Third, you know first-hand the effects of the opioid epidemic on your community. Funds from this settlement will be used to commence abatement of the crisis and provide relief to your citizens while litigation and settlement discussions proceed against numerous other defendants in the opioid industry.

HOW WILL SETTLEMENT FUNDS BE ALLOCATED IN TEXAS?

The Texas Term Sheet, which sets the allocation between subdivisions and the State, can be found on the Texas Attorney General's website. Any questions concerning the status or terms of the Texas Term Sheet and allocations in Texas can be directed to the Texas Attorney General's Office.

You may be contacted by the Texas Attorney General's Office with additional information regarding the allocation of settlement funds in Texas. Subdivisions with representation can expect information from their attorneys. We encourage you to review all materials and to follow up with any questions. The terms of these settlements are complex, and we want to be sure you have all the information you need to make your decision.

As with the other opioid settlements, the Texas Comptroller of Public Accounts and the Texas Opioid Council will disburse funds to participating political subdivisions in Texas.

NEXT STEPS

This settlement requires that you take affirmative steps to 'opt in' to the settlement. If you do not act, you will not receive any settlement funds.

First, have your authorizing person(s) or body begin to review the materials on the website concerning the settlement agreement terms and the Texas Term Sheet. Develop a list of questions for your counsel or the Texas Attorney General's Office. Your subdivision will need to begin the process of deciding whether to participate in the proposed settlement, and subdivisions are encouraged to work through this process well before the **December 29, 2024,** deadline. Again, the Texas Attorney General's Office, your counsel, and other contacts within the state are available to discuss the specifics of the settlements within your state and we encourage you to discuss the terms and benefits of the settlements with them.

Second, should you decide to proceed with participating, your subdivision will need to submit your signed Subdivision Participation Form to opioids@oag.texas.gov.

NOTE: If your subdivision has not already done so, your subdivision will need to adopt the Texas Term Sheet and its intrastate allocation schedule. If your subdivision has previously signed on to the Distributors, J&J/Janssen, Endo, Teva, Allergan, CVS, Walmart, and Walgreens settlements, you will have already adopted the Texas Term Sheet. There is no need to readopt the Texas Term Sheet. If you have NOT adopted the Texas Term Sheet, please contact opioids@oag.texas.gov.

We urge you to view the Texas Attorney General's website at your earliest convenience. Information and documents regarding the settlement can be found on the settlement website at: https://www.texasattorneygeneral.gov/globalopioidsettlement

Questions regarding the opioid settlements can be directed to: opioids@oag.texas.gov.

FREQUENTLY ASKED QUESTIONS

1. **My subdivision already signed up for opioid settlements, is that good enough for these new settlements?**

No, you will need to submit a new **Subdivision Participation Form** for the Kroger Settlement; opting into the other settlements does not sign you up for this one.

2. **Does my subdivision need to pass a resolution to sign up for this settlement?**

This depends on the specifics of what your county or city is required to do to release legal claims. If your city manager, for example, is authorized to generally enter into opioid settlements, you may not need a resolution. Consult your legal counsel for advice.

If your subdivision has already adopted the Texas Term Sheet to sign on to a previous opioid settlement, you do NOT need to adopt an additional resolution to readopt the Texas Term Sheet.

3. **When will my subdivision receive funds from this settlement and/or the other settlements?**

Funds for the Distributors, J&J/Janssen, Endo, Teva, Allergan, CVS, Walmart, and Walgreens, and Mallinckrodt settlements have been paid to the Texas Comptroller of Public Accounts and the Texas Opioid Council, and those funds continue to be distributed to participating subdivisions.

4. **How much will my subdivision receive from the Kroger Settlement?**

If you have questions about your subdivision's individual allocation amount, please contact opioids@oag.texas.gov.

5. **What are all the different Texas opioid settlements?**

Here is a summary of all the opioid settlements between Texas and its political subdivisions and the various manufacturers, distributors, and retail pharmacies:

Date Announced	Company	Amount
February 2021	McKinsey	$38.4 million
July 2021	AmerisourceBergan, Cardinal Health, and McKesson	$1.271 billion
July 2021	Janssen	$296.9 million
December 2021	Endo	$63 million
February 2021	Teva	$150 million plus $75 million in product plus $57 million from MFN
June 2021	Mallinckrodt	$26.6 million
December 2022	Allergan	$135.7 million
December 2022	Walmart	$170 million
December 2022	CVS	$300.3 million
December 2022	Walgreens	$326.6 million
February 2024	Publicis	$21.5 million
October 2024	Kroger	$83 million
Total	**13 companies**	**$3.016 billion**

Exhibit A

TEXAS SETTLEMENT SUBDIVISION PARTICIPATION AND RELEASE FORM

Political Subdivision:	Texas
Authorized Official:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above ("Texas Political Subdivision"), in order to obtain and in consideration for the benefits provided to the Texas Political Subdivision pursuant to the Kroger Texas Settlement Agreement and Full Release of All Claims dated October 30, 2024 ("Kroger Texas Settlement"), and acting through the undersigned authorized official, hereby elects to participate in the Kroger Texas Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Texas Political Subdivision above is aware of and has reviewed the Kroger Settlement Agreement, understands that all terms in this Participation and Release Form have the meanings defined therein, and agrees that by executing this Participation and Release Form, the Texas Political Subdivision elects to participate in the Kroger Texas Settlement and become a Participating Texas Political Subdivision as provided therein.

2. The Texas Political Subdivision shall immediately cease any and all litigation activities as to the Released Entities and Released Claims and, within 14 days of executing this Participation and Release Form, its counsel shall work with Kroger's counsel to dismiss with prejudice any Released Claims that it has filed.

3. The Texas Political Subdivision agrees to the terms of the Kroger Texas Settlement pertaining to Texas Political Subdivisions as provided therein.

4. By agreeing to the terms of the Kroger Texas Settlement and becoming a Releasor, the Texas Political Subdivision is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date of the Release.

5. The Texas Political Subdivision agrees to use any monies it received through the Kroger Texas Settlement solely for the purposes provided therein.

6. The Texas Political Subdivision submits to the exclusive jurisdiction and authority of the Texas Consolidated Litigation Court as defined in the Kroger Texas Settlement. For the avoidance of doubt, nothing contained in this Participation and Release Form, or the Kroger Texas Settlement, constitutes consent to jurisdiction, express or implied, over the Texas Political Subdivision or its selected counsel to the jurisdiction of any other court (including without limitation MDL 2804, the MDL 2804 Fee Panel, the MDL 2804 Enforcement Committee, or the Court in which any Texas Consent Judgment is filed) for any purpose whatsoever.

7. The Texas Political Subdivision, as a Participating Texas Subdivision, has the right to enforce the Kroger Texas Settlement in the Texas Consolidated Litigation Court as provided therein.

8. The Texas Political Subdivision, as a Participating Texas Subdivision, hereby becomes a Releasor for all purposes in the Kroger Texas Settlement, including but not limited to all provisions of Section V (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Texas Political Subdivision hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entities in any forum whatsoever. The releases provided for in the Kroger Texas Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entity the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Texas Political Subdivision to release claims. The Kroger Texas Settlement shall be a complete bar to any Released Claim.

9. The Texas Political Subdivision hereby takes on all rights and obligations of a Participating Texas Subdivision as set forth in the Kroger Texas Settlement.

10. In connection with the releases provided for in the Kroger Texas Settlement, each Texas Political Subdivision expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

> **General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Texas Political Subdivision hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Kroger Texas Settlement.

11. The Texas Political Subdivision acknowledges, agrees, and understands that the Maximum Texas Settlement Amount to be paid under the Kroger Texas Settlement for the benefit of the Participating Texas Political Subdivision, is less than or equal to the amount, in the aggregate, of the Alleged Harms allegedly suffered by the governmental entity, constitutes restitution and remediation for damage or harm allegedly caused by Kroger in order to restore, in whole or part, the governmental entity to the same position or condition that it would be in had it not suffered the Alleged Harms; and constitutes restitution and remediation for damage or harm allegedly caused by the potential violation of a law and/or is an amount paid to come into compliance with the law.

12. Nothing herein is intended to modify in any way the terms of the Kroger Texas Settlement Agreement, to which the Texas Political Subdivision hereby agrees. To the extent this Participation and Release Form is interpreted differently from the Kroger Texas Settlement, the Kroger Texas Settlement controls.

I have all necessary power and authorization to execute this Participation and Release Form on behalf of the Texas Political Subdivision.

Signature: _____
Name: _____
Title: _____
Date: _____

City Council Meeting

Date: December 17, 2024

Agenda Item: 6.B.

PRESENTER:

ITEM/SUBJECT: Amending the Nacogdoches Industrial Development Authority By-Laws to change the annual meeting date from the 2nd Thursday in February to "each year during the month of February." (Economic Development Manager)

SUMMARY/BACKGROUND: The board of the Nacogdoches Industrial Development Authority (NIDA) has unanimously passed a resolution to amend Article II, Section 2.04 of the NIDA bylaws by changing the annual meeting date from the 2nd Thursday in February to "each year during the month of February."

The change was necessitated to accommodate the appointment schedule for City Council.

The Nacogdoches Industrial Development Authority board would like to respectfully request a ratification of the resolution to amend the bylaws at the December 17, 2024, City Council meeting.

FINANCIAL:

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

CITY CONTACT: Mary Bradford, NEDCO Manager
(936) 559-2402

ATTACHMENTS:
1. Letter Requesting NIDA Bylaw change
2. 2-20-24 NIDA Minutes signed
3. 2-20-24 NIDA Resolution
4. Industrial Dev. Auth. By Laws - 2018-02-08

November 20, 2024

Mr. Rick Beverlin
Nacogdoches City Manager
PO Box 635030
Nacogdoches, TX 75963

Dear Rick,

The board of the Nacogdoches Industrial Development Authority (NIDA) has unanimously passed a resolution to amend Article II, Section 2.04 of the NIDA bylaws by changing the annual meeting date from the 2nd Thursday in February to 'each year during the month of February'.

The change was necessitated to accommodate the appointment schedule for City Council.

The Nacogdoches Industrial Development Authority board would like to respectfully request a ratification of the resolution to amend the bylaws at the December 3, 2024, City Council meeting.

Please find enclosed a copy of the NIDA bylaws and the signed resolution.

Sincerely,

Wes McKnight, President
Nacogdoches Industrial Development Authority

Nacogdoches Industrial Development Authority, Inc. (NIDA)
Annual Board Meeting
Thursday, February 20, 2024, 1:30 p.m.
202 East Pilar, Conference Room 203
Nacogdoches, Texas, 75961

MINUTES

Members Present:
Scott Bowyer
Robert Flores
Wes McKnight
Miles Bradshaw
Richard Humphreys

Members Absent: None

NEDCO Staff Present:
Mary Frances Bradford
Larissa Philpot

Guests Present: None

I. CALL TO ORDER

President Wes McKnight called the meeting to order at 1:30 p.m.

II. ROLL CALL

President Wes McKnight presented the Roll Call and members present: Scott Bowyer, Wes McKnight, Miles Bradshaw, Robert Flores, and Richard Humphreys. No members were absent. NEDCO Staff members present: Mary Frances Bradford and Larissa Philpot. All members have completed open meetings training and oaths of office.

IV. REPORTS

A. Minutes from Previous Meeting

Minutes from the February 9, 2023, meeting were presented by Secretary Miles Bradshaw. Scott Bowyer made a motion to approve the minutes as presented. Richard Humphreys seconded; the motion was unanimously approved. (See permanent file.)

B. Treasurer's Report

Treasurer Scott Bowyer presented the 2024 Financial Statement. As of January 10, 2024, the Citizen's 1st Bank CD 50879071 has a balance of $6,454.05 and renewed for one year at 2.2510 % interest rate. The Checking Account at Regions Bank has a current balance of $494.00, and no withdrawals or deposits were made during the previous year. Total Current Assets equal $6,948.05.

Wes McKnight made a motion to approve the 2024 Financial Statement as presented. Richard Humphreys seconded; motion was unanimously approved. (See permanent file.)

V. ACTION ITEMS

A. Election of Officers

President McKnight called for election of officers and opened the floor to nominations. Wes McKnight made a motion to nominate the current slate of officers:

President – Wes McKnight
Vice President – Richard Humphreys
Treasurer – Scott Bowyer
Secretary – Miles Bradshaw

With no other nominations, Richard Humphreys seconded the motion; members unanimously approved.

B. Authorization of Board Members to Sign Financial Documents
Scott Bowyer made a motion to approve the following NIDA Board members be authorized to sign Depository Accounts for the Authority as designated by the Bylaws Article V, Section 5.03.

President – Wes McKnight
Vice President – Richard Humphreys
Board Member – Scott Bowyer
Board Member – Miles Bradshaw

The motion was seconded by Wes McKnight and members unanimously approved.

C. Designate Number of Required Signatures for Financial Documents
Wes McKnight made a motion for NIDA Depository Account transactions to be signed by any two of the above-listed authorized signatures. The motion was seconded by Richard Humphreys and members unanimously approved.

D. Update: Secretary of State Form "Periodic Report for Non-Profit Corporation"
No updates will be required. No action taken.

E. Approval for Filing fee: "Periodic Report for Non-Profit Corporation"
No updates will be required. No action taken.

VI. RESOLUTION AMENDING BYLAWS

President McKnight opened the floor to discussion. The bylaws state that the annual meeting shall be held on the 2nd Thursday of February each year. This year, the annual meeting was delayed due to the City Council's appointment of NIDA board member at council meeting on February 6th. Members discussed the option to change the bylaws to holding the annual meeting in February. Formal resolution and letter to council requesting change will be finalized with the City Attorney.

Scott Bowyer made a motion to change the bylaws to state the annual meeting will be held in February each year. Richard Humphreys seconded the motion, members unanimously approved.

VII. COMMENTS

Larissa Philpot-Brown told the board that industrial bonds were offered to Eaton for their expansion project, but Eaton declined.

VIII. ADJOURN

President Wes McKnight adjourned the meeting at 1:39 p.m.

Miles Bradshaw, NIDA Secretary

RESOLUTION OF THE BOARD OF DIRECTORS

OF

Nacogdoches Industrial Development Authority, Inc.

At the regular meeting of the Board of Directors at which a quorum was present, it was moved and seconded that pursuant to Bylaw Section 7.01 the Bylaws of the Corporation be amended as follows:

The Corporation has given the authority to amend the Bylaws of the Corporation to the Board of Directors via Section 7.01 of the Bylaws, as revised and adopted by the Corporation on February 8, 2018. According to this authority: BE IT RESOLVED that the Bylaws of the Corporation be amended through this Resolution by amending the Bylaws as follows:

ARTICLE II

DIRECTORS

SECTION 2.04:
The annual meeting of the board shall be held at the principal office of the Corporation on the 2nd Thursday of February of each year, if not a legal holiday, and if a legal holiday, then at the next secular day following, at 1:30 o'clock P.M., *or at such time and place as shall be fixed by the consent in writing* of all of the directors. All other meetings may be held at the place selected by the Board within the boundaries of the State of Texas.

CHANGE TO: The annual meeting of the board shall be held at the principal office of the Corporation each year during the month of February, or at such time and place as shall be fixed by the consent in writing of all the directors. All other meetings may be held at the place selected by the Board within the boundaries of the State of Texas.

In all other respects, the current Bylaws of the Corporation shall be restated as amended above. As defined in Section 7.02 of the Bylaws, "no amendment to the By-Laws of the Corporation shall be effective until approved by the governing body of the City". Following approval by the Corporation Board, a letter requesting approval of the resolution to amend the bylaws will be sent to the City Manager requesting approval by City Council. A true and correct copy of the bylaws, as Revised and Approved on February 20, 2024, shall be appended to this Resolution and kept in the record books of the Corporation.

The vote being __5__ Ayes and __0__ Nays, the Resolution did pass by a simple majority of those Directors in Attendance.

Date: __February 20, 2024_____ By: _____

Miles Bradshaw, Secretary

BY-LAWS

OF

NACOGDOCHES INDUSTRIAL DEVELOPMENT AUTHORITY, INC.

ARTICLE I

OFFICES

SECTION 1.01: The principal office of the Nacogdoches Industrial Development Authority, Inc. (the "Corporation") shall be at 202 East Pilar, Nacogdoches, Texas.

ARTICLE II

DIRECTORS

SECTION 2.01: The affairs of the Corporation shall be managed by a board of directors (the "Board") which shall be composed in its entirety of persons appointed by, and whose terms of office shall be fixed by the governing body of the City of Nacogdoches.

SECTION 2.02: Vacancies in the Board, including vacancies to be filled by reason of an increase in the number of directors, shall be filled for the unexpired term by the appointment of successor directors by the governing body of the City of Nacogdoches.

SECTION 2.03: The property and business of the Corporation shall be managed by the Board which may exercise all powers of the Corporation and do all lawful acts.

SECTION 2.04: The annual meeting of the board shall be held at the principal office of the Corporation on the 2nd Thursday of February of each year, if not a legal holiday, and if a legal holiday, then at the next secular day following, at 1:30 o'clock P.M., or at such time and place as shall be fixed by the consent in writing of all of the directors. All other meetings may be held at the place selected by the Board within the boundaries of the State of Texas.

SECTION 2.05: Regular meetings, other than the annual meeting, may be held without notice at such time as shall from time to time be determined by resolution of the Board.

SECTION 2:06: Special meetings of the Board may be called by the President on three days' notice to each director, either personally or by mail or by telegram; special meetings shall be called by the President or Secretary in like manner on

like notices on the written request of two directors. A meeting of the Board can be held at any time without notice upon the execution by all directors of a written waiver of notice, and likewise may be held without notice when all of the directors are present at the meeting.

SECTION 2.07: At all meetings of the Board the presence of a majority of the directors shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by these By-Laws. If a quorum shall not be present at any meeting of the directors, the directors present thereat may recess the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

SECTION 2.08: Any action required by the Development Corporation Act of 1979 to be taken at a meeting of the Board or any action which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the directors. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or document filed with the Secretary of State under the Development Corporation Act of 1979.

SECTION 2.09: All meetings of the Board shall be held within the State of Texas.

SECTION 2.10: The Board may, by resolution or resolutions adopted by a majority of the whole Board, establish one or more committees, each committee to consist of two or more of the directors of the Corporation. Such committee or committees shall have such name or names, and such powers, as may be determined from time to time by resolution adopted by the Board of Directors.

SECTION 2.11: The committees shall keep regular minutes of their proceedings and report the same to the Board when required.

SECTION 2.12: Directors, as such, shall receive no compensation for services rendered as directors, but shall be reimbursed for all reasonable expenses incurred in performing their duties as directors.

ARTICLE III

NOTICES

SECTION 3.01: Whenever, under the provisions of the statutes or these By-Laws, notice is required to be given to any director, it shall not be construed to mean personal notice, but such notice may be given in writing, by mail, addressed to such director at such address as appears on the books of the Corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed.

SECTION 3.02: Whenever any notice is required to be given under the provisions of the statutes or of these By-Laws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE IV

OFFICERS

SECTION 4.01: The officers of the Corporation shall be chosen by the Board. The Board shall choose from its members a President and a Vice President. The Board shall also choose a Secretary and a Treasurer who may or may not be members of the Board. Any two or more offices may be held by the same person, except the offices of President and Secretary.

SECTION 4.02: The Board shall choose such officers at its first meeting and at each annual meeting thereafter in odd number years.

SECTION 4.03: The officers of the Corporation chosen pursuant to Section 4.02 shall serve until the second annual meeting of the Board thereafter or until their successors are chosen and qualify in their stead.

SECTION 4.04: The Board may appoint such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time.

SECTION 4.05: Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the whole Board. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board.

President

SECTION 4.06; The President shall preside at all meetings of the directors.

SECTION 4:07: The President shall be an ex officio member of all standing committees, shall have general supervision of the management of the business of the Corporation, and shall see that all orders and resolutions of the Board are carried into effect.

SECTION 4.08: The President shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board to some other officer or agent of the Corporation.

Vice President

SECTION 4.09: The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board shall prescribe.

Secretary

SECTION 4.10: The Secretary shall attend all sessions of the Board and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all special meetings of the Board and shall perform such other duties as may be prescribed by the Board or the President, under whose supervision he shall be. He shall keep in safe custody the seal of the Corporation and, when authorized by the Board, affix the same to any instrument requiring it, and, when so affixed, it shall be attested by his signature. And when the corporate seal is required as to instruments executed in the course of ordinary business, he shall attest to the signature of the President or Vice President and shall affix the seal thereto.

Treasurer

SECTION 4.11: To the extent not otherwise provided by the Board, by rules or regulations, in resolutions relating to the issuance of bonds, or in any financing documents relating to such issuance, the Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in a depository as shall be designated by the Board. He shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Corporation.

SECTION 4.12: The Board may require the President, Vice President, the Secretary and the Treasurer to give the Corporation bonds in such sums and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of their office and for the restoration to the Corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Corporation.

SECTION 4.13: The provisions of the Texas Uniform Facsimile Signature of Public Officials Act shall be applicable to the Corporation, which is a duly constituted instrumentality of this City, a political subdivision of the State of Texas.

ARTICLE V

FISCAL PROVISIONS

SECTION 5.01: No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses shall be distributed to or inure to the benefit of its directors or officers or any individual, firm, corporation, or association, except that in the event the Board of Directors shall determine that sufficient provision has been made for the full payment of the expenses, bonds, and other obligations of the Corporation, then any net earnings of the Corporation thereafter accruing shall be paid to the City. No part of the Corporation's activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

SECTION 5.02: The Board shall have prepared for each annual meeting a full and clear statement of the business and condition of the Corporation.

SECTION 5.03: All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board may from time to time designate, provided that in no event shall a check be negotiable until it is signed by at least one officer.

SECTION 5.04: The fiscal year shall be determined by resolution of the Board.

SECTION 5.05: The Corporation shall, at least once each calendar year, submit to the Finance Administrator of the City a report showing (i) all programs undertaken by the Corporation during the preceding year, and (ii) the financial condition of the Corporation and any of the projects it has financed. In the event such financial statements are not certified by a public accountant or a certified public accountant, the Corporation shall be required to pay the actual cost of an audit by either the Finance Administrator or a certified public accountant selected by the City.

SECTION 5.06: The Corporation shall not be empowered to make any unsecured loans or other indebtedness which matures more than one year from the date incurred without the approval of the governing body of the City.

ARTICLE VI

SEAL

SECTION 6.01: The corporate seal shall be circular and shall have inscribed in the outer circle the name of the corporation and shall have a five point star inscribed in the inner circle. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise. The imprint of this seal thus authorized its affixed opposite to this section.

ARTICLE VII

AMENDMENTS

SECTION 7.01: These By-Laws may be altered, changed, or amended at any meeting of the board at which a quorum is present, provided notice of the proposed alteration, change, or amendment be contained in the notice of such meeting, by the affirmative vote of a majority of the directors at such meeting and present thereat.

SECTION 7.02: No amendment to the By-Laws of the Corporation shall be effective until approved by the governing body of the City.

Revised February 8, 2018

City Council Meeting

Date: December 17, 2024

Agenda Item: 6.C.

PRESENTER: Colin Smith, Airport Manager

ITEM/SUBJECT: Consider approval of an amendment to the Airport runway rehabilitation project participation agreement (2411NACOG) with the Texas Department of Transportation Aviation Division that will reduce the City's design fee cost share from 10% to 5% of the total design fee. (Airport Manager)

SUMMARY/BACKGROUND: In August 2024, the City entered into a grant participation agreement with the TxDOT Aviation Division related to the design of the runway rehabilitation project at the A.L. Mangham Jr. Regional Airport. That agreement estimated that the total design fee would be $300,000 and the City's share would be $30,000 (10%). After completing negotiations with the selected design consultant, the actual fee will be $257,500. TxDOT is proposing, through an amendment to the agreement, to lower the City's cost share from 10% to 5%, thus reducing the City's cost share for design to $12,875. That is $17,125 less than what was originally estimated and budgeted for. The agreement amendment, original agreement, and related invoice are attached for reference.

FINANCIAL:
Item is budgeted:

Account No.: 40.680.36
Account Name: *Proposition A (Airport) Project Design*
Amount: $12,875

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
Infrastructure

CITY CONTACT: Colin Smith, Airport Manager
smithcm@nactx.us
(936) 560-9567

ATTACHMENTS:
1. 2411NACOG_amend 1
2. 2411NACOG_APPA Signed
3. 2411NACOG billing

TEXAS DEPARTMENT OF TRANSPORTATION
AIRPORT PROJECT PARTICIPATION AGREEMENT

(Federally Assisted Airport Development)

TxDOT Project No.: 2411NACOG
Commission Approval: June 27, 2024
IIJA Funds Applied: FY 22
UEI: JK3KNJACE7L1
ALN: 20.106

Amendment No. 01 to the Agreement

Part I - Identification of the Project

TO: City of Nacogdoches, Texas

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

City of Nacogdoches, Texas, hereinafter referred to as the "Sponsor," and the Texas Department of Transportation, hereinafter referred to as the "State," have entered into an Airport Project Participation Agreement TxDOT CSJ Number 2411NACOG, executed by the Sponsor on July 23, 2024, and by the State on August 8, 2024, for the development of A.L. Mangham, Jr. Regional Airport, hereinafter referred to as the "Airport".

The project is described as engineering/design services to: rehabilitate Runway 18/36; parallel taxiway; and connector taxiway at A.L. Mangham, Jr. Regional Airport.

It is in the mutual interest of the Sponsor and the State to decrease the agreement by $42,508 based on the negotiated fee. This grant will be funded at 95% federal and 5% local.

Part II - Offer of Financial Assistance, estimates total project costs to be $300,000; and financial assistance is currently limited to $270,000 in federal funds and $30,000 in local sponsor funds.

The following amendment to the Airport Project Participation Agreement shall become effective upon execution of this Amendment by the Sponsor and the State.

The Airport Project Participation Agreement is amended as follows:

1. On Part II, Item No. 2 of the Agreement, change Amount A, estimated total design costs, and any further references in the Agreement to Amount A, to $257,500.

2. On Part II, Item No. 2 of the Agreement, change Amount B, estimated design costs eligible for federal financial assistance, and any further references in the Agreement to Amount B, to $257,500.

3. On Part II, Item 3 of the Agreement, change Amount D, the maximum obligation of the United States payable under this offer, and any further references in the Agreement to Amount D, to $244,625. The federal share is being funded by IIJA funds.

4. On Part II, Item 4 of the Agreement, change Amount E, Sponsor's share of the estimated design costs, and any further references in the Agreement to Amount E, to $12,875.

All other terms and conditions of the agreement are unchanged and remain in full force and effect.

This Amendment to the Airport Project Participation Agreement between City of Nacogdoches, Texas, and the Texas Department of Transportation is mutually agreed to and accepted.

City of Nacogdoches, Texas
Sponsor

_____
Sponsor Signature

_____
Sponsor Title

_____
Date

Execution by the State

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

STATE OF TEXAS
TEXAS DEPARTMENT OF TRANSPORTATION

_____
(Signature)

Dan Harmon
_____
(Typed Name)

Director, Aviation Division
_____
(Title)

_____
(Date)

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TEXAS DEPARTMENT OF TRANSPORTATION

AIRPORT PROJECT PARTICIPATION AGREEMENT

(Federally Assisted Airport Development Grant)

TxDOT Project No.: 2411NACOG
Commission Approval: June 27, 2024
IIJA: FY22
UEI: JK3KNJACE7L1
ALN: 20.106

Part I - Identification of the Project

TO: City of Nacogdoches, Texas

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

This Agreement is made and entered into by and between the Texas Department of Transportation for and on behalf of the State of Texas (the "State") and City of Nacogdoches, Texas (the "Sponsor").

The Sponsor desires to sponsor a project for the development of a public aviation facility, known or to be designated as the Airport under the Airport and Airway Improvement Act of 1982, as repealed and recodified in 49 U.S.C. § 47101 *et seq*., ("Title 49 U.S.C."), and the State's rules, regulations, and procedures promulgated pursuant to Title 3 of the Texas Transportation Code.

The project is described as design services to rehabilitate Runway 18/36; parallel taxiway; and connector taxiway at A.L. Mangham, Jr. Regional Airport.

The Sponsor applies for federal financial assistance and desires the State to act as the Sponsor's agent in matters connected with the project described above, pursuant to Texas Transportation Code § 22.018 and as detailed below in Part IV.

The parties, by this Agreement, do fix their respective responsibilities, with reference to each other, with reference to the accomplishment of the project and with reference to the United States.

Pursuant to and for the purpose of carrying out the provisions of Title 49 U.S.C., and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in the Airport Project Participation Agreement and its acceptance of this Offer as provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the project and compliance with the assurances and conditions provided, **THE TEXAS DEPARTMENT OF TRANSPORTATION, FOR AND ON BEHALF OF THE UNITED STATES, FEDERAL AVIATION ADMINISTRATION ("FAA"),**

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OFFERS AND AGREES to pay, as the United States share of the allowable costs incurred in accomplishing the project, ninety per centum of all allowable project costs. This grant is made on and subject to the following terms and conditions:

Part II - Offer of Financial Assistance

1. The allowable costs of the project shall not include any costs determined by the State to be ineligible under Title 49 U.S.C., Title 3 of the Texas Transportation Code, or the Airport Zoning Act, Texas Local Government Code §§ 241.001 *et seq*.

2. It is estimated that design/engineering project costs will be approximately $300,000 (Amount A). It is further estimated that approximately $300,000 (Amount B) of the project costs will be eligible for federal financial assistance, and that federal financial assistance will be for ninety percent (90%) of the eligible project costs. Final determination of federal eligibility of total project costs will be determined by the State in accordance with federal guidelines following completion of project.

   The estimated project cost for the construction phase of this project is $5,000,000 (Amount C). The construction phase will be started upon completion of design, dependent upon availability of federal funds, and approval of the Texas Transportation Commission. A separate grant will be issued for the construction phase. Any federal financial participation over this amount is not guaranteed.

   If federal funds are unavailable, this Agreement shall automatically be voided and become of no force and effect, except that unexpended or unencumbered moneys actually deposited by the Sponsor and held with the State for project purposes shall be returned to the Sponsor.

3. The maximum obligation of the United States payable under this offer shall be $270,000 (Amount D).

   This grant should not be construed as block grant funds for the Sponsor, but as a grant for funding of the scope items as listed on page one of this agreement. The State will provide federal funding to complete the approved work items of this grant, and will not amend the scope of work to include items outside of the current determined needs of this project. Scope of work may be amended if necessary to fulfill the unforeseen needs of this specific development project within the spirit of the approved scope, subject to the availability of state, federal, and/or local funds.

4. It is estimated that the Sponsor's share of the total project costs will be $30,000 (Amount E). The Sponsor specifically agrees that, regardless of the estimated Amount E, it shall pay any project costs which exceed the sum of the federal share (Amount D). In the event the State determines that additional funding is required by the Sponsor at any time during the development of the Project, the State will notify the Sponsor in writing. The Sponsor will make payment to the State within thirty (30) days from receipt of the State's written notification.

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It is further agreed that the Sponsor will reimburse the State for any payment or payments made by the State on behalf of the Sponsor which are more than the federal percentage of financial participation as stated in Paragraph II-2. Upon completion of the Project, the State will perform an audit of the Project costs. Any funds due to the Sponsor, the State, or the Federal Government will be promptly paid by the owing party. The State shall refund to the Sponsor, at the financial closure of the project, any excess funds provided by the Sponsor. The State will not pay interest on any funds provided by the Sponsor.

5. During design, if the estimated eligible construction project costs exceed Amount C, above, the Sponsor may request the State to void this Agreement. The State shall agree to void this Agreement upon the satisfaction of the following conditions:

   a. the Sponsor's request to the State to void the Agreement shall be in writing and dated; and

   b. if required by the State, the Sponsor shall reimburse the State for funds expended on this project and Sponsor shall assume the responsibility for any future expenses for contracted services or materials related to the project for which a contract had been executed prior to the Sponsor's request to void the Agreement. Sponsor funds held by the State may be retained until this requirement is satisfied; and

   c. failure on the part of the Sponsor to comply with the conditions of this paragraph shall constitute a breach of this Agreement.

6. Upon satisfaction of the conditions specified in Paragraph II-5 above, the State shall declare this Agreement null and void, and this Agreement shall have no force and effect, except that unexpended or unencumbered moneys actually deposited by the Sponsor and held with the State for project purposes shall be returned to the Sponsor within a reasonable time.

7. If there is an overrun in the eligible project costs, the State may increase the grant to cover the amount of overrun not to exceed the statutory twenty-five (25%) percent limitation and will advise the Sponsor by amendment of the increase. Upon receipt of the amendment, the maximum obligation of the United States is adjusted to the amount specified and the Sponsor will remit their share of the increased grant amount.

   Participation in additional federally eligible costs may require approval by the Texas Transportation Commission. The State will not authorize expenditures more than the dollar amounts identified in this Agreement and any amendments without the consent of the Sponsor.

   Payment of the United States share of the allowable project costs will be made in accordance with the provisions of such regulations and procedures as the State and the FAA shall prescribe. Final determination of the United States share will be based upon

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the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.

8. Sponsor's share of project costs (Amount E) shall be paid initially in cash when requested by the State. The State will not execute project contracts until the required funding has been made available by the Sponsor in accordance with this Agreement. At project closeout, Sponsor will be reimbursed for any credited amounts that exceed Sponsor's share.

9. Sponsor, by executing this Agreement certifies, and upon request, shall furnish proof to the State that it has sufficient funds to meet its share of the costs. The Sponsor grants to the State and federal government the right, upon advance written request during reasonable and regular business hours, to audit any books and records of the Sponsor to verify said funds. In addition, the Sponsor shall disclose the source of all funds for the project and its ability to finance and operate the project.

   Following the execution of this Agreement and upon written demand by the State, the Sponsor's financial obligation (Amount E) shall be due and payable to the State. State may request the Sponsor's financial obligation in partial payments. Should the Sponsor fail to pay the obligation, either in whole or in part, within 30 days of written demand, the State may exercise its rights under Paragraph V-7. Likewise, should the State be unwilling or unable to pay its obligation in a timely manner, the failure to pay shall be considered a breach and the Sponsor may exercise any rights and remedies it has at law or equity.

   Expenditures for eligible project costs for the above project made by the State or the Sponsor prior to the award of a federal grant for the project, and prior to actual receipt of the authority to expend federal grant funds, shall be made from Sponsor funds.

10. The State shall make all reasonable attempts to acquire federal funding for the completion and construction of this project within two years of completion of design services. The Sponsor agrees to complete and construct this project within two years of completion of design services, subject to the availability of federal funds. If the sponsor does not move forward with design or construction, they shall reimburse the state 100% of all costs under contract and/or expended at the point of notification that the project will not be completed. The Sponsor also understand that if the FAA has provided Federal funding to complete the design for the project, and the Sponsor has not completed the design within four (4) years from the execution of this Grant Agreement, the State may suspend or terminate grants related to the design.

11. <u>Completing the Project Without Delay and in Conformance with Requirements</u>. The Sponsor must carry out and complete the project without undue delays and in accordance with this Agreement, 49 U.S.C. Chapters 471 and 475, the applicable federal regulations, and the Secretary's policies and procedures. Per 2 CFR § 200.308, the Sponsor agrees to report and request prior FAA approval for any disengagement from performing the project that exceeds three months or a 25 percent reduction in time devoted to the project. The report must include a reason for the project stoppage. The

Sponsor also agrees to comply with the grant assurances, which are part of this Agreement.

12. Air and Water Quality. The Sponsor is required to comply with all applicable air and water quality standards for all projects in this grant. If the Sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this Grant Agreement.

13. Ban on Texting While Driving.

a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:

1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.

2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:

a. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and

b. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

14. Trafficking in Persons. In accordance with section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. § 7104(g)), the Grantee, its employees, and any subgrant recipients' employees may not:

a. Engage in severe forms of trafficking in persons;
b. Procure a commercial sex act; or
c. Use forced labor in the performance of this Grant Contract and subgrant agreements.

Violation of this requirement may result in termination of this Grant Contract.

15. Employee Protection from Reprisal.

a. Prohibition of Reprisals:

1. In accordance with 41 U.S.C. § 4712, an employee of a State, Sponsor, grantee, subgrantee, contractor, or subcontractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (a)(2), information that the employee reasonably believes is evidence of:

i. Gross mismanagement of a Federal grant;
ii. Gross waste of Federal funds;
iii. An abuse of authority relating to implementation or use of Federal funds;
iv. A substantial and specific danger to public health or safety; or
v. A violation of law, rule, or regulation related to a Federal grant.

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2. Persons and bodies covered: The persons and bodies to which a disclosure by an employee is covered are as follows:
   i. A member of Congress or a representative of a committee of Congress;
   ii. An Inspector General;
   iii. The Government Accountability Office;
   iv. A Federal office or employee responsible for oversight of a grant program;
   v. A court or grand jury;
   vi. A management office of the State or the Grantee; or
   vii. A Federal or State regulatory enforcement agency.

b. Submission of Complaint: A person who believes that they have been subjected to a reprisal prohibited by paragraph A of this grant term may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.

c. Time Limitation for Submittal of a Complaint: A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.

d. Required Actions of the Inspection General: Actions, limitations and exceptions of the Inspector General's office are established under 41 U.S.C. § 4712(b).

e. Assumption of Rights to Civil Remedy: Upon receipt of an explanation of a decision not to conduct or continue an investigation by the Office of Inspector General, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c).

16. The Sponsor agree to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.

17. Buy American. Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for which funds are provided under this grant. The Sponsor will include a provision implementing Buy American in every contract and subcontract awarded under this Grant.

18. Build America, Buy America. The sponsor must comply with the requirements under the Build America, Buy America Act (Public Law 117-58).

19. Suspension or Debarment. When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:

a. Verify the non-Federal entity is eligible to participate in this Federal program by:

   1. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if the non-Federal entity is excluded or disqualified; or

2. Collecting a certification statement from the non-Federal entity attesting they are not excluded or disqualified from participating; or

3. Adding a clause or condition to covered transactions attesting the individual or firm are not excluded or disqualified from participating.

b. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions (e.g., Sub-contracts).

c. Immediately disclose in writing to the FAA whenever (1) the Sponsor learns they have entered into a covered transaction with an ineligible entity or (2) the Public Sponsor suspends or debars a contractor, person, or entity.

20. Prohibited Telecommunications and Video Surveillance Services and Equipment. The Sponsor agrees to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)] and 2 CFR § 200.216.

21. Critical Infrastructure Security and Resilience. The Sponsor acknowledges that it has considered and addressed physical and cybersecurity and resilience in their project planning, design, and oversight, as determined by the DOT and the Department of Homeland Security (DHS). For airports that do not have specific DOT or DHS cybersecurity requirements, the FAA encourages the voluntary adoption of the cybersecurity requirements from the Transportation Security Administration and Federal Security Director identified for security risk Category X airports.

22. The period of performance shall commence on the date the State executes this agreement. The end date of the period of performance is four years from the date of execution of the State.

PART III - Sponsor Responsibilities

1. In accepting the Agreement, the Sponsor guarantees that:

a. it will comply with Attachment A, Certification of Airport Property Interests, attached and made a part of this Agreement; and

b. it will comply with Attachment B, Certification of Airport Fund, attached and made a part of this Agreement; and

c it will comply with Attachment F, Airport Assurances (5/2022), attached and made a part of this Agreement; and

d. it will comply with Attachment E, Certification and Disclosure Regarding Potential Conflicts of Interest, attached and made a part of this Agreement; and

e. it will, in the operation of the facility, comply with all applicable state and federal laws, rules, regulations, procedures, covenants and assurances required by the State of Texas or the FAA in connection with the federal grant; and

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f. the Airport or navigational facility which is the subject of this Agreement shall be controlled for a period of at least 20 years, and improvements made or acquired under this project shall be operated, repaired, and maintained in a safe and serviceable manner for the useful life of said improvements, not to exceed 20 years; and

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

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

i. it shall not permit non-aeronautical use of airport facilities, unless noted on an approved Airport Layout Plan, without prior approval of the State/FAA. This includes but is not limited to: the process of land disposal, any changes to the aeronautical or non-aeronautical land uses of the airport, land's deeded use from non-aeronautical to aeronautical, requests of concurrent use of land, interim use of land, approval of a release from obligations from the State/FAA, any of which will require 18 months, or longer; and

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

k. it will acquire all property interests identified as needed for the purposes of this project and comply with all applicable state and federal laws, rules, regulations, procedures, covenants and assurances required by the State of Texas or the FAA in connection with the federal grant in the acquisition of such property interests; and that airport property identified within the scope of this project and Attorney's Certificate of Airport Property Interests shall be pledged to airport use and shall not be removed from such use without prior written approval of the State; and

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

m. all fees collected for the use of an airport or navigational facility constructed with funds provided under the program shall be reasonable and nondiscriminatory. The proceeds of such fees shall be used solely for the development, operation, and maintenance of the Sponsor's system of airport(s) or navigational facility(ites).

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

o. for federally funded projects any revenue from airport property mineral rights be identified as airport revenue; deposited to the airport fund and used for airport operations; and

p. the Sponsor must operate and maintain the lighting system during the useful life of the system in accordance with applicable FAA standards.

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

r. it will provide upon request of the State, the engineering or planning consultant, and the FAA copies of any maps, plans, or reports of the project site, applicable to or affecting the above project; and

s. after reasonable notice, it will permit the State, the FAA, and any consultants and contractors associated with this project, access to the project site, and will obtain permission for the State, the FAA, and consultants and contractors associated with this project, to enter private property for purposes necessary to this project; and

t. all development of an airport constructed with program funds shall be consistent with the Airport Layout Plan approved by the State and maintained by the Sponsor. A reproducible copy of such plan, and all subsequent modifications,

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shall be filed with the State for approval; and

u. it shall take all steps, including litigation, if necessary, to recover funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal and State funds have been expended. For the purposes of this grant agreement, the term "funds" means funds, however used, or disbursed by the Sponsor or Agent that were originally paid pursuant to this or any other grant agreement. It shall obtain the approval of the State as to any determination of the amount of such funds. It shall return the recovered share, including funds recovered by settlement, order, or judgment, to the State. It shall furnish to the State, upon request, all documents and records pertaining to the determination of the amount of the funds or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such funds shall be approved in advance by the State.

2. The Sponsor certifies to the State that it will have acquired clear title in fee simple to all property upon which construction work is to be performed, or have acquired a leasehold on such property for a term of not less than 20 years, prior to the advertisement for bids for such construction or procurement of facilities that are part of the above project, and within the time frame of the project, a sufficient interest (easement or otherwise) in any other property which may be affected by the project.

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

4. The Sponsor's acceptance of this Offer and ratification and adoption of the Agreement incorporated shall be evidenced by execution of this instrument by the Sponsor, and the Agreement shall comprise a contract, constituting the obligations and rights of the State of Texas and the Sponsor with respect to the accomplishment of the project and the operation and maintenance of the airport. Such Agreement shall become effective upon execution of this instrument and shall remain in full force and effect for a period of at least 20 years.

5. Sponsor agrees to provide a suitable location for pre-bid and for pre-construction conferences, and for the submission and opening of construction bids.

6. The Sponsor and not the State shall, for all purposes, be the "Sponsor" of the project identified above as defined in Title 49 U.S.C. Sponsor agrees to assume responsibility for operation of the facility in compliance with all applicable state and federal

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requirements including any statutes, rules, regulations, assurances, procedures, or any other directives before, during and after the completion of this project.

7. The Sponsor shall have on file with the State a current and approved Attorney's Certificate of Airport Property Interests and Exhibit A property map.

8. The Sponsor shall have on file with the State, Attachment C, Certification Regarding Drug-Free Workplace Requirements, attached and made part of this agreement.

9. Unless otherwise approved by the State, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant. The sponsor will include in every contract a provision implementing this special condition.

10. Except for instrument landing systems acquired with AIP funds and later donated to and accepted by the FAA, the Sponsor must provide for the continuous operation and maintenance of any navigational aid funded under the AIP during the useful life of the equipment unless the equipment is transferred by agreement to the FAA in accordance with 49 U.S.C. § 44502(e); The sponsor must check the facility, including instrument landing systems, prior to commissioning to ensure it meets the operational standards. The Sponsor must also remove, relocate, or lower each obstruction on the approach or provide for the adequate lighting or marking of the obstruction if any aeronautical study conducted under FAR Part 77 determines that to be acceptable; and mark and light the runway, as appropriate. The Federal Aviation Administration will not take over the ownership, operation, or maintenance of any sponsor-acquired equipment, except for instrument landing systems.

11. For a project to replace or reconstruct pavement at the airport, the Sponsor shall implement an effective airport pavement maintenance management program as is required by Airport Sponsor Assurance Number 11. The sponsor shall use such program for the useful life of any pavement constructed, reconstructed, or repaired with Federal financial assistance at the airport. As a minimum, the program must conform to the provisions in Attachment D "Pavement Maintenance Management Program," attached and made part of this agreement.

12. Fencing- if Applicable, the Sponsor understand that if a fence is being installed to prevent wildlife from entering the airfield. The Sponsor agrees to maintain the integrity of the fence for its useful life, but no less than 20 years from the date this Grant was issued. The Sponsor understand that maintenance of the fence includes repair of damage to the fence or gates due to any purpose.

Part IV- Nomination of the Agent

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

either of the parties for costs incurred.

2. The State agrees to assume the responsibility to assure that all aspects of the grant are done in compliance with all applicable state and federal requirements including any statutes, rules, regulations, assurances, procedures, or any other directives, except as otherwise specifically provided.

3. As required by Texas Transportation Code 22.018, when acting as the agent for Sponsor, State shall advertise for, select, and make contracts with, consultants and contractors in accordance with the law governing the making of contracts by the State.

4. The State shall, for all purposes in connection with the project identified above, be the Agent of the Sponsor. The Sponsor grants the State a power of attorney to act as its agent for all such purposes, including, but not limited to:

Receiving and Disbursing Agent:

a. apply for, accept, receive, and deposit with the State Treasury any and all project funds granted, allowed, and paid or made available by the State and/or the United States under Title 49 U.S.C. and congressional appropriation;

b. receive, review, approve, and process Sponsor's reimbursement requests for approved project costs; and

c. pay to the Sponsor, from granted funds, the portion of any approved reasonable and eligible project costs incurred by the Sponsor that are in excess of the Sponsor's share.

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

Contracting Agent:

e. advertise for services required for the project, including, but not limited to, professional engineering and/or planning services, construction, construction management, and materials acquisition; receive, open, and review bids; select the consultant; provide notification of contract award for professional services; and negotiate professional services contract terms as necessary; and execute, on behalf of the Sponsor, contracts related to this project;

f. participate in pre-bid and pre-construction conferences; and issue orders as it deems appropriate regarding construction progress, including but not limited to Notices to Proceed, Stop Work Orders, and Change Orders.

g. administer Disadvantage Business Enterprises (DBE) and/or Historically Underutilized Business (HUB) Programs in accordance with federal and state regulations.

Contract Management Agent:

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h. exercise such supervision and direction of the project work as the State reasonably finds appropriate. Where there is an irreconcilable conflict or difference of opinion, judgment, order, or direction between the State and the Sponsor, any engineer, contractor, or materialman, the State shall issue a written order, which shall prevail and be controlling.

i. coordinate and review project plans, specifications, and construction; coordinate and conduct progress and final inspections.

Construction Phase:

j. review, approve and maintain record drawings.

PART V - Recitals

1. The State and the Sponsor shall obtain an audit as required by federal or state regulations.

2. The Sponsor, and not the State, shall be the contractual party to all construction and professional service contracts entered into for the accomplishment of this project. The power of attorney, as granted by the Sponsor to the State in Part IV - Nomination of Agent, is a limited power to perform acts in connection with airport improvements as specified in or necessitated by this Agreement.

3. The Sponsor agrees to pursue and enforce contract items, which are required by federal and/or state regulations, laws, and orders to insure satisfactory performance of contract vendors. Such items include, but are not limited to, bid bonds, payment bonds, and performance bonds. Pursuit and enforcement of contract items may require litigation and other remedies of law.

4. The United States and the State of Texas shall not be responsible or liable for damage to property or injury to persons which may arise from, or be incidental to, compliance with this grant agreement.

5. This Agreement is executed for the sole benefit of the contracting parties and is not intended or executed for the direct or incidental benefit of any third party. Furthermore, the State shall not be a party to any other contract or commitment, which the Sponsor may enter into or assume, or have entered into or have assumed, in regard to the above project.

6. If the Sponsor fails to comply with the conditions of the grant, the State may, by written notice to the Sponsor, suspend the grant in whole or in part. The notice of suspension shall contain the following:

   a. The reasons for the suspension and the corrective action necessary to lift the suspension;

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b. A date by which the corrective action must be taken;

c. Notification that consideration will be given to terminating the grant after the corrective action date.

In the case of suspension or termination, the Sponsor may request the State to reconsider the suspension or termination. Such request for reconsideration shall be made within 45 days after receipt of the notice of suspension or termination.

7. This Agreement is subject to the applicable provisions of Title 49 U.S.C., Title 3 of the Texas Transportation Code, and the Airport Zoning Act, Texas Local Government Code §§ 241.001 *et seq*. Failure to comply with the terms of this Agreement or with the rules and statutes shall be considered a breach of this contract and will allow the State to pursue the remedies for breach as stated below.

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

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

8. The State reserves the right to amend or withdraw this Agreement at any time prior to acceptance by the Sponsor. The acceptance period cannot be greater than 30 days after issuance unless extended by the State, which extension shall not unreasonably be denied or delayed.

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

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

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11. The Sponsor's acceptance of this Agreement and ratification and adoption of the Airport Project Participation Agreement shall be evidenced by execution of this instrument by the Sponsor. This Offer and Acceptance shall comprise a Grant Agreement, as provided by the Title 49 U.S.C., constituting the contractual obligations and rights of the United States, the State of Texas, and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided.

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

13. Termination

    This agreement may be terminated in the following manner:

    - by mutual written agreement and consent of both parties.
    - by either party upon the failure of the other party to fulfill the obligations set forth herein.
    - by the State if it determines that the performance of the Project is not in the best interest of the State.

    If the contract is terminated in accordance with the above provisions, the Sponsor will be responsible for the payment of Project costs incurred by the State on behalf of the Sponsor up to the time of termination. The Sponsor will remit the required funds to the State within sixty (60) days from receipt of the State's notification.

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Part VI - Acceptance of the Sponsor

City of Nacogdoches, Texas, does ratify and adopt all statements, representations, warranties, covenants, and agreements constituting the described project and incorporated materials referred to in the Agreement, and does accept the Offer, and agrees to all the terms and conditions of the Agreement.

City of Nacogdoches, Texas
Sponsor

Sponsor Signature

Nacogdoches City Manager
Sponsor Title

7/23/24
Date

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Execution by the State

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

STATE OF TEXAS
TEXAS DEPARTMENT OF TRANSPORTATION

DocuSigned by:

EA0A4EF01FA5423...

(Signature)

Dan Harmon

(Typed Name)

Director, Aviation Division

(Title)

8/8/2024

(Date)

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ATTACHMENT A

CERTIFICATION OF AIRPORT PROPERTY INTERESTS

By signature below, the Sponsor does certify that the airport property, as reflected on the property map and attorney certificate dated May 15, 2024 and on file with TxDOT Aviation Division, remains unchanged and is an accurate reflection of the property owned and/or controlled for A.L. Mangham, Jr. Regional Airport.

City of Nacogdoches, Texas
(Sponsor)

By: _____

Title: Nacogdoches City Manager

Date: 7/23/24

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ATTACHMENT B

CERTIFICATION OF AIRPORT FUND

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

City of Nacogdoches, Texas
(Sponsor)

By: _____

Title: Nacogdoches City Manager

Date: 7/23/24

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ATTACHMENT C

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

A. The grantee certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition:

(b) Establishing an ongoing drug-free awareness program to inform employees about-

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will-

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notices shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted-

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f),

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

556 Terry Crawford Dr.

Nacogdoches, TX 75964

Check ____ if there are workplaces on file that are not identified here.

Signed: _____ Dated: 7/23/24

Nacogdoches City Manager
Title

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ATTACHMENT D

PAVEMENT MAINTENANCE MANAGEMENT PROGRAM

The Sponsor agrees to implement an effective airport pavement maintenance management program as required by Airport Sponsor Grant Assurance 11, Pavement Preventive Management, which is codified at 49 U.S.C. § 47105(e). The Sponsor agrees that it will use the program for the useful life of any pavement constructed, reconstructed, rehabilitated, or repaired with Federal financial assistance at the airport. The Sponsor further agree that the program will:

a. Follow FAA Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements, establishing an effective maintenance program, specific types of distress and its probable cause, inspection guidelines, and recommended methods of repair;

b. Detail the procedures to be followed to assure that proper pavement maintenance, both preventive and repair, is performed;

c. Include a Pavement Inventory, Inspection Schedule, Record Keeping, Information Retrieval, and Reference, meeting the following requirements:

   1. Pavement Inventory. The following must be depicted in an appropriate form and level of detail:

      i. Location of all runways, taxiways, and aprons;

      ii. Dimensions;

      iii. Type of pavement; and

      iv. Year of construction or most recent major reconstruction, rehabilitation, or repair.

   2. Inspection Schedule.

      i. Detailed Inspection. A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in the Advisory Circular 150/5380-6, the frequency of inspections may be extended to three years.

      ii. Drive-By Inspection. A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition. For drive-by inspections, the date of inspection and any maintenance performed must be recorded.

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1. Record Keeping. Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The type of distress, location, and remedial action, scheduled or performed, must be documented. The minimum information is:
   i. Inspection date;
   ii. Location;
   iii. Distress types; and
   iv. Maintenance scheduled or performed
2. Information Retrieval System. The Sponsor must be able to retrieve the information and records produced by the pavement survey to provide a report to the State as may be required.

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Attachment E

Certification and Disclosure Regarding Potential Conflicts of Interest Certification Form

A sponsor must disclose in writing any potential conflict of interest to the Texas Department of Transportation. No employee, officer or agent of the sponsor shall participate in selection, or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

1. The employee, officer, or agent,
2. Any member of his immediate family,
3. His or her partner, or
4. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The sponsor's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub agreements.

   Sponsor may set minimum rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by state or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrant recipient's officers, employees, or agents, or by contractors or their agents.

The sponsor must maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts.

1. By checking "Yes," the sponsor certifies that it does not have any potential conflict of interest or Significant Financial Interests. By checking "No," the sponsor discloses that it does have a potential conflict of interest, which is further explained below.

   [X] Yes [ ] No

2. The sponsor maintains a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. By checking "No," the sponsor discloses that it does not have a written policy, which is further explained below.

   [X] Yes [ ] No

3. Explanation of items marked "no":

Sponsor's Certification
I certify, for the project identified herein, responses to the forgoing items are accurate as marked and have the explanation for any item marked "no" is correct and complete.
I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Signature of Sponsor's Designated Official Representative: _____

Date: 7/23/24

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ASSURANCES

AIRPORT SPONSORS

5/2022

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Public Law 117-58, Division J, Title VIII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

   The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

   The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

   Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the

duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

FEDERAL LEGISLATION

a. 49 U.S.C. subtitle VII, as amended.

b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.[1]

c. Federal Fair Labor Standards Act - 29 U.S.C. § 201, et seq.

d. Hatch Act – 5 U.S.C. § 1501, et seq.[2]

e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.[1], [2]

f. National Historic Preservation Act of 1966 – Section 106 - 54 U.S.C. § 306108.[1]

g. Archeological and Historic Preservation Act of 1974 - 54 U.S.C. § 312501, et seq.[1]

h. Native Americans Grave Repatriation Act - 25 U.S.C. Section § 3001, et seq.

i. Clean Air Act, P.L. 90-148, as amended - 42 U.S.C. § 7401, et seq.

j. Coastal Zone Management Act, P.L. 92-583, as amended - 16 U.S.C. § 1451, et seq.

k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.[1]

l. 49 U.S.C. § 303, (formerly known as Section 4(f))

m. Rehabilitation Act of 1973 - 29 U.S.C. § 794.

n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).

p. Age Discrimination Act of 1975 - 42 U.S.C. § 6101, et seq.

q. American Indian Religious Freedom Act, P.L. 95-341, as amended.

r. Architectural Barriers Act of 1968, as amended - 42 U.S.C. § 4151, et seq.[1]

s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 - 42 U.S.C. § 8373.[1]

t. Contract Work Hours and Safety Standards Act - 40 U.S.C. § 3701, et seq.[1]

u. Copeland Anti-kickback Act - 18 U.S.C. § 874.[1]

v. National Environmental Policy Act of 1969 - 42 U.S.C. § 4321, et seq.[1]

w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.

x. Single Audit Act of 1984 - 31 U.S.C. § 7501, et seq.[2]

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y. Drug-Free Workplace Act of 1988 - 41 U.S.C. §§ 8101 through 8105.

z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub.L. 109-282, as amended by section 6202 of P.L. 110-252).

aa. Civil Rights Restoration Act of 1987, P.L. 100-259.

bb. Build America, Buy America Act, P.L. 117-58, Title IX.

EXECUTIVE ORDERS

a. Executive Order 11246 – Equal Employment Opportunity[1]

b. Executive Order 11990 – Protection of Wetlands

c. Executive Order 11998 – Flood Plain Management

d. Executive Order 12372 – Intergovernmental Review of Federal Programs

e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction[1]

f. Executive Order 12898 – Environmental Justice

g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency

h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

i. Executive Order 13988 – Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation

j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America's Workers

k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

FEDERAL REGULATIONS

a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).

b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [4, 5]

c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.

d. 14 CFR Part 13 – Investigative and Enforcement Procedures.

e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.

f. 14 CFR Part 150 – Airport Noise Compatibility Planning.

g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.

h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.

i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.[1]

j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.[1]

k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).[1]

l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).[1]

m. 49 CFR Part 20 – New Restrictions on Lobbying.

n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.

o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.

p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.[1, 2]

q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.

r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.[1]

s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.

t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.

u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).

v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).

w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.

x. 49 CFR Part 41 – Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

[1] These laws do not apply to airport planning sponsors.
[2] These laws do not apply to private sponsors.
[3] 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
[4] Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
[5] Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly

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adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.

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c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.

d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.

e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.

f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.

g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of 49 U.S.C. § 47107(s) and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

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9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or

relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of $2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.

b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.

c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.

e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.

f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.

g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.

h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, State and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:

1. Operating the airport's aeronautical facilities whenever required;

2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and

3. Promptly notifying aviators of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

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20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:

   1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and

   2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.

d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.

e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be

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unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.

g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and

b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport

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and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:

1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.

3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.

b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. § 47107.

26. Reports and Inspections.

It will:

a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;

c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:

1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and

2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or

b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:

1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:

1. eliminate such adverse effect in a manner approved by the Secretary; or
2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the

Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.

b. Applicability

1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.

2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or

2. So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant

Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

"The (**Name of Sponsor**), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award."

e. Required Contract Provisions.

1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.

2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.

3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.

4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

    a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and

    b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

1. Reinvestment in an approved noise compatibility project;
2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. § 47114, 47115, or 47117, or under Public Law 117-58, Division J, Title VIII; or
4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.

If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

1. Reinvestment in an approved noise compatibility project;
2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117, or under Public Law 117-58, Division J, Title VIII; or
4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.

c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection

zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., or Public Law 117-58, Division J, Title VIII it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U.S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under Bipartisan Infrastructure Law grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (https://www.faa.gov/airports/aip/aip_pfc_checklist) for BIL projects as of [Application Date].

35. Relocation and Real Property Acquisition.

a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.

b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.

c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

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36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:

    1. Describes the requests;
    2. Provides an explanation as to why the requests could not be accommodated; and
    3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.

b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

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View the most current Series 150 Advisory Circulars (ACs) for Airport Projects:

http://www.faa.gov/airports/resources/advisory_circulars and

http://www.faa.gov/regulations_policies/advisory_circulars

I have read and agree to follow the attached FAA Grant Assurances.

City of Nacogdoches, Texas
(Sponsor)

By: _____

Title: Nacogdoches City Manager

Date: 7/23/24

For more information, please consultant the AIP handbook.
https://www.faa.gov/airports/aip/aip_handbook/

Table 2-5 Duration and Applicability of Grant Assurances (Airport Sponsors)

Assurances that…	Include (by assurance # if applicable)…
d. Apply for the useful life of the project (not to exceed 20 years from the grant acceptance date) except in the case of a land acquisition grant, for which the useful life is indefinite and the assurance obligations do not expire.	#5 Preserving Rights and Powers #11 Pavement Preventive Maintenance (This applies to all of the airfield pavement on the airport, not just the specific pavement in the grant.) #19 Operations and Maintenance #20 Hazard Removal and Mitigation #21 Compatible Land Use #22 Economic Nondiscrimination #24 Fee and Rental Structure #27 Use by Government Aircraft #28 Land for Federal Facilities #29 Airport Layout Plan #36 Access by Intercity Buses #37 Disadvantaged Business Enterprises (See 49 CFR parts 23 and 26, since certain program requirements may extend the obligation beyond the 20 year period, while the DBE requirements for the project apply until the project is closed.) #38 Hangar Construction #39 Competitive Access
e. Last for as long as the airport is owned and operated as an airport	#23 Exclusive Rights #25 Airport Revenue #30 Civil Rights #31 Disposal of Land

Table 3-7 Minimum Useful Life

Project Type	Useful Life
a. All construction projects (unless listed separately below)	20 years
b. All equipment and vehicles (unless listed separately below)	10 years
c. Pavement rehabilitation (not reconstruction, which is 20 years)	10 years
d. Asphalt seal coat, slurry seal, and joint sealing	3 years
e. Concrete joint replacement	7 years
f. Airfield lighting and signage	10 years
g. ARFF vehicles	15 years
h. ARFF structural gear (firefighting suits), which has less heat insulation than proximity gear (per the National Fire Protection Association 1971 Standard on Protective Ensembles for Structural Firefighting and Proximity Firefighting)	7 years
i. ARFF proximity gear (firefighting suits), which is also referred to as slicks, bunker, or turn out gear (per the National Fire Protection Association 1971 Standard on Protective Ensembles for Structural Firefighting and Proximity Firefighting)	5 years
j. NAVAIDs and Weather Reporting Equipment	15 years
k. Buildings	40 years
l. Land	Unlimited
m. Loading Bridges	20 years
n. Fencing	20 years

Aviation Division
6230 E Stassney Lane | Austin, Texas 78744
512.416.4500
www.txdot.gov

INVOICE

December 5, 2024

Mr. Colin Smith, Airport Manager
City of Nacogdoches
556 Terry Crawford Dr.
Nacogdoches, Texas 75964

RE: TXDOT Project No.: 2411NACOG
Fund Source: 29450

Dear Mr. Smith,

We have negotiated a design fee through the bidding phase with KSA Engineers for the above-referenced project for $257,500. The Sponsor's Share of the design fee is $12,875. Please remit $12,875 payment to the following address by December 19, 2024. *Please be aware, it can take between 2-3 weeks from when the check is mailed until we receive it due to the Post Office processing and delivery.*

Texas Department of Transportation
ATTN: Tanya Rodriguez
Finance Revenue- Accounts Receivable
6230 E. Stassney Lane
Austin, Texas 78744

Or for **WIRING ONLY** use the following information:

Financial Institution:	Austin Texas Comptroller Austin
Routing Number:	114900164
Account Number:	Comptroller of Public Accounts Treasury Operations
Account Number to Credit:	463600001
Reference:	TxDOT Aviation CSJ: 2411NACOG
Attention:	601-Texas Dept. of Transportation Aviation Division Tanya Rodriguez

If you would like to use **ACH- Automated Clearing House** – please contact me for those instructions. It has a different routing account.

We cannot issue a Notice to Proceed until the funds are received and the amendment is executed. Should you have any questions or need additional information, please contact me at 512/416-4512.

Sincerely,

Allison Martin

Allison Martin
Grant Manager

City Council Meeting

Date: December 17, 2024

Agenda Item: 6.D.

PRESENTER: Jerry Baker, City Attorney

ITEM/SUBJECT: Consider approval of the renewal of the Lexis Subscription Agreement between the City of Nacogdoches and LexisNexis for legal research and related services. (City Attorney)

SUMMARY/BACKGROUND: This is an amendment to the Lexis Subscription Agreement previously entered into between LexisNexis and the City of Nacogdoches extending the term of the Agreement. The purpose of the Lexis Subscription Agreement is for the provision of legal research and related services to the City's legal department. This allows the City Attorney and staff to perform research on case law, statutes, other city ordinances, Attorney General opinions, and other legal matters that might be necessary for responding to legal inquiries from the City Council, administration, staff, board members, and members of the community.

Under the terms of this renewal, the term of the Agreement will extend for another year. The monthly fee that would be paid under the Agreement is $220.00.

FINANCIAL:
Item is budgeted:
Account No.: 01.08.630.78
Account Name: Subscriptions & Dues
Amount: $2,640.00

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
Not Applicable

CITY CONTACT: Jerry Baker, City Attorney
bakerj@nactx.us
(936) 559-2503

ATTACHMENTS: 1. City of Nacogdoches

AMENDMENT
LEXIS®/LEXIS®+/LEXIS®+AI FOR STATE/LOCAL GOVERNMENT
(EXISTING SUBSCRIBER VERSION - AAR)

"**Subscriber**" **Name: City of Nacogdoches**
Account Number: 100003288
"LN": LexisNexis, a division of RELX Inc.

1. Amendment

This Amendment ("Amendment") amends and supplements the terms of the Lexis Subscription Agreement previously entered into between LexisNexis, a division of RELX Inc. ("LN") and Subscriber (the "Subscription Agreement"). This Amendment shall serve as Subscriber's acceptance of the General Terms & Conditions for Use of the Online Services in effect as of the date of this Amendment and displayed at: https://www.lexisnexis.com/en-us/terms/GovtAcademic/terms.page.

2. Certification

2.1. Subscriber certifies that the number of government professionals in Subscriber's organization is as set forth below. A "Government Professional User" is defined as an attorney, judge, librarian, researcher, investigator or analyst who is employed by the Subscriber.

Number of Government Professional Users:	**3**

2.2. A "Support Staff User" is defined as a person who supports the Government Professional User, including, but not limited to: paralegals, interns, legal secretaries or other administrative support members. 1 ID will be issued to support staff for each Government Professional User accounted for above. Support Staff Users will receive access at no additional charge.

2.3. Each LN ID must be issued for individual use by the Government Professional User or Support Staff User.

2.4. If Subscriber, at the time of signing this Amendment has 11 or more Government Professional Users, then Subscriber is required to notify LN if the number of Government Professional Users falls below 11. Subscriber shall, within 30 days of the staffing change, notify LN in writing.

2.5. Subscriber acknowledges that the pricing and menus provided to Subscriber in this Amendment depend in part on the number of Government Professional Users in Subscriber's organization. Subscriber certifies that as of the date Subscriber signs this Amendment there are the number of Government Professional Users in Subscriber's organization (the "Reference Number") as Subscriber has specified above.

(a) At LN's request from time to time, Subscriber will certify in writing the then-current Reference Number.

(b) If there is a change in the Reference Number during the Term, LN may, in its sole discretion on at least 30 days prior written notice to Subscriber, increase or decrease the Monthly Commitment by an amount that does not exceed, on a percentage basis, the change in the Reference Number.

3. Lexis Product and Charges

3.1. This Section 3 amends the Subscription Agreement with respect to the Lexis product offering described below. The term of Subscriber's commitment for the Lexis product offering will begin upon the date Subscriber's billing account ("Account Number") is activated ("Activation") and will continue for the last period set forth in Section 3.3 below (the "Committed Term"). Subscriber may not terminate this Amendment for convenience under the General Terms during the Committed Term. Notwithstanding the foregoing, Subscriber may terminate this Amendment during the Committed Term for a material breach by LN that remains uncured for more than 30 days after LN receives written notice from Subscriber identifying a specific breach. If Subscriber terminates this Amendment pursuant to this Section, then Subscriber will pay all charges incurred up to the date of termination.

Lexis Content & Features		
Product	**SKU Number**	**Number of Users**
Dorsaneo, TX Litigation Guide	1010135	3
Moore's Federal Practice - Civil	1010336	3
Moore's Federal Practice - Criminal	1010337	3
TX Transaction Guide: Legal Forms	1010483	3

News	1010610	3
All Law Reviews	1010857	3
USCS - United States Code Service	1011069	3
TX Jury Instructions	1011497	3
National Primary Enhanced	1011511	3
TX Enhanced	1011586	3
TX Civil Practice Analytical	1534489	3

3.2. This Agreement commences on the Effective Date and continues for the Committed Term designated in Section 3.4; provided, that, after the Committed Term, this Agreement shall automatically renew for successive one-year renewal terms (each, a "Renewal Term"), unless either Party provides written notice of non-renewal at least thirty (30) days' prior to the expiration of the then-current Committed Term or Renewal Term, as the case may be. "Term" means, collectively, the Initial Term, Committed Term and all Renewal Terms.

3.3. Commencing at the Renewal Term (defined in Section 3.2), at each anniversary of the Effective Date, LN shall increase all recurring fees by seven point five per cent (7.5%) per Contract Year.

3.4. In exchange for access to the Lexis Content, Feature and/or Service set forth above in Section 3.1, Subscriber will pay to LN the following amount (the "Monthly Commitment") during the periods set forth below.

Committed Term	Monthly Commitment
1/1/2025 - 12/31/2025	$220

3.5. During the Term, LN may make content and features available to Subscriber that are not included in the Lexis Content described above at an additional charge ("Out of Plan Materials"). Authorized Users trying to access Out of Plan Materials will be notified of the additional charges before the materials are displayed. If an Authorized User accesses the Out of Plan Materials, Subscriber will pay the transactional charge(s) displayed at the time of access. If Subscriber does not initial below, Out of Plan Materials will be excluded from Authorized User's search.

To have Out of Plan Materials available for your Authorized Users, initial here _____
(Initial)

3.6. Use of Lexis under this Amendment is available to Subscriber and its Authorized Users (defined in the General Terms).

3.7. LN may temporarily suspend access to Lexis until all unpaid amounts are paid in full. No claims directly or indirectly related to this Amendment with respect to amounts billed or payments made under this Amendment may be initiated by Subscriber more than 6 months after such amounts were first billed to Subscriber.

4. Closed Offer
The prices and other terms are subject to change if Subscriber has not submitted a signed original or copy on or before 12/31/2024.

5. Confidential Information
Subject to any state open records or freedom of information statutes, this Amendment contains confidential pricing information of LN. Subscriber understands that disclosure of the pricing information contained herein could cause competitive harm to LN and will receive and maintain this Amendment in trust and confidence and take reasonable precautions against such disclosure to any third person. This Section 5 will survive the termination or expiration of this Amendment.

6. Support and Training
During the Term, Subscriber, with the support of LN, agrees to encourage the effective use of Lexis through:

(a) Meaningful participation in additional ongoing programs presented by LN to update and train Authorized Users;

(b) Authorize the periodic distribution of memos or other communications by LN and/or Subscriber to Authorized Users; and

(c) The periodic review with LN of Subscriber's Authorized User's use of materials and training under this Amendment.

7. Miscellaneous
This Amendment does not bind either party until it has been accepted by both parties. Subscriber may accept this Amendment by signing below. LN will accept this Amendment by providing Subscriber with access to Lexis or by signing below.

LEXISNEXIS WILL NOT ACCEPT ANY CHANGES, CORRECTIONS OR ADDITIONS TO THIS AMENDMENT UNLESS SUCH CHANGES ARE EXPRESSLY ACCEPTED BY LN IN WRITING. SUCH CHANGES WILL HAVE NO LEGAL EFFECT.

AGREED TO AND ACCEPTED BY:

Subscriber:	**City of Nacogdoches**
[MUST BE COMPLETED BY SUBSCRIBER]	
Authorized Subscriber Signature:	
Printed Name:	
Job Title:	
Date:	

LexisNexis, a division of RELX Inc.

[COMPLETED BY LEXISNEXIS]

Authorized Signature:	
Name:	
Job Title:	
Date:	

Customer Information (please print or type)			
Organization Name (full legal name)		City of Nacogdoches	
Billing Frequency		☒ Monthly	☐ Annually
Tax Exempt (if yes please provide exemption certificate)		☒ Yes	☐ No
New Invoice Contact Person	☐ Yes ☒ No	First & Last Name	Email Address
PO Required?	☐ Yes ☒ No	PO #	
MSA # if applicable			

City Council Meeting

Date: December 17, 2024

Agenda Item: 6.E.

PRESENTER: Jason Smith, Utility Construction Manager

ITEM/SUBJECT: Consider approval of the purchase of two (2) Ford F-350 Trucks from Tipton Ford, utilizing TIPS Cooperative Purchasing Contract 230204, for a not-to-exceed amount of $116,792.00 (Utility Construction Manager).

SUMMARY/BACKGROUND: Staff has procured a quote for two (2) Ford F-350 work trucks used in the Utility Construction Division from Tipton Ford for the total amount of $116,792.00. They are under a TIPS (The Interlocal Purchasing System) cooperative purchasing contract (230204), which is exempt from the competitive bidding process under Texas Local Government Code Section 252.022(a)(12)(D). This is a budgeted item in the FY24-25 budget.

FINANCIAL:
Item is budgeted:

Account No.: 30.37 680.20
Account Name: *Utility Construction – Vehicle Capital Expense*
Amount: $116,792.00

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
Not Applicable

CITY CONTACT: Jason Smith, Utility Construction Manager
smithje@nactx.us
(936) 564-7980

ATTACHMENTS: 1. Quote - Tipton Ford

TIPTON FORD
1115 NORTH STREET, NACOGDOCHES, TX 75961

Purchaser: CITY OF NACOGDOCHES
Contact: MATT WATSON
Phone/Email: watsonm@nactx.us
Product Description: 2025 F-350 CREWCAB 4x4

Tipton Rep: PAUL SMITH
Phone: 936.553.3175
Date: 12/09/2024
Email: paulsmith@tiptonford.com

A. **A. MSRP Price** **$63,415**

B. Published Options [Itemize each below]

Code	Options	MSRP Price	Code	Options	MSRP Price
	F350 CREWCAB 4X4	$53,200		120V/400W OUTLET	$175
	160'' WHEELBASE	$0		PLATFORM RUNNING BOARDS	$445
	oxford white	$0		ROOF CLEARANCE LIGHTS	$95
	Medium dark slate interior	$0		REMOTE START	$250
	equip group 600a	$0		TOUGH BED SPRAY IN BEDLINER	$595
	7.3L V8 gas engine	$1,000		3.73 ELECTRONIC LOCKING AXLE	$0
	10 spd auto trans	$0		Upfitter switches	$165
	LT275/70R18E BSW ALL TERRAIN	$0		250 Amp alternator	$85
	STX APPEARANCE PKG	$5,115			
	GOOSENECK KIT/PREP PKG	$800		Manufacturer Destination/ Delivery Fee	$1,995
	FX4 OFF-ROAD PKG	$495		MSRP	$63,415
				TOTAL PURCHASE PRICE	$58,389

C. UPFITTERS

Options	Price	Options	Price
		Total of C. Upfitters	

D.	**Registration, Inspection, Paperwork, Postage cost, Courthouse time, & Runner time:**	$ 7.00
E.	**UPFITTERS:**	
	*****TIPS CONTRACT #230204******	
G.	**Additional Delivery Charges** 0 **miles**	$ -
H.	**MSRP Subtotal:**	$ 58,396.00
I.	**Quantity Ordered** 2	2
K.	**TOTAL PURCHASE PRICE FOR CITY OF NACOGDOCHES**	$ 116,792.00

City Council Meeting

Date: December 17, 2024

Agenda Item: 6.F.

PRESENTER:

ITEM/SUBJECT: Consider approval of minutes for the November 19, 2024, Regular City Council Meeting and the December 3, 2024, Regular City Council Meeting. (City Secretary)

SUMMARY/BACKGROUND:

FINANCIAL:

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

CITY CONTACT: Rhonda Lewis, City Secretary
lewisr@nactx.us
(936) 559-2506

ATTACHMENTS:
1. City Council Meeting Minutes - 11.19.24
2. City Council Meeting Minutes - 12.03.24

Regular Session
Nacogdoches City Council
November 19, 2024 – 5:30 p.m.
City Council Chambers
202 E. Pilar Street, Nacogdoches, TX

City Council present: Mayor Randy Johnson; Council Members, Kathleen Belanger**;** Blane Williams; Brad Maule, and Chad Huckaby

1. Called to order at 5:30 p.m.

2. Pledge of Allegiance.

3. Open Forum:

There were no comments in Open Forum.

4. **ITEMS TO BE REMOVED FROM THE CONSENT AGENDA:**

No items were removed from the Consent Agenda.

5. **CONSENT AGENDA:**

Councilman Huckaby moved to approve the Consent Agenda. Councilman Williams duly seconded the motion, and the Consent Agenda was approved unanimously.

6. **REGULAR AGENDA:**

A. Presentation by George Ellis, owner of the annual Loblolly Model Train Display. (George Ellis).

Mr. George Ellis, owner/operator of the Loblolly Mode Train Display every year at the Nacogdoches Railroad Depot, addressed Council and discussed the upcoming season of the display. Mr. Ellis shared photos of the setup of the annual event.

Mayor Johnson and the rest of Council presented Mr. Ellis with a proclamation and gift and thanked him for keeping the display running and a great place to visit for all.

B. Discuss and consider authorizing the City Manager to negotiate an agreement with Brown Reynolds Watford Architects, Inc. (BRW) to provide professional architectural and engineering services as described in solicitation RFQ 24-10-127, for the design and construction of three new fire stations.

Fire Chief, Mike Brown, presented this item to Council stating the process of choosing Brown Reynolds Watford Architects, Inc. as the provider of professional architectural and engineering services. The Chief discussed the criteria important to staff and the scoring measures taken to choose BRW.

Mayor Johnson moved to approve BRW as the chosen provider for these services. Councilwoman Belanger duly seconded the motion, and the motion carried unanimously.

C. Consider approval of a contract between the City of Nacogdoches and Perdue Brandon Fielder Collins & Mott LLP, for the collection of delinquent municipal liens owed to the City of Nacogdoches.

Jerry Baker, City Attorney, addressed Council stating that the City of Nacogdoches is authorized to impose liens on properties when performing maintenance on these properties. This proposed contract would allow for a 20 percent collection fee on the liens imposed and the service provider, Perdue Brandon, would be compensated from that collection fee.

Councilman Huckaby moved to approve Item 6.C. as written. Councilman Maule duly seconded the motion, and the motion carried unanimously.

D. Consider approval of an ordinance amending Chapter 34 – “Environment”, Article II. - "Weeds and Other Offensive Accumulation" and Chapter 14 – "Buildings and Building Regulations”, Article VIII. – “Minimum Urban Standards Code”, Division 4. – “Unsafe Structures”, of the Code of Ordinances of the City of Nacogdoches, Texas; Providing a Severability Clause; Providing a Continuation Clause; Providing a Repeal Clause; and Providing an Effective Date.

City Attorney, Jerry Baker, this ordinance amendment is directly related to the previous item presented. The amendment lays out the assessment costs for the services provided by the City.

Councilwoman Belanger made a motion to approve amending the said ordinance. Councilman Huckaby duly seconded the motion, and the motion carried unanimously.

E. Receive a presentation on stormwater drainage improvement project updates as part of the Capital Improvement Program (CIP).

Michael Neu, Executive Director of Development and Infrastructure, presented this update to Council stating that he would discuss a specific section of the City’s Capital Improvement Projects. Mr. Neu provided Council with an overview of how the CIP is used by local governments, the drainage improvement process and critical areas in need of improvement, and fiscal year funding for CIP projects.

7. EXECUTIVE SESSION:

The Mayor and City Council adjourned into Executive Session at 6:22 p.m.

8. Open for action, if any, on Executive Session item(s).

City Council returned from Executive Session and took no action.

A full recording of the Special City Council Meeting for November 5, 2024, may be viewed here: Regular City Council Meeting - 20241119

9. **ADJOURNED:** 7:01 p.m.

_____
Mayor, Randy Johnson
City Council
City of Nacogdoches

ATTEST:

_____
Rhonda Lewis, City Secretary

Regular Session
Nacogdoches City Council
December 3, 2024 – 5:30 p.m.
City Council Chambers
202 E. Pilar Street, Nacogdoches, TX

City Council present: Mayor Randy Johnson; Council Members, Kathleen Belanger**;** Blane Williams; Brad Maule, and Chad Huckaby

1. Called to order at 5:30 p.m.

2. Pledge of Allegiance.

3. Open Forum:

Ms. Anne Keehnen, a local resident, discussed traffic safety and having safer streets throughout Nacogdoches. She would like to see City Council and the City as a whole improve outcomes in providing improved public safety.

4. **ITEMS TO BE REMOVED FROM THE CONSENT AGENDA:**

No items were removed from the Consent Agenda.

5. **CONSENT AGENDA:**

Councilwoman Belanger moved to approve the Consent Agenda. Councilman Maule duly seconded the motion, and the Consent Agenda was approved unanimously.

6. **REGULAR AGENDA:**

A. Receive a presentation of the TDA Form A1024 CDBG Section 3 Program Goals. Presentation for the TxCDBG Project CDV23-0190. (Jennifer Lewis, Community Development Project Manager - GrantWorks.

Jennifer Lewis of GrantWorks provided an overview of the work and progress on current and future grant awards to the City of Nacogdoches.

B. **Public Hearing Continuance:** Proposed Zone Change from R-2, Single Family to R-3, Two Family for approximately 1 acre, on Lot(s) 1&2, of the Larry Wade Subdivision and Lot(s) 6, 7, 8, 9, & 10, City Block 47, generally located on the north side of Powers Street, approximately 350 feet east of the Ritchie Street and Powers Street intersection. Case File ZON2024-04.

Juan Pollette, Interim City Planner, refreshed Council on this item presented at a previous meeting. He stated that the applicant spoke with Councilman Williams, to clarify the intentions and construction proposed at the location.

Councilman Williams made a motion to approve Item 6.B. Councilman Maule duly seconded the motion, and the motion carried unanimously.

C. **Public Hearing:** Conduct a Public Hearing and consider action regarding Specific Use Permit Case SUP2024-08 to allow for Mini Warehouse in a B-2 General Business District on two (2) parcels of land approximately 1.8 acres ± in size, more particularly described by Nacogdoches Central Appraisal District Parcels 26295 and 26299; and generally located north of the intersection of Douglass and Wankan Road, Nacogdoches, Nacogdoches County, Texas.

Juan Pollette, Interim City Planner, presented this public hearing to Council, stating that the applicant plans to build a mini warehouse with five mini storage buildings with an office.

Councilman Huckaby moved to approve the specific use permit with the noted conditions from Planning and Zoning. Councilman Williams duly seconded the motion, and the motion carried unanimously.

D. Discuss and consider the temporary street closure of North Pecan Street for a private event in March 2025.

Carlie Allen, Assistant Director of Community Services, stated to Council that a private party would like to close down a portion of North Pecan Street for a private event. She believed that the first step in accomplishing this would be to bring the item before City Council for their approval.

Councilwoman Belanger voiced that the opinions of the business owners affected by the street closure should have been first in the decision-making process.

Mayor Johnson made a motion to approve Item 6.E. Councilman Maule duly seconded the motion, and the motion carried unanimously.

E. Consider approval of an Indefinite Deliverable Indefinite Quantity contract by and between the City of Nacogdoches and WBI, Inc. for WWTP Digester Sludge Removal Services for a not-to-exceed amount of $354,900.00.

Case Opperman, Director of Public Works, explained the treatment process of the WWTP Digester. The sludge build-up requires removal over some time. Mr. Opperman and his staff received seven bids for this sludge removal service, with WBI, Inc. being the best bid.

Councilman Huckaby made a motion to approve the contract with WBI, Inc. Councilman Williams duly seconded the motion, and the motion carried unanimously.

7. EXECUTIVE SESSION:

The Mayor and City Council adjourned into Executive Session at 6:32 p.m.

8. Open for action, if any, on Executive Session item(s).

The City Council returned from Executive Session and took no action.

A full recording of the Special City Council Meeting for December 3, 2024, may be viewed here: Regular City Council Meeting - 20241203

9. **ADJOURNED:** 6:33 p.m.

_____
Mayor, Randy Johnson
City Council
City of Nacogdoches

ATTEST:

_____
Rhonda Lewis, City Secretary

City Council Meeting

Date: December 17, 2024

Agenda Item: 7.A.

PRESENTER: Ron Cox, Consultant

ITEM/SUBJECT: Receive a presentation and give a report on the Nacogdoches City Council and Staff Retreat held on October 15, 2024. (Ron Cox, Ron Cox Consulting)

SUMMARY/BACKGROUND: On October 15, 2024, Nacogdoches City Council and City Staff gathered to meet with Consultant Ron Cox of Ron Cox Consulting. Together, Council and Staff discussed their governance model and held a planning session. Mr. Cox will bring his final report and present the goals and accomplishments of the Retreat.

FINANCIAL:

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

CITY CONTACT: Rhonda Lewis, City Secretary
lewisr@nactx.us
(936) 559-2506

ATTACHMENTS:
1. Nacogdoches - Implementation Plan 10-15-24 (v2)
2. Nacogdoches - Report and Strategic Plan 10-15-24 (v3) (2)
3. Nacogdoches - Final Report 12-17-24

Strategic Focus Area	Objectives	Action Steps	Budget	Partners	Timeline	Lead
Recognize, protect, and celebrate the city's historic areas.	Assess and inventory the historical areas of the city.	Combine multiple data sets into one document to identify gaps		Historic Sites		Jessica Sowell
	Coordination marketing efforts with Historic Sites/CVB/SFA/Chamber			CVB, Chamber, SFA, Historic Sites, other museums		
	Updated Historic Sites marketing materials	Assesment of current marketing materials, signage, distribution		Veronica Amoe/Tori Huddleston		
	Expanded museum hours with additional staffing in Historic Sites Departments	Prepare staffing proposal that would allow for expanded hours		Veronica Amoe/Finance/City Council		
	Updated signage and Historic Overlay street signs	Color coordinated Historic Overlay district street signs to create a sense of place. Identify street signs and colors and work with Public Works or a company to create and install signs.		Veronica Amoe/Public Works/CVB		
	Updated information on City website	Import Historic Overlay surveys and site research into GIS software to create an information hub		IT/GIS		
Strong medical presence.						
Welcoming community.	**Identify problem areas within City to rectify - Weems**	**Issue citations to violators - Weems**	**minimal - Weems**	**Code Enforcement - Weems**		**Angela Sowell - Weems**
	Increase Code Enforcement Staff - Weems	**Increase Recruiting - Weems**	**TBD - Weems**	**City Manager - Weems**		**Chief Taravella - Weems**
Invest in assets wisely.						
	Land Bank (Commercial/NEDCO)					
		Identify properties prime for commercial development and work with the NEDCO for acquisition, utility development and full development.				
	US 59/69 Plan					
		Meet with TxDOT to develop an I-69 access plan as plans are being developed for construction.				

Strategic Focus Area	Objectives	Action Steps	Budget	Partners	Timeline	Lead
	Comprehensive Plan					
		Wait on addressing the plan until 2026.				
	North Street/Corridor Analysis (working with TxDOT)					
		Determine opportunities for utility line relocations, access management and IT enhancements.				
	Downtown Plan/Implementation Strategies.					
		Move forward with development of implementation strategies for the downtown plan.				
Attractive with beautiful parks, entryways, trails and creeks.						Jessica Sowell
	Code Enforcement/Aesthetics	Determine extent of proactiveness in code enforcement.	minimal - Weems	Parks Dept - Weems		Angela Sowell - Weems
		Establish a beautification plan for major corridors including entryways and corridors.				
		Add additional roadway clean ups to existing litter contract				
	Park Beautification	Complete park updates including updated restrooms and playgrounds				
		Coordinate with KNB for park clean up days/events		Keep Nac Beautiful/Code Enforcement		
		Park Maintenance staff position				
	Beautify City entrance points	City related billboards		Kevin, PIO /Ashley, CVB /SFA		
		Advocate to TXDoT when new roads and entrances are being built		TXDoT/Engineering		
Honors and strengthens the strong educational heritage.						
Strong, robust and dependable infrastructure.						
	Downtown Plan/Implementation Strategies.					
		Move forward with development of implementation strategies for the downtown				
	Establish a strategic Capital Improvements Plan (CIP) to address current and future infrastructure needs.	- Adhere to the CIP - Establish funding sources for infrastructure improvements - Budget for infrastructure needs - Project coordination				Case Opperman

Strategic Focus Area		Objectives	Action Steps	Budget	Partners	Timeline	Lead
Strong single family home ownership and occupancy.							
		Delinquent Tax Properties					
			Review the feasibility of acquiring tax delinquent properties for productive housing development opportunities.				
		Land Bank (Residential)					
			Estalbish a land bank for residential from the delinquent property acquisitions.				
Safe community for all.		**Increase PD Staff - Weems**	**Increase Recruiting with new salary**	**TBD**	**City Manager - Weems**	**By 2026 - Weems**	**Chief Weems**
Community of neighbors, where people know each other and capitalize on our social capital.		Increase promotion of Nacwise and Nac311 programs to keep citizens informed and active in their community	Water Bill insets, social media campaigns, print advertisements, radio ads, game sponsorships and local networking	approx. $4000	Local Radio Stations, SFA Athletics	Variable depending on step. All will take place over the throughout the calendar year	

CITY OF IOWA COLONY

Implementation Plan for the 2022 Strategic Plan

1.0 Future Land Use

Goals	Objectives	Action Steps	Partners	Timeline	Lead
1.1 Update Zoning Ordinance to reflect goals of Comp Plan.	1.1.1 Review type or basis of zoning applications to determine which is most advantageous to Iowa Colony.		Consultant	FY 23-24	CM, City Engineer,
1.2 Update the Land Use and Zoning Map to reflect the current growth within the city and planned growth for the ETJ.	1.2.1 Identify regional facilities locations – WWTP, Parks.			FY 23-24	
	1.2.1 Develop locations for a college presence inside the city.				
	1.2.3 Work with AISD to identify possible school sites.				
1.3 Review Comp Plan every five years (2024).			Consultant	FY 24	
1.4 Coordinate/exchange ETJ territory with adjoining cities to establish a better-defined boundary.				Ongoing	
1.5 Prepare guidelines for negotiating development agreements to further encourage implementation of Comp Plan elements.				FY 23-24	
1.6 Seek opportunities to establish a health care presence within the city.				FY 25	

2.0 Thoroughfares

Goals	Objectives	Action Steps	Partners	Timeline	Lead
2.1 Review Thoroughfare Plan annually.	2.1.1 Expand Thoroughfare Plan to include all forms of transportation including bike lanes, trails, pedestrian safety features, new technologies. (Mobility Plan)		Cities and County	Ongoing	CM, CE, PW
	2.1.2 Submit reviewed, revised Thoroughfare Plan to area agencies for coordination and implementation.				
	2.1.3 Review Thoroughfare Plan of adjacent cities, and Brazoria County annually.				
	2.1.4 Continue to review Thoroughfare Plan of adjacent cities, and Brazoria County annually.				

	2.1.5 Submit reviewed, revised Thoroughfare Plan to area agencies for coordination and implementation.				
2.2 Establish an overall capital plan for thoroughfare improvements.	2.2.1 Establish a plan for traffic control devices with estimated time frame for implementation.				
	2.2.2 Coordinate with TxDOT and Brazoria County Toll Road Authority to meet traffic needs on Highway 288.				
	2.2.3 Plan for city financial participation in city road improvements.				
	2.2.4 Review and make recommendations for a road impact fee.				

3.0 Civic Facilities

Goals	Objectives	Action Steps	Partners	Timeline	Lead
3.1 Seek out opportunities for public/private to partnerships with other entities to create distinct places.					CM, CE, PW
3.2 Establish architectural design guidelines for city-initiated projects.					Building Official
3.3 Prepare concept plan for city hall and park complex (Government Center).			Consultants	Ongoing	
3.4 Prepare a Facilities Master Plan.	3.4.1 Identify needs and timing for major facilities – public works, service center, city hall, etc.	3.4.1.1 Public Works Facility			Staff
		3.4.1.2 Service Center			
		3.4.1.3 City Hall			
		3.4.1.4 Animal Adoption Facility.			
		3.4.1.5 Multi-purpose facility			
		3.4.1.6 Library			
		3.4.2.8 Post Office			
		3.4.1.9 County Annex			
		3.4.1.10 Repurpose existing City Hall			

4.0 Parks & Open Space

Goals	Objectives	Action Steps	Partners	Timeline	Lead

4.1 Prepare a Parks Master Plan that meets TP&W guidelines.	4.1.1 Study the feasibility and make recommendations for the following.		Consultant	FY 23	CM, CE, PW
	4.1.2 Amphitheater for large venues				
	4.1.3 Disc golf				
	4.1.4 Recreation Center.				
	4.1.5 Dog parks.				
	4.1.6 Picnic pavilion.				
	4.1.7 Inclusive/accessible park.				
	4.1.8 Adventure playground				
	4.1.9 Review Parks and Opens Space master plans on bi-annual basis.				
	4.1.10 Co-locate parks and detention facilities whenever possible.				
4.2 Prepare a city limit and ETJ-wide master pedestrian and trail master plan.	4.2.1 Utilize bayous as trail corridors.				
4.3 Complete the next phase of Iowa Colony City Park at Meridiana.				FY 25	
4.4 Review Dark Sky ordinance for applicability				FY 24	CM

5.0 Drainage

Goals	Objectives	Action Steps	Partners	Timeline	Lead
5.1 Continue development of the Comprehensive Master Drainage Plan.	**5.1.1 Development Drainage Plan CIP.**		Consultants	Ongoing	CE
5.2 Update flood damage control ordinance.	**5.2.1 County to update drainage criteria, first.**				
5.4 Coordinate with local drainage districts on policies and projects.	5.4.1 Contact local drainage districts for meeting.				

6.0 Water & Wastewater

Goals	Objectives	Action Steps	Partners	Timeline	Lead
6.1 Develop a comprehensive Water and Wastewater Master Plan.	6.1.1 Develop a water and wastewater capital improvements plan.			Completed	CE

	6.1.2 Plan for future surface water supply alternatives.				
	6.1.3 Design for new technologies to ensure a high quality of water and wastewater.				
	6.1.4 Establish a plan for elevated storage for the city				
6.2 Prepare a water model for a city-wide regional water and wastewater system.				FY 23-24	CE
6.3 Transition ownership and operation of MUD facilities to City in order to create a public water and wastewater system and extend to other parts of the city.				Ongoing	CM, CE
6.4 Prepare a plan for wastewater re-use.				FY 24	PW, CE
6.5 Ensure backup power systems for outages.				FY 23	PD, FM
6.6 Identify locations for a regional wastewater treatment plant.				FY ??	PW, CE

7.0 Organizational Structure/Services

Goals	Objectives	Action Steps	Partners	Timeline	Lead
7.1 Prepare staffing plan keyed to growth milestones.	7.1.1 Prepare police department plan based on proactive principles – by population.			FY 22-23	CM. HR
	7.1.2 Review and establish recommendations on bring contract.				All staff
7.2 Continue to seek opportunity for a municipal broadband fiber network.				Ongoing	CM, CE, PW
7.3 Secure city-wide trash collection services.				FY 23-24	CM, PW
7.4 Establish fire-protection training program for residents.				FY 22-23	FM

				7.5 Establish a Citizens Academy addressing all department services.					PD
				7.6 Establish a standardized on-boarding process for new employees.				FY 22-23	HR
				7.7 Complete the MuniCode project.				FY 22-23	CS

Report

and

2025 Priorities

Adopted
TBD

Prepared and Facilitated
By
Ron Cox Consulting

Ron Cox Consulting

Helping Cities Manage Better

REPORT AND PRIORITIES COUNCIL/STAFF PLANNING SESSION

CITY OF NACOGDOCHES

June 14, 2024

Introduction

On October 15, 2024, the Mayor, City Council (Council), and staff of the City of Nacogdoches met for a discussion of their governance model and a planning session. The purpose of this meeting was twofold.

- Establish a governance model including discussions of leadership, communication, expectations and identify the key elements of the Council's vision and mission for Nacogdoches.
- Confirm and prioritize the 2024 work program and priorities, which become the basis for the strategic plan.

The Mayor, Council and staff freely worked together, and their work was exemplary in all respects. Ron Cox facilitated the process.

Governance

The Council established their governance model. The intent in these discussions was to prepare and model and identify the overall vision and mission for the city. The Council participated in discussions about their role, together and their leadership responsibilities. The elements of a strong governance model are having and following clear vision and mission, establishing leadership and communications philosophies, and identifying the

expectations of each other as Council members, and the City staff and of identifying and recognizing the expectations has staff of the Council.

The key elements of the Governance Philosophy are leadership, communication and understanding and defining expectations. These define how the team will function together. Visioning and planning are the key elements that define what the strategies and goals are for the City of Nacogdoches to ensure the vision is ultimately attained.

Governance Model

The governance model first begins with leadership. Each member of the Council was asked to review earlier input into how they will lead, communicate and a defining of expectations for themselves and staff.

Each member was asked to describe why they ran for the office they hold and what attributes they bring to the dais. Each member is elected as an individual with desires and goals. However, when they are elected, they must work corporately with the other elected officials to accomplish their goals and conduct the business of the city.

Why did you run for office?

- There was a specific issue in his neighborhood that needed to be resolved.
- Was encouraged to run.
- Was listening to citizens and understood their concerns.
- To better represent the part of town lived in.
- Had a specific issue with a decision of council for the neighborhood represented.
- Served previously on the NISD Board as well as the City Council.
- Need to help with change in the neighborhood represented.

What attributes do you bring to the group?

- Have the ability and do not mind speaking up on issues of concern.
- Will work to make a wrong, right.
- Not afraid to ask questions and do research.
- Hard worker – will do what it takes to solve the problem.
- Open minded
- Want to take care of the city as a whole, not just his/her ward (district).
- Have a background of service in public safety and understand the governmental processes.

The Mayor and Council of the City of Nacogdoches will lead …

- With trust and transparency.
- With kindness.

- By being open minded and looking for creative solutions.
- With wisdom.
- Will not turn people into enemies.
- With optimism.
- Will listen first, then act.
- By working equally with both Council and staff as a team (all together).
- Respectfully.
- By being willing to change your mind.

The Mayor and Council of the City of Nacogdoches will communicate…

- Professionally with one another.
- Respectfully with one another, staff and citizens.
- In person/personally to the extent possible.
- Within the guidelines of the open meetings act.

The Mayor and Council discussed several methods of communication they thought would be helpful to the process as follows.

- Workshops on specific topics.
- Memos to Council from staff on specific issues.
- Explore an on-line forum method like the one Austin uses.
- Prepare and conduct orientations for newly elected members to assist them in becoming familiar with the issues.
- Revive Nacogdoches 101 – a community government training program for citizens.

The Mayor and Council of the City of Nacogdoches expect the following of each other …

- Always tell the truth.
- Understand and stay in the Council lane – not the staff lane.
- Do not stab fellow council members in the back.
- Be fair to all concerned.
- Stay in the moment. Do not dwell on the past.

The Mayor and Council of the City of Nacogdoches expect the following of the staff …

- Stay in the moment. Do not dwell on the past.
- Do your job. In order to do their job, council should provide staff with
    - Financial resources, including adequate pay.
    - Training to do their job well.
    - Tools need to do their job well.
- Council and staff should trust each other.

- Be timely in providing information, including adjusting the agenda deadline and delivery for Council.
- Remember Council and staff all work for the citizens.
- Communicate with Council and citizens.
- Provide care.
- Do your due diligence conveying the same to the City Council with proper background detail.

The City Manager was then asked to describe his expectations of the City Council and his expectations of the staff.

The City Manager of the City of Nacogdoches expects the following of the Mayor and City Council.

- Trust and be patient with staff.
- Make certain staff is not missing the point.
- Provide high level goals and the resources to accomplish those goals.
- Don't be overly influenced by outside political influences. Focus on Nacogdoches and its needs.
- Be a policy board.
- Work together – with each other and with staff to accomplish the goals set.

The City Manager expects the following of the staff.

- Meet Council's expectations.
- Accomplish Council priorities.
- Display the highest level of professionalism.
- Expect more of ourselves, to perform at our best.
- Manage consultants and vendors holding them accountable for the best product they can provide.
- Do their job.
- Find the best way (not the easy way) to accomplish the goal.
- Always ask, "Will my actions leave a positive impact?"

Vision and Mission

The Council discussed the elements vision and mission they have for Nacogdoches.

Vision Elements

These elements were discussed and are presented in no order of priority. It was noted that in reviewing the Vision Statement has not been drafted, but these elements will form the basis for such a statement.

- Recognize, protect, and celebrate the city's historic areas.
- Strong medical presence.
- Welcoming community.
- Invest in assets wisely.
- Attractive with beautiful parks, entryways, trails and creeks.
- Honors and strengthens the strong educational heritage.
- Strong, robust and dependable infrastructure.
- Strong single family home ownership and occupancy.
- Safe community for all.
- Community of neighbors, where people know each other and capitalize on our social capital.

Note: It was decided that these vision elements should become the key strategic priority areas for the future consideration. Future agenda items and initiatives should relate to one or more of these vision elements.

Vision Statement

The Vision Statement is as follows.

TBD

Mission Statement.

Likewise, the Mayor and City Council reviewed the Mission Statement that has been developed earlier, and agreed it was consistent with the elements they described as stated above.

The key elements for the Mission for Nacogdoches are as follows.

- Understand and account for the economic impacts of our decisions.
- Ensure the optimum use of available funds and funding sources.
- Educate citizens on accomplishments, initiatives, and activities.
- Inform citizens on ways to access city services.

Mission Statement

TBD

Values

The Mayor and Council reviewed the key values they desire for the Council and staff. These are

- **TBD**

Planning Discussions

The City Manager set the table for discussion by reviewing the issues and challenges faced by the Council and staff for the recently approved budget. These were as follows Some changes were made to the list to account for current Council thinking. Those are in red.

2025 Budget Issues and Challenges

- Improvements to COL/employee pay, benefits, morale and retention.
- Recruitment of key positions critical to effective bond and nonbond project implementation.
- Recruitment and retention of Police and other First Responders.
- Prudent and responsible focus on critical use of General Fund and Utility Fund capital projects.
- Engage in continued efforts with Stephen F. Austin State University to address next several years of student growth and building plans.
- Continue pursuit of "context specific" primary jobs and commerce to ensure compatibility with the historical nature of the area.
- Address housing shortages in all categories with targeted incentivization.
- Review and amend codes to accommodate the anticipated growth of SFA, allowing the growth yet protecting the neighborhoods.

The City Manager expressed his appreciation to the Mayor and Council for their support for him and the staff in meeting these issues and challenges.

Out of the budget discussion came several potential priorities. These priorities have been identified by the city manager, staff and the Mayor and Council members for 2025. These are as follows.

2025 Operational Priorities

- Downtown Plan/Implementation Strategies.
    - Move forward with development of implementation strategies for the downtown plan.
- Assess and inventory the historical areas of the city.
- US 59/69 Plan
    - Meet with TxDOT to develop an I-69 access plan as plans are being developed for construction.
- Comprehensive Plan
    - Wait on addressing the plan until 2026.
- North Street/Corridor Analysis (working with TxDOT)
    - Determine opportunities for utility line relocations, access management and IT enhancements.

- Code Enforcement/Aesthetics
    - Determine extent of proactiveness in code enforcement.
    - Establish a beautification plan for major corridors including entryways and corridors.
- Delinquent Tax Properties
    - Review the feasibility of acquiring tax delinquent properties for productive housing development opportunities.
- Land Bank (Residential)
    - Establish a land bank for residential development from the delinquent property acquisitions.
- Land Bank (Commercial/NEDCO)
    - Identify properties prime for commercial development and work with the NEDCO for acquisition, utility development and full development.

2025 Legislative Priorities

The following are the legislative priorities for the Council and staff for the upcoming 2025 legislative session. Staff will determine the feasibility for support from the legislators for these items and consult with the city's legislative advisors. Following due diligence, staff will seek approval of the legislative agenda from Council prior to the next session.

- Protecting Regional Water Resources (Limiting Inter-basin, aquifer and watershed transfers to other regions) and projects that may impact multiple regions.
- Annexation/De-Annexation and Water CCN (monitoring or support).
- Limiting impact of Data Centers, Solar Farms and other potential projects.
- Supporting more state mental health funding (and reducing impacts on cities and counties - approx. 40% of current county inmates).
- Hospital District/Economic Development Provision (working with Hospital District, County and Delegation).
- Monitor lot size/density restrictions being discussed at the legislature.
- Seek ability to waive utility line relocation expenses cities incur when major highway projects come through (specifically I69).
- Encourage improvements to incentives for moviemaking in Texas.

City Staff Implementation Sessions

TBD, 2024

On TBD, the facilitator met with the City Manager and Executive Staff to review the outcomes of the governance and planning session and to determine next steps for the development of the implementation plan.

Implementation Plan Process. The staff reviewed the implementation portion of the planning process and revised the Implementation Plan. During the discussions, a staff

member was assigned as the team facilitator for the development of the implementation plan for each strategic focus area. The group worked together to develop action steps, with proposed timelines. At the end of the day, a draft implementation plan had been established. The implementation plan is a separate document.

Reporting

Finally, staff reviewed reporting protocols. These protocols serve the purpose of keeping the staff on schedule with the implementation of strategies, keeping the City Administrator informed, and providing regular reports to the Council on the status of the implementation of the adopted strategies. This provides for long term accountability toward the implementation of the Strategic Plan.

Reporting Protocols

- **Council**
    - Receives periodic updates regarding various projects related to the strategic plan.
    - Receives formal status reports, including an annual report from staff to the Council.
- **City Manager**
    - City Manager receives regular updates from staff at regular staff meetings on progress of assignments.

Council Approval

TBD, 2024

On TBD, 2024 the Council reviewed their work as well as the work of the staff since the planning session in January. After a thorough discussion the Report was approved as amended unanimously.

Conclusion

The Mayor, Council, and staff of the City of Nacogdoches worked through a governance and planning process that allowed the Council to create a governance model and identify and expand strategies for moving the city forward. The process brought the staff leadership and Council closer together as a team and developed an implementation process to ensure the strategies are addressed and accomplished over time.

Strategic Plan
2025

Council Governance Session
and
Council/Staff Planning Retreat

June 14, 2024

Adopted
TBD

Prepared and Facilitated
By
Ron Cox Consulting

Vision Statement

TBD

Key Vision Elements

- Recognize, protect, and celebrate the city's historic areas.
- Strong medical presence.
- Welcoming community.
- Invest in assets wisely.
- Attractive with beautiful parks, entryways, trails and creeks.
- Honors and strengthens the strong educational heritage.
- Strong, robust and dependable infrastructure.
- Strong single family home ownership and occupancy.
- Safe community for all.
- Community of neighbors, where people know each other and capitalize on our social capital.

Mission Statement

TBD

Mission Elements

- Understand and account for the economic impacts of our decisions.
- Ensure the optimum use of available funds and funding sources.
- Educate citizens on accomplishments, initiatives, and activities.
- Inform citizens on ways to access city services.

City of Nacogdoches

Council

Leadership Philosophy

The Council of the City of Nacogdoches will lead by…

- With trust and transparency.
- With kindness.
- By being open minded and looking for creative solutions.
- With wisdom.
- Will not turn people into enemies.
- With optimism.
- Will listen first, then act.
- By working equally with both Council and staff as a team (all together).
- Respectfully.
- By being willing to change your mind.

City of Nacogdoches

Council

Communication Philosophy

The Council of the City of Nacogdoches will communicate by…

- Professionally with one another.
- Respectfully with one another, staff and citizens.
- In person/personally to the extent possible.
- Within the guidelines of the open meetings act.

The Mayor and Council discussed several methods of communication they thought would be helpful to the process as follows.

- Workshops on specific topics.
- Memos to Council from staff on specific issues.
- Explore an on-line forum method like the one Austin uses.
- Prepare and conduct orientations for newly elected members to assist them in becoming familiar with the issues.
- Revive Nacogdoches 101 – a community government training program for citizens.

City of Nacogdoches

Council and Staff

Expectations

Council expects the following of staff…

- Stay in the moment. Do not dwell on the past.
- Do your job. In order to do their job, council should provide staff with
    - Financial resources, including adequate pay.
    - Training to do their job well.
    - Tools need to do their job well.
- Council and staff should trust each other.
- Be timely in providing information, including adjusting the agenda deadline and delivery for Council.
- Remember Council and staff all work for the citizens.
- Communicate with Council and citizens.
- Provide care.
- Do your due diligence conveying the same to the City Council with proper background detail.
-

City of Nacogdoches

City Manager

Expectations of Mayor and Council

The City Manager of the City of Nacogdoches expects the following of the Mayor and City Council…

- Trust and be patient with staff.
- Make certain staff is not missing the point.
- Provide high level goals and the resources to accomplish those goals.
- Don't be overly influenced by outside political influences. Focus on Nacogdoches and its needs.
- Be a policy board.
- Work together – with each other and with staff to accomplish the goals set.

City of Nacogdoches

City Manager

Expectations of Staff

- Meet Council's expectations.
- Accomplish Council priorities.
- Display the highest level of professionalism.
- Expect more of ourselves, to perform at our best.
- Manage consultants and vendors holding them accountable for the best product they can provide.
- Do their job.
- Find the best way (not the easy way) to accomplish the goal.
- Always ask, "Will my actions leave a positive impact?"

City of Nacogdoches

2025 Operational Priorities

- Downtown Plan/Implementation Strategies.
    - Move forward with development of implementation strategies for the downtown plan.
- Assess and inventory the historical areas of the city.
- US 59/69 Plan
    - Meet with TxDOT to develop an I-69 access plan as plans are being developed for construction.
- Comprehensive Plan
    - Wait on addressing the plan until 2026.
- North Street/Corridor Analysis (working with TxDOT)
    - Determine opportunities for utility line relocations, access management and IT enhancements.
- Code Enforcement/Aesthetics
    - Determine extent of proactiveness in code enforcement.
    - Establish a beautification plan for major corridors including entryways and corridors.
- Delinquent Tax Properties
    - Review the feasibility of acquiring tax delinquent properties for productive housing development opportunities.
- Land Bank (Residential)
    - Establish a land bank for commercial from the delinquent property acquisitions.
- Land Bank (Commercial/NEDCO)
    - Identify properties prime for commercial development and work with the NEDCO for acquisition, utility development and full development.

City of Nacogdoches

2025 Legislative Priorities

- Protecting Regional Water Resources (Limiting Inter-basin, aquifer and watershed transfers to other regions) and projects that may impact multiple regions.
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- Encourage improvements to incentives for moviemaking in Texas.

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City Council Governance and Planning Sessions

October 15, 2024

Final Report

December 17, 2024

Ron Cox Consulting
Helping Cities Manage Better

Ron Cox Consulting rcox@roncoxconsulting.com
281.543.0042

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Mayor

Randy Johnson

Council Members

Kathleen Belanger, Mayor Pro Tem, Northeast Ward

Chad Huckaby, Southeast Ward

Brad Maule, Northwest Ward

Blane Williams, Southeast Ward

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City Staff October 15

- Rick Beverlin, City Manager
- Rhonda Lewis, City Secretary
- Jerry Baker, City Attorney
- Mike Neu - Executive Director of Infrastructure
- Mike Brown - Fire Chief
- Ashley Morgan - Director of Convention and Visitors Bureau
- Kevin Meyer - Public Information Officer
- Bonita Hall - Executive Director of Human Resources
- Jerry Baker - City Attorney
- Scott Weems - Police Chief
- Dennis Varela - Information Technology Manager
- Rebecca Elliott - Director of Finance
- Larissa Philpot-Brown - Director of Economic Development
- Case Opperman - City Engineer/Director of Public Works
- Jessica Sowell - Community Services Director

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Next Steps

- ✓ Council Interviews – September 24 & 25, 2024
- ✓ Staff Meeting – October 1, 2024
- ✓ Session 1 – Governance – October 15, 2024
- ✓ Session 2 – Planning Session; Setting Priorities – October 15, 2024
- ✓ Staff Implementation Workshop – October 29, 2024
- Final Report – December 17, 2024

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Retreat Agenda

- ✓ October 13, 2024 (half day)
  - ✓ Governance (Council)
- • October 15, 2024 (half day)
  - ✓ Review of Governance
  - ✓ Discussion of Council/staff priorities
    - ✓ 2025 Priorities
    - ✓ Legislative Issues
    - ✓ Additional priorities

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Staff Implementation Workshop
Agenda
October 29, 2024

- ✓ Review governance discussion
- ✓ Review Planning priorities
- ✓ Review legislative priorities
- ✓ Discuss implementation plan.

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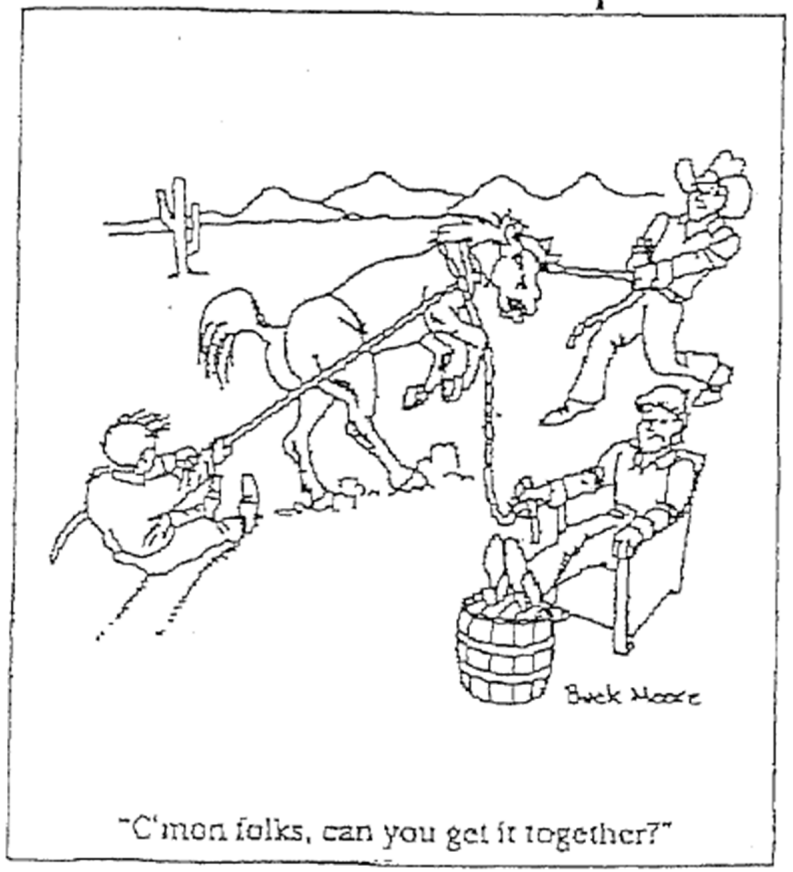
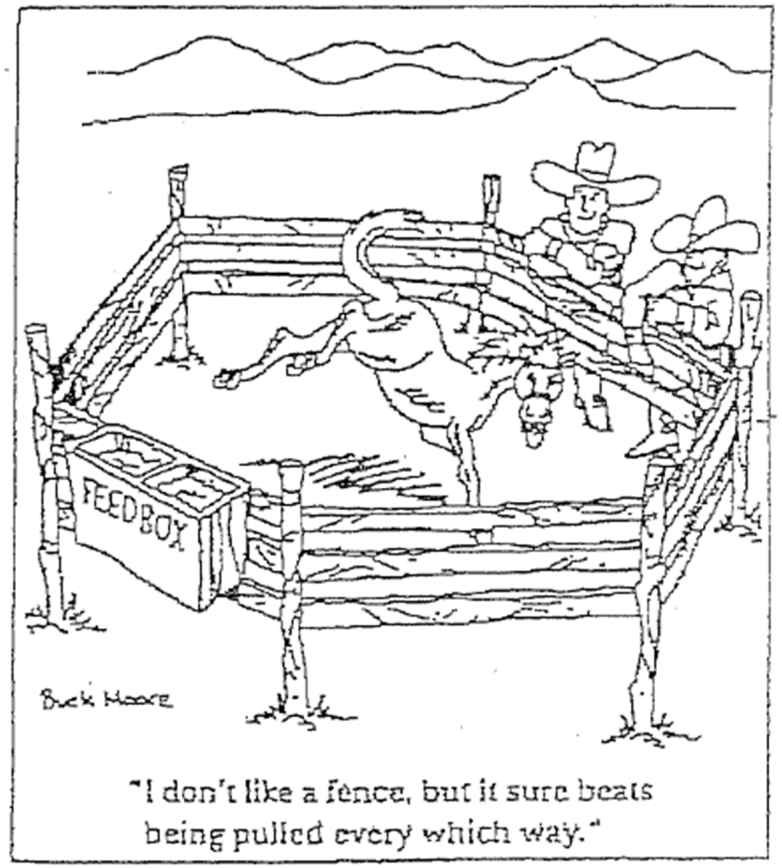
Don't Use a Rope!



"C'mon folks, can you get it together?"

Build a Corral!



"I don't like a fence, but it sure beats being pulled every which way."

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Governance

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Governance Defined

"The process of governing an organization"

- Every organization regardless of size has a governance process
- Governance applies at both the policy and administrative levels
- In order to function well, every organization must have a predictable consistent governance process

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Governance is about…

Effective Leadership
Meaningful communication
Understanding roles and fulfilling expectations
Proactive vision and planning

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Council – How will you lead?

- With trust and transparency.
- With kindness.
- By being open minded and looking for creative solutions.
- With wisdom.
- Will not turn people into enemies.
- With optimism.
- Will listen first, then act.
- By working equally with both Council and staff as a team (all together).
- Respectfully.
- By being willing to change your mind.

Council – How will you communicate?

- Professionally with one another.
- Respectfully with one another, staff and citizens.
- In person/personally to the extent possible.
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Identified Communications Methods

- Workshops on specific topics.
- Memos to Council from staff on specific issues.
- Explore an on-line forum method like the one Austin uses.
- Prepare and conduct orientations for newly elected members to assist them in becoming familiar with the issues.
- Revive Nacogdoches 101 – a community government training program for citizens.

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Expectations of Each Other

- Always tell the truth.
- Understand and stay in the Council lane – not the staff lane.
- Do not stab fellow council members in the back.
- Be fair to all concerned.
- Stay in the moment. Do not dwell on the past.

Council – What are your expectations of staff?

- Stay in the moment. Do not dwell on the past.
- Do your job. In order to do their job, council should provide staff with
  - Financial resources, including adequate pay.
  - Training to do their job well.
  - Tools need to do their job well.
- Council and staff should trust each other.
- Be timely in providing information, including adjusting the agenda deadline and delivery for Council.
- Remember Council and staff all work for the citizens.
- Communicate with Council and citizens.
- Provide care.
- Do your due diligence conveying the same to the City Council with proper background detail.

City Manager – What are your Expectations of Council?

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- Make certain staff is not missing the point.
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- Work together – with each other and with staff to accomplish the goals set.

City Manager – What are Your Expectations of Staff?

- Meet Council's expectations.
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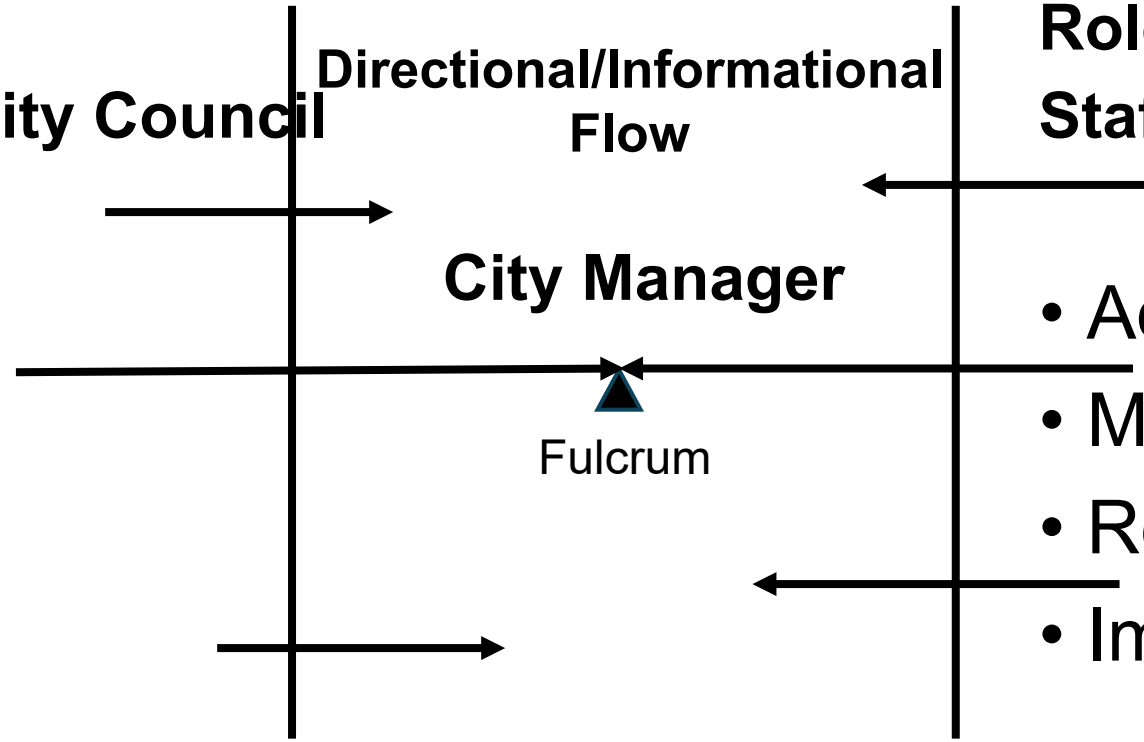
- Do their job.
- Find the best way (not the easy way) to accomplish the goal.
- Always ask, "Will my actions leave a positive impact?"

Council/Manager Form of Government

Role of Mayor and City Council

- Vision
- Mission
- Values
- Policies
- Plans and Priorities



Role of Staff

- Administration
- Management
- Recommendations
- Implementation

Scott Sellers 2022

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Governance is about…

Effective Leadership
Meaningful communication
Understanding roles and fulfilling expectations
Proactive vision and planning

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Governance is about…
Proactive Vision and Planning

Vision

Mission

Values Statement

Comprehensive Plan

Annual Strategic Plan

Annual Budget

Annual Audit/Report

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"Things that matter most should never be at the mercy of things that matter least"

Goethe

So—What does matter most?

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Vision

What do we want Nacogdoches to look like when it grows up?

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Vision – Key Elements

- Recognize, protect, and celebrate the city's historic areas.
- Strong medical presence.
- Welcoming community.
- Invest in assets wisely.
- Attractive with beautiful parks, entryways, trails and creeks.
- Honors and strengthens the strong educational heritage.
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Vision Statement

To Be Done

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Mission Elements

- Understand and account for the economic impacts of our decisions.
- Ensure the optimum use of available funds and funding sources.
- Educate citizens on accomplishments, initiatives, and activities.
- Inform citizens on ways to access city services.

Mission Statement

To Be Done

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2025 Issues and Challenges

- Improvements to COL/employee pay, benefits, morale and retention.
- Recruitment of key positions critical to effective bond and nonbond project implementation.
- Recruitment and retention of Police and other First Responders.
- Prudent and responsible focus on critical use of General Fund and Utility Fund capital projects.
- Engage in continued efforts with Stephen F. Austin State University to address next several years of student growth and building plans.
- Continue pursuit of "context specific" primary jobs and commerce to ensure compatibility with the historical nature of the area.
- Address housing shortages in all categories with targeted incentivization.
- Review and amend codes to accommodate the anticipated growth of SFA, allowing the growth yet protecting the neighborhoods.

2025 Operational Priorities

- Downtown Plan/Implementation Strategies.
  - Move forward with development of implementation strategies for the downtown plan.
- Assess and inventory the historical areas of the city.
- US 59/69 Plan
  - Meet with TxDOT to develop an I-69 access plan as plans are being developed for construction.
- Comprehensive Plan
  - Wait on addressing the plan until 2026.
- North Street/Corridor Analysis (working with TxDOT)
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2025 Legislative Agenda

- Protecting Regional Water Resources (Limiting Inter-basin, aquifer and watershed transfers to other regions) and projects that may impact multiple regions.
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- Encourage improvements to incentives for moviemaking in Texas.

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Staff Implementation Plan

See

Separate document

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Next Steps

- ✓Council Interviews – September 24 & 25, 2024
- ✓Staff Meeting – October 1, 2024
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Thank You
To
City Manager and Staff

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281.543.0042

City Council Meeting

Date: December 17, 2024

Agenda Item: 7.B.

PRESENTER: Larissa Philpot-Brown, Economic Development Director

ITEM/SUBJECT: Receive a presentation and hold a discussion regarding the Low Income Housing Tax Credit Program. (Executive Director of Economic Development)

SUMMARY/BACKGROUND: Staff is presenting this item to inform and educate Council prior to hearing requests for support for low-income housing tax credit developments.

The Low Income Housing Tax Credit (LIHTC) program (or HTC program) is a federal program created in 1986 designed to finance the construction of affordable rental housing. The LIHTC program is the primary way new affordable housing is constructed in the United States. In Texas, this program is administered by the Texas Department of Housing and Community Affairs (TDHCA).

The program works by providing a tax credit equal to 9% of the qualified basis of the development. Those tax credits can then be utilized by the project developer, or they may be sold or transferred to another entity to provide capital and thus reduce the debt required to finance the project. This debt reduction allows for a lower-than-market rent to be charged for the property. After the property is developed, the applicant must market the property in the surrounding community. Tenants earning up to 60% of the area median family income for their household size who meet the screening and eligibility restrictions of the property may qualify for a reduced rent. The overall median family income for Nacogdoches County is $71,600.

Each state designs its Qualified Allocation Plan (QAP). In Texas, the QAP allocates credits within regions, setting up a competitively scored application process in each region. Nacogdoches lies within a rural subregion containing 14 counties. Developments are scored based on the amenities they provide, the demographics of the census tract the proposed development lies within, the development's proximity to previously awarded LIHTC properties, and a development's ability to obtain a resolution of support from the City. Staff has been informed the proposed developments will likely not receive a credit allocation if they do not receive a resolution of support from the City. It is also important to note that only one development will receive a credit allocation in each region.

Nacogdoches contains several housing tax credit developments that were constructed using LIHTC financing in previous years.

- Cordova Rental Units, Various addresses, 1993
- Commonwealth Apartments, 5319 Northway Drive, 1996
- Commwealth, Phase II, 5319 Northway Drive, 1999
- Cypress Ridge, 2701 Logan Circle, 2000
- Cardinal Village, 1630 Cardinal Street, 2002
- Spring Hill Apartments, 3413 East Main Street, 2002
- Nacogdoches Senior Village, 605 Harris Street, 2006

- Vista Pines Apartment Homes, 1602 Park Street, 2006
- Park Estates, 1600-2026 Pruitt Hill, 2007
- Pine Lake Estates, 2012 Durst Street, 2013
- Tower Village, Tower Rd & Park St, 2013
- Pine Creek Senior Village, SEC SE Stallings Drive & Main St, 2024

Staff is currently aware of 3 possible requests for support:

Development Name	Development Site	# of Units	Target Population	Est. Capital Expenditure	Current Zoning
Pioneer Crossing for Families	3014 Old Spanish Bluff Road	80	Families	$11 million	B-2
Elm Grove Apartments	South of 3007 N. University Dr	66	Families or Seniors	$17 million	B-2
Nacogdoches Mixed Income Senior Community	4920 Colonial Drive (Daily Sentinel site)	52	Seniors	$12 million	B-2

Requests for resolutions of support are tentatively scheduled for the January 7, 2025, City Council agenda. At that time, the City Council may choose to approve a resolution of support, approve a resolution of opposition, or take no action. The city resolution must be received by the state no later than February 28, 2025, to be included in the development's application for state funding.

FINANCIAL:
When considering resolutions of support or opposition, each developer requests a waiver of at least $250 in permit fees, but no action is required.

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
Neighborhood Revitalization and Attainable Housing, Economic Development

CITY CONTACT: Larissa Philpot-Brown, AICP, Economic Development Director
lphilpot@nedco.org
(936) 559-1255

ATTACHMENTS:
1. TDHCA guide for local governments
2. 2025 HTC Workshop
3. Info from Developers - Nacogdoches Senior Community
4. Info from Developers - Elm Grove Apartments
5. Info from Developers - Pioneer Crossing

Housing Options for Texas Communities

A Guide for Local Engagement on Affordable Housing Development

Wildflower Terrace in Austin, Texas

About Us

The Texas Department of Housing and Community Affairs ("TDHCA" or "the Department") is the state agency responsible for promoting and preserving homeownership, financing the development and ensuring the long-term stability of affordable rental housing, supporting community and energy assistance programs, and administering and overseeing colonia programs.

The Texas Department of Housing and Community Affairs is committed to expanding fair housing choice and opportunities for Texans through the administration and funding of affordable housing and homeownership opportunities, weatherization, and community-based services with the help of for-profits, nonprofits, and local governments. For more information about fair housing, funding opportunities, or services in your area, please visit www.tdhca.state.tx.us or the Learn about Fair Housing in Texas page.

WHY TDHCA HAS DEVELOPED THIS GUIDE

Texans are an engaged lot. They want to know what is going on in their communities and to have a voice, helping to ensure that their communities are strong and vibrant and that they are great places to live and work. The Texas Legislature has enacted laws to encourage local government to engage with affordable housing developers and local constituents to ensure meaningful opportunities for input and dialogue, and it has created statutory elements which increase the value and importance of local input. Local government resolutions regarding proposed affordable housing developments are now a significant scoring item.

Whether you are new to affordable multifamily housing or you have participated in evaluating affordable multifamily housing development proposals in the past, the purpose of this guide is to help you understand your role, navigate the process of evaluating proposals, and learn how to provide useful information about the Housing Tax Credits ("HTCs") Program to your constituents and obtain their input.

TDHCA has developed easy-to-understand and simple-to-use materials to help you through the process. We are also here to help you over the phone, via email, or online.

We cannot provide legal advice, so you must rely on your own attorneys for legal advice. You should also look to your staff to provide the information you need to make well-informed decisions.

YOUR ROLE

Because of amendments to the laws regarding the low income housing tax credits, local governments now have an important role in evaluating proposed developments, assessing community input, and making well-grounded decisions on resolutions regarding proposed affordable housing. It is tremendously valuable for you and your constituents to understand affordable housing, what it is and what it is not.

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HTC-ASSISTED HOUSING CHARACTERISTICS

The term "affordable housing" conjures up a lot of images, many stereotypical and not entirely positive. A major challenge is to understand what affordable housing has become – particularly affordable housing developed with HTCs.

HTC-assisted properties are:

- Designed to be real assets to their communities, incorporating high quality interior and exterior design, attractive landscaping, and amenities. Visually they compare very favorably with high quality market rate developments. HTC properties increasingly incorporate the mixed income approach, offer a mixture of rent restricted and market rate units, and compete successfully for market rate tenants.
- Subject to rigorous extended oversight by TDHCA, including regular onsite inspections to ensure that they are being well-maintained.
- Required to provide services that benefit tenants.
- Home to individuals and households who:
  - pay their rent and meet tenant screening criteria (including background checks).
  - live on fixed incomes, such as retirees, injured veterans, and persons receiving assistance for disabilities.
  - people who work hard to fill important jobs in our communities like teaching assistants, EMS and health care workers, and the many other types of workers that keep our vibrant economy strong and growing.

HTC-assisted properties are not:

- Dreary, high-density, or ill-maintained developments that convey an image of neglect and poverty.
- Buildings fallen into disrepair and deteriorating grounds

About Housing Tax Credits

Affordable housing development that will utilize housing tax credits typically begins with a private sector owner of real property that will have the required zoning and other features necessary to construct and operate a multifamily rental property. For most multifamily developers of market rate properties, any opportunity for public input is largely confined to zoning and permitting processes. Developers of HTC properties are required to engage with the communities where they plan to build, so that neighbors and local governments have an opportunity to participate in planning.

The Housing Tax Credit ("HTC") program was created by Congress in 1986 and is the largest funding source for affordable housing in the United States today. Unlike traditional Section 8 and Public Housing programs, the HTC Program provides private market developers and equity providers with an incentive to invest in affordable rental housing. When tax credits are awarded by TDHCA to a developer, the developer sells the credits to an equity provider in exchange for capital to build a high quality rental housing development. This capital and the reduction in borrowed debt allow developers to offer high quality rental housing at affordable, restricted rents. Investors in the tax credit program benefit by receiving dollar-for-dollar credit against their Federal tax liability each year over a period of 10 years in exchange for their investment and communities benefit from quality developments that will operate as rent-restricted housing for up to 30 years or more.

TDHCA receives applications for credit awards for two types of tax credit developments:

- 4% HTCs, which pay for about 30% of a development and require additional financing partners; and

9% HTCs, which pay for about 70% of a development and are highly competitive based on their value to developers and equity providers.

Tuscany Park at Buda in Buda, Texas.

Oak Creek Townhomes in Marble Falls, Texas.

Spring Terrace Apartments in Austin, Texas.

PURPOSE

The HTC Program is designed to:

- Provide a source of equity financing for the development of affordable housing;
- Maximize the number of affordable units added to the state's housing supply;
- Ensure that the state's affordable housing supply is well maintained and operated;
- Serve as a credit to the communities in which affordable housing is constructed and operated; and
- Prevent losses in the state's supply of affordable housing.

BACKGROUND

The HTC Program was created during the Reagan Administration through the Tax Reform Act of 1986.

- Section 42 of the Internal Revenue Code, as amended ("the Code"), is the federal law that governs the HTC Program.
- Section 42 authorizes 9% HTCs in the amount of $2.35 per capita for each state as adjusted for inflation.
- There is no limit on the amount of 4% HTCs the state may allocate.
- TDHCA is the only entity in the state of Texas with the authority to allocate HTCs under the HTC Program.

PROGRAM ADMINISTRATION

Pursuant to Section 42 of the Code, the Department must develop a plan for the selection of eligible developments; this plan is known as the Qualified Allocation Plan and Rules ("QAP").

- The QAP defines a series of point-based selection criteria for the 9% HTC Program to ensure that the housing proposed in the applications is consistent with the program's and state's goals.
- The QAP is revised annually and is formalized and added to the *Texas Register* once signed by the Governor.
- The QAP's revision process includes the hosting of roundtables to solicit feedback, a public comment period, and Board review and approval.
- The Uniform Multifamily Rules include eligibility and threshold criteria for all TDHCA developments.

FUNDING SOURCE

The HTC Program is authorized by the U.S. Treasury Department and is overseen by the Internal Revenue Service.

SET ASIDES AND REGIONAL ALLOCATION

HTCs are allocated in accordance with Section 2306.111 of the Texas Government Code, which requires that credits be allocated with certain percentages set aside for specific types of developments, and the balance distributed across the 13 regional state service regions, which are further divided into Rural and Urban areas that are able to receive a pre-determined amount of tax credits each year.

Set Asides

The Department sets aside the following credit allocations each year:

- 15% for affordable housing developments with expiring rental subsidies or contracts.
  - The Department calls these developments "At Risk" and prioritizes their preservation.
  - One third of this set aside is prioritized for U.S. Department of Agriculture ("USDA") developments proposing rehabilitation.
- 10% for qualified nonprofit organizations
- 20% for development in rural areas, which may be layered with the other set asides

Retama Village in McAllen, Texas.

Sunflower Estates in La Feria, Texas.

Arbor Cove in Donna, Texas.

Regional Allocation

The amount distributed to each of the 13 regional state service regions is determined by a regional allocation formula ("RAF") which is generated, with public input, by TDHCA's Housing Resource Center.

- The RAF was created by the Texas Legislature in 2000.
- The RAF uses appropriate statistical data to measure the affordable housing need and available resources in Texas' 13 state service regions.
- The RAF is revised annually to reflect current data, respond to public comment, and better assess regional housing needs and available resources.

Seven Award Steps

Step 1 USDA Set-Aside Application Selection

Step 2 At-Risk Set-Aside Application Selection

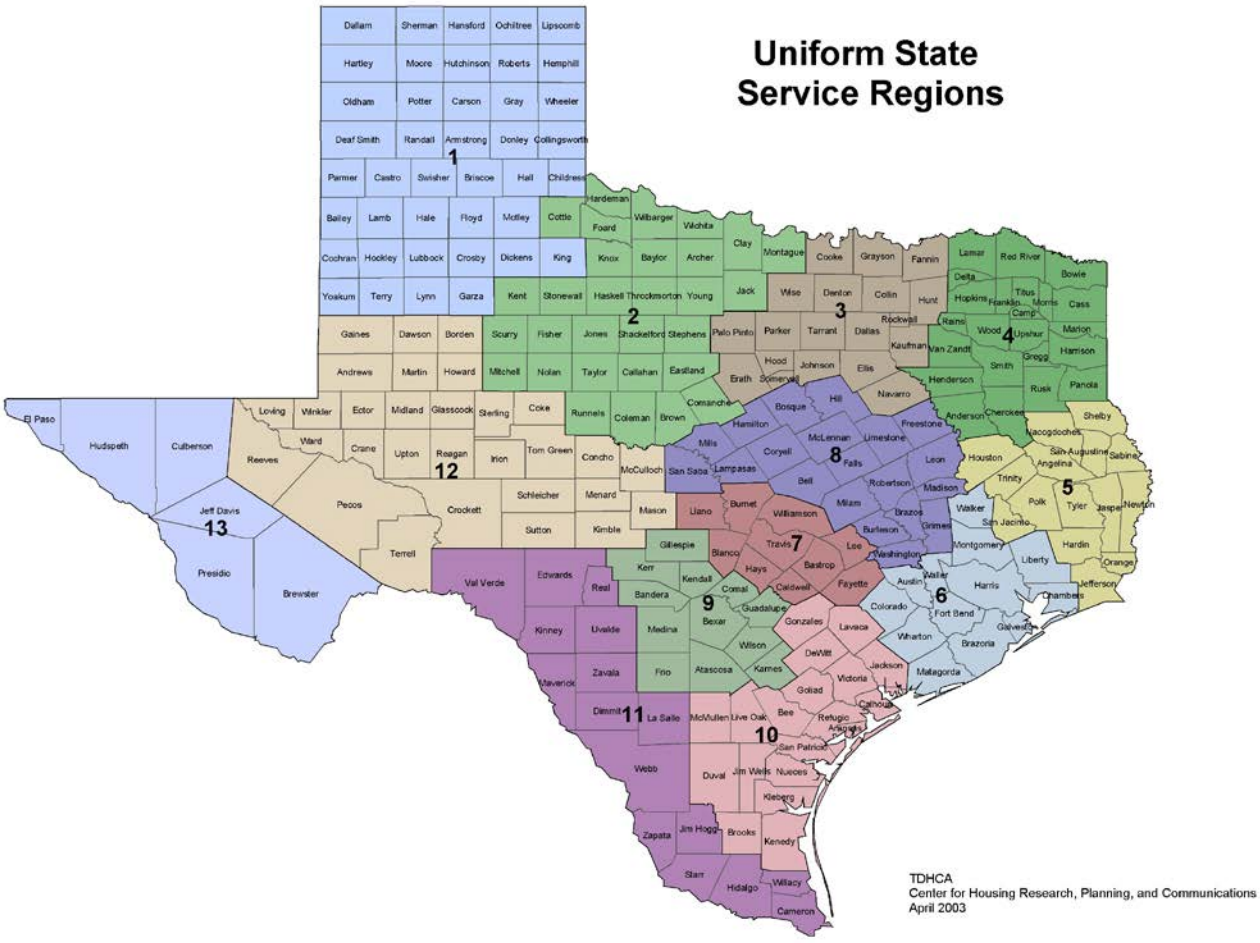
Step 3 Initial Application Selection in each Sub-Region (Highest scoring within the RAF sub-regions), including awards to the top-scoring revitalization project in each of the major metropolitan areas

Step 4 Rural Collapse (Sub-region credits remaining are pooled and offered to the most underserved Rural sub-region that can use the full credit amount)

Step 5 Statewide Collapse (Credits remaining after the Rural Collapse are pooled and offered to the highest scoring application from the most underserved sub-region in the state)

Step 6 Qualified Nonprofit Set-Aside (10% set-aside must be met)

Step 7 Consideration of Waiting List Applications



HOW THE HTC APPLICATION PROCESS WORKS

The HTC application process is governed by Code, the QAP, and the TDHCA rules.

Developers begin the application process between January and March of each year, as set out in the QAP, for the 9% (Competitive) HTC Program and may apply at any time to take part in the 4% (Non-Competitive) HTC Program.

Whether submitting a 4% or 9% application, developers are required to notify the following persons or entities of their application for credits:

- Neighborhood Organizations on record with the state or county whose boundaries include the proposed development site;
- The Superintendent and presiding officer of the board of trustees of the school district in which the development site is located;
- The Mayor of the municipality (if the development site is within a municipality or its extraterritorial jurisdiction);
- All elected members of the governing body of the municipality (if the development site is within a municipality or its extraterritorial jurisdiction);
- The presiding officer and all elected members of the governing body of the county in which the development site is located; and
- The State Senator and State Representative of the districts whose boundaries include the proposed development site.

The receipt of notifications by local officials often increases interest about the development process and represents an opportunity to engage the community on the topic of affordable housing.

Summarized 9% HTC Calendar

Below is a sample summarized calendar of the HTC application deadlines for the competitive 9% HTC application cycle. Specific required submission dates for each year will be listed in the QAP, along with all scoring incentives and point values.

Month	Activity
January	Pre-Application acceptance period
Early March	Full application period
Mid-May	Final application scores issued
Mid-June	Deadline for public comment to be included in a summary to the Board at a posted meeting.
Late June	Release of eligible applications for consideration for award in July
July	Final 9% HTC awards are made
Mid-August	HTC commitments are issued

Amber Stone in Beeville, Texas.

Corban Townhomes in Corpus Christi, Texas.

The Heights at Corral in Kingsville, Texas.

LOCAL GOVERNMENT RESOLUTIONS

The top scoring criteria for 9% low income housing tax credits are laid out in statute, and local government resolutions are significant scoring items.
To help support goals of the local community and encourage engagement in the development process, and in accordance with state law, TDHCA awards a large number of points to 9% applications which are able to acquire a resolution voted on and adopted by governing bodies of a municipality or county. Highest points are awarded for resolutions in support of a development and second highest points are awarded for resolutions stating no objection to the development. Applications received under the non-competitive 4% program must also receive resolutions showing "no objection" to the proposed development to demonstrate alignment with local community goals and support. During the time applications are being prepared for submission, local governments will be approached by developers seeking these resolutions and, in many cases, local funding or fee waivers to ensure a competitive application score.
Municipalities and counties should consult their own staff and legal counsel regarding whether reasons for any unsupportive action regarding such resolutions are consistent with Fair Housing laws, goals identified in the community's current Analysis of Impediments to Fair Housing Choice or any current plans such as one year action plans or five year consolidated plans for U.S. Department of Housing and Urban Development ("HUD") block grant funds, such as HOME or Community Development Block Grant ("CDBG") funds.
TDHCA produces a variety of tools for use in discussing affordable housing development with your constituents. These tools include videos, brochures, and links to relevant external sites and information. To access these tools or find more information about how to engage the public on this important topic, please visit the TDHCA website at
http://www.tdhca.state.tx.us/multifamily/communities.htm or call us toll free at 800-525-0657 or 512-475-3800 and ask to speak with the Director of Multifamily Finance or the Housing Tax Credit Administrator.

UNIQUE FEATURES OF THE HTC PROGRAM

In addition to the fact that the HTC Program represents a unique public, private partnership that builds affordable housing without a direct government subsidy, the program also cultivates good design and quality construction through its competitive scoring process.

Application Incentives

In addition to community and local government support, the HTC application process incentivizes the following:

- Local funding partnerships;
- Green and LEED certified building;
- Construction by responsible and experienced Developers;
- Energy efficient buildings and appliances;
- High opportunity development site selection;
- Tenant services such as after school and daycare programs, community health programs, and financial planning courses;
- Community revitalization planning;
- Financial feasibility;
- Leveraged funds;
- Proximity to community assets;
- High quality amenities such as swimming pools, sports courts, playgrounds, and computer centers; and
- Quality interior and exterior unit features such as covered entries and balconies, high speed Internet service, nine foot ceilings, walk in closets, 30 year shingle or metal roofing, garages, and masonry exteriors.

Not all properties will have all of these features, but awarding applications on the basis of a point scoring program means that developers have to consider how to make their applications as competitive as possible and work within the state's goals to maximize credit allocations, build quality construction developments that will serve the community for a long time, and make housing available for all Texans.

Long Term Use Restrictions

After it is constructed, the HTC property will retain a Land Use Restriction Agreement ("LURA") that will restrict its use as an affordable housing property.

- HTC rents are not based on a percentage of income like public housing authority or Section 8 properties; instead, properties receive an annual maximum rent they are allowed to charge based on HUD's annual median income limits.
- Property units will be offered based on a set rent amount and tenants are accepted to the property based on meeting the property's independent screening criteria and income limits.
- All properties are allowed to screen for credit and criminal history.

- Most properties will house a high percentage of working families and individuals who can benefit from restricted rents in a growing Texas economy that is witnessing trends of increased costs of living and limited available housing in many areas.

BENEFICIARIES

- Tenants earning up to 60% of the area median family income ("AMFI") for the area for their household size and who meet the screening and eligibility restrictions of the property may qualify for a reduced rent unit.
- Typical tenants include: school teachers; police officers; firefighters; mechanics; single parents who are balancing career and family while attending night school; city employees; sales clerks; and retirees.
- Some units may be available for lower income tenants, like households that receive social security benefits

FAIR HOUSING

After the property is developed, the owner will affirmatively market the property in the surrounding community. They will use tenant selection criteria that complies with all fair housing laws, and will provide notices to all tenants regarding their rights.

HOW RENTS ARE DETERMINED

- HTC property tenants must pay their rents in full. Thus, the tenants are most likely working Texans or retirees seeking an affordable place to live.
  - HTC properties are also required by law to accept tenants and households with federal rental vouchers.
- The rent limits for HTC units are based on household income level and the number of bedrooms in the unit.
  - These rent and income limits are generated by the U.S. Department of Housing and Urban Development ("HUD") each year.
  - The Maximum Income and Rent Limits are available under the Featured Items drop menu on TDHCA's home page at www.tdhca.state.tx.us.
- While rental rates are restricted, they are not subsidized by the HTC Program.

COMPLIANCE

- TDHCA monitors and physically inspects all properties which have received HTCs and/or multifamily funds from any TDHCA program.
- The Department follows very specific requirements for monitoring, inspecting, and reporting.
- The Department monitors properties on a routine schedule depending on their funding source.
- All properties are inspected within their first year. Properties that receive HTCs are generally monitored on site once every three years; additional inspections may be done as a result of complaints or to rectify serious compliance violations.
- In Texas, property owners who don't follow their proposed plans for development during the building process, who let their properties fall into disrepair, or who do not follow the program rules may be subject to enforcement designed to encourage compliance. If not promptly addressed, failure to comply with requirements may lead to other more serious actions such as the assessment of administrative penalties or, in some instances, debarment from TDHCA's programs.
- Housing tax credit benefits are lost if a development fails to meet state and federal standards every year for each of the 15 years of the compliance period. Properties are then monitored for an additional 15 years to maintain affordability.

HTC PROPERTIES VS MARKET RATE PROPERTIES

- Properties that receive HTCs must compete with nearby market rate developments for tenants.
- Like market rate properties, HTC properties are generally safe, secure, and well maintained.
- HTC properties often have amenities that are similar to or more attractive than market rate apartment complexes.

Amberwood Place in Longview, Texas.

Pinnacle at North Chase in Tyler, Texas.

Silver Spring at Forney in Forney, Texas.

Evaluating Needs and Supporting Developments

Learning how the state evaluates community needs and reviews development applications may help you decide how to discuss new developments with your community and assess whether to give your support to a development. TDHCA reviews many applications and its review will include evaluating the following factors:

1) Is the application proposing a development in an area that needs more affordable housing and is the development economically feasible?
2) Is the developer proposing the housing an experienced developer who can provide a quality product?
3) Does the application include support from the local community and State Representative?

1: NEED ASSESSMENT AND FEASIBILITY

Needs and feasibility assessments will help to determine whether or not the proposed property has the potential to be a successful affordable multifamily housing application and if the site is feasible for such a development.

Suggested Needs and Feasibility Checklist

- ☑ Is there a need for additional affordable housing in the area? How many rent burdened households at or below 60% of Area Median Family Income ("AMFI") are in need of affordable housing?
- ☑ Will the market support a demand for this development? What is your community already doing and what are your neighbors doing? What will your community look like in two years, five years, 10 years based on current growth projections?
- ☑ Is the site zoned for this type of housing and, if not, will it be able to obtain that zoning? Do your zoning laws still reflect your community's priorities? Are your laws consistent with other growth plans and needs assessments?
- ☑ Are there adequate local services and utilities available to support this development?
- ☑ Is this affordable multifamily housing proposal for a single development or will it be part of a larger economic development plan or project that assists the community in meeting planned goals?
- ☑ Will the affordable multifamily housing property serve special populations who, without this housing, will have less options for suitable housing in the community?

Tools that may help your community in assessing housing needs locally could include:

- Reviewing the market study completed for each HTC application;
- Conducting a local needs analysis for affordable housing in your community;
- Using a local needs analysis to identify housing needs and to set goals for the number and type of units the community should actively pursue;
- Drafting a robust housing component in your municipal or town plan;
- Creating a vision for development and ensuring other laws and plans reflect that vision;
- Participating in regional planning conversations to find out what neighboring areas are doing;
- Identifying important land parcels in your community and opportunities for housing development and redevelopment;
- Donating or selling municipal land for housing development;
- Creating a housing team or focus group that can provide continual feedback on housing development proposals and issues; and/or
- Helping to ensure the community is able to visualize future growth concerns and the effects of population density.
-

Pine Club Apartments in Beaumont, Texas.

Heritage Crossing in Santa Fe, Texas.

Magnolia Trails Senior Living in Magnolia, Texas.

2: DEVELOPER AND TEAM ASSESSMENT

Does the developer and the associated development team have the experience, knowledge, and financial capacity to provide your community with a quality housing development that it can depend on for years to come?

The success of HTC-supported affordable housing developments is greatly impacted by a developer's past experience and future vision. Local governments should ask developers to provide their past experiences and their goals for the development. Officials can also inquire about a developer's compliance status with the TDHCA. It is equally important to ask the developers about their team members, including any consultants, architects, builders, and investors. Developers should be able to provide histories of these team members. The following is a brief checklist offered for this aspect of the evaluation.

Suggested Developer and Team Assessment Checklist

- ☑ Is the developer asking for a competitive (9%) HTC award or a non-competitive (4%) HTC award?
- ☑ Has the developer done outreach with the community, assisted in educating people about the proposal, and solicited input?
- ☑ Does the developer have a track record in affordable housing? Are they in compliance with TDHCA's rules and expectations? Can they provide pictures of other developments they have constructed and explain how their development will meet the community's needs?
- ☑ Are there significant unanswered questions?
- ☑ Has the developer been listening to and responding to local input?

Tools that may help your community in assessing development teams could include:

- Asking the developer to attend community meetings where development needs will be discussed;
- Asking to see pictures from a developer's portfolio;
- Asking the developer to provide a development resume sharing the kinds of developments they have constructed previously (including styles, types, and services those developments offer);
- Hosting community forums where the public will be able to ask and answer development questions about affordable housing;
- Asking to see development site plans;
- Asking TDHCA to share the developer's compliance history;
- Asking a developer about their elected unit and common area amenities; and/or
- Considering ways the municipality might more easily attract quality developers (*e.g.* reductions in permitting costs, "on the record" reviews that reduce appeals costs, setting proactive meetings with developers who have demonstrated a positive development track records, or inviting developers to engage in conversations about how to remove obstacles to creating affordable housing in the community).

TownParc at Amarillo Apartments in Amarillo, Texas.

Mariposa Apartment Homes in Amarillo, Texas.

Tylor Grand in Abilene, Texas.

3: SOLICITING AND EVALUATING COMMUNITY FEEDBACK

Local governments — city councils and county commissioners' courts — have an important role in the affordable housing process. They serve as a focal point for public input that will affect which affordable multifamily housing applications will receive HTC awards and move forward. Public attitudes toward the development of affordable housing are wide-ranging and fervently held. Some communities embrace it and advocate for it, and others have concerns and questions.

You, as an elected official, will gather and incorporate community input into your decision-making about whether to support proposed developments. This will involve soliciting community feedback to ensure that any concerns or questions raised are answered prior to taking action on any requested resolution.

Suggested Community Feedback Checklist

- ☑ Have I or has the developer engaged in educating the public about affordable housing?
- ☑ Does my community understand the differences in affordable housing models?
- ☑ Has a housing needs assessment or market analysis been shared and discussed with the community?
- ☑ Does my local government receive federal funds (*e.g.*, Community Development Block Grant) and have we adopted a plan to affirmatively further fair housing?
- ☑ Is this proposed development consistent with that plan?
- ☑ Are reasons given to decline support founded in ideas that may be inconsistent with Fair Housing law?
- ☑ Will my response to opposition help to counter NIMBYism ("Not In My Back Yard") sentiments or support them and will increasing population density and community needs change how I will respond to this type of opposition?

Britain Way in Irving, Texas.

Residences at Eastland in Fort Worth, Texas.

Country Lane Seniors in Waxahachie, Texas.

Take the Affordable Multifamily Housing Quiz!

Today, thanks to the high standards set by the Texas Legislature and TDHCA, you can't tell the difference between a new affordable multifamily rental housing property and a market rate development.

Of the two photos below, which is the affordable multifamily property?

ANSWER:
Both properties are affordable multifamily rental properties funded in part through TDHCA!
(L) Heritage Pointe in Austin. (R) South Acres Ranch in Houston.

FAQ

Q: Why did this developer choose this particular site to build affordable housing?

A: First and foremost, affordable housing is real estate. Developers look to develop where they perceive there is a need. They look for property that has the characteristics that are appropriate to their particular development. They want to develop in a location where they will be a valued part of the community. Both the 9% and 4% HTC Programs are governed by rules (both the federal and state) that incentivize development of affordable housing in particular census tracts. Often communities want affordable housing in areas that may differ from the areas selected by applicants. This is generally a result of the scoring incentives TDHCA has created to ensure affordable housing is constructed in areas with concerted community revitalization or in areas that are rich in opportunities for prospective tenants and households. One point in scoring a 9% application can be the difference between a competitive and non-competitive application. Asking a developer to explain why they chose a particular site is a good way to begin understanding how your local community can best support housing development and identify appropriate sites.

Please visit this web site for more information about the HTC Program, including the Qualified Allocation Plan ("QAP") (Title 10 Texas Administrative Code, Chapter 11) and the Uniform Multifamily Rules (Title 10 Texas Administrative Code, Chapter 10): http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=3&ti=10&pt=1

Q: What happens if we do not give a developer a resolution of support?

A: By law, 4% HTC transactions cannot move forward without a resolution or "no objection". Nine percent (9%) HTC applications that do not obtain a resolution of local support will likely be at a competitive disadvantage. TDHCA provides template forms for resolutions and communities are encouraged to use them. By state law, resolutions are required to contain very specific statements and sometimes communities inadvertently omit required language or use language that doesn't comply with specific legal requirements.

Q: If we choose to support this development, in what ways can we do so effectively?

A: While there are many ways to be supportive of an affordable housing development, there are three specific ways you can support an application. First, you can provide a resolution of "no objection" to a 4% HTC development or a resolution of support to a 9% HTC development. Second, you can facilitate meetings between the development team and the local community so they can obtain the support, input, approvals, and other items they need to move ahead. Third, you can support the development through a commitment of financial support, which can take many forms such as fee waivers, project-based vouchers, tax abatements, grants, or loans. Local governments should seek legal advice regarding the eligibility and structure of any financial incentive. Rules that govern these matters and related scoring criteria may be found in the QAP at 10 TAC §11.9(d)(2): http://info.sos.state.tx.us/pls/pub/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=10&pt=1&ch=11&rl

For more information, contact us:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

221 East 11th St., Austin, TX 78701 512-475-3800 info@tdhca.state.tx.us
PO Box 13941, Austin, TX 78711 800-525-0657 www.tdhca.state.tx.us

Auxiliary aids and services are available upon request to individuals with disabilities.
Relay Texas: 800-735-2989 (TTY/TDD) and 711 (Voice).

TDHCA is an Equal Housing Opportunity entity. All TDHCA programs are administered on a fair and equal basis regardless of race, color, national origin, religion, sex, disability, or familial status.

The TDHCA is not in the position to provide legal advice or counsel.
Local governmental bodies and officials should consult their own qualified legal counsel.

04/10/17

2025 Housing Tax Credit Support Process

What is a Housing Tax Credit?

- Created in 1986
- Federal incentive for investors to provide affordable housing
- 1:1 credit on federal income tax
- Claimed over 10 years
- Gives state housing agencies $8 billion annually to allocate
- Administered by the Texas Department of Housing and Community Affairs – TDHCA.
- Not Section 8

How do the Credits Work?

- Qualified basis of $1 million
- Part of the 9% LIHTC program
- 9% x $1 million = $90,000 per year for 10 years, or $900,000
- Subsidy reduces the debt required for the project
- Rent required to make the property financially viable are lower than market

Housing Tax Credits Explained

- Qualified allocation plan
- Regions defined
- Competitive scoring
  - Amenities
  - Income and rent levels
  - Proximity to jobs
  - Location in a recent disaster area
  - Resolution of support from city

Point System

- Local government support & funding (<$250)
- State representative support
- Community service organization support
- Property owner association support
- Financial feasibility
- Cost of development
- Pre-application participation

Census Data

	Texas	Nacogdoches County	Angelina County
Median income in 2023*	$75,780	$51,718	$56,864
% At or Below Poverty Level (2023)**	13.7%	19.3%	17.7%
Median Gross Rent (2023)***	$1,413	$883	$1,068

*S1901 Income in the past 12 months (in 2023 inflation-adjusted dollars)
** S1701 Poverty status in the past 12 months
***B25064 Median gross rent (dollars)

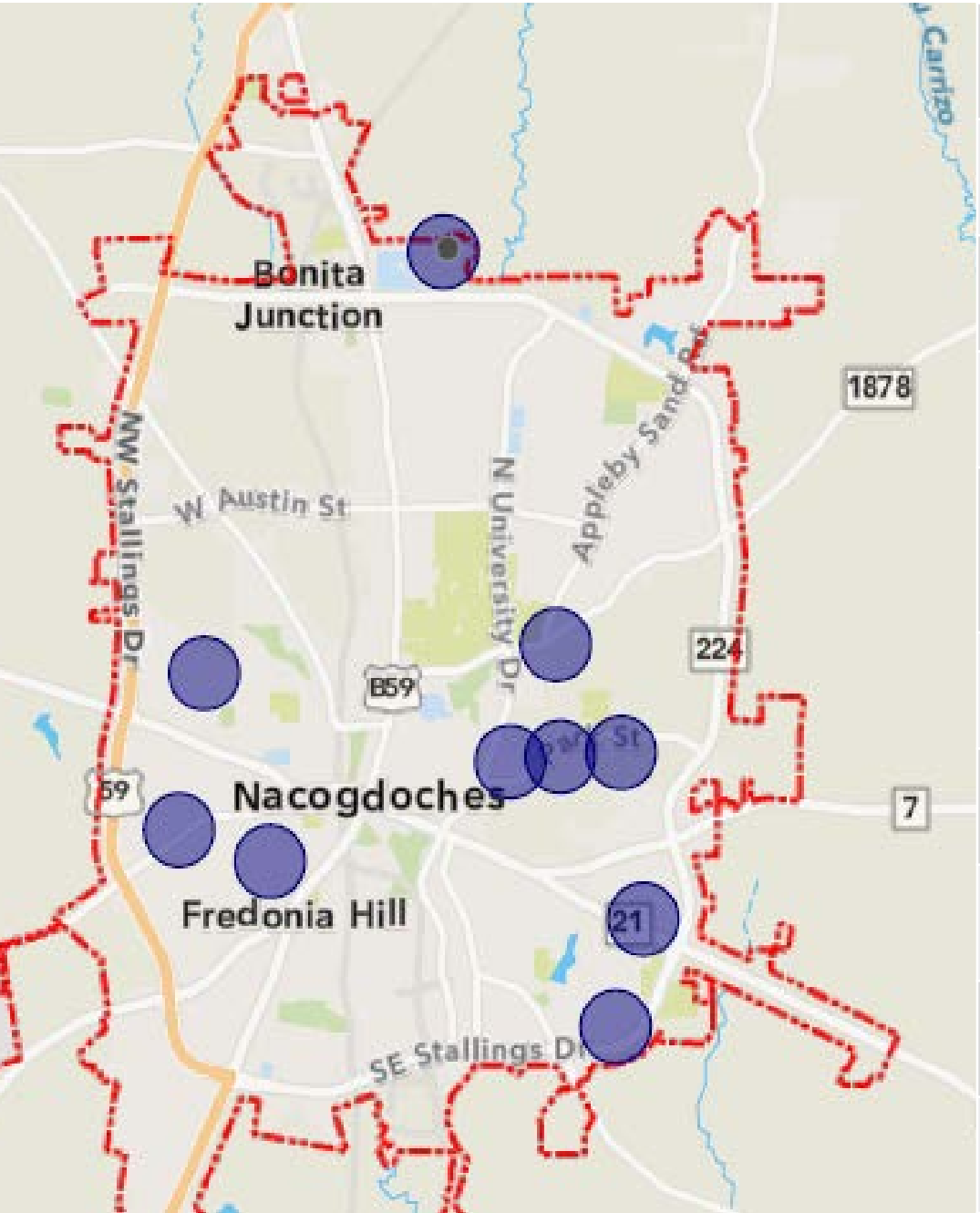
Income Limits

AMFI	Household Size				
	1	2	3	4	5
20	$10,500	$12,000	$13,500	$15,000	$16,200
30	$15,750	$18,000	$20,250	$22,500	$24,300
40	$21,000	$24,000	$27,000	$30,000	$32,400
50	$26,250	$30,000	$33,750	$37,500	$40,500
60	$31,500	$36,000	$40,500	$45,000	$48,600
80	$42,000	$48,000	$54,000	$60,000	$64,800

Rent Limits

AMI	Bedrooms		
	1	2	3
20	$281	$337	$390
30	$421	$506	$585
40	$562	$675	$780
50	$703	$843	$975
60	$843	$1,012	$1,170
80	$1,125	$1,350	$1,560

Existing Tax Credit Properties

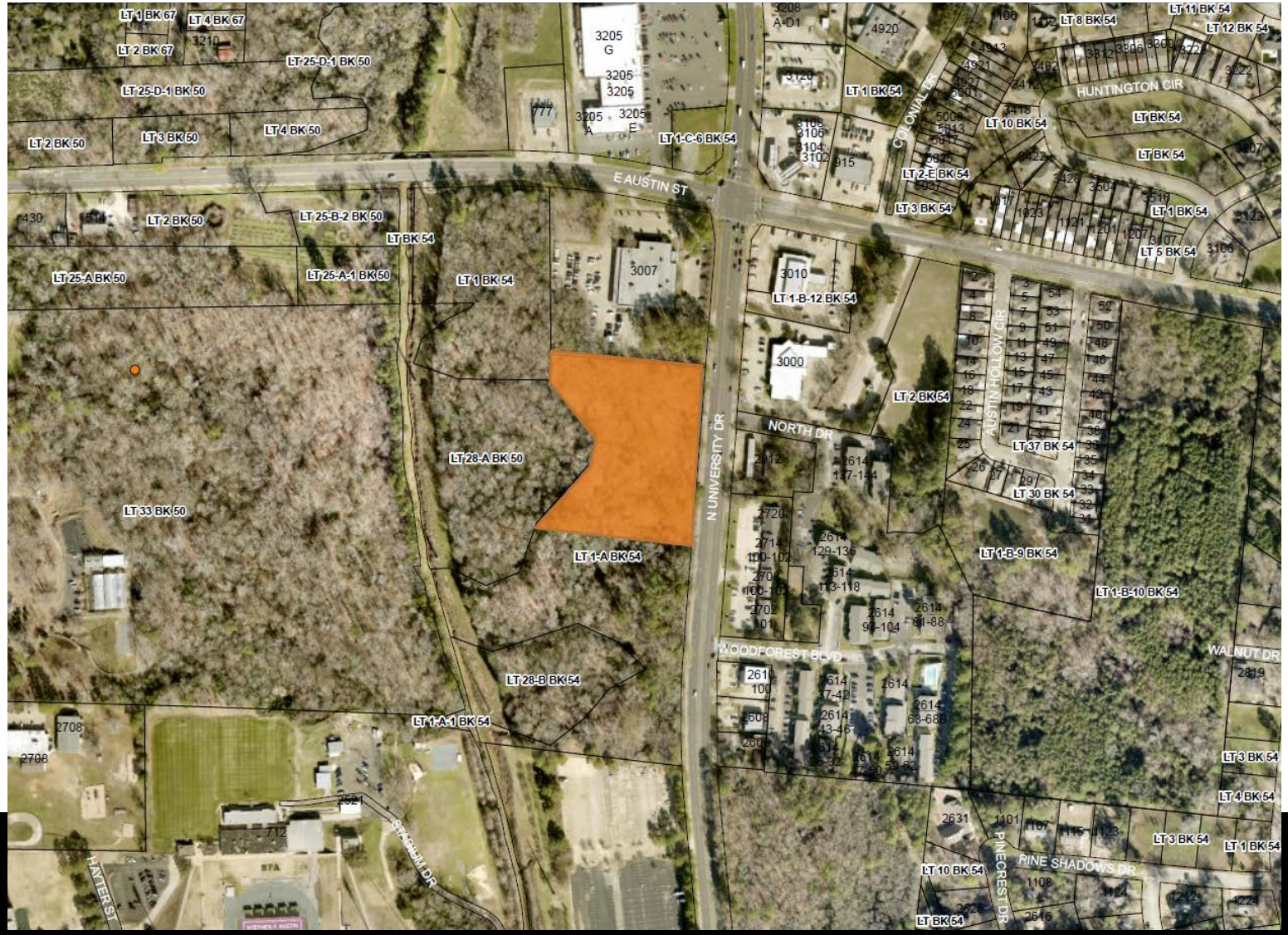


Cordova Rental Units	Various	1993
Commonwealth I & II	Northway Drive	1996 & 1999
Cypress Ridge	Logan Circle	2000
Cardinal Village	Cardinal Street	2002
Spring Hill	East Main Street	2002
Senior Village	Harris Street	2006
Vista Pines	Park Street	2006
Park Estates	Pruitt Hill	2007
Pine Lake Estates	Durst Street	2013
Tower Village	Tower & Park	2013

2025 Applications

Name	Pioneer Crossing for Families	Elm Grove Apartments	Nacogdoches Mixed Income Senior Community
Address	3014 Old Spanish Bluff Rd	South of 3007 N. University Drive	4920 Colonial Drive (former site of Daily Sentinel)
Low income units	80	66	52
Total units	80	66	52
Target	Families	Elderly or Families	Seniors
Current zoning	B-2	B-2	B-2

Pioneer Crossing for Families



Elm Grove Apartments

Nacogdoches Mixed Income Senior Community

Options for Resolutions?

- Adopt a resolution of support + $250 fee waiver
- Adopt a resolution of no objection
- Adopt a resolution of opposition
- Take no action

Nacogdoches Mixed-Income Senior Community

Proposed 52-unit mixed-income senior housing community at 4920 Colonial Dr, Nacogdoches, TX

Brenham Trails, a 49 unit mixed-income community developed by Trinity Housing Development in Brenham, TX

Trinity Housing Development

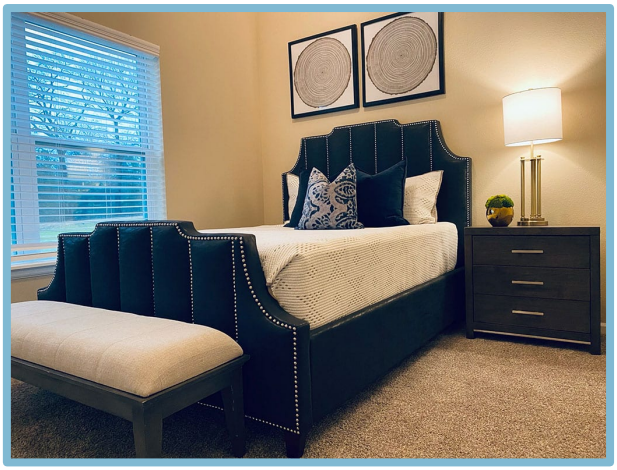
Trinity Housing Development is a workforce development group that specializes in senior and family mixed income communities throughout Texas with local offices in Tyler and Houston. Trinity takes pride in building high quality, comfortable communities where residents are proud to live.

East Texas is a priority for Trinity and we are proud of our Senior developments in Lindale, Longview (3) and Marshall. We oversee all local construction from our GC office in Tyler.

Trinity Housing Development Communities

Trinity's communities include onsite amenities tailored to their target population and the surrounding community. Onside amenities for our other senior communities include community kitchens, fitness centers, cyber lounges, BBQ areas, and shared greenspace. Onsite property management organizes regular social events for residents.

Units are built with quality, accessibility, and longevity in mind, and materials and appliances are selected for resilience and energy efficiency. Units include solid-surface countertops, plank flooring, fully equipped kitchens with high efficiency appliances, ample storage, and washer/dryer hookups.

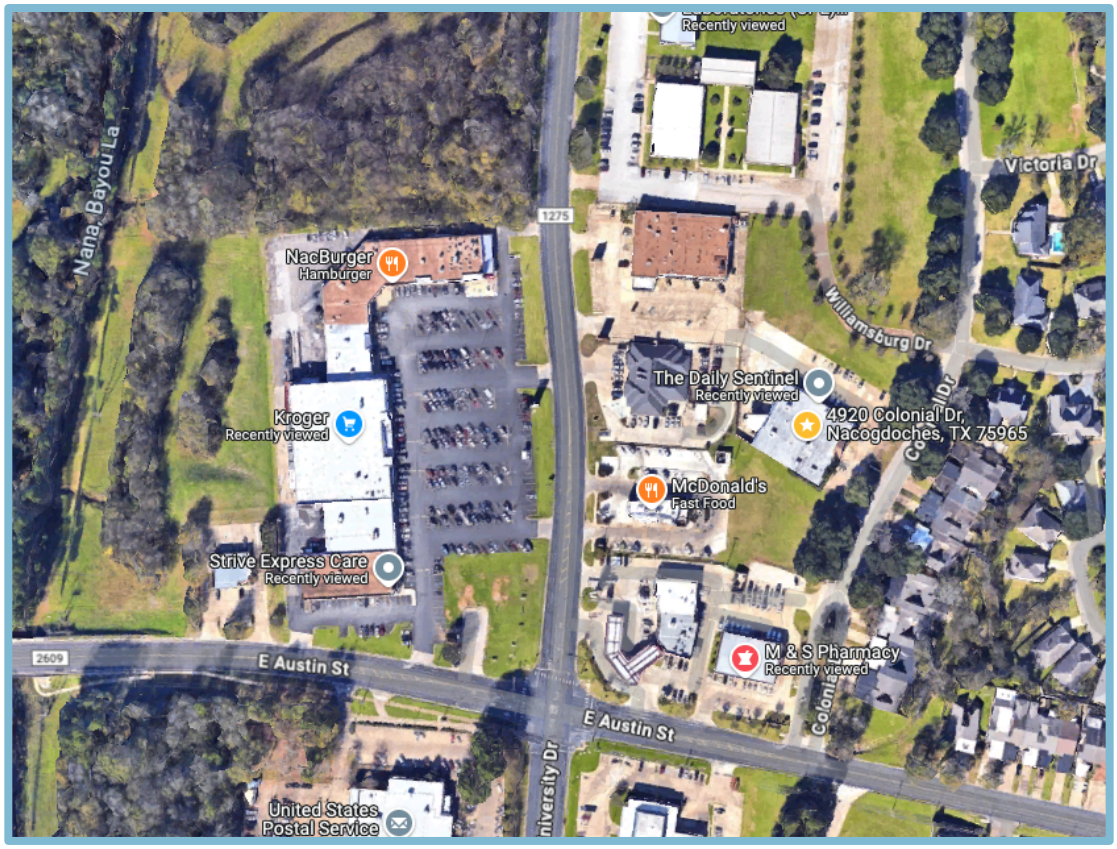


TRINITY
HOUSING DEVELOPMENT

Site Location

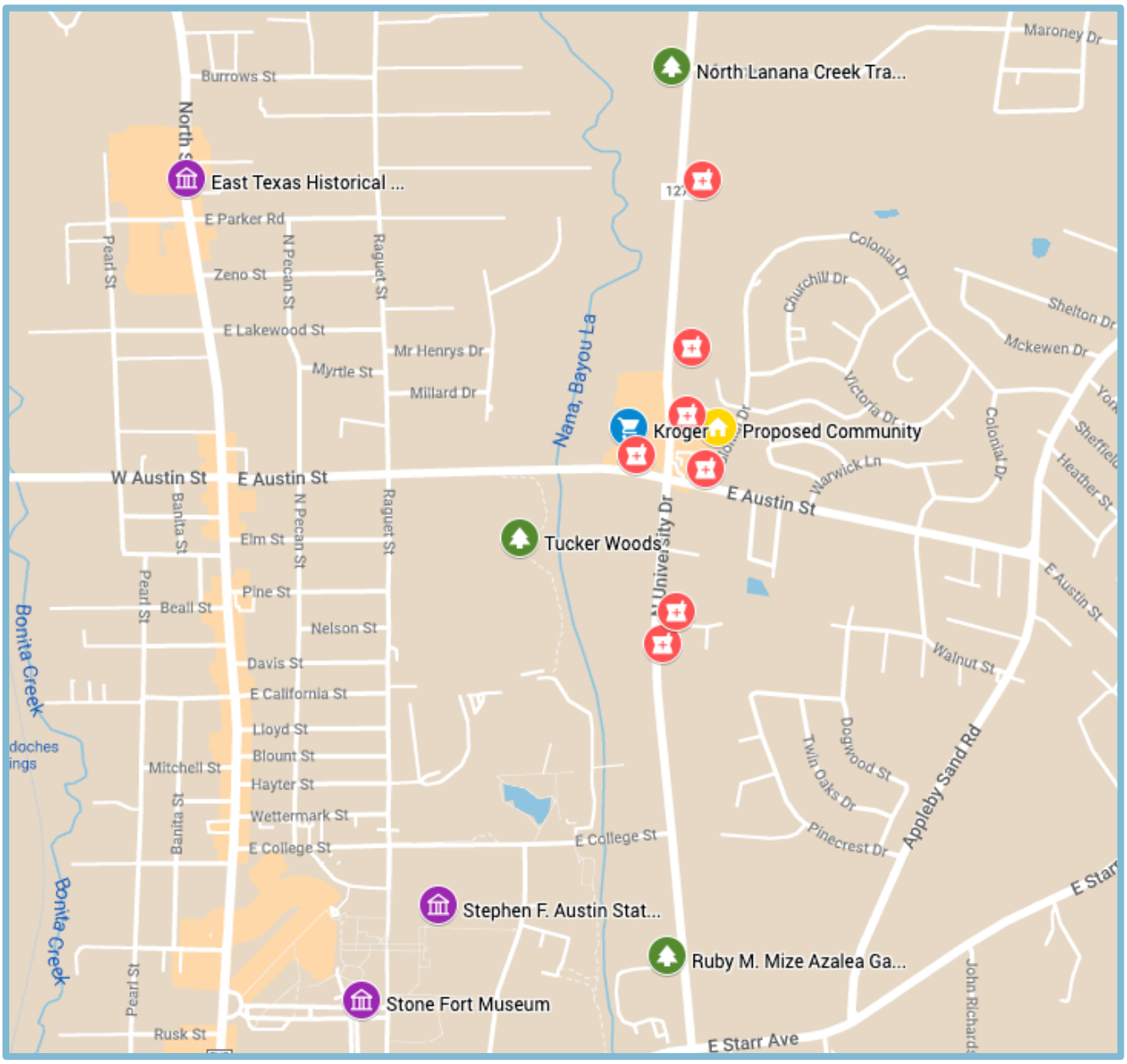
The proposed community would be located at 4920 Colonial Dr at the former site of the Daily Sentinel, which is in the process of downsizing and relocating. We feel that this is an excellent location for a senior apartment community for several reasons:

- This location is proximate to many amenities that serve older adults, including Kroger grocery store, M&S Pharmacy, several parks and walking areas including Tucker Woods, Ruby M. Mize Azalea Garden, and North Lanana Creek Trail, medical clinics including Strive Express Care urgent care center, MyMD Select clinic, and Nacogdoches Eye Associates, and cultural resources including the Stone Form Museum and Stephen F. Austin State University's resources. See amenity map on following page.
- The location and surrounding commercial land uses are appropriate for multifamily housing.



TRINITY
HOUSING DEVELOPMENT

Amenity Map



Project Specifics

The proposed community would consist of 52 1- and 2-bedroom units for independent seniors and older adults. The current site plan proposes a 3-story elevator-served building, with ample onsite greenspace for residents to enjoy. The building would be set back from Colonial Dr and the development team is working to acquire site access from N University Dr through a shared driveway with Nacogdoches Eye Associates.

The majority of the units at the proposed community would serve seniors with household incomes between $26,000 and $36,000 per year, and be available at rents between $700 and $1,000 per month, depending on the number of bedrooms and total household income. These mixed-income units allow older adults, especially those on a fixed-income, a high-quality, safe, and stable housing option.

The proposed community would be developed using Housing Tax Credits to finance the equity in the project. Tax Credits are allocated at the state level by the Texas Department of Housing and Community Affairs (TDHCA) and allow for a public-private partnership model of housing development, where private developers, like Trinity Housing Development, build, manage, and maintain long-term ownership of projects. TDHCA and our equity investors conduct regular inspections of the property to ensure that it is being maintained up to the highest standards for years to come. Residents of housing tax credit communities must income quality for rent-restricted units and undergo criminal background and credit checks.

As part of the Housing Tax Credit application process, we respectfully request support for this community from Nacogdoches City Council, as well as a $250 contribution in the form of a fee waiver or building permit fee reduction. No further local participation or funding is required for this project, and no property tax exemption or abatement is requested.

JCM VENTURES

Nacogdoches, TX

Elm Grove Apartments

Senior/Family Option

913-638-2500

jake@jcm.ventures

www.jcm.ventures

ABOUT US

Jake has 16+ years of real estate development experience. Prior to forming JCM Ventures, Jake was a financial advisor and investment banker with Merrill Lynch. Today, he focuses on site/building selection, financial structures, and construction. As the developer and owner, Jake has personally overseen the successful development of 35 properties, in six states, totaling over 1,700 units, with a total development cost of over $400,000,000. In addition to real estate development, he is also the managing principal of Benchmark Mechanical and Streamline Construction. He has a Business Finance degree from Kansas State University and is actively involved in numerous charities though The Mooney Family Foundation, which is focused on enhancing the lives of children in the communities we develop in. Jake lives in the Leawood, KS with his family.

DEVELOPMENT

Texas Properties

Metro Tower – Lubbock, TX

Metro Opportunity – Lubbock, TX

Laguna Lofts – Cisco, TX

Canyon Senior Apartments – Canyon, TX

Conrad Lofts – Plainview, TX

Clyde Ranch Apartments – Clyde, TX

Farmhouse Apartments – Slaton, TX

Live-Make – Austin, TX

Brownsville Lofts – Brownsville, TX

Price Lofts – Brownsville, TX

Alton Gloor Apartments – Brownsville, TX (Under Construction)

Del Rio Lofts – Del Rio, TX

Baxter Lofts – Harlingen, TX

Wichita Falls Lofts – Wichita Falls, TX

Plainview Lofts – Plainview, TX (Under Construction)

Bibb Senior Apartments – Eagle Pass, TX (Under Construction)

Bird Creek Senior Apartments – Temple, TX (Pre-Development)

Other Properties

Fireside Apartments – Winter Park, CO

Rock Ridge Homes – Branson, MO

Rock Ridge Apartments – Branson, MO

Stone Ridge Senior – Kimberling City, MO

Sycamore Springs Apartments – Hollister, MO

Aldridge Apartments – McAlister, OK

Timber Creek – Muskogee, OK

Will Rodgers – Claremore, OK

Berryhill Lofts – Sapulpa, OK

Dale Apartments – Guymon, OK

Maple Ridge Senior – Bonner Springs, KS

Flint Creek Homes – El Dorado, KS

Meadowbrook Homes – Clay Center, KS

Parrish Lofts – Pratt, KS

Dogwood Cottages – Blytheville, AR

Pines Cottages – Osceola, AR

Four Season Apartments – Camdenton, MO (Under Construction)

Canyon Creek Apartments – Lenexa, KS (Under Construction)

*All Properties were developed and are currently owned by Jake Mooney

DEVELOPMENT

STREAMLINE

BRIAN WILDSCHUETZ

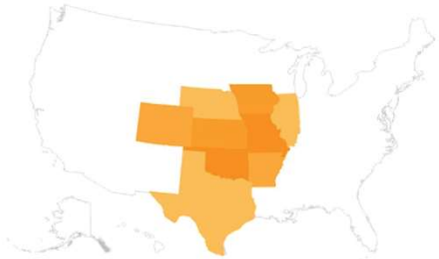
brianw@streamline.build

913-951-6544

8+
years building multifamily

1,000+
units built

$100MM+
in revenue



With more that 15 years of industry experience, Brian is known for his reliability and for ensuring project success. He leads Streamline as the President and in involved is every aspect of each project. Every position at Streamline is filled with committed professionals that are willing and able to work on every aspect of the project. From ownership to each superintendent, there is open and clear communication that allows for efficient decision making that produces a final product that everyone will be proud of for decades.

RECENT DEVELOPMENTS

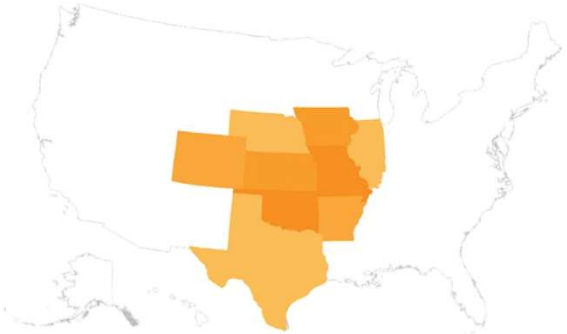
- Live-Make Apartments – Austin, TX
- Canyon Lofts – Canyon, TX
- Fireside Apartments – Winter Park, CO
- The Venue of the Good Ranch – Raymore, MO
- Stone Ridge Apartments – Kimberling City, MO
- Four Season Apartments – Camdenton, MO
- Wichita Falls Lofts – Wichita Falls, TX
- Canyon Creek Apartments – Lenexa, KS
- Plainview Townhomes – Plainview, TX

CONSTRUCTION

VALHALLA MANAGEMENT

CARI EISENHAUER, EXECUTIVE DIRECTOR

ceisenhauer@managevalhalla.com
www.managecalhalla.com
417-569-5959



Housing is our passion and comes with our commitment to provide quality, affordable, opportunities, for both seniors and families.

We honor that commitment by working closely with the communities in which we build. We are only limited by opportunity; never by location, project type, or creativity to realize and fulfill a need when it comes to housing.

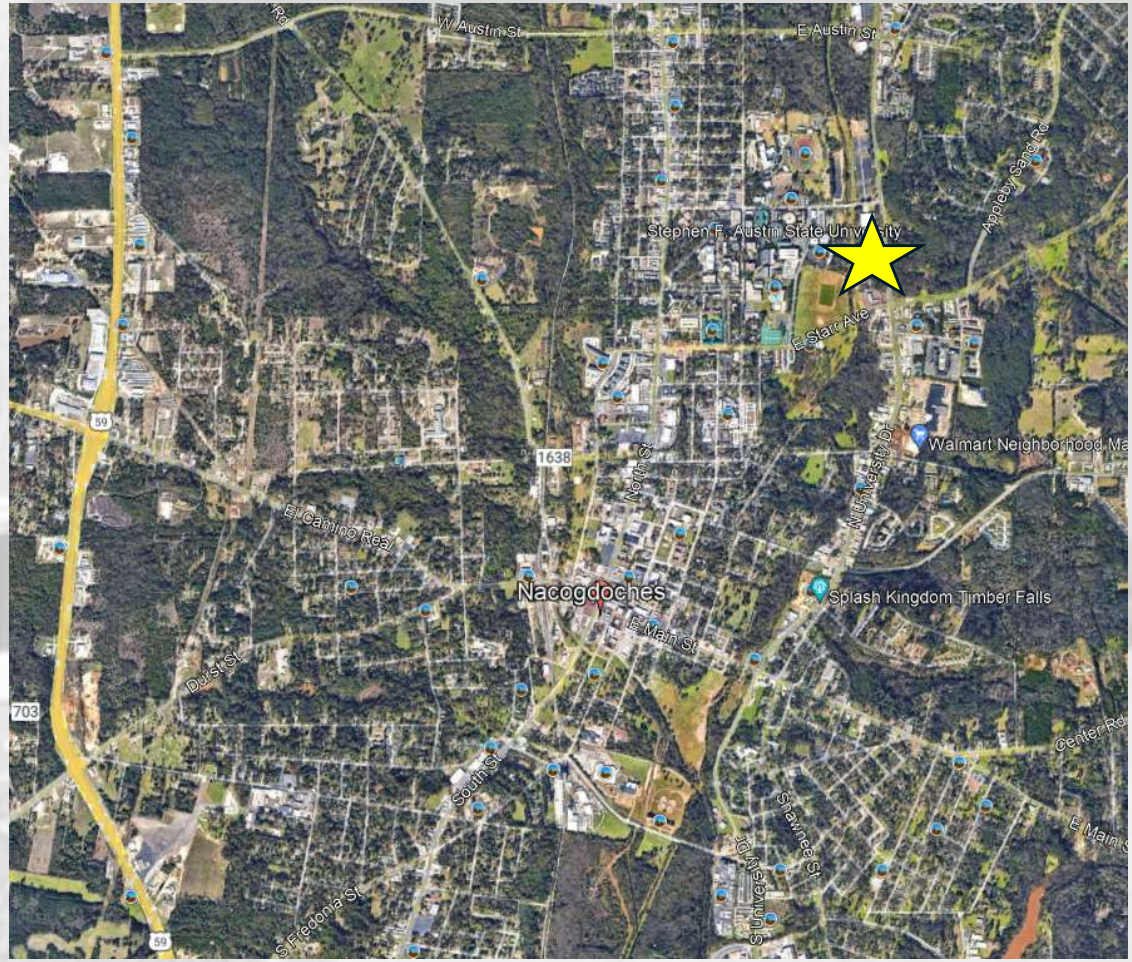
By involving community organizations and services providers, we have the ability to bring change to families at the same time and offering them a new place to live.

MANAGED LIKE WE OWN THE PROPERTY...BECAUSE WE DO!

VALHALLA MANAGEMENT ONLY MANAGES PROPERTIES FOR THE OWNERS OF THE MANAGEMENT COMPANY. WE ARE LONG-TERM OWNERS THAT ALWAYS PUT REPUTATIONS AHEAD OF RETURNS.

MANAGEMENT

Location


W Austin St
E Austin St
Stephen F. Austin State University
E Starr Ave
Appleby Sand Rd
Walmart Neighborhood Ma
1638
North St
University Dr
El Camino Real
Nacogdoches
E Main St
Splash Kingdom Timber Falls
Durst St
59
703
South St
Shawnee St
Summerlee St
Center Rd
E Main St
Fredonia St

Preliminary Development Plans

of Units 66

Zoning: B-2 (Allowing for proposed Development)

Population: Family or Senior

Total Development Costs:
$17,000,000+

Construction Costs:
$11,600,000
$176,000/residence

In this proposal, the City has the option of choosing family or senior new construction apartments. In past years, this site was only eligible for family. However, the scoring criteria for this site now allows for either family or senior (55+) residences. The following site plans give the City the option of choosing. Both family and senior are needed in the community. Last year the City chose a senior rehabilitation development for the resolution of support. New construction will add housing options for the citizens and provide new tax base for the community.

UNITS

TYPE	QUANTITY
1-BR UNIT(S)	16
2-BR UNIT(S)	34
3-BR UNIT(S)	16
TOTAL:	66

AMENITIES

(1)	DOG PARK
(1)	PAVILION W/ BBQ GRILLS & GAMES
(1)	FITNESS ROOM
(1)	COMMUNITY ROOM W/ KITCHENETTE
(1)	PLAYGROUND W/ OBSERVATION BENCH

PARKING PROVIDED

NOTE: ALL PARKING PROVIDED IS UNCOVERED

TYPE	QUANTITY
STANDARD SPACE(S)	132
STANDARD ACCESSIBLE SPACE(S)	5
VAN ACCESSIBLE SPACE(S)	2
TOTAL PARKING PROVIDED:	139

SITE INFORMATION

LAND AREA:	+/- 3.99 ACRE(S)
EXISTING USE:	<EXISTING USE>
CURRENT ZONING:	<CURRENT ZONING>
PROPOSED USE:	MULTIFAMILY APARTMENTS

SITE LEGEND

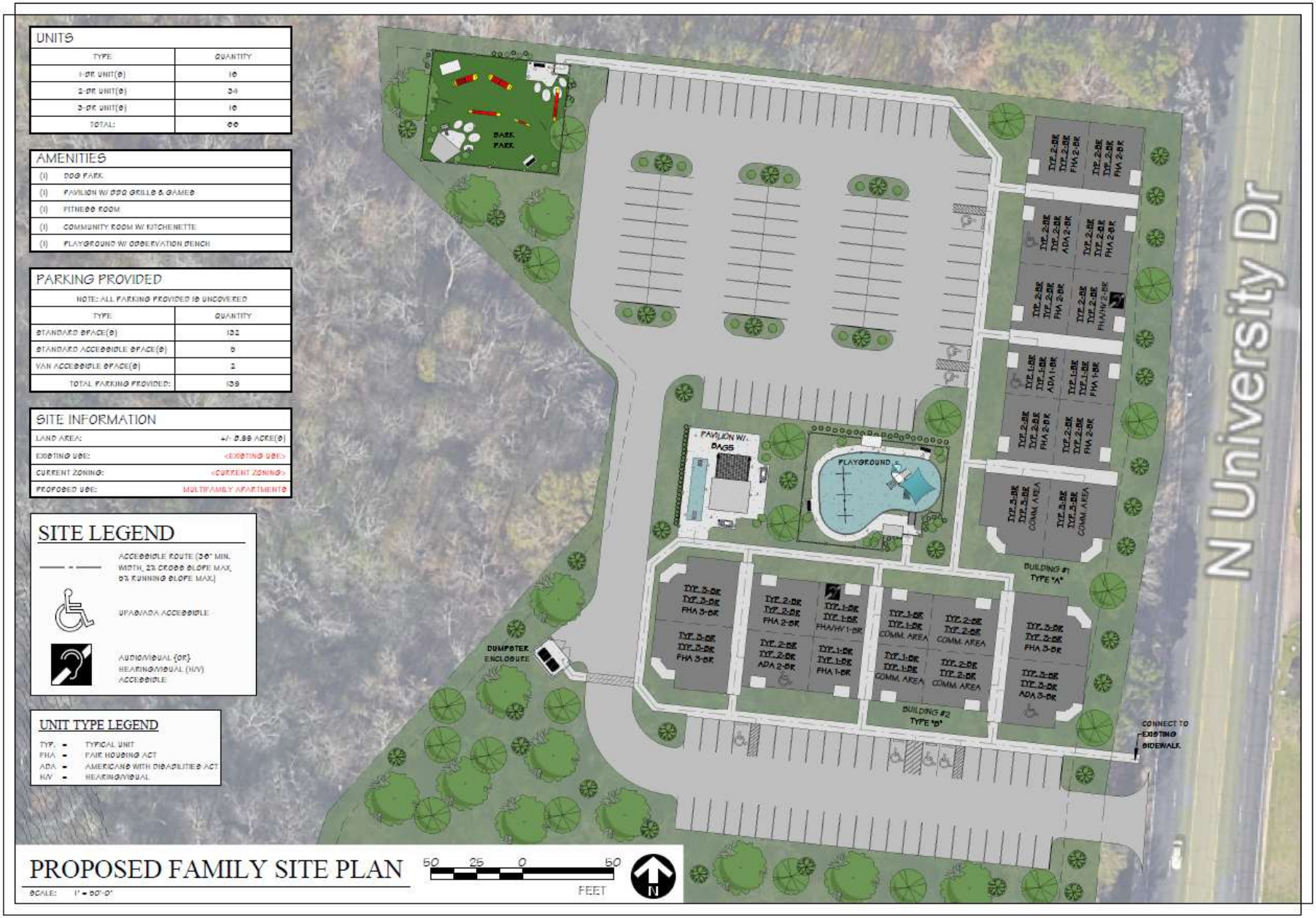
ACCESSIBLE ROUTE (36" MIN. WIDTH, 2% CROSS SLOPE MAX, 5% RUNNING SLOPE MAX)

UFAS/ADA ACCESSIBLE

AUDIO/VISUAL (OR) HEARING/VISUAL (H/V) ACCESSIBLE

UNIT TYPE LEGEND

TYP. = TYPICAL UNIT
FHA = FAIR HOUSING ACT
ADA = AMERICANS WITH DISABILITIES ACT
H/V = HEARING/VISUAL



PROPOSED FAMILY SITE PLAN

SCALE: 1" = 50'-0"

50 25 0 50
FEET

NOVEMBER 2024

Wallace ARCHITECTS LLC

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4813

ELM GROVE

NACOGDOCHES, NACOGDOCHES COUNTY, TEXAS

AP2.0

11/21/2024 3:06:06 PM

UNITS	
TYPE	QUANTITY
1-BR UNIT(S)	24
2-BR UNIT(S)	42
TOTAL:	66

AMENITIES	
(1)	DOG PARK
(1)	PAVILION W/ BBQ GRILLS & GAMES
(1)	FITNESS ROOM
(1)	COMMUNITY ROOM W/ KITCHENETTE

PARKING PROVIDED	
NOTE: ALL PARKING PROVIDED IS UNCOVERED	
TYPE	QUANTITY
STANDARD SPACE(S)	132
STANDARD ACCESSIBLE SPACE(S)	5
VAN ACCESSIBLE SPACE(S)	2
TOTAL PARKING PROVIDED:	139

SITE INFORMATION	
LAND AREA:	+/- 5.99 ACRE(S)
EXISTING USE:	<EXISTING USE>
CURRENT ZONING:	<CURRENT ZONING>
PROPOSED USE:	MULTIFAMILY APARTMENTS

SITE LEGEND

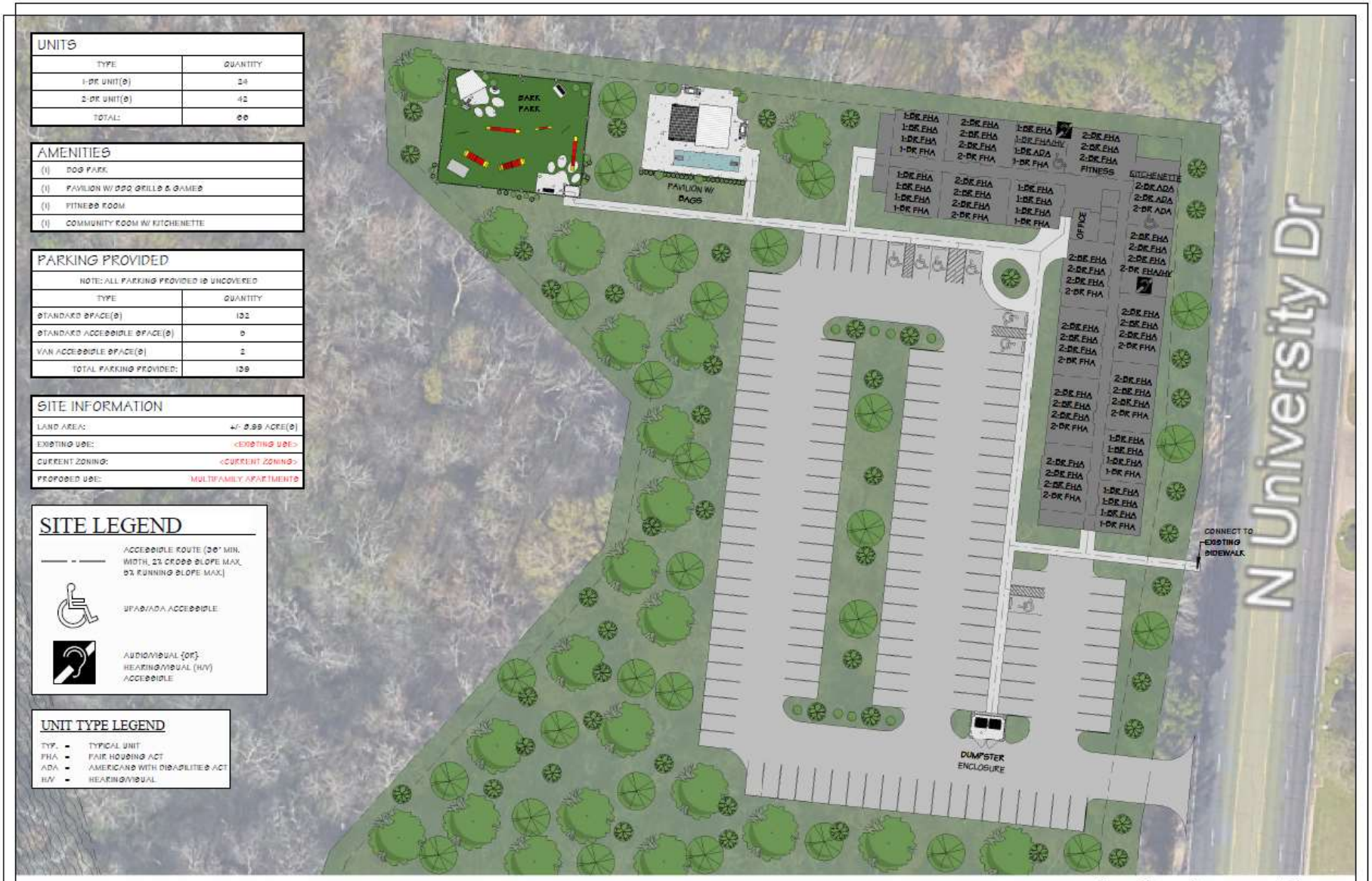
ACCESSIBLE ROUTE (36" MIN. WIDTH, 2% CROSS SLOPE MAX, 5% RUNNING SLOPE MAX.)

UFAS/ADA ACCESSIBLE

AUDIO/VISUAL (OR) HEARING/VISUAL (H/V) ACCESSIBLE

UNIT TYPE LEGEND

TYP. - TYPICAL UNIT
FHA - FAIR HOUSING ACT
ADA - AMERICANS WITH DISABILITIES ACT
H/V - HEARING/VISUAL



PROPOSED SENIOR LIVING SITE PLAN

SCALE: 1" = 50'-0"

50 25 0 50
FEET

NOVEMBER 2024

Wallace ARCHITECTS LLC
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4813

ELM GROVE
NACOGDOCHES, NACOGDOCHES COUNTY, TEXAS

AP2.1

11/21/2024 3:06:08 PM

Public Transportation

BLUE 1A

(Starts at 5:00am, 8:00am, 11:00am 2:00pm, 5:00pm)

Minutes After the Hour

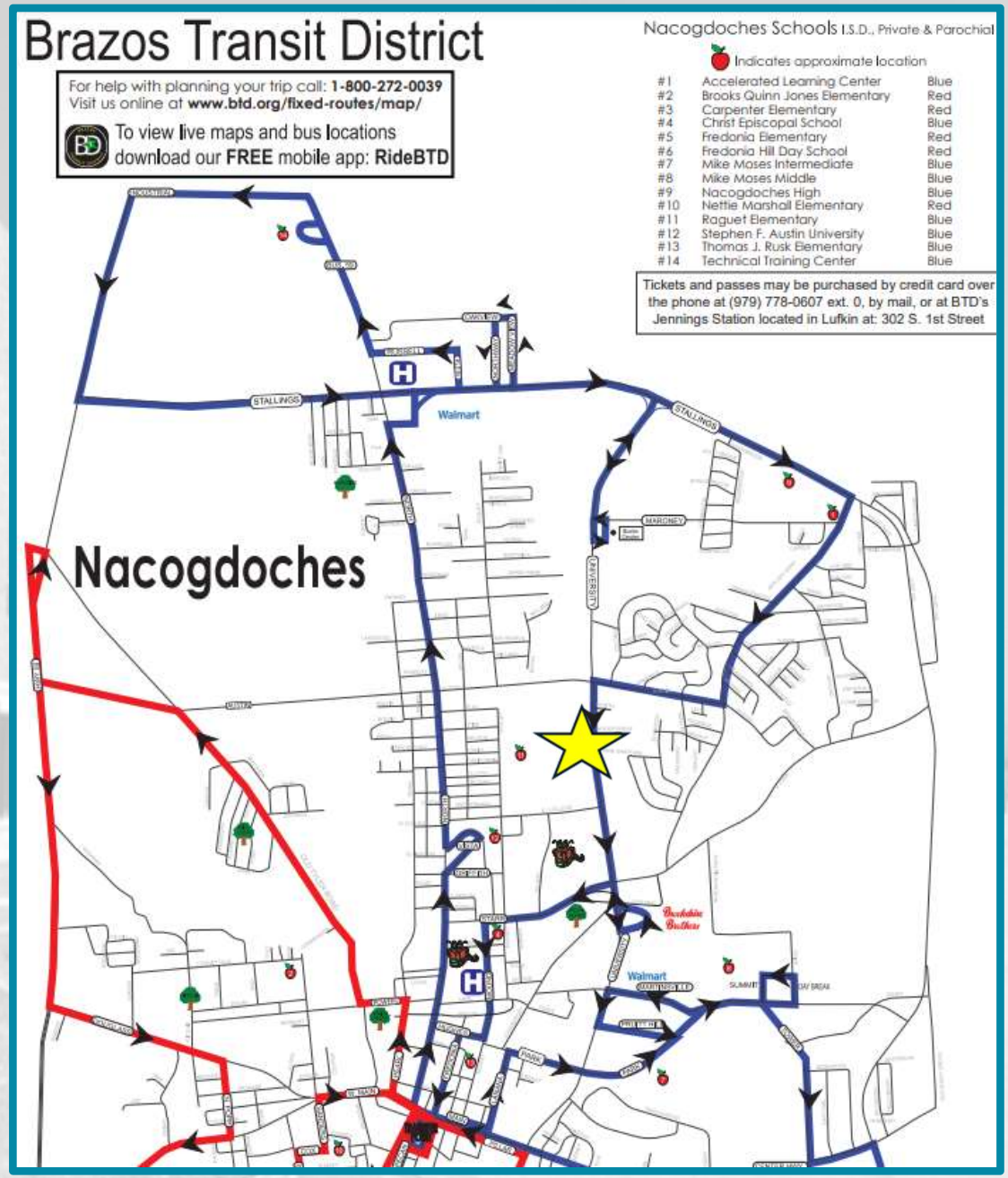
:00 Left on Fredonia
:02 Left on Main
:03 Right on North/B-59
:07 Right on Griffith Blvd.
Right on Vista/SFA
:08 Right on North/B-59
:13 Right into Wal-Mart
:14 Right on NE Stallings
:15 Left on Meadowview
:17 Left on Oakview
:18 Left on Northway
:19 Right on Stallings
:20 Right on Klein
(Klein turns into Russell)
:22 Right on North/B-59
:24 Left on Millard at
Technical Training CTR
:26 Left on Industrial
:27 Left onto US 59 South
:28 Left on Stallings
:32 Right on University
:34 Left into Burke Center
Left on Maroney
Right on University
:36 Right on Stallings
:38 Right on Appleby Sand
:40 Right on Austin
:41 Left on University
:44 Left into Brookshire Bro
Right on University
:46 Left on Starr
:47 Left on Mound
:48 Right on Hughes
Left on Fredonia
:50 Right on Main
Left on Pecan
:52 Left into Transfer Point

BLUE 2A

(Starts at 6:30am, 9:30am, 12:30pm, 3:30pm)

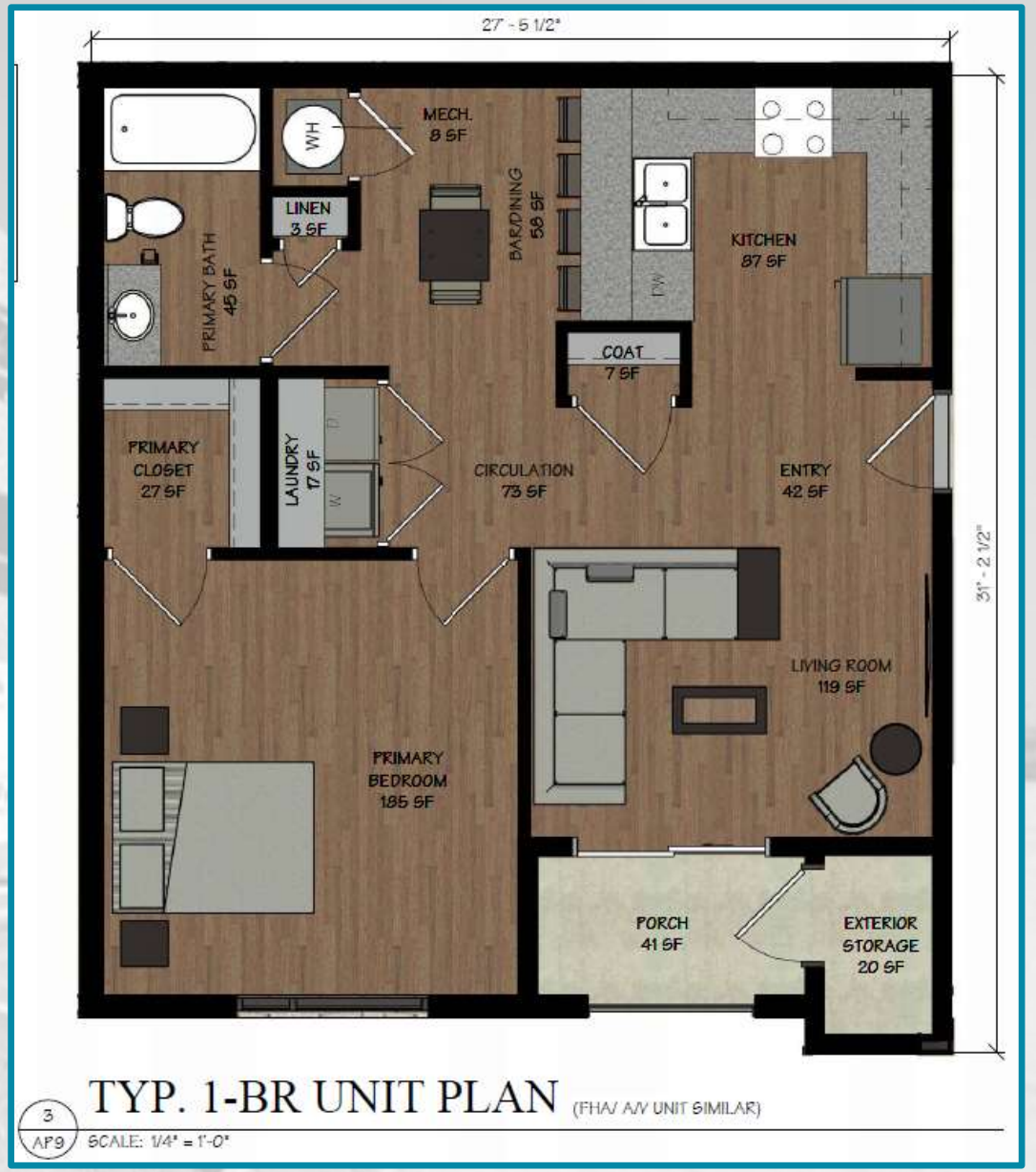
Minutes After the Hour

:30 Left on Fredonia
:32 Left on Main
:33 Right on North/B-59
:37 Right on Griffith Blvd.
Right on Vista/SFA
:38 Right on North/B-59
:43 Right into Wal-Mart
:44 Right on Stallings
:45 Left on Meadowview
:47 Left on Oakview
:48 Left on Northway
:49 Right on Stallings
:50 Right on Klein
(Klein turns into Russell)
:52 Right on North/B-59
:54 Left on Millard
Technical Training CTR
:56 Left on Industrial
:57 Left onto US 59 South
:58 Left on Stallings
:02 Right on University
:04 Left into Burke Center
Left on Maroney
Right on University
:06 Right on Stallings
:08 Right on Appleby Sand
:10 Right on Austin
:11 Left on University
:14 Left into Brookshire Bro
Right on University
:16 Left on Starr
:17 Left on Mound
:18 Right on Hughes
Left on Fredonia
:20 Right on Main
Left on Pecan
:22 Left into Transfer Point



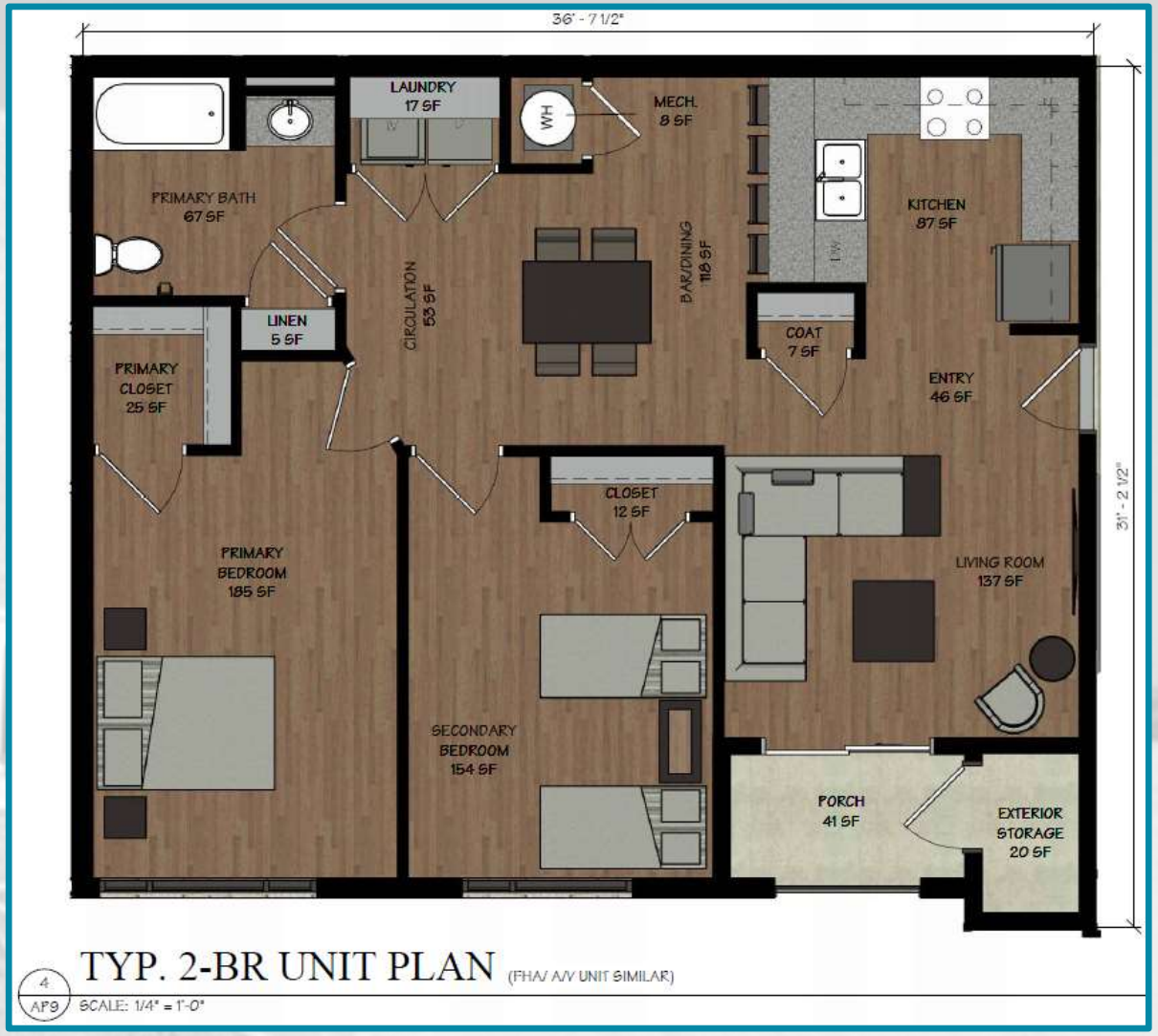
1-Bedroom Unit Plans

# of Units	12
Size	828 SF
Rent	$733 (Estimated)



2-Bedroom Unit Plans

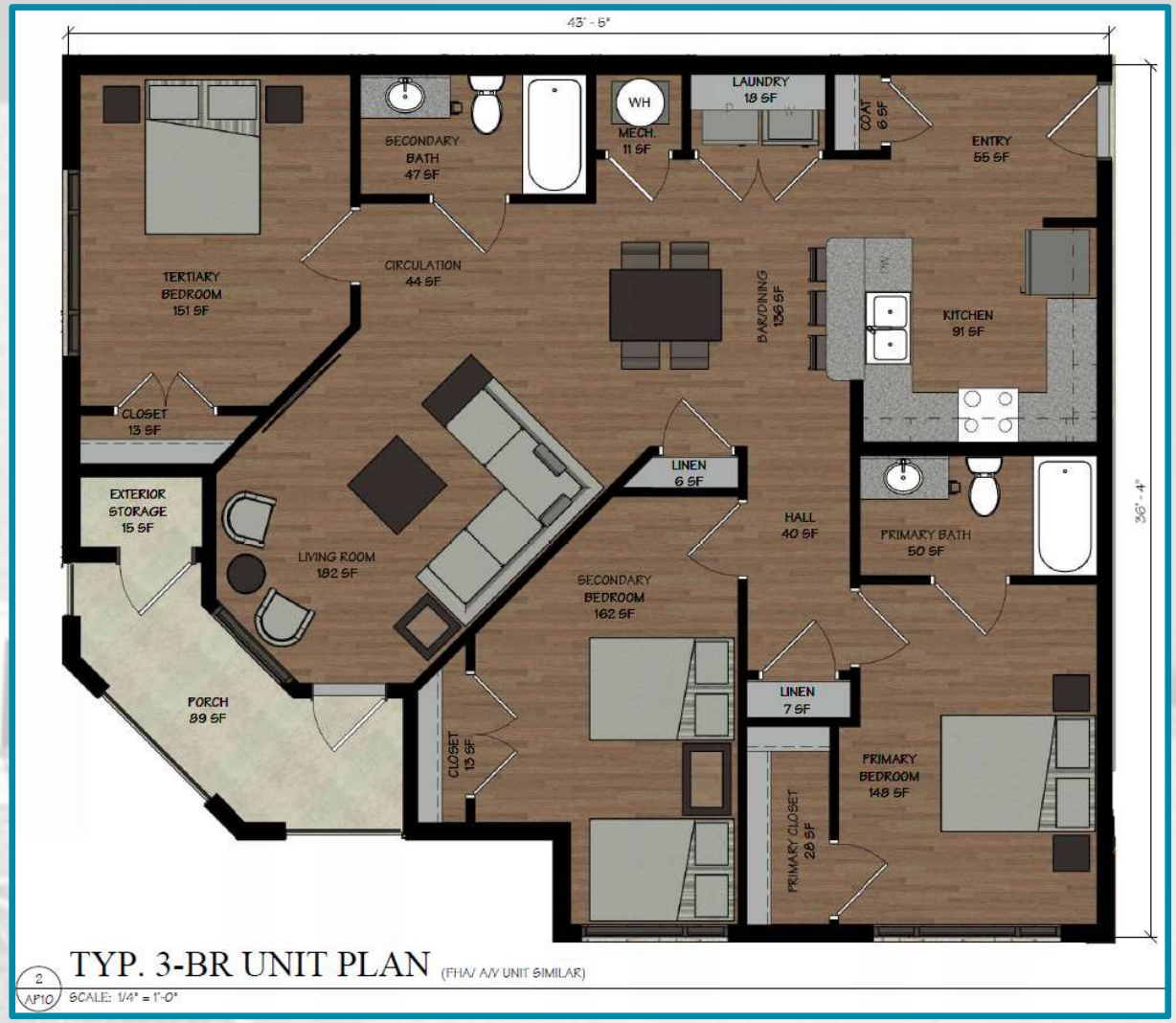
# of Units	36
Size	1,103 SF
Rent	$880 (Estimated)



3-Bedroom Unit Plans

# of Units	20
Size	1,465 SF
Rent	$1,014 (Estimated)

*****UNIT ONLY USED IN THE FAMILY OPTION**



Senior Development Renderings

Exterior/Amenity Photos

Interior Photos

Development Summary

Family Option:

Number of Residences = 66 Total

16 – One Bedrooms
34 – Two Bedrooms
16 – Three Bedrooms

7.5% - 30% AMI units
20% - 50% AMI units
72.5% - 60% AMI units

Senior Option (55+):

Number of Residences = 66 Total

24 – One Bedrooms
42 – Two Bedrooms

7.5% - 30% AMI units
20% - 50% AMI units
72.5% - 60% AMI units

Income Limits

	Number of Household Members				
AMFI %	**1**	**2**	**3**	**4**	**5**
30	$ 15,750	$ 18,000	$ 20,250	$ 22,500	$ 24,300
50	$ 26,250	$ 30,000	$ 33,750	$ 37,500	$ 40,500
60	$ 31,500	$ 36,000	$ 40,500	$ 45,000	$ 48,600
80	$ 42,000	$ 48,000	$ 54,000	$ 60,000	$ 64,800

Rent Limits

	Bedrooms		
AMI%	**1**	**2**	**3**
30	$421	$506	$585
50	$703	$843	$975
60	$843	$1,012	$1,170
80	$1,125	$1,350	$1,560

Development Timeline

Pre-Application to TDHCA
January 5, 2025

Full Application to TDHCA
March 1, 2025

Application Award
July 25, 2025

Start of Construction
November 2025

2025
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

2026
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

Start Lease-Up
September 2026

Finish Construction
November 2026

Finish Lease-Up Stabilize
February 2027

Conv. to Perm. Financing
November 2027

2027
JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

Review Questions

- **Number of permanent jobs to be created at the development**
  - There will be 4 permanent jobs created.
    - One Full-Time Property Manager
    - One Part-Time Property Manager
    - One Full-Time Maintenance Director
    - One Part-Time Porter (Assistant Maintenance)
- **Will construction crews and contractors be hired locally (in Nacogdoches County) or will you bring crews and contractors from other areas.**
  - JCM Ventures owns Streamline Construction, which is a General Contractor. Streamline does not self-perform any of the subcontractor trades. We will be sources as many local subcontractors and suppliers as possible for all of the labor and materials needed for the development.
- **What is the anticipated taxable valuation of your property?**
  - Approximately $3,050,000
- **Your management company's policy for overnight visitors (length of stay, relationship to tenant, etc.)**
  - Regardless of the relationship to the tenant no one is permitted more than seven days consecutively or fourteen nonconsecutive days in a month. An exception would be with written approval for someone that needs medical care or someone that has a baby and needs four to six weeks of help from a friend or family member. Anyone staying longer than the above times would need to be on the lease and have credit and criminal background checks (for 18+ years of age) completed prior to going over those times.
- **The composition of the exterior building materials (i.e. traditional siding, masonry, Hardie Plank siding, etc.)**
  - The exterior of the building is stone masonry on 1/3 of the side with Hardie Plank siding on the remaining 2/3.
- **A description of any transportation services management will provide to the residents of the proposed development (routes, frequency, etc.)**
  - Elm Grove Apartments is on the Blue Loop of the Brazos Transit District. The bus passes directly next to the site On the Blue 1A and Blue 2A.
    - Blue 1A Times: 5:41am, 8:41am, 11:41am, 2:41pm and 5:41pm
    - Blue 2A Times: 7:11am, 10:11am, 1:11pm, and 4:11pm

Request

1. Resolution of Support

2. Two Time Resolution
   (Can be combined with the Support Resolution)

3. $250 Fee Waiver or funding commitment

NO Tax Abatement, Utility Extensions or additional waivers will be requested

PIONEER CROSSING FOR FAMILIES

PROPOSAL FOR A HIGH QUALITY APARTMENT COMMUNITY IN NACOGDOCHES, TEXAS

OVERVIEW

- Development Team & Experience
- Pioneer Crossing for Families
  - Location Map
  - Details
  - Target Market and Rents
  - Proposed Design
  - Tenant Amenities and Services
- Contacts

DEVELOPER EXPERIENCE - PORTFOLIO

Mineral Wells Pioneer Crossing: In 2007 applied for the 2008 tax credit application round and was awarded the 9% tax credit along with HOME funds thru a very competitive process for the maximum of 80 unit Family project in the city of Mineral wells. In these financial uncertainty and meltdown, the tax credits were successfully syndicated and a construction loan secured, thereby enabling construction to start. The construction has been completed and the project achieved a faster than anticipated stabilization and is almost 100% occupied. www.pioneercrossingmwapts.com

Lufkin Pioneer Crossing for Seniors: In 2008 applied for the 2009 tax credit application round and was awarded the 9% tax credit along with HOME funds thru a very competitive process for the maximum of 80 unit Seniors project in the city of Lufkin. The construction has been completed and the project achieved a faster than anticipated stabilization and is almost 100% occupied. www.pioneercrossinglufkinseniors.com

Lufkin Pioneer Crossing for Family: In 2009 applied for the 2010 tax credit application round and was awarded the 9% tax credit along with HOME funds thru a very competitive process for the maximum of 80 unit Family project in the city of Lufkin. The construction has been completed and the project achieved a faster than anticipated stabilization and is almost 100% occupied. www.pioneercrossinglufkinapts.com

Sulphur Springs Pioneer Crossing for Seniors: In 2009 applied for the 2010 tax credit application round and was awarded the 9% tax credit along with HOME funds thru a very competitive process for the maximum of 80 unit Seniors project in the city of Sulphur Springs. The construction has been completed and the project achieved a faster than anticipated stabilization and is almost 100% occupied. www.pioneercrossingsssseniors.com

Burkburnett Pioneer Crossing: In 2010 applied for the 2011 tax credit application round and was awarded the 9% tax credit along with HOME funds thru a very competitive process for the maximum of 80 unit Seniors project in the city of Burkburnett. The construction has been completed and the project achieved a faster than anticipated stabilization and is almost 100% occupied. www.pioneercrossingbb.com

DEVELOPER EXPERIENCE – PORTFOLIO, CONT.

Mineral Wells Royal Gardens for Seniors: In 2011 applied for the 2012 tax credit application round and was awarded the 9% tax credit along with HOME funds thru a very competitive process for the maximum of 75 unit Seniors project in the city of Mineral Wells. The construction has been completed and the project achieved a faster than anticipated stabilization and is almost 100% occupied. **www.royalgardensapts.net**

Henrietta Pioneer Crossing for Seniors: In 2016 applied for the 2017 tax credit application round and was awarded the 9% tax credit thru a very competitive process for a 49 unit Seniors project in the city of Henrietta. The construction has been completed and the project is almost 100% occupied. **www.pioneercrossinghenrietta.com**

Diboll Pioneer Crossing: In 2017 applied for the 2018 tax credit application round and was awarded the 9% tax credit thru a very competitive process for the maximum of 80 unit Family project in the city of Diboll. The construction has been completed and the project achieved 100% occupancy and is now stabilized. **www.pioneercrossingdiboll.com**

Reserves at San Marcos: In 2019 applied for the 2020 tax credit application round and was awarded the 4% tax credit thru a very competitive process for a 376 unit Family project in the city of San Marcos. The transaction closed on financing in June 2020, and construction is completed on the development and the project is nearing stabilization. **www.reserveatsanmarcos.com**

Vernon Pioneer Crossing for Seniors: In 2020 applied for the 2020 tax credit application round and was awarded the 9% tax credit thru a very competitive process for a 64 unit Seniors project in the city of Vernon. The construction is complete and the project is now 93% occupied. www.pioneercrossingvernon.com

Livingston Pioneer Crossing for Seniors: In 2020 applied for the 2020 tax credit application round and was awarded the 9% tax credit thru a very competitive process for the maximum of 80 unit Seniors project in the city of Livingston. The construction is complete and the project has now stabilized. www.livingstonpioneercrossing.com

DEVELOPER EXPERIENCE – PORTFOLIO, CONT.

Royal Gardens Lufkin: In 2021 applied for the 2021 tax credit application round and was awarded the 9% tax credit thru a very competitive process for the maximum of 80 unit Family project in the city of Lufkin. Due to supply chain issues, the construction has been delayed, but is expected to start early 2025.

Beaumont Pioneer Crossing: In 2021 applied for the 2021 tax credit application round and was awarded the 9% tax credit thru a very competitive process for a 82 unit Family project in the city of Beaumont. Due to supply chain issues, the construction has been delayed, but is expected to start early 2025.

Burkburnett Royal Gardens: In 2022 applied for the 2022 tax credit application round and was awarded the 9% tax credit thru a very competitive process for an 80 unit Family project in Burkburnett, TX. Due to delays with the TCEQ, the construction is expected to start early 2025.

Pioneer Crossing - Brownwood: In 2023 applied for the 2023 tax credit application round and was awarded the 9% tax credit thru a very competitive process for an 49 unit Seniors project in Brownwood, TX. Due to supply chain issues, the construction is expected to start early 2025.

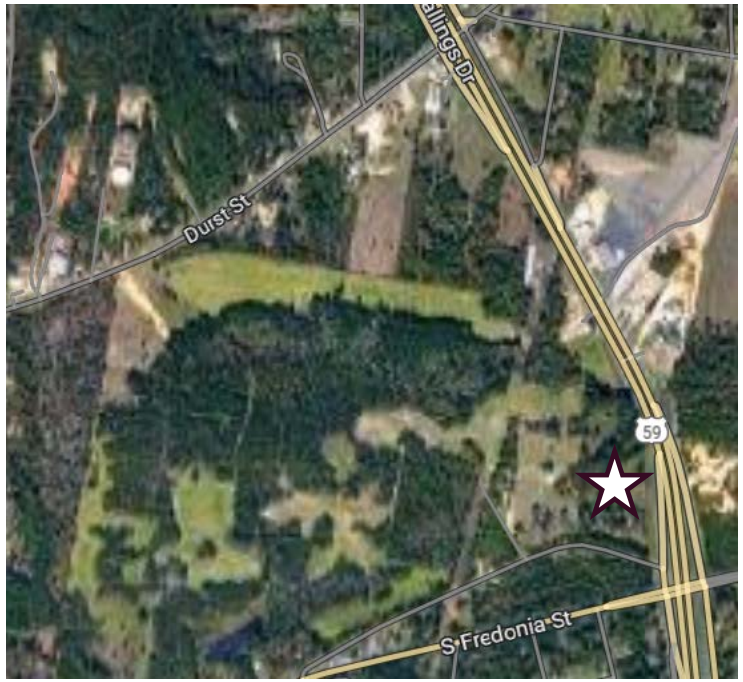
DEVELOPMENT TEAM & EXPERIENCE

HOUSING LAB by BETCO is a full service housing development consulting firm, established in 2011. The firm specializes in the securing of funds for the development of affordable housing via programs including: Housing Tax Credits (9% and 4%); HOME; and other public funds. We also provide financial analysis and compliance services.

HOUSING LAB
BY BETCO

www.betcohousinglab.com

PIONEER CROSSING FOR FAMILIES
- LOCATION -



- Health Clinic - ~ 2 mi
- Brookshire Brothers – ~ 1.1 mi
- Pioneer Park- < 1 mi
- Pharmacy (in Supermarket) ~ ~1.1 mi

PIONEER CROSSING - DEVELOPMENT OVERVIEW

- 2-3 Story Multi-Family
- Stone (or Brick) and Siding
- Clubhouse
- Mix of 1, 2, and 3 bedroom units
- Approximately 64 - 80 units
- Serving Families

PIONEER CROSSING FOR FAMILIES
- TARGET RENT AND INCOME LEVELS -

2024 Income Limits
Number of People

AMFI%	1	2	3	4	5	6	7	8
20	10500	12000	13500	15000	16200	17400	18600	19800
30	15750	18000	20250	22500	24300	26100	27900	29700
40	21000	24000	27000	30000	32400	34800	37200	39600
50	26250	30000	33750	37500	40500	43500	46500	49500
60	31500	36000	40500	45000	48600	52200	55800	59400
70	36750	42000	47250	52500	56700	60900	65100	69300
80	42000	48000	54000	60000	64800	69600	74400	79200

2024 Rent Limits
Number of bedrooms

AMFI%	0	1	2	3	4	5
20	262	281	337	390	435	480
30	393	421	506	585	652	720
40	525	562	675	780	870	960
50	656	703	843	975	1087	1200
60	787	843	1012	1170	1305	1440
70	918	984	1181	1365	1522	1680
80	1050	1125	1350	1560	1740	1920

**Income and Rental limits above will not apply to the market rate units*

PIONEER CROSSING FOR FAMILIES – Examples of Previous Design Results for Tax Credit Development in Henrietta, Texas

Building Elevations

Community Area

PIONEER CROSSING FOR FAMILIES – Examples of Previous Design Results for Tax Credit Development in Sulphur Springs, Texas

Information Center

Community Courtyard

PIONEER CROSSING FOR FAMILIES – Examples of Previous Design Results for Tax Credit Development in Sulphur Springs, Texas CONT.

Fitness Center

Community Clubhouse

PIONEER CROSSING FOR FAMILIES – Examples of Previous Design Results for Tax Credit Development in Sulphur Springs, Texas CONT.

Interior/Kitchen

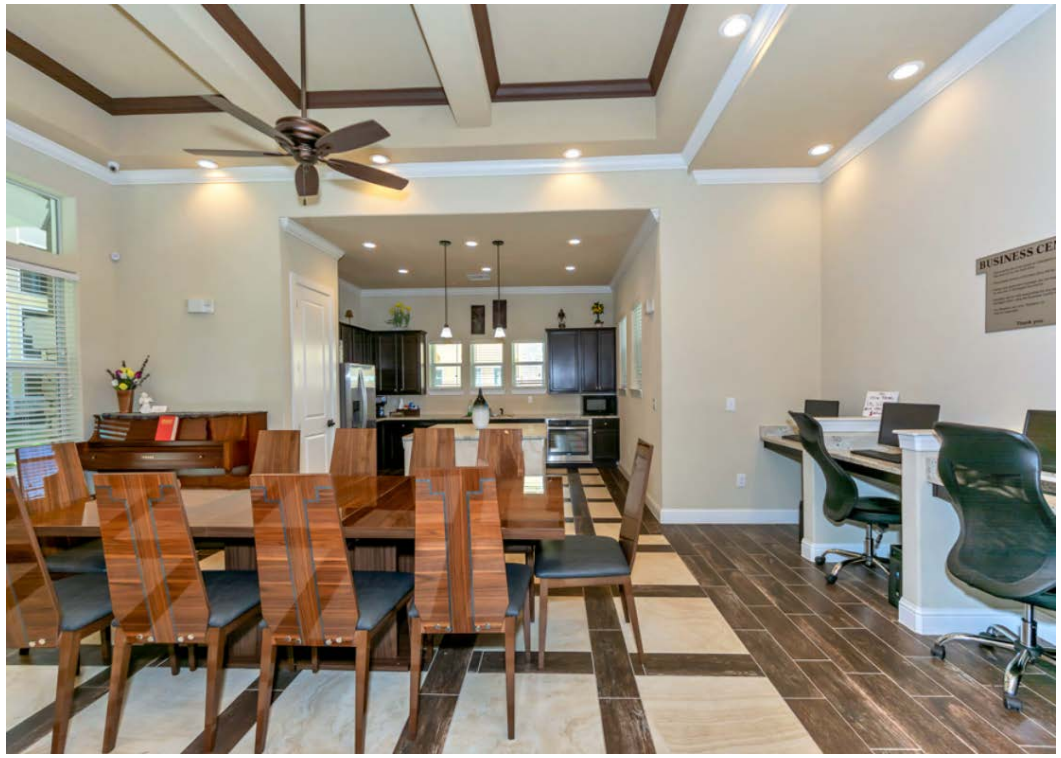
Internet Computer Lab

PIONEER CROSSING FOR FAMILIES – Examples of Previous Design Results for Tax Credit Development in Lufkin, Texas

Clubhouse Exterior/Community Entrance

Community Courtyard

PIONEER CROSSING FOR FAMILIES – Examples of Previous Design Results for Tax Credit Development in Mineral Wells, Texas



Clubhouse Community Room

Community Courtyard

UNIT AMENITIES – Livingston, Texas

Kitchen

Covered Patios

INTERIOR AMENITIES – Burkburnett, Texas

Kitchen

Bathroom

COMMUNITY AMENITIES – Livingston, Texas

Community Room with Kitchen Area

Working Space with Wi-Fi

PIONEER CROSSING FOR FAMILIES – Examples of Previous Design Results for Tax Credit Development in San Marcos, Texas

Horseshoe Pits/ Building Elevations

Entrance

PIONEER CROSSING FOR FAMILIES – Examples of Previous Design Results for Tax Credit Development in San Marcos, Texas

Business Center

Community Room

POTENTIAL AMENITIES FOR THE TENANTS

Potential Tenant Amenities

- Exercise and Fitness Rooms
- Community Business Rooms
- BBQ Grills with Picnic Tables
- Pet Park
- Garden Areas
- Internet Computer Lab and Library
- Lockers for Amazon and other deliveries
- Secured Bicycle parking
- Covered community porch/patio
- Clubhouse with food-warming station

Community business center, Mineral Wells Pioneer Crossing

Community fitness center, Lufkin Pioneer Crossing

POTENTIAL ON-SITE SERVICES AVAILABLE TO THE TENANTS

Potential Tenant Services

- Contracted On-Site Occupational or Physical Therapy Services
- Twice Monthly Arts, Crafts, and other recreational activities
- Twice Monthly On-Site Social Events (potlucks, game night, sing-a-longs, movie nights, etc.)
- Annual Health Screenings

Community center, Mineral Wells Royal Gardens

BENEFITS TO THE CITY OF NACOGDOCHES AND NACOGDOCHES COUNTY

Economic Benefits

- Estimated new $11-$13 mill. construction investment
  - Use of local contractors/suppliers if competitive
- Creation of approximately 100-150 jobs during construction
- Creation of at least 2 permanent jobs after construction
- Generation of fees for the City
- New property taxes paid annually to the City, County, School
- New utilities revenues generated for the City
- New sales taxes generated for the City

WHAT WE NEED TO MAKE THIS HAPPEN

1. Resolution of support from the City by Feb. 25th
2. Resolution of funding commitment of $250
   a) We propose waiver of building permit fees
3. Assistance with obtaining a letter of support from the State Representative.
4. We will also speak with local community organizations serving the City to request letters of support

CONTACT INFORMATION

Lora Myrick, Principal
lora@betcohousinglab.com
512-785-3710
Housing Lab by BETCO

Michael Beard, CPA
michael@betcohousinglab.com
512-993-7665
Housing Lab by BETCO

Office:
812 San Antonio Street, Suite L-20
Austin, Texas 78701

City Council Meeting

Date: December 17, 2024

Agenda Item: 7.C.

PRESENTER:

ITEM/SUBJECT: Discuss and consider authorizing the City Manager to negotiate an agreement with The Goodman Corporation to provide professional consulting services as described in solicitation RFQ 25-10-106 for developing planning and implementation strategies for Downtown Nacogdoches. (Executive Director of Development and Infrastructure)

SUMMARY/BACKGROUND: Staff is seeking Council approval to enter into contract negotiations with The Goodman Corporation to provide professional consulting services for developing Downtown Nacogdoches planning and implementation strategies. Items of focus may include parking, jobs, redevelopment of buildings, drainage and utility capacity, funding sources, and grant opportunities. Planning may also include analysis of connectivity between downtown and Stephen F. Austin State University (SFA) campus, as well as engagement of potential partners including, but not limited to, the Texas Department of Transportation, Brazos Transit District, SFA, and the private sector.

Staff issued a request for qualifications in November 2024 (RFQ 25-10-106) and received responses from two firms, including The Goodman Corporation and Asakura Robinson. Submittals were scored by a Staff panel consisting of representatives from Engineering, Finance, Economic Development, and Community Services. Scores were based on background qualifications, project experience, methodology, technical approach, and references. Some examples of evaluation criteria include:

- Staff capabilities in downtown and transit planning
- Description of at least 3 projects complementary in nature
- Detailed approach to completing projects in a phase-by-phase fashion
- Suggestions to maximize efficiency and innovation

After all firms were scored and evaluated by the Staff panel, The Goodman Corporation achieved the highest overall rating. Staff is seeking Council approval to enter into contract negotiations with The Goodman Corporation and will return for a second Council action to authorize the execution of contract documents. The anticipated contract term would be approximately 6 months, and data collected from previous downtown planning efforts may be used to supplement the development of implementation strategies.

FINANCIAL:
No financial impact associated with this item

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
Infrastructure; Economic Development

CITY CONTACT: Mike Neu, Executive Director of Development & Infrastructure
neum@nactx.us
(936) 559-2522

ATTACHMENTS:
1. RFQ 25-10-106 Scoresheet
2. RFQ 25-10-106 Downtown Consulting Services

Downtown Planning and Implementation Strategy Consulting Services
RFQ 25-10-106 Evaluation Scoresheet

	Goodman Corp	Asakura Robinson
Total Score	**88.7**	**83.3**

1. Firm Background (25 pts)	Aggregate Score	Aggregate Score
Evaluator		
A	23.0	23.0
B	22.0	20.0
C	25.0	16.0
D	19.0	21.0
E	22.0	18.0
F	23.0	22.0
Average Score	**22.3**	**20.0**

2. Project Experience and Qualifications (40 pts)	Aggregate Score	Aggregate Score
Evaluator		
A	35.0	34.0
B	36.0	35.0
C	40.0	38.0
D	35.0	37.0
E	37.0	37.0
F	37.0	37.0
Average Score	**36.7**	**36.3**

3. Methodology & Approach (25 pts)	Aggregate Score	Aggregate Score
Evaluator		
A	22.0	20.0
B	22.0	20.0
C	25.0	21.0
D	19.0	18.0
E	20.0	19.0
F	20.0	18.0
Average Score	**21.3**	**19.3**

4. References (10 pts)	Aggregate Score	Aggregate Score
Evaluator		
A	10.0	10.0
B	10.0	10.0
C	10.0	6.0
D	0.0 *	0.0 *
E	10.0	10.0
F	10.0	10.0
Average Score	**8.3**	**7.7**

** pending responses to inquiry as of Dec. 13*

REQUEST FOR QUALIFICATIONS

RFQ #25-10-106

Downtown Planning and Implementation Strategy Consulting Services

Proposals must be received before:
11/7/2024
2:00 PM
202 E. Pilar St., Office 332
Nacogdoches, TX 75961

Refer Inquiries To:

Drew Flores, CPM
City of Nacogdoches
Finance
936-559-2539
Email: floresd@nactx.us

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STANDARD FORM OF AGREEMENT	**EXHIBIT A**

I. GENERAL

The City of Nacogdoches seeks to enter into an agreement with a qualified Individual, Firm or Corporation (Proposer) with substantial and relevant experience and expertise to provide Consulting Services for Urban and Transportation Planning and Finance/Grant Implementation Strategies for Downtown Nacogdoches as well as various other tasks, all of which can be found in the Scope of Work.

II. DEFINITIONS

A. DEFINITIONS

In order to simplify the language throughout this request for qualification, the following definitions shall apply:

City of Nacogdoches – Same as City

City Council – The elected officials of the City of Nacogdoches, Texas given the authority to exercise such powers and jurisdiction of all City business as conferred by the State Constitution and Laws.

Contract – An agreement between the City and the most qualified firm to furnish the services described herein

City – The government of the City of Nacogdoches, Texas

Firm – the successor Proposer of this request

Qualifications Statement – Qualifications of the Firm and Experience of its Staff

Proposer - The Firm providing its Qualifications Statement

RFQ – Request for Qualifications

III. NOTICE to PROPOSERS

A. NOTICE

Sealed Proposals are due at **2:00 PM on Thursday, November 7th, 2024,** after which time all qualified proposals will be acknowledged at 202 East Pilar Street, Nacogdoches, Texas 75961. Proposals received after the specified deadline will be returned unopened.

Three (3) printed copies (1 original and two (2) duplicate copies) plus 1 digital copy (CD/DVD/thumb drive) of proposals must be provided.

Sealed proposals shall be clearly marked do not open with the RFQ number and title and addressed to the City of Nacogdoches – Finance Division. Proposals shall be delivered using one of the following:

Hand-deliver to:	**Ship to (FedEx, UPS, DHL, etc.):**
202 East Pilar St., Office 332	202 East Pilar St., Office 332
Nacogdoches, TX 75961	Nacogdoches, TX 75961

Vendors may receive notice of solicitations from the City of Nacogdoches from a variety of channels. Approved methods of dissemination include: City of Nacogdoches website or the City of Nacogdoches Finance and Purchasing. The receipt of solicitations through any other means may result in the receipt of incomplete specifications or addenda which could ultimately render your

Proposal non-compliant. City of Nacogdoches accepts no responsibility for the receipt or notification of solicitations through any other source.

B. QUESTIONS and INQUIRIES

Questions and inquiries about this Solicitation shall be submitted in writing via email to the following point of contact:

Drew Flores
Finance
Email: floresd@nactx.us

The deadline for written questions is **November 4th, 2024, at 2:00 P.M.** This deadline has been established in order to provide adequate time for City staff to prepare responses to questions from Proposers to the best of their ability in advance of the Pre-Proposal Conference meeting.

Proposers shall not attempt to contact City Council members, City staff or Management directly during the pre-proposal or post-proposal period. The City intends to respond to all appropriate questions or concerns; however, the City reserves the right to decline to respond to any question or concern. All material modifications, clarifications or interpretations will be incorporated into an addendum which will be publicly posted. All addenda issued prior to the due date and time for responses are incorporated into the RFQ and must be acknowledged in the Proposal response. Only written information provided shall be binding. Oral or other interpretations shall not be binding and are held without legal effect.

C. SCHEDULE of IMPORTANT DATES

The City will generally comply with the following schedule for the selection process, subject to changes necessary to ensure fairness and to accommodate unanticipated events:

Release RFP		**October 20th, 2024**
Deadline for Questions and Inquiries	2:00 P.M.	**November 4th, 2024**
Proposals Closing Date and Time	2:00 P.M.	**November 7th, 2024**
City's Review of Qualifications		**November 7th, 2024**
Earliest Selection by City		**November 14th, 2024**

D. PRE-PROPOSAL CONFERENCE

There will be no Pre-Proposal Conference for this Project.

E. FINALIST INTERVIEWS and/or PRESENTATIONS

Proposers reasonably subject to being selected based on the criteria set forth in this RFQ may be given an opportunity to make a presentation and/or interview with the Selection Committee. **Finalists selected for interviews and/or presentations must be available during regular business hours on a day that will be made known to all finalists within an appropriate timeframe to allow for accommodations.** Following any presentation and/or interviews, proposals will be ranked in order of preference and contract negotiations will begin with the top ranked Firm. Should negotiations with the highest ranked Firm fail to yield a contract, or if the Firm is unable to execute the City's contract, negotiations will be formally ended and then commence with the second highest

ranked Firm, etc. However, the City, may in its sole discretion, negotiate and award a contract without presentations or interviews, based solely on information supplied in the proposal responses.

IV. STANDARD TERMS and CONDITIONS

A. DISCLOSURE

At the due date and time there will be no disclosure of contents of any Proposal to competing Proposers, and all Proposals will be kept confidential during the negotiation process. Except for trade secrets and confidential information which the Firm identifies as proprietary, all Proposals will be open for public inspection after the contract award.

B. DISCLOSURE of INTERESTED PARTIES

Contracting hereunder may require compliance with §2252.908 Texas Government Code/Disclosure of Interested Parties for contracts that (1) require an action or vote by the City Council before the contract may be signed; or (2) has a value of at least $1 million. The law provides that a governmental entity may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity at the time the business entity submits the signed contract to the governmental entity or state agency.

The process as implemented by the Texas Ethics Commission ("TEC") is as follows:

1. The disclosure of interested parties must be performed using the Texas Ethics Commission's electronic filing application listing each interested party of which the business entity is aware on Form 1295, obtaining a certification of filing number for this form from the TEC, and printing a copy of it to submit to the City.
2. The copy of Form 1295 submitted to the City must be notarized and contain the unique certification number from the TEC. The form must be filed with the City pursuant to §2252.908 Texas Government Code, "at the time the business entity submits the signed contract" to the City.
3. The City, in turn, will submit a copy of the disclosure form to the TEC not later than the 30th day after the date the City receives the disclosure of interested parties from the business entity.

C. MANAGEMENT

Should there be a change in management after the due date and time, but before a contract is awarded, Proposers must notify the City immediately. This may result in further evaluation. Should a change in management occur after the contract is awarded, the contract shall be canceled unless a mutual agreement is reached with the new owner or manager to continue the contract. Any resulting contract is nontransferable by either party.

D. PERSONAL INTEREST

Proposers shall comply with all applicable ordinances and with state law pertaining to conflict of interest and required disclosures, including, but not limited to, TEXAS LOCAL GOVERNMENT CODE, Chapter 171.

E. PRIORITY of DOCUMENTS

In the event there are inconsistencies between the RFP terms and conditions, scope of work or Agreement terms and conditions contained herein, the latter will take precedence.

F. RECEIPT of QUALIFICATIONS

Qualification(s) must be received by the City prior to the time and date specified. The mere fact that the Proposal was dispatched will not be considered; the Firm must ensure that the Qualifications Statement submittal is actually delivered. The time submittals are received shall be determined by the time clock stamp in the Finance Department.

G. REIMBURSEMENTS

There is no express or implied obligation for the City of Nacogdoches to reimburse responding Proposers for any expenses incurred in preparing Proposals in response to this request and the City of Nacogdoches will not reimburse firms for these expenses, nor will the City pay any subsequent costs associated with the provision of any additional information or presentation, or to procure a contract for these services.

H. REPRESENTATIONS and RESPONSIBILITIES

By submitting for this RFQ, Proposer represents that it has carefully read and understands all elements of this RFQ; has familiarized itself with all federal, state, and local laws, ordinances, and rules and regulations that in any manner may affect the cost, progress, or performance of the work; and has full knowledge of the scope, nature, quality and quantity of services to be performed.

By submitting a proposal in response to this RFQ, the Proposer represents that it has not relied exclusively upon any technical details in place or under consideration for implementation by the City, but has supplemented this information through due diligence research and that the Proposer sufficiently understands the issues relative to the indicated requirements.

The failure or omission of Proposer to receive or examine any form, instrument, addendum, or other documents or to acquaint itself with conditions existing at the site or other details shall in no way relieve any Proposer from any obligations with respect to its proposal or to the contract.

I. STANDARD FORM of AGREEMENT

The City's Standard form of Agreement is attached as Exhibit A. The successful Firm will be required to execute this Agreement. All Proposers shall be required to thoroughly read and understand the terms, condition and provisions in this Agreement. All required Certificates of Insurance and endorsements will be required before award recommendation is taken to City Council. Any exceptions taken to the City's Standard Form of Agreement must be indicated in your Response. Failure to note any exceptions will be acknowledgement that you accept the terms and condition without modifications.

J. VENUE

Any contract awarded as a result of this RFQ shall be governed by and construed in accordance with the laws of the State of Texas, and is fully performable in Nacogdoches, Texas, and venue for any action related to this contract will be Nacogdoches County, Texas.

K. WITHDRAWAL of PROPOSALS

A submittal may be modified or withdrawn by the Proposer any time prior to the time and date set for the receipt of proposals in accordance with the following guidelines.

1. Proposer shall notify the Finance Department in writing of its intention to withdraw a previously submitted proposal.
2. If a change in the proposal is requested, the modification must be worded by the Proposer as to not reveal the original amount of the proposal.
3. Proposals withdrawn and modified must be resubmitted to the Finance Department no later than the time and date set for the receipt of proposals.
4. No proposal can be withdrawn after the time set for the receipt of submittals and for a minimum of ninety (90) days thereafter.

V. BACKGROUND and CURRENT CIRCUMSTANCES

A. CITY of NACOGDOCHES

The City of Nacogdoches, incorporated in 1929, is located in Texas Forest Country at the intersections of U.S. Highway 59, State Highway 21, and State Highway 7. The City of Nacogdoches is 65 miles south of Interstate 20 and is located approximately 140 miles northeast of Houston, Texas, 90 miles southwest of Shreveport, Louisiana, and 160 miles southeast of Dallas, Texas. It also serves as the county seat for Nacogdoches County. The City currently has a land area of 27.01 square miles and a population of 32,147 according to the 2020 census. It is empowered to levy a property tax on both real and personal property located within its boundaries and has the power by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the City Council.

The City operates under a council-manager form of government. Policymaking and legislative authority are vested in the City Council, which consists of a mayor, elected at large, and four council members, elected by ward. Council members and the mayor are elected on a non-partisan basis, for two-year staggered terms with two councilmen elected on even years and two councilmen and the mayor elected on odd years. The Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-today operations, and appointing the City department heads.

The City currently enjoys a stable economy and even experienced a continued increase in sales tax in 2023. The area's employment is concentrated in education, healthcare, hospitality, manufacturing, poultry and wood processing. The City is also the home of Stephen F. Austin State University, which has

an enrollment of approximately 12,000. Stephen F. Austin State University is the top employer in the city, followed closely by Pilgrim's Pride.

B. CURRENT CIRCUMSTANCES

The City of Nacogdoches is soliciting interest from qualified consulting firms with expertise in providing professional services in the idealizing and implementing of a real downtown plan and implementation strategy, and also likely include the North and Mound Corridors (areas to reach Stephen F. Austin State University Campus, at the least) including parking, jobs presence downtown, repurposing or redeveloping buildings, funding sources, grant funds, etc.

More information can be found in the Scope of Work (VI).

VI. SCOPE of WORK

The planning and implementation of a strategy from the Firm should be conducted with heavy involvement of the following aspects:

- Downtown and Central Business District (CBD) Planning and Revitalization
- Streetscape (Sidewalks, Crosswalks, Street furniture, Wayfinding Signage, Historic Style Lighting)
- Corridor Planning and Redevelopment/Infill Development
- Transit Planning and Demand
- Transit Facility Development
- Historic Preservation
- Adaptive Re-Use of Historic Buildings
- Commercial/Residential/Retail Demand Economic Analysis
- Parking Demand Analysis, including relevant experience with Structured Parking
- Special Districts
- Federal Funding/Grants
- Public-Private Partnerships with applied successful experience in developing pro-formas and financing/implementation strategies with a demonstrated success in securing both Federal and State funding and implementing capital projects within Texas
- Any other applicable or advisable areas that are to be discussed and agreed upon between the Firm and the City.

VII. SUBMISSION REQUIREMENTS

The City will not accept oral proposals, or proposals received by telephone or FAX machine. Proposals must be prepared simply and economically, providing a straightforward, concise description of Proposer's ability to meet all requirements and specifications of this RFP. Emphasis should be focused on completeness, clarity of content and responsiveness to all requirements and specifications of this RFQ.

Submittals must be submitted in hard copy. Proposer shall submit 1 original and two (2) copies of the Qualifications Statement, plus 1 digital copy (on CD, DVD or thumb drive).

The City of Nacogdoches requires comprehensive responses to every section within this RFQ. To facilitate the review of the responses, Respondents shall follow the described format. The intent of the proposal format is to expedite review and evaluation. It is not the intent to constrain Proposers with regard to content, but to assure that the specific requirements set forth in this RFP are addressed in a uniform manner amenable to review.

TAB A FIRM BACKGROUND

1. Briefly introduce your Firm including the number of years in business
2. Provide a summary of the administration, organization and staffing of your Firm, including multiple offices, if applicable
3. Provide relevant job experience working for similar sized cities or larger in Texas
4. Include the same for any associate firm or sub-consultant

TAB B PROJECT EXPERIENCE and QUALIFICATIONS

1. Describe at least three (3) projects that are complementary in nature to this project. References for each project should be included (preferably other City, town or local governments in Texas that the proposer has provided services to).
2. Describe the experience of the Firm in the last thirty-six (36) months in performing services of similar scope and size.
3. Identify the Project Manager and each individual who will work as part of this engagement. Include resumes for each person to be assigned. Include any professional designations and affiliations, certifications and licenses, etc.
4. Provide an organizational chart indicating positions and name of the core management team that will undertake this engagement.

TAB C METHODOLOGY and TECHNICAL APPROACH

1. Provide a narrative description of the Firms' plan to accomplish the work and services to be provided to the City.

2. Clearly acknowledge your understanding of the scope of work, including a detailed approach to completing this project in a phase by phase fashion, including the time frame expected to complete each phase and staff assignments for each phase of the project.
3. Provide suggestions and ideas for completing this project in an efficient, effective and innovative manner.
4. Clearly identify materials and knowledge resources that the Firm will need from the City to complete this project.
5. Identify progress reports that will be made available during the process and key decision points.
6. Clearly distinguish the Firms' duties and responsibilities and those of the City. Absence of this distinction shall mean the Firm is assuming full responsibility for all tasks.

TAB D COST PROPOSAL

1. Provide a detailed cost proposal broken down by task or phase. The City may elect to complete any combination of tasks or phases. Indicate any cost savings available by completing one or more or any combination of tasks or phases.
2. Travel and other reimbursable fees must be estimated and submitted separately from professional fees.
3. The actual contract amount will be negotiated after the Firm has been selected and the scope of work finalized.

TAB E COMMENTS/CHANGE REQUESTS to STANDARD FORM of AGREEMENT

A copy of the City's Standard Form of Agreement is attached to the RFQ. Please provide any comments or change requests to the Agreement with the proposal submittal. Failure to submit requested changes will affirm that the Firm willing to execute the Agreement without modification.

TAB F CERTIFICATION and ACKNOWLEDGEMENT PAGE

VIII. EVALUATION and SELECTION PROCESS

The City has attempted to provide a comprehensive statement of requirements through this RFQ for the engagement. Written proposals must present Proposer's qualifications and understanding of the work to be performed. Proposers are asked to address each evaluation criteria and to be specific in presenting their qualifications. Proposals must be as thorough and detailed as possible so that the City may properly evaluate capabilities to provide the requested services.

Selection may be made of one or more Proposers deemed to be fully qualified and best suited among those submitting proposals. Presentations and/or interviews may be conducted by one or more Proposers selected. The City reserves the right to award based on the responses received or to negotiate with any or all of the Proposers selected. Price shall be considered, but shall not be the sole determining factor. The City shall select the Proposer which, in the City's opinion, has made the Proposal most beneficial to the City for award. Should the City determine in writing and in its sole discretion that only one Proposer is fully qualified or that one Proposer is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that Proposer. The executed Agreement will incorporate all the requirements, terms and conditions of the solicitation and the Proposer's proposal as negotiated.

The City has established specific, weighted criteria for selection. This section presents the evaluation criteria, description, and relative weight assigned to each (100 points maximum). The City will evaluate each Proposer's responses to the requirements contained in this RFP.

Clarity and Quality of Proposal	**Pass/Fail**

Firms must provide comprehensive responses to every section within this RFP in the described format. It is not the intent of the City to constrain Firms with regard to content, but to assure that the specific requirements set forth in this RFP are addressed in a uniform manner amenable to review and evaluation. Failure to do so may result in your Proposal being disqualified from further review and consideration.

Firm Background	**25 points**
Project Experience and Qualifications	**40 points**
Methodology and Approach	**25 points**
Relevant Project References	**10 points**
TOTAL POINTS AVAILABLE	**100 POINTS**

By submission of a proposal, Proposer acknowledges acceptance of the evaluation process, the evaluation criteria, scope of work, approach and methodology, and all other terms and conditions set forth in this RFP. Further, Firms acknowledge that subjective judgements must be made by the City during this process.

The City makes no guarantees or representations that any award will be made and reserves the right to cancel this solicitation for any reason, including:

- Reject any and all proposals received as a result of this RFP.
- Waive or decline to waive any informality and any irregularities in any proposal or responses received.
- Negotiate changes in the Scope of Work or services to be provided.
- Withhold the award of contract(s).
- Select Proposer(s) it deems to be most qualified to fulfill the needs of the City. Proposer(s) with the lowest priced proposal(s) will not necessarily be selected, since a number of criteria other than price are important in the determination of the most acceptable proposal(s).
- Terminate the RFP process.

IX. CERTIFICATION and ACKNOWLEDGEMENT

The undersigned, as an authorized agent of the proposer, hereby certifies:

( ) The Proposer is in receipt of _____ addenda.

( ) The Proposer is familiar with all instructions, terms and conditions, and specifications stated in this RFP, including the following:

- ( ) The proposer understands there may be a pre-proposal meeting scheduled within a fair and reasonable timeframe that is agreed upon by both parties at the Nacogdoches Municipal Building. Attendance is not mandatory; however, it is highly encouraged.
- ( ) The Proposer will be available for interviews, if selected for interview by City, during the afternoon on **a day that is scheduled within a fair and reasonable timeframe that is agreed upon by both parties**. Interviews expected to be one (1) hour.
- ( ) The Proposer has reviewed the City's Professional Services Agreement released with this RFP (Attachment D), which Agreement will form the basis of any contract for the performance of the work. **Any request for modifications are included in the proposal by way of response included in TAB E.**

( ) The Proposer is qualified to perform the work and services outlined in this RFP.

( ) The proposal has been arrived at independently and submitted without collusion with any other Proposer, City staff or City contractor, and the contents of the proposal have not been communicated by the Proposer or, to the Proposer's best knowledge and belief, by any one of its employees or agents to any person not an employee or agent of the Proposer, and will not be communicated to any person prior to the City's final action on this RFP by City Council. Nothing in this paragraph shall be construed to prevent or preclude two or more companies or persons from joining together to submit a proposal for the work.

( ) The offers, terms and conditions of the proposal will remain valid and effective and may be relied upon by the City for a period of ninety (90) days following the Proposal Closing Date and Time as identified in this RFP or addenda.

( ) The Proposer certifies that it: i) does not boycott Israel; and ii) will not boycott Israel during the term of the Agreement subject to § 2270.002 Texas Government Code.

Signed By: _____ Title:_____

Typed Name: _____Company Name:_____

Phone No.: _____ Fax No.:_____

Email: _____

Bid Address:_____

P.O. Box or Street City State Zip

Order Address:_____

P.O. Box or Street City State Zip

Remit Address:_____

P.O. Box or Street City State Zip

Federal Tax ID No.: _____

DUNS No.:_____

Date:_____

EXHIBIT A

STANDARD FORM OF AGREEMENT

This is provided as an example. You are not required to fill this out.

CITY OF NACOGDOCHES

CONSULTING SERVICES CONTRACT

This General Service Contract is by and between the City of Nacogdoches, a Texas Home-Rule Municipal Corporation (the "City"), and Insert Contractor (the "Contractor"), for the following work: Insert Description of Work as described in the Scope of Services attached as Exhibit "A".

ARTICLE I

PAYMENT AND TERM

1.1 Consideration. In consideration for the services performed in the Scope of Services and Contractor's completion of work in conformity with this Contract, the City shall pay the Contractor an amount not to exceed **XXXXXXX and XX/100 Dollars ($00,000.00)**. In no event shall payment under this contract exceed appropriations made by City Council.

1.2 Payment Application. Within **seven (7)** calendar days of completion of the services the Contractor will submit its payment application to the City.

1.3 City's Payment and Approval. The City will pay the Contractor as shown in **Exhibit "B"** Payment Schedule, for the services performed no later than **thirty (30)** calendar days from the date of the City's receipt of the payment application and the City's approval of the services.

1.4 Time is of the Essence. The Contractor must complete all the services described in the Scope of Services by the following dates: **Insert Dates.**

OR

1.4 Term. The initial term of the Contract is for one (1) year with the option to renew for two (2) additional one (1) year terms for a total of three (3) years. Any renewal must be in writing and executed by the parties. If, for any reason, funds are not appropriated to continue the contract, the contract shall become null and void and shall terminate.

1.5 Executed Contract. The "Notice to Proceed" will not be given nor shall any work commence until this Contract is fully executed and all exhibits and other attachments are completely executed and attached to the Contract.

ARTICLE II

CHANGE ORDERS

2.1 Changes will not be made, nor will invoices for changes, alterations, modifications, deviations, or extra work or services be recognized or paid, except upon the prior written order from authorized personnel of the City. The Contractor will not execute change orders on behalf of the City or otherwise alter the financial scope of the services except in the event of a duly authorized change order approved by the City as provided in this Contract.

(a) City Manager Approval. When the original Contract amount plus all change orders is $50,000 or less, the City Manager or his designee may approve the written change order provided the change order does not increase the total amount set forth in the Contract to more than $50,000. For such contracts, when a change order results in a total contract amount that exceeds $50,000, the City Council of the City must approve such change order prior to commencement of the services or work; and

(b) City Council Approval. When the original contract amount plus all change orders is equal to or greater than $50,000, the City Manager or his designee may approve the written change order provided the change order does not exceed $50,000 and provided the sum of all change orders does not exceed 25% of the original contract amount. For such contracts, when a change order exceeds $50,000 or when the sum of all change orders exceeds 25% of the original contract amount, the City Council of the City must approve such change order prior to commencement of the services or work.

(c) Increase in Scope. Any request by the Contractor for an increase in the Scope of Services and an increase in the amount listed in Article II of this Contract shall be made and approved by the City prior to the Contractor providing such services or the right to payment for such additional services shall be waived.

(d) Dispute. If there is a dispute between the Contractor and the City respecting any service provided or to be provided hereunder by the Contractor, including a dispute as to whether such service is additional to the Scope of Services included in this Contract, the Contractor agrees to continue providing on a timely basis all services to be provided by the Contractor hereunder, including any service as to which there is a dispute.

ARTICLE III

INDEPENDENT CONTRACTOR AND SUBCONTRACTORS

3.1 Independent Contractor. It is understood and agreed by the parties that the Contractor is an independent contractor retained for the services described in the Scope of Services. The City will not control the manner or the means of the Contractor's performance but shall be entitled to a work product as in the Scope of Services. The City will not be responsible for reporting or paying employment taxes or other similar levies that may be required by the United States Internal Revenue Service or other State or Federal agencies. This Contract does not create a joint venture.

3.2 Subcontractor. The term "subcontractor" shall mean and include only those hired by and having a direct contact with the Contractor for performance of work on the Project. The City shall have no responsibility to any subcontractor employed by a Contractor for performance of work on the Project, and all subcontractors shall look exclusively to the Contractor for any payments due.

The Contractor shall be fully responsible to the City for the acts and omissions of its subcontractors. Nothing contained herein shall create any contractual or employment relations between any subcontractor and the City.

ARTICLE IV

INSURANCE

4.1 The Contractor shall procure and maintain, at its sole cost and expense for the duration of this Contract, insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the services performed by the Contractor, its officers, agents, volunteers, and employees.

4.2 The Contractor's insurance shall list the City of Nacogdoches, its officers, agents, volunteers, and employees as additional insureds. The Required Limits of Insurance are attached in **Exhibit "C"**. Certificates of insurance evidencing the required insurance policies are attached in **Exhibit "D"**.

ARTICLE V

INDEMNIFICATION AND RELEASE

5.1 Indemnification. The Contractor shall indemnify, hold harmless, and defend the City, its officers, agents, volunteers, employees, representatives, contractors, assignees and/or designees from and against any and all claims, losses, damages, causes of action, suits, and liability of every kind, including all expenses of litigation, court costs, and attorneys' fees, for injury to or death of any person or for damage to any property arising out of or in connection with the work done by the Contractor under this Contract. Such indemnity shall apply regardless of whether the claims, losses, damages, causes of action, suits, or liability arise in whole or in part from the negligence of the City, any other party indemnified hereunder, the Contractor, or any third party.

5.2 Release. The Contractor assumes full responsibility for the work to be performed hereunder and hereby releases, relinquishes, and discharges the City, its officers, agents, volunteers, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person and any loss of or damage to any property that is caused by, alleged to be caused by, arising out of, or in connection with the Contractor's work to be performed hereunder. This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance and regardless of whether such injury, death, loss, or damage was caused in whole or in part by the negligence of the City, any other party released hereunder, the Contractor, or any third party.

5.3 Notice of Claims. If a claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Agreement, or which could have a material adverse effect on the Contractor's ability to perform thereunder, the Contractor shall give written notice to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and address of the claimant(s); the basis thereof; and the name of each person against whom such claim is asserted.

ARTICLE VI

GENERAL TERMS

6.1 Performance. Contractor, its employees, associates, or subcontractors shall perform all the services described in the Scope of Services in a professional manner and be fully qualified and competent to perform those services. Contractor shall undertake the work and complete it in a timely manner.

6.2 Termination. The City may terminate the Project and this Contract, at any time, for convenience. In the event of such termination the City will notify the Contractor in writing and the Contractor shall cease work immediately. Contractor shall be compensated for the services performed. Should the City terminate this Contract for convenience, the City shall pay Contractor for the services performed and expenses incurred before the date of termination.

6.3 Venue, Claims and Audit. (a) This Contract has been made under and shall be governed by the laws of the State of Texas.

(b) The parties agree that performance and all matters related thereto shall be in Nacogdoches County, Texas.

(c) Venue of any dispute will be in Nacogdoches County, Texas.

(d) The City, or if State funds are used to pay any part of this contract, the State Auditor, may conduct an audit or investigation of any entity receiving funds directly under this contract or indirectly through a subcontract under the contract. Acceptance of funds under the contract or through a subcontract under the contract acts as acceptance of the authority of the City or the State Auditor to conduct an audit or investigation. Contractor agrees to cooperate and must provide the City or State Auditor with access to any information the City or State Auditor considers relevant to the investigation or audit.

6.4 Amendment. This Contract may only be amended by a written instrument approved and executed by the parties.

6.5 Taxes. The City is exempt from payment of state and local sales and use taxes on labor and materials incorporated into the project. If necessary, it is the Contractor's responsibility to obtain a sales tax permit, resale certificate, and exemption certificate that shall enable the Contractor to buy any materials to be incorporated into the project and then resell the aforementioned materials to the City without paying the tax on the materials at the time of purchase.

6.6 Compliance with Laws. The Contractor will comply with all applicable federal, state, and local statutes, regulations, ordinances, and other laws, including but not limited to the following:

(a) Contractor shall be responsible for obtaining all necessary permits, certificates and/or licenses to fulfill contractual obligations to the City.

(b) The Immigration Reform and Control Act (IRCA). The Contractor may not knowingly obtain the labor or services of an undocumented worker. The Contractor, not the City, must verify eligibility for employment as required by IRCA;

(c) In accordance with Section 2155.4441 of the Texas Government Code, Contractor agrees that during the performance of this contract it shall purchase products and materials produced in Texas when they are available at a price and time comparable to products and materials produced outside this state;

6.7 Contractor Affirmations: If this contract is funded in whole or in part by money from the State of Texas, State law requires the following certifications, representations and/or warranties. By signature hereon affixed, the Contractor hereby certifies that:

6.7.1 Contractor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract.

6.7.2 Contractor represents and warrants that it has no actual or potential conflicts of interest in the goods and or services described in the scope of work to this contract.

6.7.1 **Antitrust**. Pursuant to 15 U.S.C. §1, *et seq*. and Tex. Bus. & Comm. Code §15.01, *et seq*. neither the contractor nor the firm, corporation, partnership, or institution represented by the contractor, or anyone acting for such a firm, corporation or institution has violated the antitrust laws of this state, federal antitrust laws, nor communicated directly or indirectly the bid made to any competitor or any other person engaged in such line of business.

6.7.2 **Child Support**. Pursuant to §231.006(d), Texas Family Code, regarding child support, the Contractor certifies that the individual or business entity named in this Contract is not ineligible to receive the specified payment and acknowledges that the contract may be terminated and payment may be withheld if this certification is inaccurate.

Furthermore, any Contractor subject to §231.006, Gov't Code, must include names and Social Security numbers of each person with at least 25% ownership of the business entity submitting the bid. This information must be provided prior to award. Enter the Name & Social Security Numbers for each person below:

Name:	Social Security Number:
Name:	Social Security Number:
Name:	Social Security Number:

6.7.3 **Debarment**. Contractor certifies that Contractor and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Contractor is in compliance with the State of Texas statutes and rules relating to procurement. Entities ineligible for state procurement are listed on the State of Texas Debarred Vendor List maintained by the Texas Comptroller of Public Accounts and the System for Award

Management (SAM) maintained by the General Services Administration. Entities ineligible for federal procurement are listed at http://www.sam.gov/content/exclusions .

6.7.4 Convictions. Under Sections 2155.006, 2155.0061 and 2261.053 of the Texas Government Code, Respondent certifies that it is not ineligible to receive the specified contract and may be terminated and payment withheld if this certification is inaccurate. These sections prohibit contracts that include proposed financial participation by an individual or business entity who has been convicted in the past five years of (a) violating a federal law or assessed a penalty in connection with a contract involving relief for Hurricane Rita, Hurricane Katrina, or any other disaster, as defined by §418.004, Gov't Code, occurring after September 24, 2005; and (b) of any offense related to the direct support or promotion of human trafficking.

6.7.5 COVID Vaccinations. Respondent certifies that it does not require its customers to provide any documentation certifying the Customer's COVID-19 vaccination or post-transmission recovery on entry to, or to receive service from the Respondent's business.

6.7.6 Boycott. (a) To the extent this Contract is considered a Contract for goods or services subject to § 2270.002 Texas Government Code, Contractor verifies that it: i) does not boycott Israel; and ii) will not boycott Israel during the term of this Contract.

(b) To the extent this Contract has a value of $100,000 or more and Respondent is an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit that employs 10 or more full time employees, Respondent certifies that it: (i) does not and will not boycott energy companies during the term of the contract (*See Texas Government Code 2274.002, et seq.*); and (ii) does not and will not discriminate against a firearm entity or firearm trade association (*See Texas Government Code 2274.002, et seq.*).

6.8 Waiver of Terms. No waiver or deferral by either party of any term or condition of this Contract shall be deemed or construed to be a waiver or deferral of any other term or condition or subsequent waiver or deferral of the same term or condition.

6.9 Assignment. This Contract and the rights and obligations contained herein may not be assigned by the Contractor without the prior written approval of City.

6.10 Invalid Provisions. If any provision of this Contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court of competent jurisdiction finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it may become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

6.11 Entire Agreement. This Contract represents the entire and integrated agreement between the City and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. This Contract may only be amended by written instrument approved and executed by the parties.

6.12 Agree to Terms. The parties state that they have read the terms and conditions of this Contract and agree to the terms and conditions contained in this Contract.

6.13 Effective Date. This Contract will be effective when it is signed by the last party making it fully executed.

6.14 Notice. Any official notice under this Contract will be sent to the following addresses:

City of Nacogdoches	CONTRACTOR
Attn: City Manager	Attn: NAME
PO BOX 635030	123 Main Street
202 East Pilar Street	City, State Zip
Nacogdoches, TX 75961	Email@contactor.com

6.15 Severability. In the event any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other provisions, and in lieu of each provision that is invalid, illegal or unenforceable, there shall be added a new provision to this Contract as similar in terms to such invalid, illegal, or unenforceable provision as may be possible and yet be valid, legal and enforceable, by means of good faith negotiation by the Parties to this Contract or by reform by a court of competent jurisdiction.

6.16 Duplicate Originals. The parties may execute this Contract in duplicate originals, each of equal dignity.

6.17 Exhibits. All exhibits to this Contract are incorporated and made part of this Agreement for all purposes.

List of Exhibits

A. Scope of Services

B. Payment Schedule

C. Insurance Requirements

D. Certificates of Insurance

[NAME OF CONTRACTOR]

By:_____

Printed Name:_____

Title:_____

Date:_____

CITY OF NACOGDOCHES

By:_____

City Manager

Date:_____

APPROVED AS TO FORM:

_____

City Attorney

Date:_____

EXHIBIT A

SCOPE OF SERVICES

The terms and conditions of this Contract shall take precedence and control over any term or provision of the Scope of Services that in any way conflicts with, differs from, or attempts to alter the terms of this Contract.

EXHIBIT B

PAYMENT SCHEDULE

The Contractor must submit ***monthly*** invoices to the City, accompanied by an explanation of charges, fees, services, and expenses. The City will pay such invoices in compliance with the Texas Prompt Payment Act.

-OR-

Payment is a fixed fee in the amount listed in Article II of this Contract. This amount shall be payable by the City pursuant to the schedule listed below and upon completion of the services and written acceptance by the City.

Schedule of Payment for each phase:

EXHIBIT C

INSURANCE REQUIREMENTS

Throughout the term of this Agreement the Contractor must comply with the following:

I. Standard Insurance Policies Required:

A. Commercial General Liability
B. Business Automobile Liability
C. Workers' Compensation

II. General Requirements Applicable to All Policies:

A. Only Insurance Carriers licensed and admitted to do business in the State of Texas will be accepted.

B. Deductibles shall be listed on the Certificate of Insurance and are acceptable only on a per occurrence basis for property damage only.

C. "Claims Made" policies are not accepted.

D. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City of Nacogdoches.

E Upon request, certified copies of all insurance policies shall be furnished to the City of Nacogdoches.

F. The City of Nacogdoches, its officials, employees and volunteers, are to be named as "Additional Insured" to the Commercial General, Umbrella and Business Automobile Liability policies. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees or volunteers.

G. Waiver of subrogation in a form at least as broad as ISO form 2404 shall be provided in favor of the City on all policies obtained by the Contractor in compliance with the terms of this Agreement.

III. Commercial General Liability

A. General Liability insurance shall be written by a carrier rated "A:VIII" or better under the current A. M. Best Key Rating Guide.
B. Policies shall contain an endorsement naming the City as Additional Insured and further providing "primary and non-contributory" language with regard to self-insurance or any insurance the City may have or obtain
C. Limits of liability must be equal to or greater than $1,000,000 per occurrence for bodily injury and property damage, with an annual aggregate limit of $2,000,000. Limits shall be endorsed to be per project.
D. No coverage shall be excluded from the standard policy without notification of individual exclusions being submitted for the City's review and acceptance

E. The coverage shall include, but not be limited to the following: premises/operations with separate aggregate; independent contracts; products/completed operations; contractual liability (insuring the indemnity provided herein) Host Liquor Liability, and Personal & Advertising Liability.

IV. Business Automobile Liability

A. Business Automobile Liability insurance shall be written by a carrier rated "A:VIII" or better rating under the current A. M. Best Key Rating Guide.

B. Policies shall contain an endorsement naming the City as Additional Insured and further providing "primary and non-contributory" language with regard to self-insurance or any insurance the City may have or obtain

C. Combined Single Limit of Liability not less than $1,000,000 per occurrence for bodily injury and property damage.

D. The Business Auto Policy must show Symbol 1 in the Covered Autos Portion of the liability section in Item 2 of the declarations page

E. The coverage shall include any autos, owned autos, leased or rented autos, non-owned autos, and hired autos.

V. Workers' Compensation Insurance

A. Workers compensation insurance shall include the following terms:

1. Employer's Liability minimum limits of liability not less than $500,000 for each accident/each disease/each employee are required

2. "Texas Waiver of Our Right to Recover From Others Endorsement, WC 42 03 04" shall be included in this policy

3. TEXAS must appear in Item 3A of the Workers' Compensation coverage or Item 3C must contain the following: "All States except those listed in Item 3A and the States of NV, ND, OH, WA, WV, and WY"

EXHIBIT D

CERTIFICATES OF INSURANCE

City Council Meeting

Date: December 17, 2024

Agenda Item: 7.D.

PRESENTER: Rick Beverlin, City Manager

ITEM/SUBJECT: Consider approval of a resolution of the City Council of the City of Nacogdoches, Texas adopting the 2025 Legislative Priorities for the 89th State Legislative Session. (City Manager)

SUMMARY/BACKGROUND: The 89th Texas Legislature will convene on January 14, 2025, and is expected to consider legislation on a wide range of issues that will directly impact municipal government in general and the City of Nacogdoches in particular. The City seeks to ensure that any proposed legislation during the upcoming Legislative Session would not be detrimental to the City's local governance, financial interests, and decision-making, or otherwise diminish the City's ability to effectively pursue the priorities and interests of the City's residents.

As part of a recent retreat and governance workshop, the Nacogdoches City Council proposed and discussed legislative priorities that the members wished to present to the Texas Legislature during the upcoming Legislative Session. The proposed resolution would incorporate the items discussed at the City Council's retreat, and would formally adopt these for purposes of submitting the City's 2025 Legislative Priorities to the Legislature. The resolution would also grant authority to the City Manager, his designees, and the City's legislative consultants to communicate these Legislative Priorities to members of the Texas Legislature, including State Senator Robert Nichols and State Representative Joanne Shofner, who represent the City of Nacogdoches and its residents.

FINANCIAL:
No financial impact associated with this item

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
Not Applicable

CITY CONTACT: Rick Beverlin, City Manager
beverlinr@nactx.us
(936) 559-2506

ATTACHMENTS:
1. Resolution_Legislative Priorities - 89th Leg
2. Legislative Priorities 2025

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NACOGDOCHES, TEXAS ADOPTING THE 2025 LEGISLATIVE PRIORITIES FOR THE 89TH STATE LEGISLATIVE SESSION.

WHEREAS, the Texas State Legislature meets as a legislative body every two years and will convene the 89th Legislative Session on January 14, 2025; and

WHEREAS, the Legislative Session is the time period when legislation can be proposed by members of the Legislature that can affect municipalities and its residents; and

WHEREAS, it is the desire of the City Council of the City of Nacogdoches, Texas to ensure that any proposed legislation during the upcoming Legislative Session would not be detrimental to the City's local governance, financial interests, and decision-making, or otherwise diminish the City's ability to effectively pursue the priorities and interests of the City's residents; and

WHEREAS, the City Council of the City of Nacogdoches, Texas has reviewed the attached 2025 Legislative Priorities and is of the opinion that such Legislative Priorities are in the best interest of the City and its citizens; and

WHEREAS, the City Council of the City of Nacogdoches, Texas finds it to be in the public interest to adopt the 2025 Legislative Priorities for the 89th Legislative Session and should be forwarded for consideration by the Legislature.

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

SECTION 1. The findings and recitations contained in the preamble of this Resolution are found and declared to be true and correct and are hereby adopted as part of this Resolution.

SECTION 2. The 2025 Legislative Priorities for the 89th State of Texas Legislative Session, attached hereto, are hereby adopted as the official legislative priorities of the City of Nacogdoches.

SECTION 3. The City Council of the City of Nacogdoches, Texas hereby directs the City Manager, his designees, and the City's legislative consultants to communicate the items included in the 2025 Legislative Priorities to members of the Texas Legislature and to any necessary legislative committees, committee members, or others determined to be appropriate, to include State Senator Robert Nichols and State Representative Joanne Shofner.

SECTION 4. The meeting at which this resolution was approved was in all things conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

SECTION 5. This Resolution shall be effective immediately upon adoption.

APPROVED AND ADOPTED at a regular meeting of the Nacogdoches City Council on this _____ day of _____2024.

CITY OF NACOGDOCHES

By: _____
Randy Johnson, Mayor

ATTEST:

_____
Rhonda Lewis, City Secretary

APPROVED AS TO FORM:

_____
Jerry Baker, City Attorney

2025 Legislative Priorities

- Support legislation that supports or advances the principles of local control to allow for locally elected officials to make decisions that are beneficial to the interests of City residents or that is otherwise beneficial to the City's interest.
- Oppose legislation that preempts or erodes the authority of city government or is detrimental to the City's ability to pursue citizen priorities or respond to local citizen concerns.
- Support the City's ability to communicate with legislators and advocate on behalf of the community through membership with municipal and professional organizations and engagement of legislative advocacy consultants.
- Oppose legislation that attempts to diminish the City's ability to govern its residents' investment in municipally-owned utilities, including the City Council's authority to set rates.
- Oppose legislation that negatively affects the City's financial ability to act in the best interests of the Nacogdoches' residents or reduces the City's revenue streams that fund services citizens depend upon or the City's ability to achieve a AAA credit rating. This includes but is not limited to:
  - Imposing a limitation on city expenditures, a more restrictive revenue cap, a reduced rollback rate, mandatory tax rate ratification elections, or an exclusion of new property in the effective tax rate calculations; or
  - Lowering the homestead appraisal cap or expanding the appraisal cap to non-homestead properties
  - Limitations on overall city expenditures
  - Restriction of the City's ability to issue debt in order to fund public improvements through General Obligation or Certificates of Obligation bonds
- Support legislation that provides local governments with funding for general aviation airport capital improvement projects to allow them to be as self-sustaining as possible.
- Oppose legislation that places the financial burden of State mandates on Nacogdoches taxpayers and requires collecting revenues for the State
- Support legislation that protects the City's current and future water supply, including limits on inter-basin aquifer and watershed transfers to other regions.
- Oppose legislation that would erode the City's current economic development tools
- Support legislation improving rural communities' ability to access federal funding for infrastructure needs.
- Oppose legislation that would diminish the City's authority to regulate growth and development to ensure the protection of health, life, and safety through reasonable land use and zoning regulations and building codes.
- Support legislation reinstating the City's ability to reasonably annex property within its Extraterritorial Jurisdiction.
- Support the repeal of HB 2439 which preempted cities from regulating building materials
- Support legislation that increases state funding for transportation projects, specifically the development of Interstate 69.
- Support legislation that would enable the use of electronic notice for all public notices
- Support legislation and funding for improved workforce training programs
- Support legislation and funding to increase broadband access, specifically to assist rural communities in accessing federal funding for construction of last-mile broadband infrastructure
- Support legislative appropriations to support intrastate wildland and all hazards emergency response through increased funding for the Texas Intrastate Fire Mutual Aid System.
- Support legislation that allows Cities and Counties to adopt regulations limiting the negative impacts of data centers and solar farms on rural areas

- Support legislation eliminating the local requirement for public utility relocation costs on congressionally authorized interstates in Economically Disadvantaged Counties
- Support legislation increasing state incentives for film in Texas
- Support legislation increasing funding for mental health facilities in efforts to reduce the impact of housing the mentally ill in municipal and county jails

City Council Meeting

Date: December 17, 2024

Agenda Item: 7.E.

PRESENTER: Rick Beverlin, City Manager

ITEM/SUBJECT: Consider approval of a resolution of the City Council of the City of Nacogdoches, Texas urging the Texas Legislature to enact legislation to amend portions of Chapter 1069 of the Texas Special District Local Laws Code related to the Nacogdoches County Hospital District. (City Manager)

SUMMARY/BACKGROUND: The Texas Legislature will convene for the 89th Legislative Session on January 14, 2025. Bills are already in the process of being filed by members of both houses of Congress. It is believed that the number of bills that will be filed may equal or exceed the record amount filed during the last session. Should the City of Nacogdoches wish to pursue any legislative changes during the upcoming term, it is incumbent that such requests be provided to legislators as soon as possible.

There have been ongoing discussions in the community related to the Nacogdoches County Hospital District and the future of Nacogdoches Memorial Hospital. The City of Nacogdoches has a vested interest in the subject, particularly in the assurance of adequate medical care for its needy inhabitants. The proposed resolution would ask the Texas Legislature to consider amending certain portions of Chapter 1069 of the Special District Local Laws Code, the enabling legislation for the Nacogdoches County Hospital District. The resolution would assert that it is in the best interest of the residents of the City of Nacogdoches that Chapter 1069 be amended to allow for an appointed rather than elected board of directors and to remove limitations on the ability of the District to encourage economic development. It urges the Texas Legislature to consider this request and ultimately enact legislation reflecting these proposed amendments.

FINANCIAL:
No financial impact associated with this item

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
No financial impact associated with this item

CITY CONTACT: Rick Beverlin, City Manager
beverlinr@nactx.us
(936) 559-2506

ATTACHMENTS: 1. Resolution_Hospital District_final

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NACOGDOCHES, TEXAS URGING THE TEXAS LEGISLATURE TO ENACT LEGISLATION TO AMEND PORTIONS OF CHAPTER 1069 OF THE TEXAS SPECIAL DISTRICT LOCAL LAWS CODE RELATED TO THE NACOGDOCHES COUNTY HOSPTIAL DISTRICT

WHEREAS, the Nacogdoches County Hospital District (the "District") is a special law hospital district which was created by the Legislature under the authority of Article IX, Section 9 of the Texas Constitution; and

WHEREAS, Chapter 1069 of the Special District Local Laws Code, titled "Nacogdoches County Hospital District," is the District's enabling legislation and sets forth the authority of the District. As stated in Chapter 1069, the District has responsibility for providing medical and hospital care to the needy inhabitants of Nacogdoches County; and

WHEREAS, Subchapter B of Chapter 1069 allows for the election of the District's governing body—the board of directors. The District's board of directors consists of seven (7) members; four (4) directors representing each of the commissioner's precincts in Nacogdoches County and three (3) at-large members. Candidates for the board of directors must meet certain ballot and residency requirements as set forth in Subchapter B of Chapter 1069; and

WHEREAS, among the other powers delegated under Chapter 1069, Section 1069.211 authorizes the District to allocate a portion of its annual sales and use tax revenue to encourage economic development in the District, subject to certain limitations; and

WHEREAS, the City Council of the City of Nacogdoches, Texas has determined that it is in the best interest of the residents of the City of Nacogdoches that certain portions of Chapter 1069 be amended, specifically to allow for an appointed rather than elected board of directors, as well as to remove the limitations on the ability of the District to encourage economic development; and

WHEREAS, the City Council of the City of Nacogdoches, Texas urges the Texas Legislature to enact legislation in the upcoming 89th Legislative Session amending Chapter 1069 of the Special District Local Laws Code as indicated herein.

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

SECTION 1. The findings and recitations contained in the preamble of this Resolution are found and declared to be true and correct and are hereby adopted as part of this Resolution.

SECTION 2. the City Council of the City of Nacogdoches, Texas seeks the introduction and would urge the passage of legislation that would amend Subchapter B of Chapter 1069 of the Special District Local Laws Code, as follows:

(a) remove all references and requirements for an election of the District's board of directors;

(b) allow for the appointment of up to five (5) board members;

(c) appointment of District's board members to be made by the governing bodies of the City of Nacogdoches and Nacogdoches County.

SECTION 3. the City Council of the City of Nacogdoches, Texas seeks the introduction and would urge the passage of legislation that would amend Section 1069.211 of the Special District Local Laws Code to remove the limitation on the amount of annual sales and use tax revenue that can be allocated by the District for economic development.

SECTION 4. The meeting at which this resolution was approved was in all things conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

SECTION 5. This Resolution shall be effective immediately upon adoption.

APPROVED AND ADOPTED at a regular meeting of the Nacogdoches City Council on this _____ day of _____2024.

CITY OF NACOGDOCHES

By: _____
Randy Johnson, Mayor

ATTEST:

_____
Rhonda Lewis, City Secretary

APPROVED AS TO FORM:

_____
Jerry Baker, City Attorney