Nacogdoches
the oldest town in Texas

August 1, 2023

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 either by teleconference or in person in Council Chambers.

Members of the public who wish to submit comments on a listed agenda item by telephone must contact the City Secretary's office by email at vinsonj@nactx.us or by calling 936-559-2506 and providing their name, telephone number and relevant agenda item upon which they wish to speak. All requests to make comments must be received by 12:00 p.m. on August 1, 2023. For all timely requests received, staff will call the submitted phone numbers directly during the meeting when the corresponding item comes up for comment. NOTE: The incoming phone call from City staff will be an unfamiliar number.

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 speak about items not listed on the agenda. In order to address City Council please complete the Open Forum Form and submit it to the City Secretary prior to the start of the meeting. In accordance with the Texas Open Meetings Act, City Council shall not discuss, deliberate, or make any decisions on items discussed during Open Forum. Comments are limited to 3 minutes per person. Open Forum is limited to the first 5 citizens who submit an Open Forum Form.

4. ITEMS TO BE REMOVED FROM CONSENT AGENDA.

5. 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 of minutes for July 11, 2023 board interviews, July 11, 2023 regular session and July 17, 2023 special session. (City Secretary)

   B. Consider tax resale authorization for Lot 3A, Block 8 of the John G. Orton First Addition subdivision in the City of Nacogdoches described in warranty deed with vendors lien, recorded in Vol. 142, Page 388, on an instrument filed August 26, 1939 and referenced in Sheriffs Deed, recorded in Vol. 314, Page 87 on instrument filed May 28, 1963, also described in 101st Judicial District of Dallas County under case number 68168-E, with order and decree of sale rendered July 9, 1962, also referenced in transfer and assignment of lien from Grinnan Mortgage Company to

Commercial Bank of Nacogdoches filed July 2, 1963, and referenced in Deed of Trust recorded in Vol. 88, Page 87, on an instrument recorded July 9, 1963 in Nacogdoches County, Texas under Parcel #31351. (City Manager)

C. Consider an ordinance amending Chapter 50 "Historic Preservation", Article II "Landmarks and Historic Districts", Division 2 "Historic Landmark Preservation Committee"; providing for a severability clause; and providing an effective date. (City Secretary)

D. Consider ordinance amending Ordinance No. 1929-09-22 appropriating various amounts in accordance with budget adopted for ensuing fiscal year beginning October 1, 2022 and ending September 30, 2023. (WWTP Bar Screen Rehab) (Director of Public Works)

E. Consider purchase of replacement Bar Screen equipment from Vision Equipment in the amount of $435,000 (Director of Public Works).

F. Receive a report regarding Quarterly Investment Report for quarter ended June 30, 2023. (Director of Finance)

G. Receive a report regarding Monthly Financial Report for month ended June 30, 2023 (Director of Finance)

H. Annual review and adoption of a resolution approving the City's Investment Policy. (Director of Finance)

6. 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 presentation on the 2023 Texas Blueberry Festival. (Wayne Mitchell, Chamber of Commerce and Grace Handler, Blueberry Festival Committee)

   B. Consider appointing additional members to the Historic Landmark Preservation Committee. (Mayor)

   C. Discussion regarding proposed 2023-2024 budget.(Director of Finance)

   D. Set public hearing dates for both budget and tax rate. (Director of Finance)

7. EXECUTIVE SESSION: Executive Sessions are for City Council to receive information and deliberate on matters specified in Subchapter D of the Texas Open Meetings Act. Council may reconvene in open session to vote on the matter.

   A. Deliberation regarding Economic Development negotiations under Government Code Section 551.087 as follows:

1. Discuss or deliberate regarding commercial or financial information the governmental body has received from business prospects that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; and
2. Deliberate the offer of financial or other incentives to business prospects described by Subdivision 1 above.

B. Personnel Matters – Pursuant to Texas Government Code Section 551.074, deliberations regarding the appointment or employment of a public officer or employee. The subject of this executive session is the City Manager search.

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

9. ADJOURN.

Jan Vinson

Jan Vinson, 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

I certify the notice of meeting was posted in the directory outside of City Hall, 202 E. Pilar Street, Nacogdoches, Texas on July 27, 2023 at 4 p.m. and remained posted until meeting convened.

____
Jan Vinson, City Secretary

Nacogdoches
the oldest town in Texas

City Council Meeting

Date: August 1, 2023

Agenda Item: 5.A.

PRESENTER: Jan Vinson, City Secretary

ITEM/SUBJECT: Consider approval of minutes for July 11, 2023 board interviews, July 11, 2023 regular session and July 17, 2023 special session. (City Secretary)

SUMMARY/BACKGROUND:

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: Jan Vinson, City Secretary
vinsonj@nactx.us
936-559-2504

ATTACHMENTS:
1. 07.11.23 Board Interviews
2. 07.11.23 Regular Meeting
3. 07.17.23 Special Session

Nacogdoches
the oldest town in Texas

DRAFT

MINUTES
Board Interviews
Nacogdoches City Council
July 11, 2023 at 12:00 p.m.
City Hall
202 E. Pilar Street

PRESENT: Mayor Randy Johnson, Council Member Kathleen Belanger, Council Member Roy Boldon, Council Member Chad Huckaby, Council Member Brad Maule and City Secretary Jan Vinson.

Mayor Johnson called the meeting to order at 12:00 p.m.

The Board Interview Committee, consisting of City Council Members, reviewed and discussed applicants, changes to membership of the boards/commissions, and discussed ordinance amendments and changes to the Board/Commission Handbook.

No appointments were made at this meeting.

Meeting adjourned at 12:40 p.m.

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Mayor Randy Johnson
City Council
City of Nacogdoches

ATTEST:

____
Jan Vinson,54 City Secretary

Minutes unofficial until approved by City Council

DRAFT

Regular Session
Nacogdoches City Council
July 11, 2023 – 5:30 p.m.
City Council Room – City Hall
202 East Pilar Street

Minutes unofficial until approved by City Council

City Council present in person: Mayor Randy Johnson, Council Members Kathleen Belanger, Roy Boldon, Chad Huckaby and Brad Maule.

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

2. Pledge of Allegiance.

3. Anne Keehnen spoke during open forum via telephone. She discussed the history page on the City of Nacogdoches website and how there is no mention of enslaved population. She discussed the history of the Center of Black Commerce that was on North Church Street and was relocated to Shawnee Street. Ms. Keehnen stated this is a misrepresentation of our history. She went on discuss the African American Heritage Project in Nacogdoches and the work they are doing.

4. Council Member Kathleen Belanger removed the minutes from June 13, 2023 City Council meeting from the Consent Agenda requesting the following be added to the June 13, 2023 minutes: “advising the committee to go slowly, not selling the plan but asking, Where are the holes?, Where are the problems?”

5. **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. Minutes from June 13, 2023 and June 20, 2023 regular meetings.

Council Member Kathleen Belanger moved approval of the Consent Agenda including the change to the June 13, 2023 City Council meeting minutes as stated in Item 4 of these minutes; motion duly seconded by Mayor Randy Johnson and carried by unanimous vote.

6. **REGULAR AGENDA:**

   A. Receive a report from the Capital Needs Advisory Committee.

Judy McDonald and John Callahan, Co-Chairs of the Capital Needs Advisory Committee (CNAC) presented an update on the progress of the Committee. Mr. Callahan reviewed a list of proposed propositions that can be placed on the ballot for a bond election which are as follows:

- Airport – new terminal, fuel center, apron, access road and parking. The critical component is that this proposal would not be placed on a ballot unless the City could produce matching funds. (Cost $7,300,000)
- Fire Stations – relocate Fire Stations 1 and 3; consolidate Fire Stations 2 and 5 into a new Central Fire Station. (Cost $16,730,000)
- Downtown – Main Street and Festival Park electric upgrades, consolidated dumpster sites, ramps and sidewalks. (Cost $435,000)
- Storm Drainage – critical storm drainage reconstruction (Tier 1 and selected Tier 2 projects). (Cost $5,900,000)
- Facilities – Sunset Cemetery office and equipment. (Cost $425,000)
- Parks – General upgrades to playgrounds, restrooms and fitness stations. (Cost $2,200,000)
- Streets & Sidewalks – City wide street rebuild (Tier 1 and selected Tier 2 projects) with $1M allocated for sidewalks. (Cost $11,000,000)

The grand total of all projects is $43,990,000. Mr. Callahan discussed the timeline for the bond election if held on November 7, 2023. He stated that the Committee also discussed other items that they would like City Council to consider. The Committee recommended that the City consider the acquisition of Emergency Vehicle Preemption System which will automatically control traffic lights at intersections when emergency vehicles approach them, and a reevaluation of the street maintenance fees to better cover the cost of street maintenance.

Lastly, the Committee was charged with evaluating the City's bond capacity. Mr. Callahan stated that the Committee didn't have enough information at the time to thoroughly evaluate the bond capacity.

Pam Curbow, Director of Finance, stated that Nacogdoches Central Appraisal District estimate for taxable value is a little over $2.28 billion minus $249 million (over 65 tax freeze and homestead exemptions) equals approximately $1.85 million of taxable value that the City can use to fund the potential bond program. Ms. Curbow stated that a good estimate would be a 15 to 17 cent property tax impact of the $44M in projects that are proposed to be on the ballot in November.

Helena Abdullah stated that when her taxes go up everything goes up except her social security check. She said it feels like the elderly are the homeowners and the ones bearing the burden.

Michelle Cox state she supports the bond and it is important to look at the safety, wellness and health of the City.

Charles Massey stated he is in support of the bond but saw nothing about a new building for the Police Department and funding for officers. He also said that with the vandalism in parks the City shouldn't spend money on parks.

Rhonda Ward inquired about the land needed to relocate fire stations. She also asked whether the City would sell the old fire stations.

John Callahan explained that the land had not yet been acquired, therefore the station locations were not known.

Elizabeth Gaugdett stated that she is in support of the bond. She also spoke regarding affordable housing and crime rates in City parks.

Council Member Brad Maule discussed the cost per square foot as presented by Brown, Reynolds and Waterford Architects regarding fire stations. Mr. Maule also asked about ISO rating and citizen fire protection.

Council Member Roy Boldon discussed the hard work of the Committee stating that if the bond is not on the November 2023 ballot it will be a disservice to the citizens of Nacogdoches.

Mr. Callahan stated that the total number of revenue bonds will be $60,000,000 primarily focused on sanitary sewer and fresh water which could be paid by many different things and contingent upon the rate study.

Judy McDonald recommended that the Committee continue after the November 2023 election making it a standing committee.

City Council discussed life of the projects, the democracy of a bond election, matching funds for the Airport project, bond calendar and possible utility rate increase.

Council Member Chad Huckaby stated that he intends to fully support the bond proposal as recommended today and will vote for each proposition.

B. Consider appointment of up to three members to the Nacogdoches Economic Development Corporation Board of Directors.

Mayor Randy Johnson moved to appoint himself, Interim City Manager Keith Kiplinger and Council Member Belanger to the Nacogdoches Economic Development Corporation Board of Directors; motion duly seconded by Council Member Chad Huckaby and carried by unanimous vote.

C. Consider City Board/Commission appointments for the Convention and Visitors Bureau Board, Historic Landmark Preservation Committee, Mayor's Committee on People with Disabilities, Nacogdoches Housing Authority, Parks and Recreation Advisory Board, Planning and Zoning Commission and Zoning Board of Adjustments.

Mayor Randy Johnson moved to appoint John McLaren and Taylor Bradford to a three year term on the Convention and Visitors Bureau Board; motion duly seconded by Council Member Chad Huckaby and carried by unanimous vote.

Mayor Randy Johnson moved to appoint Joanne Shofner to fill an unexpired term that ends in 2025, and Jeff Abt and Charles Bradberry to fill three year terms on the Historic Landmark Preservation Committee; motion duly seconded by Council Member Roy Boldon and carried by unanimous vote.

Mayor Randy Johnson moved to appoint Tracie Lasater, Sue McLaughlin, Michael Montes, Mark Sowell and Dawn Glover to three year terms on the Parks and Recreation Advisory Board; motion duly seconded by Council Member Kathleen Belanger and carried by unanimous vote.

Mayor Randy Johnson moved to appoint Ruth Carroll, Shannon Conklin and Lily Phou to two year terms on the Planning and Zoning Commission Board; motion duly seconded by Council Member Chad Huckaby and carried by unanimous vote.

Mayor Randy Johnson moved to appoint regular members Larry King and David Shofner, and John Sloane as an alternate member each for two year terms on the Zoning Board of Adjustments; motion duly seconded by Council Member Roy Boldon and carried by unanimous vote.

Mayor Randy Johnson moved to change the Board and Committee Handbook be changed to state that the Nacogdoches Housing Authority Board will have seven members with the following appointments; John Mosley will fill a 1 year term, and Nicole Upshaw, Patricia Crain and Berry Bell will each fill two year terms on the afore mentioned board; motion duly seconded by Council Member Chad Huckaby and carried by unanimous vote.

Mayor Randy Johnson moved to change the Board and Committee Handbook be changed to state that the Mayor's Committee on People with Disabilities will have between eleven and thirteen members with the following appointments; Elizabeth Gaudette, Jacob Grayson, Latricia Jacobs, Donald lacey, Nancy Niehouse, Todd Petershagen, Christina Ward and Clifton Watts each filling two year terms on the afore mentioned board; motion duly seconded by Council Member Kathleen Belanger and carried by unanimous vote.

Council Member Belanger stated that City Council was impressed with the applicants that they interviewed. She also stated that more appointments will be made after amendments to the ordinances are made.

D. Hold a discussion and give staff direction regarding murals.

Council Member Brad Maule stated that he attended a Parks and Recreation Advisory Board meeting to hear an item regarding murals which was cancelled due to a lack of a quorum. Council Member Maule was advised of another meeting being held regarding mural which he attended. Council Member Maule asked for clarification of the discussion held during the meeting, which turned out to be a sub-committee meeting. Items discussed in the sub-committee meeting were money transferred for murals, types of murals, number of murals, are the murals in the new Downtown Master Plan and who is making these decisions for downtown.

Brian Bray, Community Services Director, explained that the second meeting Council Member Maule attended was in fact a sub-committee of the Main Street Advisory Board to research murals in downtown. Mr. Bray explained the charge of the sub-committee, steps that will be taken before any murals are painted and the approval process. Mr. Bray assured City Council that a policy will be brought before City Council for approval before any action is taken.

Bridget Kozash, full time artist in Nacogdoches, discussed Fire House Nac which is an art studio and community collective and how it got started. She discussed the art community in Nacogdoches, trusting the artist/muralists and Nacogdoches history. She also read remarks from Jeffery Murray who had to leave the meeting early. Mr. Murray's remarks included taking pride in the history of Nacogdoches regarding black and brown people, and that the City does not recognizing the Martin Luther King Jr. holiday. Ms. Kosash stated that there is very little black and brown history represented in the community.

Helena Abdullah stated that the meeting Council Member Maule attended was to create a list of African-American trailblazers in Nacogdoches. Mrs. Abdullah stated that the history should be correctly depicted and the things she didn't want to see depicted in murals.

Council Member Maule stated that he wants City Council to be a part of the process.

CC Conn, Nacogdoches Art Collaborative and Main Street Advisory Board, stated that when the artists are called to create a mural, a rendering of the mural will have to be approved prior to painting. She stated that some murals in town are caricatures of the Caddo Indians and that she wants an appropriate representation.

Lynn Meyers who is also on the Main Street Advisory Board stated that we are a town that celebrates our history and let's have that be the common theme throughout the murals.

Michelle Cox who is a member of the Parks Advocacy League read remarks from Tyson Davis. Mr. Davis stated he has been drawing and painting all his life and has had many people in his life that are white. He told a story of a drawing he did for a white family years ago who didn't care if a black man drew the picture. Mr. Davis said that the City has an opportunity to build young minds to achieve great things together and that murals should represent the space it lives in.

Robert McCandless, professional artist, asked City Council not to let Nacogdoches get messed up by a bunch of amateur unprofessional murals. Nacogdoches is a historical town and should strive to celebrate that and not be political about it. He discussed mural walks, using the correct materials, using grant funds and donors, and vet the muralists thoroughly.

Brandi Cartwright stated the arts are an economic driver and discussed specific statistics regarding such.

Ethan Fatheree spoke regarding the history of Nacogdoches stating that it is absurd to think that anyone would recommend a lynching or anything like that to be painted on a mural. He stated that art has a way of healing and bringing about reconciliation.

E. Receive a report, hold a discussion and give staff direction regarding 2023-2024 Budget-Capital Equipment.

Pam Curbow, Finance Director, reviewed the capital equipment items requested by each fund stating the amounts will likely be reduced prior to the final budget presentation. She also discussed the equipment replacement fund and the budget timeline.

City Council discussed water meter replacement, City Hall roof replacement and vehicle replacement.

City Council convened into Executive Session at 8:30 p.m.

7. **EXECUTIVE SESSION:**

A. Deliberation regarding Economic Development negotiations under Government Code Section 551.087 as follows:
   1. Discuss or deliberate regarding commercial or financial information the City has received from business projects the City body seeks to have locate in the City of Nacogdoches and with which the City is conducting economic development negotiations; and
   2. Deliberate offer of financial or other incentive to business prospects described by Subdivision 1 above.

B. Deliberation Regarding Real Property - Pursuant to Texas Government Code 551.072, Council will receive and discuss updated information on the value of real property and bids for properties struck off at tax foreclosure sales.

C. Pursuant to Texas Government Code Sections 551.071 consultation with attorney and 551.072, deliberations regarding the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person. The subject of this Executive Session item is to discuss Central Heights Water System.

8. City Council reconvened in regular session at 8:50 taking no action on Executive Session Items 7.A. and 7. B. with the following action taken on Item 7.C below.

9. **REGULAR AGENDA: (Continued)**

A. Consider approval of the transfer of Central Heights Water System to Angelina and Neches River Authority, including a) approval of Interlocal Agreement for Acquisition of Central Heights Water System, b) approval of Interlocal Pump Station Ground Lease Agreement, and c) approval of Interlocal Contract for Water Services between the City of Nacogdoches and the Angelina & Neches River Authority.

Council Member Chad Huckaby moved approval; motion duly seconded by Council Member Kathleen Belanger and carried by unanimous vote.

10. Adjourned 8:52 p.m.

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Mayor Randy Johnson
City Council
City of Nacogdoches

ATTEST:

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Jan Vinson, City Secretary

Special Session
Nacogdoches City Council
July 17, 2023 – 2:30 p.m.
City Council Room – City Hall
202 E. Pilar Street

Regular Session:

City Council Present: Mayor Randy Johnson, Council Members Roy Boldon, Chad Huckaby, Kathleen Belanger, and Brad Maule.

1. Called to order at 2:31 p.m.

City Council convened in Executive Session at 2:32 p.m.

2. **EXECUTIVE SESSION**:

   A. Personnel Matters – Pursuant to Texas Government Code Section 551.074, deliberations regarding the appointment or employment of a public officer or employee. The subject of this executive session is to discuss appointment or employment related matters concerning the City Attorney search.

City Council reconvened in Open Session at 6:26 p.m. taking no action.

Meeting adjourned at 6:27 p.m. .

Mayor Randy Johnson
City Council
City of Nacogdoches

ATTEST:

Jan Vinson, City Secretary

Nacogdoches
the oldest town in Texas

City Council Meeting

Date: August 1, 2023

Agenda Item: 5.B.

PRESENTER: Keith Kiplinger, Interim City Manager

ITEM/SUBJECT: Consider tax resale authorization for Lot 3A, Block 8 of the John G. Orton First Addition subdivision in the City of Nacogdoches described in warranty deed with vendors lien, recorded in Vol. 142, Page 388, on an instrument filed August 26, 1939 and referenced in Sheriffs Deed, recorded in Vol. 314, Page 87 on instrument filed May 28, 1963, also described in 101st Judicial District of Dallas County under case number 68168-E, with order and decree of sale rendered July 9, 1962, also referenced in transfer and assignment of lien from Grinnan Mortgage Company to Commercial Bank of Nacogdoches filed July 2, 1963, and referenced in Deed of Trust recorded in Vol. 88, Page 87, on an instrument recorded July 9, 1963 in Nacogdoches County, Texas under Parcel #31351. (City Manager)

SUMMARY/BACKGROUND: A bid was received from Ronnie Williams in the amount of $1,500.00 for the property located in the Nacogdoches Independent School District being Lot 3A, Block 8, which is identified on the Nacogdoches Central Appraisal District tax roll as Parcel Number 31351. This property is located at 718 Arthur Weaver Street, Nacogdoches, Texas.

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: Keith Kiplinger, Interim City Manager
kiplingerk@nactx.us
936-559-2506

ATTACHMENTS: 1. Parcel #31351 - Bid Packet

EXHIBIT "A"

BID ANALYSIS

Cause #: C2338239
Previous Owner: Allie Ferguson Estate
Bid Amount: $1,500.00
Bidders Name: Ronnie Williams

Parcel #31351
Date of Sale: 3/7/2023
Redemption Expires: 9/7/2023

PROPERTY DESCRIPTION

BEING LOT 3A OF BLOCK 8, OF THE RESUBDIVISION OF THE JOHN G. ORTON FIRST ADDITION , IN THE CITY OF NACOGDOCHES, NACOGDOCHES COUNTY AS DESCRIBED IN WARRANTY DEED WITH VENDORS LIEN, RECORDED IN VOLUME 142 PAGE 388, ON INSTRUMENT RECORDED AUGUST 26, 1939 AND REFERENCED IN SHERIFFS DEED, RECORDED IN VOLUME 314, PAGE 87, ON INSTRUMENT FILED MAY 28, 1963, ALSO DESCRIBED IN 101ST JUDICIAL DISTRICT OF DALLAS COUNTY UNDER CASE NUMBER 68168-E, WITH ORDER & DECREE OF SALE RENDERED JULY 9TH, 1962, ALSO REFERENCED IN TRANSFER & ASSIGNMENT OF LIEN FROM GRINNAN MORTGAGE COMPANY TO COMMERCIAL NATIONAL BANK OF NACOGDOCHES FILED JULY 2, 1963, AND REFERENCED IN DEED OF TRUST RECORDED IN VOLUME 88 PAGE 87, ON INSTRUMENT RECORDED JULY 9, 1963, THAT FURTHER DESCRIBES THE TRANSFER OF PROPERTY, BEING FURTHER IDENTIFIED ON THE TAX ROLL AND RECORDS OF NACOGDOCHES CENTRAL APPRAISAL DISTRICT UNDER PARCEL NUMBER 31351

JUDGMENT INFORMATION

Tax Entity	Tax Years	Amount Due
CITY OF NACOGDOCHES	2006-2022	$4,776.92
NACOGDOCHES COUNTY	2006-2022	$4,177.99
NACOGDOCHES ISD	2006-2022	$9,753.79

TOTAL:$18,708.70

COSTS

Court Costs:	$453.00	(Payable to District Clerk)
Ad-Litem Fees:	$250.00	(Payable to Ad Litem)
Publication Fee:	$201.00	(Payable to Perdue Law Firm)
Title Research:	$675.00	(Payable to Perdue Law Firm)
Recording Fee:	$38.00	(Payable to Perdue Law Firm)
Postage:	$51.36	(Payable to Perdue Law Firm)
Sheriff's Fees:	$125.00	(Payable to the Nac Sheriff's Dept)

TOTAL: $1,793.36

PROPOSED DISTRIBUTION

Bid Amount:	$1,500.00	Costs: $1,793.36
Net to Distribute:	$0.00	

ENTITY	AMOUNT TO DISBURSE
CITY OF NACOGDOCHES	$0.00
NACOGDOCHES COUNTY	$0.00
NACOGDOCHES ISD	$0.00

TOTAL: $0.00

Note: Bid amount not sufficient enough to cover all Costs and Fees, nor taxes due.

Property Details

Account		
Property ID:	31351	**Geographic ID:** 18-437-5308-003010
Type:	Real	
Location		
Situs Address:	718 ARTHUR WEAVER ST NACOGDOCHES, TX	
Map ID:	53	**Mapsco:** N-20
Legal Description:	LT 3-A BK 8 J G ORTON (LUCAS ST)	
Abstract/Subdivision:	04/013 - J G ORTON FIRST ADDN	
Neighborhood:	SE	
Owner ID:	39667	
Name:	FERGUSON ALLIE K DAVIS	
Agent:		
Mailing Address:	C/O KAYE STEGALL 1018 E 64TH ST TULSA, OK 74136-2211	
% Ownership:	100.0%	
Exemptions:	For privacy reasons not all exemptions are shown online.	

Property Values

Improvement Homesite Value:	$24,050 (+)
Improvement Non-Homesite Value:	$0 (+)
Land Homesite Value:	$3,280 (+)
Land Non-Homesite Value:	$0 (+)
Agricultural Market Valuation:	$0 (+)
Market Value:	$27,330 (=)

Agricultural Value Loss:	$0 (-)
Homestead Cap Loss:	$0 (-)
Appraised Value:	$27,330
Ag Use Value:	$0

VALUES DISPLAYED ARE 2023 PRELIMINARY VALUES AND ARE SUBJECT TO CHANGE PRIOR TO CERTIFICATION.

Information provided for research purposes only. Legal descriptions and acreage amounts are for appraisal district use only and should be verified prior to using for legal purpose and or documents. Please contact the Appraisal District to verify all information for accuracy.

Property Taxing Jurisdiction

Owner: FERGUSON ALLIE K DAVIS **%Ownership:** 100.0%

Entity	Description	Tax Rate	Market Value	Taxable Value	Estimated Tax	Freeze Ceiling
01	NACOGDOCHES COUNTY	0.472200	$27,330	$27,330	$129.05	
12	CITY OF NACOGDOCHES	0.518510	$27,330	$27,330	$141.71	
36	NACOGDOCHES ISD	1.240700	$27,330	$27,330	$339.08	
50	HOSPITAL DISTRICT	0.000000	$27,330	$27,330	$0.00	

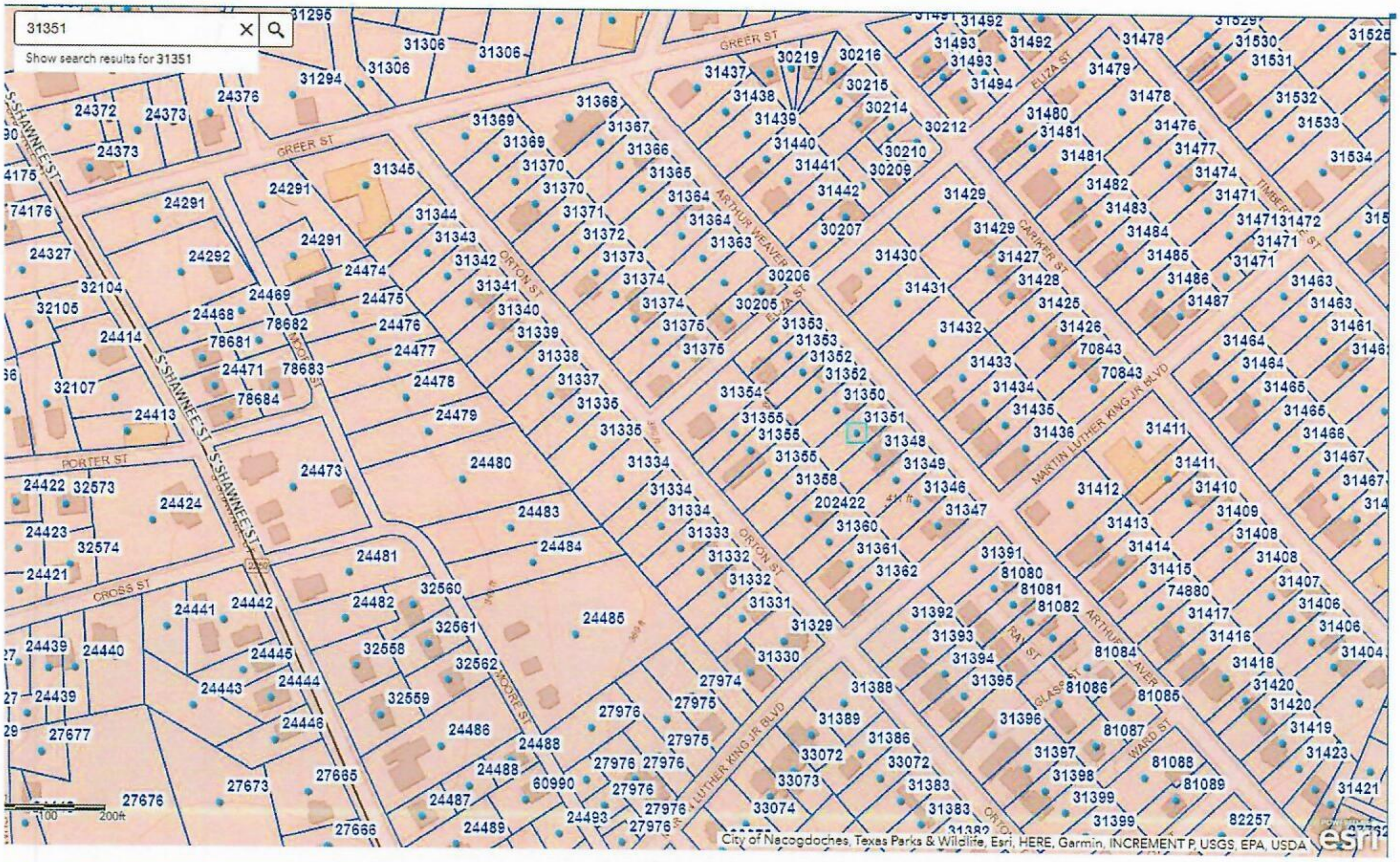
Total Tax Rate: 2.231410

Estimated Taxes With Exemptions: $609.84

Estimated Taxes Without Exemptions: $609.84

PID 31351 - 718 ARTHUR WEAVER ST.

VALUE $23,270.00



SPECIAL RESALE DEED

STATE OF TEXAS §
COUNTY OF NACOGDOCHES §

NOTICE OF CONFIDENTIALITY RIGHTS:
1F YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT 1S FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURTIY NUMBER OR YOUR DRIVER' S LICENSE NUMBER.

KNOW ALL MEN BY THESE PRESENTS that NACOGDOCHES INDEPENDENT SCHOOL DISTRICT, TRUSTEE, in trust for the use and benefit of itself, NACOGDOCHES COUNTY AND CITY OF NACOGDOCHES, hereinafter called GRANTORS, each acting by and through its duly elected official GRANTOR") as authorized by Section 34. 05, Texas Property Tax Code, for and in consideration of THREE THOUSAND DOLLARS AND 00/ 100 **($3,000.00)** and other good and valuable consideration, in hand paid by RONNIE WILLIAMS, Grantee, the receipt of which is hereby acknowledged and confessed, has conveyed and quitclaimed and by the presents do convey and quitclaim unto said GRANTEE all right, title and interest of the GRANTORS, acquired by tax foreclosure sale heretofore held in CAUSE SUIT NO. C2338239 CITY OF NACOGDOCHES vs. OWNER OF VARIOUS PROPERTIES LOCATED WITHIN THE CITY OF NACOGDOCHES, NACOGDOCHES COUNTY, TEXAS., said property being described as follows:

BEING LOT 3A OF BLOCK 8, OF THE RESUBDIVISION OF THE JOHN G. ORTON FIRST ADDITION , IN THE CITY OF NACOGDOCHES, NACOGDOCHES COUNTY AS DESCRIBED IN WARRANTY DEED WITH VENDORS LIEN, RECORDED IN VOLUME 142 PAGE 388, ON INSTRUMENT RECORDED AUGUST 26, 1939 AND REFERENCED IN SHERIFFS DEED, RECORD IN VOLUME 314, PAGE 87, ON INSTRUMENT FILED MAY 28, 1963, ALSO DESCRIBED IN 101ST JUDICIAL DISTRICT OF DALLAS COUNTY UNDER CASE # 68168-E WITH JUDGMENT & DECREE OF SALE RENDERED JULY 9TH, 1962, ALSO REFERENCED IN TRANSFER & ASSIGNMENT OF LIEN FROM GRINNAN MORTGAGE COMPANY TO COMMERCIAL NATIONAL BANK OF NACOGDOCHES FILED JULY 2, 1963, AND REFERENCED IN DEED OF TRUST RECORDED IN VOLUME 88 PAGE 87, ON INSTRUMENT RECORDED JULY 9, 1963, THAT FURTHER DESCRIBES THE TRANSFER OF PROPERTY, BEING FURTHER IDENTIFIED ON THE TAX ROLL AND RECORDS OF NACOGDOCHES CENTRAL APPRAISAL DISTRICT UNDER PARCEL NUMBER 31351

This conveyance is made and accepted subject to the following matters to the extent that the same are in effect at this time: any and all rights of redemption, restrictions, covenants, conditions, easements, encumbrances and outstanding mineral interests, if any, relating to the hereinabove mentioned County and State, and to all zoning laws, regulations and ordinances of municipal and/or governmental authorities, if any but only to the extent that they are still in effect, relating to the hereinabove described property.

TO HAVE AND TO HOLD said premises, together with all and singular the rights, privileges and appurtenances thereto in any manner belonging unto the said RONNIE WILLIAMS, Grantee, their heirs and assigns forever, so that neither NACOGDOCHES INDEPENDENT SCHOOL DISTRICT, TRUSTEE, in trust for the use and benefit of itself, NACOGDOCHES COUNTY AND CITY OF NACOGDOCHES, nor any person claiming under them, shall at any time hereafter have, claim or demand any right or title to the aforesaid premises or appurtenances or any part thereof, but not otherwise.

Grantee accepts the property in " AS IS" condition and subject to any environmental conditions that might have or still exist on said property.

Taxes for the current year are assumed by the Grantee.

IN TESTIMONY WHEREOF, NACOGDOCHES INDEPENDENT SCHOOL DISTRICT, TRUSTEE,in trust for the use and benefit of itself, NACOGDOCHES COUNTY AND CITY OF NACOGDOCHES Grantors, have caused the presents to be executed on this______day of______________ 2023

NACOGDOCHES COUNTY

BY:_______________________________
NACOGDOCHES COUNTY JUDGE

THE STATE OF TEXAS
COUNTY OF NACOGDOCHES

BEFORE ME, the undersigned authority, on this day personally appeared _______________________________ NACOGDOCHES COUNTY JUDGE, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed and, in the capacity, therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this____ day of_______ 2023.

____
NOTARY PUBLIC

IN TESTIMONY WHEREOF, NACOGDOCHES INDEPENDENT SCHOOL DISTRICT, TRUSTEE, in trust for the use and benefit of itself, NACOGDOCHES COUNTY AND CITY OF NACOGDOCHES Grantors, have caused the presents to be executed on this_______ day of___________ 2023.

NACOGDOCHES INDEPENDENT SCHOOL DISTRICT

BY:_________________________________
PRESIDENT, BOARD OF TRUSTEES

THE STATE OF TEXAS
COUNTY OF NACOGDOCHES

BEFORE ME, the undersigned authority, on this day personally appeared __________________________________ PRESIDENT, BOARD OF TRUSTEES, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed and, in the capacity, therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this day____ of ___________2023.

____
NOTARY PUBLIC

IN TESTIMONY WHEREOF, NACOGDOCHES INDEPENDENT SCHOOL DISTRICT, TRUSTEE, in trust for the use and benefit of itself, NACOGDOCHES COUNTY AND CITY OF NACOGDOCHES Grantors, have caused the presents to be executed on this______day of_______________ 2023.

CITY OF NACOGDOCHES

BY:____________________________
MAYOR, CITY OF NACOGDOCHES

THE STATE OF TEXAS
COUNTY OF NACOGDOCHES

BEFORE ME, the undersigned authority, on this day personally appeared __________________________________ MAYOR, CITY OF NACOGDOCHES, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed and, in the capacity, therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this day_____ of_____________ 2023.

____
NOTARY PUBLIC

GRANTEE' S MAILING ADDRESS:
RONNIE WILLIAMS

RETURN TO:
PERDUE, BRANDON, FIELDER, COLLINS AND MOTT, LLP
220 W. HOSPITAL ST., NACOGDOCHES, TX 75961

PRESENTER: Jan Vinson, City Secretary

ITEM/SUBJECT: Consider an ordinance amending Chapter 50 "Historic Preservation", Article II "Landmarks and Historic Districts", Division 2 "Historic Landmark Preservation Committee"; providing for a severability clause; and providing an effective date. (City Secretary)

SUMMARY/BACKGROUND: City Council conducted interviews for various City Boards/Commission June 28-30, 2023. City Council determined that the Historic Landmark Preservation Committee would benefit from appointing additional members. The membership composition is set by ordinance. Therefore, an ordinance amendment is necessary to make changes to the membership composition.

City Council believes that City Boards/Commissions are very important and making these changes will only enhance the work of the Historic Landmark Preservation Committee.

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: Jan Vinson, City Secretary
vinsonj@nactx.us
936-559-2504

ATTACHMENTS: 1. Draft Ordinance Amendment

ORDINANCE NO. 1974-08-23

AN ORDINANCE OF THE CITY OF NACOGDOCHES, TEXAS, AMENDING CHAPTER 50 “HISTORIC PRESERVATION”, ARTICLE II “LANDMARKS AND HISTORIC DISTRICTS”, DIVISION 2 “HISTORIC LANDMARK PRESERVATION COMMITTEE”; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, during the interviews conducted by City Council to fill expired terms on the Historic Landmark Preservation Committee, City Council Members discussed increasing the number of members for this board; and

WHEREAS, in their discussions the City Council of the City of Nacogdoches determined that the Historic Landmark Preservation Committee would benefit from increasing its membership; and

NOW, THEREFORE BE IT ORDAINED by the City Council of the City of Nacogdoches that Chapter 50 “Historic Preservation”, Article II “Landmarks and Historic Districts”, Division 2 “Historic Landmark Preservation Committee”, be amended to read as follows:

SECTION 1:

Sec.50-62. Membership.

The historic landmark preservation committee shall consist of ~~seven~~ nine (9) members to be appointed by the city council with consideration to be given to the following recommended professions:

(1) Architect, planner, or representative of a design profession;
(2) Historian;
(3) Licensed real estate broker;
(4) Property owner of a landmark or in a historic district;
(5) Attorney; and
(6) Archaeologist or from a related discipline.

SECTION 2:

Sec.50-68. Meetings. (b)

Quorum. A quorum for the transaction of business ~~shall consist of not less than a majority of the full authorized membership.~~ of the membership shall be a majority of the members of the board appointed by City Council to serve on the board.

PASSED AND APPROVED this the 1st day of August, 2023.

____
Randy Johnson, Mayor

ATTEST:

____
Jan Vinson, City Secretary

Approved as to form: ______________________________
Scott Bounds, Olson & Olson
Interim City Attorney

Nacogdoches
the oldest town in Texas

City Council Meeting

Date: August 1, 2023

Agenda Item: 5.D.

PRESENTER: Steve Bartlett, Public Works Director

ITEM/SUBJECT: Consider ordinance amending Ordinance No. 1929-09-22 appropriating various amounts in accordance with budget adopted for ensuing fiscal year beginning October 1, 2022 and ending September 30, 2023. (WWTP Bar Screen Rehab) (Director of Public Works)

SUMMARY/BACKGROUND: Recently, the bar screens at the Wastewater Treatment Plant (WWTP) failed requiring full rehabilitation to be put back online in the wastewater treatment process. Bar screens are large mechanical filters at the headworks of the WWTP removing large, solid objects such as rags, plastic or metals from the wastewater as it enters the treatment facility. Under normal operations, these bar screens automatically clear themselves via a conveyor-like system where the solids are picked up and removed, clearing the water-way of the debris. Currently, staff is bypass pumping supernatant and manually clearing the screens, requiring rented equipment and additional staff hours. Funds were not budgeted in the current fiscal year for bar screen repairs, so staff is requesting consideration of a budget amendment in the amount of $435,000 to purchase the parts and components necessary for this repair. The lead time on delivery of these materials is several months and staff plans to take bids for the installation of these components once the new budget year begins in October in order to obtain the lowest price for installation once the equipment is delivered. The $435,000 for this budget amendment would be from available reserve funds in the Utility Fund.

FINANCIAL:
Item is not budgeted *(Budget Amendment required – see attached)*

Account No.: 30 179.39
Account Name: *Utility Fund CIP*
Amount: $435,000

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

CITY CONTACT: Steve Bartlett, Director of Public Works
bartletts@nactx.us
936-559-2522

ATTACHMENTS: 1. Ordinance

AN ORDINANCE AMENDING ORDINANCE NO. 1929-09-22 APPROPRIATING VARIOUS AMOUNTS IN ACCORDANCE WITH BUDGET ADOPTED FOR THE ENSUING FISCAL YEAR BEGINNING OCTOBER 1, 2022 AND ENDING SEPTEMBER 30, 2023.

WHEREAS, the City Council of the City of Nacogdoches, Texas has approved and adopted the budget for said city for the ensuing fiscal year beginning October 1, 2022 and ending September 30, 2023.

WHEREAS, bar screens are an integral component in the wastewater treatment process; and

WHEREAS, the bar screens at the Wastewater Treatment Plant have failed, making their rehabilitation an urgent need; and

WHEREAS, funds were not budgeted in the current fiscal year for bar screen rehabilitation; and

WHEREAS, with the adoption of this ordinance, the City is authorized to utilize funds from Utility Fund reserves in the amount of $435,000 for purchase of parts and components for repairs for both bar screens; and

WHEREAS, construction costs for installation of the parts and components will be included in the FY23-24 Capital Improvements Plan; and

WHEREAS, with the adoption of this ordinance, the Public Works Department is authorized to expend funds as needed.

NOW, THEREFORE BE IT ORDAINED by the City Council of the City of Nacogdoches that sums of money as herein set forth in said budget are hereby appropriated and amended for the payment of capital outlays of the city government of the City of Nacogdoches as follows:

Fund	Dept	Acct.	Department	Description	Amt.
30		179.39	Utility Fund CIP	Bar Screen Rehab Equipment	$435,000

PASSED AND APPROVED this the 1st day of August, 2023.

____
Randy Johnson, Mayor
City of Nacogdoches

ATTEST:

____
Jan Vinson, City Secretary

Approved as to form: ____________________________
City Attorney

Approved as to content: ____________________________
Pamela Curbow, Director of Finance

Nacogdoches
the oldest town in Texas

City Council Meeting

Date: August 1, 2023

Agenda Item: 5.E.

PRESENTER: Steve Bartlett, Public Works Director

ITEM/SUBJECT: Consider purchase of replacement Bar Screen equipment from Vision Equipment in the amount of $435,000 (Director of Public Works).

SUMMARY/BACKGROUND: Recently, the bar screens at the Wastewater Treatment Plant (WWTP) failed requiring full rehabilitation to be put back online in the wastewater treatment process. Bar screens are large mechanical filters at the headworks of the WWTP removing large, solid objects such as rags, plastic or metals from the wastewater as it enters the treatment facility. Under normal operations, these bar screens automatically clear themselves via a conveyor-like system where the solids are picked up and removed, clearing the water-way of the debris. Currently, staff is bypass pumping supernatant and manually clearing the screens, requiring rented equipment and additional staff hours. The parts and components necessary for this repair cost $435,000 and are necessary to be purchased as soon as possible due to a lead time of several months for delivery. With these lead times on the equipment, staff plans to take bids for the installation of these components once the new budget year begins in October in order to obtain the lowest price for installation once the equipment is delivered. Staff recommends purchase of the equipment for these repairs in the amount of $435,000 from Vision Equipment.

FINANCIAL:
Item is budgeted:
Account No.: 30 179.39
Account Name: *Utility Fund CIP*
Amount: $435,000

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

CITY CONTACT: Steve Bartlett, Director of Public Works
bartletts@nactx.us
936-559-2522

ATTACHMENTS: 1. Quote



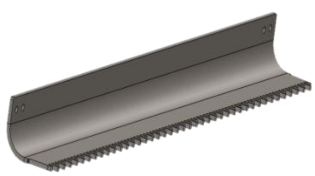
Vision Equipment

TEXAS • NEW MEXICO • OKLAHOMA

Presented To:

City of Nacogdoches

Vision Equipment Contact:
Hershel Ezzell, Jr., P.E. (281) 850-5414
Chris Hanley (970) 708-2669

Technologies for Municipal and Industrial Wastewater Treatment

- Water Treatment Membranes
- Headworks Course Screening
- Headworks Fine Screening
- Indexed Tray De-Gritting
- Vortex De-Gritting
- Septage Receiving Stations
- In-Line Grinding
- Manhole Grinders
- Grit Classifiers
- Clarifiers
- Oxidation Ditch Systems
- Fine Bubble Aeration
- Course Bubble Aeration
- Lagoon Aeration
- Retractable Aeration
- Oxidation Ditch Conversions
- Biosolids Thickening
- Biosolids Dewatering
- PD Blowers
- Turbo Blowers
- Horizontal UV Disinfection
- SBR
- MBR
- Packaged WWTPs
- Sludge Holding Tank Aeration
- Digester Mixers
- Trickling Filters
- SS Mesh Filters
- Washer/Compactors

SOUTH & CENTRAL TEXAS	SOUTHEAST TEXAS	CORPUS CHRISTI TEXAS	NORTH TEXAS & OKLAHOMA
David Bartlett San Antonio C: 210-381-4030 David@visionequipment.net	**Hershel Ezzell, Jr., P.E.** Houston C: 281-850-5414 Hershel@visionequipment.net	**Randall Eulenfeld** Corpus Christi C: 361-319-2286 Randall@visionequipment.net	**Jodie Marbut** Weatherford C: 817-229-0411 Jodie@visionequipment.net
VISION EQUIPMENT	SOUTHEAST TEXAS	WEST TEXAS	TEXAS
Home Office Vision Equipment 6 Falls View Fair Oaks Ranch, TX 78015	**Keisha Antoine, PhD, PE** Houston O: 832-356-3903 Keisha@visionequipment.net	**Mike Neill** Amarillo C: 806-336-5913 Mike@visionequipment.net	**Chris Hanley** Office Manager C: 970-708-2669 Chris@visionequipment.net

www.visionequipment.net

July 25, 2023

To: Case Opperman, P.E., City of Nacogdoches
Bart Allen, City of Nacogdoches

Reference: Nacogdoches WWTP – DC Rehab Upgrade of W2657x2

Subject: Vision Equipment Proposal R2# Nacogdoches-DC-W2657x2-RU-07252023

Case,

Thank you for reaching out regarding Duperon Screen #W2657-1 and #W2657-2 at your Nacogdoches Wastewater Treatment Plant.

As a result of the onsite inspection findings, the current condition of screens, and the number of items that have wear and need to be replaced, the best option at this time is to take advantage of the Duperon FRO IQ Rehab/Upgrade.

The Duperon FRO IQ Rehab/Upgrade is an onsite rebuild of your existing screen that is covered by a Duperon parts warranty. Duperon uses the existing body and replaces the moving parts and motor with the enhanced FlexRake IQ technology. Using the technology that has been developed since the original installation of your screen, Duperon is able to upgrade your machine design to something more suited for grit and extend the life of the existing screen.

Please find below pricing for the parts only portion of this scope of work:

Vision Equipment – Pricing Schedule		
Description: Duperon Screens W2657-1 & W2657-2	**Supplier**	**Price For Both Screens**
Parts for the FRO IQ Rehab/Upgrade Per the Attached Scope	Duperon	$ 435,000.00
Parts for the Upgraded Controls: • 1 HP AB PowerFlex 525 VFD and line reactor • New Hour Meter with Sunshade		
Freight		
Submittals will be available 6-8 weeks after PO Acceptance. Shipment is 24-26 weeks after approved submittals.		

Terms of Sale are as Follows:

A. Demolition and removal of the above equipment is not included
B. Unloading of the above equipment upon arrival is not included
C. Installation of the above equipment including any piping or electrical is not included
D. This proposal remains valid until August 19, 2023
E. Please issue the Purchase Order to Vision Equipment
F. The Vision Equipment Price is based on the enclosed Standard Terms & Conditions

Vision Equipment is a State of Texas certified HUB and WBE supplier. Items purchased from Vision Equipment will be eligible for credit under the enclosed certifications.

We remain at your service.

Kind regards,

Chris Hanley	Hershel Ezzell, Jr., P.E.
Vision Equipment	Vision Equipment
(970) 708-2669	(281) 850-5414

CC: David Bartlett, VE San Antonio

Enclosed: Duperon Proposal# P12880R3, Dated 07142023 & Duperon Proposal# P12884 R1, Dated 07142023

Proposal Accepted By ____

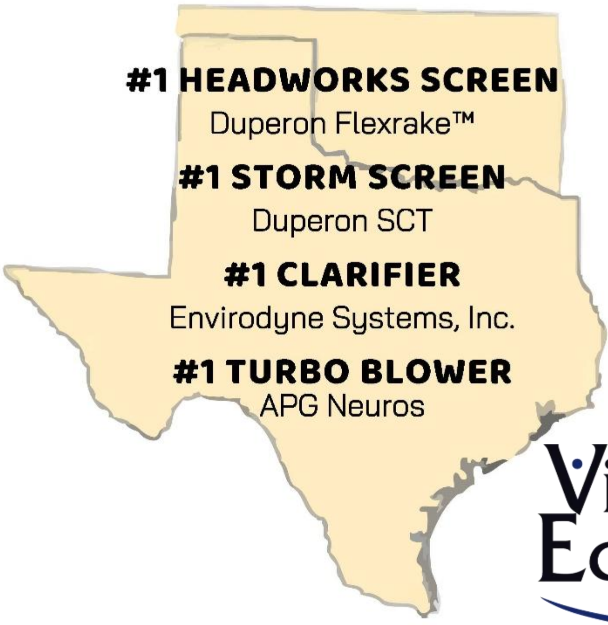
Printed Name and Title/Position

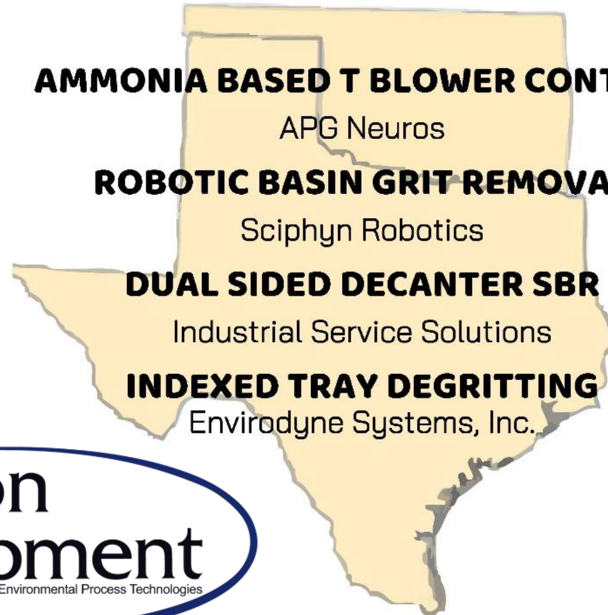
____

Signature and Date

Thank you Texas and Oklahoma!

WITH VISION EQUIPMENT YOUR SOLUTIONS ARE CLEAR





Vision Equipment
Environmental Process Technologies

AET - Hybrid Settlers for WTP and WWTP Applications

APG Neuros - High Speed Turbo Blowers, Gas Turbine Blowers, Air and Magnetic Bearings, and Advanced Aeration Control Systems

AquaTec, Inc. - Submersible Aeration Mixers (SAM)

C.E. Shepherd - Trickling Filter Media, Under Drains

CECO Environmental - Odor Control, Bioscrubbers, Carbon Systems

CleanTek - Roto-Sieve Fine Drum Screens

Duperon – FlexRake® Multi-Rake Headworks Screens, Storm Screens, Trash Rakes, Rag Removal Systems

Dynamic Water Control Gates - SS Slide, Flap, Weir Gates

Envirodyne Systems, Inc. - Indexed Tray De-gritting, Disk Aerators, Clarifiers, DHV-Approved Surface Aerators, Thickeners, Anaerobic Digester Covers, Rotary Distributors, Brush Type Weir Cleaners

Franklin Miller - Twin Shafted Grinders, Septage Receiving Systems, Screenings Washer, Headworks Screening, In-Line Grinders, Bulk Water Fill Stations

GEA Westfalia - Decanter Centrifuges for Municipal Sludge Thickening and Dewatering Application

Guardian Environmental - Chain and Flight Sludge Collectors

H20 Innovation - MBR, UF, IFAS Systems

Industrial Service Solutions - Dual Decanter SBR, Extended Aeration, BNR

Invent Filtration Technologies - Tertiary SS Disk Filter

Ishigaki - Screw Press Dewatering, Sludge Thickening

Jaeger-Aeration - Least Cost Extended Aeration Designs, Disk, Strip and Tube Diffusers, SBR and BNR Biological Processes

Marmac Water - WTP Chemical Dosing and Metering Systems

Midwest Fabricators - FRP Weirs, Baffles, and Troughs

Mixing Systems, Inc. - Hydraulic Tank Mixing

MLM Conveying Systems, Inc. - Engineered Bulk Conveyance and Handling Systems

Neotec UV - Ultraviolent Disinfection

Prime Solution - Rotary Press Dewatering

Scinor - Replacement UF Membrane Filters

Sciphyn Robotics - Robotic Dredging, Sludge Removal, ROV Visual Inspection Services, Sediment Mapping, No Outage Required

United Blower, Inc. - Bi-Lobe and Tri-Lobe Positive Displacement, Multistage Centrifugal, Regen Blowers

Vapex Environmental - Media Free, Chemical Free, Vapor Phase Treatment for FOG Remediation, Odor Control, and Microbial Corrosion Control for Lift Stations and WWTPs

WTP Equipment Corp. - Material Handling Shafted and Shaftless Screw Conveyors, Vertical Screw Conveyors, Screw Feeders, De-gritting Systems

SOUTH & CENTRAL TEXAS	SOUTHEAST TEXAS	CORPUS CHRISTI TEXAS	NORTH TEXAS & OKLAHOMA
David Bartlett San Antonio C: 210-381-4030 David@visionequipment.net	**Hershel Ezzell, Jr., P.E.** Houston C: 281-850-5414 Hershel@visionequipment.net	**Randall Eulenfeld** Corpus Christi C: 361-319-2286 Randall@visionequipment.net	**Jodie Marbut** Weatherford C: 817-229-0411 Jodie@visionequipment.net
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www.visionequipment.net

Vision Equipment

TEXAS • NEW MEXICO • OKLAHOMA

Minority HUB & WBE Certifications

South Central Texas Regional Certification Agency of Bexar County, Texas hereby duly affirms that:

Vision Equipment, L.L.C.

has successfully met the established requirements of SCTRCA's Business Enterprise Certification Program to be certified as a

***WBE**

Certified NAICS Codes

NAICS 2213: WATER, SEWAGE AND OTHER SYSTEMS
NAICS 423830: WATER TREATMENT EQUIPMENT, INDUSTRIAL, MERCHANT WHOLESALERS
NAICS 541620: ENVIRONMENTAL CONSULTING SERVICES

SOUTH CENTRAL TEXAS REGIONAL CERTIFICATION AGENCY

Certification Number: 222021761
Effective Date: February 7, 2022
Expiration Date: February 29, 2024

Charles Johnson
Executive Director

Note: This certificate is the property of the South Central Texas Regional Certification Agency and may be revoked should the above named firm graduate from or fails to comply with SCTRCA's Business Enterprise Program. A Certification Renewal Application is required every two years.

NCTRCA
North Central Texas Regional Certification Agency

Women Business Enterprise (WBE)
Vision Equipment, L.L.C.

Vision Equipment, L.L.C.

has filed with the Agency an Affidavit as defined by NCTRCA Women Business Enterprise (WBE) Policies & Procedures and is hereby certified to provide service(s) in the following areas:

NAICS 423830: WATER TREATMENT EQUIPMENT, INDUSTRIAL, MERCHANT WHOLESALERS
NAICS 541620: ENVIRONMENTAL CONSULTING SERVICES

This Certification commences December 2, 2021 and supersedes any registration or listing previously issued. This certification must be updated every two years by submission of an Annual Update Affidavit. At any time there is a change in ownership, control of the firm or operation, notification must be made immediately to the North Central Texas Regional Certification Agency for eligibility evaluation.

Certification Expiration: December 31, 2023
Issued Date: December 2, 2021
CERTIFICATION NO. WFWB09018N1223

Certification Administrator

Texas Historically Underutilized Business (HUB) Certificate

HUB
Statewide Historically Underutilized Business Program

Certificate/VID Number:	1043773601900
File/Vendor Number:	44473
Approval Date:	21-APR-2020
Scheduled Expiration Date:	21-APR-2024

The Texas Comptroller of Public Accounts (CPA), hereby certifies that

VISION EQUIPMENT, L.L.C.

has successfully met the established requirements of the State of Texas Historically Underutilized Business (HUB) Program to be recognized as a HUB. This certificate printed 14-MAY-2020, supersedes any registration and certificate previously issued by the HUB Program. If there are any changes regarding the information (i.e., business structure, ownership, day-to-day management, operational control, business location) provided in the submission of the business' application for registration/certification as a HUB, you must immediately (within 30 days of such changes) notify the HUB Program in writing. The CPA reserves the right to conduct a compliance review at any time to confirm HUB eligibility. HUB certification may be suspended or revoked upon findings of ineligibility.

Statewide HUB Program
Statewide Procurement Division

Vision Equipment, LLC
Standard Terms and Conditions of Sale

Section One: Terms Applicable

The Terms and Conditions of Sale listed below are the exclusive terms and conditions applicable to quotations made and orders accepted by Vision Equipment and Consulting ("Seller") for the sales of products, equipment and parts relating thereto ("Products"). This quotation or acknowledgment and acceptance is expressly made conditional upon Buyer's assent to such terms and conditions. Any of Buyer's terms and conditions which are in addition to or different from those contained herein, which are not separately agreed to by Seller in writing, are hereby objected to and shall be of no effect. Objections to any terms and conditions contained herein shall be deemed waived if Seller does not receive written notice thereof within 20 days of the date of this acknowledgment. Buyer in any event will be deemed to have assented to the terms and conditions contained herein if Buyer either makes any payment to Seller or accepts any delivery of the Product. The term "this Agreement" as used herein means this quotation or acknowledgment together with any attachment hereto, any documents expressly incorporated by reference and these Standard Terms and Conditions of Sale.

Section Two: Delivery

A. Delivery dates are good faith estimates and do not mean that "time is of the essence". Buyer's failure to promptly make advance or interim payments, supply technical information, drawings and approvals will result in a commensurate delay in delivery. Unless otherwise agreed in writing by Seller, title and risk of loss or damage to the Products shall pass to Buyer upon delivery of the Products F.O.B., Seller's plant (F.O.B., point of manufacture for any Product shipped direct to Buyer from any location other than Seller's plant).
B. Seller shall not be liable for any loss or delay due to acts of governmental authority, laws or regulations, strikes, fires, floods, earthquakes, severe weather, epidemics, quarantine restrictions, war, riot, acts of Buyer, wrecks, delays in transportation, inability to obtain necessary labor or materials from usual sources, or other causes beyond the reasonable control of Seller. In the event of any such delay in performance due to such causes, the date of delivery or performance shall be deferred for a period equal to the time lost by the reason of the delay

Section Three: Warranty

A. Seller warrants to Buyer that the Products will be delivered free from defects in material and workmanship. This warranty shall commence upon delivery of the Products and shall expire on the earlier to occur of 12 months from initial operation of the Products and 18 months from delivery thereof (the "Warranty Period"). If during the Warranty Period Buyer discovers a defect in material or workmanship and gives Seller written notice thereof within 10 days of such discovery, Seller will, at its option, either deliver to Buyer a replacement part or repair the defect in place. Seller will have no warranty obligations under this Section 3(A): (i) if Buyer fails to ensure that the Products are operated and maintained in accordance with generally approved industry practice and with Seller's specific written instructions; (ii) if the Products are used in connection with any mixture or substance or operating condition other than that for which they were designed; (iii) if Buyer fails to give Seller such written 10 day notice; (iv) if the Products are repaired by someone other than Seller or have been intentionally or accidentally damaged, or (v) corrosion, erosion, ordinary wear and tear or in respect of any parts which by their nature are exposed to severe wear and tear or are considered expendable.
B. Seller further warrants to Buyer that at delivery, the Products will be free of any liens or encumbrances. If there are any such liens or encumbrances, Seller will cause them to be discharged promptly after notification from Buyer of their existence.
C. THE EXPRESS WARRANTIES SELLER MAKES IN THIS PARAGRAPH 3 ARE THE ONLY WARRANTIES IT WILL MAKE. THERE ARE NO OTHER WARRANTIES, WHETHER STATUTORY, ORAL, EXPRESS OR IMPLIED. IN PARTICULAR, THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
D. The remedies provided in paragraphs 3(a) and 3(b) are Buyer's exclusive remedy for breach of warranty.

Section Four: Limitation of Liability

The remedies of buyer set forth herein are exclusive and the aggregate liability of seller for all claims of any kind for any loss or damage resulting from, arising out of or connected with this agreement or from the performance or breach thereof, or from the manufacture, sale, delivery, resale, repair or use of any product, shall in no event exceed the price allocable to the product which gave rise to the claims. The foregoing notwithstanding, if applicable, any claims for (a) delay shall not exceed 10% and (b) breach of performance guarantees shall not exceed 20% of the price. In no event shall seller be liable to buyer or any party for special, incidental or consequential damages of any nature, including, but not limited to, loss of profits or revenue or business opportunity, loss by reason of shutdown of facilities or inability to operate any facility at full capacity, or cost of obtaining replacement power. The limitations and exclusions of liability set forth in this paragraph shall apply to any claim, whether based on contract, warranty, tort (including negligence), fault, strict liability, indemnity, or otherwise. All liability of Seller to Buyer, arising out of this Agreement, shall terminate at the expiration of 3 years after final acceptance. The provisions of this paragraph 4 shall supersede any inconsistent provisions in any instrument forming part of this agreement.

Section Five: Taxes

Seller's prices do not include any sales, use, excise or other taxes. In addition to the price specified herein, the amount of any present or future sales, use, excise or other tax applicable to the sale or use of the Products shall be billed to and paid by Buyer unless Buyer provides to Seller a tax-exemption certificate acceptable to the relevant taxing authorities.

Section 6: Security Interest

Seller shall retain a purchase money security interest in the Products until all payments have been made in full. Buyer agrees to do all acts necessary to perfect and maintain such security interest in Seller and to protect Seller's interest in the Products.

Section 7: Set Off

Neither Buyer nor any of its affiliates shall have any right to set off claims against Seller or any of its affiliates for amounts owed under this Agreement or otherwise.

Section 8: Patents

Unless the Products or any part thereof are designed to Buyer's specifications and provided the Product or any part thereof is not used in any manner other than as specified or approved by Seller in writing, (i) Seller shall defend against any suit or proceeding brought against Buyer to the extent based on a claim that any Product, or any part thereof, infringes any United States patents; provided Seller is notified promptly in writing and given authority, information and assistance for the defense of such suit or proceeding; (ii) Seller shall satisfy any judgment for damages entered against Buyer in such suit; and (iii) if such judgment enjoins Buyer from using any Product or a part thereof, then Seller shall at its option: (a) obtain for Buyer the right to continue using such Product or part; (b) eliminate the infringement by replacing or modifying all or part of the Products; or (c) take back such Product or part and refund to Buyer all payments on the purchase price which Seller has received, in which case neither Buyer nor Seller will have any claim against the other under this Agreement or arising out of the subject matter of this Agreement. The foregoing states Seller's entire liability for patent infringement by any Product or part thereof.

Section 9: Cancellation

Buyer may only cancel its order for cause agreeable to the Seller and upon written notice to Seller and upon payment to Seller of Seller's cancellation charges, which shall be specified to Buyer and shall take into account among other things expenses (direct and indirect) incurred and commitments already made by Seller and an appropriate profit. In the event of the bankruptcy or insolvency of Buyer or in the event of any bankruptcy or insolvency proceeding brought by or against Buyer

Section 10: Changes

Seller will not make changes in the Products unless Buyer and Seller have executed a written Change Order for such change. Such Change Order will include an appropriate price adjustment. If the change impairs Seller's ability to satisfy any of its obligations to Buyer, the Change Order will include appropriate modifications to this Agreement. If after the date of this quotation or acknowledgment, new or revised governmental requirements should require a change in the Products; the change will be subject to this paragraph 10.

Section 11: Confidentiality

Buyer acknowledges that the information which Seller submits to Buyer in connection with this quotation or acknowledgment includes Seller's confidential and proprietary information, both of a technical and commercial nature. Buyer agrees not to disclose such information to third parties without Seller's prior written consent. Buyer further agrees not to permit any third party to fabricate the Products or any parts thereof from Seller's drawings. Buyer will defend and indemnify Seller from any claim, suit, or liability based on personal injury (including death) or property damage related to any Product or part thereof which is fabricated by a third party without Seller's prior written consent and from and against related costs, charges and expenses (including attorney's fees). All copies of Seller's drawings shall remain Seller's property and may be reclaimed by Seller at any time.

Section 12: End User

If Buyer is not the end user of the Products sold hereunder (the "End User"), then Buyer will use its best efforts to obtain the End User's written consent to be bound to Seller by the provisions of paragraphs 3, 4, 5, and 11 hereof. If Buyer does not obtain such End User's consent, Buyer shall defend and indemnify Seller and Seller's agents, employees, subcontractors, and suppliers from any action, liability, cost, loss or expense for which Seller would not have been liable or from which Seller would have been indemnified if Buyer had obtained such End User's consent.

Section 13: General

A. Seller represents that any Products or parts thereof manufactured by Seller will be produced in compliance with all applicable Federal, state and local laws applicable to their manufacture and in accordance with Seller's engineering standards. Seller shall not be liable for failure of the Products to comply with any other specifications, standards, laws or regulations.
B. This Agreement shall inure only to the benefit of Buyer and Seller and their respective successors and assigns. Any assignment of this Agreement or any of the rights or obligations hereunder, by either party without the written consent of the other party shall be void.
C. This Agreement contains the entire and only agreement between the parties with respect to the subject matter hereof and supersedes all prior oral and written understandings between Buyer and Seller concerning the Products, and any prior course of dealings or usage of the trade not incorporated herein.
D. This Agreement (including these standard terms and conditions of sale) may be modified, supplemented or amended only by a writing signed by an authorized representative of Seller. Seller's waiver of any breach by Buyer of any terms of this Agreement must also be in writing and any waiver by Seller or failure by Seller to enforce any of the terms and conditions of this Agreement at any time, shall not affect, limit or waive Seller's right thereafter to enforce and compel strict compliance with every term and condition thereof.
E. This Agreement and the performance thereof will be governed by and construed according to the laws of the State of Texas. The parties hereto irrevocably submit to the jurisdiction of the Federal and State courts sitting in Tarrant County, Texas and waive any claims as to inconvenient forum. In the event this Agreement pertains to the sale of any goods outside the United States, the parties agree that the United Nations Convention for the International Sale of Goods shall not apply to this Agreement.

Section 14: Legal Fees

All legal fees to collect debts owed to seller from buyer shall be paid by the buyer. All legal fees required to settle indebtedness of buyer to seller shall be paid in full by the buyer.

DUPERON

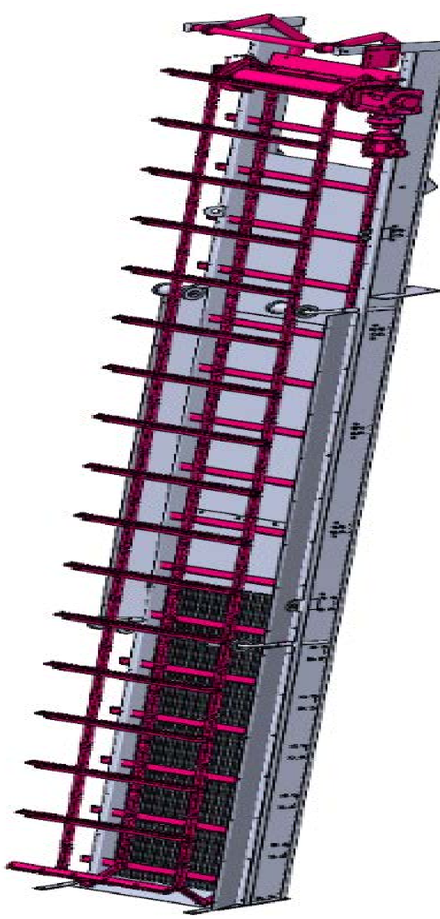
DATE: July 14, 2023 **Proposal # 12884 R1**

Site Reference: City of Nacogdoches, TX
W2657-1 Rehab / Upgrade

Owner: Vision Equipment, LLC
5830 Laurel Caverns
Kingwood, TX 77345

From: **Duperon Contacts:**
Brandon Dayton, Sales Project Manager
bdayton@duperon.com

Mark Hickok – Regional Sales Manager
mhickok@duperon.com
(989) 412-0289



Duperon is pleased to offer the following mechanical screen components and accessories for the above referenced site. Please also refer to Duperon Terms and Conditions attached.

Scope of Supply: UTILIZING EXISTING BAR SCREEN AND STRUCTURAL COMPONENTS

(1) Components to Upgrade Existing FlexRake with enhanced design components to include:

(1) FRO IQ "FlexRake Only IQ" Assembly

- Complete IQ Drive Head Assembly:
  - IQ Drive Sprockets and components SSTL304
  - IQ Drive Shaft SSTL304
  - 1 HP Motor
- Complete set of SSTL2205 Scrapers
- Complete set of IQ Series SSTL304 FlexLinks and Related Hardware
- ST6 Debris blade
- Bar replacement as needed
- Base plate cover

Dimensions and design criteria related to existing screen

- 6.00 ft screen width (utilizing customer's existing bar screen)
- 12.83 ft channel invert to top of operating deck
- 2.75 ft assumed discharge height
- 22 ft nominal length of FlexLink and scraper system
- 0.375 inch clear opening (utilizing customer's existing bar screen)
- 30 degree from vertical (utilizing customer's existing bar screen)
- 10.00 ft maximum water level
- Peak Flow = 26 MGD
- 4,500 lbs. estimated weight of FRO components

(1) Controls Package, Main Panel

- Assumed to re-use existing panel
- 1 HP AB PowerFlex 525 VFD ad line reactor
- New hour meter shall be provided
- Sunshield as needed

Bar Screen Spare Parts

- ~~(1) Drive Clevis Pin~~
- (10) Snap Rings
- (4) Hex Head Cap Screw
- (4) Scraper Nut
- (1) Snap Ring Tool
- (1) 1 oz. Never Seez tube

~~On Site Technical Assistance – Assembly Supervision/Start Up/Training~~

- ~~(1) Trip(s)~~
- ~~(1) Technician~~
- ~~(4) 8 hour man-day(s) total onsite~~
- ~~*If additional Technical Service days are required, please add per the rates included in the Clarifications section of this scope of supply.*~~

Operation and Maintenance Manuals

- 6 Hard Copies

Warranty

- One Year Standard material and workmanship
- Five year warranty on all rotating parts **(FlexRake IQ only)**

Freight to Jobsite

Delivery:

- Submittals: 6-8 weeks after approved purchase order, based on workload
- Equipment Delivery: 24-26 weeks after approval based on workload
- FOB Jobsite, Freight Paid

Exceptions:

- As noted

Clarifications:

General Clarifications

- Contractor and/or Owner to inspect existing bar screen and components for structural integrity prior to purchase order.
- Any structural or bar rack components deemed unusable will need to be replaced and are not quoted herein.
- Prices are valid for 30 days unless stated otherwise in the proposal
- See Duperon Contractor Installation Guides for guidance in estimating these costs.
- Duperon requires 3 week's advanced notice in writing to schedule field service technician on site.
- Field Services will be provided as outlined in this proposal. Duperon field service rate is $750 per day plus travel and per diem expenses. If field service personnel arrive on site as scheduled and the project is not ready for intended services to be performed, Duperon will invoice for additional days, if required. If the time required is greater than the time listed in this proposal, Duperon will invoice at the above rates.
- The specifications listed are the only specifications which shall apply to this proposal either directly or by reference. Any additional specifications, with equipment or requirements specified therein, that are not specifically included as part of this offer are excluded from this proposal.

Bar Screen Clarifications

- Site assembly required
- Utilizing existing bar screen, side-fab's, base-plate. Assuming no damage.
- A standard minimum downstream water depth of 1.00 ft is required for FlexRake to prevent galling of the moving SSTL parts. Modifications such as a sloped sump or downstream underflow weir may be necessary and is to be provided by others.
- It is recommended on sites with solid plate/grating across channels; that channel ventilation connection points occur upstream of mechanical screening equipment as necessary to relieve the channel fumes from exhausting only through the equipment enclosure
- Freeze protection not included
- Some minor field welding will be required at the top of the channel support bar and at the operating deck anchor points.
- Crane may be required for unloading.
- Spreader bar may be required for unloading
- Scope of supply and pricing above does not include additional structure for seismic, additional head differential or wind conditions.

Not Included:

- Anything not specifically stated in this Proposal.
- Bonding, tariffs, permits, taxes, liquidated damages.

- Construction and /or installation work of any kind at the jobsite.
- On-site conditions affecting the work described or which affects the installation.
- Conduit, stands, control mounting wiring, junction boxes, or other accessories.
- Any site work or installation tasks (i.e., unloading, placement, dewatering, diving, clearing the fore bay, wiring, provision of concrete structure, etc.), equipment (such as cranes, hammer drills, etc.), or anchor bolts.
- Pre-installation tasks such as touch-up painting, checking bolts for tightness, removal of shipping containment devices, etc.
- Engineering: Does not include drawings other than those for the FlexRake.
- Additional structure for seismic or wind conditions.
- Offloading or handling of delivered equipment.
- Union labor for all field support services.
- Controls not specifically listed above.
- Videotaping of the training sessions
- Release of proprietary information.
- Insulation or weather proofing.
- Site/field painting or touch up.
- Vibration and noise testing.
- Anchor Bolts by others.
- Discharge system.
- Stilling wells.

Payment Terms:

- 5% Due with placement of order
- 20% Invoiced upon submittal of engineering drawings
- 65% Invoiced at time of shipment
- 10% Invoiced upon successful start up or 60 days after shipment, whichever is less.
- All payments are due Net 30 days
- Based upon review and approval by Duperon credit department.
- No retentions allowed.

Proposal Terms:

- This offer is subject to the enclosed Duperon Corporation Terms and Conditions page unless alternate terms and conditions are specifically negotiated in writing and are signed/accepted by Duperon Corporation at the time of purchase.
- May be subject to material price escalation.
- This proposal is based upon the information available at this time and may be impacted by future specifications, scope, and other requirements.
- Duperon Corporation retains the right to revise, withdraw, or negotiate this offer at any time prior to signing a material contract.

Order Processing:

To facilitate timely order processing and submittals, refer to this proposal number and please list purchaser contact, telephone, fax, and email with your purchase order. Please provide with your order a copy of trade references and, if tax exempt, please provide a resale or tax exemption certificate. Purchase Order should be sent to and payment remitted to:

Duperon Corporation
1200 Leon Scott Court
Saginaw, MI 48601
Ph. 800-383-8479
Fax 989-754-2175

General Guidelines: (Not Inclusive of all Scenarios/Steps to Apply the Above Quoted Components)

Required Resources (including but not limited to):

- Contractor's Installation Data: (not included)
- Electrician
- Minimum 3 people (trained & utilized as needed for confined space entry site work)
- Confined space entry equipment (if applicable)
- Gantry crane (overhead) or other satisfactory lifting device estimated capacity 800 lbs
- Hand tools

Required Controls Upgrade:
- Remove existing VFD from main control panel
- ~~Install new AC Tech 751 VFD~~ 1 HP AB PowerFlex 525 VFD ad line reactor

Rotating Parts Removal Sequence:
- Remove existing scrapers with 0.375" inch opening
- Remove links in segments as necessary
- Remove debris blade assembly
- Remove existing drive head and mounting plates

New FRO IQ Rotating Parts Installation Sequence:
- Install new drive head mounting details
- Install new drive head with gearbox and motor
- Install new debris blade assembly
- Install new links in segments as necessary using new snap rings – **DO NOT REUSE SNAP RINGS**
- Install new scrapers with 0.375" opening
- Machine alignment adjustments as needed per Duperon's direction

Approved for Purchase by:

_______________________________ _______________
Signature Date

____
Printed Name

____
Title

____

____

____
Company Name & Address

Duperon Corporation Terms and Conditions

The Terms and Conditions ("Terms") contained herein shall apply to any and all Equipment sales by Duperon Corporation, Inc ("Duperon Corporation") to Purchasers ("Purchasers"). These Terms apply in lieu of any course of dealing between the parties or usage of trade in the industry. Any changes in the Terms contained herein must specifically be agreed to in writing and signed by Duperon Corporation before becoming binding on either party. The sale and purchase of Equipment described herein shall be governed exclusively by the foregoing and the following Terms:

1. ACCEPTANCE: Any prior Duperon Corporation price quotation or pricing letter is for Purchaser's information only. Duperon Corporation shall only be bound by written confirmation of acceptance of the proposal. All Purchaser orders and agreements are expressly conditioned upon assent to these terms and conditions. Terms additional to or different from those in these terms and conditions are rejected. Duperon Corporation and Purchaser agree that these terms and conditions are accepted in good faith by both parties as the controlling terms and conditions notwithstanding Section 2-207 of the Uniform Commercial Code, as enacted. Duperon Corporation's commencement of performance is not to be construed as acceptance of any of Purchaser's terms or conditions. Duperon Corporation may commence performance in reliance on Purchaser's acceptance of these terms and conditions.
2. SPECIFICATIONS: The proposal or Equipment may not be in strict compliance with the Engineer's/Owner's plans, specifications, or addenda as there may be deviations. The Equipment will meet the mechanical specifications as described by Duperon Corporation.
3. ITEMS INCLUDED: Duperon Corporation's offer includes only the listed Equipment and does not include erection, installation, accessories or associated materials such as controls, piping, etc.
4. PARTIES TO CONTRACT: Duperon Corporation is not a party to or bound by the terms of any other Purchaser contract, agreement, or understanding with third-parties and Duperon Corporation's duties are limited to this proposal with Purchaser to which there are no intended third-party beneficiaries.
5. PRICE AND DELIVERY: All selling prices quoted are subject to change without notice after 30 days from the date of a proposal unless specified otherwise. Unless otherwise stated, all prices are F.O.B. Duperon Corporation or its supplier's shipping points with freight allowed. All claims for damage, delay or shortage shall be made by Purchaser directly against the carrier. When shipments are quoted F.O.B. job site or other designation, Purchaser shall inspect the Equipment shipped, notifying Duperon Corporation of any damage or shortage within forty-eight hours of receipt. Failure to so notify Duperon Corporation shall constitute acceptance by Purchaser, relieving Duperon Corporation of any liability for shipping damages or shortages.
6. PAYMENTS: All invoices are net 30 days. Delinquencies and failure to pay after demand by Duperon Corporation are subject to a 1.5% service charge per month or the maximum permitted by law, whichever is less, on all past due accounts. Pro rata payments are due as shipments are made. If shipments are delayed by the Purchaser, invoices shall be sent on the date when Duperon Corporation is prepared to make shipment and payment shall become due under standard invoicing terms. If the work to be performed hereunder is delayed by the Purchaser, payments shall be based on percentage of completion. Unless specifically stated otherwise, prices quoted are for Equipment only. If at any time the financial condition of the Purchaser gives Duperon Corporation, in its judgment, doubt concerning the Purchaser's ability to pay, Duperon Corporation may require full or partial payment in advance or may suspend any further deliveries or continuance of the work to be performed by Duperon Corporation until such payment has been received or terminate its contract.
7. CREDIT APPLICATION: Purchaser must complete a credit application if it wishes credit terms. The provision of credit is subject to acceptance by Duperon Corporation's Credit Department and its requirements.
8. RETENTIONS: Retentions are not included, unless specifically noted. Purchaser agrees not retain payment or any part of a payment. Failure to make payment in accordance with the agreed upon terms will result in a 1.5% per month service charge.
9. ESCALATION: If shipment is, for any reason, deferred by the Purchaser beyond the contractually agreed upon normal shipment date, or if material price increases (or decreases) are greater than 5% from proposal date to material procurement date, stated prices set forth herein are subject to a shared risk escalation adjustment. Any escalation less than plus or minus 5% shall be absorbed by Duperon Corporation. All escalation (increase or credit) that exceeds 5% shall be passed onto the Purchaser at cost and shall be based upon increases (or decreases) in material costs to Duperon Corporation that occur in the time period between quotation and material procurement by Duperon Corporation. Purchaser agrees to this potential escalation (or credit) regardless of contradicting terms in the contract, except when an agreed upon escalation adder is included in the price.

   (a)The total quoted revised price is based upon changes in the indices as published by third party sources, such as, the United States Department of Labor, Bureau of Labor Statistics. Labor will be related to the Average Hourly Earnings indices found in the Employment and Earnings publication. Material will be related to the Metal and Metal Products Indices published in Wholesale Prices and Price Indices.
   (b)Price revision for items furnished to, and not manufactured by Duperon Corporation, which exceed the above escalation calculation, will be passed along by Duperon Corporation to Purchaser based upon the actual increase in price to Duperon Corporation for the period from the date of quotation to the date of material procurement. Any item that is so revised will be excluded from the index escalation calculations set forth in subparagraph (a) above.

10. BACKCHARGES: Duperon Corporation will not approve or accept back charges for labor, materials, or other costs incurred by Purchaser or others in modification, adjustment, service, or repair of Duperon Corporation furnished materials unless such back charge has been authorized in advance in writing by a Duperon Corporation employee, by a Duperon Corporation purchase order, or work requisition signed by Duperon Corporation
11. APPROVAL: If approval of Equipment submittals by Purchaser or others is required, a condition precedent to Duperon Corporation supplying any Equipment shall be such complete approval.

12. INSTALLATION SUPERVISION: Unless specified, prices quoted for Equipment do not include installation supervision or on-site technical advice. Duperon Corporation recommends and will, upon request, make available, at Duperon Corporation's then current rate, an experienced installation supervisor to act as the Purchaser's agent to supervise installation of the Equipment. Purchaser shall at its sole expense furnish all necessary labor Equipment, and materials needed for installation. Responsibility for proper operation of Equipment, if not installed by Duperon Corporation or installed in accordance with Duperon Corporation's instructions and inspected and accepted in writing by Duperon Corporation, rests entirely with Purchaser; and any work performed by Duperon Corporation personnel in making adjustment or changes must be paid by Purchaser at Duperon Corporation's then current per diem rates plus living and traveling expenses. Duperon Corporation shall not be responsible for results in connection with the installation of the Equipment or technical advice not provided or furnished by Duperon Corporation.
13. ACCEPTANCE OF PRODUCTS: Products will be deemed accepted without any claim by Purchaser unless written notice of nonacceptance is received by Duperon Corporation within 30 days of delivery if shipped F.O.B. point of shipment, or 48 hours of delivery if shipped F.O.B. point of destination. Such written notice shall not be considered received by Duperon Corporation unless it is accompanied by all freight bills for said shipment, with Purchaser's notations as to damages, shortages and conditions of Equipment, containers, and seals. Non-accepted products are subject to the return policy stated below.
14. TAXES: Any federal, state, or local sales, use or other taxes applicable to this transaction, unless specifically included in the price, shall be the responsibility of Purchaser.
15. TITLE: The Equipment shall, regardless of the manner in which affixed to or used in connection with realty, remain the sole and personal property of Duperon Corporation until the full purchase price has been paid. Purchaser agrees to do all things necessary to protect and maintain Duperon Corporation's title and interest in and to such Equipment; and upon Purchaser's default, at Duperon Corporation's option, Duperon Corporation may retain as liquidated damages any and all partial payments made and shall be free to enter the premises where such Equipment is located and remove the same as its property without prejudice to any further claims on account of damages or loss which Duperon Corporation may suffer from any cause.
16. INSURANCE: From date of shipment until the invoice is paid in full, Purchaser agrees to provide and maintain at its expense, but for Duperon Corporation's benefit, adequate insurance including, but not limited to, builders risk insurance on the Equipment against any loss of any nature whatsoever. Purchaser shall provide proof of said coverage prior to shipment.
17. SHIPMENTS: Any estimated delivery dates represent Duperon Corporation's best estimate. No liability, direct or indirect, is assumed by Duperon Corporation for failure to ship or deliver on such dates. Duperon Corporation shall have the right to make partial shipments; and invoices covering the same shall be due and payable by Purchaser in accordance with the payment terms thereof. If Purchaser defaults in any payment when due hereunder, Duperon Corporation may, without incurring any liability therefore to Purchaser or Purchaser's customers, declare all payments immediately due and payable with maximum legal interest thereon from due date of said payment, and at its option, stop all further work and shipments until all past due payments have been made, and/or require that any further deliveries be paid for prior to shipment. If Purchaser requests postponements of shipments, the purchase price shall be due and payable upon notice from Duperon Corporation that the Equipment is ready for shipment; and thereafter any storage or other charge Duperon Corporation incurs on account of the Equipment shall be added to Purchaser's account. If delivery is specified at a point other than Duperon Corporation or its supplier's shipping points, and delivery is postponed or prevented by strike, accident, embargo, or other cause beyond Duperon Corporation's reasonable control and occurring at a location other than Duperon Corporation or its supplier's shipping points, Duperon Corporation assumes no liability for delivery delay. If Purchaser refuses such delivery, Duperon Corporation may store the Equipment at Purchaser's expense. For all purposes of this agreement such tender of delivery or storage shall constitute delivery.
18. WARRANTY: DUPERON CORPORATION WARRANTS EQUIPMENT IT SUPPLIES ONLY IN ACCORDANCE WITH THE WARRANTY EXPRESSED IN THE ATTACHED COPY OF "DUPERON WARRANTY" AGAINST DEFECTS IN WORKMANSHIP AND MATERIALS WHICH IS MADE A PART HEREOF. SUCH WARRANTY IN LIEU OF ALL OTHER WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE, WHETHER WRITTEN, ORAL, EXPRESSED, IMPLIED OR STATUTORY, DUPERON CORPORATION SHALL NOT BE LIABLE ANY CONTINGENT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES FOR ANY REASON WHATSOEVER. THE PARTIES AGREE AND STIPULATE THAT AN EXPRESS WARRANTY PROVIDED TO PURCHASER IN WRITING IS THE SOLE WARRANTY REGARDING THE PRODUCT AND ANY SERVICE PROVIDED BY DUPERON CORPORATION. THE PARTIES SPECIFICALLY AGREE AND STIPULATE THAT THERE IS NO OTHER WARRANTY OF ANY TYPE WHATSOEVER, INCLUDING BUT NOT LIMITED TO CONSUMER WARRANTIES, WARRANTY OF FITNESS FOR PARTICULAR PURPOSE, WARRANTY OF MERCHANTABILITY, AND DUPERON CORPORATION IS NOT LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, OR ANY OTHER DAMAGES, EXCEPT AS SET FORTH IN THESE TERMS AND THE EXPRESS WARRANTY. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE OF THE EXPRESS WARRANTY.
19. PATENTS: Duperon Corporation agrees that it will, at its own expense, defend all suits or proceedings instituted against Purchaser and pay any award of damages assessed against it in such suits or proceedings, so far as the same are based on any claim that the said Equipment or any part thereof constitutes an infringement of any apparatus patent of the United States issued at the date of this Agreement provided Duperon Corporation is given prompt notice in writing of the institution or threatened institution of any suit or proceeding and is given full control of the defense, settlement, or compromise of any such action; and Purchaser agrees to give Duperon Corporation needed information, assistance, and authority to enable Duperon Corporation so to do. In the event said Equipment is held or conceded to infringe such a patent, Duperon Corporation shall have the right at its sole option and expense to a) modify the Equipment to be non-infringing, b) obtain for Purchaser the license to continue using said Equipment, or c) accept return of the Equipment and refund to the Purchaser the purchase price thereof less a reasonable charge for the use thereof. Duperon Corporation will reimburse Purchaser for actual out-of-pocket expenses, exclusive of legal fees, incurred in preparing such information and rendering such assistance at Duperon Corporation's request. The foregoing states the entire liability of Duperon Corporation, with respect to patent infringement; and except as otherwise agreed to in writing, Duperon Corporation assumes no responsibility for process patent infringement.

20. CANCELLATION, SUSPENSION, OR DELAY: After acceptance by Duperon Corporation, the proposal, or Purchaser's order based on the proposal, shall be a firm agreement and is not subject to cancellation, suspension, or delay except upon payment by Purchaser of appropriate charges which shall include all costs incurred by Duperon Corporation to date of cancellation, suspension, or delay plus a reasonable profit. Additionally, all charges related to storage and/or resumption of work, at Duperon Corporation's plant or elsewhere, shall be added to Purchaser's sole account. If Duperon Corporation stores Purchaser’s product upon request, Purchaser agrees to be invoiced, and pay, as if the product shipped according to schedule and all risks incidental to storage shall be assumed by Purchaser. Duperon Corporation shall have the right to cancel any order or proposal without notice to Purchaser in the event that Purchaser becomes insolvent, adjudicated bankrupt, petitions for or consents to any relief under any bankruptcy reorganization statute, or becomes unable to meet its financial obligations in the normal course of business.
21. RETURN OF PRODUCTS: No products may be returned to Duperon Corporation without Duperon Corporation's prior written permission. Said permission may be withheld by Duperon Corporation at its sole discretion.
22. EXTENDED STORAGE: Extended storage instructions will be part of the information provided at shipment. If Equipment installation and start-up is delayed more than 30 days, the storage instructions must be followed to keep WARRANTY in force.
23. INDEMNIFICATION AND HOLD HARMLESS: Duperon Corporation and Purchaser agree to hold harmless the other party from any and all liabilities, damages, losses, claims, demands, payments, actions, fees, or judgments arising out of or resulting from injury to or death of any and all persons or from damage to or loss of property (or loss of use thereof) arising out of the sale, use, maintenance, and/or delivery of Equipment provided such liabilities, damages, losses, claims, demands, payments, actions, fees, or judgments are caused by actual, or claimed, negligence or breach of warranty and do not arise from any warranty not approved or from any sales for a purpose not authorized, nor liabilities, damages, losses, claims, demands, payments, actions, fees, or judgments caused in part by Purchaser’s negligence or willful misconduct. Purchaser agrees to indemnify Duperon Corporation from all costs incurred, including but not limited to court costs and reasonable attorney fees, from enforcing any provisions of this contract, including but not limited to breach of contract or costs incurred in collecting monies owed on this contract.
24. LIMITATION OF REMEDIES: Duperon Corporation’s liability shall be limited to the obligation to repair or replace only those portions or parts of Equipment proven to have failed to meet in material respect the mechanical specifications as described by Duperon Corporation or for defects in workmanship or materials as described in the Duperon Corporation Warranty in Section 18. Duperon Corporation’s cumulative liability in any way arising from or pertaining to any Equipment sold to Purchaser shall not in any case exceed the purchase price paid by Purchaser for said Equipment. IN NO EVENT SHALL PURCHASER HAVE ANY LIABILITY FOR COMMERCIAL LOSS, CLAIMS FOR LABOR, CLAIMS BASED ON DELAY, OR ANY CONTINGENT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES OF ANY TYPE, WHETHER PURCHASERS’ CLAIM BE BASED IN CONTRACT, TORT, WARRANTY, EQUITY, STRICT LIAIBLITY, OR OTHERWISE. IT IS EXPRESSLY AGREED THAT PURCHASER’S REMEDIES EXPRESSED IN THIS PARAGRAPH ARE PURCHASER’S SOLE AND EXCLUSIVE REMEDIES AT LAW OR IN EQUITY.
25. FORCE MAJEURE: Neither party shall be considered in default hereunder or be liable for any failure to perform or delay in performing any provisions of this Agreement in the customary manner to the extent that such failure or delay shall be caused by any reason beyond its control, including an act of God; fire, explosions, hostilities or war (declared or undeclared, striking or work stoppage involving either party’s employees or governmental restrictions, provided that the party declaring force majeure shall give notice to the other party promptly and in writing of the commencement of the condition, the nature, and the termination of the force majeure condition. The party whose performance has been interrupted by such circumstances shall use every reasonable means to resume full performance of these Terms as promptly as possible.
26. ENTIRE AGREEMENT: This proposal expresses the entire agreement between the parties hereto superseding any prior understandings, either written or oral, and is not subject to modification except by a writing signed by an authorized officer of each party. Any terms and conditions of any purchase order or other offer issued by Purchaser in connection with the subject matter of Duperon Corporation’s proposal, which are in addition to or inconsistent with these terms and conditions, will not be binding on Duperon Corporation in any manner whatsoever unless accepted by Duperon Corporation in writing.
27. APPLICABLE LAW AND ARBITRATION: This contract shall be governed by, and construed and enforced in accordance with, the laws of the State of Michigan. Any controversy or claim arising out of or relating to the performance of any contract resulting from the Equipment, the proposal, or the breach thereof, shall be settled by binding arbitration filed in Saginaw County, Michigan, in accordance with the Arbitration Rules of the American Arbitration Association and the parties agree to irrevocable personal jurisdiction in Michigan. Judgment upon the award rendered by the arbitrator(s) may be entered to any court having jurisdiction.
28. NOTICES: Unless otherwise stated, Purchaser shall deliver notices in writing via certified mail or reputable overnight courier (postage prepaid) to: Duperon Corporation, 1200 Leon Scott Court, Saginaw, MI 48601. Notices delivered in this manner become effective upon Duperon Corporation’s actual receipt. Duperon Corporation’s notices to Purchaser may be delivered via email, facsimile, ordinary or certified mail, reputable overnight courier, or invoice and are effective when sent.
29. MISCELLANEOUS: Titles and/or headings in these Terms are inserted for convenience only and are not intended to affect the interpretation or construction of the Terms. Whenever possible, each provision of this Contract shall be interpreted in such a way as to be effective and valid under applicable law. If any provision is prohibited by or invalid under applicable law, it will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of the Terms. The parties agree that time is of the essence. No assignment of any right or obligation under this Contract shall be made by either party without the prior consent of both parties and all others are void. Failure or inability of either party to enforce any right hereunder shall not waive any right in respect to any other or future rights or occurrences. The parties deem that this Agreement was executed and to be fully performed in Saginaw, Michigan.

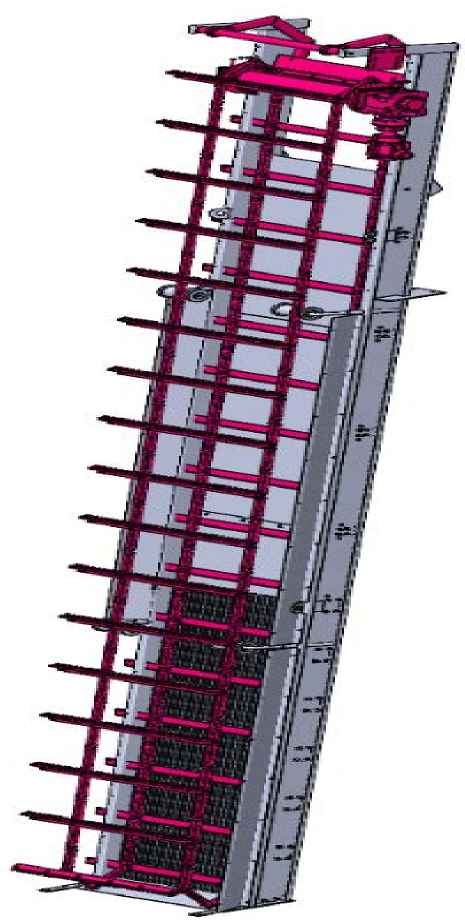
DATE: July 14, 2023 **Proposal # 12880 R3**

Site Reference: City of Nacogdoches, TX
W2657-2 Rehab / Upgrade

Owner: Vision Equipment, LLC
5830 Laurel Caverns
Kingwood, TX 77345

From: **Duperon Contacts:**
Brandon Dayton, Sales Project Manager
bdayton@duperon.com

Mark Hickok – Regional Sales Manager
mhickok@duperon.com
(989) 412-0289



Duperon is pleased to offer the following mechanical screen components and accessories for the above referenced site. Please also refer to Duperon Terms and Conditions attached.

Scope of Supply: UTILIZING EXISTING BAR SCREEN AND STRUCTURAL COMPONENTS

(1) Components to Upgrade Existing FlexRake with enhanced design components to include:
(1) FRO IQ "FlexRake Only IQ" Assembly

- Complete IQ Drive Head Assembly:
  - IQ Drive Sprockets and components SSTL304
  - IQ Drive Shaft SSTL304
  - 1 HP Motor
- Complete set of SSTL2205 Scrapers
- Complete set of IQ Series SSTL304 FlexLinks and Related Hardware
- ST6 Debris blade
- 1HP Motor
- Bar replacement as needed
- Base plate cover

Dimensions and design criteria related to existing screen

- 6.00 ft screen width (utilizing customer's existing bar screen)
- 12.83 ft channel invert to top of operating deck
- 2.75 ft assumed discharge height
- 22 ft nominal length of FlexLink and scraper system
- 0.375 inch clear opening (utilizing customer's existing bar screen)
- 30 degree from vertical (utilizing customer's existing bar screen)
- 10.00 ft maximum water level
- Peak Flow = 26 MGD
- 4,500 lbs. estimated weight of FRO components

(1) Controls Package, Main Panel

- Assumed to re-use existing panel
- 1 HP AB PowerFlex 525 VFD ad line reactor
- New hour meter shall be provided
- Sunshield as needed

Bar Screen Spare Parts

- ~~(1) Drive Clevis Pin~~
- (10) Snap Rings
- (4) Hex Head Cap Screw
- (4) Scraper Nut
- (1) Snap Ring Tool
- (1) 1 oz. Never Seez tube

~~On Site Technical Assistance – Assembly Supervision/Start Up/Training~~

- ~~(1) Trip(s)~~
- ~~(1) Technician~~
- ~~(4) 8 hour man-day(s) total onsite~~
- ~~*If additional Technical Service days are required, please add per the rates included in the Clarifications section of this scope of supply.*~~

Operation and Maintenance Manuals

- 6 Hard Copies

Warranty

- One Year Standard material and workmanship

- Five year warranty on all rotating parts **(FlexRake IQ only)**

Freight to Jobsite

Delivery:

- Submittals: 6-8 weeks after approved purchase order, based on workload
- Equipment Delivery: 24-26 weeks after approval based on workload
- FOB Jobsite, Freight Paid

Exceptions:

- As noted

Clarifications:

General Clarifications

- Contractor and/or Owner to inspect existing bar screen and components for structural integrity prior to purchase order.
- Any structural or bar rack components deemed unusable will need to be replaced and are not quoted herein.
- Prices are valid for 30 days unless stated otherwise in the proposal
- See Duperon Contractor Installation Guides for guidance in estimating these costs.
- Duperon requires 3 week's advanced notice in writing to schedule field service technician on site.
- Field Services will be provided as outlined in this proposal. Duperon field service rate is $750 per day plus travel and per diem expenses. If field service personnel arrive on site as scheduled and the project is not ready for intended services to be performed, Duperon will invoice for additional days, if required. If the time required is greater than the time listed in this proposal, Duperon will invoice at the above rates.
- The specifications listed are the only specifications which shall apply to this proposal either directly or by reference. Any additional specifications, with equipment or requirements specified therein, that are not specifically included as part of this offer are excluded from this proposal.

Bar Screen Clarifications

- Site assembly required
- Utilizing existing bar screen, side-fab's, base-plate. Assuming no damage.
- A standard minimum downstream water depth of 1.00 ft is required for FlexRake to prevent galling of the moving SSTL parts. Modifications such as a sloped sump or downstream underflow weir may be necessary and is to be provided by others.
- It is recommended on sites with solid plate/grating across channels; that channel ventilation connection points occur upstream of mechanical screening equipment as necessary to relieve the channel fumes from exhausting only through the equipment enclosure
- Freeze protection not included
- Some minor field welding will be required at the top of the channel support bar and at the operating deck anchor points.
- Crane may be required for unloading.
- Spreader bar may be required for unloading
- Scope of supply and pricing above does not include additional structure for seismic, additional head differential or wind conditions.

Not Included:

- Anything not specifically stated in this Proposal.
- Bonding, tariffs, permits, taxes, liquidated damages.
- Construction and /or installation work of any kind at the jobsite.
- On-site conditions affecting the work described or which affects the installation.
- Conduit, stands, control mounting wiring, junction boxes, or other accessories.
- Any site work or installation tasks (i.e., unloading, placement, dewatering, diving, clearing the fore bay, wiring, provision of concrete structure, etc.), equipment (such as cranes, hammer drills, etc.), or anchor bolts.
- Pre-installation tasks such as touch-up painting, checking bolts for tightness, removal of shipping containment devices, etc.
- Engineering: Does not include drawings other than those for the FlexRake.
- Additional structure for seismic or wind conditions.
- Offloading or handling of delivered equipment.
- Union labor for all field support services.
- Controls not specifically listed above.
- Videotaping of the training sessions
- Release of proprietary information.
- Insulation or weather proofing.
- Site/field painting or touch up.
- Vibration and noise testing.
- Anchor Bolts by others.
- Discharge system.
- Stilling wells.

Payment Terms:

- 5% Due with placement of order
- 20% Invoiced upon submittal of engineering drawings
- 65% Invoiced at time of shipment
- 10% Invoiced upon successful start up or 60 days after shipment, whichever is less.
- All payments are due Net 30 days
- Based upon review and approval by Duperon credit department.
- No retentions allowed.

Proposal Terms:

- This offer is subject to the enclosed Duperon Corporation Terms and Conditions page unless alternate terms and conditions are specifically negotiated in writing and are signed/accepted by Duperon Corporation at the time of purchase.
- May be subject to material price escalation.
- This proposal is based upon the information available at this time and may be impacted by future specifications, scope, and other requirements.
- Duperon Corporation retains the right to revise, withdraw, or negotiate this offer at any time prior to signing a material contract.

Order Processing:

To facilitate timely order processing and submittals, refer to this proposal number and please list purchaser contact, telephone, fax, and email with your purchase order. Please provide with your order a copy of trade references and, if tax exempt, please provide a resale or tax exemption certificate. Purchase Order should be sent to and payment remitted to:

Duperon Corporation
1200 Leon Scott Court
Saginaw, MI 48601
Ph. 800-383-8479
Fax 989-754-2175

General Guidelines: (Not Inclusive of all Scenarios/Steps to Apply the Above Quoted Components)

Required Resources (including but not limited to):

- Contractor's Installation Data: (not included)
- Electrician
- Minimum 3 people (trained & utilized as needed for confined space entry site work)
- Confined space entry equipment (if applicable)
- Gantry crane (overhead) or other satisfactory lifting device estimated capacity 800 lbs
- Hand tools

Required Controls Upgrade:

- Remove existing VFD from main control panel
- ~~Install new AC Tech 751 VFD~~ 1 HP AB PowerFlex 525 VFD ad line reactor

Rotating Parts Removal Sequence:

- Remove existing scrapers with 0.375" inch opening
- Remove links in segments as necessary
- Remove debris blade assembly
- Remove existing drive head and mounting plates

New FRO IQ Rotating Parts Installation Sequence:

- Install new drive head mounting details
- Install new drive head with gearbox and motor
- Install new debris blade assembly
- Install new links in segments as necessary using new snap rings – **DO NOT REUSE SNAP RINGS**
- Install new scrapers with 0.375" opening
- Machine alignment adjustments as needed per Duperon's direction

Approved for Purchase by:

____ ____________________
Signature Date

____
Printed Name

____
Title

____

____

____
Company Name & Address

Duperon Corporation Terms and Conditions

The Terms and Conditions (“Terms”) contained herein shall apply to any and all Equipment sales by Duperon Corporation, Inc (“Duperon Corporation”) to Purchasers (“Purchasers”). These Terms apply in lieu of any course of dealing between the parties or usage of trade in the industry. Any changes in the Terms contained herein must specifically be agreed to in writing and signed by Duperon Corporation before becoming binding on either party. The sale and purchase of Equipment described herein shall be governed exclusively by the foregoing and the following Terms:

1. ACCEPTANCE: Any prior Duperon Corporation price quotation or pricing letter is for Purchaser’s information only. Duperon Corporation shall only be bound by written confirmation of acceptance of the proposal. All Purchaser orders and agreements are expressly conditioned upon assent to these terms and conditions. Terms additional to or different from those in these terms and conditions are rejected. Duperon Corporation and Purchaser agree that these terms and conditions are accepted in good faith by both parties as the controlling terms and conditions notwithstanding Section 2-207 of the Uniform Commercial Code, as enacted. Duperon Corporation’s commencement of performance is not to be construed as acceptance of any of Purchaser’s terms or conditions. Duperon Corporation may commence performance in reliance on Purchaser’s acceptance of these terms and conditions.
2. SPECIFICATIONS: The proposal or Equipment may not be in strict compliance with the Engineer's/Owner's plans, specifications, or addenda as there may be deviations. The Equipment will meet the mechanical specifications as described by Duperon Corporation.
3. ITEMS INCLUDED: Duperon Corporation’s offer includes only the listed Equipment and does not include erection, installation, accessories or associated materials such as controls, piping, etc.
4. PARTIES TO CONTRACT: Duperon Corporation is not a party to or bound by the terms of any other Purchaser contract, agreement, or understanding with third-parties and Duperon Corporation's duties are limited to this proposal with Purchaser to which there are no intended third-party beneficiaries.
5. PRICE AND DELIVERY: All selling prices quoted are subject to change without notice after 30 days from the date of a proposal unless specified otherwise. Unless otherwise stated, all prices are F.O.B. Duperon Corporation or its supplier's shipping points with freight allowed. All claims for damage, delay or shortage shall be made by Purchaser directly against the carrier. When shipments are quoted F.O.B. job site or other designation, Purchaser shall inspect the Equipment shipped, notifying Duperon Corporation of any damage or shortage within forty-eight hours of receipt. Failure to so notify Duperon Corporation shall constitute acceptance by Purchaser, relieving Duperon Corporation of any liability for shipping damages or shortages.
6. PAYMENTS: All invoices are net 30 days. Delinquencies and failure to pay after demand by Duperon Corporation are subject to a 1.5% service charge per month or the maximum permitted by law, whichever is less, on all past due accounts. Pro rata payments are due as shipments are made. If shipments are delayed by the Purchaser, invoices shall be sent on the date when Duperon Corporation is prepared to make shipment and payment shall become due under standard invoicing terms. If the work to be performed hereunder is delayed by the Purchaser, payments shall be based on percentage of completion. Unless specifically stated otherwise, prices quoted are for Equipment only. If at any time the financial condition of the Purchaser gives Duperon Corporation, in its judgment, doubt concerning the Purchaser’s ability to pay, Duperon Corporation may require full or partial payment in advance or may suspend any further deliveries or continuance of the work to be performed by Duperon Corporation until such payment has been received or terminate its contract.
7. CREDIT APPLICATION: Purchaser must complete a credit application if it wishes credit terms. The provision of credit is subject to acceptance by Duperon Corporation’s Credit Department and its requirements.
8. RETENTIONS: Retentions are not included, unless specifically noted. Purchaser agrees not retain payment or any part of a payment. Failure to make payment in accordance with the agreed upon terms will result in a 1.5% per month service charge.
9. ESCALATION: If shipment is, for any reason, deferred by the Purchaser beyond the contractually agreed upon normal shipment date, or if material price increases (or decreases) are greater than 5% from proposal date to material procurement date, stated prices set forth herein are subject to a shared risk escalation adjustment. Any escalation less than plus or minus 5% shall be absorbed by Duperon Corporation. All escalation (increase or credit) that exceeds 5% shall be passed onto the Purchaser at cost and shall be based upon increases (or decreases) in material costs to Duperon Corporation that occur in the time period between quotation and material procurement by Duperon Corporation. Purchaser agrees to this potential escalation (or credit) regardless of contradicting terms in the contract, except when an agreed upon escalation adder is included in the price.

    (a)The total quoted revised price is based upon changes in the indices as published by third party sources, such as, the United States Department of Labor, Bureau of Labor Statistics. Labor will be related to the Average Hourly Earnings indices found in the Employment and Earnings publication. Material will be related to the Metal and Metal Products Indices published in Wholesale Prices and Price Indices.
    (b)Price revision for items furnished to, and not manufactured by Duperon Corporation, which exceed the above escalation calculation, will be passed along by Duperon Corporation to Purchaser based upon the actual increase in price to Duperon Corporation for the period from the date of quotation to the date of material procurement. Any item that is so revised will be excluded from the index escalation calculations set forth in subparagraph (a) above.

10. BACKCHARGES: Duperon Corporation will not approve or accept back charges for labor, materials, or other costs incurred by Purchaser or others in modification, adjustment, service, or repair of Duperon Corporation furnished materials unless such back charge has been authorized in advance in writing by a Duperon Corporation employee, by a Duperon Corporation purchase order, or work requisition signed by Duperon Corporation
11. APPROVAL: If approval of Equipment submittals by Purchaser or others is required, a condition precedent to Duperon Corporation supplying any Equipment shall be such complete approval.

12. INSTALLATION SUPERVISION: Unless specified, prices quoted for Equipment do not include installation supervision or on-site technical advice. Duperon Corporation recommends and will, upon request, make available, at Duperon Corporation's then current rate, an experienced installation supervisor to act as the Purchaser's agent to supervise installation of the Equipment. Purchaser shall at its sole expense furnish all necessary labor Equipment, and materials needed for installation. Responsibility for proper operation of Equipment, if not installed by Duperon Corporation or installed in accordance with Duperon Corporation's instructions and inspected and accepted in writing by Duperon Corporation, rests entirely with Purchaser; and any work performed by Duperon Corporation personnel in making adjustment or changes must be paid by Purchaser at Duperon Corporation's then current per diem rates plus living and traveling expenses. Duperon Corporation shall not be responsible for results in connection with the installation of the Equipment or technical advice not provided or furnished by Duperon Corporation.
13. ACCEPTANCE OF PRODUCTS: Products will be deemed accepted without any claim by Purchaser unless written notice of nonacceptance is received by Duperon Corporation within 30 days of delivery if shipped F.O.B. point of shipment, or 48 hours of delivery if shipped F.O.B. point of destination. Such written notice shall not be considered received by Duperon Corporation unless it is accompanied by all freight bills for said shipment, with Purchaser's notations as to damages, shortages and conditions of Equipment, containers, and seals. Non-accepted products are subject to the return policy stated below.
14. TAXES: Any federal, state, or local sales, use or other taxes applicable to this transaction, unless specifically included in the price, shall be the responsibility of Purchaser.
15. TITLE: The Equipment shall, regardless of the manner in which affixed to or used in connection with realty, remain the sole and personal property of Duperon Corporation until the full purchase price has been paid. Purchaser agrees to do all things necessary to protect and maintain Duperon Corporation's title and interest in and to such Equipment; and upon Purchaser's default, at Duperon Corporation's option, Duperon Corporation may retain as liquidated damages any and all partial payments made and shall be free to enter the premises where such Equipment is located and remove the same as its property without prejudice to any further claims on account of damages or loss which Duperon Corporation may suffer from any cause.
16. INSURANCE: From date of shipment until the invoice is paid in full, Purchaser agrees to provide and maintain at its expense, but for Duperon Corporation's benefit, adequate insurance including, but not limited to, builders risk insurance on the Equipment against any loss of any nature whatsoever. Purchaser shall provide proof of said coverage prior to shipment.
17. SHIPMENTS: Any estimated delivery dates represent Duperon Corporation's best estimate. No liability, direct or indirect, is assumed by Duperon Corporation for failure to ship or deliver on such dates. Duperon Corporation shall have the right to make partial shipments; and invoices covering the same shall be due and payable by Purchaser in accordance with the payment terms thereof. If Purchaser defaults in any payment when due hereunder, Duperon Corporation may, without incurring any liability therefore to Purchaser or Purchaser's customers, declare all payments immediately due and payable with maximum legal interest thereon from due date of said payment, and at its option, stop all further work and shipments until all past due payments have been made, and/or require that any further deliveries be paid for prior to shipment. If Purchaser requests postponements of shipments, the purchase price shall be due and payable upon notice from Duperon Corporation that the Equipment is ready for shipment; and thereafter any storage or other charge Duperon Corporation incurs on account of the Equipment shall be added to Purchaser's account. If delivery is specified at a point other than Duperon Corporation or its supplier's shipping points, and delivery is postponed or prevented by strike, accident, embargo, or other cause beyond Duperon Corporation's reasonable control and occurring at a location other than Duperon Corporation or its supplier's shipping points, Duperon Corporation assumes no liability for delivery delay. If Purchaser refuses such delivery, Duperon Corporation may store the Equipment at Purchaser's expense. For all purposes of this agreement such tender of delivery or storage shall constitute delivery.
18. WARRANTY: DUPERON CORPORATION WARRANTS EQUIPMENT IT SUPPLIES ONLY IN ACCORDANCE WITH THE WARRANTY EXPRESSED IN THE ATTACHED COPY OF "DUPERON WARRANTY" AGAINST DEFECTS IN WORKMANSHIP AND MATERIALS WHICH IS MADE A PART HEREOF. SUCH WARRANTY IN LIEU OF ALL OTHER WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE, WHETHER WRITTEN, ORAL, EXPRESSED, IMPLIED OR STATUTORY, DUPERON CORPORATION SHALL NOT BE LIABLE ANY CONTINGENT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES FOR ANY REASON WHATSOEVER. THE PARTIES AGREE AND STIPULATE THAT AN EXPRESS WARRANTY PROVIDED TO PURCHASER IN WRITING IS THE SOLE WARRANTY REGARDING THE PRODUCT AND ANY SERVICE PROVIDED BY DUPERON CORPORATION. THE PARTIES SPECIFICALLY AGREE AND STIPULATE THAT THERE IS NO OTHER WARRANTY OF ANY TYPE WHATSOEVER, INCLUDING BUT NOT LIMITED TO CONSUMER WARRANTIES, WARRANTY OF FITNESS FOR PARTICULAR PURPOSE, WARRANTY OF MERCHANTABILITY, AND DUPERON CORPORATION IS NOT LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, OR ANY OTHER DAMAGES, EXCEPT AS SET FORTH IN THESE TERMS AND THE EXPRESS WARRANTY. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE OF THE EXPRESS WARRANTY.
19. PATENTS: Duperon Corporation agrees that it will, at its own expense, defend all suits or proceedings instituted against Purchaser and pay any award of damages assessed against it in such suits or proceedings, so far as the same are based on any claim that the said Equipment or any part thereof constitutes an infringement of any apparatus patent of the United States issued at the date of this Agreement provided Duperon Corporation is given prompt notice in writing of the institution or threatened institution of any suit or proceeding and is given full control of the defense, settlement, or compromise of any such action; and Purchaser agrees to give Duperon Corporation needed information, assistance, and authority to enable Duperon Corporation so to do. In the event said Equipment is held or conceded to infringe such a patent, Duperon Corporation shall have the right at its sole option and expense to a) modify the Equipment to be non-infringing, b) obtain for Purchaser the license to continue using said Equipment, or c) accept return of the Equipment and refund to the Purchaser the purchase price thereof less a reasonable charge for the use thereof. Duperon Corporation will reimburse Purchaser for actual out-of-pocket expenses, exclusive of legal fees, incurred in preparing such information and rendering such assistance at Duperon Corporation's request. The foregoing states the entire liability of Duperon Corporation, with respect to patent infringement; and except as otherwise agreed to in writing, Duperon Corporation assumes no responsibility for process patent infringement.

20. CANCELLATION, SUSPENSION, OR DELAY: After acceptance by Duperon Corporation, the proposal, or Purchaser's order based on the proposal, shall be a firm agreement and is not subject to cancellation, suspension, or delay except upon payment by Purchaser of appropriate charges which shall include all costs incurred by Duperon Corporation to date of cancellation, suspension, or delay plus a reasonable profit. Additionally, all charges related to storage and/or resumption of work, at Duperon Corporation's plant or elsewhere, shall be added to Purchaser's sole account. If Duperon Corporation stores Purchaser's product upon request, Purchaser agrees to be invoiced, and pay, as if the product shipped according to schedule and all risks incidental to storage shall be assumed by Purchaser. Duperon Corporation shall have the right to cancel any order or proposal without notice to Purchaser in the event that Purchaser becomes insolvent, adjudicated bankrupt, petitions for or consents to any relief under any bankruptcy reorganization statute, or becomes unable to meet its financial obligations in the normal course of business.
21. RETURN OF PRODUCTS: No products may be returned to Duperon Corporation without Duperon Corporation's prior written permission. Said permission may be withheld by Duperon Corporation at its sole discretion.
22. EXTENDED STORAGE: Extended storage instructions will be part of the information provided at shipment. If Equipment installation and start-up is delayed more than 30 days, the storage instructions must be followed to keep WARRANTY in force.
23. INDEMNIFICATION AND HOLD HARMLESS: Duperon Corporation and Purchaser agree to hold harmless the other party from any and all liabilities, damages, losses, claims, demands, payments, actions, fees, or judgments arising out of or resulting from injury to or death of any and all persons or from damage to or loss of property (or loss of use thereof) arising out of the sale, use, maintenance, and/or delivery of Equipment provided such liabilities, damages, losses, claims, demands, payments, actions, fees, or judgments are caused by actual, or claimed, negligence or breach of warranty and do not arise from any warranty not approved or from any sales for a purpose not authorized, nor liabilities, damages, losses, claims, demands, payments, actions, fees, or judgments caused in part by Purchaser's negligence or willful misconduct. Purchaser agrees to indemnify Duperon Corporation from all costs incurred, including but not limited to court costs and reasonable attorney fees, from enforcing any provisions of this contract, including but not limited to breach of contract or costs incurred in collecting monies owed on this contract.
24. LIMITATION OF REMEDIES: Duperon Corporation's liability shall be limited to the obligation to repair or replace only those portions or parts of Equipment proven to have failed to meet in material respect the mechanical specifications as described by Duperon Corporation or for defects in workmanship or materials as described in the Duperon Corporation Warranty in Section 18. Duperon Corporation's cumulative liability in any way arising from or pertaining to any Equipment sold to Purchaser shall not in any case exceed the purchase price paid by Purchaser for said Equipment. IN NO EVENT SHALL PURCHASER HAVE ANY LIABILITY FOR COMMERCIAL LOSS, CLAIMS FOR LABOR, CLAIMS BASED ON DELAY, OR ANY CONTINGENT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES OF ANY TYPE, WHETHER PURCHASERS' CLAIM BE BASED IN CONTRACT, TORT, WARRANTY, EQUITY, STRICT LIAIBLITY, OR OTHERWISE. IT IS EXPRESSLY AGREED THAT PURCHASER'S REMEDIES EXPRESSED IN THIS PARAGRAPH ARE PURCHASER'S SOLE AND EXCLUSIVE REMEDIES AT LAW OR IN EQUITY.
25. FORCE MAJEURE: Neither party shall be considered in default hereunder or be liable for any failure to perform or delay in performing any provisions of this Agreement in the customary manner to the extent that such failure or delay shall be caused by any reason beyond its control, including an act of God; fire, explosions, hostilities or war (declared or undeclared, striking or work stoppage involving either party's employees or governmental restrictions, provided that the party declaring force majeure shall give notice to the other party promptly and in writing of the commencement of the condition, the nature, and the termination of the force majeure condition. The party whose performance has been interrupted by such circumstances shall use every reasonable means to resume full performance of these Terms as promptly as possible.
26. ENTIRE AGREEMENT: This proposal expresses the entire agreement between the parties hereto superseding any prior understandings, either written or oral, and is not subject to modification except by a writing signed by an authorized officer of each party. Any terms and conditions of any purchase order or other offer issued by Purchaser in connection with the subject matter of Duperon Corporation's proposal, which are in addition to or inconsistent with these terms and conditions, will not be binding on Duperon Corporation in any manner whatsoever unless accepted by Duperon Corporation in writing.
27. APPLICABLE LAW AND ARBITRATION: This contract shall be governed by, and construed and enforced in accordance with, the laws of the State of Michigan. Any controversy or claim arising out of or relating to the performance of any contract resulting from the Equipment, the proposal, or the breach thereof, shall be settled by binding arbitration filed in Saginaw County, Michigan, in accordance with the Arbitration Rules of the American Arbitration Association and the parties agree to irrevocable personal jurisdiction in Michigan. Judgment upon the award rendered by the arbitrator(s) may be entered to any court having jurisdiction.
28. NOTICES: Unless otherwise stated, Purchaser shall deliver notices in writing via certified mail or reputable overnight courier (postage prepaid) to: Duperon Corporation, 1200 Leon Scott Court, Saginaw, MI 48601. Notices delivered in this manner become effective upon Duperon Corporation's actual receipt. Duperon Corporation's notices to Purchaser may be delivered via email, facsimile, ordinary or certified mail, reputable overnight courier, or invoice and are effective when sent.
29. MISCELLANEOUS: Titles and/or headings in these Terms are inserted for convenience only and are not intended to affect the interpretation or construction of the Terms. Whenever possible, each provision of this Contract shall be interpreted in such a way as to be effective and valid under applicable law. If any provision is prohibited by or invalid under applicable law, it will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of the Terms. The parties agree that time is of the essence. No assignment of any right or obligation under this Contract shall be made by either party without the prior consent of both parties and all others are void. Failure or inability of either party to enforce any right hereunder shall not waive any right in respect to any other or future rights or occurrences. The parties deem that this Agreement was executed and to be fully performed in Saginaw, Michigan.

City Council Meeting

Date: August 1, 2023

Agenda Item: 5.F.

PRESENTER: Pam Curbow, Finance Director

ITEM/SUBJECT: Receive a report regarding Quarterly Investment Report for quarter ended June 30, 2023. (Director of Finance)

SUMMARY/BACKGROUND: Presentation of Quarterly Investment Report for quarter ended June 30, 2023

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: Pamela Curbow, Director of Finance
curbowp@nactx.us
936-559-2526

ATTACHMENTS: 1. Investment Report 06 30 2023

Nacogdoches

the oldest town in Texas

FY 2022-23

Investment Report – 3rd Quarter

April 1, 2023 – June 30, 2023

This report is presented in accordance with the Texas Government Code Title 10 Section 2256.023. The below signed herby certify that, to the best of their knowledge on the date this report was created, that this report is in compliance with the state policies and Investment Policy of the City of Nacogdoches.

____

Investment Officer

Investment Position as of June 30, 2023

As of June 30, 2023 the City of Nacogdoches has investments in the following accounts:

- $2.8 million invested in Southside Bank; earning an average rate of 0.65%,
- $49.5 million invested in TexPool accounts; earning a rate of 5.05%,
- $6.8 million invested in a Money Market Account with Veritex Bank; earning a rate of 5.20%,
- $4.1 million invested in a Money Market Account with Southside Bank; earning a rate of 2.22%,
- $21.4 million invested in Certificates of Deposit; earning an average rate of 3.81%
- $14.2 million invested in US Treasury Notes; earning an average rate of 2.06%
- The City's average yield for FY23 is 6.14%

Quarter End Results by Investment Category

Asset Type	March 31, 2022 Book Value	March 31, 2022 Market Value	June 30, 2023 Book Value	June 30, 2023 Market Value	June 30, 2023 APR
Southside Bank Depository Accounts	$ 3,967,148.91	$ 4,686,965.77	$ 2,802,020.49	$ 3,135,381.41	0.65%
Southside Money Market Account	$ 4,055,484.46	$ 4,055,484.46	$ 4,077,768.20	$ 4,077,768.20	2.22%
Veritex Bank Money Market Account	$ 6,682,500.93	$ 6,682,500.93	$ 6,766,016.00	$ 6,682,500.93	5.20%
Independent Financial Money Market Account	$ -	$ -	$ 5,062,518.26	$ 5,271,756.03	5.38%
Certificates of Deposits	$ 19,300,162.25	$ 19,300,162.02	$ 21,443,196.80	$ 21,443,196.57	3.81%
Texpool Investments	$ 55,836,896.41	$ 56,086,896.41	$ 49,541,902.47	$ 49,816,257.86	5.05%
US Treasury Notes	$ 14,150,374.60	$ 13,888,548.94	$ 14,184,751.70	$ 13,998,234.32	2.06%
Totals	**$ 103,992,567.56**	**$ 104,700,558.53**	**$ 103,878,173.92**	**$ 104,425,095.32**	

Current Quarter Average Yield		Fiscal Year to Date Average Yield	
Total Portfolio	9.83%	Total Portfolio	6.14%

Interest Earnings	
Quarterly Interest Income	$ 2,553,059
Year to date Interest Income	$ 4,708,393

Note: Bank balances represent pooled cash accounts. Cash balances are unaudited.

Summary Investment Statement 04/01/2023 –06/30/2023

Beginning Balance	04/01/2023	$ 103,992,568
Ending Balance	06/30/2023	$ 103,878,174
Increase / (Decrease)		($ 114,394)
Total Interest		$ 2,553,059
Avg Yield for Quarter		9.83%

Certificates of Deposit

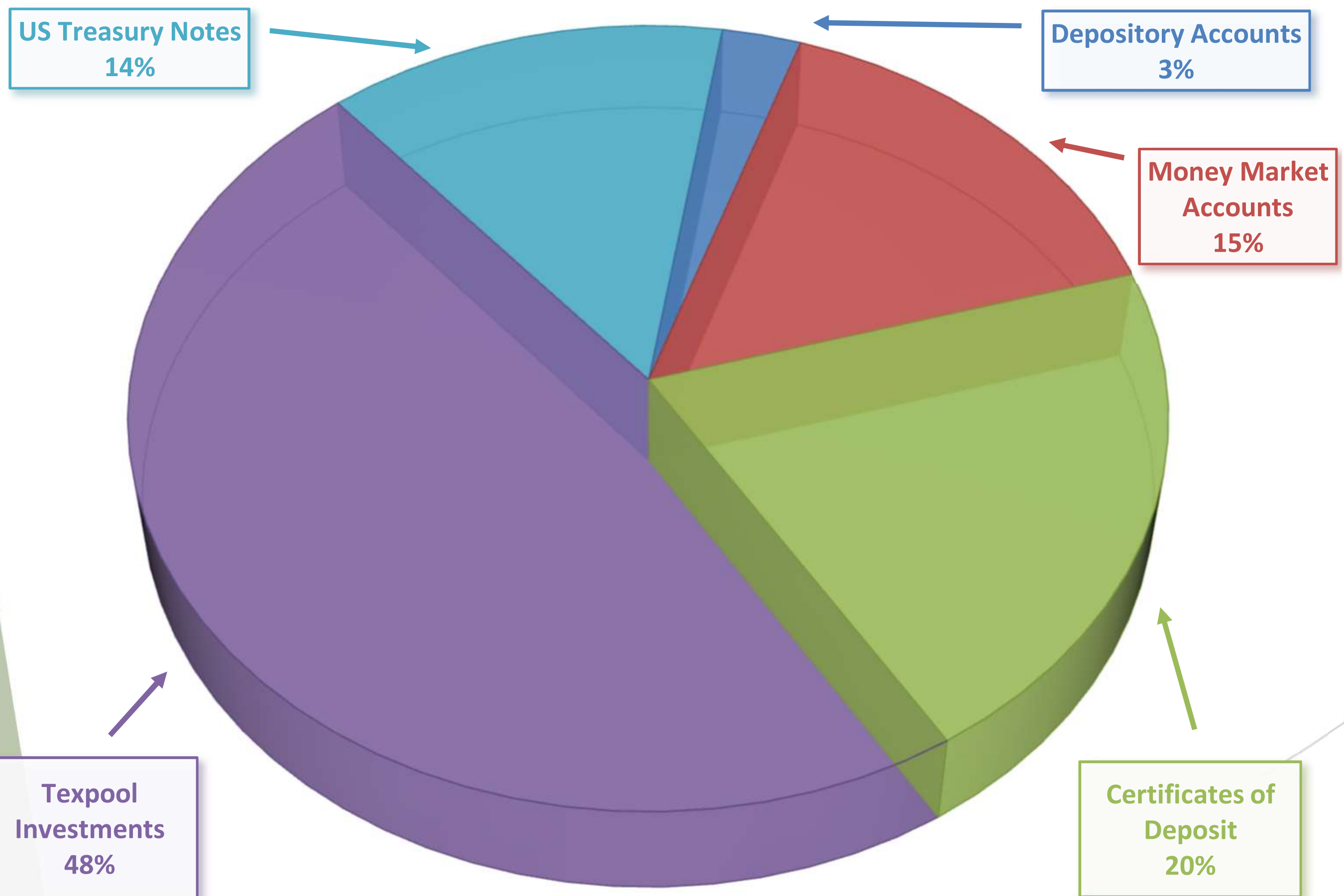
Citizens State Bank (GF - $2M) 18 Month CD	Balance = $2,037,415 Maturity Date: 9/23/2023	0.75% APY
Bank OZK (GF - $2M) 12 Month CD	Balance = $2,023,919 Maturity Date: 4/4/2024	5.05% APY
East West Bank (GF - $2M, UF - $2M) 12 Month CD	Balance = $4,125,539 Maturity Date: 9/22/2023	4.00% APY
East West Bank (UF - $2M) 12 Month CD	Balance = $2,057,290 Maturity Date: 7/28/2023	3.05% APY

Certificates of Deposit

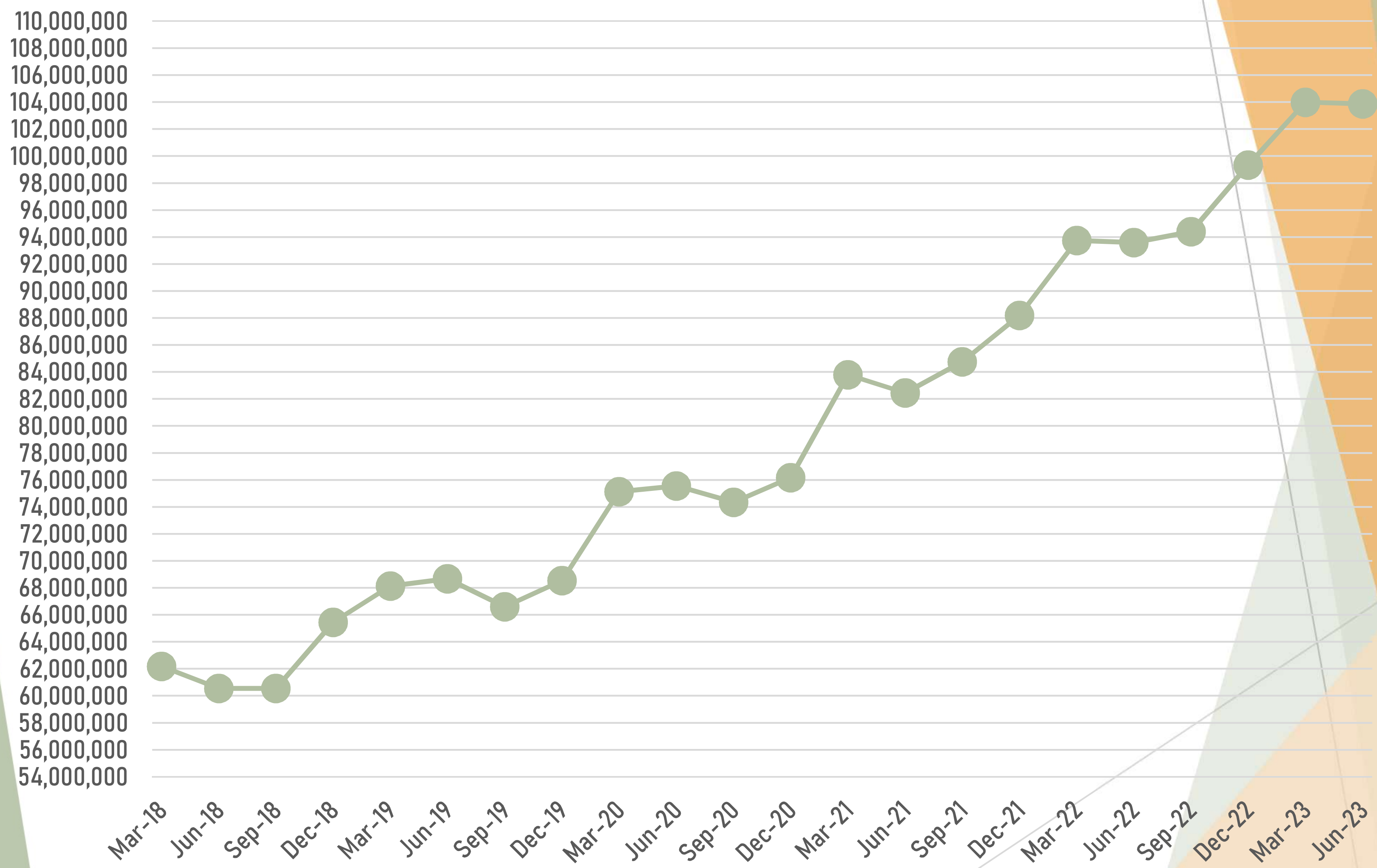
East West Bank (UF - $2M) 6 Month CD	Balance = $2,040,093 Maturity Date: 8/1/2023	4.83% APY
Wallis Bank (UF - $3M) 12 Month CD	Balance = $3,058,338 Maturity Date: 2/2/2024	4.93% APY
Bank OZK (SF - $2M) 9 Month CD	Balance = $2,023,919 Maturity Date: 1/4/2024	5.05% APY
East West Bank (SF - $2M) 12 Month CD	Balance = $2,060,887 Maturity Date: 6/27/2024	5.39% APY
Citizens State Bank (SF - $2M) 24 Month CD	Balance = $2,015,796 Maturity Date: 10/4/2023	0.45% APY

Ending Book Value June 30, 2023

Investment	Value	% Total
Depository Accounts	$ 2,802,020.49	2.70%
Money Market Accounts	$ 15,906,302.46	15.31%
Certificates of Deposit	$ 21,443,196.80	20.64%
Texpool Investments	$ 49,541,902.47	47.69%
US Treasury Notes	$ 14,184,751.70	13.66%
Total	$ 103,878,173.92	100.00%

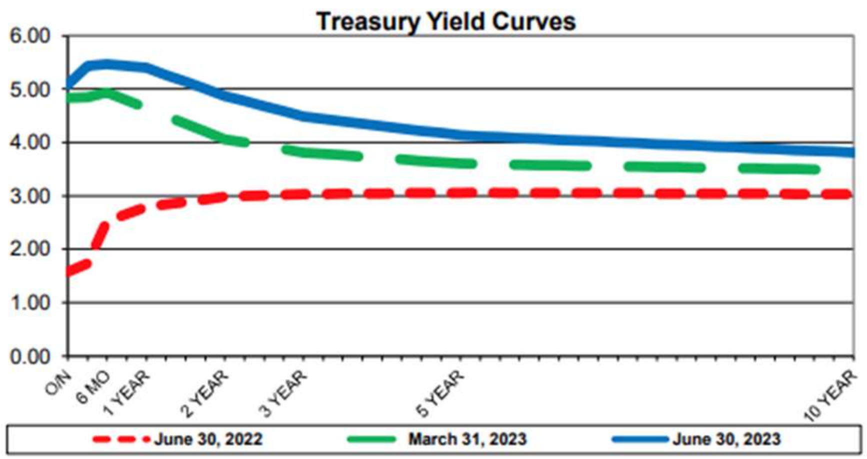


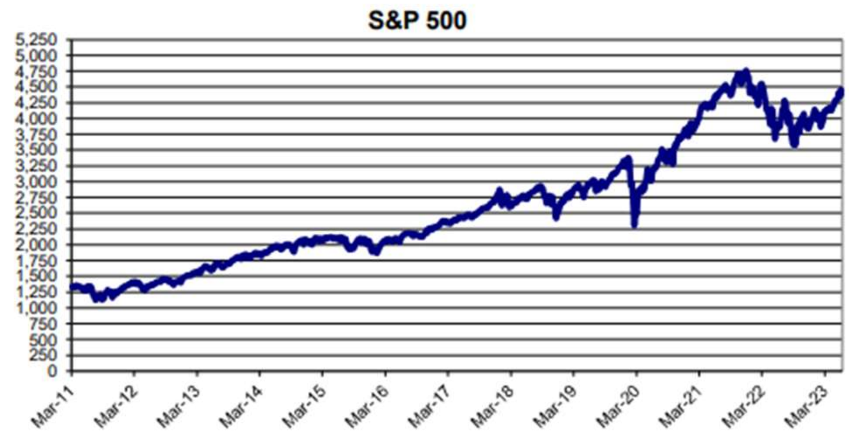
5-Year Portfolio Balance History

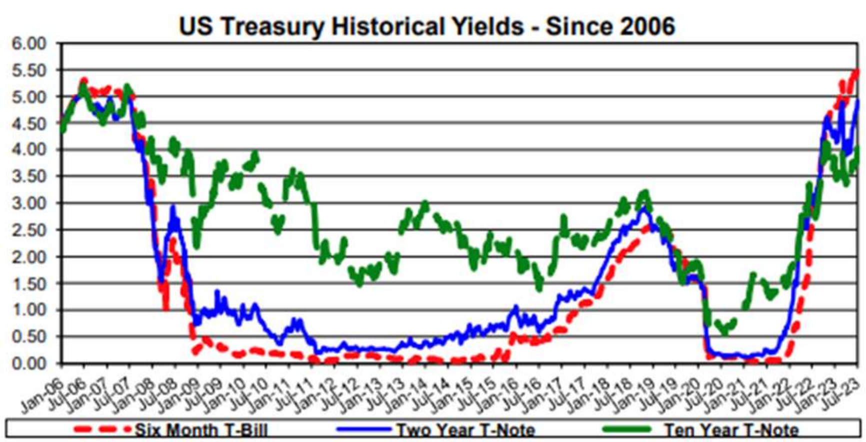


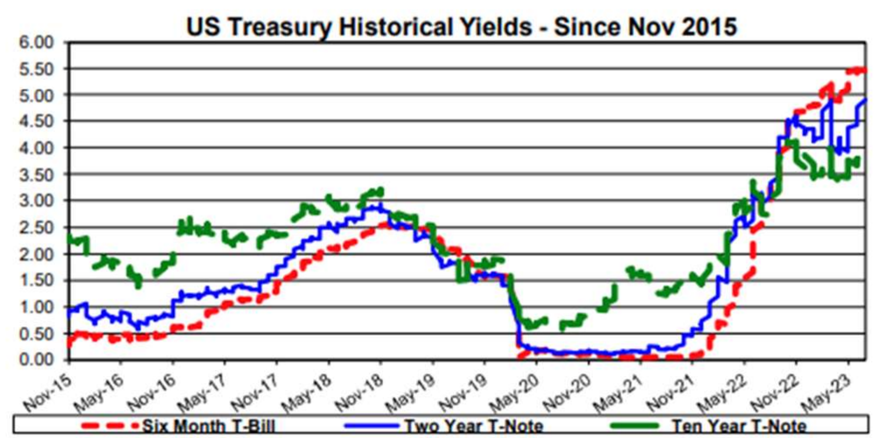
Economic Overview – 06/30/2023
Valley View Consulting LLC

The Federal Open Market Committee (FOMC) paused and kept the Fed Funds target range 5.00% - 5.25% June 14th (Effective Fed Funds are trading +/-5.08%). Another increase is projected after the July 25-26 meeting. First quarter 2023 GDP (Final) recorded 2.0%. June Non-Farm Payroll added 209k new jobs, below the 230k projection. The three month average declined to 244k. The S&P Stock Index continues moderate increases, trading +/-4,400. The yield curve rose from last month but remains steeply inverted with the expectation of future FOMC rate decreases. Crude Oil trades over +/-$70 per barrel. Inflation declined slightly but is still over the FOMC 2% target (Core PCE +/-4.6% and CPI +/-5.3%). The Ukrainian/Russian war and Middle East conflicts increase market anxiety.









Nacogdoches
the oldest town in Texas

City Council Meeting

Date: August 1, 2023

Agenda Item: 5.G.

PRESENTER: Pam Curbow, Finance Director

ITEM/SUBJECT: Receive a report regarding Monthly Financial Report for month ended June 30, 2023 (Director of Finance)

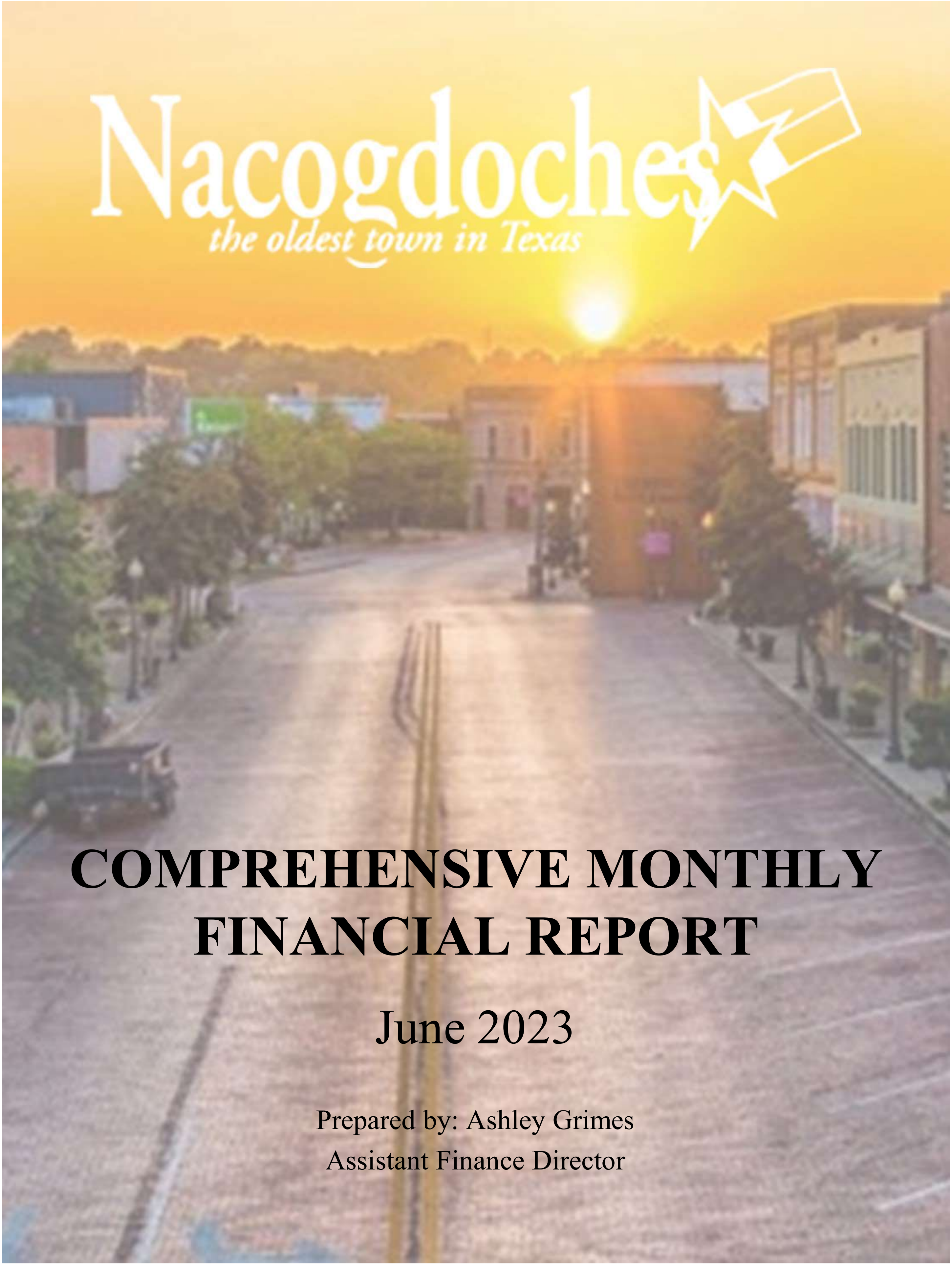
SUMMARY/BACKGROUND: Presentation of Monthly Financial Reports for month ended June 30, 2023

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: Pamela Curbow, Director of Finance
curbowp@nactx.us
936-559-2526

ATTACHMENTS: 1. Financial Report



Nacogdoches

the oldest town in Texas

COMPREHENSIVE MONTHLY FINANCIAL REPORT

June 2023

Prepared by: Ashley Grimes

Assistant Finance Director

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*** This report is designed for informational use only. The information is unaudited and is subject to change. For a complete audited report, please refer to the City of Nacogdoches Comprehensive Annual Financial Report, which is available on the City’s website (www.nactx.us).**

Assets

Cash & Cash Equivalents	
Cash	321,554.23
Money Market Account	2,101,434.75
Petty Cash- Municipal Court	600.00
Petty Cash- Police	60.00
Petty Cash- Library	30.00
Petty Cash- Animal Shelter	150.00
Petty Cash- Airport	200.00
Petty Cash- Recreation	542.00
Petty Cash- Inspection	150.00
Restricted Cash - Evidence	1,035.50
Restricted Cash - Dog Park	59,364.71
Restricted Cash - Opioid Settlement	64,665.24
Restricted Cash - Court	118,739.83
Restricted Cash - Building Security	137,253.28
Restricted Cash - Technology Fund	21,850.38
Restricted Cash - Cable PEG	169.40
Restricted Cash - Main Street Events	80,044.84
Restricted Cash - Cares Funding	-
Certificates of Deposit	6,124,103.99
Investments - Pools	6,612,233.40
Investments - US Treasuries	4,061,906.85
Investments - Unamortized Premium	-
Investments - Unamortized Discount	-
Total Cash & Cash Equivalents	$ 19,706,088.40
Accounts Receivable	
Taxes Receivable	499,600.52
Allowance for Uncollectible Taxes	(174,860.00)
Penalty and Interest Receivable	-
Allowance for Uncollectible Penalty and Interest	-
Fredonia Hospitality State Taxes Passthru	(40,706.67)
Municipal Billings A/R	24,107.28
Allowance for Uncollectible A/R	(4,210.00)
Accrued Interest Receivable - Investments	11,810.30
Court Fines Receivable	1,847,994.00
Allowance for Court Fines	(1,663,194.00)
Sundry Accounts Receivable	1,453.63
Advance to Special Grant	108,620.00
Due from Other Funds	-
Total Accounts Receivable	$ 610,615.06
Due Froms	
Due From U.S. Treasury	2,195.55
Due From County	-
Due From State	692,145.26
Due From Other	-
Total Due Froms	$ 694,340.81
Total Assets	$ 21,011,044.27

Nacogdoches the oldest town in Texas

Liabilities		
Accounts Payable		(599,049.00)
Accrued Wages		(716,660.53)
Victims Of Crime Fund		-
LEOSE Court Cost		-
Judges & Personnel Training Fund		-
State General Revenue		(9.12)
LEOCE Court Cost		-
Consolidated Court Cost		-
Fugitive Apprehension		-
Juvenile Crime & Delinquency		-
Time Payment		(4,685.25)
Collection Agency Fees		-
Traffic Fund Costs		(13,633.78)
Consolidated Fee		(33,960.63)
State Jury Fee		(163.15)
Judicial Fee County		(244.14)
New Collection Agency Fee		(4,492.83)
Indigent Defense Fund		(81.56)
Failure to Appear / Pay Fee		(388.86)
OMNI Fee		(1,252.89)
Civil Justice Fee State		(1.38)
Child Seat Belt		-
Evidence/Abandoned Money		(1,029.50)
Court Cash Bonds		(33,592.11)
Deferred Revenue		(308,765.52)
Truancy Prevention Fund		(71.92)
Liberty Hall Rental Deposits		(1,300.00)
Correctional Mgmt Inst.		-
Due to Airport FBO		-
Deferred Revenue - P&I		-
Deferred Revenue - Non Taxes		(184,800.00)
Due to Other Funds		-
Total Liabilities	$	(1,904,182.17)

Fund Balance		
Unassigned Fund Balance		(15,696,618.15)
Restricted Fund Balance - Dog Park		(49,270.16)
Restricted Fund Balance - Evidence		(3,504.42)
Restricted Fund Balance - Main Street		(65,267.18)
Restricted Fund Balance - Court		(260,823.56)
Restricted Fund Balance - Cable PEG		(696,966.69)
Total Fund Balance	$	(19,106,862.10)
Total Liabilities & Fund Balance	$	(21,011,044.27)

General Fund Income Statement **June 2023** Nacogdoches the oldest town in Texas

	Adopted Budget	Amended Budget	Actual YTD	Budget Less YTD	% Used
Revenues					
Taxes					
Property	10,730,114.00	10,730,114.00	10,761,007.15	(30,893.15)	100%
Sales	7,665,000.00	7,665,000.00	6,523,592.31	1,141,407.69	85%
Franchise	2,385,000.00	2,385,000.00	730,205.69	1,654,794.31	31%
Total Taxes	$ 20,780,114.00	$ 20,780,114.00	$ 18,014,805.15	$ 2,765,308.85	87%
Licenses & Permits	195,000.00	195,000.00	164,786.60	30,213.40	85%
Fines	414,250.00	414,250.00	331,092.61	83,157.39	80%
Charges for Services	339,860.00	339,860.00	308,486.42	31,373.58	91%
Investment Earnings	171,400.00	171,400.00	441,418.15	(270,018.15)	258%
Gain Disposal of Asset	-	-	-	-	
Miscellaneous Revenues	1,072,020.00	1,122,020.00	862,709.78	259,310.22	77%
Bond Proceeds	21,100,000.00	-	-	-	
Intergovernmental Receipts	67,500.00	67,500.00	1,474,785.57	(1,407,285.57)	2185%
Total Revenues	$ 44,140,144.00	$ 23,090,144.00	$ 21,598,084.28	$ 1,492,059.72	94%
Expenditures					
General Government					
City Council	26,500.00	26,500.00	21,802.47	4,697.53	82%
City Manager	300,471.00	300,471.00	223,563.26	76,907.74	74%
Municipal Court	312,321.00	312,321.00	219,208.27	93,112.73	70%
City Secretary	190,000.00	190,000.00	151,067.42	38,932.58	80%
Finance	670,875.00	685,375.00	502,353.79	183,021.21	73%
Information Technology	517,523.00	547,523.00	392,823.81	154,699.19	72%
Human Resources	437,665.00	437,665.00	319,606.29	118,058.71	73%
Legal	276,260.00	276,260.00	417,539.79	(141,279.79)	151%
Planning & Zoning	265,240.00	265,240.00	211,759.21	53,480.79	80%
Building Maintenance	376,293.00	378,893.00	306,237.46	72,655.54	81%
Communications	-	88,905.00	34,303.54	54,601.46	0%
Vehicle Maintenance	333,906.00	333,906.00	229,592.99	104,313.01	69%
Economic Development	265,759.00	265,759.00	199,725.87	66,033.13	75%
Conventions & Tourism	329,518.00	329,518.00	225,369.15	104,148.85	68%
Non-Departmental	1,623,516.00	1,623,516.00	1,219,586.98	403,929.02	75%
Total General Government	$ 5,925,847.00	$ 6,061,852.00	$ 4,674,540.30	$ 1,387,311.70	77%
Public Safety					
Police	9,250,315.00	9,250,315.00	6,769,683.60	2,480,631.40	73%
Code Enforcement	264,212.00	264,212.00	177,257.94	86,954.06	67%
Fire	6,871,138.00	6,879,088.00	5,084,787.40	1,794,300.60	74%
Inspection Services	232,960.00	232,960.00	159,968.39	72,991.61	69%
Animal Control	602,009.00	602,009.00	453,258.15	148,750.85	75%
Total Public Safety	$ 17,220,634.00	$ 17,228,584.00	$ 12,644,955.48	$ 4,583,628.52	73%
Cultural & Recreational					
Historic Sites & Main Street	389,895.00	393,395.00	281,620.25	111,774.75	72%
Library	620,276.00	632,276.00	452,700.80	179,575.20	72%
Recreation	695,799.00	695,799.00	526,967.17	168,831.83	76%
Parks & Cemetery	1,593,417.00	1,617,847.00	1,165,881.65	451,965.35	72%
Total Cultural & Recreational	$ 3,299,387.00	$ 3,339,317.00	$ 2,427,169.87	$ 912,147.13	73%

General Fund Income Statement

June 2023

	Adopted Budget	Amended Budget	Actual YTD	Budget Less YTD	% Used
Highways & Streets					
Public Works Admin	129,044.00	129,044.00	97,882.13	31,161.87	76%
Streets	1,308,938.00	1,658,938.00	735,831.66	923,106.34	44%
Engineering	605,363.00	605,363.00	416,685.52	188,677.48	69%
Total Highways & Streets	$ 2,043,345.00	$ 2,393,345.00	$ 1,250,399.31	$ 1,142,945.69	52%
Total Expenditures	$ 28,489,213.00	$ 29,023,098.00	$ 20,997,064.96	$ 8,026,033.04	72%
Excess of Revenues Over Expenditures	$ 15,650,931.00	$ (5,932,954.00)	$ 601,019.32	$ (6,533,973.32)	
Other Financing Sources (Uses)					
Inter-Fund Transfers In			$ 2.00		
Transfer Water/Wastewater Franchise Fee	1,560,000.00	1,560,000.00	1,170,000.00	390,000.00	75%
Transfer Sanitation Franchise Fee	476,160.00	476,160.00	357,120.00	119,040.00	75%
Transfer Utility Fund Overhead Cost	1,946,807.00	1,946,807.00	1,460,106.00	486,701.00	75%
Transfer Sanitation Overhead Cost	1,783,352.00	1,783,352.00	1,337,517.00	445,835.00	75%
Transfer Economic Dev Overhead Cost	-	584,876.00	566,956.00	17,920.00	0%
Transfer Equipment Replacement Fd	-	-	-	-	0%
Total Inter-Fund Transfers In	$ 5,766,319.00	$ 6,351,195.00	$ 4,891,699.00	$ 1,459,496.00	77%
Inter-Fund Transfers Out					
Transfers	55,000.00	55,000.00	5,000.00	50,000.00	9%
Transfers - Economic Development	125,000.00	125,000.00	125,000.00	-	100%
Transfers - Special Grant	-	136,586.00	-	136,586.00	0%
Transfers - Airport Operation	50,000.00	50,000.00	-	50,000.00	0%
Transfers - Equipment Replacement	-	-	181,148.56	(181,148.56)	0%
Total Inter-Fund Transfers Out	$ 230,000.00	$ 366,586.00	$ 311,148.56	$ 55,437.44	85%
Purchase of Capital Assets	$ 24,525,972.00	$ 7,190,042.00	$ 2,847,157.82	$ 4,342,884.18	40%
Total Other Financing Sources & Uses	$ (18,989,653.00)	$ (1,205,433.00)	$ 1,733,392.62	$ (2,938,825.62)	-144%
Net Change in Fund Balance			$ 2,334,411.94		
Beginning Fund Balance			($16,772,450.16)		
Ending Fund Balance			$(19,106,862.10)		

		Economic Development Fund	Airport Construction Fund	Forfeiture Fund	Historical Fund	Hotel / Tax Fund	Public Safety Training Fund	Mayor's Committee on Disability	Special Grant Fund	Total
Assets										
Unrestricted Cash										
Cash		40.23	49.15	1,374.80	203.24	45,788.31	19,187.56	7,074.33	125,500.95	199,218.57
Investments - Pools		770,927.37	64,541.14	488,049.19	76,738.17	453,666.33	-	-	-	1,853,922.20
Total Unrestricted Cash	$	770,967.60	$ 64,590.29	$ 489,423.99	$ 76,941.41	$ 499,454.64	$ 19,187.56	$ 7,074.33	$ 125,500.95	$ 2,053,140.77
Restricted Cash										
Cash		-	-	-	-	-	-	-	16,031.19	16,031.19
Investments - Pools		-	200,000.00	-	-	-	-	-	2,912,841.61	3,112,841.61
Total Restricted Cash	$	-	$ 200,000.00	$ -	$ -	$ -	$ -	$ -	$ 2,928,872.80	$ 3,128,872.80
Loans Receivable										
Municipal Billings A/R		(3,104.27)	-	-	-	33,757.00	-	-	-	30,652.73
Loans to Berry Company		91,641.28	-	-	-	-	-	-	-	91,641.28
Loans to Southwest Scooters		135,458.01	-	-	-	-	-	-	-	135,458.01
Loan T-Rex-S, LLC		-	-	-	-	-	-	-	-	-
TCF-BMS Loan		-	-	-	-	-	-	-	-	-
Allowance for Uncollectible Loans		(135,458.01)	-	-	-	-	-	-	-	(135,458.01)
Total Loans Receivable	$	88,537.01	$ -	$ -	$ -	$ 33,757.00	$ -	$ -	$ -	$ 122,294.01
Due Froms										
Due From Other		-	-	-	-	-	-	-	3,839.80	3,839.80
Due From US Treasury		-	-	-	-	-	-	-	841.98	841.98
Due From State		-	39,707.00	-	-	-	-	-	-	39,707.00
Total Due Froms	$	-	$ 39,707.00	$ -	$ -	$ -	$ -	$ -	$ 4,681.78	$ 44,388.78
Total Assets	$	859,504.61	$ 304,297.29	$ 489,423.99	$ 76,941.41	$ 533,211.64	$ 19,187.56	$ 7,074.33	$ 3,059,055.53	$ 5,348,696.36
Liabilities										
Accounts Payable		-	-	-	-	(68,523.00)	-	-	-	(68,523.00)
Accrued Wages		-	-	-	-	-	-	-	-	-
Aquatic Center Escrow Payable		-	-	-	-	-	-	-	-	-
Seizure Money		-	-	-	-	-	-	-	-	-
Unearned Revenues - ARPA		-	-	-	-	-	-	-	(2,381,688.18)	(2,381,688.18)
Advance from General/Utility Fund		-	-	-	-	-	-	-	(108,620.00)	(108,620.00)
Total Liabilities	$	-	$ -	$ -	$ -	$ (68,523.00)	$ -	$ -	$ (2,490,308.18)	$ (2,558,831.18)
Fund Balance										
Fund Balance		(859,504.61)	(304,297.29)	(489,423.99)	(76,941.41)	(464,688.64)	(19,187.56)	(7,074.33)	(568,747.35)	(2,789,865.18)
Total Fund Balance	$	(859,504.61)	$(304,297.29)	$(489,423.99)	$ (76,941.41)	$ (464,688.64)	$ (19,187.56)	$ (7,074.33)	$ (568,747.35)	$ (2,789,865.18)
Total Liabilities & Fund Balance	$	(859,504.61)	$(304,297.29)	$(489,423.99)	$ (76,941.41)	$ (533,211.64)	$ (19,187.56)	$ (7,074.33)	$ (3,059,055.53)	$ (5,348,696.36)

Special Revenue Funds Income Statement **June 2023**

	Economic Development Fund	Airport Construction Fund	Forfeiture Fund	Historical Fund	Hotel / Tax Fund	Public Safety Training Fund	Mayor's Committee on Disability	Special Grant Fund	Total
Revenues									
Hotel / Motel Occupancy Taxes	-	-	-	-	755,935.11	-	-	-	755,935.11
Licenses & Permits	-	-	-	-	-	-	-	-	-
Intergovernmental Receipts	225,000.00	-	-	25,000.00	-	-	-	-	250,000.00
Charges for Services	-	-	-	-	-	-	-	-	-
Fines	-	-	177,560.61	-	-	-	-	-	177,560.61
Investment Earnings	37,316.78	8,258.08	17,271.30	3,175.25	20,487.74	30.10	11.80	145,773.55	232,324.60
Rents & Royalties	-	-	-	-	-	-	-	-	-
Miscellaneous Grants Revenues	-	-	-	-	-	-	-	4,648.79	4,648.79
Payment on Loans	24,834.16	-	-	-	-	-	-	-	24,834.16
Contributions & Donations	-	-	-	-	-	3,263.12	-	205,447.66	208,710.78
Total Revenues	$ 287,150.94	$ 8,258.08	$ 194,831.91	$ 28,175.25	$ 776,422.85	$ 3,293.22	$ 11.80	$ 355,870.00	$ 1,654,014.05
Expenditures									
Revolving Loan Program	-	-	-	-	-	-	-	-	-
Home Program	-	-	-	-	-	-	-	-	-
TCF Grant - BMS	-	-	-	-	-	-	-	-	-
TCF Grant - Pilgrims Pride	-	-	-	-	-	-	-	-	-
TCF Grant - Green Acres	-	-	-	-	-	-	-	-	-
Airport Construction	-	23,826.38	-	-	-	-	-	-	23,826.38
Forfeiture	-	-	231,540.38	-	-	-	-	-	231,540.38
Historical	-	-	-	34,821.46	-	-	-	-	34,821.46
Hotel / Motel Tax	-	-	-	-	1,331,429.15	-	-	-	1,331,429.15
Public Safety Training	-	-	-	-	-	713.37	-	-	713.37
Main Street	-	-	-	-	-	-	-	-	-
Mayor's Committee on Disability	-	-	-	-	-	-	2,063.21	-	2,063.21
Police	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	1,495.00	1,495.00
Animal Control	-	-	-	-	-	-	-	34,768.31	34,768.31
Planning & Zoning	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	5,395.12	5,395.12
Historic Sites & Main Street	-	-	-	-	-	-	-	-	-
Parks & Cemeteries	-	-	-	-	-	-	-	302,067.05	302,067.05
Streets	-	-	-	-	-	-	-	-	-
Non-Departmental	-	-	-	-	-	-	-	44,960.00	44,960.00
Total Expenditures	$ -	$ 23,826.38	$ 231,540.38	$ 34,821.46	$ 1,331,429.15	$ 713.37	$ 2,063.21	$ 388,685.48	$ 2,013,079.43
Excess of Revenues Over Expenditures	$ 287,150.94	$ (15,568.30)	$ (36,708.47)	$ (6,646.21)	$ (555,006.30)	$ 2,579.85	$(2,051.41)	$ (32,815.48)	$ (359,065.38)
Other Financing Sources (Uses)									
Inter-Fund Transfers In									
Transfer - General Fund	-	-	-	-	-	-	5,000.00	-	5,000.00
Transfer - Utility Fund	-	-	-	-	-	-	-	-	-
Transfer - Sanitation Fund	-	-	-	-	-	-	-	-	-
Transfer - Hotel/Motel Fund	-	-	-	-	-	-	-	-	-
Total Inter-Fund Transfers In	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,000.00	$ -	$ 5,000.00
Inter-Fund Transfers Out									
Transfers - Capital Proj	103,200.00	-	-	-	-	-	-	-	103,200.00
Transfers - General Fund	566,956.00	-	-	-	-	-	-	-	566,956.00
Transfers - Historical	-	-	-	-	25,000.00	-	-	-	25,000.00
Total Inter-Fund Transfers Out	$ 670,156.00	$ -	$ -	$ -	$ 25,000.00	$ -	$ -	$ -	$ 695,156.00
Total Other Financing Sources & Uses	$ (670,156.00)	$ -	$ -	$ -	$ (25,000.00)	$ -	$ 5,000.00	$ -	$ (690,156.00)
Net Change in Fund Balance	$ (383,005.06)	$ (15,568.30)	$ (36,708.47)	$ (6,646.21)	$ (580,006.30)	$ 2,579.85	$ 2,948.59	$ (32,815.48)	$ (1,049,221.38)
Beginning Fund Balance	$ (1,242,509.67)	$ (319,865.59)	$ (526,132.46)	$ (83,587.62)	$ (1,044,694.94)	$ (16,607.71)	$(4,125.74)	$ (601,562.83)	$ (3,839,086.56)
Ending Fund Balance	$ (859,504.61)	$ (304,297.29)	$ (489,423.99)	$ (76,941.41)	$ (464,688.64)	$ (19,187.56)	$(7,074.33)	$ (568,747.35)	$ (2,789,865.18)

Assets		
Restricted Cash		
2020 G.O. Refunding Sinking Fund		-
2021 Tax Notes		2,416.34
2022 Certificates of Obligation		-
Investments - Pools		508,714.69
Total Cash	$	511,131.03
Accounts Receivable		
Taxes Receivable		78,922.00
Penalty & Interest Receivable		-
Allowance for Uncollected Taxes		(27,623.00)
Allowance for Uncoll. Penalty & Interest Recv'b		-
Total Accounts Receivable	$	51,299.00
Total Assets	$	562,430.03
Liabilities		
Deferred Revenue - P&I		(49,014.00)
Total Liabilities	$	(49,014.00)
Fund Balance		
Fund Balance	$	(513,416.03)
Total Fund Balance	$	(513,416.03)
Total Liabilities & Fund Balance	$	(562,430.03)

Debt Service Fund Income Statement **June 2023**

		Adopted Budget		Amended Budget		Actual YTD		Budget Less YTD	% Used
Revenues									
Taxes									
Current Property Taxes									
2020 General Obligation Refunding Bonds		-		-		-		-	0%
2021 Tax Note		223,465.00		223,465.00		224,818.19		(1,353.19)	101%
2022 Certificates of Obligation		1,371,537.00		-		-		-	0%
Total Current Property Taxes	$	1,595,002.00	$	223,465.00	$	224,818.19	$	(1,353.19)	101%
Delinquent Property Taxes									
2020 General Obligation Refunding Bonds		-		-		-		-	0%
2021 Tax Note		4,603.00		4,603.00		1,771.29		2,831.71	38%
2022 Certificates of Obligation		27,879.00		-		-		-	0%
Total Delinquent Property Taxes	$	32,482.00	$	4,603.00	$	1,771.29	$	2,831.71	38%
Total Taxes	$	1,627,484.00	$	228,068.00	$	226,589.48	$	1,478.52	99%
Investment Earnings		10,000.00		10,000.00		13,257.15		(3,257.15)	133%
Total Investment Earnings	$	10,000.00	$	10,000.00	$	13,257.15	$	(3,257.15)	133%
Proceeds from Bond Sale		-		-		-		-	
Total Revenues	$	1,637,484.00	$	238,068.00	$	239,846.63	$	(1,778.63)	101%
Expenditures									
Debt Services									
Debt Service - Principal Payments									
2022 Certificates of Obligation		640,000.00		-		-		-	0%
2021 Tax Note		212,000.00		212,000.00		-		212,000.00	0%
2020 General Obligation Refunding Bonds		-		-		-		-	0%
Total Debt Service - Principal Payments	$	852,000.00	$	212,000.00	$	-	$	212,000.00	0%
Debt Service - Interest Expense									
2022 Certificates of Obligation		745,533.00		-		-		-	0%
2021 Tax Note		14,063.00		14,063.00		6,872.25		7,190.75	49%
2020 General Obligation Refunding Bonds		-		-		-		-	0%
Total Debt Service - Interest Expense	$	759,596.00	$	14,063.00	$	6,872.25	$	7,190.75	49%
Total Expenditures	$	1,611,596.00	$	226,063.00	$	6,872.25	$	219,190.75	3%
Net Change in Fund Balance	$	25,888.00	$	12,005.00	$	232,974.38	$	(220,969.38)	
Beginning Fund Balance					$	(280,441.65)			
Ending Fund Balance					$	(513,416.03)			

Assets

Cash & Cash Equivalents		
Cash		19,129.67
Investments - Pools		1,437,109.17
Investments - US Treasuries		1,999,030.17
Accrued Interest Receivable - Investments		1,243.31
Total Cash & Cash Equivalents	$	3,456,512.32
Fixed Assets		
Computer Equipment		469,392.52
Special Equipment		36,326.82
Radios & Communication Equipment		46,240.03
Equipment & Machinery		557,763.10
Vehicles		3,956,429.67
Accumulative Depreciation		(3,745,643.08)
Total Fixed Assets	$	1,320,509.06
Total Assets	$	4,777,021.38

Liabilities

Advance from General Fund		-
Total Liabilities	$	-

Fund Balance

Fund Balance		(4,777,021.38)
Total Fund Balance	$	(4,777,021.38)
Total Liabilities & Fund Balance	$	(4,777,021.38)

Equipment Replacement Fund
Income Statement

June 2023

Nacogdoches
the oldest town in Texas

Revenues		
Rental Receipts		430,004.00
Investment Earnings		72,994.93
Oil / Gas Lease Revenue		298.79
Gain on Disposal of Assets		-
Miscellaneous Revenue		-
Total Revenues	$	503,297.72
Expenditures		
Capital Outlay		
Office & Data Processing Equipment		49,000.00
Vehicles		402,848.80
Equipment & Machinery		172,039.38
Depreciation		-
Total Expenditures	$	623,888.18
Excess of Revenues Over Expenditures	$	(120,590.46)
Other Financing Sources (Uses)		
Inter-Fund Transfers In/Out		
Transfer from General Fund		281,148.56
Total Inter-Fund Transfers In/Out	$	281,148.56
Total Other Financing Sources & Uses	$	281,148.56
Net Change in Fund Balance	$	160,558.10
Beginning Fund Balance	$	(4,616,463.28)
Ending Fund Balance	$	(4,777,021.38)

Assets		
Cash & Cash Equivalents		
Cash		236,573.19
Investments - Pools		2,226,323.43
Sundry Accounts Receivable		-
Total Cash	$	2,462,896.62
Total Assets	$	2,462,896.62
Liabilities		
Accounts Payable		-
Miscellaneous Payable		-
Insurance Claims Payable		45,356.00
Due to Other Funds		-
IBNR Claims Payable		-
Total Liabilities	$	(45,356.00)
Fund Balance		
Fund Balance	$	(2,417,540.62)
Total Fund Balance	$	(2,417,540.62)
Total Liabilities & Fund Balance	$	(2,462,896.62)

Employee's Health Insurance Fund
Income Statement

June 2023

Nacogdoches
the oldest town in Texas

Revenues		
Employers Insurance Contributions - Dental		89,860.00
Employee Insurance Contributions - Dental		43,015.76
Employers Insurance Contributions - Health		2,141,455.00
Employee Insurance Contributions - Health		336,349.67
Retiree Insurance Contributions		96,364.08
Interest Income		50,592.50
Miscellaneous Revenue		-
Total Revenues	$	2,757,637.01
Expenditures		
Health & Dental Insurance Claims		1,368,422.97
Health & Dental Insurance Administrative Fee		510,772.08
Special Services		9,986.44
Total Expenditures	$	1,889,181.49
Excess of Revenues Over Expenditures	$	868,455.52
Other Financing Sources (Uses)		
Inter-Fund Transfers Out		
Transfer to General Fund		-
Total Inter-Fund Transfers Out	$	-
Total Other Financing Sources & Uses	$	-
Net Change in Fund Balance	$	868,455.52
Beginning Fund Balance	$	(1,549,085.10)
Ending Fund Balance	$	(2,417,540.62)

Assets		
Cash & Cash Equivalents		
Cash		-
Restricted Cash		6,244.46
Investments - Pools		1,145,962.61
Total Cash	$	1,152,207.07
Fixed Assets		-
Computer Equipment		-
Special Equipment		-
Radios & Communication Equipment		-
Equipment & Machinery		-
Vehicles		-
Accumulative Depreciation		-
Total Fixed Assets	$	-
Total Assets	$	1,152,207.07
Liabilities		
Advance from General Fund		-
Total Liabilities	$	-
Fund Balance		
Fund Balance		(1,151,843.26)
Total Fund Balance	$	(1,151,843.26)
Total Liabilities & Fund Balance	$	(1,151,843.26)

Revenues		
Investment Earnings		35,152.06
Intergovernmental Receipts		103,200.00
Street Maintenance Fees		-
Total Revenues	$	138,352.06
Expenditures		
Capital Outlay		
Street Capital Expense		-
Vehicles		-
Equipment & Machinery		-
Park Improvements		-
Depreciation		-
Total Expenditures	$	-
Excess of Revenues Over Expenditures	$	138,352.06
Other Financing Sources (Uses)		
Inter-Fund Transfers		
Transfer to Utility Fund		-
Total Inter-Fund Transfers Out	$	-
Total Other Financing Sources & Uses	$	-
Net Change in Fund Balance	$	138,352.06
Beginning Fund Balance	$	(1,013,491.20)
Ending Fund Balance	$	(1,151,843.26)

Assets	
Cash & Cash Equivalents	
Accounts Receivable	67,083.10
Due From Other Funds	-
Restricted Cash	19,042.81
Investments - Pools	1,191,716.34
Total Cash	$ 1,277,842.25
Fixed Assets	-
Computer Equipment	-
Special Equipment	-
Radios & Communication Equipment	-
Equipment & Machinery	-
Vehicles	-
Accumulative Depreciation	-
Total Fixed Assets	$ -
Total Assets	$ 1,277,842.25
Liabilities	
Accounts Payable	8.00
Due to Other Funds	-
Advance from General Fund	-
Total Liabilities	$ 8.00
Fund Balance	
Fund Balance	(1,278,198.06)
Total Fund Balance	$ (1,278,198.06)
Total Liabilities & Fund Balance	$ (1,278,206.06)

Revenues		
Investment Earnings		29,288.22
Street Maintenance Fees		572,736.37
Total Revenues	$	602,024.59
Expenditures		
Capital Outlay		
Street Capital Expense		107,977.93
Vehicles		-
Equipment & Machinery		-
Depreciation		-
Bad Debits		-
Total Expenditures	$	107,977.93
Excess of Revenues Over Expenditures	$	494,046.66
Other Financing Sources (Uses)		
Inter-Fund Transfers		
Transfer to Economic Development Fund		-
Total Inter-Fund Transfers In	$	-
Total Other Financing Sources & Uses	$	-
Net Change in Fund Balance	$	494,046.66
Beginning Fund Balance	$	(784,151.40)
Ending Fund Balance	$	(1,278,198.06)

Enterprise Funds Balance Sheet **June 2023**

Nacogdoches
the oldest town in Texas

	Water & Sewer Fund	Sanitation Fund	Airport Operations Fund	Total
Assets				
Current Assets				
Cash & Cash Equivalents				
Cash	456,140.95	351,558.88	210,661.42	1,018,361.25
Restricted Cash - Depreciation, Equipment & CIP	237,359.03	76,236.68	-	313,595.71
Investments - Pools	4,102,894.53	2,700,480.27	-	6,803,374.80
Investments - Money Market Account	2,570,234.20	2,095,092.62	-	4,665,326.82
Investments - Certificates of Deposit	-	-	-	-
Accounts Receivable (net of allowance for uncollectibles)				
Municipal Billings A/R	113,571.00	245,282.77	-	358,853.77
Airport A/R	30.29	-	10,032.36	
Allowance for Uncollectible A/R	(18,702.80)	(19,692.83)	(9,369.58)	(47,765.21)
Garbage Charges Account Receivable	-	516,875.79	-	516,875.79
Allowance for Uncollectible Garbage A/R	-	(68,499.83)	-	(68,499.83)
Water / Sewer Accounts Receivable	1,198,581.72	-	-	1,198,581.72
Allowance for Uncollectible Water / Sewer A/R	(183,447.06)	-	-	(183,447.06)
Unbilled Water / Sewer Accounts Receivable	1,280,416.37	-	-	1,280,416.37
Sundry Accounts Receivable	(8,072.44)	-	-	(8,072.44)
Due From Other Funds	-	-	-	-
Accrued Interest Receivable - Investments	13,053.62	10,566.99	-	23,620.61
Leases Receivable	-	-	396,513.00	396,513.00
Bad Checks Accounts Receivable	(476.65)	-	-	(476.65)
Fuel Inventory	-	-	57,976.83	57,976.83
Total Current Assets	$ 9,761,582.76	$ 5,907,901.34	$ 665,814.03	$ 16,335,298.13
Noncurrent Assets				
Restricted Cash & Cash Equivalents				
Restricted Cash - Future CIP	83,565.22	65,499.92	-	149,065.14
Restricted Cash - Revenue Bond Reserve & Bond Construction	163.30	-	-	163.30
Restricted Cash - Landfill	-	3,305.55	-	3,305.55
Restricted Investments - Pools	20,226,254.22	4,423,450.00	-	24,649,704.22
Restricted Investments - Treasuries	6,060,938.00	2,062,876.68	-	8,123,814.68
Restricted Investments - Sinking Fund	12,201.03	-	-	12,201.03
Restricted Investments - Money Market Account	9,140,287.46	-	-	9,140,287.46
Restricted Investments - Certificates of Deposit	9,218,490.69	6,100,602.12	-	15,319,092.81
Total Restricted Assets	$ 44,741,899.92	$ 12,655,734.27	$ -	$ 57,397,634.19
Capital Assets				
Water Real Estate	477,140.56	-	-	477,140.56
Sewer Real Estate	240,559.84	-	-	240,559.84
Landfill Real Estate	-	965,790.98	-	965,790.98
Office Building	40,102.98	284,108.61	-	324,211.59
Water Plant	45,377,448.37	-	-	45,377,448.37
Sewer Plant	33,452,236.39	-	-	33,452,236.39
Computer System	440,741.22	94,267.38	-	535,008.60
Special Equipment	467,696.33	-	-	467,696.33
Radios & Communication Equipment	1,082,526.21	89,016.87	-	1,171,543.08
Vehicles	1,668,346.77	4,916,269.53	-	6,584,616.30
Street Lights	6,356.75	-	-	6,356.75
Equipment & Machinery - Water Plant	1,488,250.10	-	-	1,488,250.10
Equipment & Machinery - Water Distribution	3,053,645.89	-	-	3,053,645.89
Lab Equipment	68,969.00	-	-	68,969.00
Other Equipment & Machinery	3,199,938.45	1,397,373.60	259,424.40	4,856,736.45
Mains & Taps - Water Distribution	32,177,282.42	-	-	32,177,282.42
Mains & Taps - Sewer Distribution	24,398,675.11	-	-	24,398,675.11
Meters & Meter Boxes	534,227.68	-	-	534,227.68
Tanks & Wells	25,114,911.07	-	-	25,114,911.07
Reservoirs	110,000.00	-	-	110,000.00
Fire Hydrants	387,439.64	-	-	387,439.64
Manholes	485,922.27	-	-	485,922.27
Maps	165,000.00	-	-	165,000.00
AMR System	5,281,658.22	-	-	5,281,658.22
Landfill Equipment	-	2,081,463.55	-	2,081,463.55
Dumpsters	-	1,023,750.23	-	1,023,750.23
Landfill Improvements	-	5,988,576.05	-	5,988,576.05
Airport Improvements	-	-	5,875.00	5,875.00

	Water & Sewer Fund	Sanitation Fund	Airport Operations Fund	Total
Construction in Progress (CIP)				
CIP - Tanks and Wells	(260,421.00)	-	-	(260,421.00)
CIP - Water Facilities	157,133.45	-	-	157,133.45
CIP - Wastewater Facilities	12,863.50	-	-	12,863.50
CIP - Water Mains	1,958,110.78	-	-	1,958,110.78
CIP - Sewer Mains	1,159,672.62	-	-	1,159,672.62
CIP- Block P Liner	-	182,135.80	-	182,135.80
Less Accumulated Depreciation				
Depreciation - Buildings	(2,673.52)	(157,851.25)	-	(160,524.77)
Depreciation - Water Plant	(20,697,583.94)	-	-	(20,697,583.94)
Depreciation - Sewer Plant	(26,742,851.67)	-	-	(26,742,851.67)
Depreciation - Tanks & Wells	(10,570,620.77)	-	-	(10,570,620.77)
Depreciation - Equipment	(6,356.75)	(2,223,868.35)	-	(2,230,225.10)
Depreciation - Computer System	(317,686.83)	(94,267.38)	-	(411,954.21)
Depreciation - Mapping System	(165,000.00)	-	-	(165,000.00)
Depreciation - Radios / Communication Equipment	(1,082,526.21)	-	-	(1,082,526.21)
Depreciation - Dumpster	-	(1,023,750.23)	-	(1,023,750.23)
Depreciation - Vehicles	(1,460,773.37)	(4,043,084.52)	-	(5,503,857.89)
Depreciation - Improvements	-	(1,984,575.95)	228.67	(1,984,347.28)
Depreciation - Special Equipment	(365,395.33)	-	-	(365,395.33)
Depreciation - Lab Equipment	(68,969.00)	-	-	(68,969.00)
Depreciation - Water Treatment Equipment	(795,944.17)	-	-	(795,944.17)
Depreciation - Water Distribution Equipment	(1,790,631.58)	-	-	(1,790,631.58)
Depreciation - Manholes	(485,922.27)	-	-	(485,922.27)
Depreciation - Water Mains	(16,609,510.27)	-	-	(16,609,510.27)
Depreciation - Sewer Mains	(12,543,851.91)	-	-	(12,543,851.91)
Depreciation - Fire Hydrants	(387,439.64)	-	-	(387,439.64)
Depreciation - Meters & Meter Boxes	(302,410.83)	-	-	(302,410.83)
Depreciation - AMR System	(5,293,018.66)	-	-	(5,293,018.66)
Depreciation - City Lake	(39,349.42)	-	-	(39,349.42)
Depreciation - Other	(2,756,750.61)	-	(258,570.52)	(3,015,321.13)
Total Capital Assets (net of accumulated depreciation)	$ 80,261,167.87	$ 7,495,354.92	$ 6,957.55	$ 87,763,480.34
Deferred Outflow of Resources				
Deferred Charge on Refunding	-	-	-	-
Deferred Outflows - Pensions	315,861.00	144,435.00	14,070.00	474,366.00
Deferred Outflows - TMRS SDBF	31,820.00	14,551.00	1,417.00	47,788.00
Deferred Outflows - GRS OPEB	81,302.00	37,177.00	3,622.00	122,101.00
Total Deferred Outflow of Resources	$ 428,983.00	$ 196,163.00	$ 19,109.00	$ 644,255.00
Total Noncurrent Assets	$ 125,432,050.79	$ 20,347,252.19	$ 26,066.55	$ 145,805,369.53
Total Assets	$ 135,193,633.55	$ 26,255,153.53	$ 691,880.58	$ 162,140,667.66
Liabilities				
Current Liabilities				
Accounts Payable	(81,114.69)	(53,553.62)	(375.00)	(135,043.31)
Accrued Wages	(84,217.74)	(41,377.66)	(5,994.14)	(131,589.54)
Misc Payable	-	-	-	-
State Sales Tax Payable	-	(37,227.95)	(35.35)	(37,263.30)
Due to Nacogdoches Proud	-	(466.00)	-	(466.00)
Due to Splash Kingdom	(5,670.00)	-	-	(5,670.00)
Compensated Absences	(19,111.47)	(8,659.19)	(24,380.32)	(52,150.98)
Employees Long Term Compensation	(193,233.27)	(87,565.00)	(680.01)	(281,478.28)
Deferred Revenue - Prepaid Fuel Card	-	-	(61,134.37)	(61,134.37)
Premium on 2008 CO Bonds	-	-	-	-
Premium on 2003 Refunding Bonds	-	-	-	-
Premium on 2010 Refunding Bonds	-	-	-	-
Premium on 2012 Refunding Bonds	-	-	-	-
Due to Other Funds	-	-	-	-
Advance from General Fund	-	-	-	-
Total Current Liabilities	$ (383,347.17)	$ (228,849.42)	$ (92,599.19)	$ (704,795.78)

Nacogdoches the oldest town in Texas

		Water & Sewer Fund		Sanitation Fund		Airport Operations Fund		Total
Current Liabilities Payable from Restricted Assets								
Landfill Pit Liability		-		-		-		-
Unearned Revenue - ARPA		(5,780,870.44)		-		-		(5,780,870.44)
Revenue Bonds Payable								
2002 SRF Certificates of Obligation Current Bonds Payable		-		-		-		-
2000 Certificates Obligation Current Bonds Payable		-		-		-		-
2001 SRF Certificates of Obligation		-		-		-		-
2003 General Obligation Current Bonds Payable		-		-		-		-
2004 SRF Certificates Obligation Current Bonds Payable		(550,000.00)		-		-		(550,000.00)
2006 SRF Certificates Obligation Current Bonds Payable		(699,999.85)		-		-		(699,999.85)
2020 Refd Bond Payable Current		(2,195,000.00)		-		-		(2,195,000.00)
Accrued Interest Payable								
2004 SRF Certificates Obligation Bonds Accrued Interest		(9,625.08)		-		-		(9,625.08)
2006 SRF Certificates Obligation Bonds Accrued Interest		(5,426.59)		-		-		(5,426.59)
2008 W/S Certificates Obligation Bonds Accrued Interest		(83,972.59)		-		-		(83,972.59)
2010 General Obligation Refunding Bonds Accrued Interest		-		-		-		-
2012 General Obligation Refunding Bonds Accrued Interest		-		-		-		-
Total Current Liabilities Payable from Restricted Assets	$	(9,324,894.55)	$	-	$	-	$	(9,324,894.55)
Noncurrent Liabilities								
General Obligation Bonds Payable								
2012 General Obligation Refunding Bond Payable		-		-		-		-
2020 General Obligation Refunding Bond Payable		(16,985,000.00)		-		-		(16,985,000.00)
Revenue Bonds Payable								
2004 SRF Certificates of Obligation Bonds Payable		(1,100,000.00)		-		-		(1,100,000.00)
2006 SRF Certificates of Obligation Bonds Payable		-		-		-		-
2008 W/S Certificates of Obligation Bonds Payable		-		-		-		-
OPEB Liability								
Net Pension Liability		(393,053.00)		(179,733.00)		(17,509.00)		(590,295.00)
OPEB Liability		(594,411.00)		(271,809.00)		(26,479.00)		(892,699.00)
Deferred Inflows		(864,423.00)		(395,277.00)		(435,950.00)		(1,695,650.00)
Capital Leases Payable		-		(358,006.00)		-		(358,006.00)
Landfill Closure & Post Closure Liability		-		(5,034,369.00)		-		(5,034,369.00)
Total Noncurrent Liabilities	$	(19,936,887.00)	$	(6,239,194.00)	$	(479,938.00)	$	(26,656,019.00)
Total Liabilities	$	(29,645,128.72)	$	(6,468,043.42)	$	(572,537.19)	$	(36,685,709.33)

Net Assets

		Water & Sewer Fund		Sanitation Fund		Airport Operations Fund		Total
Net Assets								
Invested in Capital Assets, Net of Related Debt		(78,348,862.39)		(10,815,186.64)		(95,515.03)		(89,259,564.06)
Restricted for Construction		(1,482,818.77)		-		-		(1,482,818.77)
Restricted for Debt		(2,747,465.96)		-		-		(2,747,465.96)
Restricted for Equipment Replacement		-		-		-		-
Restricted for Landfill Closure		-		-		-		-
Unrestricted		(22,969,357.71)		(8,971,923.47)		(23,828.36)		(31,965,109.54)
Total Net Assets	$	(105,548,504.83)	$	(19,787,110.11)	$	(119,343.39)	$	(125,454,958.33)
Total Liabilities & Net Assets	$	(135,193,633.55)	$	(26,255,153.53)	$	(691,880.58)	$	(162,140,667.66)

Enterprise Funds Income Statement

June 2023

	Water & Sewer Fund	Sanitation Fund	Airport Operations Fund	Total
Operating Revenues				
Charges for Sales & Services				
Water Sales	7,574,910.73	-	-	7,574,910.73
Sewer Sales	6,390,427.87	-	-	6,390,427.87
Sanitation Charges	-	4,246,501.38	-	4,246,501.38
Landfill Gates Receipts	-	685,663.12	-	685,663.12
Sanitation Fuel Charge	-	285,117.98	-	285,117.98
Hangar Lease Fees	-	-	36,329.96	36,329.96
FBO Fuel Sales	-	-	484,914.21	484,914.21
FBO Miscellaneous Sales	-	-	3,034.62	3,034.62
Plumbing Permits	7,918.00	-	-	7,918.00
Water / Wastewater Permits - Inspections	13,500.00	-	-	13,500.00
Water Taps	15,640.00	-	-	15,640.00
Sewer Taps	7,810.00	-	-	7,810.00
Utility Service Fees	72,253.12	-	-	72,253.12
Gain from Disposal of Assets	-	4,332.00	-	4,332.00
Late Payment Penalties Fees	259,177.92	-	-	259,177.92
Rental Receipts	-	-	-	-
Water Miscellaneous Receipts	8,408.48	-	-	8,408.48
Sewer Miscellaneous Receipts	147,308.07	-	-	147,308.07
Receipt on Bad Accounts	20,706.46	-	-	20,706.46
Intergovernmental Receipts	-	-	-	-
Grant Receipts	-	-	-	-
Miscellaneous Receipts	13,809.04	483,347.46	10.11	497,166.61
Total Operating Revenues	$ 14,531,869.69	$ 5,704,961.94	$ 524,288.90	$ 20,761,120.53
Operating Expenses				
Water Billing	1,035,596.93	-	-	1,035,596.93
Water Production	2,228,912.01	-	-	2,228,912.01
Utility Construction	1,491,640.08	-	-	1,491,640.08
Wastewater Treatment	2,048,932.54	-	-	2,048,932.54
Sanitation Collection	-	1,748,058.79	-	1,748,058.79
Sanitation Disposal	-	751,102.94	-	751,102.94
Sanitation Administration	-	191,382.58	-	191,382.58
Airport Operations	-	-	533,496.79	533,496.79
Non - Departmental	368,992.58	300,762.07	-	669,754.65
Depreciation	-	-	-	-
Total Operating Expenses	$ 7,174,074.14	$ 2,991,306.38	$ 533,496.79	$ 10,698,877.31
Operating Income	$ 7,357,795.55	$ 2,713,655.56	$ (9,207.89)	$ 10,062,243.22
Nonoperating Revenues / (Expenses)				
Investment Earnings				
Water / Sewer Interest	626,995.65	-	-	626,995.65
Water / Sewer Reserve Interest	45,999.05	-	-	45,999.05
Water Fund Money Market	198,714.29	-	-	198,714.29
Water / Sanitation Certificate of Deposit	208,655.66	76,056.08	-	284,711.74
Water / Sewer US Treasuries Interest	90,435.50	32,683.95	-	123,119.45
Water / Sewer Debt Service Interest	97,045.11	-	-	97,045.11
Water / Sewer Construction Interest	29,418.85	-	-	29,418.85
Sanitation Fund Interest	-	233,189.96	-	233,189.96
Sanitation Fund Money Market	-	67,557.09	-	67,557.09
Airport Fund Interest	-	-	699.01	699.01
Total Investment Earnings	$ 1,297,264.11	$ 409,487.08	$ 699.01	$ 1,706,751.19

Enterprise Funds Income Statement **June 2023**

	Water & Sewer Fund	Sanitation Fund	Airport Operations Fund	Total
Investment Expenses				
Principal Payments	1,250,000.00	-	-	1,250,000.00
Interest Expense	224,954.10	-	-	224,954.10
Total Investment Expenses	$ 1,474,954.10	$ -	$ -	$ 1,474,954.10
Total Nonoperating Revenues / (Expenses)	$ (177,689.99)	$ 409,487.08	$ 699.01	$ 231,797.09
Income before Contributions & Transfers	$ 7,180,105.56	$ 3,123,142.64	$ (8,508.88)	$ 10,294,040.31
Other Financing Sources (Uses)				
Transfers In				
Transfer From General & Utility Fd	-	-	-	-
Transfer From Capital Projects	-	-	-	-
Total Transfers In	$ -	$ -	$ -	$ -
Transfers Out				
Transfer to General Fd - Overhead Cost	1,460,106.00	1,337,517.00	-	2,797,623.00
Transfer to General Fd - Franchise Fee	1,170,000.00	357,120.00	-	1,527,120.00
Transfer to Economic Development Fund	50,000.00	50,000.00	-	100,000.00
Transfer to Capital Projects Fund	-	-	-	-
Transfer to Airport Operations Fund	-	-	-	-
Total Transfers Out	$ 2,680,106.00	$ 1,744,637.00	$ -	$ 4,424,743.00
Change in Assets	$ 4,499,999.56	$ 1,378,505.64	$ (8,508.88)	$ 5,869,297.31
Beginning Net Assets	$ (101,048,505.27)	$ (18,408,604.47)	$ (127,852.27)	$ (119,584,962.01)
Ending Net Assets	$ (105,548,504.83)	$ (19,787,110.11)	$ (119,343.39)	$ (125,454,259.32)

Pledged Securities:

SOUTHSIDE BANK	
Deposits Insured by FDIC	500,000.00
Securities Pledged amount at 6/30/2023:	8,554,425.91
Total Coverage	**$ 9,054,425.91**
VERITEX BANK	
Deposits Insured by FDIC	250,000.00
Securities Pledged amount at 6/30/2023:	6,961,898.00
Total Coverage	**$ 7,211,898.00**
BANK OZK	
Deposits Insured by FDIC	250,000.00
Securities Pledged amount at 6/30/2023:	4,300,000.00
Total Coverage	**$ 4,550,000.00**
EAST WEST BANK	
Deposits Insured by FDIC	250,000.00
Securities Pledged amount at 6/30/2023:	10,290,000.00
Total Coverage	**$ 10,540,000.00**
INDEPENDENT FINANCIAL	
Deposits Insured by FDIC	250,000.00
Securities Pledged amount at 6/30/2023:	5,271,756.03
Total Coverage	**$ 5,521,756.03**
WALLIS BANK	
Deposits Insured by FDIC	250,000.00
Securities Pledged amount at 6/30/2023:	3,000,000.00
Total Coverage	**$ 3,250,000.00**
CITIZENS STATE BANK	
Deposits Insured by FDIC	250,000.00
Securities Pledged amount at 6/30/2023:	6,051,280.00
Total Coverage	**$ 6,301,280.00**

Total Pledge Securities at 6/30/2023: **$ 41,879,359.94**

Account Balances:

Cash Balance in Southside at 6/30/2023:	$ 7,213,149.61
Cash Balance in Veritex at 6/30/2023:	$ 6,766,761.57
Cash Balance in Ozk Bank at 6/30/2023:	$ 4,047,837.92
Cash Balance in East West at 6/30/2023:	$ 10,283,809.74
Cash Balance in Independent Financial at 6/30/2023:	$ 5,062,518.26
Cash Balance in Wallis at 6/30/2023:	$ 3,058,337.75
Cash Balance in Citizens State at 6/30/2023:	$ 4,053,211.16

Total Account Balances at 6/30/2023: **$ 40,485,626.01**

Pledged Securities Exceeding Bank Balances at 6/30/2023: **$ 1,393,733.93**

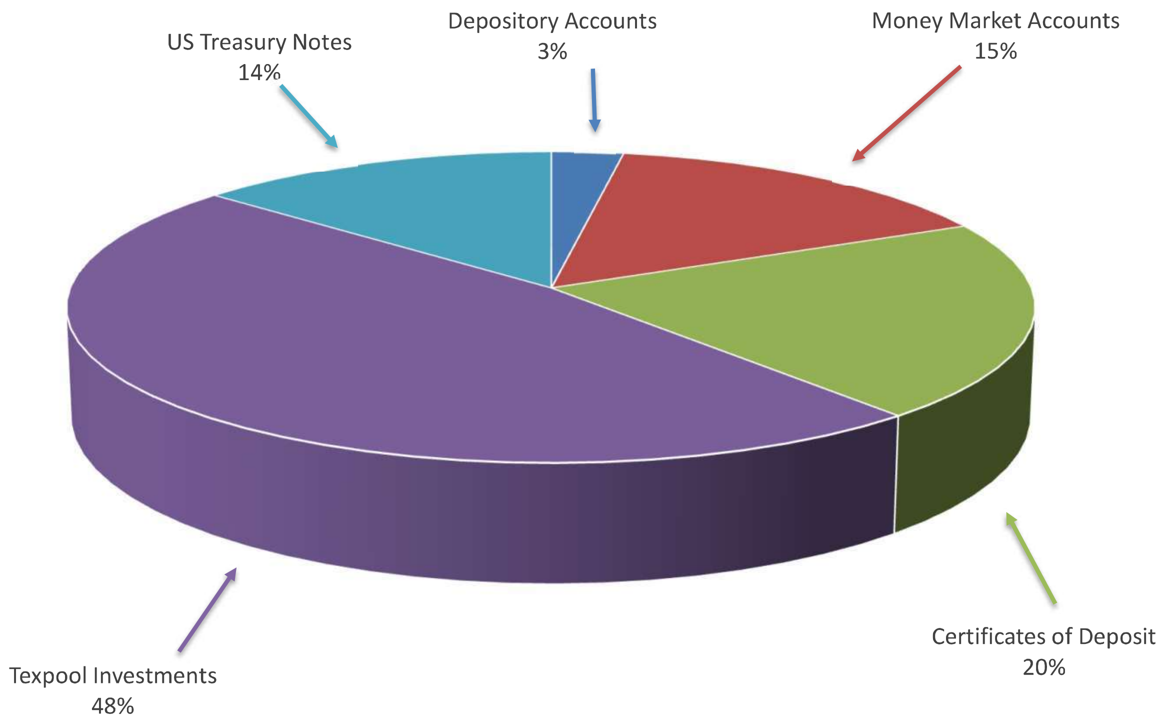
Nacogdoches the oldest town in Texas

	Amount	Rate
General Fund		
General Fund Account	323,286.23	0.650%
Restricted Cash Account	483,123.18	0.650%
Veritex Money Market Account	2,101,434.75	5.200%
Certificates of Deposit	6,124,103.99	3.806%
Texpool	6,612,233.40	5.054%
US Treasury Note	4,061,906.85	2.059%
Total:	**19,706,088.40**	
Special Revenue Fund Type		
Airport Construction Fund Account	49.15	0.650%
Economic Development Fund Account	40.23	0.650%
Forfeiture Fund Account	1,374.80	0.650%
Historical Fund Account	203.24	0.650%
Mayor's Committee on Disability Fund Account	7,074.33	0.650%
Public Safety Training Fund Account	19,187.56	0.650%
Hotel/Motel Tax Fund Account	45,788.31	0.650%
Special Grant Fund Account	141,532.14	0.650%
Street Maintenance Fund Account	19,042.81	0.650%
RLF Fund Account	6,244.46	0.650%
Texpool - Economic Development Fund	770,927.37	5.054%
Texpool - Hotel / Motel Fund	453,666.33	5.054%
Texpool - Forfeiture Fund	488,049.19	5.054%
Texpool - Historical Fund	76,738.17	5.054%
Texpool - Airport Construction Fund	264,541.14	5.054%
Texpool - Special Grant Fund	2,912,841.61	5.054%
Texpool - Street Maintenance Fund	1,191,716.34	5.054%
Texpool - RLF Fund	1,145,962.61	5.054%
Total:	**7,544,979.79**	
Debt Service Fund Type		
2016 Tax Notes Fund	-	0.650%
2020 GO Refunding Bond Fund	-	0.650%
2021 Tax Notes Bond Fund	2,416.34	0.650%
Texpool - 2012 Refunding Bond Fund	-	5.054%
Texpool - 2016 Tax Notes Fund	-	5.054%
Texpool - 2020 GO Refunding Bond Fund	-	5.054%
Texpool - 2021 Tax Notes Fund	508,714.69	5.054%
Total:	**511,131.03**	
Proprietary Fund Type		
Utility Fund Checking Account	456,140.95	0.650%
Utility Fund Restricted Cash Account	320,924.25	0.650%
Sanitation Fund Account	351,558.88	0.650%
Sanitation Fund Restricted Cash Account	145,042.15	0.650%
Sinking Fund Account	12,201.03	0.650%
W/S Revenue Bond Reserve Fund Account	163.30	0.650%
Airport Operations Account	210,661.42	0.650%
2004 SRF Construction Bond Account	-	0.650%
Southside Money Market Account	4,077,769.20	2.220%
Independent Financial Money Market Account	5,062,519.26	5.380%
Veritex Money Market Account	4,665,326.82	5.200%
Regions/Fidelity Money Market Account	-	4.230%
Certificates of Deposit - Utility Fund	9,218,490.69	3.806%
Certificates of Deposit - Sanitation Fund	6,100,602.12	3.806%
Texpool - Utility Fund	18,522,359.97	5.054%
Texpool - W/S - Utility Fund	1,456,072.89	5.054%
Texpool - S/F - Utility Fund	4,350,715.89	5.054%
Texpool - Sanitation Fund	7,123,930.27	5.054%
US Treasury Note - Utility Fund	6,060,938.00	2.059%
US Treasury Note - Sanitation Fund	2,062,876.68	2.059%
Total:	**70,198,293.77**	

	Amount	Rate
Internal Service Fund Type		
Equipment Replacement Fund Account	19,129.67	0.650%
FSA Cafeteria Plan Fund Account	262.87	0.650%
Employees Self Insurance Fund Account	236,573.19	0.650%
Texpool - Equipment Replacement Fund	1,437,109.17	5.054%
Texpool - Employees Self Insurance Fund	2,226,323.43	5.054%
US Treasury Note - Equipment Replacement Fund	1,999,030.17	2.059%
Total:	**5,918,428.50**	

	Account Type	Amount	Fund Total	% of Total
Totals of All Investments				
	Depository Accounts	2,802,020.49		2.70%
	Money Market Accounts	15,907,050.03		15.31%
	Certificates of Deposit	21,443,196.80		20.64%
	Texpool Investments	49,541,902.47		47.69%
	US Treasury Notes	14,184,751.70		13.66%
	Total:	**103,878,921.49**	**103,878,921.49**	**100%**

Investment Portfolio



City Council Meeting

Date: August 1, 2023

Agenda Item: 5.H.

PRESENTER: Pam Curbow, Finance Director

ITEM/SUBJECT: Annual review and adoption of a resolution approving the City's Investment Policy. (Director of Finance)

SUMMARY/BACKGROUND: State law requires the City Council to annually review and adopt the City's Investment Policy.

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: Pamela Curbow, Director of Finance
curbowp@nactx.us
936-559-2526

ATTACHMENTS:
1. Investment Policy
2. Resolution

CITY OF NACOGDOCHES
INVESTMENT POLICY

I. POLICY

It is the policy of the City of Nacogdoches (City) that after allowing for the anticipated cash flow requirements of the City and giving due consideration to the safety and risk of investment, all available funds shall be invested in conformance with these legal and administrative guidelines, seeking to optimize interest earnings to the maximum extent possible.

Effective cash management is recognized as essential to good fiscal management. Investment interest is a source of revenue to the City's funds. The City's investment portfolio shall be designed and managed in a manner designed to utilize this revenue source, to be responsive to public trust, and to be in compliance with legal requirements and limitations.

Investments shall be made with the primary objectives of:

* **Safety** and preservation of principal
* Maintenance of sufficient **liquidity** to meet operating needs
* **Public trust** from prudent investment activities
* **Diversification** of portfolio
* Optimization of **interest earnings** on the portfolio

II. PURPOSE

The purpose of this investment policy is to comply with Chapter 2256 of the Government Code ("Public Funds Investment Act" or "PFIA")), which requires the City to adopt a written investment policy regarding the investment of its funds and funds under its control. This Investment Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the City's funds. This Policy and investment strategies shall be reviewed annually by the Investment Committee and City Council who will formally approve any modifications.

III. SCOPE

This Investment Policy shall govern the investment of all financial assets of the City. These funds are accounted for in the City's Comprehensive Annual Financial Report and include:

- General Fund
- Special Revenue Funds
- Capital Projects Funds
- Enterprise Funds
- Internal Service Fund
- Trust and Agency Funds, to the extent not required by law or existing contract to be

kept segregated and managed separately

- Debt Service Funds, including reserves and sinking funds, to the extent not required by law or existing contract to be kept segregated and managed separately
- Any new fund created by the City, unless specifically exempted from this Policy by the City Council or by law.

This Investment Policy shall apply to all transactions involving the financial assets and related activity for all the foregoing funds. However, this Policy does not apply to the assets administered for the benefit of the City by outside agencies under deferred compensation programs.

IV. INVESTMENT OBJECTIVES

The City shall manage and invest its cash with five primary objectives, listed in order of priority: **safety, liquidity, public trust, diversification, and yield.** The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.

The City shall maintain a comprehensive cash management program, which includes collection of account receivables, vendor payments in accordance with invoice terms, and prudent investment of available cash. Cash management is defined as the process of managing monies in order to ensure maximum cash availability and optimize earnings on short-term investment of idle cash.

A. **Safety** [*PFIA 2256.005*(*b*)(*2*)]

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit and interest rate risk.

1. Credit Risk – The City will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, by:
    - Limiting investments to the safest types of investments
    - Pre-qualifying the financial institutions and broker/dealers with which the City will do business
    - Diversifying the investment portfolio so that potential losses on individual issuers will be minimized.

2. Interest Rate Risk – the City will minimize the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates, by:
    - Structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
    - Investing operating funds primarily in certificates of deposit, shorter-term securities, money market mutual funds, or local government investment pools functioning as money market mutual funds.
    - Diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

B. **Liquidity** [*PFIA 2256.005*(*b*)(*2*)]

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs to meet anticipated demands. Because all possible cash demands cannot be anticipated, a portion of the portfolio will be invested in demand or money market accounts, shares of money market mutual funds or local government investment pools that offer same-day liquidity.

C. Public Trust

All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Investment officers shall avoid any transaction that might impair public confidence in the City's ability to govern effectively.

D. Diversification

Investment maturities shall be staggered to provide cash flow based on the anticipated needs of the City. Diversifying the appropriate maturity structure will reduce market cycle risk.

E. **Yield** [*PFIA 2256.005*(*b*)(*3*)]

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

V. INVESTMENT STRATEGY FOR SPECIFIC FUNDS

The overall strategy of the City's investment objective shall be to ensure a) the understanding of suitability of investment to the financial requirements of the City, b) preservation and safety of principal, c) liquidity, d) marketability of the investment, if the need arises to liquidate the investment before maturity, e) diversification of the investment portfolio; and f) yield.

The City maintains portfolios which utilize four specific investment strategy considerations designed to address the unique characteristics of the fund groups represented in the portfolios:

A. Operating Funds

Suitability - Any investment eligible in the Investment Policy is suitable for Operating Funds.

Safety of Principal - All investments shall be of high quality with no perceived default risk. Market price fluctuations will occur. However, managing the weighted average days to maturity to less than 180 days and restricting the maximum allowable maturity to two years using the final stated maturity dates of each investment will minimize the price volatility of the portfolio.

Marketability - Securities with active and efficient secondary markets are necessary in the event of an unanticipated cash flow requirement.

Liquidity - Operating Funds require short-term liquidity to adequately fund any unanticipated cash outflow. Short-term financial institution deposits, investment pools and money market mutual funds will provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

Diversification - Investment maturities should be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the City. Diversifying the appropriate maturity structure up to the two-year maximum will reduce interest rate risk.

Yield - Attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury Bill portfolio will be the minimum yield objective.

B. Debt Service Funds

Suitability - Any investment eligible in the Investment Policy is suitable for the Debt Service Fund.

Safety of Principal - All investments shall be of high quality with no perceived default risk. Market price fluctuations may occur. However, by managing Debt Service Funds to not exceed the debt service payment schedule, the market risk of the overall portfolio will be minimized.

Marketability - Securities with active and efficient secondary markets are not necessary as the event of an unanticipated cash flow requirement is not probable.

Liquidity - Debt Service Funds have predictable payment schedules. Therefore, investment maturities should not exceed the anticipated cash flow requirements. Cash equivalent investments may provide a competitive yield alternative for short term fixed maturity investments. A singular repurchase agreement may be utilized if disbursements are allowed in the amount necessary to satisfy any debt service payment. This investment structure is commonly referred to as a flexible repurchase agreement.

Diversification - Market conditions influence the attractiveness of fully extending maturity to the next “unfunded” payment date. Generally, if investment rates are anticipated to decrease over time, the City is best served by locking in most investments. If the interest rates are potentially rising, then investing in shorter and larger amounts may provide advantage. At no time shall the debt service schedule be exceeded in an attempt to bolster yield.

Yield - Attaining a competitive market yield for comparable investment-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury Bill portfolio shall be the minimum yield objective.

C. Debt Service Reserve Funds

Suitability - Any investment eligible in the Investment Policy is suitable for Debt Service Reserve Funds. Bond resolution and loan documentation constraints and insurance company restrictions may create specific considerations in addition to the Investment Policy.

Safety of Principal - All investments shall be high quality with no perceived default risk. Market price fluctuations will occur. However, managing Debt Service Reserve Fund maturities to not exceed the call provisions of the borrowing reduces the investment's market risk if the City's debt is redeemed and the Reserve Fund liquidated. No stated final investment maturity shall exceed the shorter of the final maturity of the borrowing or five years. Annual mark-to-market requirements or specific maturity and average life limitations within the borrowing's documentation will influence the attractiveness of market risk and reduce the opportunity for maturity extension.

Marketability - Securities with less active and efficient secondary markets are acceptable for Debt Service Reserve Funds.

Liquidity – Debt Service Reserve Funds have no anticipated expenditures. The Funds are deposited to provide annual debt service payment protection to the City's debt holders. The funds are "returned" to the City at the final debt service payment. Market conditions and arbitrage regulation compliance determine the advantage of investment diversification and liquidity. Generally, if investment rates exceed the cost of borrowing, locking in investment maturities and reducing liquidity best serve the City. If the borrowing cost cannot be exceeded, then concurrent market conditions will determine the attractiveness of locking in maturities or investing shorter and anticipating future increased yields.

Diversification - Market conditions and the arbitrage regulations influence the attractiveness of staggering the maturity of fixed rate investments for Debt Service Reserve Funds. At no time shall the final debt service payment date of the bond issue be exceeded in an attempt to bolster yield.

Yield - Achieving a positive spread to the applicable borrowing cost is the desired objective. Debt Service Reserve Fund portfolio management shall at all times operate within the limits of the Investment Policy's risk constraints.

D. Capital Project and Special Purpose Funds

Suitability - Any investment eligible in the Investment Policy is suitable for Capital Project and Special Purpose Funds.

Safety of Principal – All investments will be of high quality with no perceived default risk. Market fluctuations may occur. However, by restricting the maximum maturity to the lesser of the anticipated cash flow requirements or the IRS defined temporary period, the market risk of the portfolio will be minimized.

Marketability - The balancing of short-term and long-term cash flow needs requires the Capital Project and Special Purpose Funds portfolio to have securities with active and efficient secondary markets.

Liquidity - Capital Project and Special Purpose Funds used as part of a CIP plan or scheduled repair and replacement program are reasonably predictable. However, unanticipated needs or emergencies may arise. Maintaining minimum cash equivalent investment amounts will reduce the liquidity risk of unanticipated expenditures. A singular repurchase agreement may be utilized if disbursements are allowed in the amount necessary to satisfy any required expenditures. This investment structure is commonly referred to as a flexible repurchase agreement.

Diversification - Investment maturities should blend the short-term and long-term cash flow needs to provide adequate liquidity, yield enhancement and stability.

Yield - Attaining a competitive market yield for comparable investment-types and portfolio structures is the desired objective. The yield of an equally weighted, rolling six-month Treasury Bill portfolio will be the minimum yield objective.

VI. RESPONSIBILITY AND CONTROL

A. **Delegation of Authority** [*PFIA 2256.005*(*f*)]

In accordance with the Public Funds Investment Act, the Council designates the Director of Finance and Assistant Director of Finance as the City's Investment Officers. An Investment Officer is authorized to execute investment transactions on behalf of the City.
No person may engage in an investment transaction or the management of City's funds except as provided under the terms of this Investment Policy as approved by the Council. The investment authority granted to the investing officer is effective until rescinded by the Council.

B. Investment Committee

An Investment Committee, consisting of the Director of Finance, Assistant Director of Finance, and the City Manager shall meet periodically to determine operational strategies and to monitor results. The Investment Committee shall include in its deliberation such topics as: performance reports, economic outlook, portfolio diversification, maturity structure, potential risk to the City's funds, authorized brokers and dealers, eligible investment training sources, and the target rate of return on the investment portfolio.

C. **Training Requirement** *[PFIA 2256.008]*

In accordance with the Public Funds Investment Act, and to ensure qualified and capable investment management, the Investment Officers shall attend investment training no less often than once every two years commencing September 1, 1997 and accumulating not less than 8 hours of instruction relating to investment responsibilities. A newly appointed Investment Officer must attend training accumulating at least 10 hours of instruction within twelve months of the date the Officer took office or assumed the Officer's duties. The investment training session shall be provided by an independent source approved by the designated Investment Committee. For purposes of this Policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institution of higher education or any other sponsor other than a business organization with whom the City may engage in an investment transaction.

D. Internal Controls

The Director of Finance is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Director of Finance shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Avoidance of collusion.
- Separation of transaction authority from accounting and record keeping.
- Custodial safekeeping.
- Avoidance of physical delivery securities.
- Clear delegation of authority to subordinate staff members.
- Written confirmation for telephone (voice) transactions for investments and wire transfers.
- Development of a wire transfer agreement with the depository bank or third-party custodian.

E. **Prudence** [*PFIA 2256.006]*

The standard of prudence to be applied by the Investment Officers shall be the "prudent investor" rule. This rule states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- The investment of all funds, or funds under the City's control, over which the Officer had responsibility rather than a consideration as to the prudence of a single investment.
- Whether the investment decision was consistent with the written approved investment policy of the City.

F. Indemnification

An Investment Officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific investment's credit risk or market price changes, provided that these deviations are reported immediately and the appropriate action is taken to control adverse developments

G. Ethics and Conflicts of Interest [*PFIA 2256.005*(*i*)]

City staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions. City staff shall disclose to the City Manager any material financial interest in financial institutions that conduct business with the City and they shall further disclose positions that could be related to the performance of the City's portfolio. City staff shall subordinate their personal financial transactions to those of the City, particularly with regard to timing of purchase and sales.

A City Investment Officer who has a personal business relationship with an organization seeking to sell an investment to the City shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Council and the City Council.

VII. SUITABLE AND AUTHORIZED INVESTMENTS

A. Portfolio Management

The City currently has a "buy and hold" portfolio strategy. Maturity dates are matched with cash flow requirements and investments are purchased with the intent to be held until maturity. However, investments may be liquidated prior to maturity for the following reasons:

- An investment with declining credit may be liquidated early to minimize loss of principal.
- Cash flow needs of the City require that the investment be liquidated.

B. **Investments** [*PFIA 2256.005*(*b*)(*4*)(*A*)]

The City funds governed by this policy may be invested in the instruments described below, all of which are authorized by the Public Funds Investment Act. Investment of the City funds in any instrument or security not authorized for investment under the Act is prohibited. The City will not be required to liquidate an investment that becomes unauthorized subsequent to its purchase.

I. Authorized

1. Direct obligations, including letters of credit, of the United States of America, its agencies and instrumentalities, including the Federal Home Loan Banks.

2. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the United States of America, or its agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.

3. Obligations of the State of Texas or its agencies and instrumentalities, and obligations of counties, cities, and other political subdivisions of this State rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

4. Fully insured or collateralized certificates of deposit issued by a depository institution organized under Texas law, the laws of another state, or federal law, that has its main office or a branch office in Texas, that is guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or secured by obligations in a manner and amount provided by law for deposits of the City.

5. Fully collateralized direct repurchase agreements with a defined termination date secured by a combination of cash and obligations of the United States or its agencies and instrumentalities. These shall be pledged to the City, held in an account in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution

doing business in Texas. A Master Repurchase Agreement, or similar agreement, must be signed by the dealer/financial institution prior to investment in a repurchase agreement. Securities received for repurchase agreements must have a market value greater than or equal to 102 percent at all times.

6. Money Market Mutual funds that comply with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.) and are rated AAA by at least one nationally recognized rating service and seek to maintain a net asset value of $1.0000 per share.

7. Local government investment pools, which 1) meet the requirements of the Public Funds Investment Act, 2) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, 3) seek to maintain a $1.00 net asset value, and 4) are authorized by resolution or ordinance by the Council.

All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating. (*PFIA 2256.021*)

II. Not Authorized

The City's authorized investments options are more restrictive than those allowed by State law. The City's requirements specifically prohibit investment in the following investment securities.

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.

2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.

3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.

4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

5. Reverse repurchase agreements

6. International investment instruments.

VIII. INVESTMENT PARAMETERS

A. **Maximum Maturities** [*PFIA 2256.005*(*b*)(*4*)(*B*)]

The longer the maturity of securities, the greater their price volatility. Therefore, it is the City's policy to utilize shorter-term securities in order to limit principal risk caused by changes in interest rates.

The City attempts to match its investments with anticipated cash flow requirements. The City will not directly invest in maturities greater than those outlined in V. Investment Strategy for Specific Funds; however, the above-described obligations, certificates, or agreements may be collateralized using longer dated investments.

Because no secondary market exists for repurchase agreements, the maximum maturity shall be 120 days except in the case of a flexible repurchase agreement for bond proceeds.

The maximum maturity for such an investment shall be determined in accordance with project cash flow projections and the requirements of the governing bond ordinance.

The composite portfolio will have a weighted average maturity of 365 days or less. This dollar-weighted average maturity will be calculated using the stated final maturity dates of each security. *[PFIA 2256.005(b)(4)(C)]*

B. **Diversification** [*PFIA 2256.005*(*b*)(*3*)]

The City recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification that shall be achieved by the following general guidelines:

- Limiting investments to avoid overconcentration in investments from a specific issuer or business sector,
- Limiting investment in investments that have higher credit risks (example: commercial paper),
- Investing in investments with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as demand and money market accounts, local government investment pools (LGIPs), money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

IX. SELECTION OF BANKS AND DEALERS

A. **Primary Depository** (*Chapter_105, Texas Local Government Code*)

At least every five (5) years a Depository shall be selected through the City's banking services procurement process, which shall include a formal request for application (RFA). The selection of a primary depository will be determined by competitive process and thorough evaluation that is most advantageous to the City, and will be generally based on the following selection criteria:

- The ability to qualify as a depository for public funds in accordance with state law.
- The ability to provide requested information or financial statements for the periods specified.
- The ability to meet all requirements in the primary depository RFA.
- Complete response to all required items on the application.
- Favorable net banking service cost/benefit, consistent with the ability to provide an appropriate level of service.
- The credit worthiness and financial stability of the bank.

The City reserves the right to place deposits with other financial institutions for diversification and investment purposes, or to utilize a service not reasonably available through the primary depository.

B. **Authorized Broker/Dealers** [*PFIA 2256.025]*

The City's Investment Committee shall, at least annually, review, revise, and adopt a list of qualified broker/dealers authorized to engage in securities transactions with the City. Those firms that request to become qualified broker/dealers for securities transactions will be required to provide information regarding creditworthiness, experience, and reputation.
Authorized firms may include primary dealers or non-primary dealers that qualify under Securities & Exchange Council Rule 15C3-1 (Uniform Net Capital Rule).

C. Competitive Environment

A competitive yield environment shall be achieved by soliciting quotes from multiple investment providers, monitoring comparable investment alternatives, and reviewing general market conditions.

When appropriate, bids or offers must be solicited for all individual security transactions. The City's investment advisor is also required to solicit bids or offers when transacting trades on the City's behalf. In the case of a certificate of deposit placement, competitive offers should provide a comparison. The quotes may be accepted orally, in writing, electronically, or any combination of these methods. These guidelines shall take into consideration the investment type, maturity date, amount, and potential disruptiveness to the City's investment strategy.

The Director of Finance shall develop and maintain procedures for ensuring a competition in the investment of the City's funds.

D. **Delivery vs. Payment** [*PFIA 2256.005*(*b*)(*4*)(*E*)]

Securities shall be purchased using the **delivery verses payment** method of settlement. Funds will be released after the purchased security has been received.

E. **Business Organizations** [*PFIA 2256.005*(k)]

All investment pools and discretionary investment management firm (e.g. business organizations) must acknowledge that the business organization has received and reviewed the City's investment policy and that reasonable procedures and controls have been implemented to preclude investment transactions that are not authorized by the City's policy except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio, requires an interpretation of subjective investment standards, or relates to investment transactions of the City that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

X. SAFEKEEPING OF SECURITIES AND COLLATERAL

A. Safekeeping and Custodian Agreements (*Best Practice*)

The City shall contract with a financial institution for the safekeeping of securities owned by the City as part of its investment portfolio. Securities owned by the City shall be held in an account in the City's name as evidenced by safekeeping receipts of the institution holding the securities.

Collateral for deposits will be held by a third-party custodian designated by the City and pledged to the City as evidenced by safekeeping receipts of the institution with which the collateral is deposited. Original safekeeping receipts shall be obtained. Collateral may be held by the depository institution's trust department, a Federal Reserve Bank or branch of a Federal Reserve Bank, a Federal Home Loan Bank, or a third-party Custodian approved by the City.

B. Collateral Policy (*PFCA 2257.023*)

Consistent with the requirements of the Public Funds Collateral Act ("PFCA"), it is the policy of the City to require full collateralization of all City funds on deposit with a depository institution. Deposits secured with irrevocable letters of credit shall have 100% of principal plus anticipated interest of the deposit, less any amount insured by the FDIC. Deposits secured with pledged marketable securities shall have a market value equal to or greater than 102% of the principal plus accrued interest of the deposit, less any amount insured by the FDIC. All deposits shall be insured or collateralized in compliance with applicable State law. The City reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards financial institution deposits. Financial institutions serving as City Depositories will be required to sign a depository agreement with the City.

Securities pledged as collateral shall be held by an independent third party with whom the City has a current custodial agreement. The Director of Finance is responsible for entering into collateralization agreements in compliance with this Policy. The agreements are to specify the acceptable investment securities for collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities, and the method of valuation of securities.

The custodial portion of the agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing, and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- the agreement must be in writing;
- the agreement has to be executed by the depository and the City contemporaneously with the acquisition of the asset;
- the agreement must be approved by the board of directors or the loan committee of the depository and a copy of the meeting minutes must be delivered to the City, and
- the agreement must be part of the depository's "official record" continuously since its execution.

A clearly marked evidence of pledge (pledge receipt) must be supplied to the City and retained. Collateral shall be reviewed at least monthly to assure that the market value of the pledged securities is adequate.

C. Collateral Defined

The City shall accept only the following types of collateral:

1. Direct obligations of the United States of America or its agencies and instrumentalities.
2. Direct obligations of the state of Texas or its agencies and instrumentalities.
3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States of America, the underlying security for which is guaranteed by an agency or instrumentality of the United States of America.
4. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized rating firm not less than A or its equivalent with a remaining maturity of ten (10) years or less.
5. Federal Deposit Insurance Corporation (FDIC) Insurance Coverage.
6. A surety bond issued by an insurance company rated as to investment quality by a nationally recognized rating firm not less than A.
7. A letter of credit issued to the City by a Federal Home Loan Bank.

D. Subject to Audit

All collateral shall be subject to inspection and audit by the City or the City’s independent auditors.

XI. PERFORMANCE

A. Performance Standards

The City's investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio shall be designed with the objective of obtaining a rate of return through budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow requirements of the City. Weighted average yield to maturity shall be the performance measurement standard.

B. Performance Benchmark (*Best Practice*)

It is the policy of the City to purchase investments with maturity dates coinciding with cash flow needs. Through this strategy, the City shall seek to optimize interest earnings utilizing allowable investments available on the market at that time. Market value will be calculated on a quarterly basis on all securities owned and compared to current book value. The City's portfolio shall be designed with the objective of regularly meeting or exceeding the average rate of return on U.S. Treasury Bills at a maturity level comparable to the City's weighted average maturity in days.

XII. REPORTING

The Investment Officers shall prepare an investment report on a quarterly basis that summarizes investment strategies employed in the most recent quarter, describes the portfolio in terms of investments and maturities, and shall explain the total investment return for the quarter.

The quarterly investment report shall include a summary statement of investment activity. This summary will be prepared in a manner that will allow the City to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report will be provided to the Council. The report will include the following:

- A listing of individual investments held at the end of the reporting period.
- Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of investments for the period.
- Additions and changes to the market value during the period.
- Average weighted yield to maturity of portfolio as compared to applicable benchmark.
- Listing of investments by maturity date.
- Fully accrued interest for the reporting period
- The percentage of the total portfolio that each type of investment represents.
- Statement of compliance of the City's investment portfolio with state law and the investment strategy and policy approved by the Council.
- Signatures of the Investment Officers.

In conjunction with the annual audit, independent auditor will perform a formal review of the quarterly reports with the results reported to the City Council [*PFIA 2256.023*(*d*)].

Monitoring [*PFIA 2256.005*(*b*)(*4*)(*D*)]

Market value of all securities in the portfolio will be determined on a quarterly basis. These values will be obtained from a reputable and independent source. The City shall monitor the rating of each issuer, as applicable, at least quarterly, and take all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating.

XIII. INVESTMENT POLICY ADOPTION

The City's Investment Policy shall be adopted by resolution of the City Council. It is the City's intent to comply with state laws and regulations. The City's Investment Policy shall be subject to revisions consistent with changing laws, regulations, and needs of the City. The Council shall adopt a resolution stating that it has reviewed the Policy and investment strategies annually, approving any changes or modifications. [*PFIA 2256.005*(*e*)]

RESOLUTION NO. 1346-08-23

RESOLUTION OF CITY COUNCIL APPROVING CITY OF NACOGDOCHES, TEXAS INVESTMENT POLICY.

WHEREAS, the investment policy applies to the investment activities of the City of Nacogdoches serving to satisfy statutory requirements of Texas Government Code Chapter 2256 ("Public Funds Investment Act") and Chapter 2257 ("Public Funds Collateral Act") to define and adopt a formal investment policy; and

WHEREAS, City Council must approve investment policy, with necessary revisions, at least annually; and

WHEREAS, City of Nacogdoches has complied by maintaining the Investment Policy and updating it in accordance with legislative mandate. Director of Finance has reviewed and updated, when necessary, the Investment Policy to incorporate Public Funds Investment Act revisions and improved business practices; and

NOW THEREFORE, IT IS RESOLVED by the City Council of the City of Nacogdoches, Texas, that the City of Nacogdoches Investment Policy, attached hereto, is hereby adopted as the official policy of the City of Nacogdoches and shall replace the existing Investment Policy. This policy shall be effective August 1, 2023.

PASSED AND APPROVED, this the 1st day of August, 2023.

By: ______________________________
Randy Johnson, Mayor

ATTEST:

____
Jan Vinson, City Secretary

APPROVED AS TO FORM:

____
Scott Bounds, Olson & Olson, City Attorney

APPROVED AS TO CONTENT:

____
Pam Curbow, Director of Finance

City Council Meeting

Date: August 1, 2023

Agenda Item: 6.A.

PRESENTER: Wayne Mitchell, Chamber of Commerce and Grace Handler, Blueberry Festival Chair

ITEM/SUBJECT: Receive presentation on the 2023 Texas Blueberry Festival. (Wayne Mitchell, Chamber of Commerce and Grace Handler, Blueberry Festival Committee)

SUMMARY/BACKGROUND: The Texas Blueberry Festival is the only state-sanctioned blueberry festival in Texas. The festival includes the Blueberry Bluegrass Concert, Running of the Blueberries, food and art vendors, contests, tournaments and thousands of pounds of blueberries for sale.

This presentation will include economic impact estimates, event attendance, in-kind support, and sponsorships. The City of Nacogdoches serves as a high level sponsor for this event and offers in-kind support from multiple City departments, including Public Works, Communications, Parks & Recreation, Waste Water, and Maintenance.

FINANCIAL:
No financial impact associated with this item

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES
Downtown Entertainment and Destination District and Economic Development

CITY CONTACT: Jan Vinson, City Secretary
vinsonj@nactx.us
936-559-2504

ATTACHMENTS: 1. PowerPoint Presentation

Nacogdoches County Chamber of Commerce

33RD ANNUAL TEXAS BLUEBERRY FESTIVAL

presented by

TIPTON Ford
Nacogdoches, TX

THANK YOU TO THE CITY OF NACOGDOCHES!

Because of your support…

- **Nacogdoches Hotels, Restaurants & local businesses were filled!**
- **Thousands of our residents enjoyed a wonderful day!**
- **Nacogdoches was treated to great music and entertainment!**
- **We celebrated our diverse cultures!**
- **We attracted visitors to our area from all over!**
- **We promoted the Texas Blueberry Industry to America!**
- **We were able to provide a safe and exciting family event!**

WHAT WAS NEW?

1. Presenting sponsor Tipton Ford offered festival guests a new attraction: The Ford Bronco Raptor Simulator
2. New Cool Zones provided by KAVX/KSWP Christian Radio and Ferrara's Heating & Air Conditioning
3. The Blueberry Cupcake Battle shared a new space with Cookin' Up the Blues chefs – in Regions Bank community room.
4. A new treat - the Blueberry Red Bull Melt Down by Grandough Bakery was offered at the Blueberry Soda & Sweet Shoppe.
5. A new People's Choice Award was added to the Vehicle Funcase Car Show. Plus, this year's car show spotlighted impressive 1 Way Diesel Performance builds.
6. Touch a Tractor for kids of all ages was a new event in Festival Park.

UNIQUE EXPERIENCES

Live Stage Entertainment

- Rhythm Rocker Cloggers
- Emily Atchison
- Never Brothers
- SUMMIT
- Silo Soul
- Cole Stephens
- Logan Tucker
- Brandon Tyler

Photo Ops

- Ford F1 Festival Truck
- Pet Parade
- Pie Eating Contests

BUSINESS PROMOTION & MEDIA ATTENTION

In addition to the Texas Blueberry Festival and Blueberry Bluegrass Concert in the Park, the Chamber enjoyed promoting all of the blueberry activities that were going on in Nacogdoches before and after the blueberry celebration weekend. We support businesses in Nacogdoches County and encourage more to bring blueberry into their business!

The Chamber works with local media to promote the festival weekend in the local East Texas market. We appreciate the support from KTRE-TV, The Daily Sentinel, KSWP/KAVX Christian Radio, Townsquare Media, 103 The Bull.

We greatly appreciate the partnership with Sherry Morgan and the Visit Nacogdoches team. They have access to markets state-wide and beyond.

The Texas Blueberry Festival is an attractive public event that catches media attention. It's a good way to bring positive attention to Nacogdoches.

WE CAN'T DO IT WITHOUT PARTNERS!

Tipton Ford

City of Nacogdoches
Keep Nacogdoches Beautiful
Optimum
Badders Law Firm
Eaton Cooper Power Systems
Pilgrim's
RV Outfitters of Texas
The Blueberry Place
Brookshire Brothers
Nacogdoches Kiwanis Club
SFASU Hospitality
Texas A&M Agrilife Extension
Visit Nacogdoches

City of Nac Parks & Recreation
A&P Inflatables
Family Crisis Center of E. Tx
H2O All Surface Pros
KAVX/KSWP Christian Radio
National 42 Players Association
Regions Bank
Ted Smith State Farm
The Blueberry Place
The Salvation Army
Old Town Pickleball
Sasquatch Off Road Adventure Club

WE CAN'T DO IT WITHOUT SPONSORS!

Blue Diamond Sponsor

Tipton Ford

Blue Sapphire

Optimum

Blue Topaz Sponsor

Badders Law Firm

Eaton Cooper Power Systems

Pilgrim's Pride Nacogdoches

RV Outfitters of Texas

Festival Bag Sponsor

UBank

Blue True Sponsors

Alamo Realty
Austin Bank
Cadence Bank
Etech
Tom Belanger, Attorney At Law
Around the Town
The Daily Sentinel
103 The Bull - KJCS FM
Townsquare Media
KETK & Fox51
KTRE - TV

Blue Ribbon Sponsors

CAB Incorporated – Texas Manufacturing Division
Meadow Ridge Outdoors
Nacogdoches Memorial Hospital
Pro Star Rental
Regions Bank
University Rental

Blue Sky Sponsors

Citizens 1st Bank
Excel ER
Goodwill Industries of Central East Texas
Harry's Building Materials, Inc.
M & S Pharmacy
McWilliams & Son Heating and Air Conditioning
Raising Cane's Chicken Fingers
Southside Bank
Strickland Plumbing & HVAC, Inc.
Stripling's Pharmacy
Vexus Fiber

WE CAN'T DO IT WITHOUT OUR VOLUNTEERS!

The Nacogdoches Chamber thanks our hundreds of volunteers that contributed thousands of hours during the planning process and the days of the event!

Without you, this event would be impossible to host!

Planning has already started for the 2024 event and we look forward to another outstanding Texas Blueberry Festival!

Plan to attend

34th Annual Texas Blueberry Festival

presented by Tipton Ford

June 8, 2024

Nacogdoches
the oldest town in Texas

City Council Meeting

Date: August 1, 2023

Agenda Item: 6.B.

PRESENTER: Randy Johnson, Mayor

ITEM/SUBJECT: Consider appointing additional members to the Historic Landmark Preservation Committee. (Mayor)

SUMMARY/BACKGROUND: City Council conducted interviews for various City Boards/Commission June 28-30, 2023. City Council determined that the Historic Landmark Preservation Committee would benefit from appointing additional members. The membership composition is set by ordinance. Therefore, an ordinance amendment was necessary to make changes to the membership composition.

Ordinance No.1974-08-23 was presented in Consent Agenda Item 5.C. of this agenda. If approved additional appointments will be made.

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: Jan Vinson, City Secretary
vinsonj@nactx.us
936-559-2504

ATTACHMENTS:

City Council Meeting

Date: August 1, 2023

Agenda Item: 6.C.

PRESENTER: Pam Curbow, Finance Director

ITEM/SUBJECT: Discussion regarding proposed 2023-2024 budget.(Director of Finance)

SUMMARY/BACKGROUND: Discussion regarding proposed 2023-2024 budget.

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: Pam Curbow, Director of Finance
curbowp@nactx.us
936-559-2526

ATTACHMENTS:

City Council Meeting

Date: August 1, 2023

Agenda Item: 6.D.

PRESENTER: Pam Curbow, Finance Director

ITEM/SUBJECT: Set public hearing dates for both budget and tax rate. (Director of Finance)

SUMMARY/BACKGROUND: Set public hearing dates for the 2023-2024 budget and proposed tax rate.

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: Pamela Curbow, Director of Finance
curbowp@nactx.us
936-559-2526

ATTACHMENTS: 1. Presentation

Set Public Hearing Dates

August 1, 2023

Nacogdoches
the oldest town in Texas

- Sept. 5 Public Hearing–Budget
- Sept. 12 Public Hearing - Tax Rate

Nacogdoches
the oldest town in Texas

Nacogdoches
the oldest town in Texas

City Council Meeting

Date: August 1, 2023

Agenda Item: 7.A.

PRESENTER: Larissa Philpot-Brown, Economic Development Director

ITEM/SUBJECT: Deliberation regarding Economic Development negotiations under Government Code Section 551.087 as follows:

1. Discuss or deliberate regarding commercial or financial information the governmental body has received from business prospects that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; and
2. Deliberate the offer of financial or other incentives to business prospects described by Subdivision 1 above.

SUMMARY/BACKGROUND:

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: Larissa L. Philpot-Brown, Economic Development Director
lphilpot@nedco.org
936-559-1255

ATTACHMENTS:

City Council Meeting

Date: August 1, 2023

Agenda Item: 7.B.

PRESENTER: Randy Johnson, Mayor

ITEM/SUBJECT: Personnel Matters – Pursuant to Texas Government Code Section 551.074, deliberations regarding the appointment or employment of a public officer or employee. The subject of this executive session is the City Manager search.

SUMMARY/BACKGROUND:

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: Jan Vinson, City Secretary
vinsonj@nactx.us
936-559-2504

ATTACHMENTS: